

**AMENDED AND RESTATED BYLAWS OF
THE PEDERNALES ELECTRIC COOPERATIVE SCHOLARSHIP FUND,
A TEXAS NON-PROFIT CORPORATION**

These Amended and Restated Bylaws govern the affairs of THE PEDERNALES ELECTRIC COOPERATIVE SCHOLARSHIP FUND, a Texas non-profit corporation.

**I.
OVERVIEW**

- A. **Name.** The name of the Corporation is THE PEDERNALES ELECTRIC COOPERATIVE SCHOLARSHIP FUND.
- B. **Purpose.** The Corporation is organized for the purpose(s) included in its Articles of Incorporation.
- C. **Restrictions and Requirements.** The Corporation may not undertake those acts prohibited by the Texas Business Organizations Code as applicable to nonprofit corporations or as otherwise provided in its Articles of Incorporation.

**II.
OFFICES**

- A. **Principal Office.** The Corporation's principal office in Texas will be located at 201 South Avenue F, Johnson City, Texas 78636. The Corporation may have such other offices, in Texas or elsewhere, as the Board of Directors may determine. The Board may change the location of any office of the Corporation.
- B. **Registered Agent and Office.** The Corporation will maintain a registered agent and registered office in Texas. The registered office may be identical to the principal office of the Corporation in Texas. The Board may change the registered office and the registered agent as permitted by the Texas Business Organizations Code. The Registered Agent shall provide written consent to serve as Registered Agent for the Corporation pursuant to Texas Business Organizations Code. The written consent shall be maintained in the records of the Corporation.

**III.
BOARD OF DIRECTORS**

- A. **Authority of Directors and Management.** The powers of the Corporation shall be exercised by or under the authority of, and the business, affairs and property of the Corporation shall be managed and controlled under the direction of the Board of Directors which may exercise all such powers of the Corporation.

- B. **Number.** The number of Directors shall be 5 and no fewer than three (3) Directors. The number of Directors may be increased or decreased from time to time by amendment to these Bylaws.
- C. **Election.** At any meeting at which the election of a Director is held, a Director may nominate a person with the second of another Director. Upon nomination, a Director may be elected by the Board. Directors may be re-elected to successive terms. If a Director ceases to serve for any reason, a successor Director shall be elected by the Board of Directors.
- D. **Term.** Initial Directors will serve terms as set forth in the Articles of Incorporation. Each Director filling the vacancy of a Director whose term has expired will serve a term of three (3) years. Each Director filling a vacancy created for any other reason shall serve a term as determined by the Board of Directors electing such Director.
- E. **Resignation.** Any Director may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time is specified, at the time of its receipt by the Corporation. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.
- F. **Removal.** Any Director may be removed, with or without cause, by the majority vote of the other Directors, other than the Director whose removal is being considered.
- G. **Vacancies.** The Board shall fill any vacancy in the Board caused by death, incapacity, resignation, removal, increase in the number of Directors of the Corporation, or otherwise by the affirmative vote of a majority of the remaining Directors, even if it is less than a quorum of the Board, or if it is the sole remaining Director. However, in the case of a deadlock, the Board member whose position is being filled may cast a vote to the extent legally possible to determine his or her successor. A Director elected to fill a vacancy is elected for the unexpired term of his or her predecessor.
- H. **Meetings of Directors.**
- (a) **Place of Meeting.** Meetings of the Board of Directors may be held either within or outside the State of Texas, at whatever place is specified by the Director or Officer calling a meeting. In the absence of specific designation, the meeting shall be held at the principal office of the Corporation.
- (b) **Regular Annual Meetings.** A regular annual meeting of the Board of Directors shall be held during the last quarter of each calendar year. The President shall fix the time and place of such regular annual meetings and such information shall be included in the notice of the meeting.
- (c) **Special Meetings.** Special meetings of the Board of Directors may be held at any time upon the call or at the request of the President, the Secretary, or any Director

of the Corporation. The person or persons authorized to call special meetings of the Board of Directors may fix any place for holding any special meeting of the Board of Directors called by them and such information shall be included in the notice of the meeting.

- (d) **Notice.** Notice of any regular or special meeting of the Board of Directors shall be given at least three (3) days prior to the meeting by written notice delivered by electronic mail or by mail to each Director at the address of such Director as shown by the records of the Corporation. If mailed, the notice shall be deemed delivered when deposited with postage prepaid in the United States mail. Any Director may waive notice of any meeting, as provided in these Bylaws. Except as otherwise provided by law 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 such meeting.
- (e) **Quorum.** At all meetings of the Board of Directors, the presence of a majority of the number of Directors then in office shall be necessary and sufficient to constitute a quorum for the transaction of business; provided, however, that Directors present by proxy may not be counted toward a quorum. If a quorum is never present at a meeting of the Board of Directors, the Directors present may adjourn the meeting from time-to-time, without notice other than announcement at the meeting, until a quorum is present. The Directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough Directors leave the meeting so that less than a quorum remains; provided, however, that no action may be approved without the vote of at least a majority of the number of Directors required for a quorum. Any regular or special Board meeting may be adjourned from time-to-time by those present, whether a quorum is present or not.
- (f) **Manner of Action.** The act of a majority of the Directors present at such 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 law or by these Bylaws. A Director who is present at a meeting and abstains from voting is not considered to be present and voting for the purpose of determining the Board's decision; a Director who is represented by proxy in a vote is considered present.
- (g) **Proxies.** A Director may vote by proxy, provided that such proxies are in writing and bear the signature of the Director giving the proxy and the date on which the proxy was executed. A person authorized to exercise a proxy may not exercise the proxy unless it is delivered to the presiding Officer before the business of the meeting begins, upon which the Secretary will record in the minutes the name of the person who executed the proxy and the name of the person authorized to exercise the proxy. However, if a person who has duly executed a proxy personally attends the meeting, the proxy will not be effective for that meeting.

A proxy filed with the Secretary or other designated Officer of the Corporation remains in force until the earlier of: (a) the delivery of an instrument revoking the

proxy to the Secretary or other designated Officer of the Corporation, (b) the expiration date of the proxy under its own terms, or (c) three (3) months from the date of execution of the proxy.

- (h) **Meeting by Remote Electronic Technology.** The Board of Directors may hold a meeting by remote electronic communications system, including videoconferencing technology or the Internet, only if:

(1) each person entitled to participate in the meeting consents to the meeting being held by means of that system; and

(2) the system provides access to the meeting in a manner or using a method by which each person participating in the meeting can communicate concurrently with each other participant.

In all meetings held by remote electronic technology, matters must be arranged in such a manner that all persons participating in the meeting may communicate with each other; the notice of the meeting must state the fact that it will be held in such manner, as well as other matters required to be included in the notice; and a participation in such a meeting constitutes presence at such meeting.

- (i) **Action without Meeting.** Notwithstanding the foregoing, any decision required or permitted to be made at a meeting of the Board may be made without a meeting in a manner consistent with the provisions of the Articles of Incorporation. The original signed consent shall be placed in the Corporation minute book and kept with the corporate records.

- I. **Compensation.** The Board of Directors shall have authority to determine by resolution of the Board of Directors, the amount of compensation, if any, which shall be paid to its members for their services as Directors. Any compensation paid to a Director must be reasonable and commensurate with the services performed. No such payment shall preclude any Director from serving the Corporation in any other capacity and receiving compensation therefore.

J. **Duties.**

- (a) **General Duties.** The Directors must 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 Corporation's best interest. In these Bylaws, the term "ordinary care" is intended to mean the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In discharging any duty imposed or power conferred, a Director may rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person that has been prepared or presented by other Directors, Officers, employees of the Corporation, professional advisors, or experts such as accountants or legal counsel; provided, however, that a Director

is not relying in good faith if he or she has knowledge concerning the matter in question that renders reliance unwarranted.

Furthermore, a Director is not deemed to have the duties of trustees of a trust with respect to the Corporation or with respect to any property held or administered by the Corporation, including property that may be subject to restrictions imposed by the donor or transferor of the property.

- (b) **Duty to Avoid Improper Distributions.** Directors who vote for or assent to improper distributions are jointly and severally liable to the Corporation for the value of the improperly distributed assets, to the extent that, as a result of the improper distribution, the Corporation lacks sufficient assets to pay its debts, obligations, and liabilities. Any distribution made when the Corporation is insolvent, is an improper distribution. A distribution made during liquidation without payment and discharge of or provision for payment and discharge of all known debts, obligations, and liabilities is also improper. Directors present at a Board meeting at which the 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 Corporation before adjournment of the meeting in question or mailed to the Secretary by registered mail immediately after adjournment.

Directors held liable for an improper distribution are entitled to contribution from persons who accepted or received the improper distributions knowing they were improper. Such contribution shall be in proportion to the amount received by each such person

However, there is no liability if, in assenting to a distribution, the Director: (a) 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 Corporation; 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 which the Director is not a member; (b) while acting in good faith and with ordinary care, considers the Corporation's assets to be at least their book value; or (c) in determining whether the Corporation has made adequate provision for paying, satisfying, or discharging 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. Furthermore, the Director is not liable if, in exercising ordinary care, he or she acts in good faith in reliance on written opinion of an attorney for the Corporation.

- (c) **Delegation of Duties.** Directors may select advisors and delegate duties to them, such as the full power to buy or otherwise acquire stocks, bonds, securities, and other investments on the Corporation's behalf; and to sell, transfer, or otherwise dispose of the Corporation's assets and properties at a time and for a consideration

that the advisor deems appropriate in accordance with the Articles. Directors have no liability for actions taken or omitted by the advisor if the Board acts in good faith and with ordinary care in selecting the advisor. The Board may remove or replace the advisor at any time and without cause.

K. **Selection Committee.** The following provisions shall govern the selection process for individual scholarship grant recipients:

- (a) **Role of Board of Directors.** The Board shall establish the number of members constituting the Selection Committee and the amount of any compensation for service as a member of the Selection Committee and shall choose such members from individuals from various professions who are members of Pedernales Electric Cooperative, Inc. in good standing but who are not employees of the Corporation or “disqualified persons” (as defined in Internal Revenue Code §4946). The Board shall, upon considering the financial position of the Corporation, also determine the number of recipients who will ultimately receive scholarships, and determine the amount of each scholarship.
- (b) **Duties of Selection Committee.** The Selection Committee shall make selections for applications made for the following fall-spring academic year. Each member of the Selection Committee generally will be given an equal number of randomly selected applications to review, and will rank the candidates. Each candidate’s application will be reviewed by at least two different members of the Selection Committee. The rankings of each application shall reflect the scores of the Selection Committee applying the Selection Criteria. Once the Selection Committee’s evaluation has been concluded, the rankings will be provided to the Board for confirmation. In the event of any tie among the candidates, the ranking of the response to the essay question for such candidates shall serve as the tie-breaker for the Board’s confirmation.
- (c) **Selection Criteria.** The class of eligible recipients shall consist of students from rural areas of Texas planning to attend college, technical school, or other postsecondary educational institution, as defined in Texas Property Code §74.3013. The ultimate recipients shall be selected based on any combination of the following factors: (1) prior academic performance (2) financial need, (3) response to essay question, (4) conclusions which the Selection Committee draws from the application as to the individual’s motivation, character, ability, and potential, (5) membership in good standing in Pedernales Electric Cooperative, Inc. of applicant or applicant’s parent or legal guardian, and (6) geographic diversity. However, neither employees of the Corporation nor “disqualified persons” (as defined in Internal Revenue Code §4946) are eligible for grants. Relatives of Pedernales Electric Cooperative, Inc. (PEC) employees are eligible; however, they will not receive preference or priority in consideration over other applicants. Nor may any applicant be denied consideration for a scholarship grant on the basis of race, ethnicity, national origin, religion, or sex.

- L. **Other Committees.** The Board of Directors may appoint one or more advisory committees of two or more Directors each. Such committees shall exist solely at the pleasure of the Board of Directors. No minutes of the proceedings of any such committee need be kept. No member of any such committee shall receive any compensation for such membership except by way of reimbursement for reasonable expenses actually incurred by the member by reason of such membership. Such advisory committees may be established for any purpose and shall have and may exercise only the power of recommending action to the Board of Directors and of carrying out and implementing any instructions or any policies, plans, and programs theretofore approved, authorized, and adopted by the Board of Directors.
- M. **Disbursement of Funds.** All funds distributed or disbursed under these Bylaws and through the Corporation's committees shall be paid directly to the recipient's educational institution to pay for qualified expenses as defined by the Internal Revenue Services, within one year of the award date. No excess funds above these qualified expenses are to be retained by the recipient or the educational institution. The scholarship board has the right to adjust the timeline of use when deemed appropriate.

IV. **OFFICERS**

- A. **Officer Positions.** The Officers of the Corporation shall consist of a President, Vice-President, Treasurer, and a Secretary. The Board of Directors may elect or appoint such other Officers or assistant Officers as it shall deem desirable. Such Officers shall have the authority and perform the duties prescribed from time-to-time by the Board of Directors. Two or more offices may be held by the same person; provided, however, the same person shall not hold the offices of President and Secretary; provided further, when applicable, no Officer shall execute, acknowledge, or verify any instrument in more than one capacity if such instrument is required by law, the Articles of Incorporation, or these Bylaws to be executed, acknowledged, or verified by two or more Officers.
- B. **Election and Term of Office.** The Officers of the Corporation shall be elected annually by the Board of Directors at the regular annual meeting. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be held. The President, the Vice President, the Treasurer, and the Secretary shall serve for a term not to exceed three (3) years and each Officer will hold office until a successor is duly selected and qualifies. An Officer may be elected to succeed himself or herself in the same office. Officers shall be eligible for re-election. New offices may also be created and filled at a meeting of the Board of Directors. A person who is incapacitated shall not serve as Officer and if such incapacity occurs during his or her term of office, his or her term shall there upon immediately cease.
- C. **President.** The President shall supervise and control all of the Corporation's business and preside at all meetings of the Board of Directors. The President may serve as the Chief

Executive Officer of the Corporation unless the Board of Directors designates a chief Executive Officer. Subject to the control of the Board of Directors, the President shall have general executive charge, management and control of the affairs, properties and operations of the Corporation in the ordinary course of its business, with all such duties, powers and authority with respect to such affairs, properties and operations as may be reasonably incident to such responsibilities; the President may appoint or employ and discharge employees and agents of the Corporation and fix their compensation; the President may make, execute, acknowledge and deliver any and all contracts, leases, deeds, conveyances, assignments, bills of sale, transfers, releases and receipts, any and all mortgages, deeds of trust, indentures, pledges, chattel mortgages, liens and hypothecations, and any and all bonds, debentures, notes, other evidences of indebtedness and any and all other obligations and encumbrances and any and all other instruments, documents and papers of any kind of character for and on behalf of and in the name of the Corporation; and the President shall do and perform such other duties and have such additional authority and powers as from time-to-time may be assigned to or conferred upon the President by the Board of Directors.

- D. **Vice President.** When the President is absent, cannot act, or refuses to act, the Vice President shall perform the President's duties, and accordingly will possess all the President's powers and will be subject to all the restrictions on the President. The Vice President will also perform other duties as assigned by the President or the Board of Directors.
- E. **Treasurer.** The Treasurer shall: (1) have charge and custody of, and responsibility for, all the Corporation's funds and securities; (2) receive and give receipts for moneys due and payable to the Corporation from any source; (3) deposit all moneys in the Corporation's name in banks, trust companies, or other depositories as these Bylaws provide or as the Board or President direct; (4) write checks and disburse funds to discharge the obligations of the Corporation; (5) maintain the financial books and records of the Corporation; (6) prepare (or hire competent professionals to prepare) financial reports at least annually; (7) give bond, if the Board so requires, for faithful discharge of his or her duties with surety as determined by the Board; (8) determine from available financial records and before the annual meeting of the Board, the amount of scholarship grant funds available for disbursement for the following academic year; (9) perform other duties assigned by the President or the Board or otherwise incident to the office of Secretary.
- F. **Secretary.** The Secretary shall: (1) give all notices as provided in the Bylaws or as required by law; (2) take minutes of the Board meetings and keep such minutes as part of the Corporate records; (3) maintain custody of the corporate records and seal; (4) affix the Corporate seal to all documents as authorized; (5) keep a register of the mailing address of each Director, Officer, or employee of the Corporation; (6) perform the duties of the Vice President and/or Treasurer in the absence of the appointment of a Vice President or a Treasurer; and (7) perform other duties assigned by the President or the Board or otherwise incident to the office of Secretary.

- G. **Removal.** Any Officer or other agent elected or appointed by the Board of Directors may be removed by the Board, with or without cause, whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person removed. Election or appointment of an Officer or agent shall not of itself create contract rights.
- H. **Resignation.** Any Officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time is specified, at the time of its receipt by the Corporation. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.
- I. **Vacancies.** The Board shall select a person to fill any vacancy in an Officer position caused by death, incapacity, resignation, removal, increase in the number of Officers of the Corporation, or otherwise for the unexpired portion of the vacated Officer's term.
- J. **Delegation of Authority.** In the case of any absence of any Officer of the Corporation, or for any other reason that the Board may deem sufficient, the President or the Board of Directors may delegate some or all the powers or duties of such Officer to any other Officer or to any Director or agent for whatever period of time seems desirable.
- K. **Compensation and Reimbursement.** The compensation of the Officers shall be determined by the Board of Directors and may be altered by the Board, from time to time, except as otherwise provided by contract, and no Officer shall be prevented from receiving such compensation by reason of the fact that such Officer is also a Director of the Corporation; provided, however, that any compensation that the Corporation pays to an Officer must be reasonable and commensurate with the services performed. All Officers shall be entitled to be paid or reimbursed for all costs and expenditures incurred in the Corporation's business.

V.

TRANSACTIONS OF THE CORPORATION

- A. **Contacts and Instruments.** The Board may authorize any Officer or agent of the Corporation to enter into a contract or execute and deliver any instrument, not otherwise inconsistent with the Articles, in the name of, and on behalf of, the Corporation. This authority may be limited to a specific contract or instrument, or it may extend to any number and type of possible contract and instruments. As such, all bills, notes, checks, and other instruments for the payment of money shall be signed or countersigned by such Officer or Officers, or agent or agents, and in such matter, as is permitted and prescribed by resolution of the Board.
- B. **Deposits.** All the Corporation's funds will be deposited to the credit of the Corporation in banks, trust companies, or other depositories as the Board selects.

- C. **Contributions, Gifts, Bequests, or Devises.** The Board may accept, on behalf of the Corporation, any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.
- D. **Securities of Other Corporations.** To the extent allowed by law, the President (or any Vice President acting for the President) of the Corporation shall have power and authority to transfer, endorse for transfer, vote, consent, or take any other action with respect to any securities of another issuer which may be held or owned by the Corporation and to make, execute, and deliver any waiver, proxy, or consent with respect to any such securities.
- E. **Transactions with Related Parties.** In general, contracts and transactions between Directors or Officers who have a financial interest in the matter are not void or voidable solely for that reason; nor are they void or voidable solely because the interested Director or Officer is present at or participates in the meeting that authorizes the contract or transaction, or solely because the interested party's votes are counted for that purpose. Except as otherwise provided in these Bylaws, the Articles of Incorporation, or applicable law, the Corporation may transact business with (and borrow money from) a Director or Officer of the Corporation, and such a person transacting business with the Corporation will have the same rights and obligations relating to those matters as other persons transacting business with the Corporation, if:
- (1) The transaction is described fully in a legally binding instrument and is in the best interests of the Corporation; and
 - (2) The Board, not including the vote of any person having a personal interest in the transaction, has approved the transaction upon disclosure of all material facts by the interested Director or Officer.

Notwithstanding the foregoing, in no event may the Corporation make any loan to a Director or Officer of the Corporation.

- F. **Prohibited Acts.** As long as the Corporation exists, and except with the Board's prior approval, no Director or Officer may: (a) do any act in violation of these Bylaws or a binding obligation of the Corporation, (b) do any act with the intention of harming the Corporation, (c) do any act that would make it impossible or unnecessarily difficult to carry on the Corporation's intended or ordinary business (d) receive an improper personal benefit from the operation of the Corporation, (e) use the Corporation's assets, directly or indirectly, for any purpose other than carrying on the Corporation's business, (f) wrongfully transfer or dispose of Corporation property, including intangible property such as goodwill, (g) use the Corporation's name (or any substantially similar name) or any trademark or trade name adopted by the Corporation, except on behalf of the Corporation in the ordinary course of its business, or (h) disclose any of the Corporation's business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.

- G. **Limitation of Liability and Indemnification and Insurance.** The provisions of the Articles of Incorporation shall govern the limitation of liability, indemnification and insurance for the Corporation.

VI.

ACCOUNTING MATTERS; BOOKS AND RECORDS

- A. **Fiscal Year.** The Corporation's fiscal year shall be the calendar year.
- B. **Required Books and Records.** The Corporation shall keep the following correct and complete books and records of account at the Corporation's registered or principal office in this state:
- (1) a file-endorsed copy of all documents filed with the Secretary of State relating to the Corporation, including but not limited to the Articles of Incorporation, any Articles of Amendment, restated Articles, Articles of Merger, Articles of Consolidation, and statements of changes in the registered agent and/or office;
 - (2) a copy of all Bylaws, original and amended versions, and any amendments adopted;
 - (3) minutes of the proceedings of the Board;
 - (4) a list of the names and addresses of the Directors, Officers, and other agents of the Corporation;
 - (5) financial statements showing the assets, liabilities, and net worth of the Corporation for at least three (3) years after the close of the fiscal year;
 - (6) financial statements showing the income and expenses for at least three (3) years after the close of the fiscal year;
 - (7) all rulings, letters, and other documents relating to the Corporation's federal, state, and local tax status; and
 - (8) the federal, state, and local tax information of tax returns for each of the Corporation's seven (7) most recent tax years.
- C. **Inspection and Copying.** Any Director or Officer may, by written request and with a proper purpose related to his or her interest in the Corporation, and through his or her attorney or other duly-appointed representative, inspect and receive copies of all the corporate books and records required to be kept under these Bylaws. Such inspection may take place at a reasonable time, no later than five (5) working days after the Corporation receives a proper written request. Alternatively, the Board may provide requested copies of books or records no later than five (5)

working days after receiving proper written request and assess reasonable copying fees, which may cover the cost of materials and labor.

D. **Inspection by the Public.** The Corporation shall make the records, books, and reports available to the public for inspection and copying at the Corporation's registered or principal office during regular business hours. The Corporation may charge a reasonable fee for preparing a copy of a record or report.

VII. **NOTICES**

- A. **Form of Notice.** Any notice required or permitted by these Bylaws to be given to an Officer or Director of the Corporation may be given by electronic mail or mail. If mailed, a notice is deemed delivered when deposited in the mail addressed to the person at his or her address as it appears in the Corporation's records. A person may change his or her address in the Corporation's records by giving written notice of the change to the Secretary.
- B. **Waiver.**
- (a) **Written Waiver of Notice.** Whenever any notice is required by these Bylaws, the Articles of Incorporation, or any applicable law, a written waiver signed by the person entitled to receive such notice shall be considered the equivalent of notice to such person, whether signed before or after the time stated in the notice of being waived.
- (b) **Waiver of Notice by Attendance.** Attendance at a meeting constitutes 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 was not lawfully called or convened.

VIII. **MISCELLANEOUS PROVISIONS**

- A. **Amendments to Bylaws.** These Bylaws may be altered, amended, or repealed or new Bylaws may be adopted, by a majority vote of the Board of Directors at any regular meeting of the Board or at any special meeting of the Board if notice of proposed alteration or repeal is contained in the notice of such special meeting.
- B. **Construction and Severability.** All references in these Bylaws to statutes, regulations, or other sources of legal authority will refer to the authorities cited, or their successors, as they may be amended from time to time. These Bylaws will be construed under Texas law, and to the greatest extent possible, to conform to all legal requirements and all requirements for obtaining and maintaining all tax exemptions that may be available to non-profit corporations. If any Bylaw provision is held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision, and the Bylaws will be construed as if they had not included the invalid, illegal, or unenforceable provision.
- C. **Relation to Articles of Incorporation.** These Bylaws are subject to, and governed by, the Articles of Incorporation.

D. **Headings.** The headings used in the Bylaws are for convenience and may not be considered in construing the Bylaws.

E. **Gender and Number.** Pronouns of any gender or singular number used in this Agreement shall be deemed to include any other gender or the plural, when the same are required in these Bylaws.

F. **Seal.** The Corporation may adopt a seal which may be in such form as shall be adopted and approved from time to time by the Board of Directors. The seal may be used by causing it, or a facsimile thereof, to be impressed, affixed, imprinted, or in any manner reproduced. The Board of Directors may determine not to adopt a seal for the Corporation in which case, any documents or instruments providing for the use of a seal shall be valid despite the lack of a corporate seal.

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CERTIFICATE OF ADOPTION OF AMENDED AND RESTATED BY-LAWS

I certify that I am the duly elected and acting Secretary of THE PEDERNALES ELECTRIC COOPERATIVE SCHOLARSHIP FUND and that these Amended and Restated Bylaws are the true and correct Bylaws of the Corporation duly adopted on the 20th day of January, 2026.

Signed and dated this 21st day of January, 2026.


Secretary