

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

TOWN OF WOODLOCH §

We, the undersigned officers of the Town of Woodloch, Texas (the "Town"), hereby certify as follows:

1. The Town Council of said Town convened in regular meeting on July 8, 2019 (the "Meeting") at the designated meeting place, and the roll was called of the duly constituted officers and members of said Town Council, to wit:

Ralph Leino	Mayor
Vacant	Alderman, Position 1
Matthew Greening	Alderman, Position 2
Nicholas Allen	Alderman, Position 3
Belinda Hackleman	Alderman, Position 4
Andrew Rutherford	Alderman, Position 5
Vacant	Alderman

and all of said persons were present, except Nicholas Allen, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

**RESOLUTION AUTHORIZING AND APPROVING THE CREATION
OF WOODLOCH CULTURAL EDUCATION FACILITIES FINANCE
CORPORATION; APPROVING THE ARTICLES OF
INCORPORATION AND BYLAWS THEREOF; APPOINTING THE
INITIAL DIRECTORS THEREOF, AND CONTAINING OTHER
PROVISIONS RELATING TO THE SUBJECT**

(the "Resolution") was duly introduced for the consideration of said Town Council. It was then duly moved and seconded that said Resolution be adopted and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: All members of the Town Council shown present above voted
 "Aye," except as provided below:

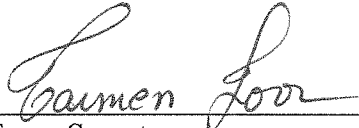
NAYS None

ABSTENTIONS: None

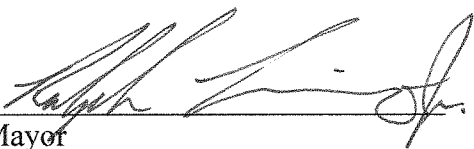
2. That a true, full and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in said Town Council's minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said Town Council's minutes of said Meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Town Council as indicated therein; that each of the officers and members of said Town Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for adoption at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose, and that said Meeting was open to the public and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

3. That the Mayor of said Town has approved and hereby approves the aforesaid Resolution; that the Mayor and the Town Secretary of said Town have duly signed said Resolution; and that the Mayor and the Town Secretary of said Town hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of said Resolution for all purposes.

SIGNED on July 8, 2019.



Town Secretary
Town of Woodloch, Texas



Mayor
Town of Woodloch, Texas

RESOLUTION 07082019

RESOLUTION AUTHORIZING AND APPROVING THE CREATION OF WOODLOCH CULTURAL EDUCATION FACILITIES FINANCE CORPORATION; APPROVING THE ARTICLES OF INCORPORATION AND BYLAWS THEREOF; APPOINTING THE INITIAL DIRECTORS THEREOF; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the Cultural Education Facilities Finance Corporation Act, Chapter 337, Local Government Code, as amended (the "Act"), authorizes the Town of Woodloch, Texas (the "Town") to create and organize a public nonprofit cultural education facilities corporations to act as its duly constituted authority and instrumentality to develop new and expanded cultural and community facilities by (i) acquiring, constructing, providing, improving, financing and refinancing "cultural facilities" (as defined in the Act) to accomplish the public purposes stated in the Act, (ii) acting on behalf of the Town and as its duly constituted authority and instrumentality to exercise the powers granted to a higher education authority under the provisions of Chapters 53 and 53A, Texas Education Code, as amended, (iii) acquiring, constructing, providing, improving, financing, and refinancing health facilities to assist the maintenance of the public health pursuant to applicable provisions of Chapter 221 of the Texas Health and Safety Code, and (iv) issuing and executing bonds, notes or other obligations to loan or otherwise provide funds to borrowers to enable such borrowers to acquire, construct, enlarge, extend, repair, renovate, or otherwise improve facilities in accordance with the Act, or for acquiring land to be used for those purposes, or to create operating and debt service reserves for and to pay issuance costs related to the bonds, notes or other obligations; and

WHEREAS, in order to promote and carry out the public purposes set forth in the Act, the Town Council of the Town has determined that it is in the best interest of the Town, its residents and the public to authorize and approve the creation of the Woodloch Cultural Education Facilities Finance Corporation (the "Corporation"), to approve the Articles of Incorporation and Bylaws of the Corporation, and to appoint the initial Board of Directors of the Corporation;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WOODLOCH, TEXAS THAT:

Section 1. The Town Council of the Town hereby finds, determines, recites and declares that it is in the best interest of the Town, its residents and the public to create the Corporation as a cultural education facilities finance corporation which has the powers, authority and rights (with respect to cultural facilities and health facilities) of a health facilities development corporation created and organized pursuant to Chapter 221, Texas Health and Safety Code, as amended, and (with respect to educational facilities, housing facilities, and other facilities incidental, subordinate, or related to those facilities) of a nonprofit corporation created and organized pursuant to Section 53(b) and 53A.35(b), Texas Education Code, as amended.

Section 2. The Town Council of the Town hereby approves the Articles of Incorporation of the Corporation in substantially the form attached hereto as Exhibit "A," and authorizes the incorporators of the Corporation to file an original and two copies of such Articles of Incorporation and a certified copy of this resolution with the Secretary of State of the State of Texas. The Town

Incorporation and a certified copy of this resolution with the Secretary of State of the State of Texas. The Town Council of the Town hereby approves the initial Bylaws of the Corporation in substantially the form attached hereto as Exhibit "B," and authorizes and directs the Board of Directors to adopt such Bylaws:

Section 3. The Town Council of the Town hereby appoints the following persons (each of whom is at least eighteen (18) years of age), to serve as the members of the initial Board of Directors of the Corporation:

Ralph Leino Jr.

Gerald Mink

Carmen Loor

Section 4. The Town Council of the Town hereby finds, determines, recites and declares that the creation and organization of the Corporation will serve a valid public purpose within the Town and within the State of Texas by developing and expanding cultural and community facilities as contemplated by the Act.

Section 5. The Town Council of the Town hereby authorizes the Town staff and its appointees to do any and all things necessary or convenient under State or Federal law in connection with the creation of the Corporation and to assist to any extent which will not incur liability in the issuance by the Corporation of bonds for the purposes of financing and refinancing cultural and community facilities as contemplated by the Act, including the publication of notice of and holding of hearings in connection therewith.

Section 6. The Town Council of the Town hereby finds, determines, recites and declares that, notwithstanding that the Corporation shall be a duly constituted authority of the Town, it is not intended to be nor shall it ever be deemed to be a political subdivision or municipal or political corporation of the State of Texas within the meaning of any Constitutional or statutory provision, including without limitation, Article III, Section 52 and Article XI, Section 3 of the Texas Constitution.

Section 7. The Town Council of the Town hereby finds, determines, recites and declares that to the extent provided for in the Act, the authority of the Corporation may be exercised without the consent or other action of any person that would otherwise be required under Chapter 221, Texas Health and Safety Code, or Chapters 53 and 53A, Texas Education Code;

Section 8. The Town Council of the Town hereby finds, determines, recites and declares that the obligations of the Corporation shall not be deemed an indebtedness, liability, general, special or moral obligation or pledge or loan of the faith or credit or taxing power of the State of Texas, the Town or any other political subdivision or governmental unit, nor shall such obligations constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, or an agreement, obligation or indebtedness of the Town or the State of Texas within the meaning of any constitutional or statutory provision whatsoever.

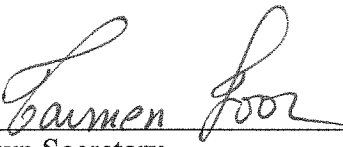
Section 9. The Town Council of the Town hereby declares that it is the purpose, intent and desire of the Town in approving the creation of the Corporation and its Articles of

Incorporation and Bylaws, that such actions comply with the requirements of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations and Internal Revenue Service rulings promulgated thereunder, including, without limitation, Section 1.103-1 of the Treasury Regulations and the rulings issued pursuant thereto, to the end that the Corporation shall be deemed to be a duly constituted authority acting on behalf of the Town pursuant to the Act and that any bonds, notes or other obligations issued by the Corporation shall be considered issued on behalf of the Town by a duly constituted authority of the Town empowered to issue such bonds, notes or other obligations.

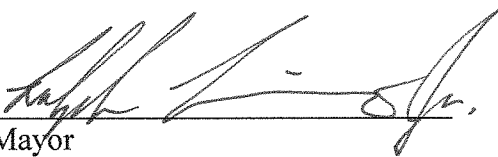
Section 10. The Town Council of the Town has considered evidence of the posting of notice of this meeting and officially finds, determines, recites and declares that a sufficient written notice of the date, place, and hour of this meeting and of the subject of this resolution was posted for at least seventy-two (72) hours before this meeting was convened; that such notice was posted on a bulletin board located at a place convenient to the general public as required by law; that such place was readily accessible to the general public at all times from the time of each such posting until this meeting was convened; and that this meeting has been open to the public at all times during which this resolution and the subject matter thereof has been discussed, considered and formally acted upon; all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended. The Town Council of the Town further ratifies, approves and confirms such written notice and the contents and posting thereof.

PASSED AND APPROVED this 8th day of July 2019.

ATTEST:



Town Secretary
Town of Woodloch, Texas



Mayor
Town of Woodloch, Texas

EXHIBIT A
ARTICLES OF INCORPORATION

**ARTICLES OF INCORPORATION
OF
WOODLOCH CULTURAL EDUCATION
FACILITIES FINANCE CORPORATION**

We, the undersigned natural persons, each of whom is at least eighteen (18) years of age and a resident of the Town of Woodloch, Texas (the “Town”) acting as incorporators of a corporation under the Cultural Education Facilities Finance Corporation Act, Chapter 337, Local Government Code, as amended (the “Act”), do hereby adopt the following Articles of Incorporation for such Corporation:

ARTICLE I

The name of the Corporation is Woodloch Cultural Education Facilities Finance Corporation.

ARTICLE II

The Corporation is a nonprofit public corporation.

ARTICLE III

The duration of the Corporation shall be perpetual.

ARTICLE IV

The purposes of the Corporation are (i) to acquire, construct, provide, improve, finance and refinance cultural facilities to accomplish the public purposes stated in the Act, (ii) to act on behalf of the Town and as its duly constituted authority and instrumentality to exercise the powers granted under the provisions of Chapters 53 and 53A, Texas Education Code, to a higher education authority created under Sections 53.11 and 53A.11, Texas Education Code, and a nonprofit corporation created under Sections 53(b) and 53A.35(b), Texas Education Code, (iii) to acquire, construct, provide, improve, finance, and refinance health facilities to assist the maintenance of the public health pursuant to applicable provisions of Chapter 221 of the Texas Health and Safety Code, and (iv) to issue and execute bonds, notes or other obligations to loan or otherwise provide funds to borrowers to enable such borrowers to acquire, construct, enlarge, extend, repair, renovate, or otherwise improve facilities in accordance with the Act, or for acquiring land to be used for those purposes, or to create operating and debt service reserves for and to pay issuance costs related to the bonds, notes or other obligations.

ARTICLE V

The Corporation has no members and is a non-stock corporation.

ARTICLE VI

A. The Corporation shall have and possess all powers, authority and rights conferred by the laws of the State of Texas on public nonprofit corporations created under the Act, including:

(i) with respect to cultural facilities and health facilities, all powers, authority and rights that a health facilities development corporation has with respect to health facilities under Chapter 221, Texas Health and Safety Code;

(ii) with respect to educational facilities, housing facilities, and other facilities incidental, subordinate, or related to those facilities, all powers, authority and rights that a nonprofit corporation created under Sections 53(b) and 53A.35(b), Texas Education Code, or an authority created under Sections 53.11 and 53A.11, Texas Education Code, has under Chapters 53 and 53A, Texas Education Code;

(iii) the power to acquire, purchase, lease, mortgage, and convey property with respect to a facility;

(iv) the power to borrow money by issuing bonds, notes, and other obligations;

(v) the power to lend money for its corporate purposes;

(vi) the power to invest and reinvest its funds;

(vii) the power to secure its bonds, notes, and obligations by mortgaging, pledging, assigning, or otherwise encumbering its property or assets; and

(viii) the rights and powers of a corporation organized under the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes), except as otherwise provided by the Act.

B. All powers of the Corporation shall be vested in a Board of Directors. Other than the initial Directors named herein, each Director shall be appointed by written order of the Town Council of the Town. Directors shall serve for terms of two (2) years or until his or her successor is appointed and qualified; provided, however, that any Director may be removed from office at any time, for cause or at will, by written order of the Town Council of the Town.

C. These Articles of Incorporation may be amended at any time and from time to time by the Board of Directors with the approval of the Town Council of the Town, or by written order of the Town Council of the Town, in its sole discretion, subject, however, to limitations on the impairment of contracts entered into by the Corporation, all under and in accordance with the Act.

D. All other matters pertaining to the internal affairs of the Corporation shall be governed by the bylaws of the Corporation, so long as such bylaws are not inconsistent with these Articles of Incorporation, the Act, or any other law of the State of Texas.

ARTICLE VII

These Articles of Incorporation may at any time and from time to time be amended so as to make any changes therein and add any provisions thereto. Any such amendment shall be effected in either of the following manners: (i) the members of the board of directors of the Corporation shall file with the governing body of the Town a written application requesting approval of the amendments to the Articles of Incorporation specifying in such application the amendments proposed to be made, such governing body shall consider such application and, if it shall by appropriate resolution or ordinance duly find and determine that it is advisable that the proposed amendments be made and shall approve the form of the proposed amendments, then the board of directors of the Corporation may amend the Articles of Incorporation by adopting such amendments at a meeting of the board of directors and delivering articles of amendment to the Secretary of State, or (ii) the governing body of the Town may, at its sole discretion, and at any time, amend these Articles of Incorporation, and alter or change the structure, organization, programs or activities of the Corporation, or terminate or dissolve the Corporation (subject to the provisions of any limitation provided by the State Constitution and the laws of the State of Texas and the United States of America on the impairment of contracts entered into by the Corporation) by written Resolution adopting the amendment to the Articles of Incorporation of the Corporation or articles of dissolution at a meeting of the governing body of the Town and delivering articles of amendment or dissolution to the Secretary of State.

ARTICLE VIII

The street address of the initial registered office of the Corporation is 2620 N. Woodloch, Conroe, Texas 77385-8580 and the name of its initial registered agent at such address is Carmen Loor.

ARTICLE IX

The number of Directors constituting the initial Board of Directors of the Corporation is three (3). The names and addresses of the members of the initial Board of Directors are:

<u>NAME</u>	<u>ADDRESS</u>
Ralph Leino Jr	2620 N. Woodloch Conroe, Texas 77385-8580
Gerald Mink	2620 N. Woodloch Conroe, Texas 77385-8580
Carmen Loor	2620 N. Woodloch Conroe, Texas 77385-8580

ARTICLE X

The names and street addresses of the incorporators are:

<u>NAME</u>	<u>ADDRESS</u>
Ralph Leino Jr.	2620 N. Woodloch Conroe, Texas 77385-8580
Gerald Mink	2620 N. Woodloch Conroe, Texas 77385-8580
Carmen Loor	2620 N. Woodloch Conroe, Texas 77385-8580

ARTICLE XI

The name of the Corporation's sponsoring entity is the Town of Woodloch, Texas. The address of the Corporation's sponsoring entity is 2620 N. Woodloch, Conroe, Texas 77385-8580. The Town Council of the Town of Woodloch, by resolution adopted on July 8, 2019, has specifically authorized the Corporation to act on its behalf to further the public purposes stated in such resolution and set forth herein, and has approved these Articles of Incorporation.

ARTICLE XII

No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payment of its expenses shall be distributed to or inure to the benefit of its directors or officers or any individual, firm, corporation or association, except that in the event the board of directors shall determine that sufficient provision has been made for the full payment of the expenses, bonds and other obligations of the Corporation, then any net earnings of the Corporation thereafter accruing shall be paid to the Town or otherwise distributed at the direction of the Town. No part of the Corporation's activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and it shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE XIII

If the Corporation is determined to be a private foundation within the meaning of Section 5.09(a) of the Internal Revenue Code of 1986, as amended (the "Code"), the Corporation:

1. shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code;

2. shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code;
3. shall not retain any excess business holdings as defined in Section 4943(c) of the Code;
4. shall not make any investments in such manner as to subject it to tax under Section 4944 of the Code; and
5. shall not make any taxable expenditures as defined in Section 4945(d) of the Code.

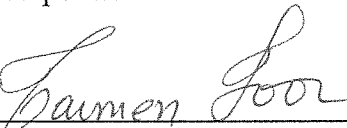
ARTICLE XIV

If the Corporation ever should be dissolved when it has, or is entitled to, any interest in any funds or property of any kind, real, personal or mixed, such funds or property or rights thereto shall not be given or transferred to private ownership but shall be transferred and delivered to the Town after satisfaction or provision for satisfaction of debts and claims have been made.

IN WITNESS WHEREOF, we have hereunto set our hand as of the 8th day of July, 2019.


Incorporator


Incorporator

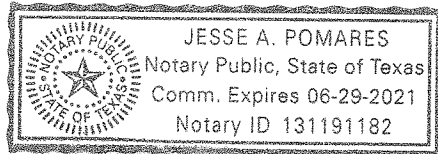

Incorporator

THE STATE OF TEXAS §

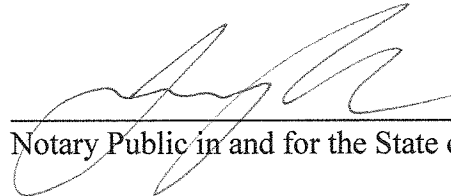
COUNTY OF MONTGOMERY §

Ralph Leino Jr., personally appeared before me, and being first duly sworn declared that he/she signed this document in the capacity designated, if any, and further states that he/she has read the above document and the statements therein contained are true.

Given under my hand and seal of office this July 16, 2019.



(Notary Seal)

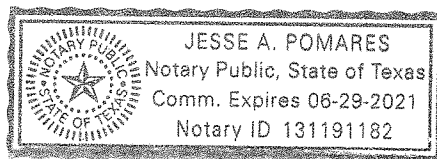

Notary Public in and for the State of Texas

THE STATE OF TEXAS §

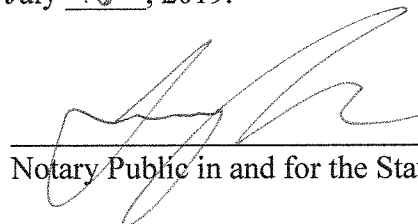
COUNTY OF MONTGOMERY §

Gerald Mink, personally appeared before me, and being first duly sworn declared that he/she signed this document in the capacity designated, if any, and further states that he/she has read the above document and the statements therein contained are true.

Given under my hand and seal of office this July 16, 2019.



(Notary Seal)


Notary Public in and for the State of Texas

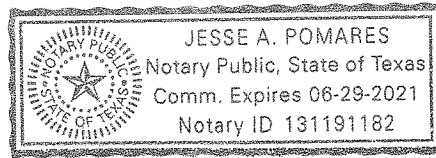
THE STATE OF TEXAS §

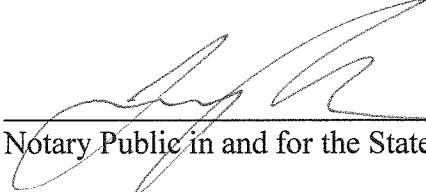
COUNTY OF MONTGOMERY §

Carmen Loo, personally appeared before me, and being first duly sworn declared that he/she signed this document in the capacity designated, if any, and further states that he/she has read the above document and the statements therein contained are true.

Given under my hand and seal of office this July 16, 2019.

(Notary Seal)





Notary Public in and for the State of Texas

EXHIBIT B
BYLAWS

**BYLAWS OF
WOODLOCH CULTURAL EDUCATION
FACILITIES FINANCE CORPORATION**

BYLAWS

THESE BYLAWS govern the affairs of the Woodloch Cultural Education Facilities Finance Corporation (the "Corporation"), a non-profit corporation created under Chapter 337, Local Government Code, as amended (the "Act") by the Town Council of the Town of Woodloch, Texas (the "Town") to act on behalf of the Town.

**ARTICLE I
POWERS AND PURPOSES**

Section 1.1. **Financing of Facilities.** The Corporation shall issue bonds, notes or other obligations to finance and refinance all or part of the cost of one or more facilities to accomplish the public purposes set forth in the Corporation's Articles of Incorporation and the Act.

Section 1.2. **Conditions Precedent.** The Corporation shall not issue any bonds, notes or other obligations to finance or refinance the cost of a facility unless all conditions precedent to such financing or refinancing as required by the applicable law, including the Act, Chapters 53 and 53A, Texas Education Code, as amended, and Chapter 221, Texas Health and Safety Code, as amended, as applicable, have been fulfilled.

Section 1.3. **Nonprofit Corporation.** The Corporation shall be a nonprofit corporation, and no part of its net earnings remaining after payment of its bonds and expenses shall inure to the benefit of any person other than the Town.

**ARTICLE II
OFFICES**

Section 2.1. The principal office of the Woodloch Cultural Education Facilities Finance Corporation (the "Corporation") shall be at 2620 N. Woodloch, Conroe, Texas 77385-8580 (the "Town").

**ARTICLE III
DIRECTORS**

Section 3.1. **Powers, Number and Term of Office.** Subject to the restrictions contained in the Act and the Articles of Incorporation of the Corporation, all powers of the Corporation shall be vested in a Board of Directors consisting of three (3) persons. Other than the initial Directors named in the Articles of Incorporation, Directors shall be appointed by the Town Council of the Town.

Directors shall be appointed to serve two (2) year terms of office and shall hold office in accordance with the provisions of Article VI of the Articles of Incorporation. Directors shall be eligible for re-appointment without limit to the number of terms served.

The number of Directors may be changed by amendment to these Bylaws, but such number may never be less than three (3) nor more than eleven (11).

Section 3.2. **Meetings of Directors.** The Directors may hold their meetings at such place or places in the State of Texas as the Board of Directors may from time to time determine; provided, however, in the absence of any such determination by the Board of Directors, meetings shall be held at the principal office of the Corporation.

Section 3.3. **Regular Meetings.** Regular meetings of the Board of Directors may be held, without the necessity for advance notice, at such times and places as shall be designated from time to time by resolution of the Board of Directors. No notice shall be required for a regular meeting.

Section 3.4. **Special Meetings.** Special meetings of the Board of Directors shall be held whenever called by the President, by the Secretary, by a majority of the Directors then in office, or upon request by the Town Council of the Town. The Secretary shall give notice of each special meeting to each Director in person or by mail, electronic mail, telephone, or facsimile transmission, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a special meeting. At any meeting at which every Director shall be present, even though without any notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon.

Section 3.5. **Quorum.** A majority of the Directors fixed by the Bylaws shall constitute a quorum for consideration of any matter pertaining to the purposes of the Corporation. The act of a majority of the Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors.

Section 3.6. **Conduct of Business.** At the meetings of the Board of Directors, matters pertaining to the purposes of the Corporation shall be considered in such order as from time to time the Board of Directors may determine.

At all meetings of the Board of Directors, the President shall preside, and in the absence of the President, the Vice-President shall exercise the powers of the President.

The Secretary of the Corporation shall act as Secretary of all meetings of the Board of Directors, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

Section 3.7. **Committees.** The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees which, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation. Each committee shall consist of two or more Directors. Each committee shall act in the manner provided in such resolution.

Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated and appointed by a resolution adopted by a majority of the Directors attending a meeting at which a quorum is present or by the President of the Corporation authorized by a like resolution of the Board of Directors. The members of such Committees need not be Directors of the Corporation.

Section 3.8. **Public Hearings.** Public hearings required by Section 147(f) of the Internal Revenue Code of 1986, as amended, may be called and conducted by any officers or Directors of the Corporation or their designees, and such officers or Directors or their designees may establish the date, place and time of the hearing and may publish notice of the hearing.

Section 3.9. **Compensation of Directors.** Directors shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

Section 3.10. **Indemnification.** The Corporation may indemnify any Director or officer or former Director or officer of the Corporation for expenses and costs, including attorneys' fees, actually and necessarily incurred by him in connection with any claim asserted against him, by action in court or otherwise, by reason of such person having been an officer or Director, except in relation to matters as to which such person shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

ARTICLE IV OFFICERS

Section 4.1. **Titles and Terms of Office.** The officers of the Corporation shall be a President, a Vice President, and a Secretary, and such other officers as the Board of Directors may from time to time elect or appoint. One person may hold more than one office, except that the same person shall not serve simultaneously as both President and Secretary. Terms of office shall not exceed the lesser of two (2) years and such officer's tenure as Director.

Any officer elected or appointed may be removed by the persons authorized to elect or appoint such officer whenever in their judgment the best interests of the Corporation will be served thereby.

A vacancy in the office of any officer shall be filled by a vote of a majority of the Directors.

Section 4.2. **Powers and Duties of the President.** The President shall be the chief executive officer of the Corporation and, subject to the Board of Directors, shall be in general charge of the properties and affairs of the Corporation; he or she shall preside at all meetings of the Board of Directors and in furtherance of the purposes of this Corporation, may sign and execute all bonds, deeds, conveyances, franchises, assignments, mortgages, notes, contracts and other obligations in the name of the Corporation. The President shall have the same right to vote on all matters as the other members of the Board of Directors.

Section 4.3. **Vice President.** The Vice President shall have such powers and duties as may be assigned by the Board of Directors and shall exercise the powers of the President during that officer's absence or inability to act. Any action taken by a Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken.

Section 4.4. **Secretary.** The Secretary shall keep the minutes of all meetings of the Board of Directors in books provided for that purpose and shall attend to the giving and serving of all notices. In furtherance of the purposes of this Corporation, the Secretary may sign with the President in the name of the Corporation and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents, and instruments, except the books of account and financial records and securities of which the Treasurer shall have custody and charge, and such other books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to inspection upon application at the office of the Corporation during normal business hours, and shall, in general, perform all duties incident to the office of Secretary, subject to the control of the Board of Directors.

Section 4.5. **Compensation.** Officers shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

ARTICLE V PROVISIONS REGARDING BYLAWS

Section 5.1. **Effective Date.** These Bylaws shall become effective upon their approval by the Town Council of the Town and their adoption by the Board of Directors of the Corporation.

Section 5.2. **Amendments to Bylaws.** These Bylaws may be amended at any time and from time to time by majority vote of the Board of Directors, with the approval of the Town Council of the Town.

Section 5.3. **Interpretation of Bylaws.** These Bylaws and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section or other part of these Bylaws to any other person or circumstances shall not be affected thereby.

ARTICLE VI GENERAL PROVISIONS

Section 6.1. **Principal Office.** The principal office of the corporation shall be as determined by resolution of the Board of Directors; provided, however, that the principal office of the corporation shall be located in the Town.

Section 6.2. **Registered Office and Agent.** The Corporation shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose business office is identical with such registered office, as required by the Act. The registered office may be, but need not be, identical with the principal office of the Corporation. The registered agent and the registered office may be changed from time to time by the Board of Directors, in accordance with the requirements of the Act.

Section 6.3. **Fiscal Year.** The fiscal year of the Corporation shall be as determined by resolution of the Board of Directors.

Section 6.4. **Seal.** The seal of the Corporation shall be as determined by resolution of the Board of Directors.

Section 6.5. **Notice and Waiver of Notice.** Whenever any notice by mail is required to be given under the provisions of the Act, the Articles of Incorporation or these Bylaws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at such person's post office address, or sent by facsimile transmission to such person's receiving number, in each case as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing or transmission. Attendance of a Director at a 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 on the ground that the meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless required by the Board of Directors. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 6.6. **Resignations.** Any Director or officer may resign at any time; provided, however, that any such resignation shall be made in writing and shall not take effect until the successor to such Director or officer shall have been elected or appointed and shall have qualified.

Section 6.7. **Action without a Meeting of Directors or Committees.** Any action which is required 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 of 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 of the Directors, 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 of the Board of Directors or the committee, as the case may be, taken at a regular or special meeting duly called and convened.

Section 6.8. **Books and Records.** The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors. All such books, records and minutes shall be available for inspection by any Director or officer or a duly authorized representative thereof or by any duly authorized representative of the Town.

Section 6.9. **Approval or Advice and Consent of the Town Council.** To the extent that these Bylaws refer to approval by the Town or refer to advice and consent by the Town, such advice and consent shall be evidenced by a certified copy of a resolution, ordinance or motion duly adopted by the Town Council.

Section 6.10. **Organizational Control.** The Town may, at its sole discretion, and at any time, alter the nature, organization, programs or activities of the Corporation (including the power to terminate the Corporation), subject to any limitation on the impairment of contracts entered into by such Corporation.

Section 6.11. **Exercise of Corporate Powers.** The authority of the Corporation may be exercised (a) inside or outside the limits of the Town and (b) without the consent or other action of any person that would otherwise be required under Chapter 221, Texas Health and Safety Code, or Chapters 53 and 53A, Texas Education Code.

Section 6.12. **Dissolution of the Corporation.** Upon dissolution of the Corporation, title to all funds and properties owned by the Corporation at the time shall automatically vest in the Town.

Section 6.13. **Compensation to the Town.** Upon the issuance of bonds, notes or other obligations by the Corporation, the Corporation shall pay or cause to be paid to the Town a fee to compensate the Town for its costs and expenses, such fee to be \$10,000. Provided, however, that with the prior approval of the Town Council of the Town, the Corporation may consider an alternate fee schedule.