

AMENDMENT TO BYLAWS

OF

KIMBALL CEMETERY ASSOCIATION

Pursuant to the Bylaws of the Kimball Cemetery Association (“the “Association”), a simple majority of the membership in-person or by proxy at the annual June meeting (or at a special meeting of which all membership has been notified) hereby adopts the following Amendments to Bylaws of the Association:

FUNDS OF THE ASSOCIATION

The Funds of the Association shall be managed by the President or by such Trustee as may be authorized and appointed by the President. Such President or Trustee shall have the authority to invest funds of the Association, and shall exercise discretion in the investment of such funds, including but not limited to the Maintenance Fund and the Perpetual Care Fund, in accordance with the Texas Uniform Prudent Investor Act, as the same may be amended from time to time, presently being as set forth in the Texas Property Code, Section 117.001, et seq, a copy of which is attached hereto. While such funds may be invested with financial organizations providing depository insurance provided by the United States Government, this amendment is intended to afford other and broader investment opportunities for funds of the Association.

QUORUM

A Quorum is the minimum number of persons that must be present in-person or by proxy at any meeting of the Association to make the proceedings of such meeting valid, and is defined as being at least 4 members of the Association who are entitled to vote, represented in-person or by proxy at such meeting. A simple majority of such persons attending in-person or by proxy at any meeting may conduct any and all business of the Association, including amendments to these Bylaws.


NOTICE OF SPECIAL MEETINGS


Notice of special called meetings shall be given by publishing notice thereof in a newspaper of general circulation in Bosque County, Texas, such publication to occur no less than two (2) different days, the last notice being published at least fifteen (15) days prior to the date of the meeting. The notice shall state the time (day and beginning hour of the meeting), location thereof, and shall list a brief description of the items of business to be addressed at such special meeting.

This instrument may be signed in counterpart. The undersigned Officers, Trustees, and Members of the Audit Committee hereby ratify and confirm said bylaws as hereby amended this 31ST day of JANUARY, 2021.


Wendy Allen, President



Mackie Jordan, Vice-President


Alan Collins, Trustee


Linda Fenn, Trustee


Brian Collins, Trustee

AUDIT COMMITTEE MEMBERS:


ALVIN COLLINS Member

PROPERTY CODE

TITLE 9. TRUSTS

SUBTITLE B. TEXAS TRUST CODE: CREATION, OPERATION, AND TERMINATION OF TRUSTS

CHAPTER 117. UNIFORM PRUDENT INVESTOR ACT

Sec. 117.001. SHORT TITLE. This chapter may be cited as the "Uniform Prudent Investor Act."

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.

Sec. 117.002. UNIFORMITY OF APPLICATION AND CONSTRUCTION. This chapter shall be applied and construed to effectuate its general purpose to make uniform the law with respect to the subject of this chapter among the states enacting it.

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.

Sec. 117.003. PRUDENT INVESTOR RULE. (a) Except as otherwise provided in Subsection (b), a trustee who invests and manages trust assets owes a duty to the beneficiaries of the trust to comply with the prudent investor rule set forth in this chapter.

(b) The prudent investor rule, a default rule, may be expanded, restricted, eliminated, or otherwise altered by the provisions of a trust. A trustee is not liable to a beneficiary to the extent that the trustee acted in reasonable reliance on the provisions of the trust.

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.

Sec. 117.004. STANDARD OF CARE; PORTFOLIO STRATEGY; RISK AND RETURN OBJECTIVES. (a) A trustee shall invest and manage trust assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the trust. In satisfying this standard, the trustee shall exercise reasonable care, skill, and caution.

(b) A trustee's investment and management decisions respecting individual assets must be evaluated not in isolation but in the context of the trust portfolio as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the trust.

(c) Among circumstances that a trustee shall consider in investing and managing trust assets are such of the following as are relevant to the trust or its beneficiaries:

- (1) general economic conditions;
- (2) the possible effect of inflation or deflation;
- (3) the expected tax consequences of investment decisions or strategies;
- (4) the role that each investment or course of action plays within the overall trust portfolio, which may include financial assets, interests in closely held enterprises, tangible and intangible personal property, and real property;
- (5) the expected total return from income and the appreciation of capital;
- (6) other resources of the beneficiaries;
- (7) needs for liquidity, regularity of income, and preservation or appreciation of capital; and
- (8) an asset's special relationship or special value, if any, to the purposes of the trust or to one or more of the beneficiaries.

(d) A trustee shall make a reasonable effort to verify facts relevant to the investment and management of trust assets.

(e) Except as otherwise provided by and subject to this subtitle, a trustee may invest in any kind of property or type of investment consistent with the standards of this chapter.

(f) A trustee who has special skills or expertise, or is named trustee in reliance upon the trustee's representation that the trustee has special skills or expertise, has a duty to use those special skills or expertise.

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.

Sec. 117.005. DIVERSIFICATION. A trustee shall diversify the investments of the trust unless the trustee reasonably determines that, because of special circumstances, the purposes of the trust are better served without diversifying.

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.

Sec. 117.006. DUTIES AT INCEPTION OF TRUSTEESHIP. Within a reasonable time after accepting a trusteeship or receiving trust assets, a trustee shall review the trust assets and make and implement decisions concerning the retention and disposition of assets, in order to bring the

trust portfolio into compliance with the purposes, terms, distribution requirements, and other circumstances of the trust, and with the requirements of this chapter.

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.

Sec. 117.007. LOYALTY. A trustee shall invest and manage the trust assets solely in the interest of the beneficiaries.

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.

Sec. 117.008. IMPARTIALITY. If a trust has two or more beneficiaries, the trustee shall act impartially in investing and managing the trust assets, taking into account any differing interests of the beneficiaries.

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.

Sec. 117.009. INVESTMENT COSTS. In investing and managing trust assets, a trustee may only incur costs that are appropriate and reasonable in relation to the assets, the purposes of the trust, and the skills of the trustee.

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.

Sec. 117.010. REVIEWING COMPLIANCE. Compliance with the prudent investor rule is determined in light of the facts and circumstances existing at the time of a trustee's decision or action and not by hindsight.

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.

Sec. 117.011. DELEGATION OF INVESTMENT AND MANAGEMENT FUNCTIONS. (a) A trustee may delegate investment and management functions that a prudent trustee of comparable skills could properly delegate under the circumstances. The trustee shall exercise reasonable care, skill, and caution in:

- (1) selecting an agent;
- (2) establishing the scope and terms of the delegation, consistent with the purposes and terms of the trust; and

(3) periodically reviewing the agent's actions in order to monitor the agent's performance and compliance with the terms of the delegation.

(b) In performing a delegated function, an agent owes a duty to the trust to exercise reasonable care to comply with the terms of the delegation.

(c) A trustee who complies with the requirements of Subsection (a) is not liable to the beneficiaries or to the trust for the decisions or actions of the agent to whom the function was delegated, unless:

(1) the agent is an affiliate of the trustee; or

(2) under the terms of the delegation:

(A) the trustee or a beneficiary of the trust is required to arbitrate disputes with the agent; or

(B) the period for bringing an action by the trustee or a beneficiary of the trust with respect to an agent's actions is shortened from that which is applicable to trustees under the law of this state.

(d) By accepting the delegation of a trust function from the trustee of a trust that is subject to the law of this state, an agent submits to the jurisdiction of the courts of this state.

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.

Sec. 117.012. LANGUAGE INVOKING STANDARD OF CHAPTER. The following terms or comparable language in the provisions of a trust, unless otherwise limited or modified, authorizes any investment or strategy permitted under this chapter: "investments permissible by law for investment of trust funds," "legal investments," "authorized investments," "using the judgment and care under the circumstances then prevailing that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital," "prudent man rule," "prudent trustee rule," "prudent person rule," and "prudent investor rule."

Added by Acts 2003, 78th Leg., ch. 1103, Sec. 1, eff. Jan. 1, 2004.