

**BYLAWS**  
**of**  
**The White Oak Bayou Association**  
**a Texas Nonprofit Corporation**

**ARTICLE I**

**NAME AND OFFICE**

The name of the Texas Nonprofit Corporation is the White Oak Bayou Association, hereinafter referred to as “(the) WOBA” or as “(the) Corporation.”

The business office(s) of the WOBA shall be located in the City of Houston, Harris County, Texas.

The Corporation shall have and maintain in the state of Texas a Registered Agent whose office is the registered office of the Corporation. The Registered Agent shall provide written consent to serve as Registered Agent pursuant to Texas Business Organizations Code. The written consent shall be maintained in the records of the Corporation.

**ARTICLE II**

**PURPOSES AND RESTRICTIONS**

**Section 1. Purposes.** The purposes of the WOBA are as follows:

1. To promote greater public awareness, appreciation, and enjoyment of the White Oak Bayou, its tributaries and environs by advocating the preservation, restoration, and maintenance of the natural wildlife habitats thereof, while promoting compatible nature-based flood-risk reduction and avoidance strategies, and educational and recreational opportunities within the area.
2. To formulate policies and programs pursuant to these purposes, drawing upon the collective wisdom of experts and the community for guidance, and to implement such policies and programs in cooperation with governmental agencies and the community.
3. To raise and allocate monetary and non-monetary resources to be applied in implementing such policies and programs as allowed by Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the provision of any subsequent United States revenue law, collectively referred to herein as “the Code.”

**Section 2. Restrictions.** The following restrictions shall apply to the activities and operations of the WOBA:

1. The Corporation is organized exclusively for one or more purposes as specified in Section 501(c)(3) of the Code and is not organized for trade or business profit. No part of the net earnings of the Corporation shall inure to the benefit of any Member, Director or Officer of the Corporation.

2. The Corporation shall not participate or intervene in any political campaign on behalf of, or opposed to, any candidate for public office to an extent that would disqualify it from tax exemption under Section 501(c)(3) of the Code.
3. Notwithstanding any provision of these Bylaws, the Corporation shall not engage in any activities not permitted to be carried on by an organization exempt from federal income tax under Section 501(c)(3) of the Code.
4. Upon dissolution of the Corporation, its assets remaining after payment or provision for payment of all debts and liabilities shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Code.

### ARTICLE III

#### MEMBERSHIP

**Section 1. Membership Qualifications.** Membership in the WOBA is open to any individual who pays the defined membership dues, which shall be determined by the Board of Directors (“the Board;” see Article IV, below) from time to time and supports the stated purposes as described in Article II. New and renewing members shall provide valid contact information using a written or on-line application for membership or other means, accompanied by their annual contribution. The Board at its discretion may from time to time establish different classes of membership, which shall be specified on the membership application. Members may renew their membership by paying their annual contribution by their anniversary date. At its discretion, the Board may extend an individual’s annual membership for a “grace period” of up to six (6) months after their anniversary date, based on past contributions and service to the WOBA.

**Section 2. Membership Rights and Restrictions.** Members shall be entitled to a copy of these Bylaws, and shall agree to abide by the applicable provisions of these Bylaws. Members are not authorized to speak on behalf of, or claim to represent, the Corporation, without the explicit permission of the Board. Members may serve on or chair committees, subject to restrictions specified in Article VI. Members may seek nomination, or be eligible for nomination, to serve on the Board or Directors (the Board), or as officers, subject to applicable provisions of Articles IV and V, or may nominate another Member to serve on the Board. Nominees to the Board whose nomination has been seconded by another Member may be elected by the Board as described in Article IV. Memberships may be terminated voluntarily by the Member, or by the Board if the Member fails to pay dues, or for cause if the Member is provided written notice and an opportunity to be heard by the Board of Directors prior to a vote on the termination by the Board.

**Section 3. General Membership Meetings.** Meetings of the general membership shall be held annually at a time and place to be determined by the Board of Directors and shall immediately precede the Annual meeting of the Board. The Annual meeting shall be open to the general public as well as WOBA members.

### ARTICLE IV

#### BOARD OF DIRECTORS

**Section 1. Authorities and Duties.**

(a) Except as otherwise provided in the Certificate of Incorporation or these Bylaws, the Board of Directors (the “Board”) shall have the general power to control and manage the affairs

and property of the Corporation and shall have full power to adopt rules and regulations governing the conduct of the Corporation's affairs and actions of the Board.

(b) The Board shall have full authority with respect to the governance and management of the Corporation; provided, however, that the Board shall be guided at all times by the fundamental and basic purposes of the Corporation as expressed in Article II and in the certificate of incorporation, and shall not permit any part of the net earnings or capital of the Corporation to inure to the benefit of any private individual except as permitted under the Internal Revenue Code of 1986, as amended, and applicable state law.

## **Section 2. Number and Qualification.**

(a) The number of directors constituting the Entire Board shall be determined from time to time by resolution of the Board adopted by a two-thirds (2/3) majority of the Entire Board, but shall not be less than three (3) nor more than 15. The Board will endeavor to maintain an odd number of Board members whenever possible.

(b) As used in these Bylaws, "Entire Board" means the number of directors within such range that were elected or appointed as of the most recently held election of directors, as well as any directors whose term has not yet expired.

(c) Directors shall be at least twenty-one (21) years of age. The Board shall endeavor to be representative of the community served by the Corporation.

**Section 3. Election and Tenure.** Except as set forth in Section 4, below, the directors shall be elected at the Annual meeting of the Board in accordance with the procedures set forth below and in Article VI, as applicable. In the first Board election following the adoption of these Bylaws approximately half of the Directors shall be elected to one-year terms and approximately half shall be elected to two-year terms, such that approximately half of the Board terms will expire in each subsequent year. Thereafter, each director so elected shall be elected for a term of two (2) years, beginning at the end of the Annual meeting and ending at the second (2<sup>nd</sup>) Annual meeting after his or her election and until his or her successor has been elected and qualified, or until his or her earlier death, resignation or removal. If the Board of Directors at the Annual meeting determines that there is to be no immediate successor then the director's term shall end at the end of the Annual meeting.

**Section 4. Newly Created Directorships and Vacancies.** Newly created directorships resulting from an increase in the number of directors and vacancies occurring in the Board for any reason may be filled by a duly nominated director by a majority of the directors present at any Special or Regular meeting.

## **Section 5. Resignation; Removal of Directors.**

(a) A director may resign at any time by giving written notice to the President or the Secretary. Such resignation shall take effect at the time specified therein or, if no time be specified, then on delivery of the written notice.

(b) Any director may be removed, without cause, at any time by an affirmative vote of two thirds (2/3) of the Entire Board of Directors and with cause by simple majority vote (50% plus one) of those directors present, after notice and an opportunity for the director sought to be removed to be heard by the Board, at a duly noticed meeting.

**Section 6. Meetings.** The Annual meeting of the Board shall be held at such time and place as shall be designated by the Board, immediately following the Annual meeting of the general membership. Regular meetings of the Board may be held at such time and place as the Board may from time to time determine. Special meetings of the Board shall be held at the demand of the President or any two (2) directors.

The Board shall hold no less than three (3) approximately evenly spaced meetings each year. A minimum of two (2) meetings each year will be face-to-face, unless electronic video screen communication is employed such that each director can hear and respond to all other directors in real time during the meeting. Members may request to attend regular meetings of the Board for the purpose of discussing matters of interest to the Board.

**Section 7. Attendance by Electronic Means.** Any one or more members of the Board or any committee thereof may participate in a meeting of the Board or committee by means of a conference telephone or similar communications equipment, including electronic video screen communication, allowing all persons participating in the meeting to hear each other at the same time and to participate in all matters before the Board. Participation by electronic video screen communication shall constitute presence in person at a meeting.

**Section 8. Notice of Meetings.** Notice of the time and place of each Regular, Special or Annual meeting of the Board shall be provided by the President, Secretary, or their designee, to each director by regular mail to an address provided by the director for that purpose and /or by either email, fax, telephone or in person, no less than eight (8) days prior to the meeting, provided however, that notice of a Special meeting specifying in the notice all matters to be discussed and requiring prompt attention shall be given to each director by email or telephone no less than forty eight (48) hours prior to the meeting. Additional matters may be voted upon at a Special meeting only if allowed by a majority vote of the Entire Board. If any Director is not in attendance no additional matters may be placed for a vote.

Although not required, except for Special Meetings, a written agenda stating all matters upon which action is proposed to be taken may also be provided, but matters not on the agenda may be acted upon at the meeting, provided that a quorum is present, unless otherwise prohibited by these Bylaws or applicable law.

**Section 9. Waiver of Notice.** Notice of a meeting need not be given to any director who submits a waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice. Such written waiver of notice may be made electronically. If written, the waiver must be signed by the director signing such waiver or causing his or her signature to be affixed to such waiver by any reasonable means including but not limited to facsimile signature. If electronic, the transmission of the consent must be sent by electronic mail or text and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the director.

**Section 10. Quorum.** At all meetings of the Board, a majority of the Entire Board shall constitute a quorum for the transaction of business or any specified item of business.

**Section 11. Voting.** The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may otherwise be specifically provided by statute or by the certificate of incorporation. The following acts of the Board along with those otherwise specified in these Bylaws require the affirmative vote of a Super Majority (i.e., at least two-thirds, 2/3) of the Entire Board:

- (a) A purchase, sale, mortgage or lease of real property of the Corporation if the property constitutes all or substantially all of the assets of the Corporation;
- (b) A sale, lease, exchange or other disposition of all or substantially all of the assets of the Corporation; or
- (c) An alteration to these Bylaws or the Certificate of Incorporation of the Corporation that would increase the quorum requirement or vote requirement to greater than a majority of the Board present at the time of the vote.

**Section 12. Action Without a Meeting.** Whenever any action is required or permitted to be taken by the Board or any committee thereof, such action may be taken without a meeting if the Entire Board or all members of the committee consent in writing (including by electronic communication) to the adoption of a resolution authorizing the action. Consents in writing may be executed by any reasonable means, including facsimile signature. If the consent is written, it must be signed by the director. If the consent is electronic (e.g., by email), it must include sufficient information from which it can reasonably be determined that the consent was authorized by the director.

**Section 13. Compensation.** Directors shall not receive any compensation for their service on the Board, except as allowed under the terms of Article XI, Section 1, below.

**Section 14. Evaluation.** The Board shall, no less than every two (2) years:

- (a) evaluate its own performance and composition to ensure that the Corporation represents diverse perspectives and is operating in accordance with these Bylaws and established best practices;
- (b) assess the performance of the organization to evaluate the success and impact of the Corporations programs, objectives and goals and identify any future actions necessary to achieve those goals and objectives;
- (c) submit to the Board a written report, which may be in the form of meeting minutes, outlining the results of the performance and effectiveness review; and
- (d) evaluate and review the performance of the President.

## **Section 15. Honorary and Advisory Board Members**

### **Section 15.1. Appointment**

The Corporation may, at any time it sees fit and by a majority vote of the directors, elect any deserving person(s) as Honorary or Advisory Board Members. Honorary and Advisory Board Members shall not have the privilege of voting or holding office, but may attend Board meetings at the invitation of the Board, except when in Executive Session,

### **Section 15.2. Term**

Each Honorary Board Member shall serve for a term of two (2) years and shall be eligible for reappointment at the discretion of the Board of Directors. There shall be no limit on the number of terms an Honorary Board Member may serve.

## **Section 16. Records and Annual Report**

### **Section 16.1. Annual Report**

The Board of Directors shall keep a record of its proceedings and report at the annual Membership or at any meeting of the Corporation on any matter which in its judgment requires action by the Members of the Corporation. The Board shall also render to the Members at the

annual Membership meeting an annual report on the condition of the Association, pursuant to applicable Texas State Not-for-Profit Corporation Law

**Section 16.2. Records**

The Corporation shall keep, at the main office, correct and complete books and records of account and minutes of the proceedings of its Members, Board and Executive Committee and a list or record containing the names and addresses of all Members and the class or classes of Membership. These may be in hard-copy or electronic format, or a combination thereof.

ARTICLE V

**OFFICERS**

**Section 1. Officers.** The officers of the Corporation shall include a President, a Vice President, a Secretary and a Treasurer. Any two or more offices may be held by the same person, except that the offices of President and Secretary may not be held by the same person. All such officers shall be chosen from among the current Directors of the Corporation. The Board may also elect or appoint one or more additional Vice Presidents, one or more assistant Secretaries and assistant Treasurers, and such other officers and agents as it shall from time to time deem advisable. Other than the Vice Presidents, these additional “assistant” officers need not be directors.

**Section 2. Tenure; Resignation; Removal.**

**Section 2.1. Election.** The officers of the Corporation shall be elected annually by the Board at its Annual meeting. Each officer shall hold office for one year or until his or her successor is elected or appointed or until his or her earlier displacement from office by resignation, removal or otherwise. The term shall begin at the end of the Annual meeting in which the officer is elected and terminate at the end of the Annual meeting after the officer’s election. There shall be no limit on the number of terms served by officers.

**Section 2.2. Resignation, Removal and Vacancies.** Any officer may resign by written notice to the Corporation and may be removed with cause by a simple majority vote or without cause by a 2/3 majority vote of the Entire Board. Notice of termination of an officer shall be included in a Notice of the Board meeting in which the vote of termination is taken. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board for the remainder of the term of the vacating officer at any Special or Regular meeting. Removal of an officer as a Director under Article IV, Section 5(b) above shall constitute removal of such director as an officer.

**Section 3. Authority and Duties.** All officers as between themselves and the Corporation shall have such authority and perform such duties in the management of the Corporation as may be provided in these Bylaws, or, to the extent not so provided, as may be assigned by the Board or as provided by law.

**Section 4. President.** The President shall preside at all meetings of the Board of Directors and shall exercise general supervision over the affairs of the Corporation. He or she shall see to it that all resolutions and orders of the Board are carried into effect, and, in connection therewith, he or she shall be authorized to delegate to the other officers of the Corporation such of his or her powers and duties as President at such times and in such manner as he or she may deem to be advisable. He or she shall be *ex officio* a member of all standing Board committees. No employee of the Corporation (e.g., an Executive Director should such position be created by the Board) may

serve as the President, unless otherwise approved by a two-thirds (2/3rds) vote of the entire Board.

**Section 5. The Vice President.** The Vice President or, if there be more than one, the Vice Presidents, shall assist the President in the management of the business of the Corporation and the implementation of resolutions and orders of the Board at such times and in such manner as the President or the Board deem to be advisable. The Vice President, or, if there be more than one, the Vice Presidents in the order of their seniority as indicated by their titles or, in the absence of differing titles, in the order of their election, or as otherwise determined by the Board, shall in the absence or disability of the President exercise the powers and perform the duties of President, and he or she or they shall have such other powers and duties as the Board or the President may from time to time prescribe.

**Section 6. The Treasurer.** The Treasurer shall have the care and custody of the corporate funds and other valuable effects, including securities, and shall keep or cause to be kept full and accurate accounts of receipts and disbursements in books (which may be in hard-copy, in electronic format or a combination thereof) belonging to the Corporation and shall deposit or cause to be deposited all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board. The Treasurer may disburse or cause to be disbursed the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and the Board, at meetings or whenever they may require it, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall perform such other duties as generally are incident to the office of Treasurer and as may from time to time be prescribed by the Board or by the President.

**Section 7. The Secretary.** The Secretary of the Board shall record or cause to be recorded the minutes of all proceedings taken at such meetings, and maintain or cause to be maintained all documents evidencing corporate actions taken by written consent of the Board, in a book, in electronic or hard-copy format, to be kept for that purpose; and he or she shall perform, or cause to be performed, like duties for any committees of the Board when required. He or she shall see to it that all notices of Special, Regular and Annual meetings of the Board are duly given in accordance with these Bylaws or as required by statute. He or she shall perform such other duties as generally are incident to the office of Secretary and as from time to time may be prescribed by the Board or by the President.

**Section 8. Executive Director.** The Board may engage an individual to serve as the Corporation's Executive Director. The Executive Director shall be deemed an officer of the Corporation, but shall not be a director and shall not have the right to vote on matters voted upon by the Board. The Executive Director shall, under the direction and supervision of the Board of Directors, oversee the operations of the Corporation and shall be responsible for implementing, on a day-to-day basis, the policies of the Board of Directors. Between meetings of the Board of Directors, the Executive Director shall be under the oversight of the President of the Corporation and shall report to the President at a frequency, and based upon circumstances, as shall be determined by the President or by mutual agreement of the President and the Executive Director. The Executive Director shall apprise the President as soon as practicable regarding any significant situations which may arise. He or she shall, unless otherwise determined by the Board, attend all meetings of the Board of Directors, and report to the Board at each of its meetings.

**Section 9. Non-Director Officers.** The Corporation employees may include; in addition to or in lieu of, an Executive Director, a Chief Operating Officer and/or a Chief Financial Officer who shall be considered “non-director officers” for purposes of these by-laws. The Chief Operating Officer shall be responsible for the day-to-day operations of the Corporation and shall report to the President and, upon request, to the Board. The Chief Financial Officer shall be responsible for all fiscal operations of the Corporation and shall report to the President and, upon request, to the Board.

ARTICLE VI  
COMMITTEES

**Section 1. Powers and Duties.** The Board shall have the power to create committees, each of which shall have such authority as the Board shall by resolution provide, except that no committee shall have authority as to the following matters:

- (a) The filling of vacancies in the Board or any committee.
- (b) The fixing of compensation of the directors for serving on the Board or on any committee.
- (c) The amendment or repeal of the Bylaws, or the adoption of new Bylaws.
- (d) The amendment or repeal of any resolution of the Board which, by its terms, shall not be so amendable or repealable.
- (e) The election or removal of officers and directors.
- (f) The approval of a merger or plan of dissolution.
- (g) The adoption of a resolution recommending to the members action on the sale, lease, exchange or other disposition of all or substantially all the assets of a corporation or, if there are no members entitled to vote, the authorization of such transaction.
- (h) The approval of amendments to the certificate of incorporation.

**Section 2. Committees of the Board.**

(a) In addition to the Standing Committees set forth below, the Board of Directors may, by resolution adopted by a majority of the Entire Board, designate such additional Standing or Ad Hoc Committees of the Board, each consisting of two (2) or more directors, one of whom may be the President acting as an *ex officio* or *ad hoc* member, as the business of the Corporation may require, and delegate such authority to such committees as the Board may deem appropriate. Committees of the Board shall only have such authority to bind the Board as the Board so authorizes, and as further limited by Section 1 of this Article IV.

(b) Unless otherwise provided in these Bylaws, the Chair of each Committee of the Board shall be selected by the President, unless otherwise chosen by the Board of Directors at the time of the appointment of the members. A majority of the members of each Committee of the Board shall constitute a quorum for the transaction of business, unless otherwise established pursuant to committee rules of procedure approved by the Board. Each Committee of the Board



shall keep minutes of its meetings and report to the Board at the next Board meeting regarding any significant action which it takes or decisions that it makes.

Section 2.1 **Standing Committees.** The Board shall have as a Standing Committee an Executive Committee, which shall at a minimum consist of the officers of the Board. The Board may also establish the other following Standing Committees described below, each of which shall have the responsibilities set forth herein and as designated in their Committee Charters, if any. If no other such Standing Committees are established by the Board, the Executive Committee shall be charged with the duties described for any of the other Standing Committees described below, subject to the limitations described therein.

2.1.1 **Executive Committee.** The Executive Committee shall consist of the officers of the Corporation, including the President, one or more Vice President(s), Treasurer and Secretary, and such other members as the Board may elect. The President shall be the Chair of the Executive Committee. Except as otherwise provided by law and in these Bylaws, the Executive Committee may, when necessary due to exigent circumstances, exercise all the powers of the Board between meetings of the Board of Directors. The Executive Committee shall report its actions to the full Board of Directors at the next meeting of the Board of Directors.

2.1.2 **Finance Committee.** The Finance Committee, if established by the Board, shall be responsible for the preservation and enhancement of assets; shall prepare an annual budget for the Corporation, subject to Board approval; shall supervise investments and advise on matters of financial policy, fundraising and expenditures; and shall annually review the Corporation's directors' and officers' insurance policy. The Committee, both as a full committee or through a subcommittee on investments, shall supervise the investment of the funds of the Corporation and cause an investment policy to be adopted by the Board of Directors and periodically review such policy as necessary and appropriate. The Treasurer shall be the Chair of the Finance Committee.

2.1.3 **Audit Committee.** The Audit Committee, if established by the Board, shall: (i) cause financial reports to be prepared by the Treasurer on a periodic basis (ii) oversee the independent financial audit or review as required by regulatory authorities on an annual basis, including choosing a qualified firm of certified public accountants to audit or review the financial statements and condition of the Corporation, reviewing the proposed scope of the audit or review, requesting special investigations if deemed appropriate, approve the independent auditors' report at the conclusion of the audit or review and review the independent auditors' management report as well as management's responses thereto, and (iii) establish policies and practices to prevent financial fraud, including monitoring the Corporation's internal control over financial reporting, monitoring compliance with any corporate codes of conduct or ethics and establishing and overseeing procedures for receiving comments from employees and others regarding violations of corporate policies. The Audit Committee shall be composed of independent directors of the Board and shall not include the Treasurer. The Audit Committee shall operate in accordance with a separate Audit Committee Charter if such is adopted by the Board.

#### 2.1.4 **Nominating/Governance Committee.**

(a) The Nominating/Governance Committee, if established by the Board, shall nominate directors and officers of the Corporation and shall have the following additional functions: orientation and education of Board members; assessment of performance of Board members; recruitment of new Board members; responsibility for Board development and accountability; and periodic review and, if appropriate, recommendation of revisions of the Corporation's

Certificate of Incorporation and Bylaws.

(b) Nominations shall be made by the Committee to the full Board for elections as follows:

No later than fifteen (15) days prior to the date of the Annual Meeting, or in the case of a vacancy at any duly noticed meeting, in which Directors are to be elected, the Governance Committee shall provide to the Board by regular mail and/or electronic communication with a read receipt, an email a list of all candidates' names which have been nominated for election. A copy of the resume of each nominee's qualifications shall also be provided.

**Section 3. Committees of the Corporation.** Committees of the Corporation may be established by the Board, each of which shall consist of such persons, and shall have such authority, as is provided in the Board resolution establishing the Committee. Committees of the Corporation shall act in an advisory capacity or shall conduct events or activities of the Corporation but shall not have authority to bind the Board. Members of Committees of the Corporation (who do not need to be Directors) may be appointed by the President or by majority vote of the Directors at any duly constituted meeting.

## **ARTICLE VII**

### **CONTRACTS, CHECKS, DRAFTS AND BANK ACCOUNTS**

**Section 1. Execution of Contracts.** The Board may by resolution authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and may impose such restrictions or limitations on the authority as it may in its sole discretion determine are necessary or prudent.

**Section 2. Loans.** No loans shall be contracted on behalf of the Corporation unless specifically authorized by the Board. No loan may be made to any director or officer.

**Section 3. Checks, Drafts, etc.** All checks, drafts and other orders for the payment of money out of the funds of the Corporation, and all notes or other evidences of indebtedness of the Corporation, shall be signed on behalf of the Corporation in such manner as shall from time to time be determined by resolution of the Board.

**Section 4. Deposits.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board or Committee of the Board may select.

**Section 5. Investments.** The funds of the Corporation may be retained in whole or in part in cash, or may be invested and reinvested from time to time in such property, real, personal or otherwise, including stocks, bonds or other securities as the Board shall determine, in accordance with a board-approved investment policy.

**ARTICLE VIII**  
**INDEMNIFICATION**

**Section 1. Mandatory Indemnification.** Unless clearly prohibited by law or Section 3 of this Article, the Corporation shall indemnify any person (“Indemnified Person”) made, or threatened to be made, a party in any action or proceeding, whether civil, criminal, administrative, investigative or otherwise, including any action by or in the right of the Corporation, by reason of the fact that he or she (or his or her testator or intestate), whether before or after adoption of this Section, (a) is or was a director or officer of the Corporation, or (b) in addition is serving or served, in any capacity, at the request of the Corporation, as a director or officer of any other corporation, or any partnership, joint venture, trust, employee benefit plan or other enterprise. The indemnification shall be against all judgments, fines, penalties, amounts paid in settlement (provided the Corporation shall have consented to such settlement) and reasonable expenses, including attorneys’ fees and costs of investigation, incurred by an Indemnified Person with respect to any such threatened or actual action or proceeding, and any appeal thereof.

**Section 2. Discretionary Indemnification.** Unless clearly prohibited by law or Section 3 of this Article, the Board of Directors may approve indemnification as set forth in Section 1 of this Article or advancement of expenses as set forth in Section 3 of this Article, to a person (or the testator or intestate of a person) who is or was employed by the Corporation or who is or was a volunteer for the Corporation, and who is made, or threatened to be made, a party in any action or proceeding, by reason of the fact of such employment or volunteer activity, including actions undertaken at the request of the Corporation for any other corporation, partnership, joint venture, trust employee benefit plan or other enterprise.

**Section 3. Prohibited Indemnification.** The Corporation may not indemnify any person if a judgment or other final adjudication adverse to the Indemnified Person (or to the person whose actions are the basis for the action or proceeding) establishes, or the Board of Directors in good faith determines, that such person’s acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled. In determining whether and to what extent indemnification is proper, no director with a personal interest in the outcome, or who is related by blood or marriage to the person seeking indemnification or who is a party to such actual or threatened action or proceeding concerning which indemnification is sought, shall participate in such determination. If a quorum of disinterested directors is not obtainable, the Board of Directors shall act only after receiving the opinion in writing of independent legal counsel about whether indemnification is proper in the specific circumstances under then applicable law and these Bylaws.

**Section 4. Advancement of Expenses.** Unless previously determined that indemnification is improper, the Corporation may, on request of any Indemnified Person who is or may be entitled to be indemnified by the Corporation, pay or promptly reimburse the Indemnified Person’s reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be made unless the Indemnified Person makes a binding, written commitment to repay the Corporation, with interest, for any amount advanced in connection with a claim for which it is ultimately determined that he or she is not entitled to indemnification.

**Section 5. Insurance.** The Corporation may, but is not required to, purchase Directors’ and Officers’ liability insurance if authorized by the Board of Directors. To the extent permitted by

law, such insurance may insure the Corporation for any obligation it incurs as a result of this Article or operation of law and it may insure directly the directors, officers, employees or volunteers of the Corporation for liabilities against which they are not entitled to indemnification under this Article as well as for liabilities against which they are entitled to be indemnified by the Corporation.

**Section 6. Nonexclusive Rights.** The provisions of this Article shall not limit or exclude any other rights to which any person may be entitled under law or contract. The Board of Directors is authorized to enter into agreements on behalf of the Corporation with any director, officer, employee or volunteer providing them rights to indemnification or advancement of expenses in connection with potential indemnification in addition to the provisions therefore in this Article, subject in all cases to the limitations of Section 3 of this Article.

## **ARTICLE IX** **CONFLICTS OF INTEREST POLICY**

**Section 1. Purpose.** The purpose of the conflict of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable corporations.

### **Section 2. Definitions.**

*"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.

*"Financial Interest"*: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- (a) An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;
- (b) A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
- (c) Is considering an ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

*"Compensation"*: Direct and indirect remuneration, including gifts or favors that are not insubstantial.

*"Conflict of Interest"*: A conflict between the personal or financial interests and the official or professional responsibilities of a person in a position of trust. A "Conflict of Interest" includes situations in which the employee, family member, or board member has a financial interest in the business or individual selected for the contract. A financial interest is not necessarily a conflict of interest. Under Section 8.03 (b), 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) *Declaration Statement:* Members of the Board of Directors shall sign annually the Declaration statement in which they agree to abide by the Conflict of Interest Procedures that are adopted by the Board of Directors.

(b) *Duty to Disclose:* If an actual or possible conflict of interest arises, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees considering the proposed transaction or arrangement.

(c) *Determining Whether a Conflict of Interest Exists:* After disclosure of the financial interest, whether direct or indirect, disclosure of all material facts, and after any discussion with the interested person, he or 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.

(d) *Procedures for Addressing the Conflict of Interest:*

- (i) An interested person may make a presentation at the Board or committee meeting, but after the presentation he or she shall leave the meeting during the discussion of and the vote on the transaction or arrangement involving the possible conflict of interest.
- (ii) The President or committee chair shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- (iii) After exercising due diligence, the Board or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- (iv) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested Directors or committee members whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

(e) *Violations of the Conflicts of Interest Policy:*

- (i) If the Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- (ii) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Section 4. Records of Procedures.** The minutes of the Board and all committees 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.
- (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 alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

## **ARTICLE X** **WHISTLEBLOWER POLICY**

**Section 1. General.** The Corporation shall not retaliate against any individual who discloses or threatens to disclose to a supervisor, board member or public body any activity, policy, or practice of the Corporation that the employee reasonably believes is a violation of a law, or a rule or regulation mandated pursuant to a law, or is in violation of a clear mandate of public policy concerning the health, safety, welfare or protection of the environment.

## **ARTICLE XI** **COMPENSATION**

**Section 1. Compensation.** Directors and officers of the Board shall not receive any compensation for their service as a board director or officer with the exception of the Executive Director, Chief Operating Officer or Chief Financial Officer (Non-Director Officers). The Board may, however, provide by resolution that directors and officers may be reimbursed upon written request for actual and necessary expenses which they incur in order to fulfill their duties as directors and officers.

### **Section 2. Approval of Compensation.**

(a) It is the policy of the Corporation to pay no more than reasonable compensation that is commensurate with the services rendered to the Corporation. Furthermore, directors and officers may be paid reasonable compensation for services rendered to the Corporation in another capacity, provided that such compensation is approved by the Board. The compensation of directors, officers and employees of the Corporation must be approved by the Board, and the director who may benefit may not participate in any Board or Committee deliberation or vote concerning their compensation (although he or she may be present before deliberations at the request of the Board in order to provide information), provided that no director is prohibited from deliberating or voting concerning compensation for a service to the Corporation that is to be made available or provided to all directors on the same or substantially similar terms.

(b) Before approving any compensation arrangement for the Corporation's Executive Director or other non-director officer whose compensation is set by the Board, the Board shall determine that the total compensation to be provided by the Corporation to such individual is reasonable in amount in light of the position's responsibilities and the individual's qualifications and prior relevant experience, including the results of an evaluation of the individual's prior performance for the Corporation, if applicable. In making the determination, the Board shall consider total compensation to include the salary and the value of all benefits provided by the Corporation to the individual in payment for services.

(c) The Board shall document in writing the terms of any approved compensation arrangements, the decision made by each individual who decided or voted on compensation arrangements, and the basis for its decisions regarding compensation, including the conclusions of the evaluation and the basis for determining that the individual's compensation was reasonable.

## **ARTICLE XII**

### **GENERAL**

**Section 1. Fiscal Year.** The fiscal year of the Corporation shall be fixed by, and may from time to time be changed by, resolution of the Board.

**Section 2. Principal Office.** The principal office of the Corporation shall be fixed, and may from time to time be changed, by resolution of the Board.

**Section 3. Other Offices.** The Corporation may also have offices at such other places as the Board may from time to time determine or the activities of the Corporation may require.

**Section 4. Writings.** Whenever in these Bylaws there is reference to a communication in writing, such term shall include email or transmission by other means by which the communication may be recorded and printed or saved.

## **ARTICLE XIII**

### **AMENDMENTS**

Amendments to these Bylaws may be made by a super majority (2/3) vote of the directors present at a meeting at which a quorum (50% + 1 ) is present or by unanimous written consent, provided that the written notice of the Board meeting or notice for unanimous written consent discloses the proposal to amend the Bylaws, and a copy of the proposed amendment(s) is included with the notice.

**[Remainder of this Page Left Intentionally Blank.]**

**I CERTIFY THAT THE ADOPTION OF THESE BYLAWS WAS APPROVED BY THE MEMBERSHIP OF THE WHITE OAK BAYOU IN ACCORDANCE WITH**

**THE PREVIOUSLY ADOPTED BYLAWS, AS AMENDED FEBRUARY 18, 1997, ON  
THE DATE SET FORTH BELOW:**

**Signature** \_\_\_\_\_  
**Douglas Shannon, Secretary**

**Date of Adoption:** \_\_\_\_\_