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Return of Organization Exempt From Income Tax

OMB No 1545-0047

2011

Department of the Treasury
Internal Revenue ServiceUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements

Open to Public
Inspection

A For the 2011 calendar year, or tax year beginning 7/01, 2011, and ending 6/30, 2012

B Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☒ Terminated
☒ Amended return
☐ Application pending

C Developmental Disabilities Resources Inc
9822 Albemarle Road
Charlotte, NC 28227

D Employer identification number 56-2152535

E Telephone number (704) 573-9777

G Gross receipts \$ 13,797,513.

F Name and address of principal officer: Same As C Above

H(a) Is this a group return for affiliates? ☐ Yes ☒ No
H(b) Are all affiliates included? ☐ Yes ☒ No
 If 'No,' attach a list (see instructions)

I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: WWW.DDRINC.ORG

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation 1999

M State of legal domicile NC

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: At DDR, we understand the diverse and unique needs of individuals with disabilities and the challenges that their families face to ensure lifelong quality care of their loved ones. We believe in the importance of providing options to people with disabilities. We realize the

2 Check this box ☒ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3 Number of voting members of the governing body (Part VI, line 1a) 3 2

4 Number of independent voting members of the governing body (Part VI, line 1b) 4 0

5 Total number of individuals employed in calendar year 2011 (Part V, line 2a) 5 54

6 Total number of volunteers (estimate if necessary) 6 0

7a Total unrelated business revenue from Part VIII, column (C), line 2 7a 0.

7b Net unrelated business taxable income from Form 990-E, line 24 7b 0.

Revenue

8 Contributions and grants (Part VIII, line 1h) 13,729,741.11 13,750,831.11

9 Program service revenue (Part VIII, line 2g) 44,999. 39,440.

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 7,356. 7,242.

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 13,782,096. 13,797,513.

12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (C), line 2) 1,710,900.

Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) 2,934,383. 3,382,488.

14 Benefits paid to or for members (Part IX, column (A), line 4)

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)

16a Professional fundraising fees (Part IX, column (A), line 11e)

b Total fundraising expenses (Part IX, column (D), line 25)

17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 10,746,235. 12,572,452.

18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 13,680,618. 17,665,840.

19 Revenue less expenses Subtract line 18 from line 12 101,478. -3,868,327.

Net Assets or Fund Balances

20 Total assets (Part X, line 16) Beginning of Current Year 4,308,574. End of Year 0.

21 Total liabilities (Part X, line 26) 440,247. 0.

22 Net assets or fund balances Subtract line 21 from line 20. 3,868,327. 0.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer: Gina C. Lemons Date: _____

Type or print name and title: Gina C. Lemons Executive Direc

Paid Preparer Use Only

Print/Type preparer's name: Terry W. Lancaster Preparer's signature: [Signature] Date: 1/2/14

Firm's name: C. DeWitt Eard & Co., PA, CPAs Check ☐ if self-employed PTIN: P00096087

Firm's address: 1001 Morehead Square Dr., Ste. 450 Firm's EIN: 56-1688300

Charlotte, NC 28203 Phone no: 704-372-1515

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

BAA For Paperwork Reduction Act Notice, see the separate instructions.

TEEA0113L 08/18/11

Form 990 (2011)

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)

2011

Open to Public
InspectionDepartment of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

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I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527					
J Website: ▶ WWW.DDRINC.ORG					
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Part I Summary												
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Part II Signature Block				
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
Sign Here	 Signature of officer	Date		
	Gina C. Lemons		Executive Direc	
	Type or print name and title			
Paid Preparer Use Only	Print/Type preparer's name Terry W. Lancaster	Preparer's signature 	Date 4/2/19	Check <input type="checkbox"/> if self-employed PTIN P00096087
	Firm's name C. DeWitt Ford & Co., PA, CPAs			
	Firm's address 1001 Morehead Square Dr., Ste. 450 Charlotte, NC 28203		Firm's EIN ▶ 56-1688300	Phone no 704-372-1515

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

☒

1 Briefly describe the organization's mission

See Schedule O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

☐ Yes ☒ No

If 'Yes,' describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

☐ Yes ☒ No

If 'Yes,' describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code 710000) (Expenses \$ 14,995,143. including grants of \$ 1,710,900.) (Revenue \$)See Schedule O4b (Code 710000) (Expenses \$ including grants of \$) (Revenue \$)4c (Code 710000) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)4e Total program service expenses ► 14,995,143.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 Section 501(c)(3) organizations Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If 'Yes,' complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI		X
b Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VII		X
c Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part IX		X
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If 'Yes,' complete Schedule D, Part X	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If 'Yes,' complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part I (see instructions)		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20a Did the organization operate one or more hospital facilities? If 'Yes,' complete Schedule H		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II.</i>	X	
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and III</i>		X
23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25</i>		X
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I</i>		X
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If 'Yes,' complete Schedule L, Part II</i>	X	
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions).		
28a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
28b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
28c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>	X	
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
35b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	X	

BAA

Form 990 (2011)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1 a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1 a 456		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1 b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1 c	X	
2 a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2 a 54		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	2 b	X	
3 a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3 a		X
b If 'Yes,' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O	3 b		
4 a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4 a		X
b If 'Yes,' enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5 a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5 a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5 b		X
c If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?	5 c		
6 a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6 a		X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6 b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7 a		X
b If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	7 b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7 c		X
d If 'Yes,' indicate the number of Forms 8282 filed during the year	7 d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7 e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7 f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7 g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7 h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?	9 a		
b Did the organization make a distribution to a donor, donor advisor, or related person?	9 b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10 a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10 b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11 a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11 b		
12 a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12 a		
b If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year	12 b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	13 a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13 b		
c Enter the amount of reserves on hand	13 c		
14 a Did the organization receive any payments for indoor tanning services during the tax year?	14 a		X
b If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O	14 b		

Part VI Governance, Management and Disclosure For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

☒**Section A. Governing Body and Management**

	Yes	No
1 a Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
1 b Enter the number of voting members included in line 1a, above, who are independent.		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee? See Schedule O	X	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6 Did the organization have members or stockholders?		X
7 a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
7 b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10 a Did the organization have local chapters, branches, or affiliates?		X
10 b If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11 a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
11 b Describe in Schedule O the process, if any, used by the organization to review this Form 990 See Schedule O		
12 a Did the organization have a written conflict of interest policy? If 'No,' go to line 13	X	
12 b Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12 c Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done See Schedule O	X	
13 Did the organization have a written whistleblower policy?	X	
14 Did the organization have a written document retention and destruction policy?		X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official		X
b Other officers of key employees of the organization See Schedule O	X	
If 'Yes' to line 15a or 15b, describe the process in Schedule O (See instructions)		
16 a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16 b If 'Yes,' did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ None

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public during the tax year. See Schedule O

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:

▶ Keith Williams 9822 Albemarle Road Charlotte NC 28227 (704) 573-9777

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1 a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Jean C. Kennedy Sec./Treasurer	40	X		X				366,043.	0.	0.
(2) Gina C. Lemons Executive Direc	50	X		X				366,043.	0.	0.
(3) Jimmy L. Kennedy Assoc. Director	40					X		210,533.	0.	0.
(4) Louis Lemons Director of Oper	40					X		131,173.	0.	0.
(5) -----										
(6) -----										
(7) -----										
(8) -----										
(9) -----										
(10) -----										
(11) -----										
(12) -----										
(13) -----										
(14) -----										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (cont)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Sch O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) _____										
(16) _____										
(17) _____										
(18) _____										
(19) _____										
(20) _____										
(21) _____										
(22) _____										
(23) _____										
(24) _____										
(25) _____										
1 b Sub-total								1,073,792.	0.	0.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								1,073,792.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **4**

3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If 'Yes,' complete Schedule J for such individual

	Yes	No
3		X
4	X	
5		X

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If 'Yes' complete Schedule J for such individual

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If 'Yes,' complete Schedule J for such person

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **0**

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1 a Federated campaigns	1 a				
	b Membership dues	1 b				
	c Fundraising events	1 c				
	d Related organizations	1 d				
	e Government grants (contributions)	1 e				
	f All other contributions, gifts, grants, and similar amounts not included above	1 f				
	g Noncash contributions included in lns 1a-1f	\$				
	h Total. Add lines 1a-1f					
PROGRAM SERVICE REVENUE		Business Code				
	2 a CAP services		10,236,323.	10,236,323.		
	b Piedmont services		2,472,216.	2,472,216.		
	c Developmental disability		1,042,292.	1,042,292.		
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		13,750,831.			
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		39,440.			39,440.
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real (ii) Personal				
	b Less rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b Less cost or other basis and sales expenses					
	c Gain or (loss)					
	d Net gain or (loss)					
	8 a Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18	a				
	b Less direct expenses	b				
	c Net income or (loss) from fundraising events					
	9 a Gross income from gaming activities See Part IV, line 19	a				
	b Less direct expenses	b				
	c Net income or (loss) from gaming activities					
	10 a Gross sales of inventory, less returns and allowances	a				
	b Less cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
11 a Misc	Business Code	7,242.	7,242.			
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		7,242.				
12 Total revenue. See instructions		13,797,513.	13,758,073.	0.	39,440.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Check if Schedule O contains a response to any question in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	1,710,900.	1,710,900.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	732,086.	512,460.	219,626.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages	2,141,998.	1,499,399.	642,599.	
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	317,893.	222,525.	95,368.	
10 Payroll taxes	190,511.	133,358.	57,153.	
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	187,262.	58,727.	128,535.	
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	223,449.	159,002.	64,447.	
17 Travel	63,434.	53,919.	9,515.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	15,837.	11,086.	4,751.	
23 Insurance	134,354.	134,354.		
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Care Providers	10,125,784.	10,125,784.		
b Write down asset values	1,319,245.		1,319,245.	
c Equipment	227,106.	158,974.	68,132.	
d Supplies	152,576.	125,419.	27,157.	
e All other expenses	123,405.	89,236.	34,169.	
25 Total functional expenses. Add lines 1 through 24e	17,665,840.	14,995,143.	2,670,697.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
ASSETS	1 Cash – non-interest-bearing	1,607,263.	1	
	2 Savings and temporary cash investments	431,670.	2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,161,171.	4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	758,393.	5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	100,972.	9	
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a		
	b Less accumulated depreciation	10b	195,804.	10c
	11 Investments – publicly traded securities		11	
	12 Investments – other securities See Part IV, line 11	53,301.	12	
	13 Investments – program-related See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	4,308,574.	16	0.	
LIABILITIES	17 Accounts payable and accrued expenses	375,705.	17	
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	64,542.	25	
	26 Total liabilities. Add lines 17 through 25	440,247.	26	0.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.			
	27 Unrestricted net assets	3,868,327.	27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	3,868,327.	33	0.
34 Total liabilities and net assets/fund balances	4,308,574.	34	0.	

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Form 990 (2011)

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	13,797,513.
2	Total expenses (must equal Part IX, column (A), line 25)	2	17,665,840.
3	Revenue less expenses Subtract line 2 from line 1	3	-3,868,327.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	3,868,327.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	0.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII ☐

- 1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- b Were the organization's financial statements audited by an independent accountant?
- c If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O
- d If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c		X
3a		X
3b		

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Form 990 (2011)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Developmental Disabilities Resources Inc

Employer identification number

56-2152535

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☒ An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III – Functionally integrated d ☐ Type III – Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**.
- f ☐ If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box.
- g ☐ Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11 g (i)		
11 g (ii)		
11 g (iii)		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2011

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any 'unusual grants'.)						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets. (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	%
16a 33-1/3% support test – 2011. If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
b 33-1/3% support test – 2010. If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
17a 10%-facts-and-circumstances test – 2011. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
b 10%-facts-and-circumstances test – 2010. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ▶ <input type="checkbox"/>		

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Schedule A (Form 990 or 990-EZ) 2011

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include any 'unusual grants'.)						0.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	11002819.	12193940.	12370241.	13729741.	13750831.	63,047,572.
3 Gross receipts from activities that are not an unrelated trade or business under section 513						0.
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0.
5 The value of services or facilities furnished by a governmental unit to the organization without charge						0.
6 Total. Add lines 1 through 5	11002819.	12193940.	12370241.	13729741.	13750831.	63,047,572.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons	0.	0.	0.	0.	0.	0.
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year	0.	0.	0.	0.	0.	0.
c Add lines 7a and 7b	0.	0.	0.	0.	0.	0.
8 Public support. (Subtract line 7c from line 6.)						63,047,572.

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6	11002819.	12193940.	12370241.	13729741.	13750831.	63,047,572.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	43,436.	47,203.	42,199.	44,999.	39,440.	217,277.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0.
c Add lines 10a and 10b	43,436.	47,203.	42,199.	44,999.	39,440.	217,277.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						0.
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) See Part IV		669.	1,187.	7,356.	7,242.	16,454.
13 Total support. (Add lines 9, 10c, 11, and 12.)	11046255.	12241812.	12413627.	13782096.	13797513.	63,281,303.
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	99.63 %
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	99.65 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	0.34 %
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	0.33 %

19a 33-1/3% support tests – 2011. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☒**b 33-1/3% support tests – 2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

[illegible]

**SCHEDULE D
(Form 990)**Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Financial Statements

▶ **Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545 0047

2011**Open to Public
Inspection**

Employer identification number

Developmental Disabilities Resources Inc

56-2152535

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

- 1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items
- b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items
- (i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
- (ii) Assets included in Form 990, Part X ▶ \$ _____
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items
- a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
- b Assets included in Form 990, Part X ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

☐ a Public exhibition

☐ b Scholarly research

☐ c Preservation for future generations

☐ d Loan or exchange programs

☐ e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ▶ _____ %

b Permanent endowment ▶ _____ %

c Temporarily restricted endowment ▶ _____ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶ 0.

BAA

Schedule D (Form 990) 2011

Part VII Investments – Other Securities. See Form 990, Part X, line 12. N/A

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
(I) _____		
Total. (Column (b) must equal Form 990 Part X, column (B) line 12.)		

Part VIII Investments – Program Related. See Form 990, Part X, line 13. N/A

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13.)		

Part IX Other Assets. See Form 990, Part X, line 15. N/A

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B), line 15.)	

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25.)	

2 FIN 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) See Part XIV

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

N/A

- 1 Total revenue (Form 990, Part VIII, column (A), line 12)
- 2 Total expenses (Form 990, Part IX, column (A), line 25)
- 3 Excess or (deficit) for the year Subtract line 2 from line 1
- 4 Net unrealized gains (losses) on investments
- 5 Donated services and use of facilities
- 6 Investment expenses
- 7 Prior period adjustments
- 8 Other (Describe in Part XIV.)
- 9 Total adjustments (net) Add lines 4 through 8
- 10 Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

N/A

- 1 Total revenue, gains, and other support per audited financial statements
- 2 Amounts included on line 1 but not on Form 990, Part VIII, line 12
 - a Net unrealized gains on investments
 - b Donated services and use of facilities
 - c Recoveries of prior year grants
 - d Other (Describe in Part XIV.)
 - e Add lines 2a through 2d
- 3 Subtract line 2e from line 1
- 4 Amounts included on Form 990, Part VIII, line 12, but not on line 1
 - a Investment expenses not included on Form 990, Part VIII, line 7b
 - b Other (Describe in Part XIV.)
 - c Add lines 4a and 4b
- 5 Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)

		1	
2a			
2b			
2c			
2d			
2e			
3			
4a			
4b			
4c			
5			

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

N/A

- 1 Total expenses and losses per audited financial statements
- 2 Amounts included on line 1 but not on Form 990, Part IX, line 25
 - a Donated services and use of facilities
 - b Prior year adjustments
 - c Other losses
 - d Other (Describe in Part XIV.)
 - e Add lines 2a through 2d
- 3 Subtract line 2e from line 1
- 4 Amounts included on Form 990, Part IX, line 25, but not on line 1:
 - a Investment expenses not included on Form 990, Part VIII, line 7b
 - b Other (Describe in Part XIV.)
 - c Add lines 4a and 4b
- 5 Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)

		1	
2a			
2b			
2c			
2d			
2e			
3			
4a			
4b			
4c			
5			

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part X- FIN.48 Footnote

Generally accepted accounting procedures require an organization to recognize a tax benefit or expense from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. DDR has no uncertain tax positions as of June 30, 2012.

Part XIV	Supplemental Information <i>(continued)</i>
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SCHEDULE I
(Form 990)

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

OMB No 1545-0047

2011

Department of the Treasury
Internal Revenue Service

Complete if the organization answered 'Yes' to Form 990, Part IV, lines 21 or 22.
▶ Attach to Form 990.

Open to Public
Inspection

Name of the organization

Employer identification number

Developmental Disabilities Resources Inc

56-2152535

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered 'Yes' to

Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000.

Part II can be duplicated if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) CIF Holdings, LLC 220 North Tryon Street Charlotte, NC 28202	45-5600232	501 (c) (3)	0.	1,710,900.	Valuation Study	100,000 shares of stock	See Part IV
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							
(8) -----							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

1

0

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

TEEA3901L 06/01/11

Schedule I (Form 990) (2011)

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non cash assistance
1					
2					
3					
4					
5					
6					
7					
Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.					

Part IV - Additional Supplemental Information

The purpose of the donation of stock to CIF Holdings, LLC is to provide for grants
in the field of health and human services in NC.

SCHEDULE J
(Form 990)Department of the Treasury
Internal Revenue Service**Compensation Information****For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees**

- **Complete if the organization answered 'Yes' to Form 990, Part IV, line 23.**
► **Attach to Form 990. ► See separate instructions.**

OMB No 1545-0047

2011**Open to Public
Inspection**

Name of the organization

Developmental Disabilities Resources Inc

Employer identification number

56-2152535**Part I Questions Regarding Compensation**

1 a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If 'No,' complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization

a Receive a severance payment or change-of-control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If 'Yes' to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

a The organization?

b Any related organization?

If 'Yes' to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

a The organization?

b Any related organization?

If 'Yes' to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If 'Yes,' describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If 'Yes,' describe in Part III

9 If 'Yes' to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes**No****1 b****2****4 a****4 b****4 c****5 a****5 b****6 a****6 b****7****8****9****X****X****X****X****X****X****X****X****X****BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule J (Form 990) 2011

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable columns (D) and (E) amounts for that individual.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus and incentive compensation	(iii) Other reportable compensation				
1	Jean C. Kennedy	(i) 366,043. (ii) 0.	0.	0.	0.	0.	366,043.	0.
2	Gina C. Lemons	(i) 366,043. (ii) 0.	0.	0.	0.	0.	366,043.	0.
3	Jimmy L. Kennedy	(i) 210,533. (ii) 0.	0.	0.	0.	0.	210,533.	0.
4		(i) (ii)						
5		(i) (ii)						
6		(i) (ii)						
7		(i) (ii)						
8		(i) (ii)						
9		(i) (ii)						
10		(i) (ii)						
11		(i) (ii)						
12		(i) (ii)						
13		(i) (ii)						
14		(i) (ii)						
15		(i) (ii)						
16		(i) (ii)						

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, for Part II. Also complete this part for any additional information.

Area with horizontal dashed lines for supplemental information.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

► Complete if the organization answered
'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 38a or 40b.
► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Developmental Disabilities Resources Inc

Employer identification number

56-2152535

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ► \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ► \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 26 or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
(1) Asset Management Leasing, Inc.		X	823,375.	688,544.		X	X		X	
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
Total				► \$ 688,544.						

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2011

Part IV	Business Transactions Involving Interested Persons.
----------------	--

Complete if the organization answered 'Yes' on Form 990, Part IV, line 28a, 28b, or 28c.

Complete if the organization answered "Yes" on Form 990, Part IV, line 20a, 20b, or 20c.					
(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Asset Management Leasing.	Owned by board	142,909.	Equipment leases		X
(2) October Investments	Owned by board	74,400.	Office lease		X
(3) Jimmy Kennedy	Board Family M	210,533.	Employment		X
(4) Louis Lemons	Spouse of Exec	131,173.	Employment		X
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V	Supplemental Information
---------------	---------------------------------

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

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Part III **Supplemental Information.** Complete to provide the information required by Part I, lines 2e and 6c, and Part II, line 2e. Also complete this part to provide any additional information.

Part I, Line 2e - Name and Explanation for Involvement in Successor

Gina C. Lemons - President, Director, Direct Owner and Employee

Jean Kennedy - Secretary/Treasurer, Director, Direct Owner and Employee

Jimmy Kennedy - Employee

Louis Lemons - Employee

Part III - Additional Information

On June 30, 2012, the Company entered into a transaction with CIF Holdings, LLC, a North Carolina limited liability company that is wholly owned by Community Investments Foundation, a charitable Florida Trust, in which the Company donated all of its shares (1,000 voting shares and 99,000 non-voting shares) to CIF Holdings, LLC. The Company's 1,000 voting shares and 99,000 non-voting shares donated to CIF Holdings, LLC were valued at \$1,710,900 as of June 30, 2012 according to an independent valuation study.

CIF Holdings, LLC is organized and at all times is to be operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of Foundation For The Carolinas, which is an organization exempt from tax under Section 501(a) of the Code and described in Section 501(c)(3) of the Code.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Developmental Disabilities Resources Inc

Employer identification number

56-2152535

Form 990 - Explanation of Amended Return

The organization has terminated its tax exempt status and will be operating as a for profit corporation for the tax year beginning 7/1/12.

The return is amended to make that designation and to file Schedule N with the final Form 990.

Form 990, Part III, Line 1 - Organization Mission

At DDR, we understand the diverse and unique needs of individuals with disabilities and the challenges that their families face to ensure lifelong quality care of their loved ones. We believe in the importance of providing options to people with disabilities. We realize the desire of each individual to have a choice in selecting the place and style in which they live, work and the types of leisure activities in which they are involved. It is our mission to provide the best possible options for the people we serve by facilitating residential placements, day placement activities as well as recreational activities to meet their needs.

We strive to select the best Care Providers to support the people we serve and make every effort to serve as advocates to meet their social, physical, and emotional needs. We also understand the importance of relationships along the life span and strive to ensure that family and friends remain active participants in the lives of the people that are served by our agency.

Form 990, Part III, Line 4a - Program Service Accomplishments

DDR accomplishes its exempt purpose through the operation of the following major programs:

Residential Support provides temporary and permanent residential care for people with disabilities. The individual lives in a home setting within the community. The family that the individual lives with assists the individual in taking care of his/her daily needs and becomes an active, involved party of the family.

Home Support meets the habilitation and personal care needs of adult consumers who

Name of the organization

Developmental Disabilities Resources Inc

Employer identification number

56-2152535

Form 990, Part III, Line 4a - Program Service Accomplishments

choose to live with their family and receive support from their family who live at home with the consumer. The service provides assistance with daily activities, personal hygiene, home care, and social and adaptive skills.

Home and Community Supports promotes the individual's learning, retaining, and improvement in self help skills. This service is provided in the community such as the individual's home, his/her family home, or the care provider's home. Some of the individual's receiving this service may even reside in the home of the care provider.

Respite provides relief for a family or primary caregiver on an interim basis. This service can be used to meet a wide range of needs including family emergencies, planned vacations, relief of daily responsibility and stress from caring for someone, or allow time for the caregiver to shop, run errands, and other tasks. Respite can be provided in the care provider's home, in the community, or in the respite provider's home.

Personal Care is used to assist the individual with eating, bathing, dressing, personal hygiene, and activities of daily living.

Form 990, Part VI, Line 2 - Business or Family Relationship of Officers, Directors, Etc.

The Secretary/Treasurer, Jean Kennedy, is the mother of the Executive Director/President, Gina Lemons.

Jean Kennedy and Gina Lemons together own Asset Management Leasing, Inc. Gina Lemons owns October Investments, LLC.

Form 990, Part VI, Line 11b - Form 990 Review Process

The CFO and board members review the return before it is filed.

Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts

The Conflict of Interest Policy is monitored by endorsements, QA/QI, Accreditation and Human Rights if necessary.

Name of the organization

Developmental Disabilities Resources Inc

Employer identification number

56-2152535

Form 990, Part VI, Line 15b - Compensation Review & Approval Process for Officers & Key Employees

The Executive Director/President & The Director of Provider & Family

Services/Secretary/Treasury compensation is determined by Form 990 of other organizations, compensation survey/studies and approval by the board.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

Upon request

Form 990, Part IX, Line 24e
Other Expenses

	(A) <u>Total</u>	(B) <u>Program Services</u>	(C) <u>Management & General</u>	(D) <u>Fundraising</u>
Bank charges	8,911.		8,911.	
Communications	61,339.	52,138.	9,201.	
Dues & training	40,493.	37,098.	3,395.	
Other	12,662.		12,662.	
Total	<u>\$ 123,405.</u>	<u>\$ 89,236.</u>	<u>\$ 34,169.</u>	<u>\$ 0.</u>

Part III, Line 12 - Other Income

<u>Nature and Source</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Total	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>



NORTH CAROLINA

Department of The Secretary of State

To all whom these presents shall come, Greetings:

I, **ELAINE F. MARSHALL**, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF MERGER

OF

DEVELOPMENTAL DISABILITIES RESOURCES, INC.

INTO

DEVELOPMENTAL DISABILITIES RESOURCES, INC.

the original of which was filed in this office on the 28th day of June, 2012.



Document Id: C201217700288

IN WITNESS WHEREOF, I have hereunto
set my hand and affixed my official seal at the
City of Raleigh, this 28th day of June, 2012

Elaine F. Marshall
Secretary of State

✓
7

State of North Carolina
Department of the Secretary of State

SOSID: 000000000
Date Filed: 6/27/2012 4:25:00 PM
Elaine F. Marshall
North Carolina Secretary of State
C201217700268

ARTICLES OF MERGER

Pursuant to North Carolina General Statute Sections 55-11-05(a), 55A-11-09(d), 55A-11-04, 57C-9A-22(a), 59-73.32(a) and 59-1072(a), as applicable, the undersigned entity does hereby submit the following Articles of Merger as the surviving business entity in a merger between two or more business entities.

1. The name of the surviving entity is DEVELOPMENTAL DISABILITIES RESOURCES, INC, a (check one) ☐ corporation, ☒ nonprofit corporation, ☐ professional corporation, ☐ limited liability company, ☐ limited partnership, ☐ partnership, ☐ limited liability partnership organized under the laws of Virginia.
2. The address of the surviving entity is: 4701 Cox Road, Suite 301 Glen Allen, Virginia 23060-9802, County of Henrico

(Complete only if the surviving business entity is a foreign business entity that is not authorized to transact business or conduct affairs in North Carolina.) The mailing address of the surviving foreign business entity is: 4701 Cox Road, Suite 301, Glen Allen, Virginia 23060-9802, County of Henrico
The Surviving foreign business entity will file a statement of any subsequent change in its mailing address with the North Carolina Secretary of State.
3. For each merging entity: (if more than one, complete on separate sheet and attach.)
The name of the merged entity DEVELOPMENTAL DISABILITIES RESOURCES, INC a (check one) ☐ corporation, ☒ nonprofit corporation, ☐ professional corporation, ☐ limited liability company, ☐ limited partnership, ☐ partnership, ☐ limited liability partnership organized under the laws of North Carolina.
4. If the surviving business entity is a domestic business entity, the text of each amendment, if any, to the Articles of Incorporation, Articles of Organization, or Certificate of Limited Partnership within the Plan of Merger is attached.
5. A Plan of Merger has been duly approved in the manner required by law by each of the business entities participating in the merger.
6. These articles will be effective upon filing unless a delayed date and/or time is specified: June 30, 2012.

This the 27th day of June, 2012

DEVELOPMENTAL DISABILITIES RESOURCES, INC.

Name of Entity

Gina C. Lemons
Signature

GINA C. LEMONS, PRESIDENT

Type or Print Name and Title

NOTES:

1. Filing fee is \$50 for For-profit entities.
2. Filing fee is \$25 for Non-profit entities.
3. This document must be filed with the Secretary of State. Certificate(s) of Merger must be registered pursuant to the requirements of N.C.G.S. Section 47-18.1

(Revised September 2003)
CORPORATIONS DIVISION

P. O. BOX 29622

(Form BE-15)
RALEIGH, NC 27626-0622

0753164 -3

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION**

AT RICHMOND, JUNE 29, 2012

The State Corporation Commission finds the accompanying articles submitted on behalf of
DEVELOPMENTAL DISABILITIES RESOURCES, INC.

comply with the requirements of law and confirms payment of all required fees. Therefore, it is
ORDERED that this

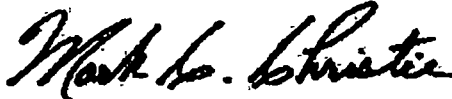
CERTIFICATE OF MERGER AND RESTATEMENT

be issued and admitted to record with the articles of merger in the Office of the Clerk of the
Commission, effective June 30, 2012. Each of the following:

**DEVELOPMENTAL DISABILITIES RESOURCES INC (A NORTH
CAROLINA CORPORATION NOT QUALIFIED IN VIRGINIA)**

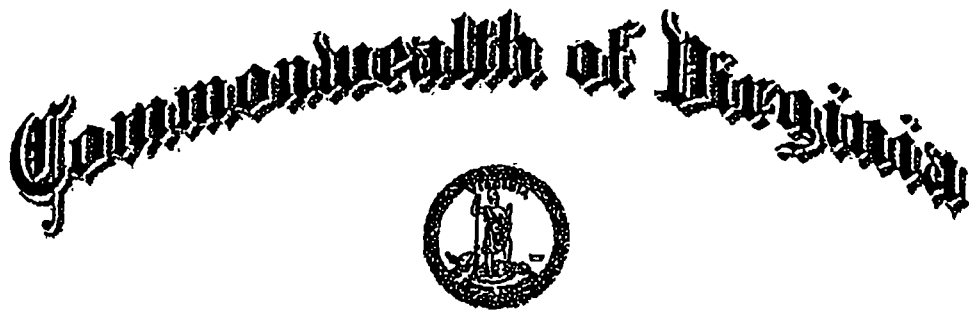
is merged into **DEVELOPMENTAL DISABILITIES RESOURCES, INC.**, which continues to exist
under the laws of **VIRGINIA** with the name **DEVELOPMENTAL DISABILITIES RESOURCES,
INC.**, and the separate existence of each non-surviving entity ceases.

STATE CORPORATION COMMISSION

By 

Mark C. Christie
Commissioner

MERGACPT
GIS0322
12-06-28-1102



STATE CORPORATION COMMISSION

Richmond, June 29, 2012

This is to certify that the certificate of incorporation of

DEVELOPMENTAL DISABILITIES RESOURCES, INC.

*was this day issued and admitted to record in this office and that
the said corporation is authorized to transact its business subject
to all Virginia laws applicable to the corporation and its business.*

Effective date: June 29, 2012



State Corporation Commission

Attest:

Joel H. Beck
Clerk of the Commission

CIS0322

Jun 29 2012 04:35pm P003/005

Fax

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION**

ARTICLES OF MERGER

**DEVELOPMENTAL DISABILITIES RESOURCES, INC.
a North Carolina nonprofit corporation
AND
DEVELOPMENTAL DISABILITIES RESOURCES, INC.
a Virginia nonstock corporation**

The undersigned, on behalf of the two (2) corporations set forth below, pursuant to Title 13.1, Chapter 10 of the Code of Virginia, hereby execute the following articles of merger and set forth:

RECITALS

A. Section 55A-11-06 of the General Statutes of North Carolina permits the merger of one domestic nonprofit corporation with and into another foreign corporation; and

B. Section 13.1-894 of the Code of Virginia permits the merger of a foreign corporation into a domestic nonstock corporation.

**ARTICLE ONE
Plan of Merger**

1. Developmental Disabilities Resources, Inc., a nonprofit corporation incorporated under the laws of the State of North Carolina (the "North Carolina Corporation"), shall merge with and into Developmental Disabilities Resources, Inc., a nonstock corporation incorporated under the laws of the Commonwealth of Virginia (the "Virginia Corporation") (the "Merger").

2. As a result of the Merger, the Virginia Corporation shall be the surviving nonstock corporation, and the separate legal existence of the North Carolina Corporation shall cease and terminate upon the effective date of the Merger.

3. Following the Merger, the name of the surviving corporation shall continue to be **Developmental Disabilities Resources, Inc.**

4. The effective time and date of the Merger shall be 12:01 a.m. on June 30, 2012.

5. The Articles of Incorporation of the Virginia Corporation shall be the articles of incorporation of the surviving corporation upon and after the effective date of the Merger.

6. The current bylaws of the North Carolina Corporation, as amended to comply with Virginia law, will be the bylaws of the surviving corporation and will continue in full force and effect.

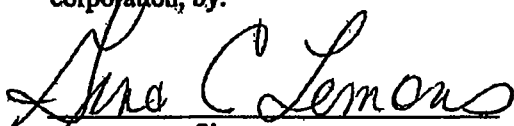
7. The current members of the Board of Directors of the Virginia Corporation will be the members of the Board of Directors of the surviving corporation. The officers of the North Carolina Corporation, all of whom shall hold their offices until the election and qualification of their respective successors or until their tenure is otherwise terminated in accordance with the bylaws of the surviving corporation in effect from time to time, will be the officers of said surviving corporation.

ARTICLE TWO
Approval of Plan of Merger

1. The Plan of Merger was approved at a meeting of the Board of Directors of the Virginia Corporation by the unanimous vote of all of the directors in office. Member approval was not required because the Virginia Corporation has no members.

2. The North Carolina Corporation certifies that its participation in the merger was duly authorized as required by the law of the State of North Carolina.

Executed in the name of Developmental Disabilities Resources, Inc., a Virginia nonstock corporation, by:

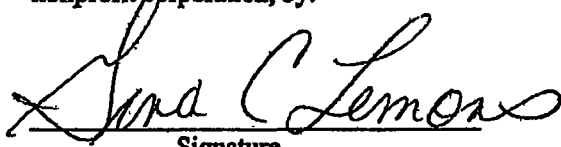

Signature

June 29, 2012
Date

Gina C. Lemons
Printed Name

President
Corporate Title

Executed in the name of Developmental Disabilities Resources, Inc., a North Carolina nonprofit corporation, by:


Signature

June 29, 2012
Date

Gina C. Lemons
Printed Name

President
Corporate Title

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION**

OF

**DEVELOPMENTAL DISABILITIES RESOURCES, INC.
a Virginia non-stock corporation**

The undersigned, on behalf of the Corporation set forth below, pursuant to title 13.1, Chapter 10, of the Code of Virginia, states as follows:

The name of the Corporation immediately prior to these Amended and Restated Articles of Incorporation is: **DEVELOPMENTAL DISABILITIES RESOURCES, INC.**

RECITALS

A. The Corporation was created by Articles of Incorporation dated June 29, 2012, which were filed with the Virginia State Corporation Commission (the "SCC") prior hereto.

B. Pursuant to Articles of Merger and the Plan of Merger contained therein, which Articles of Merger were filed with the SCC prior hereto, Developmental Disabilities Resources, Inc., a North Carolina non-profit corporation, was merged into the Corporation which was the surviving corporation following the merger.

C. The Corporation's Board of Directors has determined that it is in the best interests of the Corporation to convert to a domestic stock corporation pursuant to Section 13.1-941.01 of the Code of Virginia, which provides that a Virginia non-stock corporation may convert to a domestic stock corporation by filing with the SCC articles of amendment to its articles of incorporation.

NOW THEREFORE, the Corporation's Articles of Incorporation are hereby amended and restated in their entirety such that the Corporation shall be converted to a stock corporation subject to the provisions of the Virginia Stock Corporation Act, Title 13.1, Chapter 9, of the Code of Virginia, as follows:

1. The name of the Corporation is and shall continue to be **DEVELOPMENTAL DISABILITIES RESOURCES, INC.**

2. The number of shares to be issued by the Corporation is 100,000. The shares shall be of two classes, voting and non-voting, both designated as common stock. The designation and number of shares of each class of stock is as follows:

<u>Class</u>	<u>Number of Shares</u>
Common Voting Stock	1,000
Common Non-Voting Stock	99,000

3. The name of the Corporation's registered agent is: CT Corporation, a domestic or foreign stock corporation authorized to transact business in Virginia. The address of the Corporation's registered office, which is identical to the business office of the registered agent, is 4701 Cox Road, Suite 301, Glen Allen, Virginia 23060-9802. The Corporation's registered office is physically located in the County of Henrico.

4. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Directors. The initial directors of the Corporation are as follows:

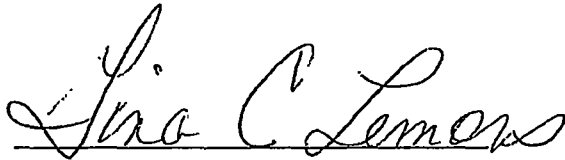
<u>Names</u>	<u>Addresses</u>
Gina C. Lemons	6313 Lake Road, Charlotte, NC 28227
Jean Kennedy	6313 Lake Road, Charlotte, NC 28227

The terms of the initial directors of the Corporation shall expire at the first shareholders' meeting at which directors are elected. At each annual meeting of the shareholders, the shareholders owning voting stock shall elect directors to hold office until the next succeeding annual meeting. Each director shall hold office for the term for which she is elected and until her successor shall be elected and qualified.

5. These Amended and Restated Articles of Incorporation of Developmental Disabilities Resources, Inc. were approved at a meeting of the Corporation's Board of Directors by the unanimous vote of all the directors in office. Member approval of these Amended and Restated Articles of Incorporation was not required because the Corporation has no members.

6. These Amended and Restated Articles of Incorporation of Developmental Disabilities Resources, Inc. shall be effective on June 30, 2012.

Executed the name of the Corporation by:



Signature

June 29, 2012

Date

Gina C. Lemons

Printed Name

President

Corporate Title

PLAN OF MERGER
OF
DEVELOPMENTAL DISABILITIES RESOURCES, INC.
(a nonprofit corporation of the State of North Carolina)
INTO
DEVELOPMENTAL DISABILITIES RESOURCES, INC.
(a nonstock corporation of the State of Virginia)

THIS PLAN OF MERGER entered into in writing and effective the 30th day of June, 2012, by and among DEVELOPMENTAL DISABILITIES RESOURCES, INC, a nonstock corporation of the State of Virginia (the "Surviving Corporation"), and DEVELOPMENTAL DISABILITIES RESOURCES, INC a nonprofit corporation of the State of North Carolina (the "Merging Corporation").

WHEREAS, N.C.G.S Section 55A-11-06 of the permits the merger of one domestic nonprofit corporation with and into another foreign corporation;

WHEREAS Section 13.1-894 of the Code of Virginia permits the merger of a foreign corporation into a domestic nonstock corporation;

WHEREAS the purpose of the merger is to move the situs of the Merging Corporation to Virginia; and

WHEREAS, the Surviving Corporation, the Merging Corporation and the respective Boards of Directors thereof deem it advisable and to the advantage, welfare, and best interests of said corporations to re-incorporate the Merging Corporation in Virginia by merging the Merging Corporation into the Surviving Corporation pursuant to the applicable laws upon the terms and conditions hereinafter set forth:

NOW, THEREFORE, in consideration of the premises and of the mutual agreement of the parties hereto, this Plan of Merger and the terms and conditions hereof and the mode of carrying the same into effect, together with any provisions required or permitted to be set forth herein, are hereby determined and agreed upon for submission to the directors of the Merging Corporation as required by the applicable laws, as hereinafter in this Plan set forth.

1. Effective June 30, 2012, the Merging Corporation will be merged into and with the Surviving Corporation which shall be the surviving corporation and shall be governed by the laws of the State of Virginia.

2. The articles of incorporation of the Surviving Corporation shall be the articles of incorporation of the surviving corporation, and all of the terms and provisions thereof are hereby incorporated in this Plan of Merger with the same force and effect as if herein set forth in full; and, from and after the effective date of the merger in this Plan of provided for, said articles of incorporation shall be the articles of incorporation of the surviving corporation. It is the intention that the merger contemplated herein shall merely constitute a relocation of the Merging Corporation to Virginia, and that all tax and other attributes (including without limitation its Taxpayer Identification Number and income tax status) of the Merging Corporation shall survive the merger and continue in the Surviving Corporation.

3. The current bylaws of the Merging Corporation will be the bylaws of said surviving corporation and will continue in full force and effect until they are amended to reflect Virginia law, altered or amended as therein provided under the authority of the laws of the State of Virginia.

4. The current members of the Board of Directors of the Merging Corporation will be the members of the Board of Directors of the Surviving Corporation. The officers of the Merging Corporation, all of whom shall hold their offices until the election and qualification of their respective successors or until their tenure is otherwise terminated in accordance with the bylaws of the Surviving Corporation in effect from time to time, will be the officers of said Surviving Corporation.

5. The Plan of Merger herein made and entered into shall be submitted to the directors of the Merging Corporation for its adoption or rejection if and as required and in the manner prescribed by the applicable laws, as the case may be.

6. In the event that this Plan of Merger shall have been adopted by the directors of the Merging Corporation in accordance with the provisions of the applicable laws, the Merging Corporation and the Surviving Corporation agree that they will cause to be executed and filed and/or recorded any document or documents prescribed by the applicable laws, and that they will cause to be performed all necessary acts within the States of North Carolina, Virginia and elsewhere to effectuate the merger.

7. The Board of Directors and the proper officers of the Merging Corporation and the Surviving Corporation are hereby authorized, empowered, and directed to do any and all acts and things, and to make, execute, deliver, file, and record any and all instruments, papers, and documents which shall be or become necessary, proper, or convenient to carry out or put into effect any of the provisions of this Plan of Merger herein provided for.

8. Notwithstanding the adoption of this Plan of Merger by the Board of Directors of the Merging Corporation and the Surviving Corporation, the Board of Directors of the Merging Corporation and the Surviving Corporation may amend this Plan of Merger as permitted by the applicable laws at any time prior to the issuance of a certificate of merger.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the officers of the parties hereto have duly executed this Plan of Merger as of the date first written above, which shall be effective upon the approval thereof by the Merging Corporation's and the Surviving Corporation's respective Directors and the filing of the Articles of Merger and/or Certificates of Merger in the appropriate jurisdictions.

DEVELOPMENTAL DISABILITIES
RESOURCES, INC.,
A North Carolina nonprofit corporation

ATTEST:

Jean Kennedy
Jean Kennedy, Secretary

By: Gina C. Lemons (SEAL)
Gina C. Lemons, President

DEVELOPMENTAL DISABILITIES
RESOURCES, INC.,
A Virginia nonstock corporation

ATTEST:

Jean Kennedy
Jean Kennedy, Secretary

By: Gina C. Lemons (SEAL)
Gina C. Lemons, President

DEVELOPMENTAL DISABILITIES RESOURCES, INC.

**CONSENT TO ACTION WITHOUT MEETING
OF THE SHAREHOLDERS AND DIRECTORS**

The undersigned, being the incorporator ("Incorporator") and all of the shareholders ("Shareholders") and directors ("Directors") of DEVELOPMENTAL DISABILITIES RESOURCES, INC. (the "Corporation"), hereby adopt the following resolutions by signing their written consent:

Articles of Incorporation

RESOLVED, that a copy of the Articles of Incorporation be placed in the Corporation's permanent records, along with the Certificate of Incorporation (or comparable document) issued by the Secretary of the State of Virginia.

Bylaws

RESOLVED, that the bylaws attached as Exhibit A, are hereby adopted as the bylaws of the Corporation.

Adoption of Share Certificates

RESOLVED, that the sample voting and non-voting share certificates attached as Exhibit B are hereby adopted as the share certificates to be used by the Corporation.

Adoption of Seal

RESOLVED, that the corporate seal of the Corporation, if any, will be determined by the Directors.

Issuance of Shares

RESOLVED, that common shares of the Corporation are currently owned by the persons and in the manner set forth in attached Exhibit C;

FURTHER RESOLVED, that the proper officers of the Corporation be and are authorized and directed to issue share certificates in accordance with the foregoing resolutions.

FURTHER RESOLVED, that if the stock of the Corporation qualifies as "Section 1244 Stock" that such stock is hereby designated as "Section 1244 Stock" under the Internal Revenue Code of 1986, as amended.

Banking Resolutions

RESOLVED, that the officers of the Corporation are authorized to acquire and open a financial account with a United States federally insured bank on behalf of the Corporation and to

sign such forms, statements and resolutions as may be required by the bank with respect to acquiring and opening a bank account for the Corporation.

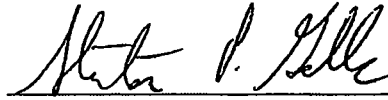
Fiscal Year

RESOLVED, that the Corporation's fiscal year will end June 30th.

This action is effective as of June 30, 2012.

[SIGNATURES APPEAR ON NEXT PAGE]

INCORPORATOR:

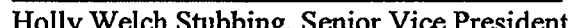


Stanton P. Geller

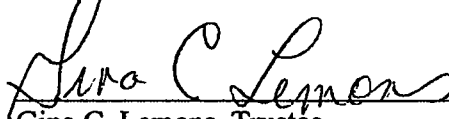
SHAREHOLDERS:

CIF HOLDINGS, LLC


By: Foundation For the Carolinas, Manager


Holly Welch Stubbing, Senior Vice President

DDR LEGACY TRUST u/a/d MAY 15, 2012

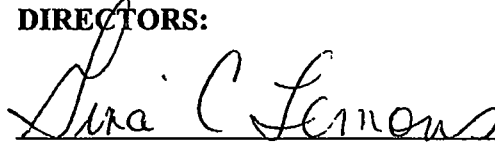


Gina C. Lemons, Trustee

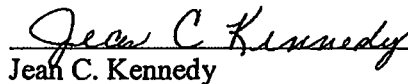


Aaron M. Christensen, Trustee

DIRECTORS:



Gina C. Lemons



Jean C. Kennedy

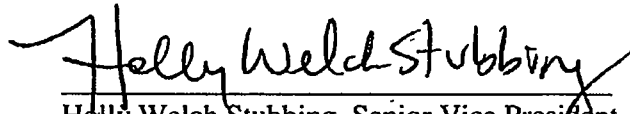
INCORPORATOR:

Stanton P. Geller

SHAREHOLDERS:

CIF HOLDINGS, LLC

By: Foundation For the Carolinas, Manager



Holly Welch Stubbing, Senior Vice President

DDR LEGACY TRUST u/a/d MAY 15, 2012

Gina C. Lemons, Trustee

Aaron M. Christensen, Trustee

DIRECTORS:

Gina C. Lemons

Jean C. Kennedy

EXHIBIT A

BYLAWS
[See Attached]

EXHIBIT B

SAMPLE SHARE CERTIFICATES
[See Attached]

EXHIBIT C

**DEVELOPMENTAL DISABILITIES RESOURCES, INC.
LIST OF SHAREHOLDERS**

<u>Shareholder Name and Address</u>	<u>Number of Shares</u>
CIF Holdings, LLC 220 North Tryon Street Charlotte, North Carolina 28202	99,000 Non-Voting Shares
DDR Legacy Trust u/a/d May 15, 2012 6313 Lake Road Charlotte, North Carolina 28277	1,000 Voting Shares
Total Shares	<hr/> 100,000

BYLAWS
OF
DEVELOPMENTAL DISABILITIES RESOURCES, INC.
A VIRGINIA STOCK CORPORATION

DEVELOPMENTAL DISABILITIES RESOURCES, INC. (the "Corporation"), a stock corporation duly formed under the provisions of the Virginia Stock Corporation Act, Chapter 9, Title 13.1 of the Code of Virginia (the "Code"), hereby adopts the following Bylaws of the Corporation which shall govern the management and operation of the Corporation's business and the regulation of its affairs, to the extent consistent with the Corporation's Articles of Incorporation and applicable law.

ARTICLE I

ADOPTION

These Bylaws shall become effective upon ratification, approval and formal adoption by the Board of Directors of the Corporation.

ARTICLE II

SHARES OF CAPITAL STOCK

Section One – Authorized Shares. The classes of shares and the number of shares of each class that the Corporation is authorized to issue shall be as prescribed in the Corporation's Articles of Incorporation. The Board of Directors, with the consent of all shareholders, shall have the authority to issue the number of shares of each class of stock authorized by the Articles of Incorporation. As of the date of the adoption of these Bylaws, the common stock, which is the only class of stock authorized by the Articles of Incorporation, shall be composed of both voting

and non-voting shares of stock. Only shares of voting stock may be voted on any issue, including, but not limited to, the election of directors.

Section Two – Issuance of and Payment for Shares. Any issuance of shares must be authorized by the Board of Directors. When any share is issued it shall be designated as voting or non-voting.

Section Three – Certificates Evidencing Shares. Shares may but need not be represented by certificates. Unless the Code or another statute expressly provides otherwise, the rights and obligations of shareholders are identical whether or not their shares are represented by certificates. Each share certificate shall state on its face the name of the Corporation and that it is organized under the laws of the Commonwealth of Virginia, the name of the person to whom issued, and the number and class of shares and the designation of the series, if any, the certificate represents. Each share certificate shall be signed by the President and the Secretary of the Corporation and shall bear the corporate seal.

Section Four – Restriction on Transfer of Shares. The Articles of Incorporation, these Bylaws, or an agreement among the shareholders, or an agreement between the shareholders and the Corporation, may impose restrictions on the transfer of shares of the Corporation. Any such restriction shall be noted or referenced conspicuously on the front or back of the certificate evidencing the shares so restricted. Any restrictions on the transfer of the Corporation's shares shall be subject to the terms of Section 13.1-649 of the Code.

Section Five – Lost, Stolen, or Destroyed Certificates. The Corporation shall issue a new stock certificate in the place of any certificate previously issued where the holder of record of the certificate (a) makes proof to the Corporation that the certificate has been lost, destroyed or wrongfully taken, (b) requests the issuance of a new certificate before the Corporation discovers

or obtains knowledge that the certificate has been obtained by a bona fide, good faith purchaser for value and without notice of any adverse claim, and (c) satisfies any other reasonable requirements imposed by the Corporation, including any requirement which seeks to provide indemnification to the Corporation against any claim that may be made on account of the alleged lost, theft or destruction of the certificate.

When a certificate has been apparently lost, destroyed, or wrongfully taken and the holder of record fails to notify the Corporation within a reasonable time after such holder has notice of the loss, theft or destruction, and the Corporation registers a transfer of the shares represented by the certificate before receiving such notification, the holder of record is precluded from making any claim against the Corporation for the transfer or for a new certificate.

ARTICLE III

SHAREHOLDERS

Section One – Annual Meeting. The annual meeting of the shareholders shall be held in July of each year or at such other time as the shareholders may agree. The failure to hold the annual meeting at the time stated herein shall not affect the validity of any corporate action.

Section Two – Special Meetings. The Corporation shall hold special meetings of the shareholders on the call of the President, the Board of Directors, or any shareholder owning at least ten percent (10%) of the shares of voting stock. Only business within the purpose or purposes described in the notice of the meeting may be conducted at a special meeting of the shareholders.

Section Three – Place of Meetings. Annual, regular, or special meetings of the shareholders may be held either in or outside of the Commonwealth of Virginia.

Section Four – Quorum and Voting. A quorum of the shares of the Corporation's common stock with voting rights shall be required to take action on a matter at any meeting. The holders of a majority of the outstanding shares of the voting common stock of the Corporation shall constitute a quorum at any meeting of the shareholders. On each matter voted on at a shareholders' meeting, each shareholder shall be entitled to one vote in person or by proxy for each share of voting stock standing in her name on the books of the Corporation. If a quorum exists, action on a matter, other than the election of directors, is approved if the votes cast favoring the action exceed the votes cast opposing the action, unless the Articles of Incorporation or these Bylaws requires a greater number of affirmative votes. Directors shall be elected by a plurality of the votes cast by the voting shares in the election at a meeting at which a quorum is present. In the election of directors, each outstanding share of voting stock shall be entitled to one vote for as many persons as there are directors to be elected at that time and for whose election the shareholder has a right to vote.

Section Five – Conduct of Meetings. The President shall preside over all meetings of the shareholders. If she is not present, the Vice President or, if there be none, the Secretary shall so preside. If neither the President nor the Secretary is present, a chairman shall be elected by the shareholders present at the meeting.

Section Six – Action Without a Meeting. Any action required or permitted to be taken at a shareholders' meeting may be taken without a meeting and without action by the Board of Directors if the action is taken by all the shareholders entitled to vote on the action. The action shall be evidenced by one or more written consents describing the action taken, signed by all the shareholders entitled to vote on the action, and delivered to the Secretary of the Corporation for inclusion in the minutes or filing with the corporate records. A consent signed under this section

shall have the effect of a unanimous vote of voting shareholders and may be described as such in any document filed with the State Corporation Commission.

ARTICLE IV

BOARD OF DIRECTORS

Section One – Number and Qualification. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Directors. The Board of Directors shall consist of at least one (1) person unless a higher number is required under the law.

Section Two – Election. At the annual meeting of the shareholders, the shareholders owning voting stock shall elect directors to hold office until the next succeeding annual meeting. Each director shall hold office for the term for which such director is elected and until such director's successor is elected and qualified.

Section Three – Term. If initial directors are elected prior to the first annual shareholders' meeting, then the terms of the initial directors of the Corporation shall expire at the first shareholders' meeting, at which meeting, directors shall be elected as provided immediately above. The terms of all other directors shall expire at the next annual shareholders' meeting following their election.

Section Four – Resignation and Removal. A director may resign at any time by delivering written notice to the Board of Directors, the President, or the Secretary. The shareholders may remove one or more directors with or without cause. A director may be removed if the number of votes cast to remove her constitutes a majority of the votes entitled to be cast at an election of directors.

Section Five – Vacancy. If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of directors, the vacancy may be filled by the affirmative vote of a majority of the remaining directors, even though less than a quorum of the board.

Section Six – Annual Meetings. The Board of Directors shall meet each year immediately following the annual meeting of the shareholders for the purpose of general organization, the election of officers, and consideration of any other business that may properly be brought before the meeting.

Section Seven – Regular or Special Meetings in Addition to the Annual Meeting. Regular or special meetings of the Board of Directors may be held upon notice by word-of-mouth, letter, facsimile, or email delivered not later than twenty-four (24) hours preceding the time for the meeting, upon call of the President of the Corporation.

Section Eight – Place of Meetings. Meetings of the Board of Directors, annual, regular, or special, may be held either within or without the Commonwealth of Virginia.

Section Nine – Quorum and Voting. Action may be taken on a matter by the Board of Directors only at a meeting at which a quorum shall be present. A quorum of the Board of Directors shall consist of a majority of the number of directors on the board. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board of Directors.

Section Ten – Conduct of Meetings. The President shall preside over all meetings of the directors. If she is not present, the Vice President, if any, shall preside. If neither the President nor a Vice President is present, then the Secretary shall preside.

Section Eleven – Action Without a Meeting. Any action required or permitted to be taken at a Board of Directors' meeting may be taken without a meeting if the action is taken by all directors on the Board of Directors. The action shall be evidenced by one or more written consents stating the action taken, signed by each director either before or after the action taken, and included in the minutes or filed with the corporate records reflecting the action taken. A consent signed under this Section shall have the same effect as a meeting vote and may be described as such in any document filed with the State Corporation Commission.

ARTICLE V

OFFICERS

Section One – General. The officers of the Corporation shall consist of a President and Secretary, and if elected by the Board of Directors in its discretion, a Vice President and/or Treasurer, and such other officers and assistant officers and agents as may be deemed necessary by the Board of Directors. Any two or more offices may be held by the same person.

Section Two – Resignation and Removal. An officer may resign at any time by delivering written notice to the Board of Directors. The Board of Directors may remove any officer at any time with or without cause and any officer or assistant officer, if appointed by another officer, may likewise be removed by the appointing officer.

Section Three – Vacancies. Whenever any vacancies shall occur in any office, the vacancy shall be filled by the Board of Directors if the Board of Directors determines such office should be filled.

Section Four – The President. The President shall be the chief executive officer and shall have active executive management of the operations of the Corporation, subject to the control of the Board of Directors. The President shall preside at all meetings of the shareholders and

directors, discharge all the duties that devolve upon a presiding officer, and perform such other duties as these Bylaws or the Board of Directors may prescribe.

Section Five – The Secretary. The Secretary shall attend all meetings of the shareholders and of the Board of Directors, and shall have the responsibility for preparing and maintaining custody of minutes of the directors' and shareholders' meetings and for authenticating records of the Corporation. The Secretary shall keep or cause to be kept in a book provided for the purpose a true and complete record of the proceedings of all meetings. The Secretary shall be custodian of the records and the seal of the Corporation and shall see that the seal is affixed to all documents, the execution of which on behalf of the Corporation under its seal have been duly authorized. The Secretary shall attend to the giving of all notices and shall perform such other duties as these Bylaws or the Board of Directors may prescribe.

Section Six – The Vice President. The Vice President, if any, shall perform all duties incumbent upon the President during the absence or disability of the President, and shall perform such other duties as these Bylaws or the Board of Directors may prescribe.

Section Seven – The Treasurer. The Treasurer shall keep correct and complete records of account, showing accurately at all times the financial condition of the Corporation. The Treasurer shall be the legal custodian of all monies, notes, securities, and other valuables that may from time to time come into the possession of the Corporation. The Treasurer shall immediately deposit all funds of the Corporation coming into her hands in such financial institution(s) as are designated by the Board of Directors, and shall keep all accounts in the name of the Corporation. The treasurer shall furnish at meetings of the Board of Directors, or whenever requested, a statement of the financial condition of the Corporation, and shall perform such other duties as these Bylaws or the Board of Directors may prescribe.

Section Eight – Transfer of Authority. In case of the absence of any officer of the Corporation or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may transfer the powers or duties of that officer to any other officer or to any director or employee of the Corporation.

ARTICLE VI

SPECIAL CORPORATE ACTS

NEGOTIABLE INSTRUMENTS, DEEDS AND CONTRACTS

All checks, drafts, notes, bonds, bills of exchange, and orders for the payment of money of the Corporation; all deeds, mortgages, and other written contracts and agreements to which the Corporation shall be a party; and all assignments or endorsements of stock certificates, registered bonds, or other securities owned by the Corporation, shall be signed by such officers as the Board of Directors may from time to time direct. The Board of Directors may authorize any one of its officers to sign any of such instruments, for and on behalf of the Corporation, without necessity of countersignature; may designate officers or employees of the Corporation, who may, in the name of the Corporation, sign such instruments; and may authorize the use of facsimile signatures of any such persons. Any shares of stock issued by any other corporation and owned or controlled by the Corporation may be voted at any shareholders' meeting of the other corporation by the President of the Corporation, if she be present; or, in her absence, then by such person as the President of the Corporation shall, by duly executed proxy, designate to represent the Corporation at such shareholders' meeting.

ARTICLE VII

CORPORATE SEAL

The corporate seal, if any, shall be in such form as shall be approved by the Board of Directors.

ARTICLE VIII

FISCAL YEAR

The fiscal year of the Corporation shall be determined by the Board of Directors in its discretion, subject to applicable law.

ARTICLE IX

AMENDMENT TO BYLAWS

These Bylaws may be amended or repealed by the voting shareholders or the Board of Directors, provided, however, that the Bylaws may not be amended in a manner that adversely affects the non-voting shareholders without the consent of the non-voting shareholders. Any Bylaw adopted or amended by the voting shareholders may be amended or repealed by the Board of Directors, unless the resolution of the voting shareholders adopting such Bylaw expressly provides that the Board of Directors may not amend or repeal such Bylaw.

ARTICLE X

IMPLIED AMENDMENTS

Any action taken or authorized by the shareholders or by the Board of Directors which would be inconsistent with the Bylaws then in effect, but is taken or authorized by the affirmative vote of not less than that number of shares or the number of directors that would be required to amend these Bylaws so that the Bylaws would be consistent with such action, shall be given the same effect as if these Bylaws had been temporarily amended or suspended to the

extent necessary to permit the specific actions so taken or authorized and provided, however, that the Bylaws may not be amended in any manner that adversely affects the non-voting shareholders without the consent of the non-voting shareholders.

DEVELOPMENTAL DISABILITIES RESOURCES, INC.

A Virginia Stock Corporation

SHAREHOLDERS AGREEMENT

**DEVELOPMENTAL DISABILITIES RESOURCES, INC.
SHAREHOLDERS AGREEMENT**

THIS SHAREHOLDERS AGREEMENT (hereinafter referred to as the "Agreement"), effective as of June 30, 2012 (hereinafter referred to as the "Effective Date"), is entered into by and between Developmental Disabilities Resources, Inc., a Virginia corporation (hereinafter referred to as the "Corporation"), CIF Holdings, LLC ("CIF") a North Carolina limited liability company, wholly owned by Community Investments Foundation, a charitable Florida trust and Aaron M. Christensen and Gina C. Lemons, Trustees of the DDR Legacy Trust u/a/d May 15, 2012 (each party other than the Corporation is hereinafter individually referred to as "Shareholder" and collectively referred to as "Shareholders").

W I T N E S S E T H:

WHEREAS, the Shareholders are the direct or indirect owners of the shares of the capital stock of the Corporation (hereinafter referred to as the "Shares") specified opposite their names on Exhibit "A" (which exhibit is attached hereto and incorporated herein) which constitute the entire issued and outstanding capital stock of the Corporation;

WHEREAS, the Shareholders desire to create certain reciprocal rights and obligations with respect to their share holdings, to provide for their reasonable expectations, and to promote their mutual interests and the interests of the Corporation by creating special control arrangements and limitations with respect to the control and management of the Corporation; and

WHEREAS, the parties hereto desire that the business affairs of the Corporation shall be conducted without interruption for the mutual benefit of the Shareholders and not suffer the delays and losses that frequently occur when shares in a closely held corporation pass to unknown or unanticipated parties.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and conditions herein contained, and other good and valuable consideration given and received between the parties, the adequacy, receipt and sufficiency of which are hereby expressly acknowledged, the parties hereto agree for themselves, their successors and assigns as follows:

SECTION I

DEFINITIONS, PURPOSE AND CAPITALIZATION

1.1 Definitions. The following definitions (in addition to such definitions stated within specific provisions herein) shall be used throughout this Agreement:

"Corporate/Shareholder Purchase Option." If the Corporation and the Shareholders are given a Corporate/Shareholder Purchase Option to acquire Shares, it shall mean that the Corporation may exercise an option to purchase all of the Shares subject to the option for the Purchase Price and on the terms provided herein. The Corporation's option shall be forfeited unless it is exercised within the Option Period provided in the paragraph granting the option. If the Corporation does not elect to purchase all of the Shares subject to its option, then the non-offering Shareholders shall have the option to purchase all, but not less than all, of the remaining Shares that were subject to the Corporation's option. The non-offering Shareholders shall have

ten (10) days after the expiration of the Option Period provided to the Corporation in which to exercise their option (a "secondary option"). The Corporation and the non-offering Shareholders shall forfeit their options unless, in the aggregate, they exercise options to purchase all of the Shares of the offering Shareholder which are subject to options.

"Non-Voting Share(s)" shall mean Shares which are designated as non-voting Shares in the Corporation's articles of incorporation, as amended from time to time.

"Non-Voting Shareholders" shall mean the Shareholders owning Non-Voting Shares of the Corporation.

"Shares" shall mean shares of capital stock of the Corporation as described in the preamble of this Agreement.

"Voting Share(s)" shall mean those Shares which are designated as voting Shares on the Corporation's articles of incorporation, as amended from time to time.

"Voting Shareholders" shall mean the Shareholders owning Voting Shares of the Corporation.

1.2 Purpose. The purpose of the Corporation shall be to engage in providing an array of long and short-term resources and services for adults and children with disabilities and any lawful activity for which corporations may be organized under Virginia law.

1.3 Authorized Capital. The authorized capital stock of the Corporation consists of 100,000 Shares of common stock, 1,000 of which are designated as Voting Shares and 99,000 of which are designated as Non-Voting Shares. No other class of stock shall be authorized and no additional capital stock shall be issued, unless all of the Shareholders unanimously consent to the same. The Shareholders agree that such Shares are fully paid, non-assessable and not subject to further call thereon and represent equal liquidation claims on the assets and equal claims in the distributed earnings of the Corporation, subject to the differences in voting control.

SECTION 2

MANAGEMENT

2.1 Board Seats. The Corporation shall maintain the minimum number of required Directors as provided in the bylaws. No change in the number of Board of Director's seats shall occur without the requisite consent provided in the Corporation's bylaws.

2.2 Election of Initial Directors. The Voting Shareholders shall take such action, and/or affirmatively vote or cast their consent in unison, in a manner resulting in the election of the following persons as the initial Directors ("Directors"):

(A) Gina C. Lemons

(B) Jean C. Kennedy

The time and place of the meetings of the Board of Directors shall be designated in the Corporation's bylaws, or shall be at such other time and place as the Voting Shareholders otherwise agree. In the event of a disagreement among the Directors which cannot be resolved after a reasonable period of time, the matter shall be decided by a majority vote of the Voting Shareholders at a specially called meeting of Voting Shareholders.

2.3 Officers. Such persons shall be appointed as officers of the Corporation as the Directors may determine, as provided in this Agreement. The terms of appointment shall be established by the Corporation's Board of Directors.

2.4 Election of Officers. Notwithstanding the foregoing, the Directors shall vote in a manner resulting in the election of other officers as the Directors may elect.

2.5 Compensation. The amounts of compensation paid to said Officers, if any, shall be determined solely in the discretion of the Board of Directors.

2.6 Fundamental Issues. Unless the Voting Shareholders unanimously vote in favor of such action, no action shall be taken by any of the Directors or Officers of the Corporation with regard to the following issues ("Fundamental Issues"):

- (A) Issuance of additional Shares of any class of stock, whether voting or non-voting, any securities convertible into Shares of stock, or any stock warrants or options;
- (B) Amendment in any respect of the Corporation's articles of incorporation (other than an amendment changing the registered agent of the Corporation or the address of the same), bylaws or this Agreement;
- (C) Any dissolution or liquidation of the Corporation; or
- (D) Sale, merger or consolidation of the Corporation or substantially all of its assets with or to any other entity.

SECTION 3

STOCK TRANSFERS AND PURCHASES

3.1 Restriction Against Transfer. No Shareholder shall sell, transfer, pledge, assign or in any way alienate any of such Shareholder's Shares whether now owned or hereafter acquired, or any right or interest therein, whether voluntarily, involuntarily, by operation of law in conjunction with any divorce or other legal proceedings, or by gift, bequest or otherwise, without the prior written consent of all of the Voting Shareholders, or upon the failure of the non-offering Shareholders or the Corporation, as the case may be, to close any option to purchase Shares, as otherwise provided herein. Any transfer or pledge of Shares in violation of this Section shall be null and void, and each Shareholder and successor shareholder agrees that any such transfer, pledge or acquisition may and shall be enjoined. Upon any transfer of Shares (whether in compliance with this Agreement, or in violation of the restrictions under this Agreement), subsequent to such transfer, such Shares shall in the hands of the transferee once again be subject to all of the restrictions and other terms of this Agreement as if such transferee was an original Shareholder hereunder. Upon any such transfer, the Shares shall remain subject

to the terms of this Agreement in the hands of the transferee and as a condition to such transfer, the transferee shall be required to execute an agreement to that effect (and such requirement shall be enforceable by court order if appropriate).

3.2 Definitions and Operating Rules.

(A) Triggering Event. References to a Triggering Event shall mean those events and circumstances described in the provisions entitled "Occurrences Triggering Purchase and Sale Rights."

(B) Proportionate Exercise. Upon the occurrence of any Triggering Event, any non-offering Shareholder shall only have the right to purchase that proportionate number of the Shares subject to such purchase right as equals the proportion that the current number of Shares held by such exercising Shareholder bears to the total number of Shares held by all such exercising Shareholders. If any Shareholder shall fail to exercise the purchase right, then the other exercising Shareholders may assume and exercise such rights on their own behalf on the same proportionate basis as provided in the preceding sentence.

(C) Shares Subject to Option. Notwithstanding any provision in this Agreement to the contrary, it is the intent of the parties that if Voting Shares and/or Non-Voting Shares are offered for sale pursuant to a triggering event under this Agreement, then all, and not less than all, of the Voting Shares and Non-Voting Shares must be purchased by one or more persons who exercise options, and if no persons exercise options, then no Shares shall be sold pursuant to the triggering event. Notwithstanding anything in the Agreement to the contrary, CIF shall not have the option under this Agreement to purchase Voting Shares.

(D) Failure to Exercise Options. The failure to exercise options herein shall not be a waiver with respect to any subsequent transfers of Shares which shall again be subject to the options and obligations set forth in this Agreement.

3.3 Occurrences Triggering Purchase and Sale Rights.

(A) Involuntary Transfer.

(1) If Shares are transferred hereafter by operation of law in contravention of this Agreement to any person other than the Corporation or a Shareholder's estate or beneficiaries (such as, but not limited to a Shareholder's trustee in bankruptcy, a purchaser at any creditor's or court sale, or a Shareholder's spouse or former spouse under separation or divorce), such transferee shall be deemed by operation of this Agreement to have offered to sell such Shares for the Purchase Price and on the terms provided herein.

(2) In the case of such an involuntary transfer, the Corporation and non-offering Shareholders shall have the Corporate/Shareholder Purchase Option to acquire such transferred Shares in the manner and on the terms provided herein. The Option Period under such Corporate/Shareholder Purchase Option shall be a period ending on the later of (i) the date which is the sixtieth (60th) day following the date of determination of Applicable Value or (ii) the one hundred and twentieth (120th) consecutive day following the date the Corporation receives actual notice of such transfer. This paragraph shall not apply to Shares passing by reason of a Shareholder's death or in the case of the disability of a Shareholder.

(3) The Purchase Price of Shares purchased under this paragraph shall be the lesser of, (i) the amount determined under the section entitled "Determination of Purchase Price," or (ii) an amount equal to the Book Value of the Corporation's assets multiplied by the percentage interest transferred. The Valuation Date shall be the date of the involuntary transfer.

(4) "Book Value" shall mean the amount of the Corporation's assets, less the amount of its liabilities, as determined on the Valuation Date and as disclosed by the Corporation's books of account regularly maintained in accordance with generally accepted accounting principles consistently applied but adjusted as follows: (A) the difference between the cash value and the face value, of insurance, if any, owned by the Corporation on the life of a Shareholder shall not be included in determining the Book Value, even if received by the Corporation as a result of a Shareholder's death; (B) no adjustment shall be made on account of any event occurring subsequent to the Valuation Date, whether the event constitutes an adjustment to the federal or state income tax liability of the Corporation or otherwise; and (C) no amount shall be included for goodwill.

3.4 Determination of Purchase Price.

(A) Purchase Price. The Purchase Price shall be an amount which bears the same proportion to the amount of the Applicable Value of the Corporation as the number of Shares to be purchased bears to the total number of the Corporation's Shares outstanding on the Valuation Date.

(B) Applicable Value. The Applicable Value of the Corporation to be used in determining the Purchase Price of the Shares offered shall be appraised fair market value (taking into account all factors appropriately considered in valuing similar interests in corporations, including, but not limited to, management and voting rights, liquidation rights, marketability of interests and limited or unlimited liability) on the Valuation Date.

(C) Appraised Fair Market Value and Appraisal Process. The selling Shareholder(s) and the remaining Shareholders shall agree upon a qualified business appraiser who has American Society of Appraisal credentials and qualifications, and who shall determine the fair market value of the Corporation and the Shares being valued at their respective proportion of such appraised fair market value, which shall be embodied in a written appraisal report meeting American Society of Appraisal standards, and such appraisal shall be binding on each party to set the Purchase Price or adjusted Purchase Price of Shares under this Agreement. If the Shareholders cannot agree upon one appraiser, then the remaining Shareholders and the offering Shareholder shall each employ their own separate appraiser and the fair market value of Shares mutually determined by both appraisers shall control. In the event the original two (2) appraisers cannot agree, a third appraiser shall be appointed by the original two (2) appraisers (within a reasonable time period not to exceed sixty (60) days following the date after the original two (2) appraisers are unable to reach an agreement) and the three (3) appraisers shall agree upon the fair market value of the Shares to be purchased, and if they do not agree, the average of the three (3) appraisals shall be deemed the fair market value of the Shares to be purchased. The expense of the appraisals shall be borne equally by the selling Shareholder on the one hand and the Corporation and/or the remaining Shareholders on the other.

3.5 Payment of Purchase Price.

(A) Terms. The Purchase Price for the Shares shall be paid in cash at Closing except that, subject to the non-deferral of insurance proceeds, at the option of the purchasing party or parties, the Purchase Price for shares may be paid with ten percent (10%) cash down at Closing, and the balance of ninety percent (90%) due under a promissory note the principal and interest of which is amortizable in equal calendar quarterly installments over a period not to exceed ten (10) years from the date of Closing, with interest compounding quarterly and accruing on the unpaid balance at a per annum rate equal to the Prime Rate quoted in the Wall Street Journal, determined annually as of the Closing and each succeeding anniversary of the note. Notwithstanding anything in this Agreement to the contrary, if insurance proceeds are received by the Corporation or any non-offering Shareholder and such insurance proceeds were paid to the Corporation or non-offering Shareholder as a death benefit or disability benefit insuring the life or health of another Shareholder, then an amount of the Purchase Price equal to the amount of such death or disability benefit proceeds shall not be deferred under this Agreement and must be paid at Closing, or received by Purchaser, if later.

(B) Note Securing Purchase Price. The deferred portion of the Purchase Price shall be evidenced by the promissory note of each purchasing party. The promissory note of the Corporation, if any, shall be secured by the Shares being sold, a lien (second only to any senior bank debt or first lien equipment financing (which may be refinanced from time to time)) on the fixed assets, receivables and intangible assets of the Corporation. The Promissory Note of any Shareholder shall be secured by the Shares being sold.

3.6 Closing.

(A) Place. Unless otherwise agreed by the parties, the closing of the sale and purchase of Shares under the terms of this Agreement (hereinafter referred to as the "Closing") shall take place at the general office of the Corporation.

(B) Time. The Closing shall be held thirty (30) days after the exercise of the purchase option.

(C) Duties. Upon the Closing, the selling and purchasing parties shall execute and deliver to each other the various documents which shall be required to carry out their undertakings hereunder, including the payment of cash, the execution and delivery of notes, and the assignment and delivery of stock certificates. Upon the Closing, the selling Shareholder shall deliver to the Corporation a full waiver and release of all claims and liabilities against the Corporation and to the remaining Shareholders, by the selling Shareholder (and that of any nominee, if any), in his capacity as Shareholder, Officer and Director of the Corporation and any of its affiliates and subsidiaries, and an inheritance tax waiver and a bond for estate taxes in the case of a purchase upon death. Upon Closing, all of the selling Shareholder's loans to or from the Corporation shall be paid in full.

(D) Closing and Final Accounting. Acceptance by the Shareholder receiving an offer hereunder or exercise by the Shareholder of the right to purchase shall consist of a written notice, specifying that such offer thereby is accepted or that such right thereby is

exercised, as the case may be. Such written notice shall be considered accepted when delivered as provided herein. At the Closing there shall be a final accounting between the Shareholders with respect to the Corporation. The selling Shareholders shall convey their full stock holdings in the Corporation, free and clear of any encumbrances or claims of any nature.

The Corporation and the remaining Shareholders hereby agree to indemnify and hold harmless the selling Shareholders from and against any and all threatened or incurred loss, cost, claim, damage or expense of any kind, including attorneys' fees, in any manner arising out of the failure of the Corporation or the remaining Shareholders to discharge any indebtedness or to perform any other obligations, if any, of the Corporation with respect to which the selling Shareholders shall be liable.

3.7 "Drag Along" Rights.

(A) Notwithstanding anything in this Agreement to the contrary, if Shareholders collectively owning more than fifty percent (50%) of the Voting Shares (the "Majority Shareholders") i) successfully negotiate and ii) receive the written consent of a majority in interest of the Voting Shareholders to sell all or substantially all of their Shares (or substantially all of the Company's assets) to a third party (in one or more transactions by stock sale, merger or other), then the Majority Shareholders (a) shall be entitled to sell their Shares (or sell such assets) without restrictions or rights of first refusal, and (b) may require the remaining Shareholders (the "Minority Shareholders") to sell their Shares to such third party on the same relative terms (subject to applicable valuation discounts) as the Shares being purchased by the third party from the Majority Shareholders (or if necessary, vote in favor of such asset sale).

(B) The Majority Shareholders shall notify the Company and the Minority Shareholders in writing of the Majority Shareholders' intention to sell all or substantially all of their Shares to a third party. The notice, in addition to stating their intention to sell Shares, must state the number of Shares to be transferred, the name, business and residence address of the proposed transferee, and the amount of any consideration and the other terms of the sale.

(C) The Non-Voting Shareholders hereby grant to the Voting Shareholder a limited power of attorney, coupled with an interest, to make, execute, sign and file all instruments necessary for the consummation of the purchase and sale of Non-Voting Shares under this Section.

SECTION 4

TERMINATION

4.1 Generally. This Agreement and all restrictions on stock transfers created hereby shall terminate upon the occurrence of any of the following events or as otherwise provided by law:

- (a) the Corporation ceases to conduct business operations;
- (b) by mutual consent of all of the Voting Shareholders and the Corporation;

- (c) a single Shareholder becoming the owner of all of the Shares of the Corporation;
- (d) the sale of all or substantially all of the Corporation's assets or liquidation of the Corporation; or
- (e) the sale or exchange by the Shareholders of all of the Corporation's stock in a sale or acquisitive reorganization.

4.2 Effect of Failure To Exercise Option. If the Corporation or Shareholders fail to exercise any option granted herein, the Shares transferred, with respect to which such option has lapsed, shall nevertheless remain subject to all of the terms of this Agreement in the hands of, and with respect to, the transferee of such Shares.

SECTION 5

MISCELLANEOUS

5.1 Conflict of Provisions. To the extent that any provision of this Agreement is in conflict or is inconsistent with the bylaws or articles of incorporation of the Corporation, the provisions of this Agreement shall control, and each of the parties shall, if called upon to do so by any other party, vote in favor of a special resolution amending the articles of incorporation or bylaws to remove the conflict or inconsistency.

5.2 Stock Legends. All Share certificates shall contain the following or substantially similar legend:

"The Shares of stock represented by this Certificate are bound by and subject to all terms and conditions, including, but not limited to, restrictions against the sale, transfer, assignment and/or alienation contained in (and may not be transferred except in accordance with) the Shareholders Agreement dated June 30, 2012, or other agreement between Shareholders, a copy of which may be requested from the Corporation."

5.3 Binding Effect. This Agreement shall inure to the benefit of and be binding upon the heirs, successors, assigns and transferees of the Shareholders, the Corporation and all other parties hereto, except as otherwise provided in this Agreement.

5.4 Entire Agreement. This Agreement constitutes the entire agreement between the parties concerning the ownership and transferability of Shares of the Corporation, and supersedes any prior understandings or agreements made by them. There are no representations or warranties other than those set forth in this Agreement.

5.5 Severability. Should any provision of this Agreement be declared to be invalid for any reason or to have ceased to be binding on the parties hereto, such provision shall be severed, and all other provisions herein shall continue to be effective and binding. If any provision of this Agreement is unenforceable for any reason to the Code of Virginia ("Code"), the remainder of this Agreement shall nevertheless be enforceable. The Parties agree to re-

execute this Agreement and to renew the terms, if any, that are subject to expiration or termination under the Code for terms prior to such occurrence.

5.6 Governing Law and Construction. This Agreement shall be subject to and governed by the laws of the State of Virginia. The terms and provisions of this Agreement shall be construed in a manner which will carry out the intents and purposes set forth herein.

5.7 No Waiver. The failure of the Corporation or a Shareholder to insist upon a strict performance of any of the terms and conditions set forth herein shall not be deemed a waiver of any rights or remedies that the Corporation or a Shareholder may have and shall not be deemed a waiver of any subsequent breach or default in the terms and conditions contained herein.

5.8 Remedies. A party hereto shall be entitled to any and all remedies available to that party at law or in equity with respect to damages incurred as a result of a misrepresentation or breach by any other party as to any term or provision hereof, including, without limitation, recovery of reasonable attorneys' fees. Notwithstanding the foregoing, the parties acknowledge and agree that recovery of monetary damages may not be a sufficient or adequate remedy for certain breaches of the terms and provisions hereof. Consequently, a party shall be entitled to injunctive relief and specific performance with respect to any and all terms and provisions hereof.

5.9 Notices. Any notice permitted or required by this Agreement shall be in writing and shall be deemed to have been sufficiently served on the date the same is placed in overnight courier service, or in the United States mail, via certified mail or registered mail, return receipt requested, with proper postage prepaid and addressed as follows:

AS TO CORPORATION:

Developmental Disabilities Resources, Inc.
c/o Gina C. Lemons
6313 Lake Road
Charlotte, North Carolina 28227

Aaron M. Christensen
Smith & Christensen, LLP
5970 Fairview Road, Suite 126
Charlotte, North Carolina 28210

AS TO CIF HOLDINGS, LLC.:

Holly Welch Stubbing, Senior Vice
President of Foundation For The Carolinas
220 North Tryon Street
Charlotte, North Carolina 28202

AS TO DDR LEGACY TRUST u/a/d MAY
15, 2012:

Gina C. Lemons, Trustee
6313 Lake Road
Charlotte, North Carolina 28227

Aaron M. Christensen, Trustee
5970 Fairview Road, Suite 126
Charlotte, North Carolina 28210

The addresses of any party to whose attention a notice or copy of the same shall be directed may be changed or added from time to time by a party giving notice to the other parties in the prescribed manner.

5.10 Arbitration. If any controversy or claim arising out of or related to this Agreement cannot be settled by the Shareholders, it shall be resolved by arbitration in accordance with the rules of the American Arbitration Association then in effect, and judgment on any award pursuant to such arbitration may be entered into by any court having jurisdiction over matters related to this Agreement or the matter in controversy; except that in the case of potential irreparable harm, injunctive relief may be sought in any court of available jurisdiction. The arbitration shall take place solely in Charlotte, North Carolina.

5.11 Election. If pursuant to this Agreement, the interest of a Shareholder terminates, then the Corporation shall elect to have the rules provided in IRC section 1377(a)(1) apply as if the taxable year consisted of two taxable years. This election shall be made with respect to the termination of interest of a Shareholder who sells all of his Shares pursuant to this Agreement. Each Shareholder or former Shareholder agrees to consent to such election.

5.12 Amendment. This Agreement may be altered, amended or terminated by a writing signed by all of the Shareholders and the Corporation.

5.13 Counterparts. This Agreement may be executed in several counterparts with the same effect as if the parties executing the several counterparts had all executed one counterpart; provided, however, that each separate counterpart shall have been executed by the Corporation and the Shareholders and that the several counterparts, in the aggregate, shall have been signed by all of the Shareholders.

5.14 Headings; Gender; Number. The headings and captions in this Agreement are for convenience and identification purposes only, are not an integral part of this Agreement, and are not to be considered in the interpretation of any part of this Agreement. When the context so requires, the masculine, feminine and neuter genders may be used interchangeably and the singular may include the plural and vice versa.

5.15 Representations. The parties agree that the information set forth in this Agreement is true and correct in all material respects.

5.16 Indemnification. Any Shareholder, legally acting on behalf of the Corporation either as an officer, director or other duly appointed representative, shall be indemnified by the Corporation from any personal liability which may come about due to any action brought against him or her or the Corporation, and shall be defended by the Corporation during the course of any such action.

5.17 Shareholder Obligations. Each Shareholder to this Agreement recognizes and acknowledges the value of the Corporation is dependent on the specific Shareholders made parties to this Agreement exercising their individual rights as Shareholders in matters of corporate governance. Therefore, each Shareholder agrees to use their unique knowledge and experience in making decisions regarding corporate governance.

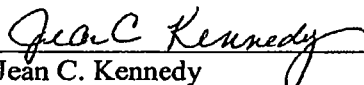
[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal, with the intent that this Agreement shall constitute an instrument under seal, effective as of the date hereof.

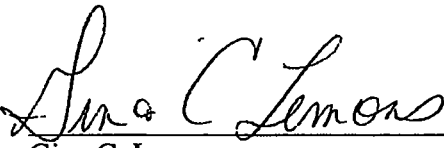
CORPORATION:

Developmental Disabilities Resources, Inc.

ATTEST:



Jean C. Kennedy
Secretary



Gina C. Lemons
President

SHAREHOLDERS:

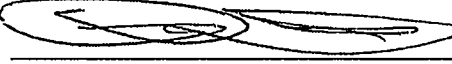
CIF Holdings, LLC

By: Foundation For The Carolinas, Manager

_____(SEAL)
Holly Welch Stubbing, Senior Vice
President

DDR Legacy Trust u/a/d May 15, 2012


_____(SEAL)
Gina C. Lemons, Trustee


_____(SEAL)
Aaron Christensen, Trustee

566881-6

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal, with the intent that this Agreement shall constitute an instrument under seal, effective as of the date hereof.

CORPORATION:

Developmental Disabilities Resources, Inc.

ATTEST:

Jean C. Kennedy
Secretary

Gina C. Lemons
President

SHAREHOLDERS:

CIF Holdings, LLC

By: Foundation For The Carolinas, Manager

Holly Welch Stubbing (SEAL)
Holly Welch Stubbing, Senior Vice
President

DDR Legacy Trust u/a/d May 15, 2012

_____(SEAL)
Gina C. Lemons, Trustee

_____(SEAL)
Aaron Christensen, Trustee

566881-6

EXHIBIT A

LIST OF STOCK OWNERSHIP

<u>SHAREHOLDER</u>	<u>NUMBER OF SHARES</u>	<u>PROPORTIONATE INTEREST</u>
CIF Holdings, LLC	0 Voting Shares 99,000 Non-Voting Shares	99%
DDR Legacy Trust u/a/d May 15, 2012	1,000 Voting Shares 0 Non-Voting Shares	1%

The Corporation is authorized without shareholder consent or other action to update and replace this Exhibit A from time to time to reflect subsequent changes in stock ownership.

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT is entered into on June 30, 2012 by Developmental Disabilities Resources, Inc., a Virginia corporation (the "Company"), and CIF Holdings, LLC ("CIF").

WITNESSETH:

WHEREAS, the Company wishes to convert from a non-profit entity to a for-profit stock entity on or about June 30, 2012.

WHEREAS, as a component of the conversion, the Company will transfer all of the equity interests in the non-profit entity to an entity operated exclusively for charitable purposes as provided in the Internal Revenue Code of 1986 (the "Code").

WHEREAS, CIF is a wholly owned limited liability company of a charitable trust that is exempt from taxation under Section 501(a) of the Code and is organized and operated exclusively for charitable, religious, scientific, literary or educational purposes within the meaning of Section 501(c)(3) of the Code.

WHEREAS, the Company wishes to issue all of the voting and non-voting stock of the Company to CIF on or about June 30, 2012.

NOW, THEREFORE, in consideration of the terms and conditions of this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CIF and the Company hereby agree that:

1. General Indemnity: The Company agrees to indemnify, defend, and hold harmless CIF, its agents, administrators, officers, directors, employees, successors, owners, parent companies, affiliates and/or assigns to the fullest extent of the law from any and all claims, demands, actions, causes of action, lawsuits, liens, lien rights, judgments, losses, costs, liabilities, assessments, settlements, expenses (including attorneys' fees) or suits of any kind or nature whatsoever relating to or arising out of or due to the ownership of the voting stock of the Company and/or any actions taken by or omissions related to or arising due to CIF's status as a voting shareholder of the Company. Such indemnification, by way of example and not limitation, includes indemnification from claims by the Company's customers and governmental agencies.

2. Defense of Claims: In the event any claim for which CIF is entitled to indemnity as outlined above is instituted in any judicial, quasi-judicial, governmental, or other forum, CIF shall tender the defense of such claim to the Company and the Company agrees to accept such defense and retain counsel acceptable to CIF within ten (10) days of CIF tendering the defense.

3. Agreement Not Construed Against Drafter: This Agreement shall not be construed more strictly against one party than the other merely because it may have been prepared by counsel for one of the parties, it being recognized that because of the arms-length negotiations, all parties have contributed substantially and materially to the preparation of this Agreement.

4. Additional Warranties: Each party represents and warrants to the other: (1) that it is represented or waived representation by separate counsel of its own choosing when executing the Agreement; (2) that the signatories to the Agreement have full legal right, power, and authority to execute the Agreement and bind the party for whom that signatory acts; (3) the execution, delivery, and performance of the Agreement and the stipulation and terms herein have been duly authorized by appropriate action; (4) that it has read the entire document, understands its terms and effects, and this Agreement is being signed freely and voluntarily.

5. Execution in Counterparts: This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute one and the same instrument.

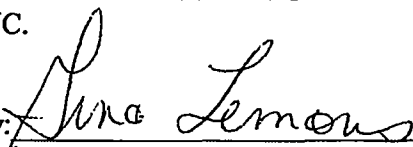
6. Governing Law and Forum: The laws of the State of North Carolina shall govern this Agreement and the Superior Court of North Carolina, Mecklenburg County shall have sole and exclusive jurisdiction over any disputes arising out of this Agreement.

7. Modifications Only in Writing: The terms of this Agreement are contractual and not merely recitals. This Agreement may not be altered or amended except by an agreement in writing duly executed by all parties.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date hereof.

DEVELOPMENTAL DISABILITIES RESOURCES,
INC.

By:  (SEAL)

Name: Gina Lemons

Title: President

CIF HOLDINGS, LLC

By: Foundation For The Carolinas, Manager

By: _____ (SEAL)

Name: Holly Welch Stubbing

Title: Senior Vice President

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date hereof.

DEVELOPMENTAL DISABILITIES RESOURCES, INC.

By: _____ (SEAL)

Name: Gina Lemons

Title: President

CIF HOLDINGS, LLC

By: Foundation For The Carolinas, Manager

By: Holly Welch Stobbing (SEAL)

Name: Holly Welch Stobbing

Title: Senior Vice President

STOCK PURCHASE AND REDEMPTION AGREEMENT

THIS STOCK PURCHASE AND REDEMPTION AGREEMENT (the "Agreement") is made, entered into and effective as of the 30th day of June, 2012 ("Effective Date"), by and among Developmental Disabilities Resources, Inc., a Virginia corporation (the "Company"), and CIF Holdings, LLC (the "Redeemed Shareholder").

WITNESSETH:

WHEREAS, the Redeemed Shareholder is a wholly owned limited liability company of Community Investments Foundation, a Florida charitable trust that is exempt from taxation under Section 501(a) of the Code and is organized and operated exclusively for charitable, religious, scientific, literary or educational purposes within the meaning of Section 501(c)(3) of the Code and designated for tax purposes.

WHEREAS, the Redeemed Shareholder currently owns ninety-nine thousand (99,000) non-voting shares of the total issued and outstanding shares in the Company (the "Shares"); and

WHEREAS, the Redeemed Shareholder desires to sell to the Company over time, and the Company desires to redeem and acquire from the Redeemed Shareholder over time, all of the shares of the common stock of the Company owned by the Redeemed Shareholder upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. Redemption of Shares. The Redeemed Shareholder agrees to sell, assign, transfer and convey to the Company, and the Company hereby agrees to redeem from the Redeemed Shareholder the Shares, which the Redeemed Shareholder represents to be all of the shares of the common stock of the Company owned by the Redeemed Shareholder, subject to the terms and conditions set forth herein. With the exception of unrelated business income tax ("UBIT"), the Redeemed Shareholder shall be solely responsible for any and all taxes Redeemed Shareholder may owe if any, as a result of income it is deemed to have received from the Company and any income allocated or taxable to the Redeemed Shareholder as a result of the redemption hereunder, and shall not be entitled to any distributions (tax distributions or otherwise) or reimbursements with respect to any portion of the Shares which have been redeemed.

2. Unrelated Business Income Tax. With respect to UBIT, it is anticipated that the contributed interest in the Company may result in a liability for UBIT for the Redeemed Shareholder for income attributable to the Company. The Company is responsible for covering its attributable share of UBIT as well as any additional administrative costs for accounting or legal services to determine the amount of any UBIT and to report it to the IRS. Accordingly, to the extent that the Company has distributed sufficient cash to the Redeemed Shareholder

attributable to its interest in the Company during previous years or during the year the UBIT accrues to cover this liability, such cash will be utilized for that purpose. If insufficient cash has been distributed, the Company agrees to distribute or contribute liquid assets to the Redeemed Shareholder in an amount sufficient to cover any such expenses.

3. Purchase Price. Subject to the terms of this Agreement, the aggregate consideration to be paid to the Redeemed Shareholder for the Shares set forth in Section 1 shall be as determined by a qualified appraisal of the Shares (the "Purchase Price") to be obtained within thirty (30) days from the Effective Date. The per share price ("Share Price") shall be a ratable portion of the Purchase Price. The Purchase Price shall be paid as provided for in this Agreement.

4. Manner of Payment and Closing. The Purchase Price payment and redemption schedule shall be payable as follows:

(a) On or before June 30, 2013, the Company shall pay to the Redeemed Shareholder Five Hundred Thousand and 00/100 Dollars (\$500,000.00) ("Initial Payment"), which Initial Payment shall redeem that number of Shares as equals the Initial Payment divided by the Share Price.

(b) The remainder of the Shares shall be redeemed at the Share Price over a nine (9) year period from such date at such times and amounts as Company shall elect, with a final payment due on June 30, 2022.

(c) Notwithstanding anything in this Agreement to the contrary, the Company, at the Company's option, may at any time in its sole discretion redeem all of the remaining shares by issuing a promissory note ("Note") with a principal balance equal to the unpaid portion of the Purchase Price due to the Redeemed Shareholder. Interest on the Note shall be paid in annual installments, with a final principal and unpaid interest payment due June 30, 2022. The Note shall be on the same terms and in substantially the same form as that set forth in a standard North Carolina bar form promissory note. The Note shall be secured by the remaining Shares to be redeemed, with a ratable portion of the Shares securing the Note being released from the security agreement each time a payment under the Note is paid. The Note shall accrue interest at a rate equal the current applicable federal rate at the time of issuance of the Note and may be prepaid in whole or in part without penalty or premium.

(d) Notwithstanding any provisions herein to the contrary, in the event the Company believes that the value of any Shares to be redeemed is materially below the Share Price due to a change in the Company's business or industry or other unforeseen events, including without limitation, a material decrease in business, or government reimbursements or reduction in allowable fees, clients or customers, the Company may, by providing written notice to the Redeemed Shareholder, request that the Shares be re-valued and reduce the Share Price and remaining balance of the Purchase Price due to reflect such reduction in value.

(e) In the event the Redeemed Shareholder continues to hold at least 2,000 Shares after five (5) years from the Effective Date, then the Shares shall be revalued by a qualified appraiser selected by the Company and the Redeemed Shareholder, effective for any redemption occurring on the fifth anniversary of the Effective Date of this Agreement and thereafter the Share Price shall be adjusted accordingly to equal the value determined by the qualified appraiser.

4. Deliveries by Redeemed Shareholder. The Redeemed Shareholder will immediately deliver to the Company all stock certificates representing the Shares to be transferred pursuant to this Agreement, accompanied by stock powers, duly executed in blank or other necessary or appropriate duly executed instruments of transfer, in a form reasonably acceptable to the Company (collectively, the "Transfer Documents").

5. Mutual Release and Waiver. Upon the Effective Date, and except for claims to enforce the provisions of this Agreement, each party agrees to unconditionally and forever waive, release and discharge the other party and its affiliates, subsidiaries, successors, assigns, heirs, agents, directors, officers and equity owners from any and all claims, demands, actions, causes of action, liens, lien rights, losses, costs, liabilities, assessments, settlements, expenses or suits of any nature or kind whatsoever, known or unknown, existing or non-existing on the Effective Date, that the releasing party has, has ever had or may at any time have in or against the other party or its affiliates, subsidiaries, successors, assigns, heirs, agents, directors, officers and equity owners directly or indirectly related to or arising from the Redeemed Shareholder's ownership of the Shares.

6. Representation and Warranties of Redeemed Shareholder. The Redeemed Shareholder represents and warrants to the Company, that as of the Effective Date:

(a) Authority. The Redeemed Shareholder is wholly owned by Community Investments Foundation, a Florida charitable trust, and has full capacity, legal right, power and authority, without the consent of any other person, to execute and deliver this Agreement and to carry out the redemption of the Shares contemplated hereby.

(b) Validity. This Agreement has been, and all instruments and documents to be delivered by the Redeemed Shareholder to the Company under this Agreement is and will be, duly executed and delivered by the Redeemed Shareholder and constitute lawful, valid and legally binding obligations of the Redeemed Shareholder.

(c) Ownership. The Shares are and will remain fully paid and non-assessable, free and clear of all liens and encumbrances and any other claims of whatever nature. The Redeemed Shareholder will not at any point in the future encumber any of the Shares or transfer any of the Shares except to the Company under the terms of this Agreement and as otherwise provided in the Shareholders Agreement by and among the Company and Shareholders of the Company of even date herewith.

(d) Transfer of Title. The Redeemed Shareholder possesses, and, upon the transfer and delivery of the certificates of the Shares hereunder, the Company will acquire, good and valid right, title and interest to such Shares, free and clear of all liens, options, pledges, liabilities, encumbrances, or any other claims of any nature whatsoever.

(e) Adequacy of Consideration. The Redeemed Shareholder expressly acknowledges that the Company is paying and that the Redeemed Shareholder is receiving a fair and adequate purchase price for the redemption of its Shares in the Company. The Redeemed Shareholder has been advised about, and has been provided access to, all material facts and information regarding the Shares and the affairs of the Company, and has reviewed and considered such material facts, documents and information as it deemed necessary or appropriate in making an informed decision to sell the Shares to the Company.

7. Representations and Warranties of the Company. The Company hereby represents and warrants to the Redeemed Shareholder that, as of the Effective Date:

(a) Authority. The Company has full capacity, legal right, power and authority, without the consent of any other person, to execute and deliver this Agreement. All corporate and other actions required to be taken by the Company to authorize the execution, delivery and performance of this Agreement, and the redemption of the Shares contemplated hereby have been duly and properly taken.

(b) Validity. This Agreement has been, and all documents to be delivered by the Company to the Redeemed Member will be, duly executed and delivered by the Company and shall constitute lawful, valid and legally binding obligations of the Company.

8. Survival of Representations and Warranties. The representation and warranties contained herein shall be deemed to be material and to have been relied upon by the parties hereto and shall survive the Closing.

9. Indemnification. Each party to this Agreement agrees to and will indemnify and hold the other party, and its successors, assigns, officers, directors and equity owners, harmless from and against any and all claims, demands, actions, causes of action, liens, lien rights, losses, costs, liabilities, assessments, settlements, expenses, or suits of any kind or nature whatsoever related to such parties respective ownership of such Shares, any actions taken by or omissions of either party resulting from the failure of any document to be delivered by either party hereunder or related to or arising from the failure of either party's representations and warranties set forth herein to be true and correct in all material respects (including the defense or investigation thereof and reasonable attorneys' fees incurred).

10. General Provisions.

(a) Expenses. Each party shall be responsible for its own attorneys' fees incurred in the negotiation, preparation and execution of this Agreement and consummation of the transactions contemplated by this Agreement.

(b) Counterparts; Facsimile Signatures. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original for all purposes and all of which when taken together shall constitute a single document. Facsimile signatures of this Agreement shall be considered to be of full force and effect as original signatures, and the party executing this Agreement by facsimile hereby agrees to execute an original upon request by any other party hereto as soon as such person is physically available to do so.

(c) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, as applicable, without regard to its conflicts of law principles.

(d) Severability. The invalidity of any provision of this Agreement or portion of a provision hereof shall not affect the validity of any other provision of this Agreement or the remaining portion of the applicable provision.

(e) Binding Effect; Benefit. This Agreement shall inure to the benefit of and be binding upon the parties and their respective heirs, successors, legal representatives and assigns. Nothing in this Agreement, expressed or implied, is intended to confer on any person other than the parties or their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(f) Further Assurances. The Redeemed Shareholder and the Company shall execute and deliver such additional documents and instruments and take such other actions as may be reasonably required in order to carry out the purposes and intent of this Agreement.

(g) Modification or Amendment. This Agreement may be modified or amended only by the written agreement executed and delivered by each of the parties hereto.

(h) Assignment. No party hereto may assign any of its interest herein without the written consent of the other parties to this Agreement; provided, however that the Company may assign its interests and obligations under this Agreement in connection with the transfer or sale of all or substantially all of its business, or in the event of a merger, consolidation, change of control or similar transaction. Any permitted assignee shall assume all obligations of the Company under this Agreement, the Note, and security agreement securing the Note.

(i) Confidentiality. The terms of this Agreement will remain confidential and shall not be disclosed to any third party without the prior written consent of the affected party to this Agreement, unless required to be disclosed by law, in the opinion of legal counsel, in which case the parties will discuss the terms of such disclosure prior to its release.

(j) Advisors Consulted. Each party hereto acknowledges that such party (a) has read this Agreement in its entirety prior to executing it, (b) understand the provisions and effects of this Agreement, and (c) has consulted with such attorneys, accountants, and other advisors as each has deemed appropriate in connection with such party's execution of this Agreement.

(k) Notices. All notices and communications in connection with this Agreement shall be in writing and shall be sent to the respective parties at the following addresses, or to such other addresses as may be designated by the parties in writing from time to time, by registered or certified mail, postage prepaid, or by express courier service, service fee prepaid, or by telefax with a hard copy to follow via mail or express courier service.

To Company: Developmental Disabilities Resources, Inc.
Attn: Gina C. Lemons, President
6313 Lake Road
Charlotte, North Carolina 28227

With a Copy to: Christopher E. Hannum, Esq.
Culp Elliott & Carpenter, P.L.L.C.
4401 Barclay Downs Drive, Suite 200
Charlotte, North Carolina 28209

Aaron M. Christensen
Smith & Christensen, LLP
5970 Fairview Road, Suite 126
Charlotte, NC 28210

To Redeemed Shareholder: CIF Holdings, LLC
Attn: Holly Welch Stubbing, Senior Vice
President of Foundation For The Carolinas
220 North Tryon Street
Charlotte, North Carolina 28202

[Signatures on the next page]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf as of the date first written above.

COMPANY:

Developmental Disabilities Resources, Inc.

ATTEST:

Jean C. Kennedy
Jean C. Kennedy, Secretary

[CORPORATE SEAL]

By: Gina C. Lemons (SEAL)
Gina C. Lemons, President

REDEEMED SHAREHOLDER:

CIF Holdings, LLC

By: Foundation For The Carolinas, Manager

By: _____ (SEAL)
Holly Welch Stubbing, Senior Vice President

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf as of the date first written above.

COMPANY:

ATTEST:

Developmental Disabilities Resources, Inc.

Jean C. Kennedy, Secretary

[CORPORATE SEAL]

By: _____(SEAL)
Gina C. Lemons, President

REDEEMED SHAREHOLDER:

CIF Holdings, LLC

By: Foundation For The Carolinas, Manager

By: Holly Welch Stubbing (SEAL)
Holly Welch Stubbing, Senior Vice President

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF GOOD STANDING

I Certify the Following from the Records of the Commission:

That DEVELOPMENTAL DISABILITIES RESOURCES, INC. is duly incorporated under the law of the Commonwealth of Virginia;

That the date of its incorporation is June 29, 2012;

That the period of its duration is perpetual; and

That the corporation is in existence and in good standing in the Commonwealth of Virginia as of the date set forth below.

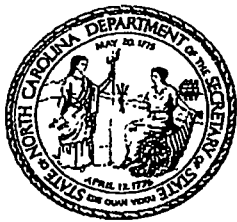
Nothing more is hereby certified.



*Signed and Sealed at Richmond on this Date:
July 20, 2012*

Joel H. Peck

Joel H. Peck, Clerk of the Commission



NORTH CAROLINA

Department of The Secretary of State

CERTIFICATE OF AUTHORITY

I, **ELAINE F. MARSHALL**, Secretary of State of the State of North Carolina, do hereby certify that

DEVELOPMENTAL DISABILITIES RESOURCES, INC.

having filed on this date an application conforming to the requirements of the General Statutes of North Carolina, a copy of which is hereto attached, is hereby granted authority to transact business in the State of North Carolina.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 27th day of July, 2012

Elaine F. Marshall

Secretary of State

State of North Carolina
Department of the Secretary of State

SOSID: 1270943
Date Filed: 7/27/2012 10:21:00 AM
Elaine F. Marshall
North Carolina Secretary of State

C201220600369

APPLICATION FOR CERTIFICATE OF AUTHORITY

Pursuant to §55-15-03 of the General Statutes of North Carolina, the undersigned corporation hereby applies for a Certificate of Authority to transact business in the State of North Carolina, and for that purpose submits the following:

1. The name of the corporation is: DEVELOPMENTAL DISABILITIES RESOURCES, INC.
2. The state or country under whose laws the corporation was organized is: Virginia.
3. The date of incorporation was June 29, 2012; its period of duration is: perpetual.
4. Principal office information: (Select either a or b.)

- a. ☒ The corporation has a principal office.

The street address and county of the principal office of the corporation is:

Number and Street: 150 Ray Kennedy Drive, Suite 240

City, State, Zip Code: Locust, North Carolina 28097 County: Stanly

The mailing address, *if different from the street address*, of the principal office of the corporation is:

- b. ☐ The corporation does not have a principal office.

5. The street address and county of the registered office in the State of North Carolina is:

Number and Street: 150 Ray Kennedy Drive, Suite 240

City, State, Zip: Locust, North Carolina 28097 County: Stanly

6. The mailing address, *if different from the street address*, of the registered office in the State of North Carolina is:

7. The name of the registered agent in the State of North Carolina is: Gina C. Lemons

8. The names, titles, and usual business addresses of the current officers of the corporation are (attach if necessary):

<u>Name</u>	<u>Title</u>	<u>Business Address</u>
Gina C. Lemons	President	150 Ray Kennedy Drive, Suite 240 Locust, NC 28097

9. Attached is a Certificate of Existence (or document of similar import) duly authenticated by the Secretary of State or other official having custody of corporate records in the state or country of incorporation. **The Certificate of Existence must be an original and less than six months old.**

APPLICATION FOR CERTIFICATE OF AUTHORITY

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10. If the corporation is required to use a fictitious name in order to transact business in this State, a copy of the resolution of its board of directors, certified by its secretary, adopting the fictitious name is attached.

11. This application will be effective upon filing, unless a delayed date and/or time is specified:

This is the 19th day of July, 2012

Developmental Disabilities Resources, Inc.

NAME OF CORPORATION

Gina C. Lemons
Signature

Gina C. Lemons, President

Type or Print Name and Title

NOTES:

1. Filing fee is \$250. This document must be filed with the Secretary of State.