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---

**BYLAWS  
OF  
E<sup>3</sup> ALLIANCE**

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**BYLAWS**  
**OF**  
**E<sup>3</sup> ALLIANCE**

**ARTICLE I.**  
**NAME AND PURPOSE**

1.1. Name. The name of the Corporation is E<sup>3</sup> Alliance.

1.2. Purpose. Subject to Sections 2.002, 2.003, 2.010 and 22.051 of the Texas Business Organizations Code (the “Act”), the Corporation is organized and shall be operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), or the corresponding provision of any future United States tax law. The Corporation shall be operated exclusively for such purposes, and no part of its net earnings shall inure to the benefit of, or be distributable to, its directors, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered by officers and directors of the Corporation and members of committees of the Corporation, and to make payments and distributions in furtherance of the purposes set forth in this Section 1.2. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office. In no event shall the Corporation carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or the corresponding provision of any future United States tax law, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code or the corresponding provision of any future United States tax law.

**ARTICLE II.**  
**OFFICES**

2.1. Principal Office. The principal office of the Corporation shall be located at 5930 Middle Fiskville Road, Austin, Texas 78752.

2.2. Additional Offices. The Corporation may also have offices at such other places both within and without the State of Texas as the Board of Directors may from time to time determine or the business of the Corporation may require.

**ARTICLE III.**  
**NO MEMBERS**

The Corporation shall have no members.

**ARTICLE IV.  
BOARD OF DIRECTORS**

4.1. General Powers. The affairs of the Corporation shall be managed by, and the control and disposition of its properties and funds shall be vested in, the Board of Directors.

4.2. Number and Qualifications. The number of Directors which shall constitute the whole Board of Directors shall be not less than three (3) nor more than fifteen (15) as determined by the Directors. Directors need not be residents of the State of Texas.

4.3. Increase or Decrease in Directors. Unless the Certificate of Formation provides otherwise, the number of Directors may be increased or decreased from time to time by amendment to these Bylaws, but no decrease shall have the effect of shortening the term of any incumbent Director. The number of Directors may not be decreased to fewer than three (3).

4.4. Election and Vacancies. The Board of Directors shall be a self-perpetuating body. Upon the expiration of the respective terms of the Directors, and at every succeeding election, successors to Directors whose terms shall have expired shall be elected by the affirmative vote of a majority of the other members of the Board of Directors or by the sole remaining Director, even if less than a quorum of the Board of Directors, and vacancies and new directorships shall be filled in the same manner. The term of office of each director shall be as determined by the Board of Directors. Any Director whose term of office shall have expired may be elected to succeed himself or herself. In case of election to fill a vacancy, the term of the successor shall be for the unexpired term for which the former occupant thereof was elected. Unless removed in accordance with the provisions of Section 4.5, each Director shall hold office for the term for which he or she is elected or appointed and until his or her successor shall have been elected, appointed or designated and qualified. The foregoing provisions of this Section 4.4 notwithstanding, the President of Austin Community College ("ACC") shall be a member of the Board of Directors for so long as the Corporation and ACC are parties to any agreement pursuant to which ACC provides administrative and other support services to the Corporation.

4.5. Removal. At any meeting of the Directors called expressly for that purpose at which a quorum is present, any Director or the entire Board of Directors may be removed either with or without cause.

4.6. Place of Meetings. Meetings of the Board of Directors, regular or special, may be held either within or without the State of Texas.

4.7. First Meetings. An organizational meeting of the Board of Directors named in the Certificate of Formation shall be held, at the call of the organizers or the call of a majority of the Directors named in the Certificate of Formation, for the purpose of adopting bylaws, electing officers, and for such other purposes that may come before the meeting. The first meeting of each newly elected Board of Directors shall be held upon such notice, or without notice, and at such time and at such place as shall be determined by the Board of Directors.

4.8. Regular Meetings. Regular meetings of the Board of Directors may be held upon such notice, or without notice, and at such time and at such place as shall from time to time be determined by the Board of Directors.

4.9. Special Meetings. Special meetings of the Board of Directors may be called by the President and shall be called by the Secretary on the written request of any Director. Notice of each special meeting of the Board of Directors shall be given to each Director at least two (2) days before the date of the meeting.

4.10. Attendance as Waiver of Notice. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Except as may be otherwise provided by law or by the Certificate of Formation or by these Bylaws, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

4.11. Voting. A Director may vote in person or by proxy executed in writing by the Director. No proxy shall be valid after three (3) 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.

4.12. Quorum of Directors; Majority Vote. At all meetings of the Board of Directors, the presence in person (but not by proxy) of one-third (1/3) of the number of Directors in office shall constitute a quorum, and the act of the majority of the Directors present in person or by proxy at any 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 the Certificate of Formation or these Bylaws. If a quorum is not present at any meeting of Directors, the Directors present in person may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

4.13. Committees and Advisory Boards. The Board of Directors may from time to time designate (a) one or more committees, including an Executive Committee, which, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation and (b) one or more advisory board(s) which will provide guidance and counsel to the Board of Directors in the administration of its authority and duties, but shall not have the authority of the Board of Directors in any matter. Each committee or advisory board shall consist of two (2) or more persons. The majority of members of any committee shall be Directors; the remainder need not be Directors. Any non-Director who becomes a member of any committee shall have the same responsibility with respect to such committee as a Director who is a member thereof. The members of any advisory board may consist of Directors and/or non-Directors. A majority of all the members of any committee or advisory board may determine its action and fix the time and place of its meetings, unless the Board of Directors shall otherwise provide. The Board of Directors shall have the power at any time to change the number and members of any committee or the advisory board, to fill vacancies and to discharge any such committee or advisory board. Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated and appointed by the Board of Directors or by the President. Membership on such committees may, but need not be, limited to Directors.

4.14. Action by Written Consent. Any action required to be taken at a meeting of Directors, any committee or the advisory board, or any action which may be taken at such a meeting, may be taken without a meeting if a consent in writing setting forth the action to be taken, shall have been signed, manually or by facsimile or electronic mail, by (i) all the Directors, committee members or advisory board members, or (ii) if the Certificate of Formation so provides, by a sufficient number of Directors, committee members or advisory board members as would be necessary to take that action at a meeting at which all of the Directors, committee members or advisory board members were present and voted. Any such written consent shall be signed and dated by each Director, committee member or advisory board member, as applicable, executing the same and such executed written consent shall be filed with the Corporation in the manner required by Section 3.151 of the Texas Business Organizations Code.

4.15. Alternative Forms of Meetings. Subject to the provisions of the Act and these Bylaws concerning notice of meetings, Directors, committee members and advisory board members may participate in and hold meetings by means of conference telephone or similar communications equipment if the telephone or other equipment or system permits each Director, committee member or advisory board member participating in the meeting to communicate with all other persons participating in the meeting, and such participation shall constitute presence in person at such meeting, except where a Director, committee member or advisory board member participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. If voting is to take place at the meeting, the Corporation must implement reasonable measures to verify that every person voting at the meeting by means of remote communications is sufficiently identified and keep a record of any vote or other action taken. If a meeting is held solely or in part by using a conference telephone or other communications systems authorized by Section 6.002 of the Act or by these Bylaws, the notice of the meeting must identify the forms of communications systems to be used for the meeting and the means of accessing the communications systems.

4.16. Compensation. By resolution of the Board of Directors, Directors, committee members and advisory board members may be paid their expenses, if any, of attendance at each meeting of the Board of Directors, committee or advisory board, as applicable. No such person shall receive any compensation for service as a Director, committee member or advisory board member. No such person shall be precluded from serving the Corporation in any other capacity and receiving reasonable compensation therefor; provided, however, that any compensation received by any such person for services to the Corporation that is determined in whole or in part to be unreasonable by the Internal Revenue Service shall be reimbursed by such person to the Corporation, and each Director, committee member and advisory board member, by virtue of being appointed or elected to such position, agrees to execute and deliver to the Corporation any and all documents reasonably requested by the Corporation in order to provide for such reimbursement.

## **ARTICLE V. NOTICES**

5.1. Notice to Directors. Any notice to Directors shall be in writing and shall be delivered or mailed to the Directors at their respective addresses appearing on the books of the

Corporation, or sent by fax or other electronic transmission to the Directors at their respective fax numbers or electronic mail addresses appearing on the books of the Corporation. If mailed or sent by overnight delivery service, such notice shall be deemed to be delivered when deposited in the United States mail or with an overnight delivery service with postage paid. If transmitted by fax or other electronic transmission, notice is deemed to be delivered on successful transmission of the fax or electronic message.

5.2. Waiver of Notice. Whenever any notice is required to be given to a Director under the provisions of the Act or under the provisions of the Certificate of Formation or of these Bylaws, a waiver thereof 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 VI. OFFICERS**

6.1. Officers of the Corporation. The officers of the Corporation, who shall be Directors, shall be elected by the Board of Directors and shall consist of a “President and Executive Director” and a “Secretary.” The Board of Directors may also elect or appoint a Chairman of the Board, one or more Vice Chairs, a Treasurer and such other officers and assistant officers as it shall deem necessary. All officers shall hold their offices for such terms, shall have such authority and exercise such powers, and perform such duties as shall be determined from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Executive Director and Secretary. A committee duly designated may perform the functions of any officer and the functions of any two or more officers may be performed by a single committee, including the functions of both President and Executive Director and Secretary.

6.2. Compensation; Restrictions on Loans and Dividends. The Corporation, by resolution of the Board of Directors, may pay compensation in a reasonable amount to its officers and other agents for services rendered to the Corporation (other than in their capacities as officers and except as provided herein with respect to the President and Executive Director), but only as permitted by the Act and these Bylaws. Any compensation paid to any officer of the Corporation in the form of salary, commission, bonus or otherwise that is determined in whole or in part to be unreasonable by the Internal Revenue Service shall be reimbursed by such officer to the Corporation, and each officer, by virtue of becoming an officer, agrees to execute and deliver to the Corporation any and all documents reasonably requested by the Corporation in order to provide for such reimbursement. No dividend shall be paid and no part of the income of the Corporation shall be distributed to its Directors or officers. No loan shall be made by the Corporation to its Directors, officers or employees.

6.3. Term of Office and Removal. Unless otherwise specified by the Board of Directors, the term of office for all officers shall be for three (3) years, commencing with the date of the annual Directors’ meeting. The officers of the Corporation shall hold office until their successors are elected or appointed and qualify, or until their death or until their resignation or removal from office. Any officer elected or appointed may be removed by the Board of Directors, but such removal shall be without prejudice to the contract rights, if any, of the person



so removed. Election or appointment of an officer or agent shall not of itself create contract rights. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise shall be filled by the Board of Directors.

6.4. Chairman of the Board. The Chairman of the Board, if one is elected, shall preside at all meetings of the Board of Directors and shall have such other powers and duties as may from time to time be prescribed by the Board of Directors, upon written directions given him pursuant to resolutions duly adopted by the Board of Directors.

6.5. President and Executive Director. The President and Executive Director shall, with no term limit, (a) act as Chief Executive Officer of the Corporation, (b) manage the day-to-day operation of the business of the Corporation, (c) preside at all meetings of the Board of Directors in the absence of the Chairman of the Board of Directors, (d) see that all orders and resolutions of the Board of Directors are carried into effect and (e) have such other powers and duties as may from time to time be prescribed by the Board of Directors.

6.6. Vice Chair. The Vice Chairs, if any, in the order of their seniority, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the President, perform the duties and have the authority and exercise the powers of the President. They shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the President may from time to time delegate.

6.7. Secretary. For so long as the President of Austin Community College is a Director, he shall serve as the Secretary of the Corporation, with no term limit, unless otherwise determined by the Board of Directors. The Secretary shall attend all meetings of the Board of Directors and record all of the proceedings of the meetings of the Board of Directors in a minute book to be kept for that purpose. The Secretary shall give, or cause to be given, notice of all special meetings of the Board of Directors, and (if notice is required) regular meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the President and Executive Director. The Secretary shall keep in safe custody the seal of the Corporation (if any) and, when authorized by the Board of Directors, shall affix the same (or state that the Corporation has none) to any instrument requiring it and, when so affixed (or so stated), it shall be attested by his or her signature or by the signature of the Treasurer, if any.

6.8. Treasurer. The Treasurer, if any, shall have custody of the corporate funds and securities and shall keep full and accurate accounts and records of receipts, disbursements and other transactions in the records of the Corporation, and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors and shall render an account of all his or her transactions as Treasurer and of the financial condition of the Corporation upon request of the President and Executive Director or the Board of Directors. If required by the Board of Directors, the Treasurer shall give the Corporation a bond of such type, character and amount as the Board of Directors may require.

**ARTICLE VII.  
GENERAL PROVISIONS**

7.1. Checks. All checks or demands for money and notes of the Corporation shall be signed by the Executive Director or the President; provided that any such instrument in an amount greater than \$50,000 shall require, in addition to the signature of the Executive Director or President, the signature of the Secretary.

7.2. Fiscal Year. The fiscal year of the Corporation shall commence on September 1 and end on August 31 of each year, unless otherwise fixed by resolution of the Board of Directors.

7.3. Seal. The Board of Directors may provide for a corporate seal in such form as it prescribes. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

7.4. Books and Records. The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors and committees having any authority of the Board of Directors.

7.5. Financial Records and Annual Reports. The Corporation shall maintain such financial records, and shall prepare such reports of financial activity, as may be required by Section 22.352 of the Act.

**ARTICLE VIII.  
AMENDMENTS**

The Corporation's Board of Directors may amend or repeal the Corporation's Bylaws or adopt new Bylaws.

**ARTICLE IX.  
INDEMNIFICATION**

To the maximum extent permitted by Chapter 8, Subchapter C of the Act, the Corporation shall indemnify any person who is or was a Director or officer of the Corporation against any and all judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses actually incurred by such person in connection with a proceeding (as defined in Section 8.001(8) of the Act) because of that person's service or status as a Director or officer. Further, the Corporation shall pay or reimburse reasonable expenses actually incurred by a Director or officer who was, is or is threatened to be made a party in a proceeding, in advance of the final disposition of the proceeding, to the maximum extent permitted by Section 8.104 of the Act; provided, however, that payment or reimbursement of expenses pursuant to the procedures set out in Section 8.104 the Act may be conditioned upon a showing, satisfactory to the Board of Directors in its sole discretion, of the financial ability of the officer or Director in question to make the repayment referred to in such Section. Further, the Corporation may indemnify, and may reimburse or advance expenses to or purchase and maintain insurance or any other arrangement on behalf of, any person who is or was a Director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a director,

officer, partner, venturer, proprietor, director, employee, agent or similar functionary of another corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, in connection with any liability asserted against such person because of such service or status, to such further extent, consistent with Chapter 8, Subchapter C of the Act and other applicable law, as the Board of Directors may from time to time determine. The provisions of this Article IX shall not be deemed exclusive of any other rights to which any such person may be entitled under any bylaw, agreement, insurance policy, or otherwise. No amendment, modification or repeal of this Article IX shall in any manner terminate, reduce or impair the right of any person to be indemnified by the Corporation in accordance with the provisions of the section as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

## **ARTICLE X. CONFLICT OF INTEREST POLICY**

10.1. Purpose. The purpose of this Conflict of Interest Policy is to protect the interests of the Corporation when the Corporation is contemplating entering into a transaction or arrangement that might benefit the private interest of a Director, officer or member of a committee with Board-delegated powers. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to non-profit and charitable organizations.

10.2. Conflict of Interest. A “conflict of interest” may arise when a the Corporation director, officer or member of a committee with board-delegated powers, or a family member of any of the foregoing, enters into or proposes to enter into, or has any direct or indirect interest in, or relationship with, any individual or organization which enters into or proposes to enter into, any transaction with the Corporation, including but not limited to transactions involving:

- (a) the sale, purchase, lease, rental or other transfer of any property or other asset;
- (b) employment, or rendition of services, personal or otherwise;
- (c) the award of contract or subcontract, for example, a construction or vendor contract with another organization; or
- (d) a partnership, joint venture or other similar transaction or arrangement.

10.3. Direct or Indirect Interest. A “direct or indirect interest” includes actual or potential:

- (a) ownership or control, directly or indirectly, of the voting interests or securities, or beneficial interests, of an organization or the power to control, directly or indirectly, the election of a majority of an organization’s directors or other governing body;
- (b) service as a director, officer, manager, executor, administrator, trustee, employee, independent contractor, consultant, volunteer or other similar position; or

(c) compensation arrangements, including direct or indirect remuneration and substantial gifts or favors.

10.4. Family Member. The term “family member” includes an individual’s spouse, ancestors, children, grandchildren, great grandchildren, siblings (whether or not by adoption) and the spouses of any of the foregoing.

10.5. Duty to Self-Disclose. In connection with any actual or possible conflict of interest, a Director, officer or member of a committee with board-delegated powers shall disclose to the Board of Directors the existence of such conflict of interest, together with all material facts with respect to such conflict of interest.

10.6. Duty to Disclose Conflicts of Others. If a director, officer or committee member becomes aware of an actual or possible conflict of interest involving another person, such director, officer or committee member shall disclose to a member of the Board of Directors the possible existence of a conflict of interest, together with all known facts as to such conflict of interest. Any such disclosure may be made anonymously in writing.

10.7. Determining Whether a Conflict of Interest Exists.

(a) The Board of Directors, or its disinterested designees, shall evaluate the actual or possible conflict of interest. Such evaluation shall include analysis of material facts as to the relationship or interest and as to the transaction or arrangement and may include obtaining, in writing or by discussion, additional information from the affected Director, officer or committee member; however, the affected Director, officer or committee member shall be prohibited from providing to the Board of Directors his or her evaluation of the actual or possible conflict of interest and, except for discussion to provide factual information, shall not be present for any discussion of, or vote on, the transaction or arrangement involving the possible conflict of interest.

(b) After completion of the due diligence phase described above, the Board of Directors shall determine whether the Corporation can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity without giving rise to a conflict of interest.

(c) 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 of Directors shall determine, in good faith and with due care, by a majority vote of the disinterested Directors, whether the transaction or arrangement is in the Corporation’s best interest and whether the transaction is fair and reasonable to the Corporation.

(d) If the disinterested members of the Board of Directors determine that the transaction or arrangement is in the Corporation’s best interest and is fair and reasonable to the Corporation, the disinterested members of the Board of Directors shall vote upon whether to enter into or continue, as applicable, the transaction or arrangement.

10.8. Notification. If the Board of Directors learns or has reasonable cause to believe that a Director, officer or member of a committee with board-delegated powers has failed to

disclose an actual or possible conflict of interest, the Board of Directors shall notify the affected Director, officer or committee member in writing of the basis for such belief and afford such person an opportunity to explain the alleged failure to disclose.

10.9. Disciplinary or Corrective Action. If, after receiving the response of the affected Corporation director, officer or committee member and making such further investigation as may be warranted in the circumstances, the Board of Directors determines that such the Corporation director, officer or committee member has in fact failed to disclose an actual or possible conflict of interest, the Board of Directors shall take appropriate disciplinary and corrective action.

10.10. Records of Proceedings. The minutes of the Board of Directors and all committees charged with investigation of an actual or possible conflict of interest shall contain:

(a) the names and titles of the persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the conflict of interest, any action taken to determine whether a conflict of interest was present and the Board of Directors' 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 alternatives to the proposed transaction or arrangement and a record of any votes taken in connection with the proceedings.

10.11. Compensation Matters.

(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 his or her compensation.

(b) A voting member of any committee of the Board of Directors 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 his or her compensation.

(c) No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

10.12. Annual Affirmation. Each Director, officer and member of a committee with Board-delegated powers shall sign a statement each year confirming that such person:

(a) has received a copy of this Conflict of Interest Policy, as it may be amended from time to time;

(b) has read and understands the Conflict of Interest Policy;

(c) has complied and agrees to comply in the future with the Conflict of Interest 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 tax-exempt purposes.

10.13. 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. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining.

(b) Whether partnerships, joint ventures, services contracts and other similar transactions or arrangements result in the Corporation operating for the benefit of private interests or inurement of the net earnings of the Corporation to the benefit of any person having a personal and private interest in the activities of the Corporation, in violation of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the regulations promulgated thereunder.

(c) Whether partnerships, joint ventures, services contracts and other similar transactions or arrangements conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Corporation's charitable purposes and do not result in the Corporation operating for the benefit of private interests or inurement as described in subparagraph (b) above.

10.14. Outside Experts. In conducting the periodic reviews provided for in Section 10.13, the Corporation may, but need not, use outside experts. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.