



Office of the Secretary of State

April 13, 2009

Lawyer's Aid Service Inc
PO Box 848
Austin, TX 78767 USA

RE: Kilgore ISD Education Foundation
File Number: 801109432

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created nonprofit corporation.

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at <http://window.state.tx.us/taxinfo/franchise/index.html>. For information on state tax exemption, including applications and publications, visit the Comptroller's Exempt Organizations web site at <http://window.state.tx.us/taxinfo/exempt/index.html>. Information on exemption from federal taxes is available from the Internal Revenue Service web site at www.irs.gov.

Nonprofit corporations do not file annual reports with the Secretary of State, but do file a report not more often than once every four years as requested by the Secretary. It is important for the corporation to continuously maintain a registered agent and office in Texas as this is the address to which the Secretary of State will send a request to file a periodic report. Failure to maintain a registered agent or office in Texas, failure to file a change to the agent or office information, or failure to file a report when requested may result in the involuntary termination of the corporation. Additionally, a nonprofit corporation will file documents with the Secretary of State if the corporation needs to amend one of the provisions in its certificate of formation. If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555
Enclosure

Instant LLCs and LLC Outfits
Registered Agent Services
IRS Employer ID Numbers
State Agency Documents
Instant Incorporations
Corporate Outfits

Lawyer's Aid Service, Inc.
PO Box 848, Austin, Texas 78767-0848
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24-hour FAX order lines:
toll-free (888) 474-4218
local (512) 474-4218
Voice lines:
toll-free (888) 474-2112
local (512) 474-2112

Phillips & Gilchrist LLP
Attn: Glenn D Phillips
1003 Stone Rd
Kilgore, TX 75662

April 14, 2009

Re: Request for payment of amount due,
Lawyer's Aid Service Docket Number E09-05754

DESCRIPTION	AMOUNT
Ordered by: Glenn D. Phillips Ordered April 9, 2009 for Kilgore ISD Education Foundation	
Filing of faxed Certificate of Formation, non-profit corporation. Services: Advance filing fees (\$50.00), walk through filing, call with charter number, and forward official charter.	\$90.00
	Subtotal: \$90.00
	Prepaid: \$0.00
	Balance Due—Please pay this amount: \$90.00

Please write Docket No. E09-05754 on your check.

BASED ON THE UNDERSTANDING THAT YOU WOULD MAIL PAYMENT ON THE DAY YOU ORDERED, WE ADVANCED FILING FEES FOR THIS ORGANIZATION. PLEASE CHECK YOUR RECORDS TO VERIFY THAT YOU ACTUALLY SENT THE PAYMENT AS PROMISED. THANK YOU FOR YOUR PROMPT PAYMENT.

- To switch to Lawyer's Aid as registered agent takes one phonecall, and the filing is free to the company. When process is served, Lawyer's Aid follows professional registered agent procedures and notifies you, counsel of record, immediately.
- Let Lawyer's Aid help you get Employer Identification Numbers (EINs) from the IRS. Avoid the long waits on hold. EIN aid is \$50.
- Our friendly staff are experienced at ironing out problems on last-minute filings.
- Visit www.LawyersAidService.com for Client Interview Checklists.

E09-05754

Thank you for calling Lawyer's Aid Service.



Office of the Secretary of State

CERTIFICATE OF FILING OF

Kilgore ISD Education Foundation
File Number: 801109432

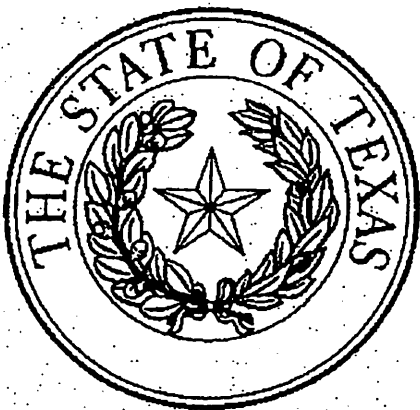
The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 04/13/2009

Effective: 04/13/2009



A handwritten signature in cursive script, appearing to read "Hope Andrade".

Hope Andrade
Secretary of State

FILED
In the Office of the
Secretary of State of Texas

APR 13 2009

**CERTIFICATE OF FORMATION OF
KILGORE ISD EDUCATION FOUNDATION
A NONPROFIT CORPORATION** Corporations Section

This certificate of formation is submitted for filing pursuant to the applicable provisions of the Texas Business Organizations Code.

Article I - Entity Name and Type

The name and type of filing entity being formed are: Kilgore ISD Education Foundation, a Texas nonprofit corporation (hereinafter "Corporation").

Article II - Purpose

The Corporation is organized for charitable, religious, scientific, literary, or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"), and the Texas Tax Code, Section 11.18. In particular the Corporation shall receive and disburse funds, property and gifts of any kind exclusively for the benefit of the Kilgore Independent School District.

Article III - Powers

Without limiting the general powers granted to the Corporation by Texas law, the Corporation shall have the following specific powers:

- a) To aid in the fulfillment of teaching, community development, and service functions of the Kilgore Independent School District by providing funds;
- b) To make grants and loans of any corporate property for the purpose of furthering the educational objectives of the Corporation;
- c) To solicit, accept, administer and disburse gifts, grants and bequests of property of every kind or to hold said property in trust in such manner as the Corporation deems appropriate for the furthering of the purposes of the Corporation;
- d) To receive grants from government or other sources and to disburse such grants for the support of education and educational projects of the Kilgore Independent School District;
- e) To make distribution to the Kilgore Independent School District or any organization organized to support the Kilgore Independent School District that is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1986 (or any corresponding provision of any future United States Internal Revenue law).

Article IV - Restrictions and Limitations

Notwithstanding the foregoing or anything to the contrary herein, the Corporation may not:

- A. Engage in any activity or take any action prohibited by the applicable provisions of the Texas Business Organizations Code.
- B. Pay any dividend or distribute any part of the income of the Corporation to its members, if any, directors, if any, or officers. However, the Corporation may pay compensation in a reasonable amount to its members, directors, or officers for services rendered, may confer benefits upon its members in conformity with its purposes, provided such compensation and benefits are reasonable.

- C. Make loans to the Corporation's directors.
- D. Engage in any activities, except to an insubstantial degree, that are not in furtherance of the purpose or purposes of the Corporation.
- E. Conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and its regulations, or by an organization, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code and regulations.
- F. Serve any private interest except if clearly incidental to the public benefit provided by the Corporation.
- G. Allow any of the Corporation's net earning to inure to the benefit of the members, if any of the Corporation, or any private individual.
- H. Engage in more than an insubstantial degree in the carrying on of propaganda, or otherwise attempting, to influence legislation, and the Corporation shall not directly or indirectly participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office, except as allowed by Internal Revenue Code and its regulations.
- I. Make distributions at such time and in such manner as to subject it to tax under Section 4942 of the Code.
- J. Engage in any act of self-dealing which would be subject to tax under Section 4941 of the Code.
- K. Retain any excess business holdings which would subject it to tax under Section 4943 of the Code.
- L. Make any investments which would subject it to tax under Section 4944 of the Code.
- M. Make any taxable expenditures which would subject it to tax under Section 4945 of the Code.

Article V - Registered Office and Registered Agent

The initial registered agent is an individual resident of the state whose name is D. R. Brogoitti. The business address of the initial registered agent and the initial registered office is: 301 N. Kilgore Street, Kilgore, Texas 75662.

Article VI - Organizer

The name and address of the organizer is:

<u>Name</u>	<u>Address</u>
M. Kathleen Gilchrist	1003 Stone Road, Kilgore, Texas 75662

Article VII - Governing Authority

Management of the affairs of the Corporation is to be vested in its board of directors. The number of initial directors shall be nine (9). The number of directors shall be set by the bylaws of the Corporation as may be amended from time to time, provided that the number of

directors may never be less than three. The names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
1. D. R. (Randy) Brogoitti	301 N. Kilgore Street, Kilgore, Texas 75662
2. Robert R. (Bobby) Beane	301 N. Kilgore Street, Kilgore, Texas 75662
3. Mark Lane	301 N. Kilgore Street, Kilgore, Texas 75662
4. Terry George	301 N. Kilgore Street, Kilgore, Texas 75662
5. Bill Bryant	301 N. Kilgore Street, Kilgore, Texas 75662
6. Vic Price	301 N. Kilgore Street, Kilgore, Texas 75662
7. Kenneth Plunk	301 N. Kilgore Street, Kilgore, Texas 75662
8. Roger Nunnally	301 N. Kilgore Street, Kilgore, Texas 75662
9. Alaina Sumpter	301 N. Kilgore Street, Kilgore, Texas 75662

Article VIII - Organizational Structure

The Corporation will not have members.

Article X - Dissolution

In the event of the dissolution of the Corporation, the Board of the Directors shall cause the assets of the Corporation to be distributed as follows:

- a) a. All liabilities of the Corporation shall be paid or adequate provision shall be made for payment;
- b) b. Assets held by the Corporation upon a condition which occurs by reason of the dissolution shall be returned or conveyed in accordance with such requirements; and
- c) c. All of the remaining assets of the Corporation shall be distributed to Kilgore Independent School District or its successor for exclusively public purposes, provided that the Kilgore Independent School District or its successor is then a governmental unit as described in Section 170 of the Internal Revenue Code of 1986 (or corresponding section of any future federal tax code). If Kilgore Independent School District or its successor shall not so qualify, the remaining assets shall be distributed for one or more exempt purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by the District Court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Article XI - Liability

A Director of the Corporation shall not be personally liable to the Corporation for monetary damages for an act or omission in the Director's capacity as a Director, except to the extent that any applicable law may prevent such Director from being relieved of such personal liability. Any repeal or modification of this article shall be prospective only and shall not adversely affect any limitation of the personal liability of a Director of the Corporation existing at the time of such repeal or modification.

Article VIII - Indemnification

To the full extent permitted by the applicable provisions of Title 1, Chapter 8 of the Texas Business Organizations Code and other applicable law, the Corporation shall advance or reimburse expenses to and indemnify any present and former directors, officers, employees, and agents of the Corporation and persons serving or formerly serving at the request of the Corporation as directors, officers, partners, venturers, proprietors, trustees, employees, agents or similar functionaries of another foreign or domestic corporation, employee benefit plan, other enterprise or entity against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses actually incurred by the person in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, any appeal in such action, suit or proceeding and any inquiry or investigation that could lead to such an action suit or proceeding, because the person is or was acting in one of the capacities set forth above.

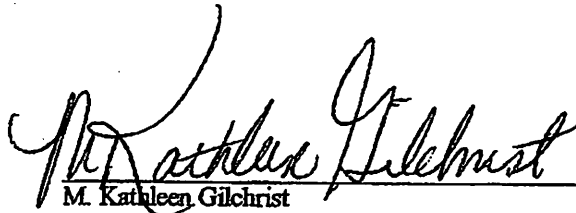
Article X - Effective Date of Filing

This certificate of formation becomes effective when the document is filed by the secretary of state.

Article XI - Execution

This document is signed subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument.

Date: April 9, 2009


M. Kathleen Gilchrist

**UNANIMOUS WRITTEN CONSENT OF BOARD OF DIRECTORS OF
KILGORE ISD EDUCATION FOUNDATION
IN LIEU OF ORGANIZATIONAL MEETING**

The undersigned, being all of the members of the initial Board of Directors of Kilgore ISD Education Foundation, named in the Corporation's Certificate of Formation filed with the Secretary of State of Texas, pursuant to section 6.201 of the Texas Business Organizations Code, adopt the following resolutions in lieu of holding an Organizational Meeting of the Board of Directors.

ARTICLES OF INCORPORATION

RESOLVED, that the Acknowledgment of Filing issued by the Secretary of State of Texas and the certified copy of the Certificate of Formation of the Corporation filed with the Secretary of State of Texas on April 13, 2009, are approved, and the Secretary of the Corporation is instructed to place same in the minute book of the Corporation.

BYLAWS

RESOLVED, that the Bylaws submitted to the undersigned are approved and adopted as the Bylaws of the Corporation and the Secretary of the Corporation is instructed to place same or a certified copy thereof in the minute book of the Corporation.

PRINCIPAL OFFICE

RESOLVED, that the Corporation's principal office be located and maintained at 301 N. Kilgore Street, Kilgore, Texas 75662, and that meetings of the Board of Directors from time to time may be held either at the principal office or at such other place as the board of directors shall from time to time order.

MINUTE BOOK AND CORPORATE RECORDS

RESOLVED, that the corporate record book is adopted as the record book of the corporation, and further,

RESOLVED, that the Corporation maintain appropriate corporate records in the corporate record book, including but not limited to originals, copies or certified copies of the Corporation's original and any amended, corrected or restated, Acknowledgment of Filing, Certificate of Formation, Bylaws, minutes of meetings, and written consents.

SEAL

RESOLVED, that the seal now presented at this meeting, an impression of which is directed to be made in the minutes of this meeting be and the same hereby is adopted as the seal of the corporation, and further,

RESOLVED, that the Corporation shall not be required to use the corporate seal and the lack of the corporate seal shall not affect an otherwise valid contract or other instrument executed by the Corporation.

OFFICERS

RESOLVED, that the following persons are elected to the offices set forth opposite their names to serve as such at the pleasure of the Board of Directors or pursuant to the terms of any written employment agreement executed by the Corporation and the respective officer:

	<u>Office</u>	<u>Name</u>
President		_____
Secretary		_____

BANK ACCOUNT

RESOLVED, that the Corporation establish in its name one or more accounts with one or more financial institutions on such terms and conditions as may be agreed with said financial institutions, and that the officers of the Corporation are authorized to execute any resolutions required by said financial institutions for such accounts and to designate the person or persons authorized to write checks on such accounts on behalf of the Corporation.

ORGANIZATIONAL COSTS

RESOLVED, that the attorney's fees, filing fees and other expenses and charges incurred and that may be incurred by the Corporation or persons acting on behalf of the Corporation in connection with the formation of the Corporation are reasonable and shall be paid or reimbursed by the Corporation.

ACCOUNTABLE PLAN

RESOLVED, that the Corporation establish an "Accountable Plan" whereby directors, officers and employees may receive advances for or reimbursement of expenses if: (1) the expense has a stated business purpose related to the Corporation; (2) the director, officer, or employee provides substantiation to the Corporation for all expenses; and (3) the director, officer or employee returns all excess reimbursements within a reasonable time, and further,

RESOLVED, that the following methods will meet the "reasonable time" definition: (1) an advance is made within thirty (30) days of when an expense is paid or incurred; (2) an expense is substantiated to the Corporation within sixty (60) days after the expense is paid or incurred; and (3) an excess amount is returned to the Corporation within one hundred twenty (120) days after the expense is incurred, and further,

RESOLVED, that substantiation of business expenses will include: business purpose, business relationship (including names of persons present), cost (itemized accounting), time, and place; and, auto mileage reimbursed must be substantiated by a daily mileage log which separates business and personal miles.

MISCELLANEOUS

FURTHER INSTRUCTIONS TO OFFICERS

RESOLVED, that the officers of the Corporation are authorized to do all things and take all action necessary and helpful to carry out the above resolutions and all acts of the officers and any persons acting for the Corporation which are consistent with the above resolutions are ratified and adopted as the acts of the Corporation.

DATE: April ____, 2009.

D. R. (Randy) Brogoitti

Robert R. (Bobby) Beane

Mark Lane

Terry George

Bill Bryant

Vic Price

Kenneth Plunk

Roger Numally

Alaina Sumpter

**BYLAWS OF
KILGORE ISD EDUCATION FOUNDATION**

ARTICLE I - OFFICES

1. REGISTERED OFFICE AND AGENT

The registered office and registered agent of the Corporation shall be as set forth in the Corporation's Certificate of Formation. The registered office or the registered agent may be changed by resolution of the Board of Directors, upon making the appropriate filing with the Secretary of State.

2. PRINCIPAL OFFICE

The principal office of the Corporation shall be at 301 N. Kilgore Street, Kilgore, Texas 75662, provided that the Board of Directors shall have the power to change the location of the principal office.

3. OTHER OFFICES

The Corporation may also have other offices at such places, within or without the State of Texas, as the Board of Directors may designate, or as the business of the Corporation may require or as may be desirable.

ARTICLE II - DIRECTORS

1. BOARD OF DIRECTORS

To the extent not limited or prohibited by law, the Certificate of Formation or these Bylaws, the powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of the Board of Directors of the Corporation. Directors need not be residents of the State of Texas or members of the Corporation unless the Certificate of Formation or these Bylaws so require.

2. NUMBER AND ELECTION OF DIRECTORS

The number of directors shall be at least seven (7) directors and no more than nineteen (19) directors. At any time these numbers may be increased or decreased from time to time by an amendment to these Bylaws or resolution adopted by the Board of Directors, provided that the number of directors may not be decreased to fewer than three (3) and the total number of directors entitled to a vote including those defined below as permanent directors shall always be an odd number. No decrease in the number of Directors shall have the effect of shortening the term of any incumbent director.

At the first annual meeting of the Board of Directors and at each annual meeting thereafter, the directors shall elect directors. A director shall hold office until the next annual election of directors and until said director's successor shall have been elected, appointed, or designated and qualified.

The Superintendent of Schools of the Kilgore Independent School District shall hold a permanent official seat with one vote. A Trustee Representative of the Kilgore Independent School District Board of Trustees shall hold a permanent official seat with one vote. A designee of the Kilgore Independent School District, appointed annually by the Superintendent of Schools, shall hold a permanent official seat with one vote. These three permanent seats are known as permanent Directors. All other Directors are known as appointed Directors. Each appointed Director will hold

office until the annual meeting three (3) years following his or her election and until a successor is elected, or until his or her death, or until resignation, or until he or she is removed in the manner herein provided. Each permanent Director shall hold office until his or her designated position with the school district is changed. The initial appointed Directors shall draw lots for initial terms of office. The term of office for approximately one-third of the appointed Directors shall expire each year for the first three years of the Corporation's existence. Appointed Directors may be re-elected to successive terms. Persons, including representatives and directors of banks or trust companies who serve as investment advisors, custodians, or agents for or with respect to funds of or held for the benefit of this Corporation, shall never constitute more than one-half of the Directors of this Corporation.

3. REMOVAL

A director, with the exception of the permanent Directors, may be removed from office, with or without cause, by the persons entitled to elect, designate, or appoint the director. Removal shall be by a vote of a majority of all Directors of the Corporation at a regular meeting or a special meeting of the Directors called for that purpose. Written notice stating the place, date, hour and the purpose of any special meeting called for the purpose of removing one or more Directors must be delivered to all Directors at least twenty (20) days prior to such meeting. Any vacancy caused by the removal of a Director shall be filled as provided in Article II, paragraph 5.

4. RESIGNATION

A director may resign by providing written notice of such resignation to the Corporation. The resignation shall be effective upon the date of receipt of the notice of resignation or the date specified in such notice. Acceptance of the resignation shall not be required to make the resignation effective.

5. VACANCIES AND INCREASE IN NUMBER OF DIRECTORS

Any vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of the previous director. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of the Board of Directors called for that purpose. Any vacancy in the position of a permanent Director shall be filled by the same person filing the school district position.

6. ANNUAL MEETING OF DIRECTORS

The annual meeting of the Board of Directors will be held as soon as practical, but not more than sixty (60) days after the beginning of a new fiscal year, at which they shall elect officers and transact such other business as shall come before the meeting. The time and place of the annual meeting of the Board of Directors may be changed by resolution of the Board of Directors. Notice of the annual meeting will be given in writing by the Secretary to all Directors not less than ten (10) days prior to the meeting.

Failure to hold the annual meeting at the designated time shall not work a dissolution of the Corporation. In the event the Board of Directors fails to call the annual meeting at the designated time, any Director may make demand that such meeting be held within a reasonable time, such demand to be made in writing by registered mail directed to any officer of the Corporation. If the annual meeting of the Board of Directors is not called within sixty (60) days following such demand, any Director may compel the holding of such annual meeting by legal action directed against the Board of Directors, and all of the extraordinary writs of common law and of courts of equity shall

be available to such Director to compel the holding of such annual meeting.

7. REGULAR MEETING OF DIRECTORS

Regular meetings of the Board of Directors may be held at such time and place, within the State of Texas, as the board may determine by resolution adopted by a majority of the members of the Board of Directors. Notice of regular meetings will be given by the Secretary not less than five (5) days prior to the meeting.

8. SPECIAL MEETINGS OF DIRECTORS

The Secretary will call a special meeting of the Board of Directors whenever called by the President or by 25% of the Directors. Such special meeting shall be held at the date and time specified in the notice of meeting. Notice of each such special meeting will be mailed to each Director, addressed to the Director at his or her residence or usual place of business, at least five (5) days before the day on which the meeting is to be held, or to be delivered personally or by telephone, no later than two (2) days before the day on which the meeting is to be held, except as otherwise provided by these Bylaws. Each such notice shall state the time, place, and purpose of the meeting.

9. PLACE OF DIRECTORS' MEETINGS

All meetings of the Board of Directors shall be held either at the principal office of the Corporation or at such other place, either within or without the State of Texas, as shall be specified in the notice of meeting or executed waiver of notice.

10. NOTICE OF DIRECTORS' MEETINGS

Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transaction at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

11. QUORUM AND VOTING OF DIRECTORS

A quorum for the transaction of business by the Board of Directors will be a majority of the number of directors fixed by these Bylaws. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or the Certificate of Formation.

12. PROXIES

Proxies will not be allowed or used.

13. MEETING ATTENDANCE

It is the policy of the Corporation to require attendance at all Directors meetings. In the event a Director misses three (3) or more consecutive meetings, the Board of Directors may, if deemed appropriate, ask for the resignation of that Director. If the Director does not resign upon request, then the removal provisions of these Bylaws must be followed if the Board, in its discretion, decides removal is appropriate. However, it shall also be the policy of the Corporation to attempt to

accommodate the schedules of its Directors who demonstrate continuing interest in the affairs of the Corporation. It shall be at the discretion of the Board of Directors to invoke this provision.

14. COMPENSATION

Directors, as such, shall not receive any stated salary for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at any meeting of the Board of Directors. A director shall not be precluded from serving the Corporation in any other capacity and receiving compensation for such services. Member of committees may be allowed similar compensation and reimbursement of expenses for attending committee meetings.

15. ACTION BY DIRECTORS WITHOUT MEETING

Any action required by the Texas Business Organizations Code to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of the Board of Directors or any committee, may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all the Board of Directors entitled to vote with respect to the subject matter thereof, or all of the members of the committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote.

If the Corporation's Certificate of Formation so provide, any action required by the Texas Business Organizations Code to be taken at a meeting of the Board of Directors or any action that may be taken at a meeting of the Board of Directors of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of Board of Directors or committee members as would be necessary to take that action at a meeting at which all of the Board of Directors or members of the committee were present and voted.

Each written consent shall bear the date of signature of each Director or committee member who signs the consent. A written consent signed by less than all of the Board of Directors or committee members is not effective to take the action that is the subject of the consent unless, within sixty (60) days after the date of the earliest dated consent delivered to the Corporation in the manner required by this section, a consent or consents signed by the required number of Board of Directors or committee members is delivered to the Corporation at its registered office, registered agent, principal place of business, transfer agent, registrar, exchange agent, or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of Board of Directors or committees are recorded. Delivery shall be by hand or certified or registered mail, return receipt requested. Delivery to the Corporation's principal place of business shall be addressed to the President or principal executive officer of the Corporation.

Prompt notice of the taking of any action by Board of Directors or a committee without a meeting by less than unanimous written consent shall be given to all Board of Directors or committee members who did not consent in writing to the action.

If any action by Board of Directors or a committee is taken by written consent signed by less than all of the Board of Directors or committee members, any articles or documents filed with the Secretary of State as a result of the taking of the action shall state, in lieu of any statement required by this Act concerning any vote of the Board of Directors or committee members, that written consent has been given in accordance with the provisions of section 6.202 of the Texas Business Organizations Code and that any written notice required by such section has been given.

A telegram, telex, cablegram, or similar transmission by a Director or member of a committee or a photographic, photostatic, facsimile, or similar reproduction of a writing signed by a Director or

member of a committee shall be regarded as signed by the Director or member of a committee for purposes of this section.

16. COMMITTEES OF THE BOARD OF DIRECTORS

A. Standing Committees. The Directors may establish one or more Standing Committees and determine the duties and authority of any such committee. Standing committees of the Corporation shall be as follows:

(i) **The Executive Committee** shall be charged with the duties of managing the Corporation in the ordinary course of business, employment of personnel, and the general handling of the affairs of the Corporation and the carrying out of the purposes of the Corporation and the performance of such other duties as may be imposed upon it or authorized by the Board of Directors. The Executive Committee shall be subject to the control of and be responsible to the Board of Directors and shall keep minutes and make reports to the Board of Directors, but there shall be no necessity of a further resolution specially authorizing its actions in the general handling of the affairs of the Corporation. The Executive Committee shall be comprised of those persons who hold the offices of the Immediate Past President, President, all Vice Presidents, Secretary, Treasurer, a minimum of three (3) Directors At-Large, as recommended by the Executive Committee and approved by the Board of Directors.

(ii) **The Special Projects Committee** shall be charged with the duty of managing the special projects to be undertaken by the Corporation in accordance with its purpose, and overseeing the use of any special project funds and properties committed to its care and the performance of such other duties as may be imposed upon it or authorized by the Board of Directors.

(iii) **The Nominating Committee** shall be charged with the duty of making nominations to the Board of Directors for elective offices and for vacancies in the Board of Directors. Such nominations shall not preclude the right of additional nominations being made at any meeting of the Board where an election of an officer or a Director is being considered. The Nominating Committee shall be composed of the Kilgore Independent School District Superintendent of Schools, a representative of the Kilgore Independent School District Board of Trustees and at least three (3) foundation Directors who shall be appointed by the Board of Directors.

(iv) **Special Committees.** The Board of Directors may from time to time, authorize special committees to be appointed by the President. The Board of Directors shall specify the number of persons composing such special committees and the terms and duties of such special committees. While the membership of the special committees need not be composed entirely of members of the Board of Directors, at least a majority of members of each special committee shall be Directors.

B. Term of Office. Each member of a committee shall continue to serve on the committee until the next annual meeting of the Directors and until a successor is appointed. However, the term of a committee member may terminate earlier if a committee member is terminated, 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 shall serve for the unexpired position of the previous committee member's term.

C. Committee Meetings. Committee meetings shall be called and presided over by the Chairman of the committee, or in his or her absence or disability, by the Vice Chairman, or in case of absence and/or disability of both the Chairman and Vice Chairman by any member thereof after reasonable notice to all of the committee members. Committees shall meet as often as necessary to properly discharge their duties. A simple majority of committee members present in person shall

constitute a quorum for any committee meeting and a simple majority vote of those present and voting at any committee meeting at which a quorum is present shall constitute the action or report of the committee. Notice of committee meetings shall be delivered to

D. **Chair and Vice Chair.** The Chairman and Vice Chairman of each committee shall be appointed by the President of the Corporation.

E. **Proxies.** Proxies shall not be allowed or used by any committee member.

F. **Reference to Committees.** While it shall not be required, it is recommended, when applicable, that matters be referred to appropriate committees for consideration and recommendations prior to Board action.

G. **Action in Lieu of Meeting.** If all the members of a committee consent in writing to any action, such action shall be as valid as if authorized at a meeting of the committee. Such consent, setting forth the action so taken, shall be filed with the minutes of the proceedings at the next committee meeting.

17. MEMBERS

The Corporation shall have no members. All corporate actions shall be approved by the Board of Directors as provided in these Bylaws. All rights which would otherwise rest in the members shall rest in the Directors.

ARTICLE III - OFFICERS

1. NUMBER OF OFFICERS

The officers of a Corporation shall consist of a president and a secretary and may also consist of one or more vice-presidents, a treasurer, and such other officers and assistant officers as may be deemed necessary. New offices may be created and filled at any meeting of the Board of Directors. Any two or more offices may be held by the same person, except the offices of president and secretary. A committee duly designated may perform the functions of any officer and the functions of any two or more officers may be performed by a single committee, including the functions of both president and secretary.

2. ELECTION OF OFFICERS AND TERM OF OFFICE

All officers, except the Secretary, shall be elected or appointed annually by the Board of Directors at the regular annual meeting of the Board of Directors for such terms not exceeding one (1) year. Election of an officer shall not, of itself, create contract rights.

3. REMOVAL OF OFFICERS, VACANCIES

Any officer elected or appointed may be removed by the Board of Directors whenever in their judgment the best interests of the Corporation will be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed. Election or appointment of an officer or agent shall not of itself create contract rights. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

4. RESIGNATION OF OFFICER.

Any officer may resign at any time by giving written notice of his or her resignation to the Board of Directors, to the President, or to the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5. POWERS OF OFFICERS

Each officer shall have, subject to these Bylaws, in addition to the duties and powers specifically set forth herein, such powers and duties as are commonly incident to that office and such duties and powers as the Board of Directors shall from time to time designate. All officers shall perform their duties subject to the directions and under the supervision of the Board of Directors. The President may secure the fidelity of any and all officers by bond or otherwise.

All officers and agents of the Corporation, as between themselves and the Corporation, shall have such authority and perform such duties in the management of 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.

In the discharge of a duty imposed or power conferred on an officer of a Corporation, the officer may in good faith and with ordinary care 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: (1) one or more other officers or employees of the Corporation, including members of the Board of Directors; or (2) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.

An officer is not relying in good faith within the meaning of this section if the officer has knowledge concerning the matter in question that makes reliance otherwise permitted by this subsection unwarranted.

6. PRESIDENT

The President shall not be an employee, trustee, agent or member of the Board of Trustees of the Kilgore Independent School District. The President shall be the chief executive officer of the Corporation and shall preside at all meetings of all directors. Such officer shall see that all orders and resolutions of the board are carried out, subject however, to the right of the directors to delegate specific powers, except such as may be by statute exclusively conferred on the President, to any other officers of the Corporation.

The President or any Vice-President shall execute bonds, mortgages and other instruments requiring a seal, in the name of the Corporation. When authorized by the board, the President or any Vice-President may affix the seal to any instrument requiring the same, and the seal when so affixed shall be attested by the signature of either the Secretary or an Assistant Secretary.

The President shall be ex-officio a member of all standing committees.

The President shall submit a report of the operations of the Corporation for the year to the directors at their meeting next preceding the annual meeting of the Board of Directors.

7. VICE-PRESIDENTS

The Vice-President, or Vice-Presidents in order of their rank as fixed by the Board of Directors, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and they shall perform such other duties as the Board of Directors shall prescribe. In the event of absence or disability of the President, the Vice Presidents shall succeed to their power and duties in the order designated by the Board of Directors.

8. THE SECRETARY AND ASSISTANT SECRETARIES

The Secretary shall not be elected, but shall be filled on a permanent basis by the Kilgore Independent School District Superintendent of Schools. The Secretary shall attend all meetings of the Board of Directors and shall record all votes and the minutes of all proceedings and shall perform like duties for the standing committees when required. The Secretary shall give or cause to be given notice of all meetings of the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors. The Secretary shall keep in safe custody the seal of the Corporation, and when authorized by the Board of Directors, affix the same to any instrument requiring it, and when so affixed, it shall be attested by the Secretary's signature or by the signature of an Assistant Secretary.

The Assistant Secretaries shall in order of their rank as fixed by the Board of Directors, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary, and they shall perform such other duties as the Board of Directors shall prescribe.

In the absence of the Secretary or an Assistant Secretary, the minutes of all meetings of the board shall be recorded by such person as shall be designated by the President or by the Board of Directors.

9. THE TREASURER AND ASSISTANT TREASURERS

The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors.

The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements. The Treasurer shall keep and maintain the Corporation's books of account and shall render to the President and directors an account of all of the Treasurer's transactions and of the financial condition of the Corporation and exhibit the books, records and accounts to the President or directors at any time. The Treasurer shall disburse funds for capital expenditures as authorized by the Board of Directors and in accordance with the orders of the President, and present to the President's attention any requests for disbursing funds if in the judgment of the Treasurer any such request is not properly authorized. The Treasurer shall perform such other duties as may be directed by the Board of Directors or by the President.

If required by the Board of Directors, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of the office and for the restoration to the Corporation, in case of death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in the incumbent's possession or under the incumbent's control belonging to the Corporation.

The Assistant Treasurers in the order of their seniority shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer, and they shall perform such other duties as the Board of Directors shall prescribe.

10. OTHER OFFICERS

The Corporation may have such other officers and agents as may be deemed necessary by the Board of Directors, who shall be appointed in such manner, have such duties and hold their offices for such terms as may be determined by amendment to the Bylaws or resolution of the Board of Directors.

11. ELECTION PROCEDURE

The Nominating Committee shall provide each Director with a list of proposed officers not less than thirty (30) days prior to the annual meeting. The slate of proposed officers shall be presented for vote

at the annual meeting. A majority vote of the Board of Directors shall be required to elect officers.

ARTICLE IV - INDEMNIFICATION AND INSURANCE

1. INDEMNIFICATION

The Corporation shall have the full power to indemnify and advance or reimburse expenses pursuant to the provisions of the Texas Business Organizations Code to any person entitled to indemnification under the provisions of the Texas Business Organizations Code. The Corporation shall indemnify and provide for the defense of any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) as a result of his or her actions or omissions within the scope of his or her official capacity for the Corporation as a Director, officer, employee, or agent of the Corporation, to the full extent permitted under Texas state law, as in effect from time to time.

2. INSURANCE

The Corporation may purchase and maintain insurance or another arrangement on behalf of any person who is or was a member, director, officer, employee, or agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, employee benefit plan, other enterprise, or other entity, against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a person, whether or not the Corporation would have the power to indemnify him or her against that liability. Without limiting the power of the Corporation to procure or maintain any kind of insurance or other arrangement, the Corporation may, for the benefit of persons indemnified by the Corporation, (1) create a trust fund; (2) establish any form of self-insurance; (3) secure its indemnity obligation by grant of a security interest or other lien on the assets of the Corporation; or (4) establish a letter of credit, guaranty, or surety arrangement. The insurance or other arrangement may be procured, maintained, or established within the Corporation or with any insurer or other person deemed appropriate by the Board of Directors regardless of whether all or part of the stock or other securities of the insurer or other person are owned in whole or part by the Corporation. In the absence of fraud, the judgment of the Board of Directors as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other person participating in an arrangement shall be conclusive and the insurance or arrangement shall not be voidable and shall not subject the directors approving the insurance or arrangement to liability, on any ground, regardless of whether directors participating in the approval are beneficiaries of the insurance or arrangement.

ARTICLE V-FIDUCIARY RESPONSIBILITY

It shall be the policy of this Corporation that the Board of Directors shall assume and discharge

fiduciary responsibility with respect to all funds and other assets held or administered by this Corporation.

**ARTICLE VI- POLICIES WITH RESPECT TO DISTRIBUTION OF PRINCIPAL,
INCOME AND RELATED MATTERS**

1. DISTRIBUTION POLICY

Distributions shall fund programs and projects that are aligned with the mission, strategic plan and educational philosophy of the Kilgore Independent School District.

2. ANNUAL DISTRIBUTIONS

It shall be the policy of this Corporation to make annual distributions for one or more of the educational purposes for which it is organized, including administrative expenses and amounts paid to acquire an asset used (or held for use) directly in carrying out one or more of its purposes, in an amount determined by the Board of Directors to be appropriate. In any such distribution of funds, no discrimination shall be made on account of the age, sex, color, religious affiliation, disability or national origin of the individuals or programs to be benefitted thereby.

3. NO SELF-DEALING

It shall be the policy of this Corporation not to engage in any act which would constitute "self-dealing" as defined in Section 4941(d) of the Internal Revenue Code of 1986, as now enacted or as hereafter amended.

4. NO JEOPARDY INVESTMENTS

It shall be the policy of this Corporation to assure that no funds, whether title thereto is vested in this Corporation or is vested in a trust for the benefit of this Corporation, are invested or reinvested in such a manner as to jeopardize the carrying out of any educational purposes for which this Corporation is organized.

The Corporation shall have the right to retain all or any part of any funds, securities, or real or personal property acquired by it in whatever manner, and to invest, reinvest, sell, or exchange any such property held by it, according to the judgement and authorization of the Board of Directors or the Executive Committee without being restricted to the class of investments which may hereafter be permitted by law, or any similar restriction; provided, however, that no action shall be taken by or in behalf of the Corporation and no action shall be forbore if such action or such forbearance is a prohibited transaction or would result in either imposition of penalty, excise taxes, or the denial of

the tax exemption under the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

5. EXPENDITURE RESPONSIBILITY

Through its Board of Directors, this Corporation shall exercise "expenditure responsibility" as defined in Section 4945 (h) (1) and (2) of the Internal Revenue Code of 1986, as now enacted or as hereafter amended, with respect to all grants and distribution.

6. REASONABLE RETURN

The Board of Directors shall take steps to assure that each Director, agent, or custodian of the unrestricted trusts or funds that are a component part of this Corporation, will administer them in accordance with accepted standards of fiduciary conduct to produce a reasonable (as determined by the Board of Directors) return of net income.

7. DISTRIBUTION UPON DISSOLUTION

In the event of the dissolution of the Corporation, the Board of the Directors shall cause the assets of the Corporation to be distributed as follows:

- a. All liabilities of the Corporation shall be paid or adequate provision shall be made for payment;
- b. Assets held by the Corporation upon a condition which occurs by reason of the dissolution shall be returned or conveyed in accordance with such requirements; and
- c. All of the remaining assets of the Corporation shall be distributed to Kilgore Independent School District or its successor for exclusively public purposes, provided that the Kilgore Independent School District or its successor is then a governmental unit as described in Section 170 of the Internal Revenue Code of 1986 (or corresponding section of any future federal tax code). If Kilgore Independent School District or its successor shall not so qualify, the remaining assets shall be distributed for one or more exempt purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by the District Court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

8. NONPROFIT OPERATION

The Corporation will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Corporation will be distributed to its Directors or Officers without full consideration. No Director or Officer of the Corporation has any vested right, interest, or privilege in or to the assets, property, functions or activities of the Corporation.

ARTICLE V - MISCELLANEOUS

1. NOTICE

Notice delivered by mail shall be deemed delivered when deposited in the United States mail addressed to the Director or Committee member at his or her address as it appears on the records of the Corporation, with postage thereon prepaid.

2. WAIVER OF NOTICE

Whenever any notice is required to be given to any member or director of the Corporation under the provisions of the Texas Business Organizations Code, the Certificate of Formation, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

3. MEETINGS BY TELEPHONE CONFERENCE, ELECTRONIC OR OTHER REMOTE COMMUNICATIONS TECHNOLOGY

Subject to the provisions required or permitted by the Texas Business Organizations Code and these Bylaws for notice of meetings, members of the Board of Directors, or members of any committee may participate in and hold a meeting of such board, or committee by means of: (1) conference telephone or similar communications equipment by which all persons participating in the meeting can communicate with each other; or (2) another suitable electronic communications system, including videoconferencing technology or the Internet, only if: (a) each member entitled to participate in the meeting consents to the meeting being held by means of that system; and (b) the system provides access to the meeting in a manner or using a method by which each member participating in the meeting can communicate concurrently with each other participant. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

4. SEAL

The Corporation may adopt a corporate seal in such form as the Board of Directors may determine. The Corporation shall not be required to use the corporate seal and the lack of the corporate seal shall not affect an otherwise valid contract or other instrument executed by the Corporation.

5. CONTRACTS

The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, 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.

6. CHECKS, DRAFTS, ETC.

All checks, drafts or other instruments for payment of money or notes of the Corporation shall be signed by such officer or officers or such other person or persons as shall be determined from time to time by resolution of the Board of Directors.

7. 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.

8. GIFTS

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purpose or for a specific purpose of the Corporation. The Board of Directors may make gifts and give charitable contributions that are not prohibited by the Bylaws, the Articles of Incorporation, state or federal law, and any requirements for maintaining the Corporation's federal and state tax status.

9. BOOKS AND RECORDS

Books and Records. The Board of Directors of this Corporation shall cause to be kept:

(a) records of all proceedings of the Board of Directors and Committees thereof; (b) all financial statements of this Corporation; (c) Certificate of Formation and Bylaws of this Corporation and all amendments thereto; and (d) such other records and books of account as shall be necessary and appropriate to the conduct of the corporate business.

10. FINANCIAL RECORDS AND ANNUAL REPORTS

The Corporation shall maintain current true and accurate financial records with full and correct entries made with respect to all financial transactions of the Corporation, including all income and

expenditures, in accordance with generally accepted accounting practices. All records, books, and annual reports (if required by law) of the financial activity of the Corporation shall be kept at the registered office or principal office of the Corporation in this state for at least three years after the closing of each fiscal year and shall be available to the public for inspection and copying there during normal business hours. The Corporation may charge for the reasonable expense of preparing a copy of a record or report.

11. AUDIT AND PUBLICATION

The Board of Directors shall cause the records and books of account of this Corporation to be audited at least once in each fiscal year in such a manner as may be deemed necessary or appropriate and also shall make such inquiry as the Board of Directors deems necessary or advisable into the condition of all trusts and funds held by any agent or custodian for the benefit of this Corporation. The Directors shall retain any such person or firm for such purposes as they may deem appropriate. Not later than six (6) months after the close of each fiscal year of this Corporation, the Board of Directors shall furnish to the Board of Trustees of the Kilgore Independent School District, copies of the Corporation's financial statements for its immediately preceding fiscal year and may, if determined necessary or appropriate by the Board of Directors, cause such financial statements to be published in one or more local newspapers having a general circulation and distribution, as may be selected by the Board of Directors.

12. FISCAL YEAR

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

13. BOND

The Corporation shall obtain bond on such people and in such amounts as may from time to time be deemed necessary by the Board of Directors.

14. FISCAL AGENTS

This Corporation may designate such fiscal agents, investment advisors and custodians as the Board of Directors may select by resolution. The Board of Directors may at any time, with or without cause, discontinue the use of the services of any such fiscal agent, investment advisor, or custodian.

15. CONFLICTS OF INTEREST

The Corporation's affirmative policy shall be that all actual or potential conflicts be discussed promptly and disclosed fully to the Board of Directors and all other necessary parties. Any Director having a conflict on any matter shall neither participate in the deliberation nor vote on any such

matter. The Board of Directors may from time to time, establish such rules and regulations in furtherance of this policy, as deemed appropriate.

ARTICLE VI - CONSTRUCTION

1. GOVERNING LAW

The Bylaws of the Corporation shall be governed by and construed in accordance with the laws of the State of Texas.

2. PRONOUNS AND HEADINGS

All personal pronouns used in these Bylaws shall include the other gender whether used in masculine or feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate. All headings herein are for convenience only and neither limit nor amplify the provisions of these Bylaws.

3. INVALID PROVISIONS

If any one or more of the provisions of these Bylaws, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of these Bylaws and all other applications of any such provision shall not be affected thereby.

4. DIVERSIFICATION

It is the aim and intent of the Kilgore ISD Education Foundation to reflect and embrace racial, religious and gender diversification within all levels of its governing body, staffing, grant recipient allocation and selection process including vendor selections and corporate sponsors.

ARTICLE VII - AMENDMENT OF BYLAWS

The Board of Directors may amend or repeal these Bylaws, or adopt new Bylaws, unless the Certificate of Formation or the Texas Business Organizations Code limits such powers. Any number of amendments, or an entire revision or restatement of the Certificate of Formation or Bylaws, may be adopted at such meeting where a quorum is present, upon receiving the affirmative vote of not less than two-thirds of the whole number of Directors. However, amendment of Article II of the Certificate of Formation may be made only with the unanimous approval and resolution of all Directors.

Adopted by the Board of Directors on April __, 2009.

Secretary