

BYLAWS OF  
DENTAL HYGIENE EDUCATORS OF TEXAS INC.  
a Texas Nonprofit Corporation  
(Formerly known as Texas Dental Hygiene Educators' Association)

ARTICLE I

OFFICES

Section 1. PRINCIPAL OFFICE. The Board of Directors shall fix the location of the principal office of the corporation at any place within or outside the State of Texas.

Section 2. OTHER OFFICES. The corporation may also have offices at such other places, within or without the State of Texas, where it is qualified to do business, as its business may require and as the Board of Directors may, from time to time, designate.

ARTICLE II

PURPOSES

Section 1. OBJECTIVES AND PURPOSES. The primary objectives and purposes of this corporation shall be to provide for a trade organization for educators in the dental hygiene industry and their primary advisors, to promote the interaction and discussion of ideas and innovations in said industry, to provide for and promote the establishment of standards for ethical conduct for said industry, to provide for and promote education in said industry and the general public, and to provide for and promote the uniformity of practice and terminology in said industry.

Section 2. NONPROFIT STATUS. The nonprofit corporation is organized and will be operated exclusively for general religious and charitable purposes as set forth in Internal Revenue Code Section 501(c)(6) including, for these purposes, making distributions to organizations that qualify as exempt organizations under Internal Revenue Code Section 501(c)(6).

When the nonprofit corporation dissolves, the Board of Directors will, after paying or making provision for the payment of all liabilities of the corporation, distribute all corporation assets to one or more organizations organized and operated exclusively for religious and charitable purposes that are, at that time, qualified as exempt organizations under Internal Revenue Code Section 501(c)(3).

If any assets are not distributed under the preceding paragraph, the court of appropriate jurisdiction for the county in which the principal office of the corporation is then located, will dispose of those assets exclusively for religious and charitable purposes or to one or more organizations that are, at that time, qualified as exempt organizations under Internal Revenue Code Section 501(c)(3), as the court determines.

No part of the net earnings or assets of the nonprofit corporation will inure to the benefit of, or be distributable to, its director, officers or any other private persons. But the nonprofit corporation may pay reasonable compensation for services provided and make payments and distributions in furtherance of the purposes set forth in the Certificate of Formation.

No part of the activities of the nonprofit corporation may include propagandizing or influencing legislation as defined in Internal Revenue Code Section 4945. The nonprofit corporation may not participate in, or intervene in (including the publishing or distributions of statements) any political campaign on behalf of any candidate for public office.

The nonprofit corporation may not exercise any power or engage directly or indirectly in any activity that would invalidate its status as a corporation exempt from federal income taxation:

- as a corporation exempt from federal tax under Internal Revenue Code Section 501(c)(6);
- as a corporation contributions to which are deductible under Internal Revenue Code Section 170(c)(2); or
- as a nonprofit corporation organized under the laws of State of Texas.

The nonprofit corporation must distribute its income for each tax year at a time and in a manner to avoid the tax

on undistributed income imposed by Internal Revenue Code Section 4942. Furthermore, the nonprofit corporation must not:

- engage in any act of self-dealing as defined in of the Internal Revenue Code Section 4941(d);
- retain any excess business holdings as defined in of the Internal Revenue Code Section 4943(c);
- make any investments in a manner that would subject it to tax under of the Internal Revenue Code Section 4944; or
- make any taxable expenditures as defined in of the Internal Revenue Code Section 4945(d).

The nonprofit corporation may amend the Certificate of Formation in the manner provided by the laws of the State of Texas. But no amendment may authorize the Board of Directors to conduct the affairs of the nonprofit corporation in any manner or for any purpose contrary to the provisions of the Internal Revenue Code Section 501(c)(6).

All general or specific references to the Internal Revenue Code are to the Internal Revenue Code of 1986 as now in force or later amended, or the corresponding provision of any future United States revenue law. Similarly, any general or specific references to the laws of the State of Texas are to the laws of the State of Texas as now in force or later amended.

### ARTICLE III

#### MEMBERS

Section 1. CLASSES AND RIGHTS OF MEMBERS. There shall be two (2) classes of members of the corporation as further defined in Section 3 of this Article. The rights and privileges of each member within each class shall be equal to the rights and privileges of each other member of that class. No person shall hold more than one (1) membership, regardless of class, in the corporation.

Section 2. ELIGIBILITY FOR MEMBERSHIP. Any person, as defined § 1.002(69-b) of the Texas Business Organizations Code, is eligible to be a Member of the corporation, except that, in the case of a natural person such person shall not be eligible for membership unless over the age eighteen (18) years.

Section 3. QUALIFICATIONS. The corporation may admit any qualified person to membership upon the payment of such consideration, if any, established from time to time by the Board of Directors. In the absence of a resolution of the Board of Directors establishing consideration requirements for admission to membership, the corporation shall issue memberships for no consideration.

The first class of members of the corporation shall be known as Members and shall be limited to persons who hold a faculty position in a CODA accredited program in dental hygiene within the State of Texas. The Board of Directors shall adopt Membership Criteria for Members. Any member prospect that is deemed not qualified under such Membership Criteria shall be denied membership unless qualified under another class for membership.

The second class of members of the corporation shall be known as Affiliates and shall be limited to such Affiliate Criteria as is adopted by the Board of Directors. Any affiliate prospect that is deemed not qualified under such Affiliate Criteria shall be denied membership unless qualified under another class for membership. Each Affiliate shall designate an Affiliate Representative, subject to the approval of the Board of Directors. Affiliates are not entitled to vote at a meeting of Members. Affiliates shall consist of the following:

- (a) Student Members. A Student Member shall be a dental hygienist with the State of Texas who is working on an advanced degree toward the goal of dental hygiene education.
- (b) Honorary Member. An Honorary Member is an individual who is not a dental hygiene educator but has been elected by a two-third majority vote of the corporation and has contributed significantly to the advancement of dental hygiene education.
- (c) Institutional Member. An Institutional Member shall be a institution of higher learning that is accredited by the Commission of Colleges and offers a CODA accredited program in dental hygiene or offers CODA accredited program(s) in an advanced degree in dental hygiene.

Section 4. FEES, DUES, AND ASSESSMENTS. Members shall be liable for such fees, dues and assessments, if any, as may be established from time to time by the Board of Directors; provided, however, that a Member shall not be

liable for any such fees, dues and assessments if the Member, upon learning of them, shall promptly resign from membership, except where the Member is, by contract or otherwise, liable for them.

Section 5. TERMINATION OR SUSPENSION OF MEMBERSHIP. The membership of any Member shall automatically terminate upon the occurrence of (i) the resignation of the Member, (ii) dissolution of the Member entity, (iii) death of an individual Member, or (iv) the dissolution of the corporation. A membership may also be suspended or terminated by the corporation under the following circumstances:

- (a) Nonpayment of such fees, dues and assessments as are provided for in Section 4 of this Article within thirty (30) days of the due date set by the Board of Directors, unless the Member resigns as provided for in said Section 4;
- (b) Any change in the business of a Member which would disqualify such Member from admission to membership as set forth in Section 3 of this Article;
- (c) Any falsification of information contained in any required membership application or failure to inform the corporation of any change in business.
- (d) Any determination by the Board of Directors, that a Member's violation of any provision of the Code of Ethics justifies termination or suspension of that Member's membership. Any such determination that a Member is in Violation of the Code of Ethics may also be made by the Board of Directors independently from the Ethics Committee and outside the Code of Ethics enforcement procedures.

Section 6. PROCEDURE FOR SUSPENSION OR TERMINATION OF MEMBERSHIP. Suspension or termination of a membership by the corporation may only be accomplished by the following procedure:

- (a) A good faith determination is made by a committee composed of not fewer than three (3) Directors, appointed by the Chairman of the Board of Directors or, if there is no such officer, by the President, that it is in the best interests of the corporation that a Member's membership in the corporation be suspended or terminated for one or more of the causes set forth in Section 5 (a) - (c) of this Article;
- (b) A notice is sent by prepaid, first-class or registered mail to the most recent address of the Member as shown on the corporation's records, setting forth the suspension or termination and the reasons therefor. Such notice shall be sent at least fifteen (15) days before the proposed effective date of suspension or termination;
- (c) The Member being suspended or terminated shall be given an opportunity to be heard, orally or in writing, at a hearing to be held not fewer than five (5) days before the effective date of the proposed suspension or termination. The hearing will be held by the Board of Directors at a regular or special meeting of the Board. The notice to the Member of its proposed suspension or termination shall state the date, time and place of the hearing on the proposed suspension or termination; and
- (d) The Board of Directors shall conduct the hearing in good faith and shall have the exclusive power and authority to decide that the proposed suspension or termination not take place. The decision of the Board of Directors shall be final.

Section 7. TRANSFER OF MEMBERSHIPS. No Member may transfer a membership for value or otherwise.

Section 8. NUMBER OF MEMBERS. There shall be no limit on the number of Members the corporation may admit.

#### ARTICLE IV

##### MEETINGS OF MEMBERS

Section 1. PLACE OF MEETING. Meetings of Members shall be held at any place within or outside the State of

Texas designated by the Board of Directors. In the absence of any such designation, Members' meetings shall be held at the principal executive office of the corporation.

Section 2. ANNUAL MEETING. The annual meeting of Members shall be held on such date designated by the Board of Directors. At each annual meeting, Directors shall be elected, and any other proper business within the power of the Members may be transacted. Cumulative voting for the election of Directors shall be denied. Each Member shall be entitled to one (1) vote. Votes shall be cast by the Member Representative.

Section 3. SPECIAL MEETING. A special meeting of the Members may be called at any time by the Board of Directors, or by the Chairman of the Board, or by the President or Vice President, or by one or more Members holding shares in the aggregate entitled to cast not less than ten percent (10%) of the votes at that meeting.

If a special meeting is called by any person or persons other than the Board of Directors, the request shall be in writing, specifying the time of such meeting and the general nature of the business proposed to be transacted, and shall be delivered personally or sent by Certified Mail, return receipt requested, or by a trackable delivery system with a common carrier to the Chairman of the Board, the President, any Vice President, or the Secretary of the corporation. The officer receiving the request shall cause notice to be promptly given to the Members entitled to vote, in accordance with the provisions of Sections 4 and 5 of this Article II, that a meeting will be held at the time requested by the person or persons calling the meeting, not less than thirty-five (35) days nor more than sixty (60) days after the receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the person or persons requesting the meeting may give the notice. Nothing contained in this paragraph of this Section 3 shall be construed as limiting, fixing, or affecting the time when a meeting of Members called by action of the Board of Directors may be held.

Section 4. NOTICE OF MEMBERS' MEETINGS. All notices of meetings of Members shall be sent or otherwise given in accordance with Section 5 of this Article IV not less than twenty (20) nor more than ninety (90) days before the date of the meeting. Members entitled to notice shall be determined in accordance with bylaw provisions of the record date contained in Section 11 of this Article IV. The notice shall specify the place, date and time of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, or (ii) in the case of the annual meeting, those matters which the Board of Directors, at the time of giving the notice, intends to present for action by the Members. The notice of any meeting at which directors are to be elected shall include the name of any nominee or nominees whom, at the time of the notice, management intends to present for election.

Section 5. MANNER OF GIVING NOTICE: AFFIDAVIT OF NOTICE. Notice of any Members' meeting shall be given either personally or by first-class mail, email, fax or other written communication, charges prepaid, addressed to the Member at the address of that Member appearing on the books of the corporation or given by the Member to the corporation for the purpose of notice. If no such address appears in the corporation's books or has been so given, notice shall be deemed to have been given if sent to that Member by first-class mail, email, fax or other written communication to the corporation's principal executive office, or if published at least once in a newspaper of general circulation in the county where that office is located. Notice shall be deemed to have been given at the time when delivered personally, deposited in the mail, delivered to a common carrier for transmission to the recipient, actually transmitted by electronic means to the recipient by the person giving the notice, or sent by other means of written communication.

If any notice addressed to a Member at the address of that Member appearing on the books of the corporation is returned to the corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice to the Member at that address, all future notices or reports shall be deemed to have been duly given without further mailing if these shall be available to the Member on written demand of the Member at the principal executive office of the corporation for a period of one (1) year from the date of the giving of the notice.

An affidavit of the mailing or other means of giving any notice of any Members' meeting may be executed by the Secretary, Assistant Secretary, or any transfer agent of the corporation giving the notice, and filed and maintained in the minute book for the corporation.

Section 6. QUORUM. The presence in person or by proxy of one-third of Members entitled to vote at any duly called meeting of Members shall constitute a Quorum for the purpose of voting on any matter, regardless of whether notice was given regarding the general nature of the matter to be voted upon pursuant to Section 4 of

this Article IV. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum. In the event a quorum is not established at a duly called meeting, the meeting may continue for discussion purposes only.

Section 7. ADJOURNED MEETING; NOTICE. Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the Members represented at that meeting, either in person or by proxy, but in the absence of a quorum, no other business may be transacted at that meeting, except as provided in Section 6 of this Article IV.

When any meeting of Members, either annual or special, is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place are announced at a meeting at which the adjournment is taken, unless a new record date for the adjourned meeting is fixed, or unless the adjournment is for more than forty-five (45) days from the date set for the original meeting, in which case the Board of Directors shall set a new record date. Notice of any such adjourned meeting, if required, shall be given to each Member of record entitled to vote at the adjourned meeting in accordance with the provisions of Sections 4 and 5 of this Article IV. At any adjourned meeting the corporation may transact any business that might have been transacted at the original meeting.

Section 8. VOTING. The Members entitled to vote at any meeting of Members shall be determined in accordance with the provisions of Section 11 of this Article IV, subject to the provisions of § 22.160 of the Texas Business Organizations Code (relating to voting shares held by a fiduciary, in the name of a partnership or in joint ownership). The Members' vote may be by voice vote or by ballot; provided, however, that any election for Directors must be by ballot if demanded by any Member before the voting has begun. If a quorum is present (or if a quorum had been present earlier at the meeting but some Members had withdrawn) the affirmative vote of a majority of the Members represented and voting, provided such Members voting affirmatively also constitutes a majority of the number of Members shares required for a quorum, shall be the act of the Members.

At a Members' meeting at which Directors are to be elected, no Member shall be entitled to cumulate votes (i.e., cast for any candidate a number of votes greater than the number of votes which such Member normally is entitled to cast).

Section 9. WAIVER OF NOTICE OR CONSENT BY ABSENT MEMBERS. The transactions of any meeting of Members, either annual or special, however called and noticed, and wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each person entitled to vote, who was not present in person or by proxy, signs a written waiver of notice or a consent to a holding of the meeting, or an approval of the minutes. The waiver of notice or consent need not specify either the business to be transacted or the purpose of any annual or special meeting of Members, except that if action is taken or proposed to be taken for approval of any of those matters specified in § 22.164 of the Texas Business Organizations Code, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Attendance by a person at a meeting shall also constitute a waiver of notice of that meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by law to be included in the notice of the meeting, but not so included, if that objection is expressly made at the meeting.

Section 10. ACTION BY WRITTEN CONSENT. Any action required or permitted to be taken by the Members may be taken without a meeting, if all Members shall individually or collectively consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the Members. The action by written consent shall have the same force and effect as the unanimous vote of the Members.

Section 11. ACTION WITHOUT MEETING BY WRITTEN BALLOT. Any action which may be taken at any regular or special meeting of Members may be taken without a meeting if the corporation distributes a written ballot to every Member entitled to vote on the matter. Such ballot shall set forth the proposed action, provide an opportunity to

specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the corporation.

Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

Ballots shall be solicited in a manner consistent with the requirements of §§ 6.151-.157 of the Texas Business Organizations Code. All such solicitations shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of Directors, shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted, and must specify acceptable methods of delivery of ballots to the corporation in order to be counted. Acceptable specified delivery methods may include, but are not limited to, certified mail, first-class mail, email, fax, or on-line internet voting systems.

A written ballot may not be revoked.

Directors may be elected by written ballot under this Section. When the Directors are to be elected by written ballot, the Board of Directors may provide for a date for the close of nominations prior to the printing and distributing of the written ballots.

Section 12. RECORD DATE FOR MEMBER NOTICE, VOTING, AND GIVING CONSENTS. For purposes of determining the Members entitled to notice of any meeting or to vote, entitled to give consent to corporate action without a meeting or to cast written ballots, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) days or less than ten (10) days before the date of any such meeting or more than sixty (60) days before any such action without a meeting, and in this event only Members of record at the close of business on the date so fixed are entitled to notice and to vote, to give consents, or to cast written ballots, as the case may be, notwithstanding the admission of any new Members on the books of the corporation after the record date, except as otherwise provided in the Texas Business Organizations Code.

If the Board of Directors does not so fix a record date:

(a) The record date for determining Members entitled to notice of or to vote at a meeting of Members shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held.

(b) The record date for determining Members entitled to give consent to corporate action in writing without meeting, (i) when no prior action by the Board has been taken, shall be the day on which the first written consent is given, or (ii) when prior action of the Board has been taken, shall be at the close of business on the day on which the Board adopts the resolution relating to that action, or the sixtieth (60th) day before the date of such other action, whichever is later.

A determination of Members of record entitled to receive notice of and vote at a Members' meeting shall apply to any adjournment of the meeting unless the Board fixes a new record date for the adjourned meeting. However, the Board shall fix a new record date if the adjournment is to a date more than forty-five (45) days after the date set for the original meeting.

Section 13. PROXIES. Every Member entitled to vote for Directors or on any other matter shall have the right to do so either in person or by one or more agents authorized by written proxy signed by the Member Representative and filed with the Secretary of the corporation. A proxy shall be deemed signed if the Member's name is placed on the proxy (whether by manual signature, typewriting, electronic transmission, or otherwise) by the Member, the Member Representative or Member's attorney in fact. A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect unless (i) revoked by the person executing it, before the vote pursuant to that proxy, by a writing delivered to the corporation stating that the proxy is revoked, or by attendance at the meeting and voting in person by the person executing the proxy or by a subsequent proxy executed by the same person and presented at the meeting; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the corporation before the vote pursuant to that proxy is counted; provided,

however, that no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy, unless otherwise provided in the proxy. No proxy may be irrevocable.

Section 14. VOTING AGREEMENT NOT ENFORCED. A voting agreement or voting trust agreement entered into by a Member or Members of this corporation shall not be enforced.

Section 15. INSPECTORS OF ELECTION. Before any meeting of Members or an election by written ballot, the Board of Directors may appoint any persons other than nominees for office to act as inspectors of election at the meeting or its adjournment. If no inspectors of election are so appointed, the Chairman of the meeting may, and on the request of any Member or a Member's proxy shall, appoint inspectors of election at the meeting. The number of inspectors shall be either one (1) or three (3). If inspectors are appointed at a meeting on the request of one or more Members or proxies, the holders of a majority of Members or their proxies present at the meeting shall determine whether one (1) or three (3) inspectors are to be appointed. If any person appointed as inspector fails to appear or fails or refuses to act, the Chairman of the meeting may, and upon the request of any Member or a Member's proxy shall, appoint a person to fill that vacancy.

These inspectors shall:

- (a) Determine the number of Members and the voting power of each, the Members represented at the meeting, the existence of a quorum, and the authenticity, validity, and effect of proxies;
- (b) Receive votes, ballots, or consents;
- (c) Hear and determine all challenges and questions in any way arising in connection with the right to vote;
- (d) Count and tabulate all votes or consents;
- (e) Determine when the polls shall close;
- (f) Determine the result; and
- (g) Do any other acts that may be proper to conduct the election or vote with fairness to all Members.

The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are three (3) inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein.

## ARTICLE V

### DIRECTORS

Section 1. NUMBER AND QUALIFICATION OF DIRECTORS. The number of Directors of the corporation shall be no fewer than three (3) and no more than fifteen (15) until changed by a duly adopted amendment to the Certificate of Formation or a duly adopted amendment to this bylaw. At the annual Meeting of Members, the number of Directors elected shall be no fewer than three (3) and no more than fifteen (15). To be a nominee of Director, the nominee must be a Member for at least 2 years prior to their election. Notwithstanding the foregoing, in no event shall more than two (2) Members have multiple individuals serving as a Director. If at any time during a Director's tenure, the Director is no longer employed by a Member or Affiliate, the Director shall immediately notify the President or Secretary. The Director shall be entitled to continue to act as a Director for up to 30 days. If at the end of 30 days the Director is not employed by a Member or as the Designated Representative of an Affiliate, then the Director shall vacate their position as Director and the Board shall list the Director position as Vacant.

Section 2. POWERS. Subject to the provisions of the Texas Business Organizations Code and any limitations in the Certificate of Formation and Bylaws relating to action required or permitted to be taken or approved by the Members, if any, of this corporation, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

**Section 3. DUTIES. It shall be the duty of the Directors to:**

- (a) Perform any and all duties imposed on them collectively or individually by law, by the Certificate of Formation of this corporation, or by these Bylaws.
- (b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws,

prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the corporation.

(c) Supervise all officers, agents and employees of the corporation to assure that their duties are performed properly.

(d) Meet at such times and places as required by these Bylaws.

(e) Register their addresses with the Secretary of the corporation, and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.

Section 4. TERMS OF OFFICE. Each director shall hold office for approximately three (3) years, until the third annual meeting (after the director has taken office) for election of the Board of Directors as specified in these Bylaws, and until his or her successor is elected and qualifies. A director may serve an additional term or terms if duly elected as provided in these Bylaws."

Section 5. COMPENSATION. Directors shall serve without compensation except that they shall be allowed and paid their actual and necessary expenses incurred in attending Directors meetings. In addition, they shall be allowed reasonable advancement or reimbursement for expenses incurred in the performance of their regular duties as specified in Section 3 of this Article.

Section 6. RESTRICTION REGARDING INTERESTED DIRECTORS. Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. For purposes of this Section, "interested persons" means either:

(a) any person currently being compensated by the corporation for services rendered it within the previous twelve (12) months, whether as a full- or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Directors as Director; or

(b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

Section 7. PLACE OF MEETINGS. Meetings shall be held at the principal office of the corporation unless otherwise provided by the Board or at such place within or without the State of Texas which has been designated from time to time by resolution of the Board of Directors. In the absence of such designation, any meeting not held at the principal office of the corporation shall be valid only if held on the written consent of all Directors given either before or after the meeting and filed with the Secretary of the corporation or after all Board members have been given written notice of the meeting as hereinafter provided for special meetings of the Board. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so long as all Directors participating in such meeting can hear one another.

Section 8. REGULAR AND ANNUAL MEETINGS. Regular meetings of Directors shall be held without call at such time as shall from time to time be fixed by the Board of Directors. Such regular meetings may be held without notice. The annual meeting of Directors shall be held at a date after the annual meeting of Members as designated by the Board of Directors, but no later than December 20 in any year. Each Director shall cast one vote.

Section 9. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the President, the Vice-President, the Secretary, or by any two Directors, and such meetings shall be held at the place, within or without the State of Texas, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the corporation.

Section 10. NOTICE OF MEETINGS. Regular meetings of the Board may be held without notice. Special meetings of the Board shall be held upon four (4) days' notice by first-class mail or forty-eight (48) hours' notice delivered personally or by telephone (including fax) or telegraph. If sent by mail, fax or telegram, the notice shall be deemed to be delivered on its deposit in the mails or on its delivery to the telegraph company. Any oral notice given personally or by telephone may be communicated either to the Director or to a person at the office of the Director who the person giving the notice has reason to believe will promptly communicate it to the Director. Such notices shall be addressed to each Director at his or her address as shown on the books of the corporation. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place of the adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than twenty-four (24) hours from the time of the original meeting. Notice shall be given of any adjourned regular or special meeting to Directors absent from the original meeting if the adjourned meeting is held more than twenty-four (24) hours from the time of the original meeting.

Section 11. CONTENTS OF NOTICE. Notice of meetings not herein dispensed with shall specify the place, day and hour of meeting. The purpose of any Board meeting need not be specified in the notice.

Section 12. WAIVER OF NOTICE AND CONSENT TO HOLDING MEETINGS. The transactions of any meeting of the Board, however called and noticed or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as hereinafter defined, is present and provided that either before or after the meeting each Director not present signs a waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals, shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 13. QUORUM FOR MEETING. A quorum shall consist of a majority of the Directors then in office.

Except as otherwise provided in these Bylaws or in the Certificate of Formation of this corporation, or by law, no business shall be considered by the Board at any meeting at which a quorum, as hereinafter defined, is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn. However, a majority of the Directors presents at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the Board.

When a meeting is adjourned for lack of quorum, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at such meeting, other than by announcement at the meeting at which the adjournment is taken, except as provided in Section 10 of this Article.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum from such meeting or such greater percentage as may be required by law, or the Certificate of Formation or Bylaws of this corporation.

Section 14. MAJORITY ACTION AS BOARD ACTION. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the Certificate of Formation or Bylaws of this corporation, or provisions of the Texas Business Organizations Code.

Section 15. CONDUCT OF MEETINGS. Meetings of the Board of Directors shall be presided over by the Chairman of the Board, or, if no such person has been so designated or, in his or her absence, the President of the Corporation or, in his or her absence, the Vice President of the Corporation or, in the absence of each of these persons, by a Chairman chosen by a majority of the Directors present at the meeting. The Secretary of the corporation shall act as Secretary of all meetings of the Board, provided that in his or her absence, the presiding officer shall appoint another person to act as Secretary of the meeting.

Section 16. ACTION BY UNANIMOUS WRITTEN CONSENT WITHOUT MEETING. Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of the Directors. Any certificate or other document filed under any provision of law which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting and that the Bylaws of this corporation authorize the Directors to so act, and such statement shall be prima facie evidence of such authority.

Section 17. VACANCIES. Vacancies on the Board of Directors shall exist (1) on the death, resignation or removal of any Director, and  
(2) whenever the number of authorized Directors is increased.

If the corporation has less than fifty (50) Members, Directors may be removed without cause by a majority of all Members, or, if the corporation has fifty (50) or more Members, by vote of a majority of the votes represented at a Membership meeting at which a quorum is present.

Any Director may resign effective upon giving written notice to the Chairman of the Board, the President, the Secretary or the Board of Directors, unless the notice specifies a later time for the effectiveness of such

resignation. No Director may resign if the corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Attorney General.

If a vacancy occurs on the Board, the Board may elect not to fill the vacant seat on the Board. However, at no time shall the number of Directors of the Corporation be less than nine (9).

Vacancies on the Board may be filled by a majority of Directors then in office, whether or not less than a quorum, or, if less than a quorum, by unanimous written consent of the Directors then in office, or by a sole remaining Director. However, vacancies created by the removal of a Director may be filled only by the approval of the Members. The Members of this corporation may elect a Director at any time to fill any vacancy not filled by the Directors.

A person elected to fill a vacancy as provided in this Section shall hold office until the next annual election of the Board of Directors or until his or her death, resignation or removal from office.

Section 18. NON-LIABILITY OF DIRECTORS. The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

## ARTICLE VI

### OFFICERS

**Section 1. NUMBER OF OFFICERS.** The officers of this corporation shall be a President, a Secretary and a Chief Financial Officer (who shall be designated the Treasurer). The corporation may also have, as determined by the Board of Directors, a Chairman of the Board, one or more Vice-Presidents, Assistant Secretaries, Assistant Treasurers, or other officers. Any number of offices may be held by the same person except that neither the Secretary nor the Treasurer may serve as the President or Chairman of the Board.

Section 2. QUALIFICATIONS, ELECTION, AND TERM OF OFFICE. Any person may serve as officer of this corporation. Officers shall be **elected by the Board of Directors**, at any time, and each officer shall hold office until her or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

Section 3. SUBORDINATE OFFICERS. The Board of Directors may appoint such other officers or agents as it may deem desirable, and such officers shall serve terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

Section 4. REMOVAL AND RESIGNATION. Any officer may be removed, either with or without cause, by the Board of Directors, at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the corporation.

Section 5. VACANCIES. Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the Board shall determine.

**Section 6. DUTIES OF PRESIDENT.** The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Certificate of Formation of this corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chairman of the Board of Directors, he or she shall preside at all meetings of the Board of Directors. If applicable, the President shall preside at all meetings of the Members. Except as otherwise expressly provided by law, by the

Certificate of Formation, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

**Section 7. DUTIES OF VICE-PRESIDENT.** In the absence of the President, or in the event of his or her inability or refusal to act, the Vice-President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice-President shall have other powers and perform such other duties as may be prescribed by law, by the Certificate of Formation, or by these Bylaws, or as may be prescribed by the Board of Directors.

**Section 8. DUTIES OF SECRETARY. The Secretary shall:**

Certify and keep at the principal office of the corporation the original, or a copy, of these Bylaws as amended or otherwise altered to date.

Keep at the principal office of the corporation or at such other place as the Board may determine, a book of minutes of all meetings of the Directors, and, if applicable, meetings of committees of Directors and of Members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.

See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

Be custodian of the records and of the seal of the corporation and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the corporation under its seal is authorized by law or by these Bylaws.

Keep at the principal office of the corporation a membership book containing the name and address of each and every Member, and, in the case where any Membership has been terminated, he or she shall record such fact in the membership book together with the date on which such Membership ceased.

Exhibit at all reasonable times to any Director of the corporation, or to his or her agent or attorney, on request therefor, the Bylaws, the membership book, and the minutes of the proceedings of the Directors of the corporation.

In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Certificate of Formation of this corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

**Section 9. DUTIES OF TREASURER.** Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and Funds," the Treasurer shall:

Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.

Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.

Disburse or cause to be disbursed the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.

Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.

Exhibit at all reasonable times the books of account and financial records to any Director of the corporation, or to his or her agent or attorney, on request therefor.

Render to the President and Directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the corporation.

Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Certificate of Formation of this corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

Section 10. COMPENSATION. The officers of the corporation shall serve without compensation except that they shall be allowed and paid their actual and necessary expenses incurred in attending Directors meetings. In addition, they shall be allowed reasonable advancement or reimbursement for expenses incurred in the performance of their regular duties as specified in this Article.

## ARTICLE VII

### COMMITTEES

Section 1. EXECUTIVE COMMITTEES. The Board of Directors may, by a majority vote of Directors then in office, designate two (2) or more of its members (who may also be serving as officers of this corporation) to constitute an Executive Committee and delegate to such Committee any of the powers and authority of the Board in the management of the business and affairs of the corporation, except with respect to:

- (a) The approval of any action which, under law or the provisions of these Bylaws, requires the approval of the Members or of a majority of all of the Members.
- (b) The filling of vacancies on the Board or on any committee which has the authority of the Board.
- (c) The fixing of compensation of the Directors for serving on the Board or on any committee.
- (d) The amendment or repeal of Bylaws or the adoption of new Bylaws.
- (e) The amendment or repeal on any resolution of the Board which by its express terms is not so amendable or repealable.
- (f) The appointment of committees of the Board or the members, thereof.
- (g) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.
- (h) The approval of any transaction to which this corporation is a party and in which one or more of the Directors has a material financial interest, except as expressly provided in § 22.230 of the Texas Business Organizations Code.

By a majority vote of its members then in office, the Board may at any time revoke or modify any or all of the authority so delegated, increase or decrease but not below two (2) the number of its members, and fill vacancies therein from the members of the Board. The Committee shall keep regular minutes of its proceedings, cause them to be filled with the corporate records, and report the same to the Board from time to time as the Board may require.

Section 2. OTHER COMMITTEES. The corporation shall have such other committees as may from time to time be designated by resolution of the Board of Directors. Such other committees may consist or persons who are not also members of the Board. These additional committees shall act in an advisory capacity only to the Board and shall be clearly titled as "advisory" committees. The chairs of these committees shall be selected by the Board of Directors.

Section 3. MEETINGS AND ACTION OF COMMITTEES. Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The time for special meetings of committees may also be fixed by the Board of Directors. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

## ARTICLE VIII

## EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

Section 1. EXECUTION OF INSTRUMENTS. The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 2. CHECKS AND NOTES. Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the Treasurer and countersigned by the President of the corporation.

Section 3. DEPOSITS. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

## ARTICLE IX

### CORPORATE RECORDS, REPORTS AND SEAL

Section 1. MAINTENANCE OF CORPORATE RECORDS. The corporation shall keep at its principal office in the State of Texas:

- (a) Minutes of all meetings of Directors, committees of the Board and of all meetings of Members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof.
- (b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses.
- (c) A record of its Members indicating their names and addresses and, if applicable, the class of Membership held by each Member and the termination date of any Membership.
- (d) A copy of the corporation's Certificate of Formation and Bylaws as amended to date, which shall be open to inspection by the Members of the corporation at all reasonable times during office hours.

Section 2. CORPORATE SEAL. The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

Section 3. MEMBERSHIP CERTIFICATES. Membership Certificates, if any, shall be in such form as the Board of Directors may direct and shall conform to all requirements of law. Each Certificate, if any are issued by the corporation, shall be signed by the Chairman of the Board or the President or any Vice President and by the Chief Financial Officer or an Assistant Treasurer of the Secretary of an Assistant Secretary.

Section 4. DIRECTORS INSPECTION RIGHTS. Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

Section 5. MEMBERS INSPECTION RIGHTS. Each and every Member shall have the following inspection rights, for a purpose reasonably related to such person's interest as a Member:

- (a) To inspect and copy the record of all Members' names, addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand on the corporation, which demand shall state the purpose for which the inspection rights are requested.
- (b) To obtain from the Secretary of the corporation, upon written demand and payment of a

reasonable charge, an alphabetized list of the names, addresses and voting rights of those Members entitled to vote for the election of Directors as of the most recent record date for which the list has been compiled or as of the date specified by the Member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The Membership list shall be made available on or before the later of ten (10) business days after the demand is received or after the date specified therein as of which the list is to be compiled.

- (c) To inspect at any reasonable time the books, records, or minutes of proceedings of the Members, of the Board or Committees of the Board, upon written demand on the corporation by the Member, for a purpose reasonably related to such person's interests as a Member.

Section 6. RIGHT TO COPY AND MAKE EXTRACTS. Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

Section 7. ANNUAL REPORT. The Board shall cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the corporation's fiscal year to all Directors of the corporation and to any Member who requests it, in writing, which report shall contain the following information in appropriate detail:

- (a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- (c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.
- (d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.
- (e) Any information required by Section 7 of this Article.

The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

If this corporation has more than Twenty Five Thousand Dollars (\$25,000) in gross revenues or receipts during the fiscal year, this corporation shall automatically send the above annual report to all Members, in such manner, at such time, and with such contents, including an accompanying report from independent accountants or certification of a corporate officer, as specified by the above provisions of this Section relating to the annual report.

Section 8. ANNUAL STATEMENT OF SPECIFIC TRANSACTIONS TO MEMBERS. If this corporation provides Members with an annual report, according to the provisions of Section 6 of this Article, then such annual report shall include the information required by this Section. If an annual report is not required to be sent to the Members, then this corporation shall mail or deliver to all Members a statement within one hundred and twenty (120) days after the close of its fiscal year which briefly describes the amount and circumstances of any indemnification or transaction of the following kind:

- (a) Any transaction in which the corporation, or its parent or its subsidiary was a party, and in which either of the following had a direct or indirect material financial interest:
  - (1) any Director or officer of the corporation, or its parent or subsidiary (a mere common directorship shall not be considered a material financial interest); or
  - (2) any holder of more than ten percent (10%) of the voting power of the corporation, its parent or its subsidiary.

The above statement need only be provided with respect to a transaction during the previous fiscal year involving more than Fifty Thousand Dollars (\$50,000) or which was one of a number of transactions with the same person involving, in the aggregate, more than Fifty Thousand Dollars (\$50,000).

Similarly, the statement need only be provided with respect to indemnifications or advances aggregating more than Ten Thousand Dollars (\$10,000) paid during the previous fiscal year to any Director or officer, except that no such statement need be made if such indemnification was approved by the Members.

Any statement required by this Section shall briefly describe the names of the interested persons involved in such transactions, stating each person's relationship to the corporation, the nature of such person's interest in the transaction and, where practical, the amount of such interest; provided, that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

Section 9. FISCAL YEAR OF THE CORPORATION. The fiscal year of the corporation shall end on December 31st in each year.

## ARTICLE XI

### INDEMNIFICATION OF DIRECTORS, OFFICERS,

### EMPLOYEES, AND OTHER AGENTS

Section 1. AGENTS, PROCEEDINGS, AND EXPENSES. For the purpose of this Article, "agent" means any person who is or was a Director, officer, employee, or other agent of this corporation, or is or was serving at the request of this corporation as a Director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a Director, officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of this corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes, without limitation, attorneys' fee and any expenses of establishing a right to indemnification under Section 4 or 5(c) of this Article.

Section 2. ACTIONS OTHER THAN BY THE CORPORATION. This corporation shall have power to indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding (other than an action by or in the right of the corporation to procure a judgment in its favor, an action brought for self-dealing by a Director, or an action brought by the Texas Attorney General or a person granted relator status by the Texas Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of this corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if that person acted in good faith and in a manner that person reasonably believed to be in the best interest of this corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of that person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner that the person reasonably believed to be in the best interest of this corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 3. ACTIONS BY THE CORPORATION. This corporation shall have power to indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action by or in the right of this corporation, or brought for self-dealing by a Director, or brought by the Texas Attorney General or a person granted relator status by the Texas Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that that person is or was an agent of this corporation, against expenses actually and reasonable incurred by that person in connection with the defense or settlement of that action, if that person acted in good faith, in a manner that person believed to be in the best interest of this corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section:

(a) With respect to any claim, issue, or matter as to which that person has been adjudged to be liable to this corporation in the performance of that person's duty to this corporation, unless and only to the extent that the court in which that proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, that person is fairly and reasonable entitled to indemnity for the expenses which the court shall determine;

(b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(c) Of expenses incurred in defending a threatened or pending action that is settled or otherwise disposed of without court approval unless that action concerns assets held in charitable trust and is settled with the approval of the Texas Attorney General.

Section 4. SUCCESSFUL DEFENSE BY AGENT. To the extent that an agent of this corporation has been successful

on the merits in defense of any proceeding referred to in Sections 2 or 3 of this Article, or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 5. REQUIRED APPROVAL. Except as provided in Section 4 of this Article, any indemnification under this Article shall be made by this corporation only if authorized in the specific case on a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 2 or 3 of this Article, by:

- (a) A majority vote of a quorum consisting of Directors who are not parties to the proceeding;
- (b) The affirmative vote of the Members by a majority of the votes represented and voting at a duly held meeting at which a quorum is present, which affirmative votes also constitute a majority of the required quorum, with the persons to be indemnified not being entitled to vote thereon; or
- (c) The court in which the proceeding is or was pending, on application made by this corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by this corporation.

Section 6. ADVANCE OF EXPENSES. Expenses incurred in defending any proceeding may be advanced by this corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay the amount of the advance unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

Section 7. OTHER CONTRACTUAL RIGHTS. Nothing contained in this Article shall effect any right to indemnification to which persons other than directors and officers of this corporation or any subsidiary hereof may be entitled by contract or otherwise.

Section 8. LIMITATIONS.

(a) No indemnification or advance shall be made under this Article, except as provided in Section 4 or Section 5(c), in any circumstance where it appears:

- (1) That it would be inconsistent with a provision of the Certificate of Formation, the Bylaws, a resolution of the Members, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- (2) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

(b) If such person either settles any such claim or sustains a judgment against him or her, the indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation but only to the extent allowed by, and in accordance with the requirements of the Texas Business Organizations Code.

Section 9. INSURANCE FOR CORPORATE AGENTS. The Board of Directors may adopt a resolution authorizing the purchase or maintenance of insurance on behalf of any agent of the corporation (including a Director, officer, employee or other agent of the corporation) against any liability other than for violating provisions of law relating to self-dealing asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of the Texas Business Organizations Code.

Section 10. FIDUCIARIES OF CORPORATE EMPLOYEE BENEFIT PLAN. This Article does not apply to any proceedings against any trustee, investment manager, or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may also be an agent of the corporation as defined in Section 1 of this Article. Nothing contained in this Article shall limit any right to indemnification to which such a trustee, investment manager, or other fiduciary may be entitled by contract or otherwise, which shall be enforceable to the

extent permitted by applicable law other than this Article.

Section 10. CONSTRUCTION AND DEFINITIONS. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Texas Business Organizations Code shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular and the term "person" includes both a corporation and a natural person.

## ARTICLE X

### BYLAWS

Section 1. AMENDMENT. Subject to any provision of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted as follows:

(a) Subject to the power of the Members, if any, to change or repeal them, by approval of the Board of Directors unless the Bylaw amendment would materially and adversely affect the rights of Members, if any, as to voting or transfer, provided, however then a Bylaw specifying or changing the fixed number of Directors or the corporation, the maximum or minimum number of Directors, or changing from a fixed to variable Board or vice versa, may not be adopted, amended, or repealed except as provided in the subparagraph (b) of this Section; or

(b) By approval of the Members of this corporation.

## ARTICLE XII

### AMENDMENT OF CERTIFICATE OF FORMATION

Section 1. AMENDMENT OF CERTIFICATE OF FORMATION BEFORE ADMISSIONS OF MEMBERS. Before any Members have been admitted to the corporation any amendment of the Certificate of Formation may be adopted by approval of the Board of Directors.

Section 2. AMENDMENT OF CERTIFICATE OF FORMATION AFTER ADMISSION OF MEMBERS. After Members have been admitted to the corporation, amendment of the Certificate of Formation may be adopted by the approval of the Board of Directors and by the approval of the Members of this corporation.

Section 3. CERTAIN AMENDMENTS. Notwithstanding the above Sections of this Article, this corporation shall not amend its Certificate of Formation to alter any statement which appears in the original Certificate of Formation and of the names and address of the First Directors of this corporation nor the name and address of its initial agent, except to correct an error in such statement or to delete either statement after the corporation has filed a Certificate of Formation under the Texas Business Organizations Code.

## ARTICLE XIII

### PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

Section 1. PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS. No Member, Director, officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation; provided, however, that this provision shall not prevent payment to any such person or reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the corporation. All Members of the corporation shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after all debts have been satisfied, then remaining in the hands of the Board of Directors, shall be distributed as required by the Certificate of Formation of this corporation and not otherwise.

Adopted: October 17, 2018  
4820-3207-1028, v. 2