

BYLAWS OF THE SMITH COUNTY BAR FOUNDATION

ARTICLE I NAME, LOCATION & OFFICES

1.01 Name.

The name of this corporation is the SMITH COUNTY BAR FOUNDATION.

1.02 Principal Office.

The principal office of the Foundation is located in Tyler, Texas, with the initial registered office of the Foundation being 100 North Broadway, Suite 21B, Tyler, Texas 75702. For purposes of these Bylaws, a reference to the "principal office" of the Foundation shall be deemed to refer to such location as may be determined by the Board and set forth in a resolution duly adopted. The Foundation may have such other offices within the State of Texas as the activities of the Foundation may require and the Board may determine.

ARTICLE II PURPOSES OF THE FOUNDATION

2.01 Purposes.

The purpose or purposes for which the Foundation is organized are as follows:

1. To operate exclusively for charitable, educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code (the "Code"), including exempt purposes which support, promote and encourage activities for the furtherance of justice and legal research and the establishment of scholarships; the institution and maintenance of legal aid facilities for the indigent or working poor; the acceptance of aid and grants from governmental and private sources, promote education among members of the general public as to their legal rights and responsibilities, and any other exempt activity which will promote and aid an improved system for the administration of justice and the improvement of the Bench and Bar in Smith County, Texas, and elsewhere; and

2. To receive and administer real and personal property acquired by gift, grant, purchase, or otherwise for educational, scientific and charitable purposes.

2.02 Powers, Duties and Restrictions.

1. The Foundation shall possess all corporate powers provided by chapter 22 of the Texas Business Organizations Code, and shall be entitled to engage in any legitimate pursuit not in contravention of the laws of the State of Texas and permitted corporations exempt from tax under Section 501(c)(3) of the Code.
2. The Board shall have the authority to accept or reject property offered to the Foundation as gifts based on whether any restrictions on the use of such gifts by the donor allows the gift to be used by the Foundation in a reasonable manner for the purposes of the Foundation.
3. All gifts accepted by the Foundation shall be used only in accordance with any directions, restrictions, or designations from the donor which accompany the gift, or otherwise in accordance with the exempt purposes of the Foundation if no such directions, restrictions or designations are given.

ARTICLE III BOARD OF THE FOUNDATION

3.01 Governance of the Foundation.

The Foundation shall be governed by its Officers and Directors (the "Board"). The policy making responsibilities of the Foundation shall be vested in the Board, which shall control its properties, be responsible for its finances, and direct its affairs.

3.02 Board.

The Board shall consist of the elected Directors of the Foundation. In addition, the Board shall include the immediate past President and the Executive Director on a non-voting, ex-officio basis. The maximum number of Directors shall be twenty-five (25) and the minimum number of Directors shall be twenty (20). Directors' terms shall be staggered over a three (3) year period.

3.03 **Officers.**

The Officers of the Foundation shall be a President, Vice President, Secretary and Treasurer. The Board may create additional Officer positions, define the authority and duties of each such position, and elect persons to fill the positions. No person may hold more than one Officer position at the same time.

3.04 **President.**

The President's duties are to preside at all meetings of the Foundation and all meetings of the Board. The President also performs all duties ordinarily incident to the office and shall recommend such actions as the President deems proper.

3.05 **Vice President.**

The Vice President's duties are to act as President in the absence of the President, plan programs in cooperation with the Board, and perform such other duties as may be assigned by the President.

3.06 **Secretary.**

The Secretary's duties are to keep minutes of meetings of the Board, send all notices as provided in the Bylaws, and be custodian of all Foundation records. The Secretary performs such other duties as may be assigned by the Board, performs all duties incident to the office of Secretary, and shall deliver all Foundation records to the Secretary's successor in office.

3.07 **Treasurer.**

The Treasurer receives and disburses the funds of the Foundation, and deposits or invests the funds of the Foundation in a manner approved by the Board. The Treasurer submits monthly financial reports to the Board, and performs all duties incident to the office of Treasurer.

3.08 **Executive Director.**

The Executive Director shall be the Chief Administrative and Executive Officer of the Foundation. The Executive Director shall be a non-voting member of the Board and all committees of the Board. The duties, responsibilities and compensation of the Executive Director shall be determined by the Board.

3.09 **Ex-Officio Members.**

The Board may from time to time, and at its own discretion, appoint individuals in the community to be ex-officio members of the Board. Ex-officio members shall serve in an advisory capacity to the Board for a term of one (1) year. Ex-officio members shall have all the rights and privileges of a member of the Board except the right to vote and hold office.

3.10 **Election of Officers and Directors.**

Officers and Directors shall be elected by the Board. Each Officer shall serve a term of one (1) year and each Director shall serve a term of up to three (3) years, or until the Director's successor is elected. Directors are limited to two (2) consecutive terms.

3.11 **Regular Meetings.**

The Board shall meet regularly but no less often than quarterly at a date, time and place as shall be determined by the Board. No notice of regular meetings of the Board is required other than a notice stating the date, time and place of the meeting. The President may designate any place within Smith County, Texas as the place of meeting for any regular meetings of the Board.

3.12 **Special Meetings.**

Special meetings of the Board may be called by or at the request of the President or any two (2) Officers or Directors of the Board. Written notice of any special meeting of the Board shall be delivered to each Officer and Director not less than three (3) days before the date of the special meeting. The notice shall state the date and time and place of the special meeting, who called the special meeting, and the purpose or purposes for which the special meeting is called. The President may designate any place within Smith County, Texas as the place of meeting for any special meetings of the Board.

3.13 **Quorum.**

One-half (1/2) of the Directors eligible to vote shall constitute a quorum of the Board for the transaction of business. Unless otherwise stated in these Bylaws, a majority (51%) of a quorum shall be required to pass any vote of the Board.

3.14 Meetings Via Remote Communications Technology.

Subject to the provisions required or permitted by Texas law for notice of meetings and unless otherwise restricted by the Articles of Incorporation of the Foundation or these Bylaws, the Board or any committee of the Board may hold meetings by means of a telephone conference or similar communications equipment, or another suitable remote electronic communications system, including video conferencing technology or the Internet, or any combination thereof, so long as (1) each person participating in the meeting consents to the meeting being held by means of that system; and (2) the system provides access to the meeting in a manner or using a method by which each person participating in the meeting can communicate concurrently with all other persons participating in the meeting. In this event, participation in such meeting shall constitute presence in person at the meeting, except where a person participates for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. If voting is to take place at a meeting held by remote communications technology, the Board shall implement reasonable measures to verify that each person voting at a meeting by means of remote communications is sufficiently identified and shall keep a record of any vote or action taken in the minutes of the next regularly scheduled Board meeting.

3.15 Action Without Meeting.

Except for actions relating to the termination of the Executive Director, removal of an Officer or Director, or dissolution of the Foundation, any action required to be taken at a meeting of the Board, or any other action which may be taken at a meeting of the Board, may be taken without a meeting, if written consent to a proposed action is expressly indicated by three quarters (3/4) of the voting Officers and Directors of the Board via electronic mail or similar electronic communication to the President, with courtesy copies to all other Officers or Directors of the Board and the Executive Director. For purposes of this section, an electronic transmission of a consent by a voting member of the Board is considered a signed writing if the transmission contains or is accompanied by information from which it can be determined that the electronic transmission was transmitted by the Board member and the date on which it was transmitted. Any action taken by the Board pursuant to this section shall be recorded in the minutes of the next regularly scheduled meeting of the Board. Such consent shall have the same force

and effect as a vote at a meeting of the Board where such Officers or Directors of the Board were present and voted, and may be stated as such in any document. Prompt notice of the taking of any action by the Board without a meeting by less than unanimous written consent shall be given to those Officers or Directors of the Board who did not consent in writing to the action.

3.16 **Vote.**

Each voting member of the Board shall be entitled to one vote. Voting by proxy is not allowed.

3.17 **Vacancies.**

Any vacancy occurring in the Board, with the exception of the President, by reason of the resignation, removal, or death of an Officer or Director shall be filled by the Officers of the Foundation. If the vacancy involves the President, a new President shall be elected from among the serving Officers or Directors of the Board by majority vote of the Board. An Officer or Director so elected to fill a vacancy shall serve out the unexpired term of the Officer or Director's predecessor in office.

3.18 **Compensation.**

Officers and Directors shall not receive any salaries or other compensation for services rendered to the Foundation in their capacity as Officers and Directors, but nothing herein shall be construed to preclude any Officer or Director from serving the Foundation in any other capacity and receiving compensation therefore.

3.19 **Presumption of Assent.**

An Officer or Director who is present at a meeting of the Board at which action on any Foundation matter is taken shall be conclusively presumed to have assented to the action taken unless the Officer or Director's dissent shall be entered in the minutes of the meeting or unless they shall file their written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary immediately after the adjournment of the meeting. Such right to dissent shall not apply to an Officer or Director who voted in favor of such action.

3.20 **Resignation or Removal of Officers or Directors.**

An Officer or Director may resign from the Board by providing written notice of resignation to the President and such resignation is effective upon acceptance by the Officers. An Officer or Director who fails to attend three (3) consecutive Board meetings without excuse and without prior notice to the President or the Executive Director may be removed by the Board. An Officer or Director may be removed by a majority vote of the Board at any time for good cause as determined in the sole discretion of the Board. A meeting to consider removal of an Officer or Director may be called and noticed utilizing the procedures provided in these Bylaws for noticing and calling a special meeting of the Board.

ARTICLE IV
COMMITTEES

4.01 **Standing Committees.**

The Board may from time to time establish standing committees and define the purpose, activities and scope of authority of each such standing committee. Each standing committee shall consist of a Chairperson and as many members as the President shall appoint. Standing committee Chairpersons and members may be removed or replaced at the President's discretion.

4.02 **Nominating Committee.**

The Nominating Committee shall be a standing committee of the Foundation composed of the current Officers and the immediate past President, with the Executive Director serving as an ex officio member. The Nominating Committee shall meet at least once annually for the purpose of proposing a slate of Officers and Directors for election to the Board for the next fiscal year.

4.03 **Special Committees.**

The President, with the advice and consent of the Officers, may from time to time establish special committees to carry out special purpose or short term projects of the Board. The President shall define the purpose, activities, scope of authority and length of existence of each such special committee. Each special committee shall consist of a Chairperson and as many members as the President shall appoint.

Special committee Chairpersons and members may be removed or replaced at the

President's discretion. Special committees shall be dissolved by the President when their work has been completed.

ARTICLE V TRANSACTIONS OF THE FOUNDATION

5.01 **Expense Reimbursement.**

Expense reimbursements for Officers, Directors or committees or for other expenses shall be determined by the Board.

5.02 **Transactions.**

The Board may authorize any Officer or agent of the Foundation to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Foundation by majority vote.

5.03 **Ratification.**

No action by the Executive Director or by any Officer or Director of the Foundation or by any other person purporting to act on behalf of the Foundation shall be binding upon the Foundation until such action has been approved or ratified by the Board and reflected in the minutes of the Foundation.

5.04 **Deposits.**

All funds of the Foundation shall be deposited to the credit of the Foundation in banks or other depositories as the Board shall select.

5.05 **Gifts.**

The Board may make gifts and charitable contributions that are not prohibited by these Bylaws or by state or federal law.

ARTICLE VI INDEMNIFICATION

6.01 **Indemnification.**

The Foundation shall have the full power to indemnify and advance expenses to its Officers and Directors to the maximum extent allowed under the provisions of Section 8.101 of the Texas Business

Organizations Code or any similar successor statute. The Foundation shall have the full power to indemnify and advance expenses to the Executive Director of the Foundation to the maximum extent allowed under the provisions of Section 8.101 and Section 8.105 of the Texas Business Organizations Code or any similar successor statute.

6.02 **Insurance.**

The Foundation may purchase and maintain insurance or another arrangement on behalf of any person who is or was a Director, Officer, employee, or agent of the Foundation or who is or was serving at the request of the Foundation as a Director, Officer, partner, venturer, proprietor, trustee, employee, or agent, against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a person, whether or not the Foundation would have the power to indemnify him or her against that liability. Without limiting the power of the Foundation to procure or maintain any kind of insurance or other arrangement, the Foundation may, for the benefit of persons indemnified by the Foundation, (1) create a trust fund; (2) establish any form of self-insurance; (3) secure its indemnity obligation by grant of a security interest or other lien on the assets of the Foundation; or (4) establish a letter of credit, guaranty, or surety arrangement. In the absence of fraud, the judgment of the Board as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other person participating in an arrangement shall be conclusive and the insurance or arrangement shall not be voidable and shall not subject the Officers or Directors of the Board approving the insurance or arrangement to liability, on any ground, regardless of whether the Officers or Directors of the Board participating in the approval are beneficiaries of the insurance or arrangement.

ARTICLE VII
FISCAL YEAR

7.01 **Fiscal Year.**

The fiscal year of the Foundation shall end on the last day of the month of June of each year and begin on the first day of July of each year.

ARTICLE VIII
AMENDMENTS

8.01 Amendments.

These Bylaws may be altered, amended, or repealed by new Bylaws adopted at any meeting of the Board by a majority vote of two thirds (2/3) majority vote of the Board.

ARTICLE IX
DISSOLUTION

9.01 Action Required by Board.

The Foundation may be dissolved only by a majority vote of two thirds (2/3) of the Board. A meeting to consider dissolution of the Foundation shall be called and noticed utilizing the procedures provided in these Bylaws for noticing and calling a special meeting of the Board.

9.02 Distribution of Assets.

The Foundation shall use its funds only to accomplish the purposes specified in these Bylaws and no part of said funds shall inure to, or be distributed to any member of the Board, unless otherwise allowed by these Bylaws. Upon dissolution of the Foundation, any funds or assets remaining shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, as amended, or to a state or local government, for a public purpose.

Dated this _____ of _____ 2016.

I, Tim Simpson, Secretary of the said Foundation, do hereby certify that the foregoing is a true and correct copy of the Bylaws of the Foundation duly adopted by the Board as of the date so stated.

Tim Simpson, Secretary
Smith County Bar Foundation