

SECOND AMENDED BY-LAWS
OF
AUSTIN BAR FOUNDATION

ARTICLE I

NAME AND PURPOSE

1.1 Name

The name of the corporation is Austin Bar Foundation (the "Corporation" or the "Foundation").

1.2 Purpose

The Foundation is organized exclusively for legal related charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). In furtherance of the forgoing purposes, the Foundation shall be administered solely for the benefit of and to perform charitable and educational functions and purposes of the Austin Bar Association, a Texas non-profit corporation described in Section 501(c)(6) of the Code (the "Association"), and shall be a "supporting organization" to the Association in accordance with Code Section 509(a)(3) by virtue of the requirements set forth in Treasury Regulation Section 1.509(a)-4(h). The Foundation's purposes may include, so long as consistent with Sections 501(c)(3) and 170(c)(2) of the Code, supporting, promoting and encouraging activities for the furtherance of justice and legal education through the sponsorship and encouragement of legal research, publications, institutes, forums, and the establishment of scholarships; the institution and maintenance of legal aid facilities for the indigent or working poor and the acceptance of aid and grants from governmental and private sources; the extension of financial assistance to attorneys or members of an attorney's family who are "in need" as

defined under Section 1.170A-4A(b)(2)(ii)(D) of the Treasury Regulations and Article IX of these by-laws. The Corporation shall be operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Code; no part of its net earnings shall inure to the benefit of any private member, director or individual; no part of its activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and it 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. No part of its activities shall be the prosecution of grievance or grievances against members of the State Bar of Texas or other attorneys.

ARTICLE II

MEMBERS

2.1 Qualifications

The membership of the Corporation shall consist of all the members in good standing of the Association.

2.2 Annual Meeting

The annual meeting of the members will be held at such time and place as designated by the Board (as hereinafter defined). No personal notice of the annual meeting shall be required; however, the Board may provide notice by publication in any newspaper of general circulation in Austin, Texas.

2.3 Voting Rights

The members shall have no voting rights.

ARTICLE III

BOARD OF DIRECTORS

3.1 Powers

The direction and management of the affairs of the Corporation and the control and disposition of its properties and funds shall be vested in a Board of Directors (the "Board"), and subject to the restrictions imposed by law, the Articles of Incorporation, and these by-laws, the Board shall exercise all of the powers of the Corporation.

3.2 Number

The Board shall consist of no more than twenty-one voting members and one ex officio member (all references to directors in these Bylaws shall refer to voting directors unless otherwise indicated). The Ex officio member shall meet with the Board but shall have no vote. Each director (except the ex officio director who is the Executive Director of the Association) shall be a member in good standing of the Association and shall remain a member in good standing of the Association during his or her tenure as a director.

3.3 Election or Appointment

The individuals holding the offices of: (i) President, (ii) President Elect, (iii) Immediate Past President, (iv) Secretary, and (v) Treasurer of the Association shall by virtue of and so long as they hold such offices be voting directors of the Corporation. Up to sixteen (16) additional voting directorships may be filled by election of the Corporation's Board of Directors. The Ex officio directorship shall be filled by the individual holding the office of Executive Director of the Association by virtue of and for so long he or she holds such office in the Association.

3.4 Tenure

The voting directors who hold their voting directorships in the Corporation by virtue of holding the offices of i) President, (ii) President Elect, (iii) Immediate Past President, (iv)

Secretary, or (v) Treasurer of the Association shall be voting directors of the Corporation only so long as they hold such offices in the Association. All voting directors elected by the Board shall hold office for a term of two years or until their successors are elected and qualified. No more than two consecutive terms may be held by a voting director. In case of appointment to fill a vacancy of a voting directorship that is filled by election of the Board, as hereinafter defined in Section 3.5 of this Article III, the term of the successor shall be for the unexpired term for which the former occupant thereof was elected.

3.5 Vacancies

Unless the Board decides otherwise, a vacancy shall be declared in any seat on the Board: (i) upon the death or resignation of the occupant thereof; (ii) upon the disability of any occupant rendering that person permanently incapable of participating in the management and affairs of the Corporation; (iii) upon the failure of any occupant to maintain good standing membership in the Association; or (iv) upon the nonattendance by any occupant at any three meetings of the Board in any 12 month period, except that bereavement in an occupant's family shall constitute an excused absence from a meeting of the Board.

3.6 Annual Meeting of the Board

The Board shall hold an annual meeting beginning in 2003 at such time and place as determined by the Board, if not a legal holiday, and if a legal holiday then on the next secular day following at such time, for the election of officers and the transaction of such other business as may lawfully come before the meeting. It shall be the duty of the Secretary of the Corporation to give ten days' notice of such meeting to each director, or by mail or telegram to each director not personally notified.

3.7 Special Meetings

Special meetings of the Board shall be held whenever called by the Secretary of the Corporation upon the direction of the Chair of the Board of the Corporation or upon written request of any two directors; and it shall be the duty of the Secretary to give sufficient notice of such meetings in person or by mail, telegram or facsimile to enable the directors so notified to attend such meetings.

3.8 Quorum for Meetings

Three of the directors (excluding the ex officio directors) shall constitute a quorum for the transaction of business at all meetings convened according to these by-laws.

ARTICLE IV

GENERAL OFFICERS

4.1 Election

The officers of the Corporation shall be a Chair of the Board, Vice Chair of the Board, Chair-elect of the Board, Secretary and Treasurer and such other officers as may be determined and selected by the Board. The Board shall elect each officer, other than the Chair of the Board. If the election of officers takes place at a meeting of the Board, it shall be by secret ballot.

4.2 Tenure

The officers of the Corporation, other than the Chair of the Board, shall be elected for terms of one year or until their successors are elected and qualified. The term of office of an officer shall be that period commencing with his or her date of election and ending with the date of the first annual meeting as defined in Section 6 of this Article III, held after the election of such officer.

4.3 Qualifications

The individual holding the office of Immediate Past President of the Association shall, by virtue of and for so long as he or she holds such office in the Association, fill the office of the Chair of the Board.

4.4 Attendance at Meetings

The Chair of the Board, or in the absence of the Chair of the Board, the Vice Chair of the Board shall call meetings of the Board to order, and shall act as chair of such meetings, and the Secretary of the Corporation shall act as Secretary of all meetings, but in the absence of the Secretary, the chair may appoint any person present to act as secretary of the meeting.

4.5 Duties

The principal duties of the several officers are as follows:

(a) Chair of the Board. The Chair of the Board shall preside at all meetings of the Board. The Chair shall be the chief executive officer of the Corporation, and subject to the control of the Board, shall have general charge and supervision of the administration of the affairs and business of the Corporation. The Chair shall see that all orders and resolutions of the Board are carried into effect. With the approval of the Board of Directors of the Association, the Chair shall sign and execute all legal documents and instruments in the name of the Corporation when authorized to do so by the Board and shall perform such other duties as may be assigned from time to time by the Board. The Chair of the Board shall submit to the Board plans and suggestions for the work of the Corporation, shall direct its general correspondence and shall present recommendations in each case to the Board for decision. The Chair shall also submit a report of the activities and business affairs of the Corporation at each annual meeting of the Board and at other times when called upon to do so by the Board.

(b) Vice Chair of the Board. The Vice Chair of the Board shall discharge the duties of the Chair of the Board in the event of absence or disability of the Chair for any cause whatever, and shall perform such additional duties as may be prescribed from time to time by the Board.

(c) Chair-elect of the Board. The Chair-elect of the Board shall perform those duties delegated to him or her by the Chair which shall be in furtherance of preparation for his or her assumption of the role of Chair.

(d) Treasurer. The Treasurer shall keep account of all monies, credits and property of the Corporation which shall come into his or her hands and keep an accurate account of all moneys received and discharged. The Treasurer shall manage the Endowment Fund of the Foundation. Except as otherwise ordered by the Board, the Treasurer shall have the custody of all the funds and securities of the Corporation and shall deposit the same in such banks or depositories as the Board shall designate. The Treasurer shall keep proper books of account and other books showing at all times the amount of the funds and other property belonging to the Corporation, all of which books shall be open at all times to the inspection of the Board. The Treasurer shall also submit a report of the accounts and financial condition of the Corporation at each annual meeting of the Board. The Treasurer shall, under the direction of the Board, disburse all moneys and sign all checks and other instruments drawn on or payable out of the funds of the Corporation, which checks, however, may also be required by the Board to be signed by the Chair or Vice Chair or Secretary, or by such member of the Board as the Board shall designate. The Treasurer shall also make such transfers and alterations in the securities of the Corporation as may be ordered by the Board. In general, the Treasurer shall perform all duties incident to the office of the Treasurer, subject to the approval of the Board, and shall

perform such additional duties as may be prescribed from time to time by the Board. The Treasurer shall give bond only if required by the Board. In case of absence or disability of the Treasurer, the Chair may appoint an assistant treasurer to perform the duties of the Treasurer during such absence or disability.

(e) Secretary. The Secretary shall have charge of the records and correspondence of the Corporation under the direction of the Chair of the Board, and shall be the custodian of the seal of the Corporation. The Secretary shall give notice of and attend all meetings of the Board. The Secretary shall take and keep true minutes of all meetings of the Board. The Secretary shall discharge such other duties as shall be assigned by the Chair of the Board or the Board. In case of the absence or disability of the Secretary, the Chair of the Board may appoint an assistant secretary to perform the duties of the Secretary during such absence or disability.

4.6 Vacancies

Whenever a vacancy of an officer shall occur, such vacancy shall be filled by the Board by the election of a new officer from the Board who shall hold office until the next annual meeting and until a successor is elected and qualifies.

ARTICLE V

APPOINTIVE OFFICERS AND AGENTS

The Board may appoint such officers and agents in addition to those provided for in Article IV, with the approval of the President of the Association, as may be deemed necessary, who shall have such authority and perform such duties as shall from time to time be prescribed by the Board. All appointive officers and agents shall hold their respective offices or positions at the pleasure of the Board, and may be removed from office or discharged at any time with or without cause by the Board; provided that removal without cause shall not prejudice the contract rights, if any, of such officers and agents.

ARTICLE VI

LIABILITY OF DIRECTORS AND INDEMNIFICATION

OF DIRECTORS AND OFFICERS

6.1 Limitation of Liability

Director liability shall be limited to the extent provided for in the Texas Non-Profit Corporation Act, and the provisions of any other applicable law. In addition, a director shall not be liable to the Foundation for monetary damages for an act or omission in the director's capacity as a director, except that this paragraph does not eliminate or limit the liability of a director to the extent the director is found liable for (i) a breach of the director's duty of loyalty to the Foundation; (ii) an act or omission not in good faith that constitutes a breach of duty of the director to the Foundation or an act or omission that involves intentional misconduct or a knowing violation of the law; (iii) a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; or (iv) an act or omission for which the liability of a director is expressly provided by an applicable statute. Any repeal or amendment of this paragraph shall be prospective only and shall not adversely affect any limitation on the liability of a director existing at the time of such repeal or amendment. In addition to the circumstances in which the director is not liable as set forth in the preceding sentences, the director shall not be liable to the fullest extent permitted by any provisions of the statutes of Texas hereafter enacted that further limits the liability of a director.

6.2 Right to Indemnification

Directors and officers of the Foundation shall be indemnified by the Foundation to the fullest extent allowable under Article 2.22A of the Texas Non-Profit Corporation Act or the provisions of any other applicable law.

6.3 Insurance

The Foundation may purchase and maintain insurance, at its expense, to protect itself or any person who is or was serving as a director, officer, employee or agent of the Foundation or is or was serving at the request of the Foundation as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary or another foreign or domestic corporation, partnership, joint venture, proprietorship, employee benefit plan, trust or other enterprise against any expense, liability or loss, whether or not the Foundation would have the power to indemnify such person against such expense, liability or loss under this Article VI.

6.4 Savings Clause

If this Article VI or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Foundation shall nevertheless indemnify and hold harmless each director, officer or any other person indemnified pursuant to Section 2 of this Article VI as to costs, charges and expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative to the full extent permitted by any applicable portion of this Article VI that shall not have been invalidated and to the fullest extent permitted by applicable law.

6.5 Limitation on Indemnification of a Private Foundation

Notwithstanding any other provision of this Article VI, if the Foundation is a private foundation within the meaning of Section 509(a) of the Code or corresponding provisions of any subsequent federal tax laws, the limitation of liability and the right to indemnification conferred in this Article VI shall not include any limitations of liability or rights to indemnification which would constitute a violation of Chapter 42 of the Code.

ARTICLE VII

AMENDMENTS

These by-laws may be amended by the majority vote of the all the directors in office.

ARTICLE VIII

FELLOWS

Fellows of the Austin Bar Foundation shall have the recognition and approval of the Foundation, as follows:

8.1 Three Classes of Fellows

There shall be three classes of Fellows, as follows, to wit:

- (1) Fellows, who shall be known as “Fellows of the Austin Bar Foundation.”
- (2) Life Fellows, who shall be known as “Life Fellows of the Austin Bar Foundation.”
- (3) Sustaining Life Fellows, who shall be known as “Sustaining Life Fellows of the Austin Bar Foundation.”

The Fellows shall not be members of the Corporation within the meaning of the Texas Non-Profit Corporation Act.

8.2 Requirements for Becoming a Fellow, Life Fellow or Sustaining Life Fellow

Prerequisites of a person becoming a member of the Fellows organization shall be that he or she be a person dedicated to the law and to the cause of justice, a member in good standing of the Association, of high professional standing among his or her peers, and one willing to share the financial rewards of his or her professional work in causes and for purposes deemed worthy by the Foundation in at least such minimum amounts as may be prescribed by the Board by resolution from time to time. Such pledge requirements as exist at the time of election to

membership shall prevail as to each member respectively for all considerations. The specific requirements as to each class of membership are as follows, to wit.

(1) subject to exceptions set forth in Section 8.3(1) and Section 8.5 of this Article VIII, one must be nominated by the Board or by a nominating committee, should such a committee be appointed by the Board, be found worthy of membership by the Board, be elected to membership as a fellow, execute a written pledge of money to the Foundation in such amount as the Board shall specify and pay one-tenth or more of the total pledge amount annually, until the full pledge has been paid, without default of more than two successive years; provided, a defaulting person may be reinstated subject to the provisions of Section 8.4 of this Article VIII. The first year's pledge installment must be paid before one may be elected as a Fellow.

(2) one must have been elected a Fellow and have satisfied in full the pledge required of Fellows.

(3) one must have become a Life Fellow and thereafter pay such amount to the Foundation as the Board shall specify and pay one-tenth or more of such amount annually, until the full pledge has been paid, without default of more than two successive years; provided, a defaulting person may be reinstated to this class of membership subject to the provisions of Section 8.4 of this Article VIII.

8.3 Honorary Fellows and Patrons of the Austin Bar Foundation

(1) Honorary Fellows. The Board may from time to time recognize persons who may or may not be members of the Association, and who have such interest in the law and the cause of justice to have rendered to the public or to the legal profession, on behalf of the cause of justice, service of such an unusual nature as to merit special recognition. Honorary Fellows may, but need not be, lawyers or judges, and may, but need not be residents or citizens of Austin, of

Texas, or of the United States. Any such person found worthy by the Board of such special recognition shall be eligible for election by the Board as an “Honorary Fellow of the Austin Bar Foundation” in accordance with such rules and requirements as the Board may provide by resolution.

(2) Patrons. The Board may from time to time recognize persons, firms, corporations, and other entities who may or may not be members of the Association and who have such interest in the law and the cause of justice as to make a substantial monetary contribution or who may make continuing substantial monetary contributions to the Foundation. Any such person, firm, corporation or other entity found worthy by the Board shall be eligible for election by the Board as a “Patron of the Austin Bar Foundation” in accordance with such rules and requirements as the Board may provide by resolution.

8.4 Correction of Defaults and Reinstatement

Any member of a class of Fellows in default two or more successive years in the annual contribution required of his or her class, who on or before the tenth anniversary of the time at which he or she became a member of such class, cures such default by paying all arrears, may be reinstated to membership in the class by the Board if the Board considers him or her to be worthy of such reinstatement. If reinstated, his or her name shall be again entered on the membership rolls of the class.

8.5 Austin Bar Association Officers and Directors and Austin Young Lawyers

Association Officers and Directors as Nominees

Any person elected as an Officer or Director of the Association or an Officer or Director of the Austin Young Lawyers Association, a Texas non-profit corporation exempt from federal income taxes under Section 501(c)(6) of the Code, shall be a nominee for election as a Fellow.

8.6 References to Being a Fellow

Any reference to the fact of a person being a Fellow in the Foundation in any manner of advertising for professional or political purposes, other than the simple statement “Fellow of the Austin Bar Foundation,” “Life Fellow of the Austin Bar Foundation,” or “Sustaining Life Fellow of the Austin Bar Foundation,” shall be considered imprudent and is to be discouraged.

ARTICLE IX

GUIDELINES FOR DISTRIBUTIONS TO ATTORNEYS

(AND FAMILY MEMBERS) WHO ARE IN NEED

9.1 Determination of Need

Eligible applicants may qualify for financial assistance from the Austin Bar Foundation if they are “in need” as defined under Section 1.170A-4A(b) (2) (ii) (D) of the Internal Revenue Service Regulations as “person[s] who lack[s] the necessities of life, involving physical, mental, or emotional well-being, as a result of poverty or temporary distress.” The Board shall make a determination that an applicant is in need if there is no reasonable expectation that the applicant’s available cash, saleable or redeemable assets, and anticipated cash flow (including, for example, income and insurance proceeds) from all sources, will be sufficient to provide for timely retirement of the applicant’s existing obligations and the applicant’s continuing basic living requirements for food, housing, medical care, clothing and the expenses of such eligible applicant’s death. All such determinations shall be made in the sole discretion of the Board so long as its determination is consistent with the requirements of the Treasury Regulations.

9.2 Required Information

In making such determination, the Board shall request such information including financial statements, income tax returns, or other information concerning such applicant’s income and assets as is required to make the determination that such applicant is in need as

defined by Section 9.1 of this Article IX. Such information must be renewed with each grant application made by an applicant and shall include updated information on the applicant's income, assets and expenses.

9.3 Family Members

Members of an attorney's family shall include an attorney's spouse, domestic partner, widow, widower, children, and children who are under a legal disability. A domestic partner is an individual who lives in the same household and shares the common resources of life in a close, personal, intimate relationship with the attorney if, under Texas law, the individual would not be prevented from marrying the employee on account of age, consanguinity, or prior undissolved marriage to another. A domestic partner may be of the same or opposite gender as the attorney.

Amended June 1, 2011