

BYLAWS OF Metroplex BMX Group

ARTICLE I. NAME OF ORGANIZATION

The legal name of the Non-Profit Organization shall be known as the "Metroplex BMX Group," under the laws of the state of Texas. The organization shall operate under the DBA (Doing Business As) name "DeSoto BMX" for its activities at the DeSoto, TX location. As the organization expands to operate additional BMX tracks, it will utilize appropriate DBAs corresponding to the names of the respective track locations. All corporate matters shall be conducted under the legal name, "Metroplex BMX Group."

ARTICLE II. ORGANIZATION PURPOSE

The purpose of the Organization is for any lawful purpose permitted by the Texas Nonprofit Corporation Act; and exclusively for charitable, religious, scientific, or educational purposes either directly or by contributions to organizations that qualify as exempt under Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereinafter be amended and particularly to promote and encourage positive social and recreational activities for young people, and the public welfare by the development, construction, financing, and operation of a bicycle motocross racing facility in DeSoto, Texas and other locations in the state of Texas.

In addition, this Organization has been formed for the purpose of performing all things incidental to, or appropriate in, the foregoing specific and primary purposes. However, the Organization shall not, except to an insubstantial degree, engage in any activity or the exercise of any powers which are not in furtherance of its primary non-profit purposes.

The Organization shall hold and may exercise all such powers as may be conferred upon any nonprofit organization by the laws of the Texas and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the Organization. At no time and in no event shall the Organization participate in any activities which have not been permitted to be carried out by an Organization exempt under Section 501(c) of the Internal Revenue Code of 1986 (the "Code").

ARTICLE III. OFFICES

Section 3.1 Principal Place of Business

The principal office of the Organization shall be located at 5900 Balcones Dr., Suite 100, Austin, TX 78731. The Organization may have such other offices, either within or without the State of Texas, as the Board may determine or as the affairs of the Organization may require from time to time.

Section 3.2 Registered Office and Registered Agent

The Organization shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is the Organization's registered office.

The registered office may, but need not, be identical to the principal office of the Organization in the State of Texas, and the address of the registered office may be changed from time to time by the Board in accordance with applicable law.

ARTICLE IV. DEDICATION OF ASSETS

The properties and assets of the Organization are irrevocably dedicated to and for non-profit purposes only. No part of the net earnings, properties, or assets of this Organization, on dissolution or otherwise, shall inure to the benefit of any person or any member, Director, or officer of this Organization. On liquidation or dissolution, all remaining properties and assets of the Organization shall be distributed and paid over to an organization dedicated to non-profit purposes which has established its tax-exempt status pursuant to Section 501(c) of the Code.

ARTICLE V. BOARD OF DIRECTORS

Section 5.1 General Powers and Responsibilities

The Organization shall be governed by a Board of Directors (the "Board"), which shall have all the rights, powers, privileges and limitations of liability of Directors of a non-profit organization organized under the state laws of Texas. The Board shall establish policies and directives governing business and programs of the Organization and shall delegate to the President and Organization staff (if any), subject to the provisions of these Bylaws, authority and responsibility to see that the policies and directives are appropriately followed.

Section 5.2 Number and Qualifications

The Board shall have up to 11, but no fewer than 3, Directors. The number of Directors may be increased beyond 11 by the affirmative vote of a simple majority of the then serving Board of Directors. A Director need not be a resident of the State of Texas. In addition to the regular membership of the Board, representatives of such other organizations or individuals as the Board may deem advisable to elect shall be Ex-Officio Directors, which will have the same rights and obligations, including voting power, as the other Directors.

Section 5.3 Compensation

The Board shall receive no compensation other than for reasonable expenses. However,

provided the compensation structure complies with Sections relating to "Contracts Involving Directors and/or Officers" as stipulated under these Bylaws, nothing in these Bylaws shall be construed to preclude any Director from serving the Organization in any other capacity and receiving compensation for services rendered.

Section 5.4 Elections and Term of Board

Directors shall be elected at the annual meeting of the Board (the "Annual Meeting") to hold office until the next succeeding Annual Meeting. New and renewing Directors shall be approved by a majority vote of those Directors at a Board meeting at which a quorum is present.

All appointments to the Board shall be for a term of 5 year(s). No person shall serve more than 2 consecutive terms unless a majority of the Board, during the course of a Board meeting at which a quorum is present, votes to appoint a Director to 5 additional years. No person shall serve more than 15 consecutive years. After serving the maximum total number of consecutive years on the Board, a Director may be eligible for reconsideration as a Director after 1 year has passed since the conclusion of such Director's service.

Section 5.5 Filling Vacancies

Any newly-created Directorships resulting from an increase in the number of Directors and any vacancy occurring in the Board resulting from the death, resignation, retirement, disqualification or removal of a Director may be filled by an affirmative majority vote of the Directors then in office at which a quorum is present. Any Director elected or appointed to fill a vacancy shall hold office for the remainder of the vacated term and until such Director's successor is elected and qualified, or until such Director's earlier death, resignation, retirement, disqualification or removal from office.

Section 5.6 Resignation

Any Director may resign at any time by delivering written notice to the Organization. Such resignation shall take effect upon receipt of the notice or, if later, at the time specified in the notice.

Section 5.7 Removal

Any Director may be removed with or without cause, at any time, by a majority vote of the entire Board, at a regular meeting or at a special meeting called for that purpose. Any Director under consideration for removal must first be notified about the consideration by written notice at least five days before the meeting at which the vote takes place.

Section 5.8 Place of Meetings

Meetings of the Board of Directors shall be held at such places, within or without the State of Texas, as may from time to time be fixed by the Board of Directors or as shall be specified or fixed in the respective notices or waivers of notice thereof.

Section 5.9 Annual Meeting

An Annual Meeting of the Board shall be held each year at the Board meeting immediately preceding the beginning of the next fiscal year at such date, time and place as determined by

the Board. At the Annual Meeting, the Board shall elect Directors and officers and transact such other business as may properly come before the meeting. Elected Directors will commence responsibilities as of the start of the fiscal year.

Notice of the date, time and place of the Annual Meeting shall be given to each Director personally or by regular mail, telephone, facsimile or e-mail at least seven days before the Annual Meeting.

Section 5.10 Regular Meetings

Regular meetings of the Board of Directors shall be held at such times and places as may be fixed from time to time by resolution adopted by the Board and communicated by written notice to all Directors. Except as otherwise provided by law, by the Certificate of Formation or by these Bylaws, any and all business may be transacted at any regular meeting.

Section 5.11 Special Meetings

Special meetings of the Board (a) may be called by the President and (b) shall be called by the President or the Secretary on the written request of 3 or more Directors. Notice of the date, time and place of special meetings of the Board shall be given to each Director personally or by regular mail, telephone, facsimile or e-mail at least 5 days prior to the meeting. Any and all business that may be transacted at a regular meeting of the Board may be transacted at a special meeting. Except as otherwise required by law, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice of the meeting.

Section 5.12 Quorum

A majority of Directors constituting the Board shall constitute a quorum for the purposes of convening a meeting of the Board or conducting business. At Board meetings where a quorum is present, a majority vote of the Directors present shall constitute an act of the Board, unless a greater number is expressly provided by applicable law, the Certificate or these Bylaws. If a quorum shall not be present at any meeting, a majority of Directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

Section 5.13 Actions Without a Meeting

Any action required or permitted to be taken at any meeting of the Board, or of any committee designated by the Board, may be taken without a meeting, without prior notice and without a vote, if a written consent, stating the action to be taken, is signed by the number of Directors, or committee Directors, as the case may be, necessary to take such action at a meeting at which all of the Directors, or committee Directors, are present and voting, as provided herein. Such written consent shall state the date of each Director's or committee Director's signature. Prompt notice of the taking of an action by Directors or a committee without a meeting by less than unanimous written consent shall be given to each Director or committee Director who did not consent in writing to the action.

Section 5.14 Electronic Meetings

Subject to the provisions of applicable law and these Bylaws regarding notice of meetings, Directors of the Board of Directors or Directors of any committee designated by such Board may, unless otherwise restricted by statute, by the Certificate of Formation or by these Bylaws, participate in and hold any meeting of such Board of Directors or committee by using conference telephone or similar communications equipment, or another suitable electronic communications system, including videoconferencing technology or the Internet (but only if, in the case of such other suitable communications system, each person entitled to participate in the meeting consents to the meeting being held by means of that system and the system permits each person participating in the meeting to communicate concurrently with all other persons participating in the meeting). If voting is to take place at the meeting, reasonable measures must be implemented to verify that every person voting at the meeting by means of remote communications is sufficiently identified and a record must be kept of any vote or other action taken. Participation in a meeting pursuant to this Section shall constitute presence in person at such a meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 5.15 Proxy

Directors shall not be allowed to vote by written proxy.

Section 5.16 Director Attendance

An elected Director who is absent from 3 regular meetings of the Board during a fiscal year shall be encouraged to reevaluate with the President of the Board his/her commitment to the Organization. The Board may deem a Director who has missed 2 consecutive meetings without such a re-evaluation with the Chair to have resigned from the Board.

ARTICLE VI. OFFICERS

Section 6.1 Officers and Duties

The Board shall elect officers of the Organization which shall include a President, a Secretary, and a Treasurer, and such other officers as the Board may designate by resolution. The same person may hold any number of offices, except that neither the Secretary nor the Treasurer may serve concurrently as the President. In addition to the duties in accordance with this Article, officers shall conduct all other duties typically pertaining to their offices and other such duties which may be required by law, Articles of Incorporation, or by these bylaws, subject to control of the Board of Directors, and they shall perform any other such additional duties which the Board of Directors may assign to them at their discretion.

The officers will be selected by the Board at its annual meeting, and shall serve the needs of the Board, subject to all the rights, if any, of any officer who may be under a contract of employment. Therefore, without any bias or predisposition to the rights of any officer that may be under any contract of employment, any officer may be removed with or without cause by

the Board. All officers have the right to resign at any time by providing notice in writing to the Chair of the Board, President, and/or Secretary of the Organization, without bias or predisposition to all rights, if any, of the Organization under any contract to which said officer is a part thereof. All resignations shall become effective upon the date on which the written notice of resignation is received or at any time later as may be specified within the resignation; and unless otherwise indicated within the written notice, a stated acceptance of the resignation shall not be required to make the resignation effective.

Any and all vacancies in any office because of death, resignation, disqualification, removal, or for any other cause, shall be filled in accordance to the herein prescribed bylaws for regular appointments to such office. The compensation, if any, of the officers shall be fixed or determined by resolution of the Board of Directors.

Section 6.2 President

It shall be the responsibility of the President, when present, to preside over all meetings of the Board of Directors and Executive Committee.

It shall be the responsibility of the President, in general, to supervise and conduct all activities and operations of the Organization, subject to the control, advice and consent of the Board of Directors. The President shall keep the Board of Directors completely informed, shall freely consult with them in relation to all activities of the Organization, and shall see that all orders and/or resolutions of the Board are carried out to the effect intended. The Board of Directors may place the President under a contract of employment where appropriate. The President shall be empowered to act, speak for, or otherwise represent the Organization between meetings of the Board. The President shall be responsible for the hiring and firing of all personnel, and shall be responsible for keeping the Board informed at all times of staff performance and for implementing any personnel policies which may be adopted and implemented by the Board. The President, at all times, is authorized to contract, receive, deposit, disburse and account for all funds of the Organization, to execute in the name of the Organization all contracts and other documents authorized either generally or specifically by the Board to be executed by the Organization, and to negotiate any and all material business transactions of the Organization.

Section 6.3 Secretary

The Secretary, or his/her designee, shall be the custodian of all records and documents of the Organization, which are required to be kept at the principal office of the Organization, and shall act as secretary at all meetings of the Board of Directors, and shall keep the minutes of all such meetings on file in hard copy or electronic format. S/he shall attend to the giving and serving of all notices of the Organization and shall see that the seal of the Organization, if any, is affixed to all documents, the execution of which on behalf of the Organization under its seal is duly authorized in accordance with the provisions of these bylaws.

Section 6.4 Treasurer

It shall be the responsibility of the Treasurer to keep and maintain, or cause to be kept and

maintained, adequate and accurate accounts of all the properties and business transactions of the Organization, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements.

The Treasurer shall be responsible for ensuring the deposit of, or cause to be deposited, all money and other valuables as may be designated by the Board of Directors. Furthermore, the Treasurer shall disburse, or cause to be disbursed, the funds of the Organization, as may be ordered by the Board of Directors, and shall render to the Chair of the Board, President, and Directors, whenever they request it, an account of all the Treasurer's transactions as treasurer and of the financial condition of the Organization.

The Treasurer shall give the Organization a bond, if so requested and required by the Board of Directors, in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the Treasurer's office and for restoration to the Organization of all its books, papers, vouchers, money and other property of every kind in the Treasurer's possession or under the Treasurer's control upon the Treasurer's death, resignation, retirement, or removal from office. The Organization shall pay the cost of such a bond.

Section 6.5 Other Officers

The Board of Directors may appoint other officers to assist the President, Treasurer, and Secretary in the performance their duties, and said other officers, if any, of the Organization shall have such powers and duties in the management of the Corporation as shall be designated by the Board of Directors which are not inconsistent with these By-Laws and, to the extent not so stated, as generally pertain to their respective offices, subject to the control of the Board of Directors.

ARTICLE VII. COMMITTEES

Section 7.1 Committee Formation

The board may create committees as needed, such as fundraising, track operations, public relations, etc. The board chair appoints all committee chairs.

Section 7.2 Executive Committee

The President, Secretary and Treasurer serve as the Directors of the Executive Committee. Except for the power to amend the Articles of Incorporation and Bylaws, the Executive Committee shall have all the powers and authority of the board of Directors in the intervals between meetings of the board of Directors, and is subject to the direction and control of the full board.

Section 7.3 Finance Committee

The treasurer is the chair of the Finance Committee, which includes two other Directors. The Finance Committee is responsible for developing and reviewing fiscal procedures, fundraising

plans, and the annual budget with staff and other Directors. The board must approve the budget and all expenditures must be within budget. Any major change in the budget must be approved by the board or the Executive Committee. The fiscal year shall be the calendar year. Annual reports are required to be submitted to the board showing income, expenditures, and pending income. The financial records of the organization are public information and shall be made available to the Directorship, Directors, and the public.

ARTICLE VIII. CORPORATE STAFF

Section 8.1 Executive Director

The Board of Directors may hire an Executive Director who shall serve at the will of the Board. The Executive Director shall have immediate and overall supervision of the operations of the Corporation, and shall direct the day-to-day business of the Corporation, maintain the properties of the Corporation, hire, discharge, and determine the salaries and other compensation of all staff Directors under the Executive Director's supervision, and perform such additional duties as may be directed by the Executive Committee or the Board of Directors. No officer, Executive Committee Director or Director of the Board of Directors may individually instruct the Executive Director or any other employee. The Executive Director shall make such reports at the Board and Executive Committee meetings as shall be required by the President or the Board. The Executive Director shall be an ad-hoc member of all committees. The Executive Director may not be related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity to any member of the Board of Directors or Advisory Council. The Executive Director may be hired at any meeting of the Board of Directors by a majority vote and shall serve until removed by the Board of Directors upon an affirmative vote of three-quarters (3/4) of the Directors present at any meeting of the Board Directors. Such removal may be with or without cause. Nothing herein shall confer any compensation or other rights on any Executive Director, who shall remain an employee terminable at will, as provided in this Section.

ARTICLE IX. STANDARD OF CARE

Section 9.1 General

A Director shall perform all the duties of a Director, including, but not limited to, duties as a member of any committee of the Board on which the Director may serve, in such a manner as the Director deems to be in the best interest of the Organization and with such care, including reasonable inquiry, as an ordinary, prudent, and reasonable person in a similar situation may exercise under similar circumstances.

In the performance of the duties of a Director, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- a. One or more officers or employees of the Organization whom the Director deems to be reliable and competent in the matters presented;
- b. Counsel, independent accountants, or other persons, as to the matters which the Director deems to be within such person's professional or expert competence; or
- c. A committee of the Board upon which the Director does not serve, as to matters within its designated authority, which committee the Director deems to merit confidence, so long as in any such case the Director acts in good faith, after reasonable inquiry when the need may be indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

Except as herein provided in Article 9 - Standard of Care, any person who performs the duties of a Director in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a Director, including, without limitation of the following, any actions or omissions which exceed or defeat a public or charitable purpose to which the Organization, or assets held by it, are dedicated.

Section 9.2 Loans

The Organization shall not make any loan of money or property to, or guarantee the obligation of, any Director or officer, however, that the Organization may advance money to a Director or officer of the Organization or any subsidiary for expenses reasonably anticipated to be incurred in the performance of the duties of such officer or Director so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

Section 9.3 Conflict of Interest

The purpose of the Conflict of Interest policy is to protect the Organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of one of its officers or Directors, or that might otherwise result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations and is not intended as an exclusive statement of responsibilities.

- a. *Restriction on Interested Directors.* Not more than 50% (percent) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (1) any person currently being compensated by the Organization for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a

Director; and (2) any brother, sister, parent, ancestor, descendent, spouse, brother-in-law, sister-in-law, son-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the interested person.

- b. *Duty to Disclose.* In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors who are considering the proposed transaction or arrangement.
- c. *Establishing a Conflict of Interest.* After the disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person shall leave the Board meeting while the potential conflict of interest is discussed and voted upon. The remaining Directors shall decide if a conflict of interest exists.
- d. *Addressing a Conflict of Interest.* In the event that the Board should establish that a proposed transaction or arrangement establishes a conflict of interest, the Board shall then proceed with the following actions:
 - 1. Any interested person may render a request or report at the Board meeting, but upon completion of said request or report the individual shall be excused while the Board discusses the information and/or material presented and then votes on the transaction or arrangement proposed involving the possible conflict of interest.
 - 2. The President of the Board shall, if deemed necessary and appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - 3. After exercising due diligence, the Board shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 - 4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the best interest of the Organization, for its own benefit, and whether it is fair and reasonable. It shall make its decision as to whether to enter into the transaction arrangement in conformity with this determination.

Section 9.4 Violations of Conflict of Interest Policy

Should the Board have reasonable cause to believe an interested person has failed to disclose

actual or possible conflicts of interest, the Board shall then inform the interested person of the basis for such belief and afford the interested person an opportunity to explain the alleged failure to disclose. If, after hearing the interested person's explanation, and after making further investigation as may be warranted in consideration of the circumstances, the Board determines the interested person intentionally failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 9.5 Procedures and Records

All minutes of the Board Meetings, when applicable, shall contain the following information: a. The names of all the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed. b. The names of the persons who were present for discussions and any votes relating to the transaction or arrangement, the content of the discussions, including any alternatives to the proposed transaction or arrangement, and a record of any vote taken in connection with the proceedings.

Section 9.6 Acknowledgement of Conflict of Interest Policy

Each Director, principal officer, and member of a committee with Board delegated powers shall be required to sign a statement which affirms that such person:

- a. Has received a copy of the conflict of interest policy;
- b. Has read and understands the policy;
- c. Has agreed to comply with the policy; and
- d. Understands that the Organization is charitable, and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 9.7 Violation of Loyalty - Self-Dealing Contracts

A self-dealing contract is any contract or transaction (i) between this Organization and one or more of its Directors, or between this Organization and any corporation, firm, or association in which one or more of the Directors has a material financial interest ("Interested Director"), or (ii) between this Organization and a corporation, firm, or association of which one or more of its Directors are Directors of this Organization. Said self-dealing shall not be void or voidable because such Director(s) of corporation, firm, or association are parties or because said Director(s) are present at the meeting of the Board of Directors or committee which authorizes, approves or ratifies the self-dealing contract, if:

- a. All material facts are fully disclosed to or otherwise known by the members of the Board and the self-dealing contract is approved by the Interested Director in good faith (without including the vote of any membership owned by said interested Director(s));
- b. All material facts are fully disclosed to or otherwise known by the Board of Directors or committee, and the Board of Directors or committee authorizes, approves, or ratifies the self-dealing contract in good faith—without counting the vote of the interest Director(s)— and the contract is just and reasonable as to the Organization at the time it

- is authorized, approved, or ratified; or
- c. As to contracts not approved as provided in above sections (a) and/or (b), the person asserting the validity of the self-dealing contract sustains the burden of proving that the contract was just and reasonable as to the Organization at the time it was authorized, approved, or ratified.

Interested Director(s) may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof, which authorizes, approves, or ratifies a contract or transaction as provided for and contained in this section.

Section 9.8 Indemnification

To the fullest extent permitted by law, the Organization shall indemnify its "agents," as described by law, including its Directors, officers, employees and volunteers, and including persons formerly occupying any such position, and their heirs, executors and administrators, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," and including any action by or in the right of the Organization, by reason of the fact that the person is or was a person as described in the Non-Profit Corporation Act. Such right of indemnification shall not be deemed exclusive of any other right to which such persons may be entitled apart from this Article.

The Organization shall have the power to purchase and maintain insurance on behalf of any agent of the Organization, to the fullest extent permitted by law, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, or to give other indemnification to the extent permitted by law.

ARTICLE X. MEMBERS

Section 10.1 Members of the Organization

The Organization shall have members as required by its certificate of formation. The Board of Directors shall constitute the sole members of the Organization. Each director, upon election or appointment to the Board of Directors, shall automatically become a member of the Organization. Membership is contingent upon serving as a director and exists only as a structural designation, separate from the rights and powers held in the capacity of a director. Membership is neither transferable nor separable from the position of director.

Section 10.2 Non-Voting Membership

The designation of directors as members is a formality and does not confer additional voting rights or powers beyond those they hold as directors. All governance, management, and operational decisions are made solely by the Board of Directors acting as directors.

Section 10.3 Powers and Responsibilities

The powers and responsibilities of the Board of Directors are as outlined in Section 5.1 of these bylaws. The Board shall exercise all powers and responsibilities in accordance with the provisions of Section 5.1 and applicable Texas law.

Section 10.4 Expiration of Term and Vacancies

When a director's term expires, or when a vacancy on the Board of Directors occurs due to resignation, removal, death, or any other reason, that individual shall automatically cease to be a member of the Organization. The termination of membership shall occur concurrently with the expiration of the director's term or immediately upon the occurrence of the vacancy.

Section 10.5 No Separate Membership Body

There shall be no separate membership body apart from the Board of Directors. Membership is a technical designation with no independent rights or powers, and all governance decisions occur solely in the context of Board meetings.

ARTICLE XI. FINANCIAL ADMINISTRATION

Section 11.1 Fiscal Year

The fiscal year of the Organization shall be January 1 to December 31 of each year, but may be changed by resolution of the Board.

Section 11.2 Loans to Management

The Organization will make no loans to any of its Directors or Officers.

Section 11.3 Checks, Drafts and Contracts

All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Organization shall be signed by such officer or officers, or agent or agents, of the Organization and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination, such instruments shall be signed by the President of the Organization.

Section 11.4 Preparation of Annual Financial Statements

The Organization shall prepare annual financial statements using generally accepted accounting principles. Such statements may be reviewed or audited, as required, by an independent certified public accountant, in conformity with generally accepted accounting standards.

ARTICLE XII. RECORDS AND REPORTS

Section 12.1 Required Books and Records

The Corporation shall keep correct and complete books and records of account. The Corporation's books and records shall include:

- a) A file-endorsed copy of all documents filed with the Texas Secretary of State relating to the Corporation, including, but not limited to, the Certificate of Formation, and any certificates of amendment, restated certificates, certificates of merger, certificates of consolidation, and statement of change of registered office or registered agent.
- b) A copy of the Bylaws, and any amended versions or amendments to the Bylaws.
- c) Minutes of the proceedings of the Board of Directors, and committees having any of the authority of the Board of Directors.
- d) A list of the names and addresses of the Directors, officers, and any committee members of the Corporation.
- e) A financial statement showing the assets, liabilities, and net worth of the Corporation at the end of the three most recent fiscal years.
- f) A financial statement showing the income and expenses of the Corporation for the three most recent fiscal years.
- g) All rulings, letters, and other documents relating to the Corporation's federal, state, and local tax status.
- h) The Corporation's federal, state, and local information or income tax returns for each of the Corporation's three most recent tax years.

Section 12.2 Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

The Corporation shall keep at its principal office a copy of its federal tax exemption application and its annual information returns for three years from their date of filing, which shall be open to public inspection and copying to the extent required by law.

Section 12.3 Inspection and Copying

Any Director or officer of the Corporation may inspect and receive copies of all books and records of the Corporation required to be kept by the Bylaws. Such a person may inspect or receive copies if the person has a proper purpose related to the person's service to the Corporation and if the person submits a request in writing. Any person entitled to inspect and copy the Corporation's books and records may do so. A person entitled to inspect the Corporation's books and records may do so at a reasonable time no later than required by Internal Revenue Regulation after the Corporation's receipt of a proper written request. The Board of Directors may establish reasonable fees for copying the Corporation's books and records by Directors. The fees may cover the cost of materials and labor, but may not exceed the Internal Revenue Service guidelines for providing copies. The Internal Revenue Service requires copies to be made available to the legitimate, requesting public. The Corporation shall receive and respond as required by Internal Revenue Service guidelines to requests from the public for copies of the Corporation's Form 1023 and Form 990. The Corporation shall maintain a file

containing all documents required by the Internal Revenue Service to be made available to the public.

ARTICLE XIII. AMENDMENTS AND REVISIONS

Section 13.1 Articles of Incorporation

The Articles may be amended in any manner at any regular or special meeting of the Board of Directors, provided that specific written notice of the proposed amendment of the Articles setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Director at least three days in advance of such a meeting if delivered personally, by facsimile, or by e-mail or at least five days if delivered by mail.

Section 13.2 Bylaws

The Board of Directors may amend these Bylaws by majority vote at any regular or special meeting. Written notice setting forth the proposed amendment or summary of the changes to be effected thereby shall be given to each Director within the time and the manner provided for the giving of notice of meetings of Directors.

ADOPTION OF UPDATED BYLAWS

We, the current directors of this corporation, do hereby adopt the foregoing updated Bylaws, consisting of the 15 preceding pages, as the Bylaws of this organization, superseding any and all prior Bylaws adopted by previous directors.

ADOPTED AND APPROVED by the Board of Directors on this 15th day of August, 2024.