

ARTICLES OF INCORPORATION
OF
NEDERLAND ECONOMIC DEVELOPMENT CORPORATION
A TEXAS NON-PROFIT CORPORATION
NEDERLAND, TEXAS

THE STATE OF TEXAS
COUNTY OF JEFFERSON

We, the undersigned, all being natural persons over the age of eighteen years and qualified electors of the City of Nederland, Texas (which is a duly established municipal corporation), acting as the incorporators of a public instrumentality and non-profit industrial development corporation (the "Corporation") under the provisions of Section 4B of the Development Corporation Act of 1979, Tex.Rev.Civ.Stat.Ann.Art. 5190.6, as amended (the "Development Corporation Act"), with the approval of the governing body of the City of Nederland, Texas (the "City"), as evidenced by the Resolution attached hereto and made a part hereof for all purposes, do hereby adopt the following Articles of Incorporation for the Corporation:

ARTICLE I.
NAME

The name of the Corporation is **NEDERLAND ECONOMIC DEVELOPMENT CORPORATION**.

ARTICLE II.
NON-PROFIT CORPORATION

The Corporation is a non-profit corporation specifically governed by Section 4B of the Development Corporation Act.

ARTICLE III.
DURATION

The period of duration of the Corporation is perpetual.

ARTICLE IV.
PURPOSE

The Corporation is organized exclusively and may issue bonds on behalf of the City for the public purposes of the promotion and development of new and expanded business enterprises to provide and encourage employment in the furtherance of the public welfare. The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of Texas to non-profit corporations by the Texas Non-profit Corporation Act, Tex.Civ.Stat.Ann.Art. 1396-1.01 et seq., and the additional powers as provided in Section 4B and 23 of the Development Corporation Act, including, without limitation, the issuance of bonds. The Corporation shall be subject to any limitations

imposed by such Section 4B. If any conflict should arise between these statutes regarding the Corporation's powers, the Development Corporation Act shall control and govern the Corporation; and to the extent of a conflict between Section 4B of the Development Corporation Act, the provisions of such Section 4B shall prevail.

ARTICLE V.
INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Corporation is 1400 Boston Avenue, Nederland, TX 77627, and the name of the initial registered agent at such address is RICHARD D. HUGHES.

ARTICLE VI.
DIRECTORS

The affairs of the corporation shall be managed by a Board of Directors consisting of seven (7) in number who shall be appointed by the City Council of the City (the "Council"), three of which shall not be employees, officers or members of the governing body of the City of Nederland. Each director shall serve a two-year term. The names and addresses of the persons who are to serve as the initial Directors are as follows:

	NAME		ADDRESS
1.	RUBY LACKEY	w/I	512 10th St. Nederland, TX 77627
2.	TOM LEE, JR.	w/II	932 17th St. Nederland, TX 77627
3.	JESS FULLER	w/III	1803 Avenue K Nederland, TX 77627
4.	DALTON BABINEAUX	w/IV	915 Louise Nederland, TX 77627
5.	SUE PARSLEY	w/III	1332 (S) 24 1/2 St. Nederland, TX 77627
6.	CARL LeBLANC	w/II	1517 Franklin Nederland, TX 77627
7.	BILLY W. DOORNBOS	w/IV	1104 Louise Nederland, TX 77627
	GUIDRY w/III } 2		
	JUDY w/III }		
cc	BILLY w/II - 1		
	LARRY w/IV }		
cc	DICK w/IV } 3		
	NICK w/IV }		
	PAUL BAKER w/I - 1		

Each of the Directors shall reside within the City. Each Director, including the initial Directors, shall be eligible for reappointment. Directors are removable by the City Council for cause or at will. The Directors shall serve as such without compensation except that they shall be reimbursed for their actual expenses incurred in the performance of their duties as Directors.

ARTICLE VII. MEMBERSHIP/STOCK

The Corporation has no members and is a non-stock corporation.

ARTICLE VIII. AMENDMENTS

These Articles of Incorporation may at any time and from time to time be amended as provided in the Development Corporation Act so as to make any changes therein and add any provisions thereto which are lawful under the Development Corporation Act as then in effect. Any such amendment shall be effected in either of the following manners: (i) the members of the Board of Directors of the Corporation shall file with the Council a written application requesting approval of the amendments to the Articles of Incorporation, specifying in such application the amendments proposed to be made, the Council shall consider such application and, if by appropriate resolution duly finds and determines that it is advisable that the proposed amendments be made and shall approve the form of the proposed amendments, then the Board of Directors of the Corporation may amend the Articles of Incorporation by adopting such amendments at a meeting of the Board of Directors and delivering articles of amendment to the Secretary of State, or (ii) the Council may at its sole discretion, and at any time, amend these Articles of Incorporation, and alter or change the structure, organization, programs or activities of the Corporation, or terminate or dissolve the Corporation (subject to the provisions of the Development Corporation Act, and subject to any limitation provided by the constitutions and laws of the State of Texas and the United States of America on the impairment of contracts entered into the corporation) by written resolution adopting the amendment to the Articles of Incorporation of the Corporation or articles of dissolution at a meeting of the governing body and delivering the Articles of Amendment or Dissolution to the Secretary of State as provided in the Development Corporation Act. Amended or Restated Articles of Incorporation may be filed with the Secretary of State as provided in the Development Corporation Act.

ARTICLE IX. INCORPORATORS

The name and street address of each Incorporator is:

Carl N. "Cropo" LeBlanc
1517 Franklin
Nederland, TX 77627

Billy W. Doornbos
P. O. Box 728
Nederland, TX 77627

Bill Storey
1323 S. 24 1/2 Street
Nederland, TX 77627

ARTICLE X. AUTHORIZATION

The City has specifically authorized the Corporation by Resolution to act on its behalf to further the public purposes stated in said Resolution and these Articles of Incorporation, and the City, has, by said Resolution, approved these Articles of Incorporation.

ARTICLE XI. DIVIDENDS

No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payments of its expenses shall be distributed to or inure to the benefit of its Directors or officers or any individual, firm, corporation or association. Part of the Corporation's 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.

ARTICLE XII. INTERNAL AFFAIRS

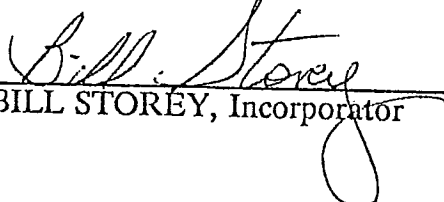
The Corporation's internal affairs shall be regulated by a set of Bylaws, not inconsistent with the laws of this State or with these Articles of Incorporation, which Bylaws have been or will be approved by the City Council, under whose offices the Corporation is created.

ARTICLE XIII. DISSOLUTION

If the Corporation ever should be dissolved when it has, or is entitled to, any interest in any funds or property of any kind, real, personal or mixed, such funds or property or rights thereto shall not be transferred to private ownership, but shall be transferred and delivered to the City after satisfaction or provision for satisfaction of debts and claims.


CARL N. "CROPO" LEBLANC, Incorporator


BILLY W. DOORNBOS, Incorporator


BILL STOREY, Incorporator



COPY

The State of Texas

Secretary of State

APR. 18, 1996

CITY OF NEDERLAND...LADONNA FLOYD
P O BOX 967
NEDERLAND ,TX 77627

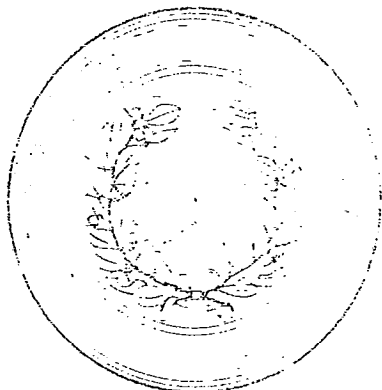
RE:
NEDERLAND ECONOMIC DEVELOPMENT CORPORATION
CHAPTER NUMBER 01349786-01

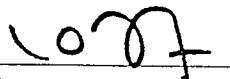
IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD YOUR
ARTICLES OF AMENDMENT.

THE APPROPRIATE EVIDENCE IS ATTACHED FOR YOUR FILES AND THE
ORIGINAL HAS BEEN FILED IN THIS OFFICE.

PAYMENT OF THE FILING FEE IS ACKNOWLEDGED BY THIS LETTER.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.




Antonio O. Garza, Jr., Secretary of State

COPY



The State of Texas

SECRETARY OF STATE

CERTIFICATE OF AMENDMENT OF

NEDERLAND ECONOMIC DEVELOPMENT CORPORATION
CHARTER NUMBER 1349786-01


The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Amendment for the above Development Corporation duly signed and verified pursuant to the provisions of the Development Corporation Act of 1979, have been received in this office and are found to conform to law.

ACCORDINGLY, the undersigned, as such Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Amendment and attaches hereto a copy of the Articles of Amendment.

Dated: April 12, 1996



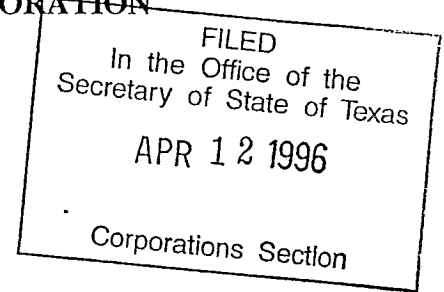
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Antonio O. Garza, Jr.
Secretary of State

COPY

ARTICLES OF AMENDMENT
OF
NEDERLAND ECONOMIC DEVELOPMENT CORPORATION
A TEXAS NON-PROFIT CORPORATION
NEDERLAND, TEXAS



THE STATE OF TEXAS
COUNTY OF JEFFERSON

ARTICLE ONE

The name of the Corporation is **NEDERLAND ECONOMIC DEVELOPMENT CORPORATION**. The Corporation is a non-profit corporation specifically governed by Section 4B of the Development Corporation Act. The Corporation has no members, other than its Board of Directors.

ARTICLE TWO

The following Amendment To Articles of Incorporation was adopted by the Board of Directors on the date shown below:

Article IV is amended to read:

"ARTICLE IV.
PURPOSE

The Corporation is organized exclusively and may issue bonds on behalf of the City for the public purposes of the promotion and development of new and expanded business enterprises to provide and encourage employment in the furtherance of the public welfare. The corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of Texas to non-profit corporations by the Texas Non-profit Corporation Act, Tex. Civ. Sta. Ann. Art. 1396-1.01 et seq., and the additional powers as provided in Section 4B and 23 of the Development Corporation Act, including, without limitation, the issuance of bonds. The Corporation shall be subject to any limitations imposed by such Section 4B. If any conflict should arise between these statutes regarding the Corporation's powers, the Development Corporation Act shall control and govern the Corporation; and to the extent of a conflict between Section 4B of the Development Corporation Act, the provisions of such Section 4B shall prevail. Said corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code."

ARTICLE THREE

The following Amendment to Articles of Incorporation was adopted by the Board of Directors on the date shown below:

Article XI is amended to read:

"ARTICLE XI.
NO DIVIDENDS AND IMPERMISSIBLE ACTIVITIES

No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payments of its expenses shall be distributed to or inure to the benefit of its Directors or officers or any individual, firm, corporation or association. No part of the Corporation's 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 the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustee, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article IV hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code."

ARTICLE FOUR

The following Amendment to Articles of Incorporation was adopted by the Board of Directors on the date shown below:

Article XIII is amended to read:

"ARTICLE XIII.
DISSOLUTION

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

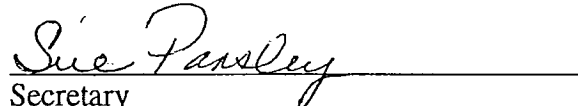
COPY

Any such assets not so disposed of shall be disposed of by the Court of general jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes."

IN WITNESS WHEREOF, we have hereunto subscribed our names this 3 day of April, 1966.

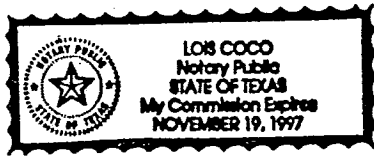



President



Secretary

SWORN to by the above officers on this 3 day of April, 1966.





Notary Public, State of Texas

SEE ATTACHED

EXHIBIT A

COPY

CITY OF NEDERLAND
RESOLUTION 1996-02

A RESOLUTION OF THE CITY OF NEDERLAND
APPROVING AMENDMENTS TO ARTICLES OF
INCORPORATION OF NEDERLAND ECONOMIC
DEVELOPMENT CORPORATION A TEXAS NON-
PROFIT CORPORATION NEDERLAND, TEXAS

WHEREAS, the Board of Directors of Nederland Economic Development Corporation has requested the City Council of the City of Nederland to approve and adopt the Articles of Amendment to the Articles of Incorporation of Nederland Economic Development Corporation, as shown in Exhibit "A" attached, in order that said Corporation may obtain federal tax-exempt status under existing Internal Revenue Service regulations; and

WHEREAS, the City Council of the City of Nederland finds that the Board of Directors of the Nederland Economic Development Corporation has approved and adopted the Articles of Amendment, as shown in Exhibit "A" attached, subject to the City of Nederland's approval; and

WHEREAS, the City Council of the City of Nederland finds that it is necessary and in the best interest of the City of Nederland to approve the Articles of Amendment, as shown in Exhibit "A" attached.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEDERLAND, TEXAS:

THAT the Articles of Amendment of Nederland Economic Development Corporation, as shown in Exhibit "A" attached, which is incorporated herein by reference, are hereby approved and adopted;

THAT said Articles of Amendment shall be delivered to the Secretary of State in duplicate originals; and

THAT this Resolution shall take effect and be in force from and after its passage.

PASSED AND APPROVED this the 8 day of April, 1996.

Carl N. LeBlanc
Carl N. LeBlanc, Mayor

ATTEST:

LaDonna Floyd
LaDonna Floyd, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Richard D. Hughes
Richard D. Hughes, City Attorney

THE STATE OF TEXAS §
COUNTY OF JEFFERSON §
CITY OF NEDERLAND §

I, LADONNA FLOYD, CITY SECRETARY OF THE CITY OF NEDERLAND, TEXAS, do hereby certify that the above and foregoing is a true and correct copy of the Original Hereof, as same was filed and appears on record in my office.

Witness my official seal and signature of office in Nederland, Texas, this the 10 day of April, 1996.

LaDonna Floyd
LaDonna Floyd, City Secretary