

**AMENDED AND RESTATED BYLAWS
OF
FORT WORTH SOUTHSIDE DEVELOPMENT DISTRICT, INC.**
Revised December 12, 2012 (Article 4, Section 4.2, page 4 and Section 4.23, page 9)

These Amended and Restated Bylaws (referred to as the “Bylaws”) govern the affairs of FORT WORTH SOUTHSIDE DEVELOPMENT DISTRICT, INC. (referred to as the “Corporation”), a non-profit corporation organized under the Texas Business Organizations Code, Chapter 22 (referred to as the “Act”).

**ARTICLE 1
OFFICES**

1.01. Principal Office. The principal office of the Corporation in the State of Texas shall be located at 1606 Mistletoe Blvd., Fort Worth, Texas 76104. The Corporation may have such other offices, either in Texas or elsewhere, as the Board of Directors may determine. The Board of Directors may change the location of any office of the Corporation. The Corporation may operate under an assumed name such as “Fort Worth South, Inc.” as determined by the Board of Directors.

1.02. Registered Office and Registered Agent. The Corporation shall comply with the requirements of the Act and maintain a registered office and registered agent in Texas. The registered office may, but need not, be identical with the Corporation’s principal office in Texas. The Board of Directors may change the registered office and the registered agent as provided in the Act.

**ARTICLE 2
NONPROFIT PURPOSES**

2.01. Tax Exemption. This Corporation is organized and operated exclusively for one or more of the purposes to promote social welfare within the meaning of Section 501(c)(4) of the Internal Revenue Code of 1986, as amended (hereinafter the “Code”). Specifically, the Corporation is organized to further the common good and general welfare of the people and businesses in the community known as Near Southside, to include the Southside Medical District in Fort Worth, Texas, by promoting and assisting in the improvement of the economy, employment opportunities and residential and business quality of life of this area, in cooperation with the City of Fort Worth, Texas, and other governmental and private organizations and interests. These purposes include development, redevelopment and renewal of residential, business and industrial portions of Near Southside area, and other activities aimed at combating community deterioration and the incidence of crime, attracting new business and industry and retaining and promoting existing area business and industry.

2.02. Identification of Target Area. The general description of the geographical area promoted by the Corporation is located in the near downtown Southside area of the City of Fort Worth, Texas. The area encompasses, generally, homes, businesses and properties located south of Interstate 30, west of Evans Avenue, north of Allen Street, and east of the right-of-way for the Tarantula (Fort Worth and Western) Railroad tracks, all in Fort Worth, Tarrant County, Texas (generally referred to as the “Fort Worth South Area”).

ARTICLE 3 **MEMBERS**

3.01. **Members.** The Corporation shall have no members as that term is defined or used in the Act. Any members shall have no right to vote on any matter set forth in the Act. The Board of Directors shall have complete and sole discretion on whether an issue or matter should be voted on by the members for their input, which vote shall have no nor impress any statutory significance on the member's status in this Corporation.

3.02. **Qualification of Members.** The qualifications and classifications of members identified herein provide the Corporation the structures by which the Board of Directors is constituted as set forth herein. The decision of the Board of Directors to admit or deny membership in the Corporation shall be final and binding.

- a. Members of the Corporation shall be nonvoting and shall belong to one of these eight (8) membership classifications: Bronze, Silver, Gold, Platinum, Diamond, Sustaining Partner, Sustaining Honor Roll, and Friend. The Board of Directors may amend the membership classifications.
- b. Membership is open to any person or business which: owns, rents, or leases property or who lives in or operates or works at a business within or near the Fort Worth South Area; who is interested in furthering the purposes of the Corporation; whose application for membership or renewal of membership is accepted by the Board of Directors of the Corporation; and who has paid the dues applicable to the membership classification as established by Board of Directors from time to time.
- c. Each member who is not a natural person (hereinafter referred to as a corporate member) will designate one natural person individual to represent the corporate member.
- d. Any membership dues and classification may be shared by one or more persons; however, the persons of each shared membership shall designate its membership representative. If the members of a shared membership cannot agree on a representative, the Board of Directors or its designee shall decide for them, which decision shall be final and binding.
- e. Friend Members support the Corporation with their contributions, but do not have voting privileges and are not entitled to a Director appointment representation for any ratio of Friend Members.
- f. Unless an exception is granted by the Board of Directors, each member shall provide an email address for purposes of receiving notices and other information from the Corporation.
- g. Each member agrees to abide and be governed by these Bylaws, as may be amended, with respect to the corporate governance and operations of the Corporation.

3.03. Membership Dues. The amounts of dues for each classification of membership shall be set by the Board of Directors. The amount of dues for all persons within one membership classification shall be the same, but the amounts for each classification may be different.

3.04. Termination of Membership. A “member in good standing” is a member, either a person or entity, whose applications and dues are current. Membership may be terminated by the member’s failure to pay dues within (60) sixty days of the due date, or the member’s written request or resignation or by the member’s death (for natural persons) or dissolution. The Board of Directors may terminate a membership, with or without cause, upon a majority vote by the Board of Directors at any meeting of the Board of Directors.

3.05. Certificate of Membership. The Corporation may provide a certificate evidencing membership in the Corporation if so requested by a member in good standing. A membership certificate shall be dated with the original membership date. If a certificate is lost, mutilated, or destroyed, a new certificate may be issued upon request. Reasonable fees for this benefit may be established by the Board of Directors.

3.06. Non-assignment of Membership. Membership is not transferable or assignable. All memberships terminate on the dissolution of this Corporation.

3.07. Voting Rights of Members. Members shall have no voting rights (statutory or otherwise) on any matter set forth in the Act. The Board of Directors shall have complete and sole discretion to submit any issue for a vote by the members, which submission for a member vote shall have no statutory significance or requirement. For matters submitted by the Board of Directors to the members for a vote, each member of the Corporation is entitled to one vote on each matter submitted to a vote of the members, except to the extent that the voting rights of the members are limited, enlarged, or denied by the Articles of Incorporation/Certificate of Formation or these Bylaws. Only one vote may be cast on behalf of a business or organizational member.

3.08. Annual Meeting / Scheduling. The Board of Directors may schedule and designate a time and place for an annual meeting of the members. Because the members have no voting rights, the annual meeting of the members is discretionary. The Chairman of the Board of Directors of the Corporation shall preside over the annual meeting, or if the Chairman is unable or unwilling to preside, the President shall preside. The Executive Committee of the Board of Directors (hereinafter “Executive Committee”) shall have the authority to call the Annual Membership Meeting. The membership shall transact any business presented to it by the Board of Directors.

3.09. Special Membership Meetings. Because the members have no voting rights, the members have no right to call any special meeting of the members. Special meetings of the members of the Corporation may be held at any time upon the call of and only of the Executive Committee.

3.10. Notices for Meetings. Notice shall be delivered to each member entitled to vote at an annual meeting or a special meeting not later than the tenth (10th) day and not earlier than the sixtieth (60th) day before the date of the meeting. The Corporation shall provide written notice of

the place, date, and time of meeting of the members, and if a meeting is specially called, the notice shall state the purpose of the meeting. Notice may be delivered personally, or by mail, facsimile transmission or by electronic message, or any combination of these methods.

3.11. Quorum at Members' Meeting. When a meeting of members entitled to an issue presented to the members for a vote by the Board of Directors, those members in good standing and present at the meeting shall comprise a quorum.

3.12. Number of Votes Necessary for Members' Action. No action may be approved without the vote of at least a majority of the number of members present at a meeting.

ARTICLE 4 **BOARD OF DIRECTORS**

4.01. Management. The Board of Directors is the governing authority of the Corporation and shall manage and govern the affairs of the Corporation in compliance with these Bylaws, the Act, and other relevant laws.

4.02. Number, Qualifications, and Tenure of Directors. The powers of the Corporation shall be exercised by or under the authority of, and the property, business and affairs of the Corporation shall be managed under the direction of a board consisting of not more than the number of directors per membership classification ratios set forth below, as may be determined by the Board of Directors from time to time, provided that the number of directors shall not be decreased to less than three (3) and that no decrease in the number of directors shall have the effect of shortening the term of any incumbent director. Except as provided below with regard to director tenure for Sustaining Partner Members and Sustaining Honor Roll Members director representatives, each director shall serve for a term of two (2) years, and each director may serve up to three (3) consecutive two-year terms. If a director serves three consecutive two-year terms, the director may again be elected to the board only after being out of office for one year. Except, if a director is currently serving as the Vice Chairman and has served three consecutive two-year terms, a director may be nominated and elected to serve as the Chairman. Director terms shall be staggered, as determined by the Board, to allow for an orderly transition.

4.03. Constitution of the Board of Directors.

- a. Sustaining Partner Directors. Each Sustaining Partner member, by virtue of this substantial membership status, shall be offered a director position on the Board, which may be filled by the Sustaining Partner within a reasonable time after the Sustaining Partner membership application and dues have been submitted and paid to the Corporation. If a Sustaining Partner is not a natural person, the Sustaining Partner shall designate one natural person who shall serve as the Sustaining Partner's director representative for the remainder of the Corporation's annual term then in effect. At the end of the Corporation's then-existing annual term and at the election of other Directors, the Sustaining Partner member may designate a different director representative to serve as director for the coming annual term. A Sustaining Partner shall have the right to decline a director position, which shall be promptly

communicated to the Corporation's Board of Directors, Secretary or President. Sustaining Partner Director positions have no term limit so long as the application and dues remain current during each term the Director serves on the Board.

- b. Sustaining Honor Roll Directors. Each Sustaining Honor Roll member, by virtue of this substantial membership status, shall be offered a director position on the Board, which may be filled by the Sustaining Honor Roll member within a reasonable time after the Sustaining Honor Roll membership application and dues have been submitted and paid to the Corporation. If a Sustaining Honor Roll member is not a natural person, the member shall designate one natural person who shall serve as the Sustaining Honor Roll member's director representative for the remainder of the Corporation's annual term then in effect. At the end of the Corporation's then-existing annual term and at the election of other Directors, the Sustaining Honor Roll member may designate a different director representative to serve as director for the coming annual term. A Sustaining Honor Roll member shall have the right to decline a director position, which shall be promptly communicated to the Corporation's Board of Directors, Secretary or President. Sustaining Honor Roll Director positions have no term limit so long as the application and dues remain current during each term the Director serves on the Board.
- c. Bronze Members Directors. The Board of Directors shall elect one director for every twenty (20) Bronze Members of the Corporation, or fraction thereof. (For example, if there were sixty-five (65) Bronze Members, the Board would elect four (4) Bronze Members to the Board; if there were forty (40) Bronze Members, the Board would elect two (2) Bronze Members to the Board.) At least one Bronze Member Director shall be elected if there is at least one but fewer than 20 Bronze Members. If a Bronze Member is not a natural person, the member shall designate one natural person who may serve as a Director.
- d. Silver Members Directors. The Board of Directors shall elect one director for every ten (10) Silver Members of the Corporation, or fraction thereof. At least one Silver Member Director shall be elected if there is at least one but fewer than ten Silver Members. If a Silver Member is not a natural person, the member shall designate one natural person who may serve as a Director.
- e. Gold Members Directors. The Board of Directors shall elect one director for every six (6) Gold Members of the Corporation, or fraction thereof. At least one Gold Member Director shall be elected if there is at least one but fewer than six Gold Members. If a Gold Member is not a natural person, the member shall designate one natural person who may serve as a Director.
- f. Platinum Members Directors. The Board of Directors shall elect one director for every four (4) Platinum Members of the Corporation, or fraction thereof. At least one Platinum Member Director shall be elected if there is at least one but fewer than four Platinum Members. If a Platinum Member is not a natural person, the member shall designate one natural person who may serve as a Director.

- g. Diamond Members Directors. The Board of Directors shall elect one director for every two (2) Diamond Members of the Corporation, or fraction thereof. At least one Diamond Member Director shall be elected if there is at least one but fewer than two Diamond Members. If a Diamond Member is not a natural person, the member shall designate one natural person who may serve as a Director.
- h. Friend Members. The Board of Directors is not required to appoint Directors from the members of the Friend Members classification.
- i. Historic Southside, Inc. Directors. The nonprofit organization, Historic Southside, Inc., shall be a member of this Corporation so long as Historic Southside, Inc.'s charitable purposes remain substantially similar to its stated purposes existing as of the date these Bylaws were adopted by Fort Worth Southside Development District, Inc. Historic Southside, Inc. shall have the right to appoint up to but no more than five (5) directors to the Board of Directors.

4.04. Record Date for Determining Membership Numbers. For purposes of establishing the number of Directors to be elected to the Board, the number of members in good standing per membership classification shall be determined as of November 1st of each year.

4.05. Nomination of Directors. Those persons who are members in good standing in their respective membership classifications, and who have been nominated by any Nominating Committee, the members, officers, or members of the Board of Directors shall be eligible to be elected to the Board of Directors. Not later than November 30th of each year, the President or any established Nominating Committee shall deliver to the Executive Committee a slate of candidates for all Directors positions which are to be filled by election of the Board of Directors; together with a written outline of any election procedure to be followed at that meeting.

4.06. Election of Directors. A person who meets any qualification requirements to be a director and who has been duly nominated may be elected as a director. Directors shall be elected by the vote of the Board of Directors. Directors shall be elected as a last order of business at the regular or special meeting of the Board of Directors held in December of each year, or otherwise at the annual meeting of the Board as may be determined by the Executive Committee. Each director shall hold office until a successor is elected and qualified.

4.07. Vacancies. Vacancies on the Board of Directors shall exist upon: (a) the death, resignation, or removal of any director; (b) an increase in the authorized number of directors; or (c) the failure of the directors to elect the full authorized number of directors to be voted for at any annual, regular, or special meeting of the Board of Directors at which any director is to be elected. The Board of Directors may declare the office of a director vacant if a court adjudges the director incompetent, is convicted of a crime involving moral turpitude, or does not accept the office of director, in writing or by attending a meeting of the Board of Directors, within thirty (30) days notice of election. Any vacancy occurring in the Board of Directors, and any director position to be filled due to an increase in the number of directors, shall be filled by the Board of Directors (subject, however, to the limitations set forth in the Act). A vacancy is filled by the affirmative vote of a

majority of the remaining directors, even if it is less than a quorum of the Board of Directors, or if it is a sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of the predecessor in office. Vacancies reducing the number of Directors to less than three (3) shall be filled before the transaction of any other business.

4.08. Annual Meeting. Unless the Board determines otherwise, the annual meeting of the Board of Directors shall be held in the City of Fort Worth, Tarrant County, Texas in December and at a date and time determined by the Executive Committee. Notice of the annual meeting of the Board of Directors is required at least thirty (30) days in advance of the meeting. Such notice may be in writing, by e-mail, or other reasonable means.

4.09. Regular Meeting. The Board of Directors, or governing body exercising the powers of the Board of Directors such as the Executive Committee, may provide for regular or quarterly meetings by resolution or notice from the President stating the time and place of such meetings. The meetings shall be held in the City of Fort Worth, Tarrant County, Texas. Notice of the regular meeting may be given by resolution of the Board of Directors or the Executive Committee or notice from the President stating the time of the meetings.

4.10. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board of Directors, the President or by directors constituting at least 10% of the then-existing Board of Directors. A person or persons authorized to call special meetings of the Board of Directors may fix any place within the City of Fort Worth, Tarrant County, Texas as the place for holding a special meeting. The person or persons calling a special meeting shall notify the secretary of the information required to be included in the notice of the meeting. The secretary shall give written notice to the directors of any special meeting as provided in these Bylaws.

4.11. Action by Consent of Board Without Meeting. An action may be taken without a meeting if a written consent, stating the action to be taken, is signed by the number of directors or committee members necessary to take that action at a meeting at which all of the directors or committee members are present and voting. The consent must state the date of each director's or committee member's signature. Prompt notice of the taking of an action by directors or a committee without a meeting by less than unanimous written consent shall be given to each director or committee member who did not consent in writing to the action. Such consent may be given individually or collectively.

4.12. Notice. Written or printed notice of any special meeting of the Board of Directors shall be delivered to each director not less than ten (10) nor more than sixty (60) days before the date of the meeting. The notice shall state the place, day, and time of the meeting, who called the meeting, and the purpose or purposes for which the meeting is called.

4.13. Quorum. A majority of the number of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The Directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough Directors leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of Directors

required to constitute a quorum.

4.14. Conduct of Meetings. At every meeting of the Board of Directors, the Chairman of the Board, shall preside, and if not, the Vice Chairman of the Corporation. When the secretary is absent from any meeting, the person presiding may appoint any person to act as secretary of the meeting.

4.15. Powers of Board of Directors. In addition to the powers and authorities expressly conferred by these Bylaws upon them, the Board may exercise all such powers of the Corporation and do all such lawful acts and things as are directed or required to be exercised or done by statute, the Certificate of Formation, or these Bylaws.

4.16. Duties of Directors. Directors shall discharge their duties, including any duties as committee members, in good faith, with ordinary care, and in a manner they reasonably believe to be in the best interest of the Corporation. Ordinary care is care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In the discharge of any duty imposed or power conferred on directors, they may in good faith rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person that were prepared or presented by a variety of persons, including officers and employees of the Corporation, professional advisors or experts such as accountants or attorneys. A director is not relying in good faith if the director has knowledge concerning a matter in question that renders reliance unwarranted.

Directors are not deemed to have the duties of trustees of a trust with respect to the Corporation or with respect to any property held or administered by the Corporation, including property that may be subject to restrictions imposed by the donor or transferor of the property.

4.17. Duty to Avoid Improper Distributions. Directors who vote for or assent to improper distributions, are jointly and severally liable to the Corporation for the value of improperly distributed assets, to the extent that debts, obligations, and liabilities of the Corporation are not thereafter paid and discharged. Any distribution made when the Corporation is insolvent, other than in payment of corporate debts, or any distribution that would render the Corporation insolvent is an improper distribution. A distribution made during liquidation without payment and discharge of or provision for all known debts, obligations, and liabilities, is also improper. Directors participating in a Board meeting at which the improper action is taken are presumed to have assented, unless they dissent in writing. The written dissent must be filed with the secretary before adjournment or mailed to the secretary by registered mail or e-mail immediately after adjournment.

A director is not liable if, in voting for or assenting to a distribution, the director (1) relies in good faith and with ordinary care on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by one or more officers or employees of the Corporation; legal counsel, public accountants, or other persons as to matters the director reasonably believes are within the person's professional or expert competence; or a committee of the Board of Directors of which the director is not a member; (2) while acting in good faith and with ordinary care, considers the assets of the Corporation to be at least that of their book value; or (3) in determining whether the Corporation made adequate provision for payment,

satisfaction, or discharge of all of its liabilities and obligations, relied in good faith and with ordinary care on financial statements or other information concerning a person who was or became contractually obligated to satisfy or discharge some or all of these liabilities or obligations. Furthermore, directors are protected from liability if, in the exercise of ordinary care, they acted in good faith and in reliance on the written opinion of an attorney for the Corporation.

Directors who are held liable for an improper distribution are entitled to contribution from persons who accepted or received the improper distributions knowing they were improper. Contribution is in proportion to the amount received by each such person.

4.18. Delegation of Duties. Directors are entitled to select advisors and delegate duties and responsibilities to them, such as the full power and authority to purchase or otherwise acquire stocks, bonds, securities, and other investments on behalf of the Corporation; and to sell, transfer, or otherwise dispose of the Corporation's assets and properties at a time and for a consideration that the advisor deems appropriate. The directors have no liability for actions taken or omitted by the advisor if the Board of Directors acts in good faith and with ordinary care in selecting the advisor. The Board of Directors may remove or replace the advisor, with or without cause.

4.19. Actions of Board of Directors. The Board of Directors shall try to act by consensus. Each director shall have one vote. However, the vote of a majority of directors present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Board of Directors unless the Act or the Bylaw requires a greater number. A director who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the decision of the Board of Directors. For the purpose of determining the decision of the Board of Directors, a director who is represented by proxy in a vote is considered present.

4.20. Proxies. If and only if the Board of Directors expressly permits proxy voting for a particular vote or issue, a director may vote by proxy executed in writing by the director; otherwise, proxy voting is not permitted. No proxy shall be valid after three (3) months from the date of its execution.

4.21. Compensation. Directors may not receive salaries for their services as a director. A director may serve the Corporation in any other capacity and receive compensation for those services. A director may be reimbursed expenses incurred by him to attend a Corporation's meeting.

4.22. Removal of Directors. The Board of Directors may vote to remove a Director at any time, with or without good cause. A meeting to consider the removal of a Director may be called with notice to the Board members. The notice of the meeting shall state that the issue of possible removal of the Director will be on the agenda. A Director may be removed by the affirmative vote of a two-thirds (2/3) majority of the Board of Directors. The Board of Directors may vote to remove a director at any time, with or without good cause.

4.23. Advisory Directors. The Board of Directors may elect advisory directors (ex officio) as they see fit. The advisory directors shall not have a vote, but may attend all Board of Director meetings and participate in the discussion like the regular directors.

ARTICLE 5 OFFICERS

5.01. Officer Positions. The officers of the Corporation shall be a Chairman of the Board of Directors, a Vice Chairman of the Board, a President, a secretary, and a treasurer. The officers may include one or more vice presidents. The Board of Directors may create additional officer positions, define the authority and duties of each such position, and elect or appoint persons to fill the positions. The same person, except the offices of president and secretary, may hold any two or more offices. The president shall be an ex officio, non-voting member of the Board of Directors.

5.02. General Duties. All officers and agents of the Corporation, as between themselves and the Corporation, shall have such authority, perform such duties and manage the Corporation as may be provided in these Bylaws or as may be determined by resolution of the Board of Directors not inconsistent with these Bylaws.

5.03. Election and Term of Office. The Board of Directors at its regular December meeting shall elect the officers of the Corporation. If the election of officers is not held at this meeting, the election shall be held as soon thereafter as conveniently possible. Each officer shall hold office until a successor is duly selected and qualified. An officer may be elected to succeed himself or herself in the same office.

5.04. Removal. The Board of Directors, with or without good cause, may remove any officer elected or appointed by the Board of Directors. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer.

5.05. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the Chairman of the Board or the Secretary. Such resignation shall take effect at the time specified in the notice, and, unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective. Such resignation shall be without prejudice to the contract rights, if any, of the Corporation.

5.06. Vacancies. The Board of Directors may fill the vacancy in any office for the unexpired portion of that officer's term.

5.07. Chairman. The Chairman of the Board shall preside at all meetings of the Board of Directors, and shall have such other powers and duties as may be assigned to such officer in these Bylaws or from time to time by the Board of Directors. The Chairman shall preside over all meetings of the Board of Directors, the Executive Committee, and members. The Chairman is the official spokesperson for the Corporation in matters of policy and as may be assigned by the Executive Committee. The Chairman shall nominate for appointment all chairs of any permanent and special committees of the Corporation. The Chairman shall perform other duties prescribed by the Board of Directors and all duties incident to the office of Chairman. The Chairman, with notice to and approval by the Executive Committee, may delegate to the President any and all functions, powers and duties set forth in this section.

5.08. Vice Chairman. When the Chairman is absent, is unable to act, or refuse to act, a vice chairman may perform the duties of the Chairman. When a vice chairman acts in place of the Chairman, the vice chairman shall have all the powers of and be subject to all the restrictions upon the Chairman. If there is more than one vice chairman, the vice chairmen shall act in place of the Chairman in the order of the votes received when elected.

5.09. President. The president shall supervise and control all of the business and affairs of the Corporation. The president shall function as the chief executive officer of the Corporation. The president may execute any deeds, mortgages, bonds, contracts, or other instruments that the Board of Directors has authorized to be executed. However, the president may not execute instruments on behalf of the Corporation if this power is expressly delegated to another officer or agent of the Corporation by the Board of Directors, the Bylaws, or statute. The president shall perform other duties prescribed by the Board of Directors and all duties incident to the office of president. The president shall be an ex officio, non-voting member of the Board of Directors.

5.10. Vice President. When the president is absent, is unable to act, or refuse to act, the Board of Directors or Executive Committee may appoint a vice president to perform the duties of the president. When a vice president acts in place of the president, the vice president shall have all the powers of and be subject to all the restrictions upon the president. If there is more than one vice president, the vice presidents shall act in place of the president in the order of the votes received when elected. A vice president shall perform other duties as assigned by the president or Board of Directors or Executive Committee.

5.11. Treasurer. The treasurer shall oversee and be responsible for the following functions and responsibilities, which may be delegated to the president and/or other assistant officers or authorized staff members:

- a. Have charge and custody of and be responsible for all funds and securities of the Corporation.
- b. Receive and give receipts for moneys due and payable to the Corporation from any source.
- c. Deposit all moneys in the name of the Corporation in banks, trust companies, or other depositaries as provided in the Bylaws or as directed by the Board of Directors or the Executive Committee.
- d. Write checks and disburse funds to discharge obligations of the Corporation, but only on the order of the President or the Executive Committee.
- e. Maintain the financial books and records of the Corporation.
- f. Prepare financial reports at least annually.
- g. Perform other duties as assigned by the president or by the Board of

Directors.

- h. If required by the Board of Directors, give a bond for the faithful discharge of his or her duties in a sum and with a surety as determined by the Board of Directors.
- i. Perform all the duties incident to the office of treasurer.

5.12. Secretary. The secretary shall oversee and be responsible for the following functions and responsibilities, which may be delegated to other authorized assistant officers or staff members:

- a. Give all notices as provided in the Bylaws or as required by law, and present the slate of nominees for directorships to the Board of Directors for election.
- b. Take minutes and attendance records of the meetings of the members, the Board of Directors and Executive Committee, and keep the minutes as part of the corporate records.
- c. Maintain custody of the corporate records, membership classification lists, and of the seal of the Corporation, and furnish same to the Board of Directors upon request.
- d. Affix the seal of the Corporation to all documents as authorized.
- e. Keep a register of the mailing address of each Director, officer, and employee of the Corporation.
- f. Perform duties as assigned by the president or by the Board of Directors.
- g. Perform all duties incident to the office of secretary.

5.13. Assistant Officers. The Board of Directors may appoint one or more assistant secretaries and one or more assistant treasurers. Each assistant secretary and each assistant treasurer shall hold office for such period as the Board of Directors may prescribe. Any assistant secretary may perform any of the duties or exercise any of the powers of the secretary or otherwise as occasion may require in the administration of the business and affairs of the Corporation, and any assistant treasurer may perform any of the duties or exercise any of the powers of the treasurer at the request or in the absence or disability of the treasurer or otherwise as occasion may require in the administration of the business and affairs of the Corporation. Each assistant secretary and each assistant treasurer shall perform such other duties and/or exercise such other powers, if any, as the Board of Directors shall prescribe. To establish the authority of an assistant secretary or an assistant treasurer to take any action on behalf of the Corporation in place of the secretary or the treasurer, as the case may be, it shall not be necessary to furnish proof of any request by, or of the absence or disability of, the secretary or treasurer or any other assistant secretary or assistant treasurer, respectively.

5.14. Disallowed Payments. Any payments made to an officer of the Corporation, such as

a expense reimbursement incurred by the officer, which is disallowed in whole or in part as an acceptable expense by the Internal Revenue Service (“IRS”), shall be reimbursed by such officer to the Corporation to the full extent of such disallowance. It shall be the duty of the Directors, as a Board, to enforce payment of each such amount disallowed.

ARTICLE 6 **COMMITTEES**

6.01. Establishment of Committees. The Board of Directors may adopt a resolution establishing one or more committees delegating specified authority to a committee, and appointing or removing members of a committee. A committee shall include two or more Directors and may include persons who are not Directors. If the Board of Directors delegates any of its authority to a committee, the majority of the committee shall consist of Directors. The Board of Directors may establish qualifications for membership on a committee. The Board of Directors may delegate to the president its power to appoint and remove members of a committee that has not been delegated any authority of the Board of Directors. The establishment of a committee or the delegation of authority to it shall not relieve the Board of Directors, or any individual Director, of any responsibility imposed by the Bylaws or otherwise imposed by law. No committee shall have the authority of the Board of Directors to:

- a. Amend the Certificate of Formation;
- b. Adopt a plan of merger or a plan of consolidation with another corporation;
- c. Authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Corporation;
- d. Authorize the voluntary dissolution of the Corporation;
- e. Revoke proceedings for the voluntary dissolution of the Corporation;
- f. Adopt a plan for the distribution of the assets of the Corporation;
- g. Amend, alter, or repeal the Bylaws;
- h. Elect, appoint, or remove a member of a committee or a Director or officer of the Corporation;
- i. Approve any transaction to which the Corporation is a party and that involves a potential conflict of interest as defined in paragraph 6.05, below; and
- j. Take any action outside the scope of authority delegated to it by the Board of Directors.

6.02. Term of Office. Each member of a committee shall continue to serve on the committee until a successor is appointed or the committee is terminated; provided, however, that

each individual committee member shall serve no more than three (3) consecutive two-year terms. If an individual serves three consecutive two-year terms, the individual may again be elected to a committee only after being off committee for one year. However, the term of a committee member may terminate earlier if the member dies, ceases to qualify, resigns, or is removed as a member. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a committee shall serve for the unexpired portion of the terminated committee member's term.

6.03. Chair and Vice-Chair. One member of each committee shall be designated as the chair of the committee and another member of each committee shall be designated as the vice-chair. The chair and vice-chair shall be appointed by the Chairman of the Board or his or her designee. The chair shall call and preside at all meetings of the committee. When the chair is absent, is unable to act, or refuses to act, the vice-chair shall perform the duties of the chair. When a vice-chair acts in place of the chair, the vice-chair shall have all the powers of and be subject to all the restrictions upon the chair.

6.04. Notice of Meetings. Written or printed notice of a committee meeting shall be delivered to each member of a committee not less than ten (10) nor more than sixty (60) days before the date of the meeting. The notice shall state the place, day, and time of the meeting, and the purpose or purposes for which the meeting is called.

6.05. Quorum. A simple majority of the number of members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee. The committee members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough committee members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of committee members required to constitute a quorum.

6.06. Actions of Committees. Committees shall try to take action by consensus. However, the vote of a majority of committee members present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the committee unless the act of a greater number is required by law or the Bylaws. A committee member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the committee.

6.07. Proxies. If and only if the Board of Directors expressly permits a committee vote by proxy voting for a particular vote or issue, a committee member may vote by proxy executed in writing by the committee member; otherwise, no proxy voting is permitted. No proxy shall be valid after eleven (11) months from the date of its execution.

6.08. Compensation. Committee members may not receive salaries for their services. The Board of Directors may adopt a resolution providing for payment to committee members of expenses of attendance, if any, for attendance at each meeting of the committee.

6.09. Rules. Each committee may adopt rules for its own operation not inconsistent with the Bylaws or with rules adopted by the Board of Directors.

6.10. Executive Committee. The Corporation shall have an Executive Committee.

a. Members of Executive Committee.

- (i) The Executive Committee shall consist of the Chairman of the Board, the Vice Chairman of the Board, the Secretary of the Corporation, the Treasurer of the Corporation, and At-Large Directors.
- (ii) The At-Large Executive Committee member positions shall be filled by one individual Director from each of these Director classes, if not otherwise represented on the Executive Committee: Bronze Member Directors, Silver Member Directors, Gold Member Directors, Platinum Member Directors, Diamond Member Directors, Sustaining Partner Directors, Sustaining Honor Roll Directors, and Historic Southside, Inc. Directors.
- (iii) The Board of Directors may appoint additional members to the Executive Committee as the Board may determine from time to time; provided, however, that each Director class shall be fairly represented on the Executive Committee notwithstanding any increase in the number of committee members.
- (iv) If, in the judgment and sole discretion of the Board of Directors, a Director class has no members qualified to serve as an At-Large Executive Committee member, the Board of Directors may appoint a Director from another Director class to fill the At-Large Executive Committee position.
- (v) Subject to the Board of Directors' final appointment authority, Historic Southside, Inc. shall have the right to appoint one At-Large member from this Corporation's Board of Directors to the Executive Committee, whether or not Historic Southside, Inc. appointed any Directors to the Board of Directors.
- (vi) Each member of the Executive Committee shall have full voting privileges on the Executive Committee, except to the extent that the voting rights of the members are limited, enlarged, or denied by the Articles of Incorporation/Certificate of Formation or these Bylaws.
- (vii) If the President does not also serve as the Chairman of the Board, the President shall be an ex officio, nonvoting member of the Executive Committee.

b. Qualifications. Only members of the Board of Directors are eligible to be elected to the Executive Committee. The Board of Directors may appoint assistant secretaries or assistant treasurers to the Executive Committee, but they will have no voting rights and do not have to be Directors of the Corporation.

c. Nomination and Election to Executive Committee. Nominations to the Executive

Committee may be made by any established Nominating Committee, the members, officers, or members of the Board of Directors. Not later than November 30 of each year, the President or any established Nominating Committee shall deliver to the Corporation's Secretary a slate of candidates for all Executive Committee member positions which are to be filled by election at the December meeting of the Board of Directors. The Board of Directors of Fort Worth Southside Development District, Inc. d/b/a Fort Worth South, Inc., by majority vote, may accept all, part or none of the members on the slate presented, and the Board of Directors has the final appointment authority for this Executive Committee.

- d. Terms. Each Executive Committee member shall serve for a term of two (2) years, and each member may serve up to three (3) consecutive two-year terms **or until a successor is qualified and appointed or elected.** If a committee member serves three consecutive two-year terms, the member may again be elected to the Executive Committee only after being out of office for one year. Executive Committee terms shall be staggered, as determined by the Executive Committee, to allow for an orderly transition. Each member of the Executive Committee shall hold office until a successor is elected and qualified. **Notwithstanding the foregoing, the Executive Committee may request that a committee member stand for election or appointment for additional consecutive terms if, in the opinion of the Executive Committee, the person's continued service on the Executive Committee is deemed to be of exceptional benefit to the Corporation.**
- e. Vacancies. A vacancy on the Executive Committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on the Executive Committee shall serve for the unexpired portion of the terminated committee member's term.
- f. Duties of the Executive Committee. The duties of the Executive Committee shall include the following:
 - (i) Hire and supervise the Chief Administrative Officer of the Corporation (the President) and terminate his or her employment, with or without cause, in the event it determines that is in the best interests of the Corporation;
 - (ii) Serve as the executive body of the Corporation by overseeing the day-to-day operations of the Corporation and exercising the authority and powers of the full Board of Directors between Board Meetings;
 - (iii) Cause appropriate books and records, including financial records, to be kept for the Corporation;
 - (iv) Prepare and submit to the board of Directors for approval a proposed annual budget for each fiscal year;
 - (v) Submit to the Board of Directors for final approval its recommendations as to

all policy decisions, and all actions which will involve the expenditure of or obligate the Corporation for any substantial cost or liability which is not included in an approved budget or has not been otherwise already approved by the Board of Directors. The Executive Committee shall, by a two-thirds (2/3) majority vote and in good faith, determine whether an expenditure involves a “substantial cost or liability” for purposes of the Board approval required herein.

- (vi) Establish and cause the convening of meetings of all committees necessary or useful to accomplish the objectives of the Corporation and approve all chair and committee member appointments;
- (vii) Represent all members of the Corporation to all non-members and organizations, and in dealings with members; and
- (viii) Call such meetings of the Membership and of the Board of Directors of the Corporation as the Executive Committee may determine.

g. Executive Committee Meetings. The Executive Committee shall hold frequent meetings in order to properly carry out the business of the Corporation. Such meetings may be scheduled in advance by the Executive Committee, or called by the Chairman of the Board of Directors, or the Chairman or by the Vice Chairman of the Executive Committee. Notice of any Executive Committee meeting shall be given at least three (3) and no more than sixty (60) days before the meeting. Notice may be delivered personally, or by mail, facsimile transmission or by electronic message, or any combination of these methods, and no information as to particular matters of business to be considered shall be required to be included in any such notice.

6.11. Development Committee. The Corporation may, but need not necessarily, establish a Development Committee whose membership should have representation from members whose business affiliations represent one of the following categories: Developer, Architect, Builder, Professional Service, Land Ownership, Business Owner. Ex-Officio members of any committee in this regard should include representatives from the City of Fort Worth and Fort Worth Independent School District. Any establishment of this committee shall be in conformity with the Bylaws.

6.12. Marketing Committee. The Corporation may, but need not necessarily, establish a Marketing Committee whose membership should have representation from members whose business affiliations represent one of the following categories: Retail, Real Estate Developer, Business Owner, Marketing, Developer, Advertising and Public Relations. Any establishment of this committee shall be in conformity with the Bylaws.

6.13. Transportation Committee. The Corporation may, but need not necessarily, establish a Transportation Committee whose membership should have representation from members whose business affiliations represent one of the following categories: Developer, Business owner, Member At-Large. Any establishment of this committee shall be in conformity with the Bylaws.

ARTICLE 7

TRANSACTIONS OF THE CORPORATION

7.01. Contracts. The Board of Directors may authorize any officer or agent of the Corporation to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Corporation. This authority may be limited to a specific contract or instrument or it may extend to any number and type of possible contracts and instruments.

7.02. Deposits. All funds of the Corporation shall be deposited to the credit of the Corporation in banks, trust companies, or other depositaries that the Board of Directors selects.

7.03. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

7.04. Loans and Related Parties. The Corporation shall not make any loan to a Director or officer of the Corporation.

7.05. Affiliated Transactions. No contract or transaction between the Corporation and one or more of its Directors or officers, or between the Corporation and any other corporation, partnership or association or other organization in which one or more of its Directors or officers are Directors or officers (including, for example, Historic Southside, Inc.), or have a financial interest, shall be void or voidable solely for this reason, if:

- a. The material facts concerning the financial interests are disclosed to the Board of Directors or committee and the Board of Directors or committee, in good faith and with ordinary care, authorizes the contract or transaction by the affirmative vote of a majority of the disinterested Directors or committee members, regardless of whether the disinterested Directors or committee members constitute a quorum; or
- b. The contract or transaction is fair to the Corporation at the time of the approval. Nothing herein shall prevent retroactive approval of a transaction.
- c. The interested Director or committee member that is present may be counted towards a quorum for purposes of voting on the contract or transaction. The interested Director or committee member may participate in the discussion of the matter, but may not vote.

7.06. Prohibited Acts. As long as the Corporation is in existence, and except with the prior approval of the Board of Directors no Director, officer, or committee member of the Corporation shall:

- a. Do any act in violation of the Bylaws or a binding obligation of the Corporation.
- b. Do any act with the intention of harming the Corporation or any of its operations.

- c. Do any act that would make it impossible or unnecessarily difficult to carry on the intended or ordinary business of the Corporation.
- d. Receive an improper personal benefit from the operation of the Corporation.
- e. Use the assets of this Corporation, directly or indirectly, for any purpose other than carrying on the business of this Corporation.
- f. Wrongfully transfer or dispose of Corporation property, including intangible property such as good will.
- g. Use the name of the Corporation (or any substantially similar name) or any trademark or trade name adopted by the Corporation, except on behalf of the Corporation in the ordinary course of the Corporation's business.
- h. Disclose any of the Corporation business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.

ARTICLE 8 **BOOKS AND RECORDS**

8.01. Required Books and Records. The Corporation shall keep correct and complete books and records of account. The Corporation's books and records shall include:

- a. A file-endorsed copy of all documents filed with the Texas Secretary of State relating to the Corporation, including, but not limited to, the Certificate of Formation, and any articles of amendment, restated articles, articles of merger, articles of consolidation, and statement of change of registered office or registered agent.
- b. A copy of the Bylaws, and any amended versions or amendments to the Bylaws.
- c. Minutes of the proceedings of the Board of Directors, and committees having any of the authority of the Board of Directors.
- d. A list of the names and addresses of the Directors, officers, members, and any committee members of the Corporation.
- e. A financial statement showing the assets, liabilities, and net worth of the Corporation at the end of the three most recent fiscal years.
- f. A financial statement showing the income and expenses of the Corporation for the most recent fiscal years.
- g. All rulings, letters, and other documents relating to the Corporation's federal, state, and local tax status.

h. The Corporation's federal, state, and local information or income tax returns for each of the Corporation's three most recent tax years.

8.02. Inspection and Copying. A Director or officer of the Corporation may, as provided below, inspect and receive copies of books and records of the Corporation required to be kept by the Bylaws. A Director or officer may inspect or receive copies if the person has a proper purpose related to the person's interest in the Corporation and if the person submits a request in writing stating the proper purpose. As allowed under applicable law, and to protect the interests of the Corporation, and as a condition precedent to any inspection or copying of confidential, proprietary, or trade secret books and records, the Corporation shall have the right to require that the person requesting the records execute a Nondisclosure or Confidentiality Agreement relating to the nondisclosure of the books and records inspected or copied. Subject to the protection of the Corporation's interests in preventing the disclosure of confidential, proprietary or trade secret books and records, a person entitled to inspect the Corporation's books and records may do so at a reasonable time no later than required by Internal Revenue Regulation after the Corporation's receipt of a proper written request. The Board of Directors may establish reasonable fees for copying the Corporation's books and records by members. The fees may cover the cost of materials and labor, but may not exceed the Internal Revenue Service guidelines for providing copies. The Internal Revenue Service requires that copies to be made available to the legitimate, requesting public. The Corporation shall receive and respond as required by Internal Revenue Service guidelines to requests from the public for copies of the Corporations Form 1023 and Form 990. The Corporation shall maintain a file containing all documents required by the Internal Revenue Service to be made available to the public.

ARTICLE 9 FISCAL YEAR

The fiscal year of the Corporation shall begin January 1 and end December 31 of each year.

ARTICLE 10 INDEMNIFICATION

10.01. When Indemnification is Required, Permitted, and Prohibited.

a. The Corporation shall indemnify a director, officer, committee member, employee, or agent of the Corporation who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of his or her official capacity in the Corporation. For the purposes of this article, an agent includes one who is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise. However, the Corporation shall indemnify a person only if he or she acted in good faith and reasonably believed that the conduct was in the Corporation's best interests. In a case of a criminal proceeding, the person may be indemnified only if he or she had no reasonable cause to believe that the conduct was unlawful. The Corporation shall not

indemnify a person who is found liable to the Corporation or is found liable to another on the basis of improperly receiving a personal benefit. A person is conclusively considered to have been found liable in relation to any claim, issue, or matter if a court of competent jurisdiction has adjudged the person liable and all appeals have been exhausted.

- b. The termination of a proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent does not necessarily preclude indemnification by the Corporation.
- c. The Corporation shall pay or reimburse expenses incurred by a director, officer, committee member, employee, or agent of the Corporation in connection with the person's appearance as a witness or other participation in a proceeding involving or affecting the Corporation when the person is not a named defendant or respondent in the proceeding.
- d. In addition to the situations otherwise described in this paragraph, the Corporation may indemnify a director, officer, committee member, employee, or agent of the Corporation to the extent permitted by law. However, the Corporation shall not indemnify any person in any situation in which indemnification is prohibited by the terms of paragraph 10.01(a), above.
- e. Before the final disposition of a proceeding, the Corporation may pay indemnification expenses permitted by the Bylaws and authorized by the Corporation. However, the Corporation shall not pay indemnification expenses to a person before the final disposition of a proceeding if: the person is a named defendant or respondent in any proceeding brought by the Corporation or the person is alleged to have improperly received a personal benefit or committed other willful or intentional misconduct.
- f. If the Corporation may indemnify a person under the Bylaws, the person may be indemnified against judgments, penalties, including excise and similar taxes, fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding. However, if the proceeding was brought by or on behalf of the Corporation, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

10.02. Procedures Relating to Indemnification Payments.

- a. Before the Corporation may pay any indemnification expenses (including attorney's fees), the Corporation shall specifically determine that indemnification is permissible, authorize indemnification, and determine that expenses to be reimbursed are reasonable, except as provided in paragraph 10.02(c), below. The Corporation may make these determinations and decisions by any one of the following procedures:

- (i) Majority vote of a quorum consisting of directors who, at the time of the vote, are not named defendants or respondents in the proceeding.
- (ii) If such a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all Directors, consisting solely of two or more directors who at the time of the vote are not named defendants or respondents in the proceeding.
- (iii) Determination by special legal counsel selected by the Board of Directors by vote as provided in paragraph 10.02(a)(i) or 10.02(a)(ii), or if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all directors.

b. The Corporation shall authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether indemnification is permissible. If the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination of reasonableness of expenses shall be made in the manner specified by paragraph 10.02(a)(iii), above, governing the selection of special legal counsel. A provision contained in the Articles of Incorporation, the Bylaws, or a resolution of members or the Board of Directors that requires the indemnification permitted by paragraph 10.01, above, constitutes sufficient authorization of indemnification even though the provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

c. The Corporation shall pay indemnification expenses before final disposition of a proceeding only after the Corporation determines that the facts then known would not preclude indemnification and the Corporation receives a written affirmation and undertaking from the person to be indemnified. The determination that the facts then known to those making the determination would not preclude indemnification and authorization of payment shall be made in the same manner as a determination that indemnification is permissible under paragraph 10.02(a), above. The person's written affirmation shall state that he or she has met the standard of conduct necessary for indemnification under the Bylaws. The written undertaking shall provide for repayment of the amount paid or reimbursed by the Corporation if it is ultimately determined that the person has not met the requirements for indemnification. The undertaking shall be an unlimited general obligation of the person, but it need not be secured and it may be accepted without reference to financial ability to make repayment.

ARTICLE 11 **NOTICES**

11.01. Notices. Any notice required or permitted by the Bylaws to be given to a Director, officer, committee member, or member of the Corporation may be given in any manner allowed by the Act. Notice of a meeting that is: (1) mailed is considered to be given on the date notice is

deposited in the United States mail with postage paid in an envelope addressed to the person at the person's address as it appears on the membership records of the Corporation; and (2) transmitted by facsimile or electronic message is considered to be given when the facsimile or electronic message is transmitted to a facsimile number or an electronic message address provided by the person, or to which the person consents, for the purpose of receiving notice. If notice is served by facsimile or electronic message, the person giving notice shall retain any records produced showing actual delivery to the appropriate number or electronic message address. A person may designate his preferred notice method and shall provide all necessary information regarding the same by giving written notice to the secretary of the Corporation. Without a preference designation, the person serving the notice may give notice by any reasonable means authorized by the Act or these Bylaws, including email.

11.02. Signed Waiver of Notice. Whenever any notice is required to be given under the provisions of the Act or under the provisions of the Certificate of Formation or the Bylaws, a waiver in writing signed by a person entitled to receive a notice shall be deemed equivalent to the giving of the notice. A waiver of notice shall be effective whether signed before or after the time stated in the notice being waived.

11.03. Waiver of Notice by Attendance. The attendance of a person at a meeting shall constitute a waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE 12 **SPECIAL PROCEDURES CONCERNING MEETINGS**

12.01. Meeting by Electronic Means. The Board of Directors, and any committee of the Corporation, may hold a meeting by telephone conference call or other electronic means in which all persons participating in the meeting can hear each other or otherwise communicate concurrently. The notice of a meeting by electronic means conference must state the fact that the meeting will be held by electronic means as well as all other matters required to be included in the notice. Participation of a person in a conference call meeting constitutes presence of that person at the meeting.

12.02. Voting by Proxy. Voting by proxy is prohibited unless specifically authorized by the Board of Directors. If and only if the Board of Directors expressly permits proxy voting for a particular vote or issue, a person who is authorized to exercise a proxy may not exercise the proxy unless the proxy is delivered to the officer presiding at the meeting before the business of the meeting begins. The secretary or other person taking the minutes of the meeting shall record in the minutes the name of the person who executed the proxy and the name of the person authorized to exercise the proxy. If a person who has duly executed a proxy personally attends a meeting, the proxy shall not be effective for that meeting. A proxy filed with the secretary or other designated officer shall remain in force and effect until the first of the following occurs:

- a. An instrument revoking the proxy is delivered to the secretary or other designated officer.

- b. The proxy authority expires under the terms of the proxy.
- c. The proxy authority expires under the terms of the Bylaws.

ARTICLE 13 **AMENDMENTS TO BYLAWS**

13.01. Executive Committee Approval. The Executive Committee or Board of Directors may alter, amend, or repeal, or enact new Bylaws. The notice of any meeting at which the Bylaws are altered, amended, or repealed, or at which new Bylaws are adopted shall include the text of the proposed Bylaw provisions (or an identification of where such provisions may be reviewed, such as a web-link or the like) as well as the text of any existing provisions proposed to be altered, amended, or repealed. Alternatively, the notice may include a fair summary of those provisions. All alterations, amendments, repeals, or new Bylaws adopted by the Executive Committee shall be presented to the Board of Directors for ratification by majority affirmative vote at the next succeeding Board meeting following adoption of the amendment by the Executive Committee.

13.02. Effective Date of Amendment. Any amendment to the Bylaws shall, unless otherwise specified in the resolution adopting the amendment, be effective upon adoption. However, an amendment by the Executive Committee shall expire and cease to have force and effect if not ratified by the next succeeding meeting of the Board of Directors. Any action taken by the Executive Committee on a Bylaw amendment that is later rejected by the Board of Directors shall not be void solely because the Board failed to approve the Bylaw amendment.

13.03. Prohibited Amendments. No amendment shall be adopted, however, which has the effect of reducing the term of the then current Board of Directors or Executive Committee member, or which violates or causes the Corporation to violate any law or regulation governing entities which are non-profit including the Texas Non-Profit Corporation Act, Texas Franchise Tax Act, and Section 501(c)(4) of the Internal Revenue Code, and any attempted adoption of any such amendment shall be null and void.

ARTICLE 14 **MISCELLANEOUS PROVISIONS**

14.01. Legal Authorities Governing Construction of Bylaws. The Bylaws shall be construed in accordance with the laws of the State of Texas. All references in the Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

14.02. Legal Construction. If any Bylaw provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.

14.03. Headings. The headings used in the Bylaws are used for convenience and shall not be considered in construing the terms of the Bylaws.

14.04. Gender. Wherever the context requires, all words in the Bylaws in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

14.05. Seal. The Board of Directors may provide for a corporate seal.

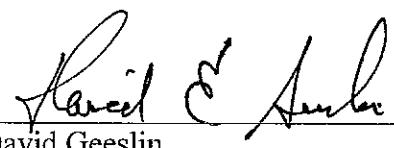
14.06. Power of Attorney. A person may execute any instrument related to the Corporation by means of a power of attorney if an original executed copy of the power of attorney is provided to the Secretary of the Corporation to be kept with the Corporation records.

14.07. Parties Bound. The Bylaws shall be binding upon and inure to the benefit of the directors, officers, committee employees, and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as otherwise provided in the Bylaws.

CERTIFICATE OF SECRETARY

I hereby certify that I am duly elected and acting secretary of said corporation and that the foregoing Bylaws, comprised of twenty-five (25) pages, constitute the Bylaws of said corporation as duly adopted by the Board of Directors at a meeting held on December 10, 2012.

DATED: 12/10/12



David Geeslin
Secretary of the Corporation