

**BYLAWS
OF
AUSTIN GREEN ENERGY GROUP**

Effective August 16, 2010

These Bylaws, adopted by the Austin Green Energy Group are subject to, and governed by, the Texas Business Organizations Code (Particularly Chapter 22 on Nonprofit Corporations) and the Certificate of Formation of Austin Green Energy Group. In the event of a direct conflict between the provisions of these Bylaws and the mandatory provisions of the Texas Business Organizations Code, the Texas Business Organizations Code will be controlling. In the event of a direct conflict between the provisions of these Bylaws and the Certificate of Formation of Austin Green Energy Group, these Bylaws will be controlling.

ARTICLE I - PURPOSES

- a) **General.** The purposes for which Austin Green Energy Group is organized are:
- i) As stated in the Certificate of Formation, Article V, the Corporation is organized exclusively for charitable, scientific and educational purposes as allowed by Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), and applicable regulations thereunder. Subject to the foregoing, the Corporation will promote social welfare, lessen the burden of Government and conduct scientific research in connection with promoting/supporting Austin, Texas as a green/clean energy community for developing clean, cost effective and efficient methods of energy conservation, production and delivery. The Corporation will accomplish this by, among other things, conducting and facilitation research aimed at designing and testing of sustainable technologies, educational programs, business models that relies on locally produced, user/community-managed, green/clean energy.
 - ii) To engage in any and all lawful activities incidental to the foregoing purposes, except as otherwise restricted herein.
 - iii) “The mission of the Austin Green Energy Group is to enhance our community and protect our environment through activities that preserve and conserve our natural resources with a focus on promoting education and the building of solutions for efficient energy utilization.”
- b) **Powers and Limitations.** Article VII of the Certificate of Formation, and applicable law, govern the powers and limitations of this Corporation.

ARTICLE II - OFFICES AND REGISTERED AGENT

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

- b) **Principal Office.** The principal office of Austin Green Energy Group shall be located at 12414 Cassady Drive, Austin, TX 78727-5316. Any change in location will be approved by the Board of Directors and filed with the Texas Secretary of State.
- c) **Other Offices.** Austin Green Energy Group may have such other offices as the Board of Directors may determine or as the affairs of Austin Green Energy Group may require from time to time.

ARTICLE III - MANAGEMENT AND MEMBERSHIP

- a) **Management.** The business, property, and affairs of the corporation shall be managed by the Board of Directors.
- b) **Membership.** Membership categories may be created by the Board of Directors, which at its discretion shall determine the terms, obligations and privileges of such membership. Such members shall have no voting rights in the affairs of the Corporation.

ARTICLE IV - BOARD OF DIRECTORS (BOD)

- a) **General Powers and Responsibilities.** The Directors shall act only as a board; an individual Director shall have no power to act independently without the consensus or duly held vote of the BOD. All corporate powers, business affairs, and property of the Corporation shall be controlled by or under the authority of the BOD, subject to such limitations as are imposed by law, the Articles of Incorporation, or these By-Laws.
- b) **Number and Qualifications.**
 - i) The BOD shall consist of at least three (3) but no more than seven (7) Directors. A Director need not be a resident of the State of Texas.
 - ii) The BOD may appoint any number of *ex-officio* board members. *Ex-officio* members are entitled to notice of all meetings and board actions but may not exercise a vote.
 - iii) Directorships shall not be denied to any person on the basis of race, creed, sex, religion, national origin, or sexual preference.
- c) **Board Compensation.** Directors shall receive no compensation for acting as Directors. Nothing in these Bylaws shall be construed to preclude any Board Member from serving the organization in any other capacity and receiving compensation for services rendered, provided this is done in compliance with Article VII - below (relating to Code of Ethics) and Article VIII - below (relating to Conflicts of Interest) and any ethics policy or similar document enacted by the Austin Green Energy Group.
 - i) Board members and officers may be reimbursed for actual expenses incurred in the performance of their duties for the Austin Green Energy Group, but all such disbursements must be approved by BOD resolution.
 - ii) The Austin Green Energy Group may not loan money or property to any Director or Officer for personal use, nor may the Austin Green Energy Group guarantee any loan or other obligation of an officer or Director.
- d) **Board Elections.** At the Annual Meeting, the Directors will, by majority vote, replace or re-elect Directors with expiring terms. The BOD will also review the service during the preceding year of all Directors with non-expiring terms for consideration under paragraph

- h) below (related to Removal). The BOD may consider recommendations from a nominating or governance committee if one is duly constituted.
- e) **Term of Board.** All appointments to the BOD shall be for three (3) year staggered terms. There will be no limit to the number of consecutive terms a Director may serve.
- f) **Vacancies.** Vacancies on the BOD may be filled by a majority vote of the BOD at a board meeting in compliance with Article IV Meetings. A Board member elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.
- g) **Resignation.** Each Board member shall have the right to resign at any time upon written notice thereof to the President & CEO or the Secretary. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.
- h) **Removal.** A Board member may be removed, with or without cause, at any duly constituted meeting of the BOD, by the affirmative vote of a majority of then-serving Board members. Absenteeism, failure to fulfill obligations of Directors, allegations of fraud, impropriety, or violations of rules should trigger a review of a Director for whether censure, probation, or removal or other actions are appropriate under the circumstances.

ARTICLE V - BOD MEETINGS

- a) **Paperless Meetings.** In keeping with the purpose of this organization, to the extent possible, all notices will be distributed electronically and final approved drafts of organizational documents, committee charters, meeting minutes, meeting notices, financial reports and similar documents are maintained online on a secure and backed-up location, available to all Directors and officers. The Secretary or alternate shall monitor an e-mail address provided by the Corporation. All Directors shall provide the Secretary and the other Directors with an e-mail address where notices shall be received and reviewed by that Director. Minutes, Financial Reports, and Motions shall be distributed electronically prior to meetings or other BOD action. As long as all such records are available for viewing on a PC/Laptop computer at a meeting, hard copies need not be distributed. It is each Director's responsibility to report and resolve technical difficulties with receiving or sending e-mails from their own designated e-mail addresses.
- b) **Minutes.** In keeping with the purpose of this organization, to the extent possible all minutes will be generated and distributed electronically. Minutes will be taken of each annual Quarterly and Annual Meeting. Electronic notices of Interim BOD Actions without a Meeting under paragraph k) below will be annexed to the minutes of the immediately preceding Quarterly Meeting. Once approved by the BOD, the official record of the minutes will be stored online and accessible (at least read-only) to all voting and *ex-officio* Directors. The minutes may be stored in a password protected location, but may have to be produced to regulators, auditors or the public if the law requires.
- c) **Remote Attendance.** Remote attendance is authorized in accordance with Section 22.002 of the Texas Business Organizations Code
- d) **Board Member Attendance.** An elected Board member who is absent from three consecutive quarterly meetings of the BOD should be considered for Removal.

- e) **Place of Board Meetings.** Regular and Special Meetings of the BOD will be held at any place that the President & CEO or a majority of the BOD may designate.
- f) **Regular and Special Meetings.** Regular meetings of the BOD shall be held quarterly, or more frequently as deemed necessary by the BOD. Special Meetings may be called by the President & CEO or any three Directors.
- g) **Notice of Board Meetings.** Notice of the date, time, and place of Regular Meetings shall be given to each board member by e-mail no less than 30 days prior to the meeting. If an e-mail “bounces” or a Director notifies the Secretary that their access to their designated e-mail account is inadequate, alternate notice may be made by telephone, facsimile or regular mail. Notice of the date, time, and place of special meetings shall be given to each board member using the same methods, but with no less than 5 days notice prior to the meeting. If a board member is absent and was not notified via e-mail according to normal methods, attempts to contact that board member must be noted at the meeting and included in the minutes.
- h) **Organizational Amendments.** Notwithstanding paragraph g) above (relating to Notice of Meetings), an amendment to the Organizational Documents under paragraph Article XIV - below may not be considered at a Regular or Special Meeting unless a draft of the amendment has been provided to all voting Directors (paperless if possible) fourteen (14) days prior to the meeting. A timely draft may be modified at the meeting without need for additional notice.
- i) **Waiver of Notice.** Attendance by a Director at any meeting of the BOD for which the Director did not receive the required notice will constitute a waiver of notice of such meeting unless the Director objects at the beginning of the meeting to the transaction of business on the grounds that the meeting was not lawfully called or convened.
- j) **Quorum.** A majority of the incumbent Directors (not counting vacancies) shall constitute a quorum for the purposes of convening a meeting or conducting business. At BOD meetings where a quorum is present, a majority vote of the Directors attending shall constitute an act of the BOD unless a greater number is required by the Certificate of Formation or by any provision of these Bylaws.
- k) **Actions without a Meeting.** Any action required or permitted to be taken by the BOD under the Texas Business Organizations Code, the Certificate of Formation, and these Bylaws may be taken without a meeting, if all Directors individually and collectively consent in writing or e-mail or facsimile, setting forth the action to be taken. Such written consent shall have the same force and effect as a unanimous vote of the BOD.
- l) **Duties of Directors.** A Director shall discharge the Director’s duties in good faith, with ordinary care, in a manner the Director reasonably believes to be in the best interest of the Corporation and in any other manner as set forth in the Code, as amended.
- m) **Proxy.** Proxies shall not be allowed.

ARTICLE VI - OFFICERS

- a) **Officers and Duties.** The BOD shall elect officers of Austin Green Energy Group which shall include a President & CEO, a Vice President, a Secretary, a Treasurer, and such assistants and other officers as the BOD shall from time to time determine. One person

may hold any two or more offices, except the Treasurer and Secretary. The President & CEO and Vice President must be voting members of the BOD. Other officers may be voting members of the BOD, but if not will be *ex officio* members of the BOD.

- b) **President & CEO.** The President shall be the Chief Executive Officer (CEO) and fulfill responsibilities as usually required of such a position. The President & CEO shall preside at BOD meetings. The President & CEO will be a voting member of the BOD. Subject to such supervisory powers as are vested in the Board of Directors, the President & CEO shall supervise, direct, and control the business of the Corporation and actively manage its business, and shall have such other powers and duties as may be prescribed by the Board of Directors or by these bylaws. The President & CEO may engage in negotiations involving commitments of the resources of the Corporation or the acceptance of money or resources by the Corporation in furtherance of the purposes of the Corporation as set out in the Certificate of Formation and these bylaws. The President & CEO shall generally be expected to attend all meetings of the Board of Directors and Board Steering Committee. This officer shall serve with the title of President & CEO.
- c) **Vice President.** The Vice President shall have all powers and duties of the President & CEO during the President & CEO's absence, disability, or disqualification, or during any vacancy in the position of President & CEO, and such other powers or duties assigned by the President & CEO, the BOD, or the Bylaws. There may be a First, Second and Third Vice President, which will act in the order of the designated priority. Any Vice President will be a voting member of the BOD.
- d) **Secretary.** The Secretary shall perform or direct and oversee the performance, of all duties incident to the office of Secretary and such other duties as may be required by law, by the Certificate of Formation, or by these Bylaws.
 - i) The Secretary shall attest to and keep the Bylaws and other legal records of the Corporation, or copies thereof, are kept in accordance with paragraph a), Article V - above (related to Paperless Meetings); shall take or ensure that someone takes minutes of all meetings of the committees and BOD, and shall keep copies of all minutes at the principal office of the Corporation; shall keep a record of the names and addresses of the Directors at the principal office of the Corporation;
 - ii) The Secretary shall, with the approval of the BOD, set up procedures for any elections held by the Corporation; shall keep a record of all votes cast in such elections; ensure that all records of the Corporation, minutes of all official meetings, and records of all votes, are made available for inspection by any member of the BOD in accordance with paragraph a), Article V - above (related to Paperless Meetings);
 - iii) The Secretary shall see that all notices are duly given in accordance with these Bylaws or as required by law; shall see that all books, reports, statements, certificates, and other documents and records of the Corporation are properly kept and filed. In the case of the absence or disability of the Secretary, or the Secretary's refusal or neglect to fulfill the duties of Secretary, the Vice President shall perform the functions of the Secretary.
- e) **Treasurer.** The Treasurer shall perform or direct and oversee the performance, of all duties incident to the office of Treasurer and such other duties as may be required by law, by the Certificate of Formation, or by these Bylaws.

- i) The Treasurer will have charge and custody of all funds of the Corporation, will oversee and supervise the financial business of the Corporation, will render reports and accountings to the Directors as required by the BOD, and will perform in general all duties incident to the office of Treasurer and such other duties as may be required by law, by the Certificate of Formation, or by these Bylaws, or which may be assigned from time to time by the BOD.
 - ii) Upon the BOD's request and at Austin Green Energy Group's expense, the Treasurer shall give to the Corporation a bond with one or more sureties for the faithful performance of the duties of the office and for the restoration to the Corporation--in the case of his or her death, resignation, retirement, or removal from office--all books, papers, vouchers, money, and other property of whatever kind in his or her possession or under his control belonging to the Corporation. The amount of the bond shall be determined by the BOD.
 - iii) The Treasurer and the staff of the Corporation shall devise a plan providing for the acceptance and disbursement of all funds of the Corporation which shall be approved by the BOD.
 - iv) The Treasurer, with the approval of the BOD, shall set up all checking, savings, and investment accounts of the Corporation and deposit all such funds in the name of the Corporation in such accounts. The Treasurer's signature shall be the authorized signature for all checking, savings, and investment accounts of the Corporation unless the Treasurer, with the approval of the BOD, designates another member of the BOD or employee of the Corporation as the authorized signatory for a particular type of disbursement.
 - v) The Treasurer shall prepare a monthly report for the BOD, providing an accounting of all transactions and of the financial conditions of the Corporation. The Treasurer shall keep all financing records, books, and annual reports of the financial activities of the Corporation at the principal office of the Corporation and make them available at the request of any Director or member of the public during regular business hours for inspection and copying. The Treasurer shall ensure all approved monthly and annual financial reports will be provided to the Secretary to be annexed to the minutes reflecting their approval.
- f) **Other Officers.** From time to time the BOD may elect or appoint other officers as it deems appropriate.
- g) **Election and Term of Office.** All officers shall be voting or *ex officio* members of the BOD during their terms of office. Officers shall be elected for a one year term. The officers of the BOD shall be elected annually by the BOD at regular board meetings as terms expire or vacancies otherwise arise. There will be no limit to the number of consecutive terms an Officer may serve. If any officer is elected to the same position for more than two years in a row, an independent audit of the Austin Green Energy Group's financial records and minutes will be conducted, even if not required under paragraph e) above (Relating to the Treasurer). A vacancy occurring in any office due to death, resignation, removal, disqualification, or any other reason may be filled by the BOD for the unexpired portion of the term of office left vacant.
- h) **Removal.** Any officer or agent (e.g., Executive Director) elected or appointed by the BOD may be removed at any time by the affirmative vote of a majority of the BOD, but

such removal shall be without prejudice to the contract rights, if any, of the person so removed.

ARTICLE VII - CODE OF ETHICS

The Corporation and its Directors and Employees will comply with the following Code in all of their actions. As long as the Corporation is in existence, no Director, officer or employee of the Corporation shall:

- a) do any act in violation of these Bylaws or a binding obligation of the Corporation;
- b) do any act with the intention of harming the Corporation or any of its operations;
- c) do any act that would make it unnecessarily difficult to carry on the intended or ordinary business of the Corporation;
- d) receive an improper personal benefit from the operation of the Corporation;
- e) use the assets of this Corporation, directly or indirectly, for any purpose other than carrying on the business of this Corporation;
- f) wrongfully transfer or dispose of Corporation property, including intangible property such as goodwill; and
- g) use the name of the Corporation (or any substantially similar name) or any trademark or trade name adopted by the Corporation, except on behalf of the Corporation in the ordinary course of the Corporation's mission.

ARTICLE VIII - CONFLICTS OF INTEREST

- a) **Loyalty.** The Directors of the Corporation owe a duty of loyalty to the organization which requires that in serving the Corporation they act, not in their personal interests or in the interests of others, but rather solely in the interests of the Corporation. Directors must have undivided allegiance to the Corporation's mission and may not use their positions as Directors, information they have about the Corporation, or the Corporation's property, in a manner that allows them to secure a pecuniary benefit for themselves or their relatives (For the purpose of this policy. Relative means spouse, parents, siblings, children, grandchildren, the spouses of children and grandchildren, and any other blood relative, if the latter resides in the same household.)
- b) **Transactions.** Business transactions of the Corporation in which a Director has an interest shall not be prohibited, but they shall be subject to close scrutiny. Such proposed transactions shall be reviewed carefully to determine that they are in the best interests of the Corporation and that they will not lead to conflict of interest. For the purposes of this policy, a Director has an interest in a proposed transaction if he/she has a substantial financial interest in it, or has a substantial financial interest in any organization involved in the proposed transaction, or holds a position as trustee, Director, general manager, or principal officer in any such organization. Prior to the start of any negotiations, or consideration of any project by the organization, Directors are expected to make full disclosure to the best of their knowledge of any substantial financial interest in a proposed transaction by submitting a report to the President & CEO or other officer designated by the BOD to handle such matters, supplying any reasons why the

transaction might not be in the best interest of the Corporation. In matters requiring prior approval of the BOD, the President & CEO or other officer shall forward copies of this disclosure report to the BOD before its approval.

- c) **Recusal.** A Director with a substantial interest in a proposed transaction shall not vote on the matter and, depending upon the circumstances, may be excluded from any discussion of the matter.
- d) **Inside Information.** A Director shall not use inside information of the Corporation for his/her personal benefit, or use such inside information or his/her position as Director to the detriment of the Corporation. Inside information is information obtained through the Director's position that has not become public information.
- e) **Continuing Responsibility.** Each Director has a duty to place the interests of the Corporation foremost in any dealings involving the organization and has a continuing responsibility to comply with the requirements of this Policy.

ARTICLE IX - INDEMNIFICATION

- a) **Insurance.** The Corporation may provide indemnification insurance for its board members, and the BOD shall select the amount and limits of such insurance policy.
- b) **Indemnification.** To the extent permitted by law, any person (and the heirs, executors, and administrators of such person) made or threatened to be made a party to any action, suit, or proceeding by reason of the fact that he is or was a Director or Officer of the Corporation or any member acting as volunteer for the Corporation within the scope of sanctioned Austin Green Energy Group activities shall be indemnified by the Corporation against any and all liability and the reasonable expenses, including attorney's fees and disbursements, incurred by him (or by his heirs, executors or administrators) in connection with the defense or settlement of such action, suit, or proceeding, or in connection with any appearance therein.
- c) **Limits on Indemnification.** Notwithstanding the above, the corporation will indemnify a person only if he acted in good faith and reasonably believed that his conduct was in the corporation's best interests. In the case of a criminal proceeding, the person may be indemnified only if he had no reasonable cause to believe his conduct was unlawful. This Corporation is a charitable, Nonprofit organization. The Corporation will not be required to indemnify board members out of its own funds if liability exceeds any insurance and the Corporation does not have funds to cover the indemnification. The Board of Directors must approve any indemnification out of funds of the Corporation.

ARTICLE X - COMMITTEES

- a) **Organization of Committees.** The BOD may designate and appoint committees of the Austin Green Energy Group as deemed necessary. The BOD from time to time may designate and appoint members to standing and temporary committees. Each committee shall have a written charter approved by action of the BOD, which will specify its responsibilities and authority. Any committee may be abolished by proper action of the BOD.

- b) **Committee Chairs.** Each committee shall be chaired or co-chaired by a voting Board member. Non-Board members may be appointed to any Austin Green Energy Group committee at the discretion of the BOD.
- c) **Vacancies.** Vacancies in the membership of any committee or Advisory Council may be filled by appointments made in the same manner as provided in the case of the original appointments.
- d) **Quorum and Manner of Acting.** The act of the majority of the committee members present at a meeting at which a quorum is present shall be the act of the committee, unless the charter specifies otherwise.
- e) **Rules.** Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the BOD.

ARTICLE XI - OPERATIONS

- a) **Execution of Documents.** Unless specifically authorized by the BOD or as otherwise required by law, all final contracts, deeds, conveyances, leases, promissory notes, or legal written instruments executed in the name of and on behalf of the Corporation shall be signed and executed by the President & CEO and the Treasurer (or such other person designated by the BOD), pursuant to the general authorization of the BOD. All conveyances of land by deed shall be signed by the President & CEO or two other members of BOD and must be approved by a resolution of the BOD.
- b) **Disbursement of Funds.** Financial Transactions which have a value of \$5,000 or more if not included in the annual budget shall require majority approval of the BOD. In all other transactions, the President & CEO or Treasurer may disburse the funds of the Corporation in accordance with expenditures approved by the BOD and the purposes of the Corporation as set out in the Certificate of Formation and these Bylaws. Notwithstanding the above, all checks of more than \$1,000 disbursing funds from any of the Corporation's accounts shall require the signatures of at least two individuals as authorized by BOD resolution. For purposes of this clause, "signature" shall include electronic approval.
- c) **Procurement Policy.** The Corporation shall adopt and abide by a procurement policy which shall be an addendum to these Bylaws.
- d) **Records.** The Corporation will keep correct and complete records of account and will also keep minutes of the proceedings of the BOD meetings and Committees. The Corporation will keep in accordance with paragraph a), Article V - above (related to Paperless Meetings) a copy of its Bylaws, including amendments to date, certified by the Secretary of the Corporation.
- e) **Inspection of Books and Records.** All books and records of this Corporation may be inspected by any Director for any purpose at any reasonable time on written demand. The Corporation shall keep correct and complete books and records of account.
- f) **Deposits.** All funds of the Corporation shall be deposited to the credit of the Corporation in banks, trust companies, or other depositories that the BOD selects.
- g) **Loans.** The Corporation will make no loans to any of its Directors or Officers.

- h) **Fiscal Year.** The fiscal year of the corporation shall be the calendar year.
- i) **Contracts and Grants.** The BOD may authorize any officer(s) or agent(s) of Austin Green Energy Group to enter into contracts, leases, and agreements with and accept grants and loans from the United States; its departments and agencies; the State of Texas; its agencies, counties, municipalities, and political subdivisions; and public or private corporations, foundations, and persons; and may generally perform all acts necessary for a full exercise of the powers vested in it. The Executive Director shall have authority to enter into such contracts and expend such funds on behalf of the organization as the BOD may specify.
- j) **Acceptance of Gifts.** The BOD may accept on behalf of Austin Green Energy Group any cash contribution, gift, bequest, or devise for the general purposes, or for any special purpose, of Austin Green Energy Group. The BOD may decline to accept a gift, cash or non-cash, if acceptance will be inconsistent with the purposes of the Austin Green Energy Group or its maintenance of nonprofit status.
- k) **Investments.** Austin Green Energy Group shall have the right to retain all or any part of any property – real, personal, tangible, or intangible – acquired by it in whatever manner and pursuant to the direction and judgment of the BOD, to invest and reinvest any funds held by it without being restricted to the class of investments available to trustees by law or any similar restriction.
- l) **Exempt Activities.** Notwithstanding any other provision of these Bylaws, no board member, officer, employee, or representative of Austin Green Energy Group shall take any action or carry on any activity by or on behalf of Austin Green Energy Group which is not permitted to be taken or carried on by an organization exempt from federal income taxation under sections 501(a) and 501(c)(3) of the Code and its regulations as they now exist or as they may hereafter be amended, or by an organization contributions to which are deductible under section 170(a)(1) of the Code and its regulations as they now exist or as they may hereafter be amended, by virtue of being charitable contributions as defined in section 170(c)(2) of the Code and its regulations as they now exist or as they may hereafter be amended.

ARTICLE XII - INTERPRETATION OF THESE BYLAWS

- a) **Captions.** Captions (i.e., article and section headings) are inserted in these Bylaws for convenience only and in no way define, limit, or describe the scope or intent of these Bylaws, or any provision hereof, nor in any way affects the interpretation of these Bylaws.
- b) **Severability of Clauses.** If any provision of these Bylaws is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative, and the remainder of these Bylaws shall remain operative and binding.

ARTICLE XIII - DISSOLUTION & WINDING UP

A unanimous vote of the BOD shall be required to dissolve the Corporation. Upon dissolution of the Corporation, any assets remaining after payment of or provision for its debts and liabilities shall, consistent with the purposes of the organization, be paid over to charitable organizations

exempt under the provisions of Section 501 (c)(3) of the U.S. Internal Revenue Code or corresponding provisions of subsequently enacted federal law. No part of the net assets or net earnings of the Corporation shall inure to the benefit of or be paid or distributed to an officer, Director, member, employee, or donor of the Corporation, except that contracts previously established with an officer, Director, member, employee or donor that are consistent with law and the conflicts of interest provisions of these Bylaws may be honored. If the organization becomes dormant for one year with no voting Directors available to dispose of assets, the Texas Secretary of State may designate a person or organization to dispose of assets under the provisions of Section 501 (c)(3) of the U.S. Internal Revenue Code.

ARTICLE XIV - AMENDMENTS TO ORGANIZATION

- a) **Amending Certificate of Formation.** The BOD may adopt Amendments to the Certificate of Formation by a vote of two-thirds of Directors present at a meeting where a quorum is present. An amendment to the Certificate of Formation is not effective until filed with the Texas Secretary of State.
- b) **Bylaws.** These by-laws may be altered or amended in whole or in part, or repealed and new Bylaws may be adopted by a majority of the Directors present at any annual meeting or any special meeting, if at least fourteen (14) days written notice is given of an intention to alter, amend, or repeal these by-laws or to adopt new by-laws at such meeting, and such notice contains a statement of the nature of the proposed amendment(s), and shall become effective upon adoption.

These Bylaws were approved by the BOD on December 09, 2010 to be effective August 16, 2010.