

ARTICLES OF INCORPORATION

OF

HALTOM CITY ECONOMIC DEVELOPMENT CORPORATION

FILED
In the Office of the
Secretary of State of Texas
SEP 6 1995
Corporations Section

THE STATE OF TEXAS §
 §
COUNTY OF TARRANT §
 §
CITY OF HALTOM CITY §

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 Haltom City, Texas (which is a duly established City under the Texas Constitution), acting as incorporators of a public instrumentality and nonprofit development corporation (the "Corporation") under the "Development Corporation Act of 1979", as amended, (Art. 5190.6, Vernon's Texas Civil Statutes) with the approval of the City Council of the City of Haltom City, Texas (the "City") as evidenced by Resolution No. R-95-032-01 attached as Attachment "A" and made a part of these Articles for all purposes, do hereby adopt the following Articles of Incorporation for the Corporation:

ARTICLE ONE
NAME

The name of the Corporation is "Haltom City 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, Article 5190.6 Vernon's Texas Civil Statutes, (the "Act"), and shall be governed by Section 4B of said Act, as now existing or as may be amended.

ARTICLE THREE
DURATION

The period of duration of the Corporation is perpetual.

ARTICLE FOUR
PURPOSE AND LIMITATIONS

The Corporation is organized for the purposes of benefiting and accomplishing public purposes of, and to act on behalf of, the City, for the promotion and development of industrial and manufacturing enterprises to promote and encourage employment and the public welfare of the City, and the Corporation may issue bonds on behalf of the City for the financing, development and operation of projects as defined in the Act. The Corporation may finance and undertake any such project, subject to the regulations and limitations set forth in Section 4B of the Act. 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 governing body of the City. The Corporation is a constituted authority and a public instrumentality within the meaning of the regulations of the United States Treasury Department and 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 Articles of Incorporation. However, the Corporation is not a political subdivision or political corporation of the State of Texas within the meaning of its constitution and laws, including without limitation Article III, Section 52 of said constitution, and no agreements, bonds, debts or obligations of the Corporation are or shall ever be deemed to be the agreements, bonds, debts or obligations, or the lending of credit, or a grant of public money or thing of value, of or by 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.

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 proposed to be issued by the Corporation, shall be stated and described in the proceedings authorizing the bonds, notes, or other debt instruments, and must be included as a part of the approval process of the City Council required above. In connection with the issuance of its obligations, the

Corporation shall select bond counsel and financial advisors acceptable to the City Council.

(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 nonstock 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.

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:

(1) The members of the Board of Directors of the Corporation shall file with the

governing body of the City a written application requesting approval of the amendments to the Articles of Incorporation, specifying in such application the amendments proposed to be made. The City Council shall consider such application and, if it shall, by resolution, duly find and determine that it is advisable that the proposed amendments be made it shall approve the form of the proposed amendments. The Board of Directors of the Corporation may then amend the Articles of Incorporation by adopting such amendment at a meeting of the Board of Directors and delivering said amendments to the Secretary of State; or

(2) The governing body of the City 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 resolution adopting the amendment to the Articles of Incorporation of the Corporation or articles of dissolution at a meeting of the governing body of the City, 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 street address of the initial registered office of the Corporation is 5024 Broadway Avenue, P.O. Box 14246, Haltom City, Texas 76117 and the name of its initial registered agent at that address is Bill Eisen.

**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 City Council of the City. The terms of the initial board of directors shall be as follows: Three (3) of the directors shall be appointed to terms expiring October 1, 1997 and four (4) of the directors shall be appointed to terms expiring October 1, 1998. Thereafter, the terms of directors shall be two (2) years, expiring on October 10f odd numbered and even numbered years, respectively. Directors may be appointed to succeed themselves. Each director must be a resident of the City, and at least four (4) of the directors must be members of the City Council. The three (3) remaining directors must not be employees or officers of the City, or members of the City Council. Any director who is a member of the City Council shall cease to be a director at the time he or she ceases to be a member of the City Council, but is eligible for reappointment. Four members of the board shall constitute a quorum. The board shall conduct all meetings within the boundaries of the City.

(b) The names and street addresses of the persons who are to serve as the initial directors and the dates of expiration of their initial terms as directors, are as follows:

	<u>NAMES</u>	<u>ADDRESSES</u>	<u>EXPIRATION OF TERM</u>
1.	<u>Terri Witcher</u>	<u>1907 Haltom Road</u> Haltom City, Texas 76117	10/01/98
2.	<u>Ed Ownby</u>	<u>4407 Wayne Ct., S.</u> Haltom City, Texas 76117	10/01/98
3.	<u>Bill Bastress</u>	<u>4344 Estes Park</u> Haltom City, Texas 76137	10/01/98
4.	<u>David Hunt</u>	<u>3036 Field St.</u> Haltom City, Texas 76117	10/01/98
5.	<u>Don Earp</u>	<u>3225 Harris Ln.</u> Haltom City, Texas 76117	10/01/97
6.	<u>John Patino</u>	<u>1901 Haltom Rd.</u> Haltom City, Texas 76117	10/01/97
7.	<u>Nancy Watkins</u>	<u>6140 Blue Spruce</u> Haltom City, Texas 76117 <u>Circle</u>	10/01/97

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. Directors are removable by the City Council at any time without cause.

(c) The directors shall serve without compensation but, they shall be reimbursed for their actual expenses incurred in the performance of their duties as directors. Any vacancy occurring on the board of directors shall be filled by appointment by the City Council of a person who shall hold office until the expiration of the term. The officers of the Corporation shall be appointed by the board and shall include a president, secretary, and other officers that the City Council considers necessary.

(d) The board of directors shall elect a president, secretary and any other officers

that the City Council considers necessary, to serve as executive officers of the Corporation, as more specifically provided in the Corporation's By-laws. The term of each officer's office shall expire on October 1 of each year. The City Manager shall serve as executive director of the Corporation to provide administrative support services for the corporation.

(e) 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 Open Records Act, Texas Government Code, Chapter 552.

**ARTICLE ELEVEN
INCORPORATORS**

The name and street address of each incorporator are:

<u>NAME</u>	<u>ADDRESS</u>	
<u>Bill Bastress</u>	<u>4344 Estes Park</u>	Haltom City, Texas
<u>Terri Witcher</u>	<u>1907 Haltom Road</u>	Haltom City, Texas
<u>Ed Owenby</u>	<u>4407 Wayne Ct., S.</u>	Haltom City, Texas

Each incorporator is a qualified elector of the City.

**ARTICLE TWELVE
City COUNCIL APPROVAL**

The City has specifically authorized the Corporation by Resolution No. R-95-032-01 dated August 14, 1995 to act on its behalf to further the public purposes stated in Resolution No. R-95-032-01 and these Articles of Incorporation, and the City has by Resolution No. R-95-032-01, approved these Articles of Incorporation.

**ARTICLE THIRTEEN
RESTRICTIONS**

No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payment of its expenses shall be distributed to or inure to the benefit of its directors or officers or any individual, firm, corporation or association, except in reasonable amounts for services rendered. Provided that if the board of directors determines that sufficient provision has been made for the full payment of the expenses, bonds and other obligations of the Corporation, then any net earnings of the Corporation thereafter accruing shall be paid to the City. In the event the Board of Directors of the Corporation shall determine that sufficient provision has been made for the full payment of the expenses, bonds and other obligations of the Corporation issued to finance its public purposes, then the Board of Directors shall convey such information to the governing body of the City and shall petition the Comptroller of Public Accounts to cease the levy and collection of the sales tax and any net earnings of the Corporation thereafter accruing shall be paid to the City. Regardless of any other provisions of these articles or the laws of the State of Texas, the Corporation shall not: (1) permit any part of the net earnings of the Corporation to inure to the benefit of any private individual (except that reasonable compensation may be paid for personal services rendered to or for the Corporation affecting one or more of its purposes); (2) carry on propaganda, or otherwise attempt to influence legislation; or (3) participate in, or intervene in (including the publication or distribution of statements) any

political campaign on behalf of any candidate for public office.

ARTICLE FOURTEEN

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:

- (1) shall 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;
- (2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code;
- (3) shall not retain any excess business holdings as defined in Section 4943(c) of the Code;
- (4) shall not make any investments in such manner as to subject it to tax under Section 4944 of the Code; and
- (5) shall not make any taxable expenditures as defined in Section 4945(d) of the Code.

ARTICLE FIFTEEN DISSOLUTION

If the Corporation ever should be dissolved when it has, or is entitled to, any interest in any funds or property of any kind, real, personal or 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 or provision for satisfaction of debts and claims.

John Boston

Louis W. Wetcher

Ed Dowdy Jr

INCORPORATORS



The State of Texas
SECRETARY OF STATE

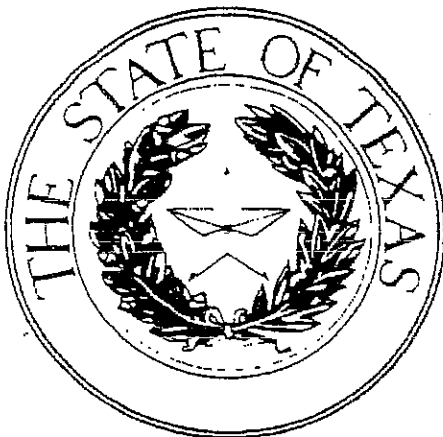
CERTIFICATE OF INCORPORATION
OF
HALTOM CITY ECONOMIC DEVELOPMENT CORPORATION
CHARTER NUMBER 1368031-01


The undersigned, as Secretary of State of Texas, hereby certifies that the attached Articles of Incorporation for the above named corporation have been received in this office and are 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 Incorporation.

Issuance of this Certificate of Incorporation does not authorize the use of a corporate name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: September 6, 1995
Effective September 6, 1995





Antonio O. Garza, Jr.
Secretary of State



The State of Texas

SECRETARY OF STATE CERTIFICATE OF INCORPORATION OF

HALTOM CITY ECONOMIC DEVELOPMENT CORPORATION
CHARTER NUMBER 1368031-01

The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Incorporation for the above corporation, duly signed pursuant to the provisions of the Development Corporation Act of 1979, have been received in this office and are found to conform to law.

ACCORDINGLY, the undersigned, as such Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Incorporation and attaches hereto a copy of the Articles of Incorporation.

Dated: September 6, 1995



Antonio O. Garza, Jr.
Secretary of State