



Office of the Secretary of State

CERTIFICATE OF INCORPORATION OF

Uhland Economic Development Corporation
File Number: 801046216

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

Dated: 10/28/2008

Effective: 10/28/2008



A handwritten signature in black ink, appearing to read "Hope Andrade".

Hope Andrade
Secretary of State

OCT 28 2008

Corporations Section

**ARTICLES OF INCORPORATION
OF
UHLAND ECONOMIC DEVELOPMENT CORPORATION**

WE, THE UNDERSIGNED natural persons, not less than three in number each of Whom is at least 18 years of age and is a qualified elector of the City of Uhlend, Texas (the "City"), acting as incorporators of a public instrumentality and non-profit industrial development corporation (the "Corporation") under the Development Corporation Act of 1979, as amended, Article 5190.6, Tex. Rev. Civ. Stat. Ann., as amended (the "Act"), with the approval of the City Council (the "City Council") of the City, do hereby adopt the following Articles of Incorporation for the Corporation.

ARTICLE ONE

The name of the corporation is "Uhlend Economic Development Corporation".

ARTICLE TWO

The Corporation is a non-profit industrial development corporation under the Act and is governed by Section 48 of the Act.

ARTICLE THREE

Subject to the provisions of Article Eleven of these Articles, the period of duration of the Corporation is perpetual.

ARTICLE FOUR

(a) The Corporation is organized and authorized to engage in and pursue any purpose permitted by Section 4B of the Act, including but not limited to develop, implement, provide, and finance projects under the Act and as defined by Section 4B of the Act.

(b) In the fulfillment of its corporate purpose, the Corporation shall have the power to pay the costs of projects and to provide financing to pay the costs of projects through the issuance or execution of bonds, notes, and other forms of debt instruments, and to acquire, maintain and lease and sell property, and interests therein, all to be done and accomplished on behalf of the City and for its benefit and to accomplish its public and governmental purposes as its duly constituted authority and public instrumentality pursuant to the Act and under, and within the meaning of, the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Treasury Department and the ruling of the Internal Revenue Service of the United States prescribed and promulgated there under.

(c) In the fulfillment of its corporate purpose, the Corporation shall have and may exercise the powers described in paragraph (b) of this Article, together with all of the other powers granted to 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, Article 1396-1.01, et seq., Vernon's Ann. Civ. St., as amended.

(d) The Corporation is a corporation having the purposes and powers permitted by the Act pursuant to the authority granted in Article 111, Section 52-a 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.

(a) 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 constituted the contracts, agreements, bonds, notes, or other debt instruments or other obligations, or the lending of credit, or 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

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

ARTICLE SIX

These Articles of Incorporation may be amended in either one of the methods prescribed in this Article.

(a) Pursuant to the powers of the City contained in Section 17(b) of the Act, the City Council, by resolution, may amend these Articles of Incorporation by filing amendments with the Secretary of State as provided by the Act.

(b) The board of directors of the Corporation may file a written application with the City Council requesting approval of proposed amendments to these Articles of Incorporation, specifying in such application the proposed amendments. If the City Council, by appropriate resolution, finds and determines that it is advisable that the proposed amendments be made, authorizes the same to be made, and approves the form of the proposed amendments, the board of directors of the Corporation may proceed to amend these Articles of Incorporation in the manner provided by the Act.

(c) The board of directors of the Corporation shall not have any power to amend these Articles of Incorporation except in accordance with the procedures established in paragraph (b) of this Article.

ARTICLE SEVEN

The Street Address of the initial registered office of the Corporation is the Uhland City Hall, 15 N. Old Spanish Trail, Uhland, Texas 78640 and the name of its initial registered agent at such address is Karen Gallaher, City Secretary.

ARTICLE EIGHT

The affairs of the Corporation shall be managed by a board of directors consisting of seven (7) directors appointed the governing body of the City for two (2) year terms of office. As many as four (4) of the directors may be members of the governing body, officers or employees of the City ('City Class'), but, at least three (3) directors must be persons who are not employees or officers or members of the governing body of the City ("Citizen member Class"). 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:

NAMES	ADDRESSES	DATES OF EXPIRATION OF TERM	CLASS OF DIRECTOR
Susie Carter	212 Grist Mill Road Uhland TX. 78640	*	Citizenmember
John Franklin	31 Cotton Gin Road Uhland TX. 78640	**	City member
Diane Garonzik	10 Cotton Gin Road Uhland TX 78640	**	Citizenmember
Daniel Heideman	104 Grist Mill Road Uhland TX 78640	**	Citizenmember
James Holt	88 S. Camino Real Uhland TX 78640	**	Citizenmember
Bruce Lockhart	68 Grist Mill Road Uhland TX 78640	*	Citizenmember
Polly Mock	795 Plum Creek Road Uhland TX 78640	*	Citizenmember

* one year from date of state approval

** two years from date of state approval

Each director shall hold office for the term for which the director is appointed unless sooner removed or resigned. Each director, including the initial directors, shall be eligible for reappointment. Directors are removable by the City Council at will without cause and must be appointed for a term of two (2) years. If a director of the City member Class shall cease to be a member of the City Council or a City officer or employee, or if a director shall cease being a resident of the area defined by Section 4B(c) of the Act, or if a director of the Citizen member Class shall become an employee or officer of the City or a member of the City Council, such event shall constitute an automatic resignation as a director and such vacancy shall be filled in

the same manner as for other vacancies of the same class. Any vacancy occurring on the board of directors through death, resignation or otherwise shall be filled by appointment by the City Council to hold office until the expiration of the vacating member's term.

ARTICLE NINE

The name and street address of each incorporator are:

NAME	ADDRESS
John Franklin	31 Cotton Gin Road Uhland, TX. 78640
Bruce Lockhart	68 Grist Mill Road Uhland, TX. 78640
James Holt	88 S. Camino Real Uhland, TX. 78640

ARTICLE TEN

(a) The initial bylaws of the Corporation shall be in the form and substance approved by the City Council by similar resolution as that approving these Articles of Incorporation. Such bylaws shall be adopted by the Corporation's board of directors and shall, together with these Articles of Incorporation, govern the internal affairs of the Corporation until and unless amended in accordance with this Article.

(b) Neither the Initial bylaws nor any subsequently effective bylaws of the Corporation may be amended without the consent and approval of the City Council. The board of directors of the corporation shall make application to the City Council for the approval of any proposed amendments, but the same shall not become effective until or unless the same shall be approved by resolution adopted by the City Council.

ARTICLE ELEVEN

(a) The City Council may, in its sole discretion, and at any time alter or change the structure, organization; programs or activities of the Corporation, and it may terminate or dissolve the Corporation, subject to the provisions of paragraphs (b) and (c) of this Article.

(b) 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.

(c) No action shall be taken pursuant to paragraphs (a) and (b) of this Article or pursuant to paragraph (b) of Article Twelve of these Articles, in any manner or at any time that would impair any contract, lease, right, or other obligations theretofore executed, granted, or incurred by the Corporation.

ARTICLE TWELVE

(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 and lease payments received in connection with projects financed pursuant to Section 4B of the Act shall be paid to the City. All sales and use taxes collected for the account of the Corporation pursuant to Section 4B of the Act, and lease payments received in connection with projects financed pursuant to Section 4B of the Act will be used solely for the purposes permitted by Section 4B of the Act.

(c) 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 all debts, claims, and contractual obligations, including any contractual obligations granting rights of purchase of property of the Corporation.

(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.

ARTICLE THIRTEEN

The Corporation shall have no power to take any action that would be inconsistent with the requirements for a tax exemption under Internal Revenue Code Section 501 and related regulations, rulings, and procedures. The Corporation shall have no power to take any action that would be inconsistent with the requirements for receiving tax-deductible contributions under Internal Revenue Code Section 170(c)(2) and related regulations, rulings, and procedures. Regardless of any other provision in these Articles of Incorporation or state law, the Corporation shall have no power to:

- (a) Engage in activities or use its assets in manners that are not in furtherance of one or more exempt purposes, as set forth above and defined by the Internal Revenue Code and related regulations, rulings, and procedures, except to an insubstantial degree.
- (b) Serve a private interest other than one that is clearly incidental to an overriding public interest.
- (c) Devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise, except as provided by

the Internal Revenue Code and related regulations, rulings, and procedures.

- (d) Participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office. The prohibited activities include the publishing or distributing of statements and any other direct or indirect campaign activities.
- (e) Have objectives that characterize it as an "action organization" as defined by the Internal Revenue Code and related regulations, rulings, and procedures.
- (f) Distribute its assets on dissolution other than for one or more exempt purposes; on dissolution, the Corporation's assets shall be distributed to the City of Umland to be used to accomplish the general purposes for which the Corporation was organized.
- (g) Permit any part of the net earnings of the Corporation to inure to the benefit of any private shareholder or member of the Corporation or any private individual.
- (h) Carry on an unrelated trade or business except as a secondary purpose related to the Corporation's primary, exempt purposes.

The Corporation shall make distributions at such times and in such manners as to avoid the tax under Internal Revenue Code Section 4942. The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d). The Corporation shall not retain excess business holdings as defined in Section 4943(c). The Corporation shall not make any investments that would subject it to the tax described in Section 4944. The Corporation shall not make any taxable expenditure as defined in Section 4945(e).

ARTICLE FOURTEEN

A director is not liable to the Corporation for monetary damages for an act or omission in the director's capacity as director except to the extent otherwise provided by a statute of the State of Texas.

ARTICLE FIFTEEN

The Corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or officer of the Corporation. The board of directors shall, through the bylaws, define the requirements and limitations for the Corporation to indemnify directors and officers pursuant to the Act and Tex. Rev. Stat. Ann., Article 1396-2.22A.

ARTICLE SIXTEEN

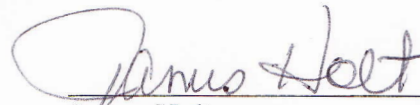
All references in these Articles of Incorporation to statutes, regulations, or other sources or legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

ARTICLE SEVENTEEN

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

John Franklin

Bruce Lockhart



James Holt

INCORPORATORS

THE STATE OF TEXAS

COUNTY OF HAYS

I the understated, a Notary of the State of Texas, do hereby certify that on this day of
personally appeared before me
who, each being by me first duly sworn, severally declared that they are the persons who signed
the foregoing documentation as incorporators, and that the statements therein contained are true
and correct.

NOTARY PUBLIC – STATE OF TEXAS