

**MEDC ORIGINAL ARTICLES OF
INCORPORATION AND
ARTICLES OF AMENDMENT**



The State of Texas

SECRETARY OF STATE

CERTIFICATE OF INCORPORATION

OF

ECONOMIC DEVELOPMENT SALES TAX CORPORATION OF MCKINNEY

CHARTER NO. 1269679-1

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

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

Dated May 10, 19 93.



John Hannah Jr.
Secretary of State

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MAY 10 1993

Corporations Section

ARTICLES OF INCORPORATION
OF
ECONOMIC DEVELOPMENT SALES TAX CORPORATION OF MCKINNEY

I, the undersigned natural person of the age of eighteen (18) years or older, acting as incorporator, adopt the following Articles of Incorporation of ECONOMIC DEVELOPMENT SALES TAX CORPORATION OF MCKINNEY (referred to as the "Corporation") pursuant to the Texas Development Corporation Act of 1979 (Tex.Rev.Civ.-Stat.Ann, art. 5190.6, 1992) (referred to as the "Act"):

ARTICLE 1

NAME

The name of the corporation is ECONOMIC DEVELOPMENT SALES TAX CORPORATION OF MCKINNEY.

ARTICLE 2

NONPROFIT CORPORATION

The Corporation is a nonprofit corporation. The Corporation shall be governed by Section 4A of the Act. Upon dissolution, all of the Corporation's assets shall be distributed to the City of McKinney pursuant to the Act.

ARTICLE 3

DURATION

The Corporation shall continue in perpetuity.

ARTICLE 4

PURPOSE

The public purpose for which the Corporation is organized is to aid, promote and further economic development within the City of McKinney, Collin County, Texas pursuant to the Act.

ARTICLE 5

POWERS

Except as otherwise provided in these Articles, the Corporation shall have all of the powers provided in the Act. Moreover, the Corporation shall have all implied powers necessary and proper to carry out its express powers. The Corporation may pay reasonable compensation for services rendered to or for the Corporation in furtherance of one or more of its purposes set forth above.

ARTICLE 6

RESTRICTIONS AND REQUIREMENTS

A. The Corporation shall not pay dividends or other corporate income to its directors or officers or otherwise accrue distributable profits or permit the realization of private gain. The Corporation shall have no power to take any action prohibited by the Act. The Corporation shall not have the power to engage in any activities, except to an insubstantial degree, that are not in furtherance of the purposes set forth above.

B. 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:

1. 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.
2. Serve a private interest other than one that is clearly incidental to an overriding public interest.
- ★ 3. 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.

4. 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.
5. Have objectives that characterize it as an "action organization" as defined by the Internal Revenue Code and related regulations, rulings, and procedures.
6. 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 McKinney to be used to accomplish the general purposes for which the Corporation was organized.
7. 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.
8. Carry on an unrelated trade or business except as a secondary purpose related to the Corporation's primary, exempt purposes.

C. 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 expenditures as defined in Section 4945(e).

ARTICLE 7

MEMBERSHIP

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

ARTICLE 8

INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Corporation is 222 N. Tennessee Street, McKinney, Texas 75069. The name of the initial registered agent at this office is Mark S. Houser.

ARTICLE 9

BOARD OF DIRECTORS

The qualifications, manner of selection, duties, terms, and other matters relating to the Board of Directors shall be provided in the bylaws. The initial Board of Directors shall consist of five (5) persons. The initial Board of Directors shall consist of the following persons at the following addresses:

<u>Name of Director</u>	<u>Street Address</u>
Jerry Bolin	1717 S. Hardin Boulevard McKinney, Texas 75070
Andy Hardin	314 Brook Lane McKinney, Texas 75069
Don Milke	905 Hills Creek Drive McKinney, Texas 75070
Don Mundell	2711 Rochelle Drive McKinney, Texas 75070
Rob Temple	2609 Foxboro McKinney, Texas 75070

ARTICLE 10

LIMITATION ON LIABILITY OF DIRECTORS

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 11

INDEMNIFICATION

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 other person related to the Corporation. As provided in the bylaws, the Board of Directors shall have the power to define the requirements and limitations for the Corporation to indemnify directors and officers pursuant to the Act and Tex.Rev.Civ.Stat.-Ann., art. 1396-2.22A.

ARTICLE 12

CONSTRUCTION

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 13

APPROVAL OF ARTICLES

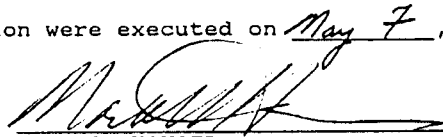
The City of McKinney has specifically authorized the organization of the Corporation by resolution to act on behalf of the City to further its public purpose, and the McKinney City Council has approved these Articles of Incorporation.

ARTICLE 14

INCORPORATOR

The name and street address of the incorporator is: Mark S. Houser, 1600 Redbud Boulevard, Suite 400, McKinney, Texas 75069.

These Articles of Incorporation were executed on May 7, 1993.


MARK S. HOUSER



The State of Texas

SECRETARY OF STATE

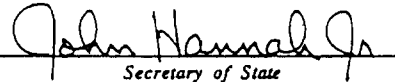
CERTIFICATE OF AMENDMENT OF

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION
FORMERLY:
ECONOMIC DEVELOPMENT SALES TAX CORPORATION OF MCKINNEY

The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Amendment to the Articles of Incorporation of the above corporation duly executed pursuant to the provisions of the Texas Non-Profit Corporation Act, have been received in this office and are found to conform to law.

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

Dated: February 24, 1994


Secretary of State

YD

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
ECONOMIC DEVELOPMENT SALES TAX
CORPORATION OF MCKINNEY

Pursuant to the provisions of article 4.03 of the Texas Non-Profit Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation which change the name of the corporation.

ARTICLE ONE

The name of the corporation is *Economic Development Sales Tax Corporation of McKinney*.

ARTICLE TWO

The following amendment to the Articles of Incorporation was adopted by the corporation on January 24, 1994.

Article 1 of the Articles of Incorporation is hereby amended so as to read as follows:

The name of the corporation is *McKinney Economic Development Corporation*.

ARTICLE THREE

The amendment was adopted at a meeting of members held on January 24, 1994, at which a quorum was present, and the amendment received at least two-thirds of the votes which members present or represented by proxy at such meeting were entitled to cast.

DATED February 22, 1994.

ECONOMIC DEVELOPMENT SALES TAX
CORPORATION OF MCKINNEY

By 
DON MIELKE, Vice President

ATTEST:

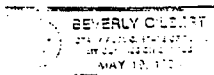
Jerry Bolin
JERRY BOLIN, Secretary

STATE OF TEXAS

COUNTY OF COLLIN

BEFORE ME, a notary public, on this day personally appeared DON MIELKE, Vice President of *ECONOMIC DEVELOPMENT SALES TAX CORPORATION OF MCKINNEY*, a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

GIVEN UNDER my hand and seal of office this 22 day of February, 1994.



Beverly Clement
Notary Public, State of Texas

APPROVED:

John E. Gay
JOHN E. GAY, Mayor
CITY OF MCKINNEY