

ARTICLES OF INCORPORATION
OF
THE ECONOMIC DEVELOPMENT CORPORATION OF WESLACO
A NON-PROFIT CORPORATION
WESLACO, HIDALGO COUNTY, TEXAS

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ARTICLES OF INCORPORATION

OF

THE ECONOMIC DEVELOPMENT CORPORATION OF WESLACO
A NON-PROFIT CORPORATION

WESLACO, HIDALGO COUNTY, TEXAS

THE STATE OF TEXAS (
COUNTY OF HIDALGO (

WE, THE UNDERSIGNED natural persons, not less than three in number, each of whom is at least 18 years of age and each of whom is a qualified elector of the City of Weslaco, Texas, (a home rule municipal corporation), acting as incorporators of a public instrumentality and non-profit economic development corporation (the "Corporation") under the Development Corporation Act of 1979, TEX. REV. CIV. STAT. ANN. Art. 5190.6, with the approval of the governing body of the City of Weslaco, 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 THE ECONOMIC DEVELOPMENT CORPORATION OF WESLACO.

ARTICLE II

NON-PROFIT CORPORATION

The Corporation is a non-profit corporation specifically governed by Section 4A of the Development Corporation Act of 1979, TEX. REV. CIV. STAT. ANN. Art. 5190.6, as amended.

ARTICLE III

DURATION

The period of duration of the Corporation is perpetual.

ARTICLE IV

PURPOSE

The Corporation is organized exclusively for the purposes of benefitting and accomplishing public purposes of the City of Weslaco, Texas, by promoting, assisting, and enhancing orderly and proper economic and industrial development activities for the City as provided by the Development Corporation Act of 1979 as amended.

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. Rev. Civ. Stat. Ann. Art. 1396-1.01 et seq., and the additional powers as provided in Art. 5190.6, Section 23, including the issuance of bonds. If any conflict should arise between these statutes regarding the Corporation's powers, Tex. Rev. Civ. Stat. Ann. Art. 5190.6 shall control and govern the Corporation.

ARTICLE V

INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Corporation is 500 S. Kansas Avenue, Weslaco, Texas, 78596, and the name of the initial registered agent at such address is Dr. Wai-lin Lam.

ARTICLE VI

DIRECTORS

The affairs of the Corporation shall be managed by a Board of Directors. The number of Directors is five (5). The five Directors shall be appointed by the governing body of the City of Weslaco. The names and addresses of the persons who are to serve as the initial Board of Directors are as follows:

NAMES AND ADDRESSES:

WILDON R. SCHMIDT
910 Ash Street
Weslaco, Tx. 78596

ROBERT N. VANDERVEER
1801 Forrest Lane
Rt. 1, Box 1110
Weslaco, Tx. 78596

HERNAN GONZALEZ
912 W. 6th Street
Weslaco, Tx. 78596

ROBERT J. DYER
511 W. 15th
Weslaco, Tx. 78696

EUGENE RICHARD VAUGHAN, JR.
P. O. Box 297
Weslaco, Tx. 78596

At their initial Board of Directors meeting, the Board of Directors will draw lots among themselves to determine who will serve in places one, two, three, four or five until the expirations of the terms assigned to those places as set forth below:

DIRECTOR:

TERM EXPIRES:

PLACE ONE
PLACE TWO
PLACE THREE
PLACE FOUR
PLACE FIVE

September 30, 1991
September 30, 1992
September 30, 1992
September 30, 1993
September 30, 1993

Upon the expiration of the initial term of office of each initial Director, subsequently appointed Directors for each Director's place shall serve for three year terms based upon a September 30th anniversary date. No Director shall serve for more than two (2) consecutive three (3) year terms. In the event a vacancy occurs in one or more of the Director's places, whether caused by death, resignation, disqualification, removal or expiration of term as provided in this Article, the Board of Directors shall nominate to the City Commission individuals to fill the vacancy to complete the unexpired term or terms of such Director or Directors.

Each Director and Initial Director shall be of good moral character, be a United States citizen and shall reside within the city limits of the City of Weslaco or within the extra-territorial jurisdiction of the City of Weslaco. Any Director who ceases to possess the aforementioned qualifications shall forthwith forfeit his position, a vacancy shall occur and such vacancy shall be filled in accordance with this Article. In addition to the qualifications stated above, each Initial Director and Director shall meet at least one of the following qualifications:

- a) Serve, or have served, as chief executive officer of a company; or
- b) Serve, or have served, in a position of executive management of an institution; or
- c) Has demonstrated interest, ability and knowledge in economic development.

Each Director, including the original Directors shall be eligible for re-appointment. Directors are removable by majority vote of the City Commission at any time at will, provided however that no action by the City Commission shall be required to remove a Director or Initial Director who ceases to possess the qualifications stated herein. The Directors and Initial Directors shall serve 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 by the Development Corporation Act of 1979 so as to make any changes therein and add any provisions thereto which might have been included in the Articles of Incorporation in the first instance. Any such amendment shall be effected in either of the following manners: (i) the Board of Directors of the Corporation shall file with the governing body of the City a written application requesting approval of the amendments to the Articles of Incorporation, specifying in such application the amendment proposed to be made, the governing body shall consider such application and, if it shall by appropriate

resolution duly find and determine 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 governing body of the City 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 of 1979, and subject to any limitation provided by the City Charter of the City of Weslaco, the constitutions and laws of the State of Texas and the United States of America on the impairment of contracts entered into by the Corporation) by written resolution adopting the amendment to the Articles of Incorporation or the Articles of Dissolution at a meeting of the governing body of the City and delivering articles of amendment or dissolution to the Secretary of State, as provided in the Development Corporation Act of 1979 or the Corporation may be dissolved upon election as provided in the Act. Restated Articles of Incorporation may be filed with the Secretary of state as provided in the Development Corporation Act of 1979.

ARTICLE IX

INCORPORATORS

The name and street address of each Incorporator is:

MAYOR ARMANDO CUELLAR, M.D.
851 S. Iowa
Weslaco, Texas 78596

HAROLD A. ZURLO
510 W. 8th St.
Weslaco, Texas 78596

ISAAC D. RODRIGUEZ
1211 W. 4th
Weslaco, Texas 78596

ORLANDO PEDRAZA
414 S. Louisiana
Weslaco, Texas 78596

ROGELIO TIJERINA
926 E. Sugarcane
Weslaco, Texas 78596

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. A copy of said Resolution is attached to these Articles of Incorporation and made a part hereof for all purposes.

ARTICLE XI

DIVIDENDS/INUREMENT OF NET EARNINGS

No dividends shall ever be paid to the Corporation and no part of its net earnings remaining after payment of its expenses shall be distributed to or inure to the benefit of its Directors or officers or any individual, firm, corporation, or association, except that the Corporator 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.

ARTICLE XII

POLITICAL ACTIVITIES PROHIBITED

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 any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE XIII

LIMITATION ON ACTIVITIES

Notwithstanding any other provision of these articles, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation.

ARTICLE XIV

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 (or its successor in interest) after satisfaction or provision for satisfaction of debts and claims.

IN WITNESS WHEREOF, we have hereunto set our hands this 27th day of September,
1990.

ARMANDO CUELLAR, M.D., MAYOR

HAROLD A. ZURLO

ISAAC D. RODRIGUEZ

ORLANDO PEDRAZA

ROGELIO TIJERINA

STATE OF TEXAS *
*
COUNTY OF HIDALGO *

I, Amanda C. Elizondo, a notary public, do hereby certify that on this 27th day of September, 1990, personally appeared before me ARMANDO CURLLAR, M.D., MAYOR, who, by me first duly sworn, declared that he is the person who signed the foregoing documents as incorporator, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.

Notary Public, State of Texas
My Commission Expires: 6-20-91
Amanda C. Elizondo
(Printed Name of Notary)

STATE OF TEXAS *
*
COUNTY OF HIDALGO *

I, Amanda C. Elizondo, a notary public, do hereby certify that on this 27th day of September, 1990, personally appeared before me HAROLD A. ZURLO, who, by me first duly sworn, declared that he is the person who signed the foregoing documents as incorporator, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.

Notary Public, State of Texas
My Commission Expires: 6-20-91
Amanda C. Elizondo
(Printed Name of Notary)

STATE OF TEXAS *
*
COUNTY OF HIDALGO *

I, GRISELDA ZUNIGA, a notary public, do hereby certify that on this 26th day of September, 1990, personally appeared before me ROGELIO TIJERINA, who, by me first duly sworn, declared that he is the person who signed the foregoing documents as incorporator, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.

Notary Public, State of Texas
My Commission Expires: 04/08/93

GRISELDA ZUNIGA
(Printed Name of Notary)