

COLLIN COUNTY FIRE INVESTIGATORS ASSOCIATION, INC.

*****REVISED BYLAWS *****

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These Bylaws govern the affairs of Collin County Fire Investigators Association, Inc. (the "Association"), a nonprofit corporation organized under the Nonprofit Corporations Chapter of the Texas Business Organizations Code (the "Act").

ARTICLE ONE. OFFICES

SECTION 1. The principal office of the Association shall be located at 500 South State Highway 5, Fairview, Texas 75079. The Association may have such other offices as the Board of Directors shall determine. The Board of Directors may change the location of any office of the Association.

SECTION 2. The Association shall comply with the requirements of the Act and maintain a registered office and registered agent in Texas. The Board of Directors may change the registered office and the registered agent as provided in the Act.

ARTICLE TWO. NONPROFIT PURPOSES

SECTION 1. The primary purpose of the Association is to provide a means whereby all Fire Marshals and Arson Investigators can come together to discuss common problems and provide a broad based means of gathering information common to fire and arson investigators. The responsibility of the Association is to assist in the attack on arson and related crimes.

SECTION 2. The Association is organized exclusively for one or more of the purposes specified in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), including, for such

purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.

SECTION 3. The Association is organized and shall be operated exclusively for charitable, educational, literary, and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Notwithstanding the foregoing, the Association's purposes also include the limited participation of the Association in any other activities, including taxable activities, but only to the extent the activities would be permitted by a tax-exempt organization. More particularly, but without limitation, the purposes of the Association are:

- A. By whatever good and legitimate means necessary, provide opportunities whereby all Fire Marshals and Arson Investigators can come together to discuss common challenges, problems, and issues within their discipline and purview, and provide a broad-based means of gathering information common to fire and arson investigators for the health, safety and protection of the public;
- B. To assist in investigating and solving arson and related crimes. Among other related nonprofit exempt means, this will include:
 - 1. Improvement of coordination and cooperation among fire departments, law enforcement agencies, insurance industry representatives, and other means directly interested in and related to fire and arson prevention;
 - 2. Coordination of and sponsoring educational classes and seminars to further training and knowledge in the area of fire scene investigations and the principles of criminal investigation;
 - 3. Providing for the exchange of scientific, literary, and technical information and developments related to arson in its aims against such crimes;
 - 4. Reviewing laws and legislative proposals regarding arson, and responding constructively for the public good;
 - 5. Assisting in the creation of legislation concerning arson-related matters; and
 - 6. Promoting awareness and creating educational opportunities to encourage high professional standards of conduct among fire and arson investigators.
- C. Promote awareness and provide education regarding the extent, severity, seriousness, and consequences of arson to the general public.
- D. To raise funds to benefit its charitable causes and aims, and make distributions to related organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code;

- E. To exercise all rights and powers conferred by the laws of the State of Texas upon nonprofit corporations and by Section 501(c)(3) of the Internal Revenue Code, including, without limiting the generality of the foregoing, to acquire by donation, contribution, bequest, devise, gift, purchase, lease, or otherwise any property of any sort or nature, without limitation, as to its amount or value, and to hold, reinvest, manage, use, apply, employ, sell, expend, disburse, lease, mortgage, convey, option, donate, or otherwise dispose of such property and the income, principal, and proceeds of such property for any of the purposes set forth herein; and without the necessity of authorization or approval of any individual or entity whatsoever; and
- F. To do such other things as are incidental to the purposes of the Association or are necessary or desirable in order to accomplish them.

SECTION 4. The Association shall promote the investigation of fires through the creation and implementation of the Collin County Arson Task Force.

- A. The Collin County Arson Task Force (hereafter referred to as the “Task Force”) shall be comprised of Certified Fire and Arson Investigators, who represent a member agency of the Association who:
 - 1. Have inter-local agreements executed with other agencies that comply with the Inter-Local Cooperation Act, Article 4413(32), Texas Civil Statutes.
 - 2. Has paid dues as an active Arson Task Force Member to the Association.
 - 3. Has filed copies of their inter-local agreements with the Task Force Coordinating Agency.
- B. The Task Force shall have a central depository of records where copies of all inter-local agreements and a record of Task Force responses shall be kept.
 - 1. Unless otherwise stated in the inter-local agreements or amendments, the central depository and coordinating agency shall be the office of the Collin County Fire Marshal.
- C. The coordinator of the Task Force shall serve as a member of the Board of Directors.

SECTION 5. The Association will not operate for profit.

ARTICLE THREE. MEMBERSHIP

SECTION 1. Membership in the Association shall be open to all persons actively engaged in fire and arson investigation in city, county, state and federal agencies.

SECTION 2. Membership level and dues shall be:

- A. Voting Task Force Member: A member agency with an executed inter-local agreement as required in Article Two, Section 4.

1. Annual dues shall be ten dollars (\$10.00) per agency, due and payable on or before January 1st of each calendar year.
- B. Voting Active Member: An agency who is not a member of the Arson Task Force, but has all the rights and privileges of a voting member,
1. Annual dues shall be fifty dollars (\$50.00) per agency, due payable on or before January 1st of each calendar year.
- C. Associate Members: Persons who do not qualify for active membership may become associate members after consideration of their qualifications by the Association.
1. Associate Members shall have the privileges of an active member, except that of voting and holding office.
 2. The Association may, by majority vote of active members present, exclude associate members from any particular business meeting.
 3. Any person(s) not actively engaged in arson investigation shall be listed as associate members.
 4. Dues for associate membership shall be twenty-five dollars (\$25.00) per person annually, due and payable on or before January 1st of each calendar year.
- D. Lifetime Members: The Association, by majority vote, may assign the honor of Lifetime Membership in the Association to any member who may have retired from active service or who has changed jobs and is relocating to an agency outside of Collin County. The following provisions for Lifetime Membership are hereby established:
1. A person to be placed in nomination for Lifetime Membership must be nominated by a voting member at a regular meeting of the Association. The membership shall vote on the proposed lifetime member at the next regular monthly meeting of the Association.
 2. There shall be no fee associated with a Lifetime Membership.
 3. Lifetime Members shall be non-voting members of the Association with all the rights of an Associate Member.

SECTION 3. Withdrawal and Suspension of Membership

- A. Membership can end by:
1. Voluntary withdrawal by the Member; or
 2. Suspension by the Board of Director.

- B. Membership in the Association shall be maintained at the discretion of the active members. Any member active or associate, that is alleged to have engaged in activities prejudicial to the best interest of the association, may be suspended from all activities by the Board of Directors.
- C. The suspension will be in force until the regular meeting of the Association, at which time a hearing of the allegations and a vote of the active members shall determine if the suspension will be upheld. Should the vote be upheld, the member shall be removed from the membership list and forfeit any and all dues previously paid.
- D. A member who has been suspended may apply for reinstatement after a twelve (12) month period.

ARTICLE FOUR. BOARD OF DIRECTORS

SECTION 1. No member of the Association shall seek to derive any profit or gain from the organization.

SECTION 2. The property, business, and affairs of the Association shall be managed by or under the authority of the Board of Directors, and the powers of the Association shall be exercised by or under the authority of the Board of Directors.

SECTION 3. The total number of Directors shall not be less than three (3) nor more than nine (9), preferably keeping an odd number of Directors to prevent deadlock, as stated in the Certificate of Formation. The number of Directors may be increased or decreased by the Board of Directors, by amending the Certificate of Formation or by amending these Bylaws, either of which shall have the same force and effect.

SECTION 4. Directors shall be natural persons at least eighteen (18) years of age, who need not be residents of Texas.

SECTION 5. Each Director's term of office shall be for one (1) year. Each Director shall hold office until the expiration of the term for which he or she was elected and until his or her successor has been elected, or until his or her earlier death, resignation, or removal. Directors may serve successive terms.

SECTION 6. The President of the Association shall appoint a nominating committee and designate the chairperson of the committee at the October regular meeting.

SECTION 7. There shall be an election of Board members held annually at the regular monthly meeting in November. The President shall submit the recommendations of the nominating committee to the membership, as well as accept nominations from the floor.

SECTION 8. A person who has been nominated and meets the qualification requirements to be a Director may be elected as a member of the Board of Directors by a majority vote of the members present and voting at the November meeting each year. All newly elected Board Members of the Association shall take office at the first regular meeting in January of each year.

SECTION 9. The members may remove a Director with or without good cause by a two-thirds (2/3) majority vote of the members present at a regular, special, or annual meeting of the membership.

SECTION 10. Vacancies shall be promptly filled by a majority vote of the members present at a regular, special, or annual meeting of the membership.

SECTION 11. The Board of Directors shall have all of the rights, powers, and responsibilities of a Board of Directors pursuant to the Act and the laws of the State of Texas pertaining to nonprofit corporations, subject to any limitations under the Certificate of Formation or these Bylaws. All corporate powers shall be exercised by or under the authority of the Board of Directors. The Board of Directors shall have final authority for affairs pertaining to property and other temporal matters as required by civil law for nonprofit corporations. In particular, the Board of Directors shall be responsible for the acquisition and disposition of corporate property, which includes the management of its financial resources. The Board of Directors shall have the power to buy, sell, mortgage, pledge, or encumber any corporate property and incur related indebtedness. In addition to the powers and authorities expressly conferred by the Bylaws upon them, the Board may exercise all such powers of the Association and do all such lawful acts and things that are not prohibited by statute, the Certificate of Formation, or these Bylaws.

SECTION 12. Directors shall discharge their duties, including any duties as committee members, in good faith, with ordinary care, and in a manner they reasonably believe to be in the best interest of the Association. Ordinary care is the degree of care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In the discharge of any duty imposed or power conferred on Directors, they may in good faith rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Association or another person that were prepared or presented by a variety of persons, including officers and employees of the Association, professional advisors, or experts such as accountants or legal counsel. A Director is not relying in good faith if the Director has knowledge concerning a matter in question that renders reliance unwarranted. Directors are not deemed to have the duties of Trustee of a trust with respect to the Association or with respect to any property held or administered by the Association, including property that may be subject to restrictions imposed by the donor or transferor of the property.

SECTION 13. Any Director who votes for or assents to an improper distribution is jointly and severally liable to the Association for the value of the improperly distributed assets, to the extent that debts, obligations, and liabilities of the Association are not thereafter paid and discharged. Any distribution made when the Association is insolvent, other than in payment of debts of the Association, or any distribution that would render the Association insolvent is an improper distribution. A distribution made during liquidation without payment and discharge of or provision for all known debts, obligations, and liabilities is also improper. Directors present at a Board meeting at which an improper action is taken are presumed to have assented, unless they dissent in writing. The written dissent must be filed with the Secretary of the Association before adjournment or mailed to the Secretary by registered mail immediately after adjournment (i.e., within a reasonable time under the prevailing circumstances and conditions).

A Director is not liable if, in voting for or assenting to a distribution, the Director: (1) relies in good faith and with ordinary care on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by one or more officers or employees of the Association, legal counsel, public accountants, or other persons, as to matters the Director reasonably believes are within the person's professional or expert competence, or a committee of the Board of Directors of which the Director is not a member; (2) while acting in good faith and with ordinary care,

considers the assets of the Association to be at least that of their book value; and (3) in determining whether the Association made adequate provision for payment, satisfaction, or discharge of all of its liabilities and obligations, relied in good faith and with ordinary care on financial statements or other information concerning a person who was or became contractually obligated to satisfy or discharge some or all of these liabilities or obligations. Furthermore, Directors are protected from liability if, in the exercise of ordinary care, they acted in good faith and in reliance on the written opinion of an attorney for the Association.

Directors who are held liable for an improper distribution are entitled to contribution from the persons who accepted or received the improper distribution knowing it was improper. Contribution is in proportion to the amount received by each such person.

SECTION 14. The Board of Directors is entitled to select advisors and delegate investigative and advisory duties and responsibilities to them; however only the Board may take action based on the advice of an advisor. Directors are not liable for acting on advice received by an advisor if the Board acts in good faith and with ordinary care in selecting the advisor. The Board may remove or replace an advisor, with or without cause.

SECTION 15. Directors, including the Chairman of the Board, shall not receive salaries or compensation for their services on the Board of Directors. The Board of Directors may adopt a resolution providing for payment to Directors for expenses of attendance, if any, at a meeting of the Board of Directors. A Director may serve the Association in any other capacity and receive reasonable compensation for those services.

ARTICLE FIVE. OFFICERS

SECTION 1. The Officers of the Association, who shall also serve as members of the Board of Directors of the Association, shall be:

- A. President;
- B. Vice-President;
- C. Secretary;
- D. Treasurer; and
- E. Task Force Coordinator.

SECTION 2. The officers of the Association shall be elected by a majority vote of the members present and voting at the November meeting each year.

SECTION 3. Any officer, except the President, may be removed from office with or without good cause by a two-thirds (2/3) vote of the members present at a regular, special, or annual meeting of the membership. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer.

SECTION 4. Any officer may resign at any time by giving written notice to the President. Such resignation shall be effective upon receipt by the Association or at such subsequent time as specified in the notice. Unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective. Such resignation shall be without prejudice to the contract rights, if any, of the Association.

SECTION 5. When an office is vacated prior to the expiration of the officer's term, the vacancies shall be promptly filled by the members at the next regular, special, or annual meeting of the membership.

SECTION 6. The Officers duties and powers shall be:

A. President:

1. It shall be the duty of the President to preside at all meetings and to enforce all regulations related to the administration and operation of the Association.
2. The President shall have the authority to call special meetings of the Association and appoint special committees as required for the efficient and effective operation of the Association.
3. The President shall be the official spokesperson for the association at all official functions and presentations.
4. Supervise and control all of the business and affairs of the Association.
5. Execute any deeds, mortgages, bonds, contracts, or other instruments that the Board of Directors has authorized to be executed.

B. Vice-President:

1. In the absence of the President, the Vice-President shall have all the duties and powers of the President.
2. The Vice-President shall also serve as the organization parliamentarian and shall also serve as the organization hospitality chairman and oversee membership retention and recruitment for the Association.

C. Treasurer:

1. The Treasurer shall initiate the collection of all dues of the organization and keep record of same and pay all debts of the Association.
2. The Treasurer shall keep a ledger of all fund accounts created by the Association.
3. The Treasurer shall be authorized to withdraw from the Association's account or accounts by check only.
4. The Association's bank account shall be a joint account signed by the President and the Treasurer.

5. The Treasurer shall initiate the issuance of “statement of dues” notice to all member agencies on or about the first day of November each calendar year.
6. The Treasurer shall maintain all monetary records and be prepared to deliver the financial ledgers at any time called for by the President, or at the request of a majority vote of the membership, but not less than one time each year for the purpose of the Board of Directors review.

D. Secretary:

1. The Secretary shall keep a record of all proceedings and shall distribute or read a summary of all minutes of all regular and special meetings of the Association.
2. The Secretary shall conduct such correspondence and shall issue such notices of all meetings as may be required or directed by the President.
3. The Secretary shall keep a current registrar of all members of the Association.
4. The Secretary shall distribute a copy of the membership list to all members at least annually.
5. The Secretary shall collect documentation of events as necessary and serve as the organizations historian.
6. The Collin County Fire Marshal’s Office shall be the official storage location to house the archives of the organization and the Secretary shall assist in managing and keeping of the historical records and documents therein.

E. Task Force Coordinator:

1. The Task Force Coordinator (TFC) shall maintain a record of agencies with inter-local agreements.
2. The Task Force Coordinator shall maintain a record of all task force responses.
3. In the absence of the President and the Vice-President, the TFC shall act on behalf of the President at any regular scheduled membership meeting.
4. If and when the Task Force is called to the county or city who is not a voting task force member, the County Fire Marshal (coordinator) or his authorized representative shall serve as the team’s (investigation command) leader.

ARTICLE SIX. MEETINGS

SECTION 1. Meetings are to be held monthly, on the first Tuesday of each month.

SECTION 2. The President can call a special Board of Directors meeting or a general association meeting at any time with notice in writing to each member stating the time, place, and purpose of the meeting not less than five (5) nor more than sixty (60) days before the date of the meeting.

SECTION 3. All business and elections will be governed by a quorum of those members or Directors present. The membership or Directors present at any regular, annual, or special business meetings of the Association shall constitute a quorum to transact the business of the Association. Matters pertaining to laws or legislative proposals, endorsements, or opinions voiced by this association to other agencies shall require not less than a fifty-one percent (51%) vote of the members present and voting.

SECTION 4. Each member shall be allowed to vote. However, no member agency shall have more than four (4) votes regardless of the number of members listed on the association's membership roster.

SECTION 5. There shall be no voting by proxy.

SECTION 6. There shall be at least one (1) business meeting of the Members and the Board of Director per year to dispense with business. The President shall select the specific date and location of the meeting and shall notify the Members and Directors at least two (2) weeks (14 days) in advance of the meeting.

SECTION 7. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, and with the same force and effect as a unanimous vote of Directors, if all members of the Board consent in writing to the action.

ARTICLE SEVEN. AMENDMENTS

These Bylaws may be amended at any regular monthly meeting by a vote of two-thirds (2/3) of the members present and voting after a thirty (30) day written notice of the proposed amendment has been supplied to the full membership.

ARTICLE EIGHT. COMMITTEES

SECTION 1. The Board of Directors may adopt resolutions establishing one or more committees, delegating specific authority to a committee, or appointing or removing members of a committee. A committee may include persons who are not Directors. The Board of Directors may establish qualifications for membership on a committee. The Board of Directors may delegate to the President its power to appoint and remove members of a committee, so long as the committee has not been delegated any authority of the Board of Directors. The establishment of a committee, or the delegation of authority to it, shall not relieve the Board of Directors, or any individual Director, of any responsibility imposed by these Bylaws or otherwise imposed by law. No committee shall have the authority of the Board of Directors to:

- A. Amend the Certificate of Formation;
- B. Adopt a plan of merger or a plan of consolidation with another corporation;

- C. Authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Association;
- D. Authorize the voluntary dissolution of the Association;
- E. Revoke proceedings for the voluntary dissolution of the Association;
- F. Adopt a plan for the distribution of the assets of the Association;
- G. Amend, alter, or repeal the Bylaws;
- H. Amend or repeal any resolution previously adopted by the Board;
- I. Elect, appoint, or remove a member of a committee or a Director or officer of the Association;
- J. Approve any transaction to which the Association is a party and that involves a potential conflict of interest as described in Section 7.05 of these Bylaws; or
- K. Take any action outside the scope of authority delegated to it by the Board of Directors.

SECTION 2. Each member of a committee shall continue to serve on the committee until a successor is appointed or the committee is terminated. However, the term of a committee member may terminate earlier if the member dies, ceases to qualify, resigns, or is removed as a member. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a committee shall serve for the unexpired portion of the terminated committee member's term.

SECTION 3. Except as otherwise provided by the Board of Directors, each committee shall be chaired by a Director who shall be the liaison between the Board of Directors and the committee.

SECTION 4. Written or printed notice of a committee meeting shall be delivered to each member of a committee not less than five (5) nor more than sixty (60) days before the date of the meeting. The notice shall state the place, date, and time of the meeting and the purpose or purposes for which the meeting is called.

SECTION 5. One-half (1/2) of the number of members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee. The committee members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough committee members leave the meeting so that less than a quorum remains. However, no action may be taken without the vote of at least a majority of the number of committee members required to constitute a quorum. If a quorum is present at no time during a meeting, the Chair may adjourn and reconvene the meeting one time without further notice.

SECTION 6. Committees shall try to take action by consensus. However, the vote of a majority of committee members present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the committee unless the act of a greater number is required by law or these Bylaws. A committee member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the committee.

SECTION 7. Each committee shall keep regular minutes of its proceedings and report the same to the Board at each regular meeting of the Board of Directors. A committee shall report any action taken at a meeting of the committee to the Board at the next Board meeting following the committee meeting, except that, when the meeting of the Board of Directors is held within two (2) days after the committee meeting, the report may be made at the second Board of Directors meeting following the committee meeting.

SECTION 8. Committee members and Board members shall not receive salaries for their services on committees. The Board of Directors may adopt a resolution providing for payment to committee members and Board members for expenses of attendance, if any, at each meeting of the committee or Board of Directors. A committee member or Board member may serve the Association in any other capacity and receive reasonable compensation for his or her services.

SECTION 9. Each committee may adopt rules for its operation not inconsistent with the Bylaws or rules adopted by the Board of Directors.

SECTION 10. As necessary, the Board of Directors shall adopt a resolution establishing an Independent Compensation Committee. No disqualified person or control person shall serve on this committee. The committee shall be elected by a vote of the Board of Directors. The Independent Compensation Committee shall recommend the President's compensation and all disqualified employees' (as defined in the Internal Revenue Code) compensation in writing to the Board of Directors. In so doing, the Independent Compensation Committee may consider duties, performance evaluations, compensation comparability data, and other relevant information.

SECTION 11. The President will appoint Information Coordinators (standing committee chairmen) to a one (1) year term to present information to the membership, which includes at least the following:

- A. Arson Investigation
- B. Law Enforcement and Criminal Prosecution
- C. Education:
 - 1. Program Chairman
 - 2. Public Relations
 - 3. Insurance

SECTION 12. Each Coordinator may select a person to assist him/her in preparing and presenting a program.

ARTICLE NINE. RULES OF ORDER

The rules of parliamentary procedures as established in "Roberts Rules of Order, Revised" shall govern all meetings of the Association.

ARTICLE TEN. TRANSACTIONS OF THE ASSOCIATION

SECTION 1. The Board of Directors may authorize any officer or agent of the Association to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Association. This authority may be limited to a specific contract or instrument or it may extend to any number and type of possible contracts and instruments.

SECTION 2. All funds of the Association shall be deposited to the credit of the Association in banks, trust companies, or other depositories that the Board of Directors selects.

SECTION 3. The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association.

SECTION 4. The Association shall not make any loan to a Director or officer of the Association.

SECTION 5. Any contract or transaction between the Association and an Affiliated Party shall be void as provided by law, or voidable at the discretion of the Board of Directors, if there is a conflict of interest between the Association and such Affiliated Party. For the purposes of this Article 10, Section 5, an Affiliated Party shall be any Director, officer, committee member, or employee of the Association, or any other corporation, partnership, association, or other organization in which one or more of the Directors, officers, employees, members, or agents has a financial interest. However, no contract or transaction between the Association and an Affiliated Party shall be void or voidable solely for the reason that the Affiliated Party is an Affiliated Party, if:

- A. The material facts concerning the relationship of the Affiliated Party and the financial interests in the contract or transaction are disclosed or known to the Board of Directors or committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative vote of a majority of the non-Affiliated Party Directors or committee members;
- B. The contract or transaction is fair to the Association at the time of the authorization, approval, or ratification by the Board of Directors or committee; however, nothing herein shall prevent retroactive approval of a contract or transaction; and
- C. The Affiliated Party Director or committee member is prohibited from voting on the contract or transaction; however, the Affiliated Party Director or committee member, if present, may be counted towards a quorum for purposes of voting on the contract or transaction, and the Affiliated Party Director or committee member may participate in the discussion of the matter.

SECTION 6. As long as the Association is in existence, and except with the prior approval of the Board of Directors, no Director, officer, or committee member of the Association shall:

- A. Commit any act in violation of the Bylaws or a binding obligation of the Association;
- B. Commit any act with the intention of harming the Association or any of its operations;
- C. Commit any act that would make it impossible or unnecessarily difficult to carry on the intended or ordinary business of the Association;

- D. Receive an improper personal benefit from the operation of the Association;
- E. Use the assets of the Association, directly or indirectly, for any purpose other than carrying on the business of the Association;
- F. Wrongfully transfer or dispose of property of the Association, including intangible property such as good will;
- G. Use the name of the Association (or any substantially similar name) or any trademark or trade name adopted by the Association, except on behalf of the Association in the ordinary course of the Association's business; or
- H. Disclose any of the Association's business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.

ARTICLE ELEVEN. BOOKS AND RECORDS

SECTION 1. The Association shall keep correct and complete books and records of account. The Association's books and records shall include:

- A. A file-endorsed copy of all documents filed with the State of Texas including but not limited to the Certificate of Formation and any Amendments or Restated Certificate of Formation and, if applicable, any Certificate of Merger, Certificate of Consolidation, or Statement of Change of Registered Office or Registered Agent;
- B. A copy of the Bylaws and any amended versions of or amendments to the Bylaws;
- C. Minutes of the proceedings of the Board of Directors and of any committees having the authority of the Board of Directors;
- D. A list of the names and addresses of the Directors, officers, and any committee members of the Association;
- E. A financial statement showing the assets, liabilities, and net worth of the Association at the end of the three (3) most recent fiscal years;
- F. A financial statement showing the income and expenses of the Association for the three (3) most recent fiscal years;
- G. All rulings, letters, and other documents relating to the Association's federal, state, and local tax status; and
- H. The Association's federal, state, and local information or income tax returns for each of the Association's three (3) most recent tax years.

SECTION 2. Any Director or officer of the Association may inspect and receive copies of all books and records of the Association required to be kept by the Bylaws. Such a person may inspect or receive

copies if the person has a proper purpose related to the person's interest in the Association and if the person submits a request in writing. Any person entitled to inspect and copy the Association's books and records may do so through his or her attorney or other duly authorized representative. A person entitled to inspect the Association's books and records may do so at a reasonable time no later than five (5) working days after the Association's receipt of a proper written request. The Board of Directors may establish reasonable fees for copying the Association's books and records. The fees may cover the cost of materials and labor, but must be reasonable. The Association shall provide requested copies of books or records no later than five (5) working days after the Association's receipt of a proper written request.

SECTION 3. The Association shall maintain a file at all offices containing all documents required by the IRS to be made available to the public. All requests from the public for copies of the Association's Form 1023 shall be honored and provided as required by the IRS.

ARTICLE TWELVE. FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the last day of December of each year.

ARTICLE THIRTEEN. INDEMNIFICATION

SECTION 1. Indemnification is required, permitted, and prohibited as follows:

- A. The Association shall indemnify a Director, officer, committee member, employee, or agent of the Association who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of his or her official capacity in the Association. For the purposes of this Article, an agent includes one who is or was serving at the request of the Association as a Director, officer, partner, venturer, proprietor, trustee, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise. However, the Association shall indemnify a person only if he or she has acted in good faith and reasonably believed that the conduct was in the Association's best interests. In a case of a criminal proceeding, the person may be indemnified only if he or she had no reasonable cause to believe that the conduct was unlawful. The Association shall not indemnify a person who is found liable to the Association or is found liable to another on the basis of improperly receiving a personal benefit. A person is conclusively considered to have been found liable in relation to any claim, issue, or matter if the person has been adjudged liable by a court of competent jurisdiction and all appeals have been exhausted.
- B. The termination of a proceeding by judgment, order, settlement, conviction, or on a plea of *nolo contendere* or its equivalent does not necessarily preclude indemnification by the Association.
- C. The Association shall pay or reimburse expenses incurred by a Director, officer, committee member, employee, or agent of the Association in connection with the person's appearance as a witness or other participation in a proceeding involving or affecting the Association when the person is not a named defendant or respondent in the proceeding.

- D. In addition to the situations otherwise described in this section, the Association may indemnify a Director, officer, committee member, employee, or agent of the Association to the extent permitted by law. However, the Association shall not indemnify any person in any situation in which indemnification is prohibited by the terms of Article 13, Section 1(A).
- E. Before the final disposition of a proceeding, the Association may pay indemnification expenses permitted by the Bylaws and authorized by the Association. However, the Association shall not pay indemnification expenses to a person before the final disposition of a proceeding if: the person is a named defendant or respondent in any proceeding brought by the Association, or the person is alleged to have improperly received a personal benefit or committed other willful or intentional misconduct.
- F. If the Association may indemnify a person under the Bylaws, the person may be indemnified against judgments, penalties, including excise and similar taxes, fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding. However, if the proceeding was brought by or on behalf of the Association, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

SECTION 2. Procedures Relating to Indemnification Payments:

- A. Before the Association may pay any indemnification expenses (including attorney's fees), the Association shall specifically determine that indemnification is permissible, authorize indemnification, and determine that expenses to be reimbursed are reasonable, except as provided in Article 13, Section 2(C). The Association may make these determinations and decisions by any one of the following procedures:
 - 1. Majority vote of a quorum consisting of Directors who, at the time of the vote, are not named defendants or respondents in the proceeding;
 - 2. If a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all Directors, consisting solely of two or more Directors who at the time of the vote are not named defendants or respondents in the proceeding; or
 - 3. Determination by special legal counsel selected by the Board of Directors by vote as provided in Article 13, Section 2(A)(1) or Article 13, Section 2(A)(2), or if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors.
- B. The Association shall authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether indemnification is permissible. If the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination of reasonableness of expenses shall be made in the manner specified by Article 13, Section 2(A)(3), governing the selection of special legal counsel. A section contained in the Certificate of Formation, these Bylaws, or a resolution of members of the Board of Directors that requires the indemnification permitted by Article 13, Section 1, constitutes sufficient authorization of indemnification even though the section may

not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

- C. The Association shall pay indemnification expenses before final disposition of a proceeding only after the Association determines that the facts then known would not preclude indemnification and the Association receives a written affirmation and undertaking from the person to be indemnified. The determination that the facts then known to those making the determination would not preclude indemnification and authorization of payment shall be made in the same manner as a determination that indemnification is permissible under Article 13, Section 2(A).
- D. The person's written affirmation shall state that he or she has met the standard of conduct necessary for indemnification under the Bylaws. The written undertaking shall provide for repayment of the amount paid or reimbursed by the Association if it is ultimately determined that the person has not met the requirements for indemnification. The undertaking shall be an unlimited general obligation of the person, but it need not be secured and it may be accepted without reference to financial ability to make repayment.

SECTION 3. The Association may purchase and maintain insurance on behalf of any person who is or was a Director or officer of the Association or is or was serving at the request of the Association as a Director, director or officer of another corporation, partnership, joint venture, by him or her in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against that liability under the Act, the Certificate of Formation, or these Bylaws. The Association's payment of premiums with respect to such insurance coverage shall be provided primarily for the benefit of the Association. To the extent such insurance coverage provides a benefit to the insured person, the Association's payment of premiums with respect to such insurance shall be provided in exchange for the services rendered by the insured person and in a manner so as not to constitute an excess benefit transaction under section 4958 of the Internal Revenue Code of 1986, as amended.

ARTICLE FOURTEEN. NOTICES

SECTION 1. Any notice required or permitted by these Bylaws to be given to a Director, officer, or committee member of the Association may be given in any manner allowed by the Act. If mailed, a notice shall be deemed to be delivered when deposited in the United States mail addressed to the person at his or her address as it appears on the records of the Association, with postage prepaid, and in a sealed envelope or other container. If notice is served by facsimile or electronic mail (email), the person giving notice shall retain records sufficient to prove actual delivery to the appropriate number of electronic mail addresses. A person may designate his or her preferred notice method and shall provide all necessary information regarding the same by giving written notice to the Secretary of the Association.

SECTION 2. Whenever any notice is required to be given under the provisions of the Act or under the Certificate of Formation or these Bylaws, a waiver in writing signed by a person entitled to receive a notice shall be deemed equivalent to the giving of the notice. A waiver of notice shall be effective whether signed before or after the time stated in the notice being waived.

SECTION 3. The attendance of a person at a meeting shall constitute a waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE FIFTEEN. MEETING BY ELECTRONIC MEANS

The Board of Directors, and any committee of the Association, may hold a meeting by telephone or video conference or other electronic means in which all persons participating in the meeting can hear each other and participate fully in the meeting. The notice of a meeting by electronic means must state the fact that the meeting will be held by electronic means as well as all other matters required to be included in the notice. Participation of a person in a meeting by electronic means constitutes presence of that person at the meeting.

ARTICLE SIXTEEN. MISCELLANEOUS

SECTION 1. The Bylaws shall be construed in accordance with the laws of the State of Texas. All references in the Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

SECTION 2. If any section of the Bylaws is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other section and the Bylaws shall be construed as if the invalid, illegal, or unenforceable section had not been included in the Bylaws.

SECTION 3. Any controversy, claim, or dispute arising from or related to these Bylaws shall be settled by mediation and, if necessary, legally binding arbitration in the State of Texas in accordance with the Rules of the American Arbitration Association. Judgment upon an arbitration decision may be entered in any court otherwise having jurisdiction. The parties understand that these methods shall be the sole remedy for any controversy, claim, or dispute arising out of these Bylaws and they expressly waive their rights to file a lawsuit in any civil court against one another for such controversies, claims, or disputes, except to enforce an arbitration decision.

SECTION 4. The headings used in the Bylaws are used for convenience and shall not be considered in construing the terms of the Bylaws.

SECTION 5. Wherever the context requires, all words in the Bylaws in the male gender shall be deemed to include the female or neuter gender, all words in the female gender shall be deemed to include the male or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

SECTION 6. The Board of Directors may provide for a corporate seal. If adopted, the seal of the Association shall be approved by the Board of Directors.

SECTION 7. A person may execute any instrument related to the Association by means of a power of attorney if an original executed copy of the power of attorney is provided to the Secretary of the Association to be kept with the Association's records.

SECTION 8. The Bylaws shall be binding upon and inure to the benefit of the Directors, officers, committee members, employees, and agents of the Association and their respective heirs, executors, administrators, legal representatives, successors, and assigns, except as otherwise provided in the Bylaws.

ARTICLE SEVENTEEN. EMERGENCY POWERS AND BYLAWS

An "emergency" exists for the purposes of this section if a quorum of the Directors cannot readily be obtained because of some catastrophic event. In the event of an emergency, the Board of Directors may: (i) modify lines of succession to accommodate the incapacity of any Director, officer, employee, or agent; and (ii) relocate the principal office, designate an alternative principal office or regional offices, or authorize officers to do so. During an emergency, notice of a meeting of the Board of Directors need only be given to those Directors who can be notified in a practicable manner, including by publication or radio. One or more officers of the Association present at a meeting of the Board of Directors may be deemed Directors for the meeting, in order of rank and within the same rank and order of seniority, as necessary to achieve a quorum. Corporate action taken in good faith during an emergency binds a corporation and may not be the basis for imposing liability on any Director, officer, employee, or agent of the Association on the ground that the action was not authorized. The Board of Directors may also adopt emergency Bylaws, subject to amendments or repeal by the full Board of Directors, which may include provisions necessary for managing the Association during an emergency including: (i) procedures for calling a meeting of the Board of Directors; (ii) quorum requirements for the meeting; and (iii) designation of additional or substitute Directors. The emergency Bylaws shall remain in effect during the emergency and shall be revoked after the Board of Directors has deemed that the emergency has ended.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of Collin County Fire Investigators Association, Inc., and that the foregoing Bylaws constitute the Bylaws of the Association. The Bylaws were duly adopted at a meeting of the Board of Directors on the 13th day of June, 2016.

SIGNED this 13th day of June, 2016.


Sally Donlevy, Secretary of the Association