

BYLAWS OF
THE WERX FOUNDATION, INC.

ARTICLE I
IDENTITY

Section 1. Name. The official and legal name of the corporation shall be **The WERX Foundation, Inc.** (hereinafter referred to as "the Foundation"). It shall be a nonprofit Foundation incorporated under the laws of the State of Texas. The Certificate of Formation was filed with the office of the Secretary of State of the state of Texas on December 11, 2012.

Section 2. Purpose. The Foundation was formed for charitable, scientific and/or educational purposes within the meaning of section 501(c)(3). In accomplishment of such purposes, the Foundation will:

- (a) operate exclusively for charitable, scientific or educational purposes by investing funds under the control and management of the Foundation into providing:
 - (1) funding, facilities, equipment, management, consultation, and other professional services to commercial, scientific, and educational enterprises; and
 - (2) educational programs for small and emerging businesses.

and

- (b) engage in any lawful activity for which corporations may be formed under the Title 2 Chapter 22 of the Texas Business Organizations Code that are incidental and necessary to the foregoing.

Section 3. Members. The Foundation shall have no members

ARTICLE II
OFFICES

Section 1. Principal Place of Business. The principal place of business of the Foundation shall be located at 610 Elm Street, McKinney, TX 75069. The Foundation may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Foundation may require from time to time.

Section 2. Registered Office and Registered Agent. The Foundation shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is the Foundation's registered office, as required by the Act. The registered office may but need not be identical with the principal office of the Foundation in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors in accordance with applicable law.

ARTICLE III
BOARD OF DIRECTORS

Section 1. Powers. The property, business, and affairs of the Foundation shall be managed and controlled by the Board of Directors, and subject to the restrictions imposed by law, the Certificate of Formation and these Bylaws, the Board of Directors shall exercise all of the powers of the Foundation.

Section 2. Number. The Board of Directors shall consist initially of the six Directors named in the Certificate of Formation as originally filed with the Secretary of State of Texas. The number of Directors may be increased or decreased (provided such decrease does not have the effect of shortening the term of any incumbent Director) from time to time by amendment of the Bylaws in accordance with the provisions of Article IX, provided that the number of Directors shall never be less than three.

Section 3. Term and Appointment. The directors shall be divided into three classes, designated Class I, Class II and Class III. The number of directors in each class shall be the whole number contained in the quotient arrived at by dividing the authorized number of directors by three, and if a fraction is also contained in such quotient then if such fraction is one-third (1/3) the extra director shall be a member of Class III and if the fraction is two-thirds (2/3) then one of the extra directors shall be a member of Class III and the other shall be a member of Class II. The terms of office of the Board of Directors are divided into three classes: Class I, which consists of John Valencia (non-voting) and Christine Smith, expires at the annual meeting of Directors to be held in 2018; Class II, which consists of Terry Casey and Steve Tucker will expire at the annual meeting of Directors to be held in 2017; and Class III, which consists of Mark Cottam will expire at the annual meeting of Directors to be held in 2016. At each annual meeting of Directors beginning with the 2016 annual meeting, the successors to directors whose terms then expire will be elected to serve from the time of their election and qualification until the third annual meeting following election and until their successors have been duly elected and qualified, or until their earlier resignation or removal.

McKinney WERX, INC. ("MWI") shall appoint all members of the Foundation's Board of Directors. The MWI shall present additional appointees, as necessary, until the number of the Directors required by this Section 3 has been appointed by the MWI.

Section 4. Removal. Any Director may be removed from office, with or without cause, by the affirmative vote of a majority of the other Directors of the Foundation.

Section 5. Election and Vacancies. Any vacancy occurring in the office of a Director, whether by death, resignation, removal, or otherwise, shall be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors. A Director elected to fill a vacancy arising other than as a result of the completion of the term of a Director shall be elected for the unexpired term of his predecessor in office. Any vacancy to be filled by reason of an increase in the number of Directors shall be filled by election at any meeting of the Board of Directors.

Section 6. Meetings of Directors. The Directors may hold meetings, maintain an office, and keep the Foundation's books and records at such place or places within or without the State of Texas as the Board of Directors may from time to time determine; provided, however, that in the absence of any such determination, such place shall be the Foundation's principal office in the State of Texas.

Section 7. Annual Meetings. The annual meeting of the Board of Directors ("**Annual Meeting**") shall be held at such time and place as shall be designated from time to time by resolution of the Board of Directors, or, if not so designated, on the second Tuesday of the month of December of each year at the Foundation's registered office for the purpose of (a) electing officers for the ensuing year, and (b) transacting such other business as may be properly brought before such Annual Meeting. Notice of Annual Meetings shall be required.

Section 8. Regular Meetings. Regular meetings of the Board of Directors ("**Regular Meetings**") shall be held quarterly at such times and places as shall be designated from time to time by resolution of the Board of Directors. Notice of Regular Meetings shall be required.

Section 9. Special Meetings. Special meetings of the Board of Directors ("**Special Meetings**") shall be held at such times and places as shall be designated from time to time by (a) Chairman of the Board, (b) a Vice-Chairman of the Board or (d) by the Secretary, if the Secretary is requested to do so in writing by any two Directors. Notice of Special Meetings shall be required.

Section 10. Notice of Meetings. The Secretary shall give notice of the time and place of each Regular Meeting or Special Meeting to each Director in person, or by mail, email, or telephone, at least five calendar days before such meeting. Unless otherwise indicated in such notice, any and all matters pertaining to the Foundation's purposes may be considered and acted upon at such meeting. At any such meeting at which every Director shall be present even though without notice, any matter pertaining to the Foundation's purposes may be considered and acted upon.

Section 11. Quorum. A majority of the then acting Directors shall constitute a quorum for the consideration of any matters pertaining to the Foundation's purposes. If at any meeting of the Board of Directors 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 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, the Certificate of Formation or these Bylaws.

Section 12. Voting. A Director may vote in person or by proxy executed in writing by the Director. No proxy shall be valid after three months from the date of its execution. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and unless otherwise made irrevocable by law.

Section 13. Conduct of Business. At meetings of the Board of Directors, matters pertaining to the Foundation's purposes shall be considered. At all meetings of the Board of Directors, the Chairman of the Board shall preside, and in the absence of the Chairman, any Vice-Chairman of the Board shall preside, and in the absence of any

Vice-Chairman, a chairman shall be chosen by the Board of Directors from among the Directors present. The Secretary of the Foundation shall act as secretary of all meetings of the Board of Directors, but in the absence of the Secretary, the chairman may appoint any person to act as secretary of the meeting.

Section 14. Compensation of Directors; Expenses. Persons serving as Directors shall not receive any salary or compensation for their services as Directors; provided, however, that nothing contained herein shall be construed as precluding any Director from receiving compensation in a reasonable amount for personal services rendered (other than services rendered as a Director) that are reasonable and necessary in carrying out the Foundation's purposes as the Board of Directors may from time to time determine. A Director shall be entitled to reimbursement for reasonable expenses incurred by him or her in carrying out his or her duties as a Director.

ARTICLE IV COMMITTEES

Section 1. Board Committees. The Board of Directors may from time to time designate members of the Board of Directors to constitute committees that shall have and may exercise such powers as a majority of the Board of Directors may determine in the resolution that creates the committee. The Board of Directors may appoint individuals who are not members of the Board of Directors to any committee; provided, however, that a majority of the committee members shall be members of the Board of Directors if such committee exercises the authority of the Board of Directors in the management of the Foundation.

Other committees, not having and exercising the authority of the Board of Directors in the management of the Foundation, may be designated and members appointed by a resolution adopted by the Board of Directors, or by the Executive Director if authorized by a resolution of the Board of Directors or by these Bylaws. Membership of such committees may, but need not, be limited to Directors.

Section 2. Procedures; Meetings; Quorum. Any committee created by the Board of Directors or these Bylaws, unless otherwise expressly provided herein, shall (a) have a chairman designated by the Board of Directors, (b) fix its own rules or procedures, (c) meet at such times and at such place or places as may be provided by such rules or by resolution of such committee or resolution of the Board of Directors, and (d) keep regular minutes of its meetings and cause such minutes to be recorded in books kept for that purpose in the principal office of the Foundation, and report the same to the Board of Directors at its next succeeding meeting. At every meeting of any such committee, the presence of a majority of all the members thereof shall constitute a quorum, and the affirmative vote of a majority of the members present shall be necessary for the adoption by it of any action, unless otherwise expressly provided in the committee's rules or procedures or these Bylaws or by the Board of Directors. The Board of Directors may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting of such committee and not disqualified from voting,

whether or not constituting a quorum, may unanimously appoint the designated alternate Director to act at that meeting in the place of the absent or disqualified member.

ARTICLE V

OFFICERS

Section 1. Titles and Terms of Office. At each Annual Meeting of the Board, the Board shall elect executive officers: Chairperson(s), an Executive Director, who shall also act as President of the Foundation, a Secretary and a Treasurer. The Chairperson(s) must be a Director of the Foundation during their entire tenure as Chairperson(s). No other Officers must be Directors during their tenures in office. Each Officer shall hold office until the corresponding meeting in the next year or until a successor shall have been duly chosen and qualified, or until the Officer shall have resigned or shall have been removed, in the manner provided in these Bylaws. Any vacancy in any such office may be filled for the unexpired year by the Board at any Regular Meeting or at any Special Meeting called for the purpose.

Section 2. Executive Director. Subject to the direction and control of the Board, the Executive Director shall be the chief executive officer of the Foundation and shall have direct charge of and supervision over the business and operations of the Foundation. The Executive Director shall also act as the President of the Foundation. The Executive Director may sign or execute, in the name of the Foundation, all contracts or other undertakings or instruments in the ordinary course of business of the Foundation except in cases where the signing or execution thereof shall have been expressly delegated by the Board to some other Officer or agent of the Foundation. The Executive Director may not sign or execute, on behalf of the Foundation, any contracts, instruments, undertakings or other documents which would act to bind the Foundation to some course of action which would require the approval of the Board unless such power to sign or execute is expressly delegated to the Executive Director by the Board of Directors.

Section 3. Chairperson(s). The Chairperson(s) shall preside at meetings of the Board of Directors. The Chairperson(s) may sign or execute, in the name of the Foundation, all contracts, undertaking and instruments which require the approval or consent of the Board of Directors as well as any other instruments which the Executive Directors may sign.

Section 4. Secretary. The Secretary shall keep the minutes of the meetings of the Board, in books provided for the purpose. The Secretary (i) shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (ii) shall be custodian of the records; and (iii) shall perform all duties incident to the office a secretary of a Foundation and any other duties as from time to time, may be assigned by the Board of Directors.

Section 5. Treasurer. The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Foundation, and shall deposit, or cause to be deposited, in the name of the Foundation, all monies or other valuable effects in such banks, trust companies or other depositories as shall, from time to time,

be selected by the Board. The Treasurer shall render to the Executive Director and to the Board, whenever requested, an account of the financial condition of the Foundation; and, in general, shall perform all duties incident to the office of a treasurer of a corporation and any other duties as may be assigned by the Board of Directors.

Section 6. Assistant Officers. The Board of Directors may appoint one or more Assistant Secretaries and one or more Assistant Treasurers. Each Assistant Secretary and each Assistant Treasurer shall hold office for such period as the Board may prescribe. Any Assistant Secretary may perform any of the duties or exercise any of the powers of the Secretary or otherwise, as occasion may require, in the administration of the business and affairs of the Foundation. Any Assistant Treasurer may perform any of the duties or exercise any of the powers of the Treasurer at the request or in the absence or disability of the Treasurer or otherwise as occasion may require in the administration of the business and affairs of the Foundation. Each Assistant Secretary and each Assistant Treasurer shall perform such other duties and/or exercise such other powers, if any, as the Board may prescribe. To establish the authority of an Assistant Secretary or an Assistant Treasurer to take any action on behalf of the Foundation in place of the Secretary or the Treasurer, as the case may be, it shall not be necessary to furnish proof of any request by, or of the absence or disability of, the Secretary or Treasurer or any other Assistant Secretary or Assistant Treasurer, respectively.

Section 7. Other Officers. The Board may elect such other Officers as it deems desirable. Each such Officer shall hold office for such authority and perform such duties as the Board of Directors may prescribe.

Section 8. Officers Holding Two or More Offices. Any two or more offices may be held by the same person.

Section 9. Compensation. At the discretion of the Board of Directors, the Foundation may pay a salary or other compensation to one or more Officers of the Foundation for his or her services as Officer.

Section 10. Removal. Any Officer of the Foundation may be removed at any time, with or without cause, by a vote of a majority of the Board of Directors at any Regular meeting or at any Special Meeting called for that purpose.

ARTICLE VI

AMENDMENTS TO CERTIFICATE OF FORMATION OR BYLAWS

Section 1. Procedure. The Certificate of Formation or these Bylaws may be amended, altered or repealed by an affirmative vote of the majority of the Board of Directors present at any Regular Meeting, or at any Special Meeting called for that purpose, provided that the Board of Directors have been advised in writing of the proposed amendment not less than 10 days prior to the meeting at which the action is taken.

ARTICLE VII

INDEMNIFICATION OF OFFICES AND DIRECTORS

Section 1. Indemnification. The Foundation shall indemnify and advance expenses to all Directors or Officers of the Foundation, and to all persons who are or were serving at the request of the Foundation as a Director, Officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another corporation, partnership, joint venture, sole proprietorship, trust employee benefit plan or other enterprise, to maximum extent allowed by the Texas Business Organizations Code ("TBOC") and other applicable law. If the TBOC, or other applicable law, is amended after adoption of this provision of the Bylaws by the shareholders or the Board to authorize corporate action further expanding the Foundation's power to indemnify, then the Foundation shall be and hereby is authorized to indemnify the persons named above to the fullest extent permitted by the TBOC, or other applicable law, as so amended.

ARTICLE VIII

CONFLICTS OF INTEREST POLICY

Section 1. Purpose. The purpose of the conflicts of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or an arrangement that might benefit the private interest of an officer or director of the Corporation. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

Section 2. Definitions.

- (a) Interested Person. Any director, principal officer, or member of a committee with board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- (b) Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment or family:
 - (1) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement; or
 - (2) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
 - (3) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. A financial interest is not necessarily a conflict of interest. Under this Article, a person who has a financial interest may have a conflict of interest only *if* the appropriate board or committee decides that a conflict of interest exists.

Section 3. Procedures.

- (a) **Duty to Disclose.** by connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest and must be given the opportunity to disclose all material facts to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.
- (b) **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- (c) **Procedures for Addressing the Conflict of Interest.**
 - (1) An interested person may make a presentation at the board or committee meeting, but after such presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that result in the conflict of interest.
 - (2) The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - (3) After exercising due diligence, the board or committee shall determine whether the Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
 - (4) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.
- (d) **Violations of the Conflicts of Interest Policy.**
 - (1) If the board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis

for such belief and affords the member an opportunity to explain the alleged failure to disclose.

- (2) (2) If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings. The minutes of the board and all committee with board-delegated powers shall contain:

- (a) the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed; and
- (b) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternative to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

Section 5. Compensation Committees.

- (a) A voting member of the board of directors who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
- (b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

Section 6. Annual Statements. Each director, principal officer and member of a committee with board delegated powers shall annually sign a statement which affirms that such person:

- (a) has received a copy of the conflicts of interest policy,
- (b) has read and understands the policy,
- (c) has agreed to comply with the policy, and
- (d) understands that the Corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews. To ensure that the Corporation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted.

Section 8. Use of Outside Experts. In conducting the periodic reviews provided for in Section 7, the Corporation may, but need not, use outside advisors. If outside experts are used their use shall not relieve the board of its responsibility for ensuring that periodic reviews are conducted.

ARTICLE IX DISSOLUTION

Section 1. Method. In the event of dissolution of the Foundation, subject to the provisions of the TBOC, all assets remaining after payment of the obligations and liabilities of the Foundation shall be distributed in accordance with Section 22.304 of the TBOC.

ARTICLE X LIMITATIONS ON DISTRIBUTIONS

Section 1. Distributions. No part of the net earnings of the Foundation shall inure to the benefit of any director of the Foundation, officer of the Foundation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Foundation affecting one or more of its purposes), and no director or officer of the Foundation, or any private individual, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Foundation. No substantial part of the activities of the Foundation shall be carrying on of propaganda, or otherwise attempting, to influence legislation, and the Foundation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

ARTICLE XI MISCELLANEOUS

Section 1. 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 in person, by email or telephone or by mail addressed to the person entitled thereto at the address, which appears on the books of the Foundation. Notices shall be deemed to have been given on the day of 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 2. Resignations. Any Director or Officer may resign at any time. Resignations shall be made in writing and shall take effect at the time specified therein, or, if no time is specified, at the time of its receipt by the Executive Director or Secretary. The acceptance of resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 3. Action Without a meeting of Directors or Committees. Action of the Board of Directors or any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the members of the Board of Directors or the committee, as the case may be. Any meeting of the Board of Directors

may be held by means of a conference, telephone or like to the full extent permitted under Texas Law.

Section 4. Depositories. All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in such banks, trust companies, or other depositories as the Board of Directors may from time to time designate, upon such terms and conditions as shall be fixed by the Board of Directors. The Board of Directors may from time to time authorize the opening and keeping, with such depository as it may designate, of general and special bank accounts, and may make such special rules and regulations with respect thereto as it may deem expedient and consistent with the provisions of these Bylaws.

Section 5. Fiscal Year. The Corporation's fiscal year shall be as determined from time to time by the Board of Directors.

The undersigned, being the Executive Director of The WERX Foundation, Inc., Inc., a Texas non-profit corporation, hereby certifies that the foregoing Bylaws were duly adopted by the Board of Directors of the Foundation effective December 12, 2014.

A handwritten signature in cursive script, reading "Christine Smith", is written over a solid horizontal line.

Christine Smith, Executive Director