

BYLAWS OF EDUCATION FOUNDATION OF CALHOUN COUNTY, INC.

These Bylaws govern the affairs of the EDUCATION FOUNDATION OF CALHOUN COUNTY, INC., a nonprofit corporation.

The Education Foundation of Calhoun County supports student post-secondary scholarships and innovative teaching practices with the goal of increasing academic achievement and career readiness.

ARTICLE 1 OFFICES

Principal Office

1.01. The Corporation's principal office in Texas shall be located at 525 North Commerce Street, Port Lavaca, Texas, 77979. The Board may change the location of any office of the Corporation.

Registered Office and Registered Agent

1.02. The Corporation shall 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 may change the registered office and the registered agent as permitted in the Texas Non-Profit Corporation Act.

ARTICLE 2 BOARD OF DIRECTORS

Management of Corporation

2.01. The Board shall manage corporate affairs.

Number, Qualifications, and Tenure of Directors

2.02. The initial number of Directors of the Board shall be three (3). The Initial Directors shall endeavor to put the framework in place for the operation of the Foundation. The Initial Directors shall choose up to fifteen persons to serve on the Board of Directors. The Initial Directors may choose themselves for a position, if they so desire. At such time as the Initial Directors deem it advisable, the Initial Directors shall hold a meeting wherein the Initial Directors shall appoint the Board of Directors that will serve from that day forward as the Board of Directors of the Corporation. Thereafter, the

number of Directors shall be a number determined by the Board that is not less than three (3) and not greater than fifteen (15). Each director shall serve for a term of three years. The directors' terms shall be staggered so that the terms of one-third of the directors shall be for one year terms, the second third shall be for two year terms and the third one third shall be for three year terms. The initial terms shall be determined by lot. No Director is disqualified by not living or working in Calhoun County. No member of the Board who has served two full three year terms will be eligible for reelection until the expiration of one year after the completion of the second such three year term. The Calhoun County ISD Superintendent of Schools shall hold permanent official seat with no vote. The President of the Calhoun County ISD Board of Trustees may appoint a member of the Calhoun County ISD Board of Trustees as an ex officio member.

Nominating Directors

2.03. After the Board of Directors is appointed by the Initial Directors, at any meeting at which the election of a director is held, a director may nominate a person with the second of any other director. In addition to nominations made at meetings, a nominating committee may consider possible nominees and make nominations for each election of directors. The secretary shall include the names nominated by that committee, and any report of the committee, with the notice of the meeting at which the election occurs. Director's terms shall begin on September 1st and end on August 31st of each year.

Electing Directors

2.04. A person who meets the qualifications for director and who has been duly nominated may be elected as a director. Directors shall be elected by the vote of the Board. Each director shall hold office until a successor is elected and qualifies. A director may be elected to succeed himself or herself as director.

Vacancies

2.05. The Board shall fill any vacancy in the Board and any director position to be filled due to an increase in the number of directors. A vacancy is filled by the affirmative vote of a majority of the remaining directors, even if it is less than a quorum of the Board, or if it is a sole remaining director. A director selected to fill a vacancy shall serve for the unexpired term of his or her predecessor in office.

Annual Meeting

2.06. The annual meeting of the Board may be held without notice other than these Bylaws. The annual Board meeting shall be held the first Friday in August of each year at the corporation's registered office in Texas.

Regular Meetings

2.07. The Board may provide for regular meetings by resolution stating the time and place of such meetings. The meetings may be held inside or outside Texas, and shall be held at the Corporation's registered office in Texas if the resolution does not specify the location of the meetings. No notice of regular Board meetings is required other than a Board resolution stating the time and place of the meetings.

Special Meetings

2.08. Special Board meetings may be called by, or at the request of, the president or any two directors. A person or persons authorized to call special meetings of the Board may fix any place within or without Texas as the place for holding a special meeting. The person or persons calling a special meeting shall inform the secretary of the corporation of the information to be included in the notice of the meeting. The secretary of the Corporation shall give notice to the directors as these Bylaws require.

Notice

2.09. Unless otherwise agreed in writing, written or printed notice of any special meeting of the Board shall be delivered to each director not less than twenty four (24) hours, or more than thirty days before the date of the meeting. The notice shall state the place, day, and time of the meeting; who called it; and the purpose or purposes for which it is called.

Quorum

2.10. A majority of the number of directors then in office constitute a quorum for transacting business at any Board meeting. The directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough directors leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of directors required for a quorum. If a quorum

is never present at any time during a meeting, a majority of the directors present may adjourn and reconvene the meeting once without further notice.

Duties of Directors

2.11. Directors shall discharge their duties, including any duties as committee members, in good faith, with ordinary care, and in a manner they reasonably believe to be in the Corporation's best interest. In this context, the term "ordinary care" means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In discharging any duty imposed or power conferred on directors, directors may, in good faith, rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person that has been prepared or presented by a variety of persons, including officers and employees of the Corporation, professional advisors or experts such as accountants or legal counsel. A director is not relying in good faith if he or she has knowledge concerning a matter in question that renders reliance unwarranted. Directors are not deemed to have the duties of trustees of a trust with respect to the Corporation or with respect to any property held or administered by the Corporation, including property that may be subject to restrictions imposed by the donor or transferor of the property.

Duty To Avoid Improper Distributions

2.12. Directors who vote for or assent to improper distributions are jointly and severally liable to the Corporation for the value of improperly distributed assets, to the extent that, as a result of the improper distribution or distributions, the corporation lacks sufficient assets to pay its debts, obligations, and liabilities. Any distribution made when the Corporation is insolvent, other than in payment of corporate debts, or any distribution that would render the Corporation insolvent, is an improper distribution. A distribution made during liquidation without payment and discharge of or provision for payment and discharge of all known debts, obligations, and liabilities is also improper. Directors present at a Board meeting at which the improper action is taken are presumed to have assented, unless they dissent in writing. The written dissent must be filed with the secretary of the Corporation before adjournment of the meeting in question or mailed to the secretary by registered mail immediately after adjournment. A director is not liable if, in voting for or assenting to a distribution, the director (1) relies in good faith and with ordinary care on information, opinions, reports, or

statements, including financial statements and other financial data, prepared or presented by one or more officers or employees of the Corporation; legal counsel, public accountants, or other persons as to matters the director reasonably believes are within the person's professional or expert competence; or a committee of the Board of which the director is not a member; (2) while acting in good faith and with ordinary care, considers the Corporation's assets to be at least that of their book value; or (3) in determining whether the Corporation made adequate provision for paying, satisfying, or discharging all of its liabilities and obligations, relied in good faith and with ordinary care on financial statements or other information concerning a person who was or became contractually obligated to satisfy or discharge some or all of these liabilities or obligations. Furthermore, directors are protected from liability if, in exercising ordinary care, they acted in good faith and in reliance on the written opinion of an attorney for the Corporation. Directors held liable for an improper distribution are entitled to contribution from persons who accepted or received the improper distributions knowing they were improper. Contribution is in proportion to the amount received by each such person.

Delegating Duties

2.13. Directors may select advisors and delegate duties and responsibilities to them, such as the full power to buy or otherwise acquire stocks, bonds, securities, and other investments on the Corporation's behalf; and to sell, transfer, or otherwise dispose of the Corporation's assets and properties at a time and for a consideration that the advisor deems appropriate. The directors have no liability for actions taken or omitted by the advisor if the Board acts in good faith and with ordinary care in selecting the advisor. The Board may remove or replace the advisor at any time and without any cause whatsoever. Specifically, the Board may retain the services of a fiscal agent to perform administrative duties of the Corporation.

Interested Directors

2.14. Contracts or transactions between directors, officers, or members who have a financial interest in the matter are not void or voidable solely for that reason. Nor are they void or voidable solely because the director, officer, or member is present at or participates in the meeting that authorizes the contract or transaction, or solely because the interested party's votes are counted for the purpose. However, every director with any personal interest

in the transaction must disclose all material facts concerning the transaction, including all potential personal benefit and potential conflicts of interest, to the other members of the Board or other group authorizing the transaction.

The transaction must be approved by a majority of the uninterested directors or other group with the authority to authorize the transaction.

Actions of Board of Directors

2.15. The Board shall try to act by consensus. However, if a consensus is not available, the vote of a majority of directors present and voting at a meeting at which a quorum is present is enough to constitute the act of the Board, unless the act of a greater number is required by law or by some other provision of these Bylaws. A director who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the Board's decision.

Proxies

2.16. A director may not vote by proxy.

Compensation

2.17. Directors may not receive salaries for their services as Board Members. The Board may adopt a resolution providing for paying directors for actual travel expenses of attendance to any continuing education or other appropriate function so long as said expenses are approved in advance by the Board. A director may serve the Corporation in any other capacity and receive compensation for those services, but at such time as the director is hired, the Director resigns his office as a Director.

Removing Directors

2.18. The Board may vote to remove a director at any time, with or without cause. Good cause for removal of a director includes the unexcused failure to attend three consecutive Board meetings. A meeting to consider removing a director may be called and noticed following the procedures provided in these Bylaws for a special meeting of the Board of Directors. The notice of the meeting shall state that the issue of possibly removing the director shall be on the agenda. At the meeting, the director may present evidence of why he or she should not be removed and may be represented by an attorney at and

before the meeting. Also, at the meeting, the Corporation shall consider possible arrangements for resolving the problems that are in the mutual interest of the Corporation and the director. A director may be removed by the affirmative vote of a majority of the Board.

ARTICLE 3 OFFICERS

Officer Positions

3.01. The Corporation's officers shall be a president, a secretary, a first vice president/president elect, a second vice president, a treasurer, and immediate past president. The Board may create additional officer positions, define the authority and duties of each such position, and elect or appoint persons to fill the positions. The same person may hold any two or more offices, except for president and secretary.

Election and Term of Office

3.02. The Corporation's officers shall be elected annually by the Board at the annual Board meeting. If officers are not elected at this time, they shall be elected as soon thereafter as possible. Each officer shall hold office until a successor is duly selected and qualifies. An officer may be elected to succeed himself or herself in the same office.

Removal

3.03. Any officer elected or appointed by the Board may be removed by the Board without good cause. Removing an officer shall be without prejudice to the officer's contractual rights, if any.

Vacancies

3.04. The Board may select a person to fill a vacancy in any office for the unexpired portion of the officer's term.

President

3.05. The president shall preside at all meetings of the members and of the Board. The president may execute any deeds, mortgages, bonds, contracts, or other instruments that the Board authorizes to be executed. However, the

president may not execute instruments on the Corporation's behalf if this power is expressly delegated to another officer or agent of the Corporation by the Board, these Bylaws, or statute. The president shall perform other duties prescribed by the Board and all duties incident to the office of president.

First Vice President/President Elect

3.06. When the president is absent, cannot act, or refuses to act, the first vice president shall perform the president's duties. When acting in the president's place, the first vice president has all the powers of-and is subject to all the restrictions on-the president. The first vice president shall also serve as the president elect for the following fiscal year. The first vice president shall perform other duties as assigned by the president or Board.

Treasurer

3.08. The Treasurer shall cause to be kept accurate accounts of all funds of the Corporation received or disbursed. He or she shall deposit all funds, drafts and checks in the name of, and to the credit of, the Corporation in such banks and depositories as the Board of Directors, by resolution, shall, from time to time designate. He or she shall have power to endorse for deposit all notes, checks and drafts received by the Corporation. He or she shall cause to be rendered to the President and the Directors, wherever required, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation, and shall perform such other duties as may from time to time be prescribed by the Board of Directors or by the President, and in general, shall perform all duties incident to the office of the Treasurer.

Secretary

3.09. The Secretary shall assure that:

- (a) Correct minutes of all meetings of the Board are kept.
- (b) Notices are given as provided in the bylaws or as required by law.
- (c) The minutes of the meetings of the members and the Board as part of the corporate records.

- (d) Proper custody of the corporate records and seal is maintained in a secure manner.
- (e) Affix the corporate seal to all documents as authorized.
- (f) That a register of the mailing address of each director, officer, and employee of the Corporation is kept with the corporate records.
- (g) Perform duties as assigned by the president or the Board.
- (h) Perform all duties incident to the office of secretary.

ARTICLE 4 COMMITTEES

Establishing Committees

4.01. The Board may adopt a resolution establishing one or more committees delegating specified authority to a committee, and appointing or removing members of a committee. A committee shall include one or more directors to serve as a liaison to the Board and may include persons who are not directors. If the Board delegates any of its management authority to a committee, the majority of the committee shall consist of directors. The Board may also delegate to the president its power to appoint and remove members of a committee that has not been delegated any management authority of the Board. The Board may establish qualifications for membership on a committee. Establishing a committee or delegating authority to it shall not relieve the Board, or any individual director, of any responsibility imposed by these Bylaws or otherwise imposed by law. No committee has the authority of the Board to:

- (a) Amend the certificate of formation.
- (b) Adopt a plan of merger or of consolidation with another corporation.
- (c) Authorize the sale, lease, exchange, or mortgage of all or substantially all of the Corporation's property and assets.
- (d) Authorize voluntary dissolution of the Corporation.
- (e) Revoke proceedings for voluntary dissolution of the Corporation.

- (f) Adopt a plan for distributing the Corporation's assets.
- (g) Amend, alter, or repeal these Bylaws.
- (h) Elect, appoint, or remove a member of a committee or a director or officer of the Corporation.
- (i) Approve any transaction to which the Corporation is a party and that involves a potential conflict of interest as defined in paragraph 5.04, below.
- (j) Take any action outside the scope of authority delegated to it by the Board.

Authorization of Specific Committees

4.02. The following committees are authorized: Bylaw and Nominating Committees. The Board may create other standing or Ad Hoc committees as it deems necessary and shall define the activities and scope of authority of each committee by resolution.

Term of Office

4.03. Each committee member shall continue to serve on the committee until the next annual members' meeting and until a successor is appointed. However, a committee member's term may terminate earlier if the committee is terminated, or if the member dies, ceases to qualify, resigns, or is removed as a member. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a committee shall serve for the unexpired portion of the terminated committee member's term.

Chair and Vice-Chair

4.04. One member of each committee shall be designated as the committee chair, and another member of each committee shall be designated as the vice-chair. The chair and vice-chair shall be appointed by the president. The chair shall call and preside at all meetings of the committee. When the chair is absent, cannot act, or refuses to act, the vice-chair shall perform the chair's

duties. When a vice-chair acts for the chair, the vice-chair has all the powers of-and is subject to all the restrictions on-the chair.

Notice of Meetings

4.05. Unless otherwise agreed upon in writing, written or printed notice of a committee meeting shall be delivered to each member of a committee not less than twenty four hours nor more than 30 days before the date of the meeting. The notice shall state the place, day, and time of the meeting, and the purpose or purposes for which it is called.

Quorum

4.06. One half of the number of committee members constitutes a quorum for transacting business at any meeting of the committee. The committee members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough committee members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of committee members required for a quorum. If a quorum is never present at any time during a meeting, the chair may adjourn and reconvene the meeting once without further notice.

Actions of Committees

4.07. Committees shall try to take action by consensus. However, if a consensus is not available, the vote of a majority of committee members present and voting at a meeting at which a quorum is present is enough to constitute the act of the committee unless the act of a greater number is required by statute or by some other provision of these Bylaws. A committee member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the committee.

Proxies

4.08. A committee member may not vote by proxy.

Compensation

4.09. Committee members may not receive salaries for their services as Committee Members. The Board may adopt a resolution providing for paying

committee members for actual travel expenses of attendance to any continuing education or other appropriate function so long as said expenses are approved in advance by the Board. A committee member may serve the Corporation in any other capacity and receive compensation for those services, but at such time as the committee member is hired, the committee member resigns his office as a committee member.

Rules

4.10. Each committee may adopt its own rules, consistent with these Bylaws or with other rules that may be adopted by the Board.

ARTICLE 5 TRANSACTIONS OF CORPORATION

Contracts

5.01. The Board may authorize any officer or agent of the Corporation to enter into a contract or execute and deliver any instrument in the name of, and on behalf of, the Corporation. This authority may be limited to a specific contract or instrument, or it may extend to any number and type of possible contracts and instruments.

Deposits

5.02. All the Corporation's funds shall be deposited to the credit of the Corporation in banks, trust companies, or other depositories that the Board selects.

Gifts

5.03. The Board may accept, on the Corporation's behalf, any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation. The Board may make gifts and give charitable contributions not prohibited by these Bylaws, the certificate of formation, state law, and provisions set out in federal tax law that must be complied with to maintain the Corporation's federal and state tax status.

Potential Conflicts of Interest

5.04. The Corporation may not make any loan to a director or officer of the Corporation. A director, officer, or committee member of the Corporation may lend money to-and otherwise transact business with-the Corporation except as otherwise provided by these Bylaws, the certificate of formation, and applicable law. Such a person transacting business with the Corporation has the same rights and obligations relating to those matters as other persons transacting business with the Corporation. The Corporation may not borrow money from-or otherwise transact business with-a director, officer, or committee member of the Corporation unless the transaction is described fully in a legally binding instrument and is in the Corporation's best interests. The Corporation may not borrow money from-or otherwise transact business with-a director, officer, or committee member of the Corporation without full disclosure of all relevant facts and without the Board's approval, not including the vote of any person having a personal interest in the transaction.

Prohibited Acts

5.05. As long as the Corporation exists, and except with the Board's prior approval, no director, officer, or committee member of the Corporation may:

- (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 impossible or unnecessarily difficult to carry on the Corporation's intended or ordinary business.
- (d) Receive an improper personal benefit from the operation of the Corporation.
- (e) Use the Corporation's assets, directly or indirectly, for any purpose other than carrying on the Corporation's business.
- (f) Wrongfully transfer or dispose of Corporation property, including intangible property such as good will.

(g) Use the Corporation's name (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 its business.

(h) Disclose any of the Corporation's business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.

ARTICLE 6 BOOKS AND RECORDS

Required Books and Records

6.01. The Corporation shall keep correct and complete books and records of account. The books and records 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 certificate of amendment, restated certificate, certificate of merger, certificate of consolidation, and statement of change of registered office or registered agent.

(b) A copy of all bylaws, including these Bylaws, and any amended versions or amendments to them.

(c) Minutes of the proceedings of the Board, and committees having any of the authority of the Board.

(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 Corporation's assets, liabilities, and net worth at the end of the three most recent fiscal years.

(f) A financial statement showing the Corporation's income and expenses 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 tax information or income-tax returns for each of the Corporation's three most recent tax years.

Inspection and Copying

6.02. Any director, officer, or committee member of the Corporation may inspect and receive copies of all the corporate books and records required to be kept under the bylaws. Such a person may, by written request, inspect or receive copies if he or she has a proper purpose related to his or her interest in the Corporation. He or she may do so through his or her attorney or other duly authorized representative. The inspection may take place at a reasonable time, no later than ten working days after the Corporation receives a proper written request. The Board may establish reasonable copying fees, which may cover the cost of materials and labor. The Corporation shall provide requested copies of books or records no later than ten working days after receiving a proper written request.

Audits

6.03. Each year an audit committee will meet to review the Corporations' books. The audit committee will consist of at least three individuals at least one of which will be a current Director. Directors who have authority to disperse funds, sign checks, will not serve as members of the audit committee.

ARTICLE 7 FISCAL YEAR

7.01. The Corporation's fiscal year shall begin on the first day of September and end on the last day of August in each year.

ARTICLE 8 INDEMNIFICATION

When Indemnification Is Required, Permitted, and Prohibited

8.01. (a) The Corporation shall indemnify a director, officer, committee member, employee, or agent of the Corporation who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of his or her official capacity in the Corporation. For the purposes of this article, an agent includes one who is or was serving at the Corporation's request as a director, officer, partner,

venturer, proprietor, trustee, partnership, joint venture, sole proprietorship, trust, employee-benefit plan, or other enterprise.

(b) The Corporation shall indemnify a person only if he or she acted in good faith and reasonably believed that his or her conduct was in the Corporation's best interests. In case of a criminal proceeding, the person may be indemnified only if he or she had no reasonable cause to believe that the conduct was unlawful. The Corporation shall not indemnify a person who is found liable to the Corporation or is found liable to another on the basis of improperly receiving a personal benefit from the Corporation. A person is conclusively considered to have been found liable in relation to any claim, issue, or matter if the person has been adjudged liable by a court of competent jurisdiction and all appeals have been exhausted. Termination of a proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent does not necessarily preclude indemnification by the Corporation.

(c) The Corporation shall pay or reimburse expenses incurred by a director, officer, committee member, employee, or agent of the Corporation in connection with the person's appearance as a witness or other participation in a proceeding involving or affecting the Corporation when the person is not a named defendant or respondent in the proceeding.

(d) In addition to the situations otherwise described in this paragraph, the Corporation may indemnify a director, officer, committee member, employee, or agent of the Corporation to the extent permitted by law. However, the Corporation shall not indemnify any person in any situation in which indemnification is prohibited by paragraph 8.01(b), above.

(e) The corporation may advance expenses incurred or to be incurred in the defense of a proceeding to a person who might eventually be entitled to indemnification, even though there has been no final disposition of the proceeding. Advancement of expenses may occur only when the procedural conditions specified in paragraph 8.03(c), below, have been satisfied. Furthermore, the Corporation shall never advance expenses to a person before final disposition of a proceeding if the person is a named defendant or respondent in a proceeding brought by the Corporation or if the person is alleged to have improperly received a personal benefit or committed other willful or intentional misconduct.

Extent and Nature of Indemnity

8.02. The indemnity permitted under these Bylaws includes indemnity against judgments, penalties, (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding. If the proceeding was brought by or on behalf of the Corporation, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

Procedures Relating to Indemnification Payments

8.03. (a) Before the Corporation may pay any indemnification expenses (including attorney's fees), the Corporation must specifically determine that indemnification is permissible, authorize indemnification, and determine that expenses to be reimbursed are reasonable, except as provided in subparagraph (c), below. The Corporation may make these determinations and decisions by any one of the following procedures:

(i) Majority vote of a quorum consisting of directors who, at the time of the vote, are not named defendants or respondents in the proceeding.

(ii) If such a quorum cannot be obtained, by a majority vote of a committee of the Board, designated to act in the matter by a majority vote of all directors, consisting solely of two or more directors who at the time of the vote are not named defendants or respondents in the proceeding.

(iii) Determination by special legal counsel selected by the Board by the same vote as provided in sub-subparagraphs (i) or (ii), above, or if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all directors.

(b) The Corporation shall authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether indemnification is permissible. If special legal counsel determines that indemnification is permissible, authorization of indemnification and determination of reasonableness of expenses shall be made as specified by subparagraph (a)(iii), above, governing selection of special legal counsel. A provision contained in the certificate of formation or a resolution of members or the Board that requires the indemnification permitted by paragraph 8.01, above, constitutes sufficient authorization of indemnification even though the provision may not have been adopted or

authorized in the same manner as the determination that indemnification is permissible.

(c) The Corporation shall advance expenses before final disposition of a proceeding only after it determines that the facts then known would not preclude indemnification. The determination that the facts then known to those making the determination would not preclude indemnification and authorization of payment shall be made in the same manner as a determination that indemnification is permissible under subparagraph (a), above. In addition to this determination, the Corporation may advance expenses only after it receives a written affirmation and undertaking from the person to receive the advance. The person's written affirmation shall state that he or she has met the standard of conduct necessary for indemnification under these Bylaws. The written undertaking shall provide for repayment of the amounts advanced by the Corporation if it is ultimately determined that the person has not met the requirements for indemnification. The undertaking shall be an unlimited general obligation of the person, but it need not be secured and may be accepted without reference to financial ability to repay.

ARTICLE 9 NOTICES

Notice by Mail, Hand Delivery, Facsimile, Email, or Text Message

9.01. Any notice required or permitted by these Bylaws to be given to a director, officer, or member of a committee of the Corporation may be given by mail, hand delivery, facsimile or email. If mailed, a notice is deemed delivered when deposited in the mail addressed to the person at his or her address as it appears on the corporate records, with postage prepaid. If given by another method, a notice is deemed delivered when sent or delivered to the person at his or her address (physical or email) or to the mobile phone number as it appears on the corporate records. A person may change his or her address in the corporate records by giving written notice of the change to the secretary of the corporation.

Signed Waiver of Notice

9.02. Whenever any notice is required by law or under the certificate of formation or these Bylaws, a written waiver signed by the person entitled to receive such notice is considered the equivalent to giving the required notice.

A waiver of notice is effective whether signed before or after the time stated in the notice being waived.

Waiving Notice by Attendance

9.03. A person's attendance at a meeting constitutes waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE 10 SPECIAL PROCEDURES CONCERNING MEETINGS

Meeting by Telephone

10.01. The Board of Directors and any committee of the Corporation may hold a meeting by telephone conference-call procedures. In all meetings held by telephone, matters must be arranged in such a manner that all persons participating in the meeting can hear each other; the notice of a meeting by telephone conference must state the fact that the meeting shall be held by telephone as well as all other matters required to be included in the notice; and a person's participating in a conference-call meeting constitutes his or her presence at the meeting.

Decision Without Meeting

10.02. Any decision required or permitted to be made at a meeting of the Board, or any committee of the Corporation may be made without a meeting. A decision without a meeting may be made if a written consent to the decision is signed by all the persons entitled to vote on the matter. The original signed consents shall be placed in the Corporation minute book and kept with the corporate records. Furthermore, in accordance with the certificate of formation, action may be taken without a meeting when there are signed written consents by the number of members, directors, or committee members whose votes would be necessary to take action at a meeting at which all such persons entitled to vote were present and voted. Each written consent must be signed and bear the date of signature of the person signing it. A telegram, telex, cablegram, or similar transmission by a member, director, or committee member, or a photographic, facsimile, or similar reproduction of a signed writing, shall be treated as an original being signed by the member, director, or committee member.

Consents must be delivered to the Corporation. A consent signed by fewer than all members, directors, or committee members is not effective to take the intended action unless the required number of consents are delivered to the Corporation within 60 days after the date that the earliest-dated consent was delivered to the Corporation. Delivery must be made by hand, or by certified or registered mail, return receipt requested. The delivery may be made to the Corporation's registered office, registered agent, principal place of business, transfer agent, registrar, exchange agent, or an officer or agent having custody of books in which the relevant proceedings are recorded. If the delivery is made to the Corporation's principal place of business, the consent must be addressed to the president or principal executive officer.

The Corporation shall give prompt notice of the action taken to persons who do not sign consents. If the action taken requires documents to be filed with the secretary of state, the filed documents shall indicate that these written consent procedures were followed to authorize the action and filing.

ARTICLE 11 AMENDING BYLAWS

11.01. These Bylaws may be altered, amended, or repealed, and new bylaws may be adopted by the Board of Directors then in office. The notice of any meeting at which these Bylaws are altered, amended, or repealed, or at which new bylaws are adopted shall include the text of the proposed bylaw provisions as well as the text of any existing provisions proposed to be altered, amended, or repealed. Alternatively, the notice may include a fair summary of those provisions.

ARTICLE 12 MISCELLANEOUS PROVISIONS

Legal Authorities Governing Construction of Bylaws

12.01. These Bylaws shall be construed under Texas law. All references in these Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

Legal Construction

12.02. To the greatest extent possible, these Bylaws shall be construed to conform to all legal requirements and all requirements for obtaining and maintaining all tax exemptions that may be available to nonprofit corporations. If any bylaw provision is held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision, and the bylaws shall be construed as if they had not included the invalid, illegal, or unenforceable provision.

Headings

12.03. The headings used in the bylaws are for convenience and may not be considered in construing the bylaws.

Number

12.04. All singular words include the plural, and all plural words include the singular.

Seal

12.05. The Board of Directors may provide for a corporate seal. Such a seal would consist of two concentric circles containing the words "EDUCATION FOUNDATION OF CALHOUN COUNTY, INC., "Texas," in one circle and the word "Incorporated" together with the date of incorporation in the other circle.

Power of Attorney

12.06. A person may execute any instrument related to the Corporation by means of a power of attorney if an original executed copy of the power of attorney is provided to the secretary to be kept with the corporate records.

Parties Bound

12.07. The bylaws shall bind and inure to the benefit of the directors, officers, committee members, employees, and agents of the Corporation and their

respective heirs, executors, administrators, legal representatives, successors, and assigns except as the bylaws otherwise provide.

Adoption of Roberts Rules of Order

12.08. Roberts Rules of Order, latest edition, is hereby adopted as the parliamentary rules of the Corporation.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary of CALHOUN COUNTY EDUCATION FOUNDATION, INC. and that these Bylaws constitute the Corporation's Bylaws. These Bylaws were duly adopted at a meeting of the Board of Directors held on_____ .

Dated:_____

_____(printed name)
Secretary of the Corporation