

ARTICLES OF INCORPORATION

OF

BORGER ECONOMIC DEVELOPMENT CORPORATION

FILED
In the Office of the
Secretary of State of Texas

JUN 22 1990

Corporations Section

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

ARTICLE ONE

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

ARTICLE TWO

The Corporation is a non-profit industrial development corporation under the Act and is governed by Section 4A of the Act.

ARTICLE THREE

Subject to the provisions of subsection 4A(j) of the Act, the period of duration of the Corporation is perpetual.

ARTICLE FOUR

(a) The purpose of the Corporation is to promote and develop industrial and manufacturing enterprises in order to eliminate unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the city.

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

(c) In the fulfillment of its corporate purpose, the Corporation shall have and may exercise the powers described in paragraph (b) of this Article, together with all of the other powers granted to corporations that are incorporated under the Act and that are governed by Section 4A thereof, and, to the extent not in conflict with the Act, the Corporation shall additionally have and may exercise all of the rights, powers, privileges, authorities, and functions given by the general laws of Texas to nonprofit corporations under the Texas Non-Profit Corporation Act, as amended, Article 1396-101, et seq., Tex. Rev. Civ. Stat. Ann., as amended.

(d) The Corporation is a corporation having the purposes and powers permitted by the Act pursuant to the authority granted in Article III, Section 52-a of the Texas Constitution, but the Corporation is not a political subdivision for a political corporation, and the Corporation has not been delegated, does not have, and shall not exercise any of the powers of sovereignty of the City, including the power to tax (except for the power to receive and use the sales and use taxes specified in Section 4A of the Act), the power of eminent domain, and the police power. However, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practice and Remedies Code), the Corporation is a governmental unit and its actions are governmental functions.

(e) No agreements, bonds, notes, or other debt instruments or other obligations, contracts, or agreements of the Corporation are or shall ever be deemed to be or constitute the agreements, bonds, notes, or other debt instruments or other obligations, or the lending of credit, or a grant of the public money of things of value, of, belonging to, or by the City or any other political corporation, subdivision or agency of the State of Texas, or a pledge of the faith and credit of any of them. Any and all of such agreements, bonds, notes, and other debt instruments and other obligations, contracts and agreements shall be payable solely and exclusively from the revenues and funds received by the Corporation from the sources authorized by Section 4A of the Act and from such other sources as may be otherwise lawfully available and belonging to the Corporation from time to time.

ARTICLE FIVE

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

ARTICLE SIX

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

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

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

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

ARTICLE SEVEN

The street address of the initial registered office of the Corporation is 600 North Main Street, Borger, Texas 79007, and the name of its initial registered agent at such address is James G. Layton.

ARTICLE EIGHT

The affairs of the Corporation shall be managed by a board of directors which shall be composed in its entirety of persons appointed by the City Council of the City. Except for the initial number and terms of office set forth herein, the number of directors and the terms of office of the directors shall be fixed by the bylaws of the Corporation. The names and street addresses of the persons who are to serve as the initial directors and the dates of expiration of their initial terms as directors, are as follows:

<u>NAMES</u>	<u>ADDRESSES</u>	<u>DATE OF EXPIRATION OF TERM</u>
Robert B. Knight	630 E. Tenth Borger, Texas	06-30-1992
Edward W. Turner	304 W. Tenth Borger, Texas	06-30-1992
Jack King	503 N. Deahl Borger, Texas	06-30-1993
Ed J. Lewis	217 S. Main Borger, Texas	06-30-1993
David B. Wagner	600 N. Main Borger, Texas	06-30-1993

Each director shall hold office for the term for which the director is appointed and until a successor shall have been appointed and qualified unless sooner removed or resigned. Each director, including the initial directors, shall be eligible for reappointment. Directors are removable by the City Council of the City at will and must be appointed for a term not in excess of six years. The directors shall serve as such without compensation except that they shall be reimbursed for their actual expenses incurred in the performance of their duties as directors. Any vacancy occurring on the board of directors through death, resignation or otherwise shall be filled by appointment by the City Council of the City to hold office until the expiration of the term.

ARTICLE NINE

The name and street address of each incorporator are:

<u>Name</u>	<u>Address</u>
James G. Layton	600 North Main Street Borger, Texas 79007
Alyn Rogers	600 North Main Street Borger, Texas 79007
David B. Wagner	600 North Main Street Borger, Texas 79007

ARTICLE TEN

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

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

ARTICLE ELEVEN

The City Council of the City may, in its sole discretion, and at any time, alter or change the structure, organization, programs or activities of the Corporation, and it may terminate or dissolve the Corporation, subject to the provisions of the Act and subject to the limitation that no such action shall be taken in any manner

or at any time that would impair any contract or right theretofore executed or granted by the Corporation.

ARTICLE TWELVE

(a) No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payment of its expenses and other obligations shall be distributed to or inure to the benefit of its directors or officers, or any individual, private firm, or private corporation or association, except in reasonable amounts for services rendered. If the board of directors shall determine that sufficient provision has been made for the full payment of the expenses, bonds, notes, and other obligations of the Corporation, any net earnings thereafter accruing shall be paid to the City.

(b) If the Corporation ever should be dissolved when it has, or is entitled to, any interest in any funds or property of any kind, real, personal or mixed, such funds or property or rights thereto shall not be transferred to private ownership, but shall be transferred and delivered to the City after satisfaction or provision for satisfaction of all debts and claims.

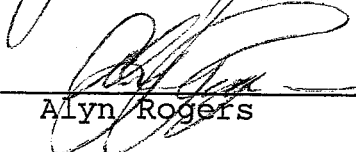
(c) No part of the Corporation's activities shall consist of the carrying on of propoganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in any political campaign of or in opposition to any candidate for public office.

ARTICLE THIRTEEN

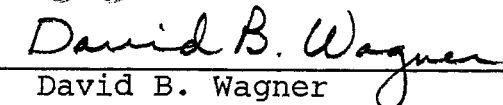
The City has specifically authorized the Corporation by Resolution to act on its behalf to further the public purposes stated in said Resolution and in these Articles of Incorporation, and the City has by said Resolution approved these Articles of Incorporation. A copy of said Resolution is on file among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



James G. Layton



Alyn Rogers



David B. Wagner

INCORPORATORS

THE STATE OF TEXAS {}

COUNTY OF HUTCHINSON {}

I, the undersigned, a Notary Public of the State of Texas, do hereby certify that on this 19th day of June, 1990, personally appeared before me James G. Layton, Alyn Rogers and David B. Wagner, who, each being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the date and year above written.

Wanda Klaus
Notary Public in and for
the State of Texas

My Commission Expires:

11-12-92

[SEAL]