

BYLAWS
OF
PLANO PARKING FACILITIES

ARTICLE ONE
NAME, PURPOSES, POWERS AND OFFICES

Section 1.1. Name. The name of this corporation is Plano Parking Facilities (the “Corporation”).

Section 1.2. Purposes. The Corporation is organized and shall be operated exclusively for those purposes set forth in its Certificate of Formation as same may be amended from time to time.

Section 1.3. Local Government Corporation. The Corporation is formed pursuant to the provisions of Subchapter D of Chapter 431, Texas Transportation Code (the “Act”), as it now or may hereafter be amended, and Chapter 394, Texas Local Government Code, which authorizes the Corporation to assist and act on behalf of the City of Plano, Texas (the “City”) and to engage in activities in the furtherance of the purposes for its creation.

Section 1.4. Powers. The Corporation is a nonprofit corporation and shall have and exercise all of the rights, powers, privileges, and functions given by the general laws of Texas to nonprofit corporations incorporated under the Act including, without limitation, all of the powers, duties, authorizations, and responsibilities as provided for nonprofit corporations under the Texas Business Organizations Code (“BOC”) as it now exists or as it may hereafter be amended. The Corporation shall have all other powers of a like or different nature not prohibited by law which are available to nonprofit corporations in Texas and which are necessary or useful to enable the Corporation to perform the purposes for which it is created, including the power to issue bonds, notes or other obligations, and otherwise exercise its borrowing power to accomplish the purposes for which it was created; provided, however, that the Corporation shall not issue any bond, certificate, note or other obligation evidenced by an instrument without the prior written consent of the City or as otherwise allowed by these Bylaws.

Section 1.5. Governmental Entity for Immunity. The Corporation is created as a local government corporation pursuant to the Act and shall be a governmental unit within the meaning of Subdivision (3), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental and not proprietary functions for all purposes, including for purposes of the Texas Tort Claims Act, Section 101.001, et seq., Texas Civil Practice and Remedies Code. The Corporation shall have the power to acquire land in accordance with the Act as amended from time to time.

Section 1.6. City Consent. References herein to the consent or written consent of the City shall refer to an ordinance, resolution or order of the governing body of the City.

Section 1.7. Other Units of Government. The Corporation may contract with a non-member unit of government to provide services on behalf of such non-member unit of government.

Section 1.8. Approved Projects. The Corporation, by and through its Board of Directors, may approve capital improvements, services, or other projects consistent with the purposes of the Corporation to assist the City in the performance of its governmental functions (each an “Approved Project”).

Section 1.9. Offices. The Corporation may have, in addition to its registered office, offices at such places, both within and without the State of Texas, as the Board of Directors may from time to time determine or as the activities of the Corporation may require.

ARTICLE TWO MEMBERS

Section 2.1. Membership. The Corporation shall have no members.

ARTICLE THREE BOARD OF DIRECTORS

Section 3.1. General Powers; Delegation. The activities, property, and affairs of the Corporation shall be managed by its Board of Directors, who, subject to the oversight of the City, may exercise all such powers of the Corporation and do all such lawful acts and things as are permitted by law, by the Certificate of Formation, or by these Bylaws, unless otherwise expressly provided herein. The Board shall independently manage and operate public parking garages owned by the Corporation (the “Facilities”) in accordance with all applicable laws and documents, including this Certificate, the Bylaws, and such other documents directed by the City as same may be amended from time to time.

Section 3.2. Number and Qualifications. The Board of Directors shall consist of not less than three (3) directors. The initial directors shall be those persons named as directors in the Certificate of Formation. No decrease in the number of directors shall have the effect of shortening the term of any incumbent director.

Section 3.3. Election and Term of Office. Each director shall hold office for a three-year term and until such director’s successor is elected and qualified, or until such director’s earlier death, resignation, retirement, disqualification, or removal from office. Any director may be re-elected to serve consecutive terms of office.

Section 3.4. Filling of Vacancies. Any vacancy occurring in the Board of Directors resulting from the death, resignation, retirement, disqualification, or removal from office of any director shall be filled by the affirmative vote of a majority of the directors present at any meeting of the directors at which a quorum is present. Any director elected or appointed to fill a vacancy shall hold office for the remainder of the vacated term and until such director’s successor is elected and qualified, or until such director’s earlier death, resignation, retirement, disqualification, or removal from office.

Section 3.5. Removal. Any director may be removed, either for or without cause, by the affirmative vote of a majority of the directors present at any meeting of the directors at which a quorum is present if notice of the intention to act upon such matter shall have been given in the notice of such meeting and if such notice is provided to the director proposed to be removed.

Section 3.6. Resignation. Any director may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein or, if no time is specified therein, at that time of its receipt by the President of the Corporation. No acceptance of a resignation shall be necessary to make it effective.

Section 3.7. Place of Meeting. The Directors may hold their meetings and may have an office and keep the books of the Corporation at such place or places within the City, as the Board may from time to time determine; provided, however, in the absence of any such determination, such place shall be the registered office of the Corporation in the State of Texas. The Board shall meet in accordance with and file notice of each meeting of the Board for the same length of time and in the same manner and location as is required under Chapter 551, Texas Government Code (the "Open Meetings Act"). The Corporation, the Board, and any committee of the Board exercising the powers of the Board are subject to Chapter 552, Texas Government Code (the "Public Information Act").

Section 3.8. Annual Meetings. An annual meeting of the Board of Directors shall be held at such time and place as shall be determined by the Board of Directors of the Corporation and communicated to all directors. At such annual meeting, the directors shall transact such business as shall be included in the notice and agenda for the meeting. Written notice of the place, date, and time of each annual meeting of the Board of Directors shall be given to each director who on the record date for notice of the meeting is entitled to vote thereat, at such director's address as it appears on the books of the Corporation at the time such notice is given.

Section 3.9. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times and places as may be fixed from time to time by the Board and communicated by written notice to all directors. Except as otherwise provided by law, by the Certificate of Formation, or by these Bylaws, any and all business may be transacted at any regular meeting.

Section 3.10. Special and Emergency Meetings. Special and emergency meetings of the Board shall be held whenever called by the President of the Board or the Secretary of the Board or by any two (2) of the Directors who are serving duly appointed terms of office at the time the meeting is called. A majority of the Board must be present for any special called or emergency meeting. The Corporation shall comply with the required provisions of the Open Meetings Act with respect to all special and emergency meetings. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a special meeting to the same extent as they may be considered and acted upon in a regular meeting. At any meeting at which every Director shall be present, even though without any notice, any matter pertaining to the purposes of the Corporation may be considered and acted upon to the extent allowed by the Open Meetings Act.

Section 3.11. Quorum and Manner of Acting. At all meetings of the Board of Directors, the presence of a majority of the number of directors then in office shall be necessary and sufficient to

constitute a quorum for the transaction of business, except as otherwise provided by law, by the Certificate of Formation, or by these Bylaws. The act of a majority of the directors present in person at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law, by the Certificate of Formation, or by these Bylaws, in which case the act of such greater number shall be required to constitute the act of the Board. If a quorum shall not be present at any meeting of the directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At any such adjourned meeting at which a quorum shall later be present, any business may be transacted which might have been transacted at the meeting as originally convened. Any director who participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called or convened shall not be counted toward a quorum.

Section 3.12. Presumption of Assent. When the Board of Directors votes on anything, all directors present shall be deemed to have voted for the action, unless the director's dissent is specifically noted in the minutes. If the secretary of the meeting refuses to note the director's dissent in the minutes, the dissenting director shall mail, using certified or registered mail, the director's dissent to the Secretary of the Corporation within one business day after the Board of Directors adjourned the meeting.

Section 3.13. Conduct of Business. At the meetings of the Board, matters pertaining to the purpose of the Corporation shall be considered in such order as the Board may from time to time determine. At all meetings of the Board, the President shall preside, and in the absence of the President, the Vice President shall preside. The Secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 3.14. Duties of Directors. 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 best interest of the Corporation. Ordinary care is care that ordinarily prudent persons in similar positions would exercise under similar circumstances. A Director shall not be liable if, while acting in good faith and with ordinary care, such person relies on information, opinions, reports or statements, including financial statements and other financial data, concerning the Corporation or another person that were prepared or presented by:

- (a) one or more other officers or employees of the Corporation;
- (b) an employee of a City;
- (c) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence; or,
- (d) a committee of the Board of which the Director is not a member.

Section 3.15. Attorneys and Consultants. The Board may employ attorneys, auditors, certified accountants, engineers, and such other professionals and consultants as may be required for the purposes of the Corporation from time to time.

Section 3.16. Compensation of Directors. Directors, as such, shall receive no salary or compensation for their services as Directors; provided, however, Directors may be reimbursed for reasonable and necessary expenses incurred in carrying out the Corporation's purposes.

ARTICLE FOUR COMMITTEES

Section 4.1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate one or more committees which, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation. Each such committee shall consist of three (3) or more persons, a majority of whom are directors. The Board may appoint employees of the Corporation and/or employees of the City to be members of a committee, except for an Audit, Compensation or Governance Committee, which committees may only be composed of Directors. The designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed on the Board or such director by law. Any member thereof may be removed by the Board of Directors whenever in the Board of Directors' judgment the best interests of the Corporation shall be served by such removal.

Section 4.2. Limitation on Power of Committees. Except to the extent provided in the authorizing resolution for the committee and the Board-approved committee charter, a committee may not exercise the authority of the Board. No committee shall have the authority of the Board of Directors to:

- (a) Amend the Certificate of Formation.
- (b) Adopt a plan of merger or conversion of the Corporation.
- (c) Authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Corporation.
- (d) Authorize the voluntary winding up and termination of the Corporation.
- (e) Revoke the voluntary winding up and termination of the Corporation.
- (f) Adopt a plan for the distribution of the assets of the Corporation.
- (g) Amend, alter, or repeal the 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 conflict of interest under City policies.
- (j) Take any action outside the scope of authority delegated to it by the Board of Directors.

Section 4.3. Advisory Boards or Committees. Advisory boards or committees not having and exercising the authority, responsibility, or duties of the Board of Directors in the management of the Corporation may be designated by a resolution adopted by the directors. Except as otherwise provided in such resolution, members of each such advisory board or committee need not be directors of the Corporation. The President shall appoint the members of such advisory boards or committees. Any member thereof may be removed by the President whenever in the President's judgment the best interests of the Corporation shall be served by such removal.

Section 4.4. Term of Office. Each member of a committee of directors or advisory board or committee shall continue for such term as designated by the Board of Directors and until such member's successor is appointed, unless the board or committee is sooner terminated, or unless such member is removed from such board or committee or shall cease to qualify as a member thereof.

Section 4.5. Chairperson. Unless otherwise designated by these Bylaws, one or more members of each director's committee or advisory board or committee shall be appointed chairperson, or co-chairperson, by the person or persons authorized to appoint the members thereof.

Section 4.6. Vacancies. Vacancies in the membership of any committee of directors or advisory board or committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 4.7. Quorum; Manner of Acting. Unless otherwise provided in the resolution of the Board of Directors designating a committee of directors or advisory board or committee, a majority of the whole board or committee shall constitute a quorum, and the act of the majority of the members present at a meeting at which a quorum is present shall be the act of the board or committee.

Section 4.8. Rules. Each committee of directors or advisory board or committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

Section 4.9. Notice. Written notice of the place, date, and time of each meeting of an advisory board or committee shall be delivered not less than ten (10) nor more than sixty (60) days before the date of such meeting to each member of such board or committee at such member's address as it appears on the books of the Corporation at the time such notice is given.

ARTICLE FIVE NOTICES

Section 5.1. Manner of Giving Notice. Whenever, any notice, other than public notice of a meeting given to comply with the Open Meetings Act, is required to be given under the provisions of these Bylaws, and no provision is made as to how such notice shall be given, it shall not be construed to require personal notice, but any such notice may be given in writing by hand delivery, by facsimile transmission, by email or other form of electronic communication permitted by the BOC, or by mail, postage prepaid, addressed to such director or committee member at such person's address as it appears on the records of the Corporation. Any notice required or permitted to be given by mail shall be deemed to be delivered at the time when the same shall be thus deposited in the United States mails, as aforesaid. Any notice required or permitted to be given by facsimile transmission or email or other form of electronic communication shall be deemed to be delivered upon successful transmission of such facsimile or email or other form of electronic communication.

Section 5.2. Waiver of Notice. Whenever any notice is required to be given to any director or committee member of the Corporation under the provisions of any law, the Certificate of Formation, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE SIX
OFFICERS, EMPLOYEES AND AGENTS:
POWERS AND DUTIES

Section 6.1. Elected Officers and Qualifications. The elected officers of the Corporation shall include a President, a Secretary, and a Treasurer, and may include one or more Vice Presidents, as may be determined from time to time by the Board. Each officer shall be a current director.

Section 6.2. Election. So far as is practicable, all elected officers shall be elected by the Board of Directors at each annual meeting thereof.

Section 6.3. Appointive Officers. The Board of Directors may also appoint one or more Assistant Secretaries and Assistant Treasurers and such other officers and assistant officers and agents as it shall from time to time deem necessary, who shall exercise such powers and perform such duties as shall be set forth in these Bylaws or determined from time to time by the Board.

Section 6.4. Two or More Offices. Any two (2) or more offices may be held by the same person, except that the President and Secretary shall not be the same person.

Section 6.5. Term of Office; Removal; Filling of Vacancies. The initial elected officers of the Corporation shall be appointed by the Board of Directors at its organizational meeting, and they shall hold office until their successors are chosen and qualified at the first annual meeting of the Board of Directors, or until their respective death, resignation, retirement, disqualification, or removal from office. Thereafter, each elected officer of the Corporation shall hold office for a one-year term concluding upon the next annual meeting of the Board of Directors following such officer's election, and until such officer's successor is chosen and qualified in such officer's stead or until such officer's earlier death, resignation, retirement, disqualification, or removal from office. Each appointive officer shall hold office at the pleasure of the Board of Directors without the necessity of periodic reappointment. Any officer or agent may be removed at any time by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 6.6. Resignation. Any officer may resign at any time by delivering written notice to the President or the Secretary of the Corporation. The resignation is effective when the notice is delivered, unless the notice specifies a later effective date.

Section 6.7. Compensation. Officers shall serve without compensation for their duties but are entitled to receive reimbursement for their reasonable expenses only in performing their functions in accordance with any policies that may be adopted by the Board.

Section 6.8. Officer's Reliance on Consultant Information. In the discharge of a duty imposed or power conferred on an officer of the Corporation, the officer may in good faith and with ordinary care rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person that were prepared or presented by:

- (a) one or more other officers or employees of the Corporation, including members of the Board;
- (b) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence; or,
- (c) an employee of one of the City.

Section 6.9. President. The president shall be the presiding officer of the Board with the following authority:

- (a) Shall preside over all meetings of the Board.
- (b) Shall vote on all matters coming before the Board.
- (c) Shall have the authority, upon notice to the members of the Board, to call a Special Meeting of the Board when in the president's judgment such a meeting is required.
- (d) Shall have the authority to appoint, with Board approval, standing committees to aid and assist the Board in its business undertaking or other matters incidental to the operation and functions of the Board.
- (e) Shall have the authority to appoint, with Board approval, ad hoc committees which may address issues of temporary nature of concern or which have a temporary affect on the business of the Board.

In addition to the above-mentioned duties, the president shall sign with the secretary of the Board or other designated person any checks of the Corporation. All other instruments or documents may be signed solely by the president of the Corporation. In general, the president shall perform all duties incident to the office, and such other duties as shall be prescribed from time to time by the Board.

Section 6.10. Vice Presidents. The vice president shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the president during that officer's absence or inability to act. Any action taken by the vice president in the performance of the duties of the president shall be presumptive evidence of the president's absence or inability to act at the time such action was taken.

Section 6.11. Secretary. The Secretary shall see that notice is given of all meetings of the Board of Directors and shall keep and attest true records of all proceedings at all meetings of the Board. The Secretary shall have authority to attest any and all instruments of writing. The Secretary shall keep and account for all books, documents, papers, and records of the Corporation, except those for which some other officer or agent is properly accountable. The Secretary shall generally perform all duties usually appertaining to the office of secretary of a corporation, except as otherwise provided by law, the Certificate of Formation, or these Bylaws. In the absence or disability of the Secretary, the duties of such office shall be performed and the powers may be exercised by the Assistant

Secretaries, if any, in the order of their seniority, unless otherwise determined by the Secretary, the President, or the Board of Directors.

Section 6.12. Assistant Secretaries. Each Assistant Secretary, if any, shall generally assist the Secretary and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to such office by the Secretary, the President, or the Board of Directors.

Section 6.13. Treasurer. The Treasurer shall be the chief accounting and financial officer of the Corporation and shall have active control of, and shall be responsible for, all matters pertaining to the accounts and finances of the Corporation, and shall direct the manner of certifying same; shall supervise the manner of keeping all vouchers for payments by the Corporation and all other documents relating to such payments; shall receive, audit, and consolidate all operating and financial statements of the Corporation and its various departments; shall have supervision of the books of account of the Corporation, their arrangements and classification; shall supervise the accounting and auditing practices of the Corporation; and shall have charge of all matters relating to taxation. The Treasurer shall have the care and custody of all monies, funds, and securities of the Corporation; shall deposit or cause to be deposited all such funds in and with such depositories as the Board of Directors shall from time to time direct or as shall be selected in accordance with procedures established by the Board; shall advise upon all terms of credit granted by the Corporation; shall be responsible for the collection of all its accounts; and shall cause to be kept full and accurate accounts of all receipts, disbursements, and contributions of the Corporation. The Treasurer shall have the power to endorse for deposit or collection or otherwise all checks, drafts, notes, bills of exchange, or other commercial papers payable to the Corporation, and to give proper receipts or discharges for all payments to the Corporation. The Treasurer shall generally perform all duties usually appertaining to the office of treasurer of a corporation, except as otherwise provided by law, the Certificate of Formation, or these Bylaws. In the absence or disability of the Treasurer, the duties of such office shall be performed and the powers may be exercised by the Assistant Treasurers, if any, in the order of their seniority, unless otherwise determined by the Treasurer, the President, or the Board of Directors. The Corporation may contract with the City to provide financial services for the Corporation in deciding the performance of the duties of the Treasurer set forth in this Section 6.12.

Section 6.14. Assistant Treasurers. Each Assistant Treasurer, if any, shall generally assist the Treasurer and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to such office by the Treasurer, the President, or the Board of Directors.

Section 6.15. Additional Powers and Duties. In addition to the foregoing specially enumerated duties, services, and powers, the several elected and appointed officers of the Corporation shall perform such other duties and services and exercise such further powers as may be provided by law, the Certificate of Formation, or these Bylaws, or as the Board of Directors may from time to time determine or as may be assigned by any competent superior officer.

Section 6.16. Contracts for Service. The Corporation may contract with any qualified and appropriate person, association, corporation or governmental entity to perform and discharge designated tasks which will aid or assist the Board in the performance of its duties. However, no such

contract shall ever be approved or entered into which seeks or attempts to divest the Board of its discretion and policy-making functions in discharging the duties herein above set forth in this section.

ARTICLE SEVEN
FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 7.1. Financial Report. The Corporation will prepare a financial report and submit a copy of such report to the Plano City Council via the City Manager within 120 days of the close of the Corporation's fiscal year.

Section 7.2. Books, Records, Audits.

(a) The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities, and affairs.

(b) Although it is anticipated that the books, records, accounts, and financial statements of the Corporation shall be audited in conjunction with the annual audit of the City, in the event the Corporation is not included in the City's annual audit, the Corporation shall be audited at least once each fiscal year by an outside, independent auditing and accounting firm retained by the City to conduct the City annual audit. Such audit shall be at the expense of the Corporation.

Section 7.3. Deposit and Investment of Corporate Funds. All other monies of the Corporation shall be deposited, secured, and/or invested in the manner provided for the deposit, security and/or investment of the public funds of the City. The Board shall designate authorized signatures on all payment authorization and/or check requests. The accounts reconciliation and investment of such funds and accounts may be reviewed by anyone during normal business hours on written request, and reimbursement for any expenses may be reviewed at the principal offices of the corporation.

Section 7.4. Expenditures of Corporate Money. The monies of the Corporation, including monies derived from the repayment of loans, rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds from donations received from third parties, may be expended by the Corporation for any of the purposes authorized by the Certificate of Formation.

Section 7.5. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes, or for any special purpose, of the Corporation. Prior to acceptance of any non-cash contribution, gift, bequest, or devise (other than marketable securities that are traded on a recognized securities exchange), the Board of Directors (or its designee) shall determine, by resolution thereof, that the acceptance of such non-cash contribution, gift, bequest, or devise by the Corporation would be in the best interests of the Corporation.

ARTICLE EIGHT
INDEMNIFICATION

Section 8.1. Indemnification. To the maximum extent permitted or required by Chapter 8 of the BOC, as it now exists or as it may be amended in the future, the Corporation shall indemnify any person who was, is, or is threatened to be made a named defendant or respondent in a proceeding (as hereinafter defined) because the person (i) is or was a director or officer of the Corporation or (ii) while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise, against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlement and reasonable expenses (including, without limitation, attorneys' fees) actually incurred by such person in connection with such proceeding, to the fullest extent that a corporation may grant indemnification to a director under the BOC, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment). For purposes of this Article, the term "proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative; any appeal in such action, suit, or proceeding; and any inquiry or investigation that could lead to such an action, suit, or proceeding.

The rights granted pursuant to this Article shall be deemed contract rights, and no amendment, modification or repeal of this Article shall have the effect of limiting or denying any such rights with respect to actions taken or proceedings arising prior to any such amendment, modification or repeal. It is expressly acknowledged that the indemnification provided in this Article could involve indemnification for negligence or under theories of strict liability. The rights conferred by this Article shall include the right to be paid by the Corporation expenses incurred in defending any such proceeding in advance of its final disposition to the maximum extent permitted under the BOC, as the same exists or may hereafter be amended. If a claim for indemnification or advancement of expenses hereunder is not paid in full by the Corporation within ninety (90) days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, the claimant shall be entitled to also be paid the expenses of prosecuting such claim. It shall be a defense to any such action that such indemnification or advancement of costs of defense is not permitted under the BOC, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors or any committee thereof or special legal counsel) to have made its determination prior to the commencement of such action that indemnification of, or advancement of costs of defense to, the claimant is permissible in the circumstances nor an actual determination by the Corporation (including its Board of Directors or any committee thereof, or special legal counsel) that such indemnification or advancement is not permissible shall be a defense to the action or create a presumption that such indemnification or advancement is not permissible.

The Corporation may additionally indemnify any person covered by the grant of mandatory indemnification contained in this Article to such further extent as is permitted by law and may

indemnify any other person to the fullest extent permitted by law. The Corporation may purchase and maintain insurance or a similar arrangement (including, but not limited to, a trust fund, self-insurance, a security interest or lien on the assets of the Corporation, or a letter of credit, guaranty, or surety arrangement) on behalf of any person who is serving the Corporation (or another entity at the request of the Corporation) against any liability asserted against such person and incurred by such person in such a capacity or arising out of the status as such a person, whether or not the Corporation would have the power to indemnify such person against that liability under this Article or by statute. Notwithstanding the other provisions of this Article, the Corporation may not indemnify or maintain insurance or a similar arrangement on behalf of any person, if such indemnification or maintenance of insurance or similar arrangement would subject the Corporation to income tax under the Code or subject such person to excise tax under the Code.

Notwithstanding any other provision of this Article, the Corporation may pay or reimburse expenses incurred by a Director or officer in connection with his or her appearance as a witness or other participation in a proceeding involving the Corporation or its business at a time when he or she is not a named defendant or respondent in the proceeding.

The rights conferred above shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, bylaw, resolution of directors or members, agreement, or otherwise.

In the event of the death of any person having a right of indemnification under the foregoing provisions, such right shall inure to the benefit of such person's heirs, executors, administrators, and personal representatives.

ARTICLE NINE CODE OF ETHICS

Section 9.1. Policy and Purposes.

- (a) It is the policy of the Corporation that Directors and officers conduct themselves in a manner consistent with sound business and ethical practices; that the public interest always be considered in conducting corporate business; that the appearance of impropriety be avoided to ensure and maintain public confidence in the Corporation; and that the Board establish policies to control and manage the affairs of the Corporation fairly, impartially, and without discrimination.
- (b) This Code of Ethics has been adopted as part of the Corporation's Bylaws for the following purposes: (a) to encourage high ethical standards in official conduct by Directors and corporate officers; and (b) to establish guidelines for such ethical standards of conduct.

Section 9.2. Conflicts of Interest. A Director or Officer of the Corporation may not lend money to or borrow money from the Corporation or otherwise transact business with the Corporation. All Directors and Officers shall at all times comply with all applicable State or City conflicts of interest laws, charter provisions or ordinances.

Section 9.3. Acceptance of Gifts. No Director or Officer shall accept any benefit as consideration for any decision, opinion, recommendation, vote or other exercise of discretion in carrying out official acts for the Corporation. No Director or Officer shall solicit, accept, or agree to accept any benefit from a person known to be interested in or likely to become interested in any contract, purchase, payment, claim or transaction involving the exercise of the Director's or Officer's discretion. As used here, "benefit" does not include:

- (a) a fee prescribed by law to be received by a Director or officer or any other benefit to which the Director or officer is lawfully entitled or for which he gives legitimate consideration in a capacity other than as a Director or officer;
- (b) a gift or other benefit conferred on an account of kinship or a personal, professional, or business relationship independent of the official status of the Director or Officer;
- (c) an honorarium in consideration for legitimate services rendered above and beyond official duties and responsibilities if:
 - i. not more than one honorarium is received from the same person in a calendar year;
 - ii. not more than one honorarium is received for the same service; and
 - iii. the value of the honorarium does not exceed \$250 exclusive of reimbursement for travel, food, and lodging expenses incurred by the Director or Officer in performance of the services.
- (d) A benefit consisting of food, lodging, transportation, or entertainment accepted as a guest is reported as may be required by law.

ARTICLE TEN MISCELLANEOUS

Section 10.1. Dividends Prohibited. No part of the net income of the Corporation shall inure to the benefit of any private individual and no dividend shall be paid and no part of the income of the Corporation shall be distributed to its directors or officers. The Corporation may pay compensation in a reasonable amount to its officers for services rendered and may reimburse its directors as provided in Section 3.18 of Article Three and Section 6.7 of Article Six hereof.

Section 10.2. Loans to Officers and Directors Prohibited. No loans shall be made by the Corporation to its officers and directors, and any directors voting for or assenting to the making of any such loan, and any officer participating in the making thereof, shall be jointly and severally liable to the Corporation for the amount of such loan until repayment thereof.

Section 10.3. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 10.4. Services of City Staff and Officers. The Corporation shall have the right to contract for and utilize the services of City of Plano personnel for usual and routine matters, provided that the performance of such service does not materially interfere with the other duties of such personnel of the City, with the approval of the City Manager.

Section 10.5. Seal. The Corporation shall not have a seal.

Section 10.6. Gender. Words of either gender used in these Bylaws shall be construed to include the other gender, unless the context requires otherwise.

Section 10.7. Invalid Provisions. If any part of these Bylaws shall be held invalid or inoperative for any reason, the remaining parts, so far as is possible and reasonable, shall remain valid and operative.

Section 10.8. Headings. The headings used in these Bylaws are for convenience only and do not constitute matter to be construed in the interpretation of these Bylaws.

Section 10.9. Prohibited Acts. As long as the Corporation is in existence, and except with the prior approval of the Board of Directors, no director, officer, or committee member of the Corporation shall:

- (a) Do any act in violation of the 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 intended or ordinary business of the Corporation.
- (d) Receive an improper personal benefit from the operation of the Corporation.
- (e) Use the assets of this Corporation, directly or indirectly, for any purpose other than carrying on the business of this Corporation.
- (f) Wrongfully transfer or dispose of Corporation property, including intangible property such as good will.
- (g) Use the name of the Corporation (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 the Corporation's business.

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

Section 10.10. City Access to Records of Corporation. Notwithstanding the provisions of Chapter 552 of the Texas Government Code or any exceptions contained therein to disclosure and the rights or limitations thereof regarding the review of records of Texas nonprofit corporations, the City shall have a special right to review and obtain copies of the records of the Corporation, regardless of format, upon reasonable notice and during regular business hours of the Corporation; provided, however, such special right of access to the City shall not apply to records to which law or regulation expressly prohibit disclosure to third parties that would by definition include the City.

Section 10.11. Parties Bound. These Bylaws shall be binding upon 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 otherwise provided in these Bylaws.

ARTICLE ELEVEN
AMENDMENTS

Section 11.1. Powers to Amend. These Bylaws may be altered, amended, or repealed, and the Certificate of Formation may be amended or restated, by an affirmative vote of a majority of Board members present at any meeting of the Board; provided, however, no such alteration, amendment or repeal of these Bylaws, or amendment or restatement of the Certificate of Formation, shall be effective until approved by a resolution of the Plano City Council; and, provided further, the Plano City Council may, in its discretion, later amend or repeal these Bylaws or amend or restate the Certificate of Formation.

* * * *

The undersigned, being the duly elected and qualified Secretary of the Corporation, hereby certifies that the foregoing initial Bylaws of the Corporation were duly adopted by the Board of Directors of the Corporation effective the ____ day of _____, 2021.

_____, Secretary

APPROVED by the City Council of the City of Plano, Texas, pursuant to Resolution No. _____ approved on the ___ day of _____, 2021.

_____, City Secretary
City of Plano, Texas