

conducted exclusively for charitable, religious, educational, and scientific purposes, including for such purposes, the making of distributions to organizations that qualify as exempt organizations under §501(c)(3), IRC, or corresponding section of any future federal tax code.

3.03 Specific Corporate Purposes: Subject to the foregoing "Texas Law" and "Federal Law and Tax Exempt Status" limitations, the Corporation is more particularly organized and will be conducted solely for purposes of acquisition of Holiday season decorations, ornaments, and lights for placement upon highly visible, public and government property within the Denton community, focusing on common public areas, centers of public assembly, and thoroughfares.

3.04 Limitations: Notwithstanding any other provision of these Articles, this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of the Corporation as stated and limited in these Articles and the Bylaws, and all corporate activities shall be subject to the limitations imposed by TNPCA §2.01, IRC qualifications for a tax-exempt organization as specified above, and the provisions, restrictions, and limitations of these Articles. Further, no part of the funds or income of the Corporation shall inure to the benefit, be distributed to, nor loaned to any of the Corporation's Directors, Officers, or members under any circumstances and shall not inure to the benefit, be distributed to, nor loaned to any employee of the Corporation other than as specifically provided by law.

Article Four: Membership

4.01 Classes of Members: The Corporation will not have any members and no payment or contribution of any money, property or anything of value shall confer upon nor be deemed to confer upon any person or entity any benefit other than such specific benefits stated in published advertisements or solicitations approved in advance by the Board of Directors.

Article Five: Board of Directors and Officers

5.01 Number of Directors: The number of voting Directors and such other ex-officio Directors constituting the Board of Directors ["Board"] will be established, increased, or decreased as provided in the Corporation's Bylaws, but will not be less than three. No decrease in the number of Directors will shorten an incumbent Director's term.

5.02 Qualifications, Duties, and Selection: Qualifications, duties, manner of selection and removal, and term of office of Directors shall be as provided in the Corporation's Bylaws. Further, the Bylaws may provide that the Corporation's governance shall be by the Board of Directors sitting and acting as an "Executive Committee".

2025 NOV 14 11:51 AM

5.03 Direction of Purposes by Board of Directors: Subject to limitations imposed by the TNPCA, any other law, these Articles, or the Bylaws, the Board is authorized to direct, by resolution duly adopted, the Corporation's purposes and to exercise all of the Corporation's powers. All parties dealing with the Corporation will have the right to rely on any action taken by the Corporation pursuant to such action by the Board.

5.04 Officers: Officers will be the President, one or more Vice Presidents, Secretary, Treasurer [or their equivalent] and such other officers as provided in the Corporation's Bylaws. The qualifications, duties, manner of selection and removal, and term of office of Officers shall be as provided in the Corporation's Bylaws.

5.05 Agents, Employees, and Chairpersons: The Board may employ such agents and employees, and designate such committee chairpersons, as provided in the Corporation's Bylaws.

5.06 Committees: From time to time the Board may establish standing committees and such other committees, within the Board and within the membership, deemed reasonably necessary to effectuate the Corporation's purposes. The appointment of members to, and purposes and actions of, the Committees shall be as provided in the Bylaws.

Article Six: Liability and Indemnification of Volunteers, Officers, and Directors

6.01 Limitation of Liability of Directors, Officers, and Volunteers: Directors, Officers, and Volunteers of the Corporation shall not be liable to the Corporation, its volunteers, or third persons for payment of the Corporation's debts or for any act or omission in the Directors', Officers', or volunteers' capacity as a Volunteer, whether acting as a Director, Officer, or Member, pursuant to and to the extent specified in the Bylaws.

6.02 Specific Limitation of Liability of Officers and Directors: Pursuant to Art. 1302-7.06, TEX.REV.CIV.STAT., §84.001, *et seq.* TEX.CIV.PRAC.& REM.CODE, and other provisions of Texas law, Officers and Directors shall not be liable to the Corporation for monetary damages for an act or omission in the Officer's or Director's capacity as an Officer or Director except to the extent that the Officer or Director is found liable for:

- (1) a breach of duty of loyalty to the Corporation;
- (2) an act or omission not in good faith that constitutes a breach of duty of the Officer or Director to the Corporation or an act or omission that involves intentional misconduct or a knowing violation of the law;
- (3) a transaction from which the Officer or Director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Officer's or Director's

20250115 11:54:11 AM

office; or

(4) an act or omission for which the liability of an Officer or Director is expressly provided by an applicable statute.

6.03 **Indemnification:** A Volunteer[as defined in the Bylaws], Officers, Directors, and employees and agents of the Corporation, against whom a claim is made for or on account of acts or omissions in rendering services for or on behalf of the Corporation may be indemnified by the Corporation as provided in the Bylaws.

Article Seven: Amendment of Articles & Bylaws

These Articles and the Corporation's Bylaws may be altered, amended, or repealed by the Board or the membership as provided in the Bylaws.

Article Eight: Disposition of Property upon Dissolution

Upon the winding up and dissolution of the Corporation, after paying or adequately providing for the debts and obligations of the Corporation, the remaining assets will be distributed to organizations which are organized and operated exclusively for non-profit purposes, which have established their tax-exempt status under applicable state and federal laws, and are qualified as a §501(c)(3) organization; PROVIDED, HOWEVER, that all such assets distributed as provided in these Articles will be dedicated to and expended by said beneficiary organizations solely in furtherance of and subject to the limitations of those specific charitable, religious, educational, and scientific purposes and those specific corporate purposes described hereinabove. In the event recipients otherwise specified in these Articles or the Corporation's Bylaws or duly adopted resolutions are not in existence or do not qualify as §501(c)(3) organizations, then the assets shall be distributed for charitable or educational purposes within the meaning of §501(c)(3) by a court of competent jurisdiction as provided in the TNPCA, subject to said limitations on specific corporate purposes described hereinabove.

Article Nine: Registered Office and Agent

The registered agent is David W. Biles at the registered office at 217 East Oak Street, Denton, Texas 76201.

Article Ten: Current Directors

The voting Directors currently serving, and their addresses, are:

- (1) Joe Alford 531 N. Elm, Denton, Texas 76201
- (2) Myra Anderson 321 E. McKinney, Denton, Texas 76201
- (3) Elizabeth Disco Shearer 306 S. Locust, Denton, Texas 76201

