



Office of the Secretary of State

CERTIFICATE OF RESTATED ARTICLES OF

CITY OF CONVERSE ECONOMIC DEVELOPMENT CORPORATION
157682501

The undersigned, as Secretary of State of Texas, hereby certifies that the Restated Articles for the above named entity have been received in this office and have been found to conform to law.

ACCORDINGLY the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law hereby issues this Certificate of Restated Articles.

Dated: 10/17/2007

Effective: 10/17/2007



A handwritten signature in cursive script that reads "Phil Wilson".

Phil Wilson
Secretary of State

FILED
In the Office of the
Secretary of State of Texas

OCT 17 2007

Corporations Section

RESTATED ARTICLES OF INCORPORATION

ARTICLE ONE

The name of the corporation is the City of Converse Economic Development Corporation. The Corporation hereby adopts Restated Articles of Incorporation which accurately copy the articles of incorporation and all amendments thereto that are in effect to date and as further amended by such restated articles of incorporation as hereinafter set forth and which contain no other change in any provision thereof.

ARTICLE TWO

The articles of incorporation of the corporation are amended by the restated articles of incorporation as follows:

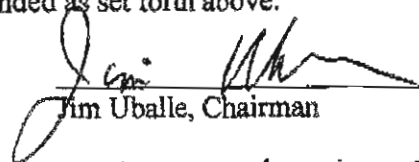
1. ARTICLE TEN (B) is amended to reflect the current directors.
2. ARTICLE TEN (F) is amended to reflect the change in name from "Open Meetings Act" to "Public Information Act".


ARTICLE THREE

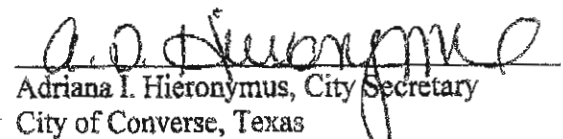
The restated articles and the amendments made by such restated articles were adopted at a meeting of the board of directors held on September 12, 2006, and received the vote of the majority of the directors.

ARTICLE FOUR

The articles of incorporation and all amendments thereto are hereby superseded by the restated articles of incorporation attached hereto as Exhibit "A" which accurately copy the entire text thereof including any previous amendments and as amended as set forth above.


Jim Uballe, Chairman


Jerry Wilson, Secretary

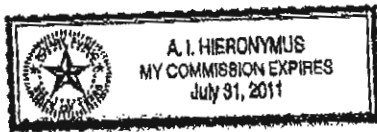

Adriana I. Hieronymus, City Secretary
City of Converse, Texas

THE STATE OF TEXAS §

COUNTY OF BEXAR §

I the undersigned, a Notary Public, do hereby certify that on this 19th day of June 2007, personally appeared each of the above-named persons who, each being by me first duly sworn, declared that they are the persons who signed the foregoing document and that the contents thereof are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office the day and year above written.



A.I. Hieronymus
Notary Public, State of Texas

My Commission expires: July 31, 2011

A.I. Hieronymus

(Typed or printed name of Notary)

**RESTATED ARTICLES OF INCORPORATION FOR
CITY OF CONVERSE ECONOMIC DEVELOPMENT CORPORATION**

AS AMENDED ON SEPTEMBER 12, 2006

STATE OF TEXAS §

COUNTY OF BEXAR §

CITY OF CONVERSE §

WE, THE UNDERSIGNED natural persons, not less than three in number, each of whom is at least 18 years of age, and each of whom is a qualified elector of the City of Converse, Texas (which is a duly established home rule municipality under the Texas Constitution and the City's Home Rule Charter), acting as incorporators of a public instrumentality and nonprofit development corporation (the "*Corporation*") under the "Development Corporation Act of 1979", as amended, with the approval of the City Council (the "*Council*") of the City of Converse, Texas (the "*City*") as evidenced by the Ordinance attached as Attachment "A" and made a part of these Articles for all purposes, do hereby adopt the following Amended Articles of Incorporation for the Corporation:

**ARTICLE ONE
NAME**

The name of the Corporation is the "City of Converse Economic Development Corporation."

**ARTICLE TWO
AUTHORIZATION**

The Corporation is a nonprofit corporation, and is an industrial development corporation under the Development Corporation Act of 1979, Texas Revised Civil Statutes Annotated Article 5190.6 (the "*Act*"), and shall be governed by Section 4B of said Act, as now existing or as may be amended.

**ARTICLE THREE
DURATION**

Subject to the provisions of Article Fourteen hereof; the period of duration of the Corporation is perpetual.

**ARTICLE FOUR
PURPOSE AND LIMITATIONS**

- A. The corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code or any future tax code. The Corporation is organized exclusively for the purposes of benefitting

and accomplishing the public purposes of, and to act on behalf of, the City, and the specific purposes for which the Corporation is organized, and may issue bonds, notes, and other forms of debt instruments, and to acquire, maintain, lease, and sell property, and interests therein, on behalf of the City as authorized by Section 4B of the Act to promote economic development with the City and the State of Texas in order to eliminate unemployment and under employment and to promote and encourage employment and the public welfare of, for, and on behalf of the City. The Corporation may finance and undertake any such project, subject to the regulations and limitations set forth in Section 4B of the Act and an election held in the City on January 15, 2000. The Corporation is authorized to issue bonds as permitted by the Act, provided, however, no bonds may be issued by the Corporation and no project may be financed with bond proceeds or other revenues of the Corporation unless such bonds or projects are first approved by the City Council. The Corporation is a constituted authority and a public instrumentality within the meaning of the regulations of the Act, the United States Treasury Department, the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Sections 103 and 141 of the Internal Revenue Code of 1986, as amended, and the Corporation is authorized to act on behalf of the City as provided in these Articles of Incorporation.

- B. In the fulfillment of its corporate purpose, the Corporation shall have and may exercise the powers described in paragraph A. of this Article, together with all of the other powers granted to the corporations that are incorporated under the Act and that are governed by Section 4B thereof, and to the extent not in conflict with the Act, the Corporation shall additionally have and may exercise all of the rights, powers, privileges, authorities, and functions given by the general laws of the State of Texas to nonprofit corporations under the Texas Non-Profit Corporation Act, as amended, Texas Rules of Civil Statutes Annotated Article 1396-101, et seq.
- C. The Corporation shall have the purposes and powers permitted by the Act pursuant to the authority granted in Article III, Section 52a of the Texas Constitution, but the Corporation does not have, and shall not exercise the powers of sovereignty of the City, including the power to tax (except for the power to receive and use the sales and use taxes specified in Section 4B of the Act) and the police power, except that the Corporation shall have and may exercise the power of eminent domain when the exercise thereof is approved by the City Council. However, for the purposes of the Texas Tort Claims Act (Subchapter A., Chapter 101, Texas Civil Practice and Remedies Code), the Corporation is a governmental unit and its actions are governmental functions.
- D. No bonds, notes or other debt instruments or other obligations, contracts, or agreements of the Corporation are or shall ever be deemed to be or constitute the contracts, agreements bonds, notes, or other debt instruments or other obligations or the lending of credit, or a grant of the public money or things of value, of, belonging to, or by the State of Texas, the City, or any other political corporation, subdivision or agency of the State of Texas, or a pledge of the faith and credit of any of them. Any and all of such contracts, agreements, bonds, notes, and other debt instruments and other obligations, contracts and agreements shall be payable solely and exclusively from the revenues and funds received by the Corporation from the sources authorized by Section 4B of the Act and from such other sources as may be otherwise lawfully available and belonging to the Corporation from time to time.

**ARTICLE FIVE
FINANCING**

- A. Before the consummation of the sale and delivery of any bonds, notes, or other forms of debt instruments, the Corporation shall obtain approval by the City Council.
- B. In the exercise of the powers of the Corporation, the Corporation may enter into loan, lease, trust, or other agreements as authorized by the Act that are necessary and appropriate to the fulfillment of the public purpose of the Corporation, all of which agreements, and the specific uses, and the methods of withdrawal and expenditure of the proceeds of the bonds, notes, or other debt instruments, and must be included as a part of the approval process of the Council required by paragraph A above.
- C. In the exercise of the powers of the Corporation, the Corporation may not enter into any loan, lease, trust, or other agreement the effect of which would grant, convey, transfer, mortgage, encumber, pledge or assign a security interest or any interest in any property owned by the City. Any agreement entered into by the Corporation shall contain language substantially to the effect that any grant, conveyance, transfer, mortgage, encumbrance, pledge or assignment of property owned by the City is prohibited.

**ARTICLE SIX
MEMBERS**

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

**ARTICLE SEVEN
SALES TAX**

Upon receipt from the City of the proceeds of the sales and use tax imposed under Section 4B of the Act, the Corporation may use the proceeds as permitted by the Act as now existing or as may be amended and these Articles of Incorporation.

**ARTICLE EIGHT
AMENDMENT**

These Articles of Incorporation may be amended at any time as provided in the Act, to make any changes and add any provisions which might have been included in the Articles of Incorporation in the first instance. Any amendment may be accomplished in either of the following manners:

- A. The Board of Directors of the Corporation may, by majority vote at a meeting, approve proposed amendments to be forwarded to the City Council for consideration. The Executive Director shall then file with the Council a written application requesting approval of the amendments to the Articles of Incorporation, specifying in such application the amendments proposed to be made. The Council shall consider such application and, if it shall find and determine that it is advisable that the proposed amendments be made, it shall approve the form of the proposed amendments by ordinance. The Board of Directors of the Corporation

may then amend the Articles of Incorporation by delivering such amendments to the Secretary of State; or,

- B. The Council may, at its sole discretion, and at any time, amend these Articles of Incorporation and alter or change the structure, organization, programs or activities of the Corporation, or terminate or dissolve the Corporation (subject to the provisions of the Act, and subject to any limitation provided by the constitutions and laws of the impairment of contract entered into by the Corporation) by ordinance adopting the amendment to the Articles of Incorporation of the Corporation or articles of dissolution at a meeting of the Council, and delivering articles of amendment or dissolution to the Secretary of State, as provided in the Act. Restated Articles of Incorporation may be filed with the Secretary of State as provided in the Act.

ARTICLE NINE ADDRESS

The physical street address of the registered office of the Corporation is 403 South Seguin Street, Converse, Texas. The mailing address of the registered office of the Corporation is P.O. Box 36, Converse, Texas 78109, and the name of its registered agent at that address is Sam Hughes, City Manager.

ARTICLE TEN BOARD OF DIRECTORS

- A. The affairs of the Corporation shall be managed by a board of directors which shall be composed of seven persons appointed by the Council. The terms of the board of directors shall be as follows: Three (3) of the directors shall be appointed to terms expiring May 31, 2001 and four (4) of the directors shall be appointed to terms expiring May 31, 2002. Thereafter, the terms of directors shall be two (2) years, expiring on May 31 of odd numbered and even numbered years, respectively. Directors may be appointed to succeed themselves. Each director must be a resident of the City, and no more than four (4) of the directors may be employees or officers of the City, or members of the Council. At least three (3) directors must not be employees or officers of the City, or members of the Council. Any director who is a member of the Council shall cease to be a director at the time he or she ceases to be a member of the Council, but is eligible for reappointment. A majority of the entire membership of the board, including any vacancies, is a quorum. The board shall conduct all meetings within the boundaries of the City.
- B. The names and street addresses of the current directors are as follows:

NAMES

Mr. Jim Uballe, Chairman
Ms. Lisa Martin, Vice-Chair
Mr. Billy Schindler, Director
Dr. Jerry Riley, Director
Ms. Gloria Weers, Director

ADDRESSES

403 S. Seguin, Converse, Texas 78109
403 S. Seguin, Converse, Texas 78109
403 S. Seguin, Converse, Texas 78109
403 S. Seguin, Converse, Texas 78109
403 S. Seguin, Converse, Texas 78109

Mr. Howie Marbach, Director 403 S. Seguin, Converse, Texas 78109
Mr. Josh Cone, Director 403 S. Seguin, Converse, Texas 78109

- C. Each director, is and must be, a qualified elector of the City. Each director, including the initial directors, shall be eligible for reappointment. Each director shall serve until a successor is appointed. All Directors shall be appointed by the City Council and any Director may be removed by the City Council at any time with or without cause. Any vacancy occurring on the board of directors (by reason of death, resignation, or otherwise) shall be filled by appointment by the City Council of a person who shall hold office until the expiration of the term.
- D. The directors shall serve without compensation, but they shall be reimbursed for their actual expenses incurred in the performance of their duties as directors.
- E. The City Council shall appoint the Chairman of the Board of Directors. The Board of Directors shall elect a Vice Chairman, and any other officers that the Corporation considers necessary, to serve as executive officers of the Corporation. The term of each officer's office shall expire on May 31 of each year. The board of directors shall appoint an Executive Director of the Corporation to provide administrative support services and financial management for the Corporation. With approval of the City Council, the City Manager, or his designee, may be appointed and serve as the Executive Director for the Corporation. The Executive Director shall not be a member of the board of directors.
- F. Meetings of the board of directors are subject to the Texas Open Meetings Act, Texas Government Code, Chapter 551, and the Corporation is subject to the Texas Public Information Act, Texas Government Code, Chapter 552.

**ARTICLE
ELEVEN BYLAWS**

The Bylaws of the Corporation have been approved by the Council and shall be adopted by the Corporation's Board of Directors and shall, together with these Articles of Incorporation, govern the affairs of the Corporation. The Bylaws may be amended in accordance with the provisions of the Act and the through the procedures specified for amending these Articles of Incorporation.

**ARTICLE TWELVE
INCORPORATORS**

The names and street addresses of the original incorporators were:

<u>NAMES</u>	<u>ADDRESSES</u>
Mr. Carlton Degenhardt	P.O. Box 36, Converse, Texas 78109
Mr. Bob Karre	P.O. Box 36, Converse, Texas 78109
Mr. James. Sherman	P.O. Box 36, Converse, Texas 78109

Each incorporator was an individual resident of Texas and a qualified elector of the City.

**ARTICLE THIRTEEN
COUNCIL APPROVAL**

The City has specifically authorized the Corporation by ordinance to act on its behalf to further the public purposes stated in said Ordinance and these Articles of Incorporation, and the City has by said Ordinance, dated March 21, 2000, approved these Articles of Incorporation. A copy of this Ordinance is on file among the permanent public records of the City and the Corporation.

**ARTICLE FOURTEEN
DISSOLUTION**

- A. The Corporation shall not be dissolved, and its business shall not be terminated, by act of the City Council or otherwise, so long as the Corporation shall be obligated to pay any bonds, notes, or other obligations and unless the collection of the sales and use tax authorized by Section 4B of the Act is eligible for termination in accordance with the provisions of Section 4B(i) of the Act.
- B. No action shall be taken pursuant to paragraph A. of this Article or pursuant to paragraph B. of Article Sixteen of these Articles, in any manner or at any time that would impair any contract, lease, right, or other obligation previously executed, granted, or incurred by the Corporation.

**ARTICLE FIFTEEN
NOT A PRIVATE FOUNDATION**

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

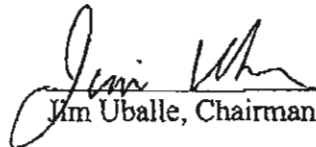
- A. Distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code.
- B. Not engage in any act of self-dealing as defined in Section 4941(d) of the Code.
- C. Not retain any excess business holdings as defined in Section 4943(c) of the Code.
- D. Not make any investments in such manner as to subject it to tax under Section 4944 of the Code.
- E. Not make any taxable expenditures as defined in Section 4945(d) of the Code


**ARTICLE SIXTEEN
MISCELLANEOUS**

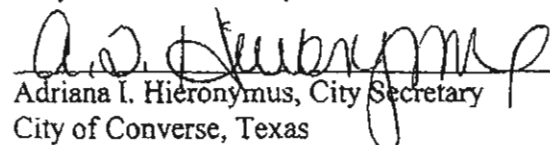
- A. No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payment of its expenses and other obligations shall be distributed to or inure to the benefit of its directors or officers, or any individual, private firm, or private corporation or

association, except in reasonable amounts for services rendered.

- B. If, after the close of any fiscal year, the Board of Directors shall determine that sufficient provision has been made for the full payment of all current expenses, together with all amounts payable on the contracts, agreements, bonds, notes, and other obligations of the Corporation, and that all of the terms, provisions, and covenants therein have been met, then any net earnings derived from sources other than the sales and use taxes collected for the account of Corporation pursuant to Section 4B of the Act thereafter accruing in connection with projects financed pursuant to Section 4B of the Act, and lease payments received in connection with projects financed pursuant to Section 4B of the Act shall be used solely for the purposes permitted by Section 4B of the Act and Article 4A. of these Articles.
- C. If the Corporation ever should be dissolved when it has, or is entitled to, any interests in any funds or property of any kind, real, personal, mixed, such funds or property or rights thereto shall not be transferred to private ownership, but shall be transferred and delivered to the City after satisfaction of debts and claims of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes of such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.
- D. No part of the Corporation's activities shall consist of the carrying on of propaganda or otherwise attempting to influence legislation and the Corporation shall not participate in any political campaign of or in opposition to any candidate for public office.
- E. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding provisions of any future tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code or the corresponding provision of any future federal tax code.


Jim Uballe, Chairman


Jerry Wilson, Secretary

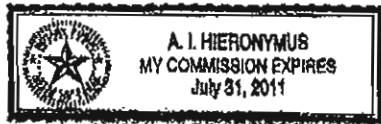

Adriana I. Hieronymus, City Secretary
City of Converse, Texas

THE STATE OF TEXAS §

COUNTY OF BEXAR §

I the undersigned, a Notary Public, do hereby certify that on this 19th day of June 2007, personally appeared each of the above-named persons who, each being by me first duly sworn, declared that they are the persons who signed the foregoing document and that the contents thereof are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office the day and year above written.



A. I. Hieronymus
Notary Public, State of Texas

My Commission expires: July 31, 2011

A. I. Hieronymus

(Typed or printed name of Notary)