

**FIRST AMENDED AND RESTATED BYLAWS
OF
THE CITY OF SANTA FE
SECTION 4B ECONOMIC DEVELOPMENT CORPORATION**

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**FIRST AMENDED AND RESTATED BYLAWS
OF
THE CITY OF SANTA FE SECTION 4B
ECONOMIC DEVELOPMENT CORPORATION**

These Bylaws govern the affairs of the City of Santa Fe Section 4B Economic Development Corporation (the "Corporation"), a nonprofit corporation organized under Article 5190.6, Section 4B, Texas Revised Civil Statutes, as amended, the Development Corporation Act of 1979 (the "Act") and governed by Section 4B of the Act. The Development Act is now codified in the Texas Local Government Code, Title 12, Subtitle C1.

ARTICLE I

OFFICES

PRINCIPAL OFFICE

The Corporation's principal office in Texas is located at City Hall, 12002 State Highway 6, Santa Fe, Texas 77510. The Corporation may have such other offices, in Santa Fe, Texas as the Board of Directors (the "Board") may determine.

REGISTERED AGENT AND REGISTERED OFFICE

The Corporation will maintain a registered office and registered agent in Santa Fe, Texas. The registered office may, but need not, be identical with the Corporation's principal office in Texas. The Board of Directors may change the registered office and registered agent as permitted under The Development Corporation Act, Chapters 501 to 505 of the Texas Local Government Code.

ARTICLE II

PURPOSES

City of Santa Fe Section 4B Economic Development Corporation (the "Corporation") is organized for the purpose of aiding, assisting and acting on behalf of the City of Santa Fe, Texas (the "City"), to promote and develop all projects authorized by Chapters 501 and 505 of the Texas Local Government Code—including, but not limited to, projects for the general promotion and development of new or expanded business enterprises, public safety facilities, streets and roads, drainage and related improvements, demolition of existing structures, general municipally-owned improvements, projects for professional and amateur sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, learning centers, parks and park facilities, open space improvements, municipal buildings, museums, exhibition facilities, and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities, and related roads, streets, and water and sewer facilities and any and all costs associated with an authorized project in accordance with Texas Local Government Code, Section 501.152, as well as administrative expenses,

maintenance and operation expenses, promotional expenses, and the issuance of bonds for any of the above projects.

ARTICLE III

POWERS OF THE CORPORATION

To fulfill its corporate purpose, the Corporation shall be governed by the Act and specifically Chapters 501 and 505 of the Texas Local Government Code, and shall have all the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law including Chapter 22 of the Texas Business Organizations Code (the “Nonprofit Corporation Act”), subject to the limitations prescribed therein and herein and to the provisions thereof and hereof.

The Corporation may undertake projects as contemplated by Chapters 501 and 505 of the Act including, but not limited to: (1) lease all or any part of a project to a user, for the rental and on the terms the corporation’s board of directors considers advisable and not in conflict with Section 501.153 of the Local Government Code; or (2) sell, by installment payments or otherwise, and convey all or any part of the project to a user for the purchase price and on the terms the corporation’s board of directors considers advisable and not in conflict with Section 501.153.

The Corporation may grant a lessee an option to purchase all or any part of a project when all bonds of the corporation delivered to provide for those facilities have been paid or provision has been made for the bonds’ final payment.

With respect to a project, the corporation may donate, exchange, convey, sell, or lease land, improvements, or any other interest in real property, fixtures, furnishings, equipment, or personal property to an institution of higher education for a legal purpose of the institution, on the terms the corporation’s board of directors considers advisable.

The Corporation may make a secured or unsecured loan to a user for the purposes of providing temporary or permanent financing or refinancing of all or part of the cost of a project, including the refunding of an outstanding obligation, mortgage, or advance issued, made or given by a person for the cost of a project. For a loan made under Texas Local Government Code, Section 501.155, the Corporation may charge and collect interest on the terms the Corporation’s board of directors considers advisable. “User” shall be defined as (1) an individual, a partnership, a corporation, or any other private entity organized for profit or not for profit; or (2) a municipality, county, district, other political subdivision, public entity, or agency of this state or the federal government.

The Corporation may issue bonds to defray all or part of the cost of a project, regardless of whether the bonds are wholly or partly exempt from federal income taxation.

DEPOSITS AND INVESTMENT OF CORPORATION FUNDS

All proceeds from loans or from the issuance of bonds, notes, or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in the documents authorizing or relating to their execution or issuance.

Subject to the requirements of contracts, loan agreements, or other document securing Obligations, 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 of Santa Fe, Texas. The Board shall designate the accounts and depositories to be created and designated for such purposes of the Corporation upon the signature of its treasurer and such other persons as the Board designates. The accounts, reconciliation, and investment of such funds and accounts shall be performed by the Treasurer of the Corporation, or in lieu of the Treasurer, the Chief Financial Officer (or equivalent) of the City of Santa Fe, Texas pursuant to Article VII, Section 7 hereof.

ARTICLE IV

TERMINATION OF CORPORATION

On receipt of a petition signed by at least ten percent (10%) of the registered voters of the City of Santa Fe, Texas, requesting an election on the termination of the Santa Fe EDC, the City Council of the City of Santa Fe shall order an election on such petition for termination. The election shall be held on the first available uniform election date that occurs after the time required by Section 3.005 of the Texas Election Code. The ballot for the election held under Texas Local Government Code, Section 505.352 shall be printed to permit voting for or against the proposition: "Termination of the City of Santa Fe Section 4B Economic Development Corporation."

If a majority of the votes cast at the election held pursuant to Section 505.352 approve the termination, the Corporation shall:

1. Continue operations only as necessary to meet the obligations the Corporation incurred prior to the date of the election, including paying the principal of and interest on the Corporation's bonds; and
2. Liquidate the Corporation's assets and apply the proceeds to satisfy the Corporation's obligation, to the extent practicable.

Following satisfaction of the Corporation's obligations, any remaining assets of the Corporation shall be transferred to the City of Santa Fe, Texas. A Certificate of Termination shall be executed on behalf of the corporation by the President or Vice President of the Corporation and by the Secretary or an Assistant Secretary of the Corporation or by the presiding officer of the Santa Fe City Council and the Secretary or Clerk of the Santa Fe City Council.

ARTICLE V
BOARD OF DIRECTORS

Section 1. Appointment, Classes, Powers, Number and Term of Office. All powers of the Corporation shall be vested in a Board of Directors consisting of seven (7) persons. Three (3) Directors shall be persons who are not employees, officers, or members of the City Council. Directors of the Corporation ("Director" or "Directors") shall be appointed by position to the Board. Each initial Director shall serve for the term expiring on the date set forth in the Articles of Incorporation. Subsequent Directors shall be appointed by the City Council. Each subsequent Director shall serve for a term of two (2) years beginning on October 1st and ending on September 30th, or until his or her successor is appointed by the City Council unless such Director has been appointed to fill an unexpired term in which case the term of the Director shall expire on the expiration date of the term of the Director whose position he or she was appointed to fill. Odd numbered director positions shall be appointed in odd years and even numbered director positions shall be appointed in even years.

To be qualified to serve as a Director, a person must be a resident of the City and be at least 18 years old.

The Board of Directors and each member thereof serves at the pleasure of the City Council of the City of Santa Fe, Texas, which may remove any Director at any time, either with or without good cause. A vacancy occurring upon the Board of Directors shall be filled for the unexpired term by the City Council.

Section 2. Reporting to City Council. The Board of Directors shall prepare and submit to the City Council for its approval an annual budget of revenues and expenditures. Quarterly, the Board of Directors, or in lieu of the Board of Directors the Executive Director, shall prepare and submit interim financial statements reflecting the financial position and results of operations.

Section 3. Meetings of Directors. 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 of Directors shall meet in accordance with and file notice of each meeting of the Board of Directors, whether annual, regular, special or emergency in nature, for the same length of time and in the same manner and location as is required of a City under Texas Government Code, Chapter 551, as amended (the "Texas Open Meetings Act").

Section 4. Open Records. The Corporation shall be considered a "governmental body" within the meaning of Texas Government Code, Section 552.003, and all records of the Corporation shall be made available to the public for inspection or reproduction in accordance with the requirements of Texas Government Code, Chapter 552 (the "Texas Open Records Act").

Section 5. Training Requirements. The Corporation shall comply with all training and education requirements as provided by Texas Local Government Code, Section 502.102. All Board members are encouraged to attend the Basic Economic Development Course at an acceptable education provider within six (6) months of initial appointment. Corporation funds shall be used

to pay the cost of attending the required course as provided by the Texas Local Government Code, Section 502.101. The Executive Director of the Corporation or other person responsible for the corporation's daily administration, and the Corporation's appointed Attorney or the City Manager of the City of Santa Fe are required to attend an economic development training seminar with ninety (90) days of taking office. The seminar must be repeated every two years. Corporation funds shall be used to pay the cost of attending the required course as provided by the Texas Local Government Code, Section 502.101.

Section 6. Annual Meetings. The annual meeting of the Board shall be held at the location in the City designated by the resolution of the Board on the third Tuesday in August of each year, at 6:00 p.m., unless an alternative day is approved by the Board, if not a legal holiday, and, if a legal holiday, then on the next succeeding business day, for the purposes of transacting such business as may be brought before the meeting.

Section 7. Regular Meetings. Regular meetings of the Board shall be held at such times and places as shall be designated, from time to time, by resolution of the Board and in accordance with the Texas Open Meetings Act.

Section 8. Special and Emergency Meetings. Special and emergency meetings of the Board shall be held whenever called by the President, the Vice President, or by a majority of the Directors who are serving duly appointed terms of office at the time the meeting is called.

The Secretary shall give notice of each special meeting in person, by telephone, facsimile, mail or electronic mail (i.e., e-mail) to each Director. Notice of each emergency meeting shall also be given in the manner required of the City under the Texas Open Meetings Act.

Section 9 Quorum. A majority of the entire membership of the Board (meaning four of the seven) shall constitute a quorum for the consideration of matters pertaining to the purposes of the Corporation. If at any meeting of the Board there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. The act of a majority of the Directors present and voting at a meeting at which a quorum is in attendance shall constitute the act of the Board, unless the act of a greater number is required by law, by the Articles of Incorporation, or by these Bylaws.

Section 10. Conduct of Business. At the meetings of the Board, matters pertaining to the purposes of the Corporation shall be considered in such order as from time to time the Board may determine.

At all meetings of the Board, the President shall preside, and in the absence of the President, the Vice President shall preside. In the absence of the President and the Vice President, a meeting chairperson shall be chosen by the Board from among the Directors present.

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. In the alternative, the Board may delegate the duties of the Secretary of the Corporation to the City Secretary of the City of Santa Fe, Texas.

Section 11. Committees. The Board may, by resolution passed by a majority of the Directors, designate three (3) or more Directors to constitute an executive committee or other type of committee. A committee shall act in the manner provided in the authorizing resolution, but a committee shall not have the authority of the Board in the management of the Corporation pursuant to Texas Business Organization Code, Section 22.219. Each committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the office of the Corporation, and shall report the same to the Board from time to time.

Section 12. Compensation of Directors. The Directors shall serve without compensation except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

ARTICLE VI

OFFICERS

Section 1. Titles and Term of Office. The officers of the Corporation shall be a President, a Vice President, a Secretary, a Treasurer and such other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except that the President shall not hold the office of Secretary. The term of office for each officer shall be two (1) year commencing with the date of the annual meeting of the Board at which each such officer is elected.

All officers shall be subject to removal, with or without cause, at any time by a vote of a majority of the whole Board or the City Council.

A vacancy in the office of any officer shall be filled by the Board by election of the remaining Board members.

Section 2. Powers and Duties of the President. The President shall be a member of the Board and shall preside at all meetings of the Board. He or she shall have such duties as are assigned by the Board. The President may call special or emergency meetings of the Board.

The President shall, subject to the Board, be in general charge of the properties and affairs of the Corporation unless otherwise delegated to the Executive Director. In furtherance of the purposes of the Corporation and subject to the limitations contained in the Articles of Incorporation, the President or Vice President may sign and execute all bonds, notes, deeds, conveyances, franchises, assignments, mortgages, notes, contracts and other obligations in the name of the Corporation and subject to approval by the City Council.

Section 3. Powers and Duties of the Vice President. The Vice President shall be a member of the Board. The Vice President shall perform the duties and exercise the powers of the President upon the President's death, absence, disability or resignation or upon the President's inability to perform the duties of his or her office. Any action taken by the Vice-President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken.

Section 4. Treasurer. The Treasurer shall have custody of all the funds and securities of the Corporation which come into his or her hands. When necessary or proper, he or she may 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 banks or depositories as shall be designated in the manner prescribed by the Board; he or she may sign all receipts and vouchers for payments made to the Corporation, either alone or jointly with such other officer as is designated by the Board; whenever required by the Board, he or she shall render a statement of all Corporation accounts; he or she shall enter or cause to be entered regularly in the books of the Corporation to be kept by him or her for that purpose full and accurate accounts of all monies received and paid out on account of the Corporation; he or she shall perform all acts incident to the position of Treasurer subject to the control of the Board; and he or she shall, if required by the Board, give such bond for the faithful discharge of his or her duties in such form as the Board may require. In lieu of the Treasurer of the Corporation performing the duties and responsibilities prescribed herein, the Board may delegate the duties of the Treasurer to the Chief Financial Officer (or equivalent) of the City of Santa Fe, Texas pursuant to Article VII, Section 7 hereof.

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Board in books provided for that purpose; he or she shall attend to the giving and serving of all notices, in furtherance of the purposes of the Corporation and subject to the limitations contained in the Articles of Incorporation he or she may sign with the President in the name of the Corporation and/or attest the signatures thereof, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation; he or she shall have charge of the Corporation's books, records, documents and instruments except the books of account and financial records and securities of which the Treasurer shall have custody and charge, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to the inspection of any Director upon application at the office of the Corporation during business hours; and he or she shall in general perform all duties incident to the office of Secretary subject to the control of the Board. In lieu of the Secretary of the Corporation performing the duties and responsibilities prescribed herein, the Board may delegate the duties of the Secretary to the City Secretary of the City of Santa Fe, Texas pursuant to Article VII, Section 7 hereof.

Section 6. The Executive Director. The Executive Director shall be a professional, and an employee of the board and not a Director. The Executive Director shall be the chief executive officer of the Corporation, and subject to the authority of the Board. The Executive Director shall be in general charge of the properties and affairs of the Corporation, and execute all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments in the name of the Corporation. The Executive Director shall have general supervision of the management of the business of the Corporation, and shall see that all orders and resolutions of the Board are carried into effect upon the approval of the Board.

The Executive Director shall on behalf of the Board of Directors prepare a proposed annual budget of expected revenues and proposed expenditures for the next ensuing fiscal year. The budget shall contain such clarifications and shall be in such form as may be prescribed from time to time by the City Council. The budget shall not be effective until the same has been approved by the Board and the City Council, who shall annually review the financial status of the Corporation. The proposed budget shall be submitted to the City Council with a time frame to be specified by the City Manager for inclusion in the City's annual budgeting process. Quarterly, the Executive

Director shall on behalf of the Board of Directors prepare and submit interim financial statements reflecting the financial position and results of operations.

ARTICLE VII

MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of October and end on the last day of September of the next succeeding year. Such fiscal year shall so constitute the budget and accounting year.

Section 2. Seal. The seal of the Corporation shall be such as from time to time may be approved by the Board.

Section 3. Notice and Waiver. of Notice. Whenever any notice whatever is required to be given under the provisions of these Bylaws, such notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his or her post office address, as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. A waiver of notice, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Section 4. Resignations. Any Director or Officer may resign at any time. 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 receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. Gender. References herein to the masculine gender shall also refer to the feminine in all appropriate cases.

Section 6. Appropriations and Grants. The Corporation shall have the power to request and accept any appropriation, grant, contribution, donation, or other form of aid from the federal government, the State, any political subdivision, or municipality in the State, or from any other source.

Section 7. Required Books and Records. The Corporation will keep correct and complete books and records of account and the City Council is entitled to access the Corporation's books and records at all times in accordance with Texas Local Government Code, Section 501.073(b). At the request of the Corporation, the books, records, accounts, and financial statements of the Corporation may be maintained for the Corporation by the staff and personnel for the City. The Corporation shall allow its books, records, accounts, and financial statements to be audited at least once each fiscal year by an outside, independent auditing and accounting firm selected by the City Council. Such audit shall be in conjunction with the City's annual audit.

Section 8. Service of Process. The President, Vice-President and Registered Agent of the Corporation shall be agents of the Corporation upon whom any process, notice, or demand required or permitted by law to be serviced upon the Corporation may be served.

Section 9. Designation of Depository Bank and Investment Policy. The City of Santa Fe, Texas Corporation shall designate a depository bank according to the investment policy initially adopted by Resolution #1998-14 of the City Council of the City of Santa Fe and reviewed and approved every year thereafter. All funds of the Corporation shall be deposited with the depository bank. All checks, drafts, or orders of payment of money, notes or other evidence of indebtedness issued in the name of the Corporation shall be signed by two (2) of the following: President, Vice-President, or Treasurer.

Section 10. Prohibited Acts. The Corporation is a 501(c)(3) nonprofit corporation; therefore, it shall not 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 in effecting one or more of its purposes). The Corporation shall not direct any of its activities to attempting to influence legislation by propaganda or otherwise. The Corporation shall not participate or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office. The Corporation shall not attempt to influence the outcome of any election for public office or to carry on, directly or indirectly, any voter registration drives. Any income earned by the Corporation after payment of reasonable expenses, debt and establishing a reserve shall accrue to the City.

ARTICLE VIII

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Right to Indemnification. Subject to the limitations and conditions as provided in this Article VIII and the Articles of Incorporation, each person who was or is made a party or is threatened to be made a party to or is involved in any threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitative or investigative (hereinafter a "proceeding"), or any appeal in such a proceeding or any inquiry or investigation that could lead to such a proceeding, by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a Director or officer of the Corporation or 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 shall be indemnified by the Corporation to the fullest extent permitted by the Texas Non-Profit Corporation Act, 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) against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlements and reasonable expenses (including, without limitation, attorney's fees) actually incurred by such person in connection with such proceeding, and indemnification under this Article VIII shall continue as to a person who has ceased to serve in the capacity which initially entitled such person to indemnity hereunder. The rights granted pursuant to this Article VIII shall be deemed contract rights and no amendment, modification or repeal of this Article VIII 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 VIII could involve indemnification for negligence or under theories of strict liability.

Section 2. Advance Payment. The right to indemnification conferred in this Article VIII shall include the right to be paid in advance or reimbursed by the Corporation the reasonable expenses incurred by a person of the type entitled to be indemnified under Section 1 of this Article VIII who was, is or is threatened to be made a named defendant or respondent in a proceeding in advance of the final disposition of the proceeding and without any determination as to the person's ultimate entitlement to indemnification; provided, however, that the payment of such expenses incurred by any such person in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of a written affirmation by such Director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under this Article VIII and a written undertaking, by or on behalf of such person, to repay all amounts so advanced if it shall ultimately be determined that such indemnified person is not entitled to be indemnified under this Article VIII or otherwise.

Section 3. Indemnification of Employees and Accents. The Corporation by adoption of a resolution of the Board, may indemnify and advance expenses to an employee or agent of the Corporation to the same extent and subject to the same conditions under which it may indemnify and advance expenses to Directors and officers under this Article VIII; and the Corporation may indemnify and advance expenses to persons who are not or were not Directors, officers, employees or agents of the Corporation but who are or were 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 any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such person to the same extent that it may indemnify and advance expenses to Directors under this Article VIII.

Section 4. Appearance as a Witness. Notwithstanding any other provision of this Article VIII, 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.

Section 5. Non-exclusivity of Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article VIII shall not be exclusive of any other right which a Director or officer or other person indemnified pursuant to Section 3 of this Article VIII may have or hereafter acquire under any law (common or statutory), provision of the Articles of Incorporation of the Corporation or these Bylaws, agreement, vote of shareholders or disinterested Directors or otherwise.

Section 6. Insurance. The Corporation may purchase and maintain insurance, at its expense, to protect itself and any person who is or was serving as a Director, officer, employee or agent of the Corporation or 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, proprietorship, employee benefit plan, trust or other

enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under this Article VIII.

Section 7. Notification. Any indemnification of or advance of expenses to a Director or officer in accordance with this Article VIII shall be reported in writing to the members of the Board with or before the notice of the next regular meeting of the Board and, in any case, within the 12-month period immediately following the date of the indemnification or advance.

Section 8. Savings Clause. If this Article VIII or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify and hold harmless each Director, officer or any other person indemnified pursuant to this Article VIII as to costs, charges and expenses (including attorney's fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, to the full extent permitted by any applicable portion of this Article VIII that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE IX

CODE OF ETHICS & CONDUCT

Section 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) A separate Code of Ethics & Conduct shall be adopted by resolution of the Board of Directors of the Santa Fe EDC in accordance with the Corporation's Bylaws, as may be amended, for the following purposes: (1) to encourage high ethical standards in official conduct by Directors and corporate officers; and (2) to establish guidelines for such ethical standards of conduct.

ARTICLE X

AMENDMENTS

The Corporation may adopt and amend bylaws for the administration and regulation of the corporation's affairs. A proposal to alter, amend or repeal these Bylaws shall be made by the Affirmative vote of a majority of the full Board at any annual or regular meeting, or at any special meeting if notice of the proposed amendment be contained in the notice of said special meeting. The bylaws and each amendment must be consistent with the certificate of formation of the corporation and state law. Any proposed change or amendment to the Bylaws must be approved by resolution the City Council of the City to be effective.

ARTICLE XI

ADOPTION OF FIRST AMENDED AND RESTATED BYLAWS

The foregoing First Amended and Restated Bylaws were approved by resolution of the City Council of the City of Santa Fe, Texas on October 14, 2021.

The foregoing First Amended and Restated Bylaws were approved by the Board of the Directors on October 26, 2021.

ARTICLE XII

EFFECTIVE DATE

These First Amended and Restated Bylaws, and any subsequent amendments hereto, shall be effective as of and from the date on which approval has been given by both the Board of Directors and the City Council of the City of Santa Fe, Texas.