

**FIRST AMENDED BYLAWS
OF
GLADEWATER ECONOMIC DEVELOPMENT CORPORATION**

**ARTICLE I
OFFICES**

The principal offices of the Gladewater Economic Development Corporation (hereinafter referred to as the "Corporation") shall be in the City of Gladewater, Counties of Gregg and Upshur, State of Texas.

**ARTICLE II
MEMBERS**

The Corporation has no members and is a nonstock corporation.

**ARTICLE III
BOARD OF DIRECTORS**

Section 1. Number and Term of Office.

(a) The business and property of the Corporation shall be managed and controlled by a Board of Directors (hereinafter referred to as the "Board"), and subject to the restrictions imposed by law, by the Articles of Incorporation, and by these Bylaws.

(b) The Board shall consist of five (5) directors. Two (2) members of the Board may be members of the City Council of the City of Gladewater, Texas, and the remaining members shall each be appointed by the City Council of the City of Gladewater, Texas.

(c) The initial terms of Directors shall be three (3) Directors with three (3) year terms and two (2) Directors with two (2) year terms. The initial terms will be drawn by lot and shall be considered to begin July 1, 1995, for the purpose of staggering such terms, regardless of when appointments are actually made. Thereafter, each successor member of the Board shall be appointed and serve three (3) year terms or until his or her successor is appointed as hereinafter provided.

(d) Terms shall begin on the second Wednesday of October. Each member of the Board shall serve at the pleasure of the City Council for a term of three years, after which they shall be eligible for reappointment. Any Director may be removed from office by the City Council at will. In case of a vacancy on the Board for any reason, the City Council shall appoint a successor to serve the remainder of the unexpired term. Each member of the Board of Directors shall be entitled to one (1) vote upon the business of the Corporation.

(e) Each director shall meet at least one (1) of the following qualifications:

- (1) serve, or have served, as Chief Executive Officer of a company; or
- (2) serve, or have served, in a position of executive management of a company,
or
- (3) serve, or have served, in a professional capacity; or
- (4) have experience equivalent to any of the above qualifications; and
- (5) be willing to attend a seminar or training in economic development within
the first year of appointment

(f) Each Director shall live or own a business in the city limits of Gladewater, Texas or hold a position as described above in the city limits of Gladewater.

Section 2. Vacancies. In case of any vacancy in the Board of Directors through death, resignation, disqualification, failure to continue to hold office as member of the City Council, or other cause, a successor director shall be appointed by the City Council of the City of Gladewater, Texas.

Section 3. Board Attendance. Unless special consideration is granted by the Board to accommodate directors who are temporarily inactive for good cause, any director who is absent from three (3) consecutive regular or special meetings of the Board may be asked to resign.

Section 4. Place of Meeting. Regular meetings of the Board of Directors shall be held at the Gladewater Chamber of Commerce, 213 N. Main Street, Gladewater, Texas unless otherwise determined by resolution of the Board of Directors. A meeting of the Board of Directors for the election of officers and the transaction of such other business as may come before the meeting shall be held on the second Wednesday of October. All meetings, regular or special, shall be called and held in accordance with the provisions of the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended.

Section 5. Special Meetings. Special meeting of the Board of Directors shall be held whenever called by direction of the president, or by two (2) Directors.

Section 6. Notice of Meetings. The Secretary shall cause notice of the time and place of holding each meeting of the Board of Directors to be given to each Director. Such notice may be in writing, in person, or by telephone. Notice of each meeting shall be given to the public in accordance with the provisions of the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended.

Section 7. Quorum and Voting. A majority of the Board of Directors shall constitute a quorum for the transaction of business. The act of a majority of the Board of Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors and of the Corporation unless the act of a greater number is required by law. A Director may not vote by proxy.

Section 8. Order of Business. At meetings of the Board of Directors business shall be transacted in such order as the Board may determine.

At all meetings of the Board of Directors, the president, or in his or her absence the vice-president, or in the absence of both of these officers, a member of the Board selected by the members present, shall preside. The secretary of the Corporation shall sit as secretary at all meetings of the Board, and in case of his or her absence, the chairman of the meeting may designate any person to act as secretary.

Section 9. Contracts. No contract or other transaction between this Corporation and any other Corporation, person or entity shall be executed unless the majority of the Board who are present, and qualified to act approve by an affirmative vote such contract. Membership in the City Council shall not constitute an interest which shall disqualify directors from voting on contracts between this Corporation and the City of Gladewater.

Section 10. Additional Powers. In addition to the powers and authorities by these bylaws expressly conferred upon them, the Board of Directors may exercise all such powers of the Corporation and do all lawful acts and things as are not by statute or by the charter or by these bylaws prohibited. Without prejudice to such general powers and other powers conferred by statute, by the charter and by these bylaws, it is hereby expressly declared the Board of Directors shall have the following powers:

- (1) To purchase, or otherwise acquire for the Corporation, any property, rights, or privileges which the Corporation is authorized to acquire, at such price or consideration and generally on such terms and conditions as they think fit; and at their discretion to pay therefore either wholly or partly in money, notes, bonds, debentures, or other securities or contracts of the Corporation as may be lawful.
- (2) To create, make and issue notes, mortgages, bonds, deeds of trust, trust agreements and negotiable or transferable instruments and securities, secured by mortgage or deed of trust on any real property of the Corporation or otherwise, and to do every other act or thing necessary to effect the same.
- (3) To sell or lease the real or personal property of the Corporation on such terms as the Board may see fit and to execute all deeds, leases and other conveyances or contracts that may be necessary for carrying out the purposes of this Corporation

ARTICLE IV OFFICERS

Section 1. Compensation of Directors and Officers. Directors and officers, as such, shall not receive any salary for their services but by resolution of the Board, expense incurred in the Corporation's business may be reimbursed.

Section 2. Executive Officers. The executive officers of the Corporation shall be a president, and a vice-president, all of who shall be elected by and subject to the control of the Board of Directors. The Board of Directors, at each annual meeting of the Board shall elect by a ballot a president and a vice-president. One person may hold more than one office such as

Secretary and Treasurer, except that the president shall not hold the office of secretary. The Board of Directors may appoint such other officers as they may deem necessary, who shall have such authority, and shall perform such duties as from time to time may be prescribed by the Board of Directors. The executive director shall serve as a compensated employee of the Corporation to provide administrative support services for the Corporation. The executive director shall be a non-voting ex-officio member of the Board.

Section 3. Powers and Duties of the President. The president shall preside at all meetings of the directors. He or she shall have power to sign and execute all contracts and instruments of conveyance in the name of the Corporation, to sign checks, drafts, notes and orders for the payment of money, and to appoint and discharge agents and employees, subject to the approval of the Board of Directors. He or she shall have general and active management of the business of the Corporation, and shall perform all the duties usually incident to the office of president.

Section 4. Vice-President. The vice-president shall have such powers and perform such duties as may be delegated to him or her by the Board of Directors. In the absence or disability of the president, the vice-president may perform the duties and exercise the powers of the president.

Section 5. Power and Duties of the Secretary. The secretary or assistant secretary shall keep the minutes of all meetings of the Board of Directors in books provided for that purpose; he or she shall attend to the giving and service of all notices, he or she may sign with the president, or a vice-president, in the name of the Corporation, all contracts and instruments of conveyance authorized by the Board of Directors, and when so ordered by the Board of Directors, he or she shall affix the seal of the Corporation thereto; he or she shall have charge of such other books and papers as the Board of Directors or the Executive Committee may direct, all of which shall, at all reasonable times, be opened to the examination of any director, upon application at the office the Corporation during business hours; and he or she shall in general perform all the duties incident to the office of secretary, subject to the control of the Board of Directors with such written records to be maintained and filed in the office of the City Secretary of the City. He or she shall submit such reports to the Board of Directors as may be requested by them.

Section 6. Treasurer. The treasurer or assistant treasurer shall have custody of all funds and securities of the Corporation which may come into his or her hands; when necessary or proper he or she shall endorse on behalf of the Corporation for collection, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank or depository as the Board of Directors may designate. Whenever required by the Board of Directors he or she shall render a statement of the Corporation's cash account; he or she shall enter regularly in the books of the Corporation to be kept by him or her that purpose, a full and accurate account of the Corporation; he or she shall at all reasonable times exhibit the Corporation's books and accounts to any director of the Corporation or any officer of the City of Gladewater upon application at the office of the Corporation during business hours; he or she shall perform all acts incident to the position of treasurer, subject to the control of the Board of Directors. Such written statement and accounts to be maintained and filed in the office of the Director of Finance for the City.

He or she shall give a bond for the faithful discharge of his or her duties in such sum, if any, as the Board of Directors may require.

Section 7. Assistant Treasurer and Assistant Secretary. The assistant treasurer and any assistant secretaries may, at the option of the Board, be persons other than members of the Board, and they may be employees of the City of Gladewater, Texas.

ARTICLE V CORPORATION SEAL

No corporate seal shall be required.

ARTICLE VI FINANCIAL ADMINISTRATION

Section 1. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of October and terminate on the 30th day of September in each year.

Section 2. Budget. A budget shall be submitted to the Board of Directors and approved prior to the 1st day of the fiscal year.

Section 3. Gifts. The Corporation may accept on behalf of the Corporation any contribution, gift, bequest, or device for the general purpose or any special purpose of the Corporation.

Section 4. Purchasing. All purchases made and contracts executed by the Corporation shall be made in accordance with the requirements of the Texas Constitution and Statutes of the State of Texas.

Section 5. Investments. Temporary and idle funds which are not needed for immediate obligation of the Corporation may be invested in any legal manner provided by Chapter 2256 of the Texas Government Code, as amended (Public Funds Investment Act).

Section 6. Monthly Reports. A monthly report of the financial condition of the Corporation shall be presented at the regular monthly meeting of the Board.

Section 7. Annual Audit. An independent audit shall be prepared by a certified public accountant approved and contracted by the Board of the Corporation. This audit shall be presented to the Board for approval as soon as possible after the end of the fiscal year, but not later than the December regularly scheduled meeting. After approval by the Board of the Corporation it shall be presented to the City Council of Gladewater, Texas for review and approval.

ARTICLE VII MISCELLANEOUS

Section 1. Notices and Waivers Thereof. Whenever under the provisions of these bylaws notice is required to be given to any director or officer, unless otherwise provided such notice may be given personally, electronically, or it may be given in writing by depositing the same in the post

office or letter box in a postpaid envelope or postal card addressed to such director or officer, at such address as appears on the books of the Corporation, and such notice shall be deemed to be given by law, or by these bylaws, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Section 2. Negotiable Instruments. All checks, drafts, notes or other obligations of the Corporation shall be signed by such of the officers of the Corporation or by such person or persons as may be thereunto authorized by the Board of Directors. All checks shall require the signature of two (2) persons.

Section 3. Resignations. Any director or officer may at any time resign. Such resignations shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipts by the president or the secretary. The acceptance of a resignation shall not be necessary to make effective, unless expressly so provided in the resignation.

Section 4. Approval of the City Council. To the extent these Bylaws refer to any approval or other action to be taken by the City, such approval or action shall be evidenced by a certified copy of a resolution, ordinance or motion duly adopted by the City Council.

Section 5. Organizational Control. Other than as stated herein, the City, at its sole discretion, and at any time, may alter or change the structure, organization or activities of the Corporation (including the termination of the Corporation), subject to any limitation on the impairment of contracts entered into by such Corporation. The foregoing notwithstanding, the City, at all times during which any indebtedness of the Corporation, the interest on which is exempt from federal income taxation, remains outstanding, will maintain a beneficial interest in the Corporation.

ARTICLE VIII PROVISIONS REGARDING BYLAWS

These Bylaws shall become effective only upon the occurrence of the following events:

- (1) the approval of these Bylaws by the City Council of the City, which approval may be granted prior to the creation of the Corporation; and
- (2) the adoption of these Bylaws by the Board of Directors

These Bylaws may be amended at any time and from time to time either by majority vote of the directors then in office with approval of the City.

These Bylaws shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section or other part of these Bylaws to any other person or

circumstance shall not be affected thereby.

ARTICLE IX
DISSOLUTION OF CORPORATION

It shall not be the purpose of this Corporation to engage in carrying on propaganda or otherwise attempting to influence legislation. Upon the dissolution of the Corporation after payment of all obligations of the Corporation, all remaining assets of the Corporation shall be transferred to the City of Gladewater, Texas.