

**AN AMENDMENT TO THE BY-LAWS OF
THE KELLER DEVELOPMENT
CORPORATION,
A NON-PROFIT CORPORATION, ORGANIZED
AND GOVERNED BY ARTICLE 5190.6, SECTION
4B, TEXAS DEVELOPMENT CORPORATION ACT**

ARTICLE 1.

1.1 The principal office of the Corporation shall be located at 1100 Bear Creek Parkway, Keller, Texas 76248, Tarrant County, Texas. Mailing address: City of Keller, P.O. Box 770, Keller, Texas 76244. The Corporation may have such other offices within the City of Keller as the Board of Directors may determine, or as the affairs of the Corporation may require from time to time.

1.2 The corporation shall have and continuously maintain in the City of Keller a registered office and a registered agent who shall be an individual resident of the City of Keller whose office is identical with such registered office, as stated in the Articles of Incorporation of the corporation. The registered office may be, but need not be, identical with the principal office of the corporation and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE 2.

2.1 The affairs of the corporation shall be governed and managed by its Board of Directors.

2.2 The number of directors shall be seven (7) persons filling seven (7) places on the Board of Directors. Places 1 through 4 shall be members of the City Council of the City of Keller, with Place 1 being recommended for the then sitting Mayor of the City of Keller. Place 1 shall act as Chairperson of the Board of Directors. Place 5 shall be recommended for the then Chair of the Keller Parks and Recreation Board. Places 6 and 7 shall be residents of the City of Keller whom are not employees or members of the City Council of the City of Keller. All Board members shall be appointed by a majority vote of the City Council of the City of Keller, including the vote of the Mayor. Any Board member, including the Mayor, may be removed by majority vote of the City Council at any time without cause.

a. Term. Board of Director's terms shall be for a period of two (2) years, except for Places 1 through 4.

In the event any member representing Places 1 through 4 no longer serves as a member of the City Council of the City of Keller, then the member's term shall cease immediately. In the event the Mayor or any member of the City Council of the City of Keller is removed from office, chooses not to serve or becomes ineligible to serve as a member of the City Council, their respective term on the Board shall cease immediately, and the City Council shall appoint another representative from the City Council.

Terms for Places 5, 6, and 7 shall expire on November 30th of the second year of said term. In the event any representative of said Places 5, 6 and 7 chooses not to serve or becomes ineligible to serve as a member of the Board, their respective term shall cease immediately following written notice to the City Secretary of the City of Keller and acceptance of said notice by the City Council. The City Council shall consider the appointment of another representative to serve the remainder of the vacated two-year term.

2.3 The Board of Directors shall conduct all meetings within the corporate city limits of the City of Keller at such time and place as may be designated by the Board, the Board Chairperson or the President of the corporation. Said Board shall meet no less than once a quarter.

2.4 A majority of the entire membership of the Board shall be a quorum. All meetings and deliberations of the Board shall be called, convened, held and conducted, and notice shall be given to the public in accordance with the Texas Open Meetings Act, Texas Government Code Annotated §551.001 et seq.

2.5 Directors as such shall not receive any stated salaries for their services, but may be allowed expenses for activities performed in the furtherance of their duties to the corporation.

ARTICLE 3.

3.1 The officers of the corporation shall be a President, Vice-President, Secretary and Treasurer. All officers shall be appointed by majority vote of the Board of Directors. It is recommended that the President and Vice-President be members of the Board of Directors. It is further recommended that the Secretary and Treasurer of the Board of Directors be the City Secretary and the Director of Finance of the City, respectively. All officers shall have terms of one (1) year and may be reappointed for additional terms. All officers are subject to removal from office at any time by majority vote of the entire Board. A vacancy in the office of any officer shall be filled by a vote of the majority of the Board of Directors.

3.2 The President shall be the principal executive officer of the corporation and shall, in general, supervise and control all of the business and affairs of the corporation. The President may sign any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these by-laws or by statute to some other office or agent of the corporation; and in general, he/she shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time.

3.3 The Vice-President shall have such powers and duties as may be prescribed by the Board of Directors and shall exercise the powers of the President during that officer's absence or inability to act, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President.

3.4 The Treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies, or other depositories as shall be selected, and pay all obligations of the corporation as may become due and payable; and in general, perform all duties incident to the office of the Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors.

3.5 The Secretary shall keep the minutes of the

meetings of the members and of the Board of Directors in one or more books provided for that purpose; give all notices in accordance with the provisions of these by-laws or as required by law; be custodian of the corporate records and of the seal of the corporation, and affix the seal of the corporation to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these by-laws; keep a register of the address of each member which shall be furnished to the Secretary by each member; and in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors.

3.6 All staff members or employees of the corporation, including the attorney for the corporation, may be, but are not required to be, staff, employees or appointees of the City of Keller. The attorney for the corporation shall be appointed by majority vote of the Board of Directors. However, all appointments by the Board shall be subject to the approval of the City Council of the City of Keller.

ARTICLE 4.

4.1 The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances.

4.2 All checks, drafts or orders for the payment of money, notes or other evidences or indebtedness issued in the name of the corporation shall require two (2) signatures by the President, Treasurer or Secretary of the corporation and any others as shall from time to time be determined by resolution of the Board of Directors.

4.3 All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or device for the general purposes or for any special purpose of the corporation.

ARTICLE 5.

5.1 The corporation shall keep current and complete books and records of account and shall keep minutes of the proceedings of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation shall be subject to the Open Records Act of Texas.

ARTICLE 6.

6.1 The fiscal year of the corporation shall be October 1st through September 30th.

6.2 In accordance with Chapter 505 of the Local Government Code, the governing body of the City shall hold a public hearing on the proposed operating budget of expected revenues and proposed expenditures for the ensuing fiscal year not less than sixty (60) days prior to the expenditure of project (i.e., budgeted) funds.

6.3 Prior to the public hearing on the proposed operating budget of expected revenues and proposed expenditures for the ensuing fiscal year, the Board of Directors shall adopt the budget. The budget shall contain such information and shall be in the form as requested by the Director of Finance of the City of Keller. The budget shall not be effective until the same has been approved by the City Council

ARTICLE 7.

7.1 Whenever any notice is required to be given under the provisions of the Texas Development Corporation Act or under the provisions of the Articles of Incorporation or by the by-laws of the corporation, a waiver therein in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE 8.

8.1 These by-laws may be altered, amended, repealed and new by-laws may be adopted by a majority vote of the Keller City Council including the Mayor. Such by-laws shall always be in accordance with Article 5190.6 and governed by Section 4B thereof or any amendments hereto.