

**BYLAWS
OF
MIDLAND COLLEGE FOUNDATION, INC.**

These Bylaws govern the affairs of MIDLAND COLLEGE FOUNDATION, INC., a nonprofit corporation (the "Corporation").

**ARTICLE 1
OFFICES**

Principal Office

1.01. The Corporation's principal office in Texas will be located at 3600 N. Garfield, Midland, Texas 79705. The Corporation may have such other offices, in Texas or elsewhere, as the Board of Directors of the Corporation (hereinafter the "Board" or the "Board of Directors", individual, non-advisory members of the Board hereinafter referred to as "Director"), may determine. The Board may change the location of any office of the Corporation.

Registered Office and Registered Agent

1.02. The Corporation will maintain a registered office and registered agent in Texas. The registered office may, but need not, be identical with the Corporation's principal office in Texas. The Board may change the registered office and the registered agent as permitted in the Texas Non-Profit Corporation Act.

**ARTICLE 2
BOARD OF DIRECTORS**

Management of Corporation

2.01. The Corporation shall have no members. The Board will manage corporate affairs.

Number, Qualifications, and Tenure of Directors

2.02. The number of Directors will be twenty-one (21), which number may be changed from time to time by amendment of these Bylaws but may not be less than three (3). The Directors shall serve for a term of three (3) years. A Director may be selected to succeed himself or herself in the same position. The Directors' terms will be staggered in a manner selected by the Board of Trustees (the "Trustees," individual members of the Trustees hereinafter referred to as "Trustee") of Midland College (the "College").

Selection of Directors

2.03. The Directors shall be selected by the Trustees.

Advisory Directors

2.04. The Board of Directors may select additional persons to serve as advisory members of the Board (hereinafter "Advisory Directors"). The term of office of Advisory Directors shall be at the discretion of the Trustees, with no restriction on reappointment. The Advisory Directors may attend all meetings of the Board of Directors unless the Board determines otherwise. The Advisory Directors may participate fully in the discussion of the business and affairs of the Corporation, but they shall not be entitled to vote.

Vacancies

2.05. The Trustees shall fill any vacancy in the Board and any director position caused by an increase in the number of Directors. A Director selected to fill a vacancy will serve for the unexpired term of his or her predecessor in office.

Annual Meeting

2.06. The annual meeting of the Board will be held at such time as is selected by the Directors or Officers at the Corporation's principal office, unless another site is designated.

Regular Meetings

2.07 The Board shall hold regular, semi-annual meetings at the time and place designated by resolution of the Board. The meetings may be held inside or outside Texas, but will be held at the Corporation's principal office if the resolution does not specify the location of the meetings. No notice of regular Board meetings is required other than a Board resolution stating the time and place of the meetings.

Special Meetings

2.08 Special Board meetings may be called by, or at the request of, the President or any two Directors. A person or persons authorized to call special meetings of the Board may fix any place within Texas as the place for holding a special meeting. The person or persons calling a special meeting will inform the Secretary of the Corporation of the information to be included in the notice of the meeting. The Secretary of the Corporation will give notice to the Directors as these Bylaws require.

Notice

2.09. Written or printed notice of any special meeting of the Board will be delivered to each Director not less than 10, nor more than 30 days before the date of the meeting. The notice will state the place, day, and time of the meeting, who called it, and the purpose or purposes for which it is called.

Quorum

2.10 A majority of the number of Directors then in office constitutes a quorum for transacting business at any Board meeting. 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. However, no action may be approved without the vote of at least a majority of the number of Directors required for a quorum. If a quorum is never present at any time during a meeting, a majority of the Directors present may adjourn and reconvene the meeting once without further notice.

Duties of Directors

2.11. Directors will 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 this context, the term "ordinary care" means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In discharging any duty imposed or power conferred on Directors, Directors may, in good faith, 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 a variety of persons, including officers and employees of the Corporation, professional advisors or experts such as accountants or legal counsel. A Director is not relying in good faith if he or she has knowledge concerning a matter in question that renders such reliance unwarranted. Directors are 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.

Duty to Avoid Improper Distributions

2.12. Directors who vote for or assent to improper distributions are jointly and severally liable to the Corporation for the value of improperly distributed assets, to the extent that, as a result of the improper distribution or distributions, the Corporation lacks sufficient assets to pay its debts, obligations, and liabilities. Any distribution made when the Corporation is insolvent, other than in payment of corporate debts, or any distribution that would render the Corporation 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.

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 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; (2) while acting in good faith and with ordinary care, considers the Corporation's assets to be at least that of their book value; or (3) in determining whether the Corporation 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 or obligations. Furthermore, Directors are protected from liability if, in exercising ordinary care, they acted in good faith and in reliance on the written opinion of an attorney for the Corporation.

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

Delegating Duties

2.13. Directors may select advisors and delegate duties and responsibilities 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. The 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 any cause whatsoever.

Interested Directors

2.14. Contracts or transactions between Directors, officers, or Trustees 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 Director, officer, or Trustee 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 the purpose. However, every Director with any personal interest in the transaction must disclose all material facts concerning the transaction, including all potential personal benefit and potential conflicts of interest, to the other members of the Board or other group authorizing the transaction. The transaction must be approved by a majority of the uninterested Directors or other group with the authority to authorize the transaction.

Actions of Board of Directors

2.15. The Board will try to act by consensus. However, if a consensus is not available, the vote of a majority of Directors present and voting at a meeting at which a quorum is present is enough to constitute the act of the Board, unless the act of a greater number is required by law or by some other provision of these Bylaws. A Director who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the Board's decision. For the purpose of determining the decision of the Board, a Director who is represented by proxy in a vote is considered present. The Board may, by majority or unanimous written consent, take any action authorized by these Bylaws or the Texas Non-Profit Corporation Act.

Proxies

2.16. A Director may vote by proxy. All proxies must be in writing, must bear the signature of the Director giving the proxy, and must bear the date on which the proxy was executed by the Director. No proxy is valid after nine months from the date of its execution.

Compensation

2.17. Directors may not receive salaries or other compensation for their services. Directors are entitled to reimbursement for out-of-pocket expenses incurred in the performance of their duties.

Removing Directors

2.18. Any Director may be removed at any time, with or without cause, by a majority vote of the Trustees.

ARTICLE 3 OFFICERS

Officer Positions

3.01. The Corporation's officers will be a president, a vice-president and a secretary. The Board may create additional officer positions, define the authority and duties of each such position, and elect or appoint persons to fill the positions. The same person may hold any two or more offices, except for the positions of president and secretary.

Election and Term of Office

3.02. The Corporation's officers will be appointed at the first Board meeting in each calendar year. The Board may appoint Board members to some or all of the officer positions. 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.

Removal

3.03. Any officer elected or appointed by the Board may be removed by the Board with or without good cause.

Vacancies

3.04. The Board may select a person to fill a vacancy in any office for the unexpired portion of the officer's term.

President

3.05. The president of the Corporation (the "President") is the Corporation's chief executive officer. He or she shall supervise and control all of the Corporation's business and affairs and preside at all meetings of the Board. The President may execute any deeds, mortgages, bonds, contracts, or other instruments that the Board authorizes to be executed. However, the President may not execute instruments on the Corporation's behalf if this power is expressly delegated to another officer or agent of the Corporation by the Board, these Bylaws, or statute. The President will perform other duties prescribed by the Board and all duties incident to the office of president.

Vice-President

3.06. When the President is absent, cannot act, or refuses to act, the vice-president of the Corporation (the "Vice-President") shall perform the President's duties. When acting in the President's place, the Vice-President has all the powers of, and is subject to all the restrictions on the President. The Vice-President will perform other duties as assigned by the President or Board.

Secretary

3.07. The secretary of the Corporation (the "Secretary") shall:

- (a) Give all notices as provided in these Bylaws or as required by law.
- (b) Take minutes of the meetings of the Board and keep the minutes as part of the corporate records.
- (c) Maintain custody of the corporate records and seal, if one is adopted.
- (d) Affix the corporate seal, if one is adopted, to all documents as authorized.
- (e) Keep a register of the mailing address of each Director, officer, Trustee and employee of the Corporation.

- (f) Perform duties as assigned by the President of the Board.
- (g) Perform all duties incident to the office of secretary.

ARTICLE 4 COMMITTEES

Establishing Committees

4.01. The Board may adopt a resolution establishing one or more committees, delegating specified authority to a committee and appointing or removing members of a committee. A committee will include three or more Directors and may include persons who are not Directors. If the Board delegates any of its management authority to a committee, the majority of the committee must consist of Directors. The Board may also delegate to the President its power to appoint and remove members of a committee that has not been delegated any management authority of the Board. The Board may establish qualifications for membership on a committee.

Establishing a committee or delegating authority to it will not relieve the Board, or any individual Director, of any responsibility imposed by these Bylaws or otherwise imposed by law. No committee may have the authority of the Board to:

- (a) Amend the articles of incorporation.
- (b) Adopt a plan of merger or of consolidation with another corporation.
- (c) Authorize the sale, lease, exchange, or mortgage of all or substantially all of the Corporation's property and assets.
- (d) Authorize voluntary dissolution of the Corporation.
- (e) Revoke proceedings for voluntary dissolution of the Corporation.
- (f) Adopt a plan for distributing the Corporation's assets.
- (g) Amend, alter, or repeal these Bylaws.
- (h) Elect, appoint, or remove a member of a committee or a Director or officer of the Corporation.
- (i) Approve any transaction to which the Corporation is a party and that involves a potential conflict of interest as described in section 5.04, below.

- (j) Take any action outside the scope of authority delegated to it by the Board.

Authorization of Specific Committee

4.02. An Executive Committee is hereby authorized. The Board will define by resolution the activities and scope of this committee and any other committee which may be authorized in the future.

Term of Office

4.03. Each committee member shall serve until a successor is appointed. However, a committee member's term may terminate earlier if the committee is terminated, or 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 will serve for the unexpired portion of the terminated committee member's term.

Notice of Meetings

4.04. Written or printed notice of a committee meeting will be delivered to each member of a committee not less than ten (10) days nor more than thirty (30) days before the date of the meeting. The notice will state the place, date, and time of the meeting, and the purpose or purposes for which it is called.

Quorum

4.05. A majority of the number of committee members constitutes a quorum for transacting business at any meeting of a 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 approved without the vote of at least a majority of the number of committee members required for a quorum. If a quorum is never present at any time during a meeting, the committee members present at the meeting may adjourn and reconvene the meeting once without further notice.

Actions of Committees

4.06. Committees will try to take action by consensus. However, if a consensus is not available, the vote of a majority of committee members present and voting at a meeting at which a quorum is present is enough to constitute the act of a committee unless the act of a greater number is required by statute or by some other provision of 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.

Proxies

4.07. A committee member may not vote by proxy.

Compensation

4.08. Committee members may not receive salaries for their services. Committee members are entitled to reimbursement for out-of-pocket expenses incurred in the performance of their duties.

Rules

4.09. Each committee may adopt its own rules, consistent with these Bylaws or with other rules that may be adopted by the Board.

ARTICLE 5 TRANSACTIONS OF CORPORATION

Contracts

5.01. The Board may authorize any officer or agent of the Corporation to enter into a contract or execute and deliver any instrument 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 contracts and instruments.

Deposits

5.02. All the Corporation's funds will be deposited to the credit of the Corporation in banks, trust companies, or other depositories that the Board or the Trustees select.

Gifts

5.03. The Board may accept, on the Corporation's behalf, any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation. The Board may make gifts and give charitable contributions not prohibited by these Bylaws, the articles of incorporation, state law, and provisions set out in federal tax law that must be complied with to maintain the Corporation's federal and state tax status.

Potential Conflicts of Interest

5.04. The Corporation may not make any loan to a Director or officer of the Corporation. A Director, officer, Trustee or committee member of the Corporation may lend money to, and otherwise transact business with, the Corporation except as otherwise provided by these Bylaws, the

Corporation's articles of incorporation, and applicable law. Such a person transacting business with the Corporation has the same rights and obligations relating to those matters as other persons transacting business with the Corporation. The Corporation may not borrow money from or otherwise transact business with a Director, officer, Trustee or committee member of the Corporation unless the transaction is described fully in a legally binding instrument and is in the Corporation's best interests. The Corporation may not borrow money from or otherwise transact business with a Director, officer, Trustee or committee member of the Corporation without full disclosure of all relevant facts and without the Board's approval, not including the vote of any person having a personal interest in the transaction.

Prohibited Acts

5.05. As long as the Corporation exists, and except with the Board's prior approval, no Director, officer, or committee member of the Corporation 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 or any of its operations.
- (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 the Corporation property, including intangible property such as good will.
- (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.
- (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.

ARTICLE 6
BOOKS AND RECORDS

Required Books and Records

6.01. The Corporation shall keep correct and complete books and records of account. The books and records shall include:

- (a) A file-stamped copy of all documents filed with the Texas Secretary of State relating to the Corporation, including but not limited to the articles of incorporation and any articles of amendment, restated articles, articles of merger, articles of consolidation, and statement of change of registered office or registered agent.
- (b) A copy of all Bylaws, including these Bylaws, and any amended versions or amendments to them.
- (c) Minutes of the proceedings of the Board and committees having any of the authority of the Board.
- (d) A list of the names and addresses of the Directors, officers, employees, Trustees and any committee members of the Corporation.

Inspection and Copying

6.02. Any Director, officer, Trustee or committee member of the Corporation may inspect and receive copies of all the corporate books and records required to be kept under the Bylaws. Such a person may, by written request, inspect or receive copies if he or she has a proper purpose related to his or her interest in the Corporation. He or she may do so through his or her attorney or other duly authorized representative. The inspection may take place at a reasonable time, no later than five working days after the Corporation receives a proper written request. The Board may establish reasonable copying fees, which may cover the cost of materials and labor. The Corporation will provide requested copies of books or records no later than five working days after receiving a proper written request.

ARTICLE 7
FISCAL YEAR

The fiscal year of the Corporation will begin on the first day of January and end on the last day of December in each year.

ARTICLE 8 INDEMNIFICATION

When Indemnification Is Required, Permitted, and Provided

8.01. (a) The Corporation will indemnify a Director, officer, Trustee, committee member, employee, or agent of the Corporation 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 Corporation. For the purposes of this article, an agent includes one who is or was serving at the Corporation's request as a Director, officer, partner, venturer, proprietor, trustee, partnership, joint venture, sole proprietorship, trust, employee-benefit plan, or other enterprise.

(b) The Corporation will indemnify a person only if he or she acted in good faith and reasonably believed that his or her conduct was in the Corporation's best interests. In the 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 Corporation will not indemnify a person who is found liable to the Corporation or is found liable to another on the basis of improperly receiving a personal benefit from the Corporation. A person is conclusively considered to have been found liable in relation to any claim, issue, or matter if the person has been adjudicated liable by a court of competent jurisdiction and all appeals have been exhausted. 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 Corporation.

(c) The Corporation will pay or reimburse expenses incurred by a Director, officer, Trustee, committee member, employee, or agent of the Corporation in connection with that person's appearance as a witness or other participation in a proceeding involving or affecting the Corporation when the person is not a named defendant or respondent in the proceedings.

(d) In addition to the situations otherwise described in this paragraph, the Corporation may indemnify a Director, officer, Trustee, committee member, employee, or agent of the Corporation to the extent permitted by law. However, the Corporation will not indemnify any person in any situation in which indemnification is prohibited by paragraph 8.01(a), above.

(e) The Corporation may advance expenses incurred or to be incurred in the defense of a proceeding to a person who might eventually be entitled to indemnification, even though there has been no final disposition of the proceeding. Advancement of expenses may occur only when the procedural conditions specified in paragraph 8.03(c), below, have been satisfied. Furthermore, the Corporation will never advance expenses to a person before final disposition of a proceeding if the person is a named defendant or respondent in a proceeding brought by the Corporation, or if the person is alleged to have improperly received a personal benefit or committed other willful or intentional misconduct.

Extent and Nature of Indemnity

8.02. The indemnity permitted under these Bylaws includes indemnity against judgments, penalties, (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding. If the proceeding was brought by or on behalf of the Corporation, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

Procedures Relating to Indemnification Payments

8.03. (a) Before the Corporation may pay any indemnification expenses (including attorney's fees), the Corporation must specifically determine that indemnification is permissible, authorize indemnification, and determine that the expenses to be reimbursed are reasonable, except as provided in subparagraph (c), below. The Corporation may make these determinations and decisions by any one of the following procedures:

(i) Majority vote of a quorum consisting of Directors who, at the time of the vote, are not named defendants or respondents in the proceeding.

(ii) If such a quorum cannot be obtained, by a majority vote of a committee of the Board, designated to act in the matter by a majority vote of all Directors, consisting solely of three or more Directors who at the time of the vote are not named defendants or respondents in the proceeding.

(iii) Determination by special legal counsel selected by the Board by the same vote as provided in subparagraphs (i) or (ii), above, or if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors.

(b) The Corporation will authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether indemnification is permissible. If special legal counsel determines that indemnification is permissible, authorization of indemnification and determination of reasonableness of expenses will be made as specified by subparagraph (a)(iii), above, governing selection of special legal counsel. A provision contained in the Corporation's articles of incorporation, or a resolution the Board that requires the indemnification permitted by paragraph 8.01, above, constitutes sufficient authorization of indemnification even though the provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

(c) The Corporation will advance expenses before final disposition of a proceeding only after it determines that the facts then known would not preclude indemnification. The determination that the facts then known to those making the determination would not preclude indemnification and authorization of payment will be made in the same manner as a determination that indemnification is permissible under subparagraph (a), above. In addition to this determination, the Corporation may advance expenses only after it receives a written affirmation and undertaking from the person to

receive the advance. The person's written affirmation will state that he or she has met the standard of conduct necessary for indemnification under these Bylaws. The written undertaking will provide for repayment of the amounts advanced by the Corporation if it is ultimately determined that the person has not met the requirements for indemnification. The undertaking will be an unlimited general obligation of the person, but it need not be secured and may be accepted without reference to financial ability to repay.

ARTICLE 9 NOTICES

Notice by Mail or Telegram

9.01. Any notice required or permitted by these Bylaws to be given to a Director, officer, or member of a committee of the Corporation may be given personally, by facsimile, or by 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 on the corporate records, with postage prepaid. If given by facsimile, a notice is deemed delivered when the Corporation receives confirmation that the facsimile transmission is complete. A person may change his or her address, facsimile number or telephone number in the corporate records by giving written notice of the change to the Secretary.

Signed Waiver of Notice

9.02. Whenever any notice is required by law, under the Corporation's articles of incorporation or these Bylaws, a written waiver signed by the person entitled to receive such notice is considered the equivalent to giving the required notice. A waiver of notice is effective whether signed before or after the time stated in the notice being waived.

Waiving Notice by Attendance

9.03. A person's 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.

ARTICLE 10 SPECIAL PROCEDURES CONCERNING MEETINGS

Meeting by Telephone

10.01. The Board of Directors and any committee of the Corporation may hold a meeting by telephone conference-call procedures. In all meetings held by telephone, matters must be arranged in such a manner that all persons participating in the meeting can hear each other. The notice of a meeting by telephone conference must state the fact that the meeting will be held by telephone as

well as all other matters required to be included in the notice. A person's participation in a conference-call meeting constitutes his or her presence at the meeting.

Decision Without Meeting

10.02. Any decision required or permitted to be made at a meeting of the Board, or any committee of the Corporation may be made without a meeting. A decision without a meeting may be made if a written consent to the decision is signed by all the persons entitled to vote on the matter. The original signed consents will be placed in the Corporation minute book and kept with the corporate records.

Proxy Voting

10.03. A person authorized to exercise a proxy may not exercise the proxy unless it is delivered to the officer presiding at the meeting before the business of the meeting begins. The Secretary or other person taking the minutes of the meeting 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. If a person who has duly executed a proxy personally attends a meeting, the proxy will not be effective for that meeting. A proxy filed with the Secretary or other designated officer remains in force until the first of the following occurs:

- (a) An instrument revoking the proxy is delivered to the Secretary or other designated officer.
- (b) The proxy authority expires under the proxy's terms.
- (c) The proxy authority expires under the terms of these Bylaws.

ARTICLE 11 AMENDING BYLAWS

These Bylaws may be altered, amended, or repealed, and new bylaws may be adopted by a two-thirds vote of the Board of Directors. The notice of any meeting at which these Bylaws are altered, amended, or repealed, or at which new bylaws are adopted will include the text of the proposed bylaw provisions as well as the text of any existing provisions proposed to be altered, amended, or repealed. Alternatively, the notice may include a fair summary of those provisions.

ARTICLE 12
MISCELLANEOUS PROVISIONS

Legal Authorities Governing Construction of Bylaws

12.01. These Bylaws will be construed under Texas law. 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.

Legal Construction

12.02. To the greatest extent possible, these Bylaws shall be construed to conform to all legal requirements and all requirements for obtaining and maintaining all tax exemptions that may be available to nonprofit corporations. If any 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.

Headings

12.03. The headings used in these Bylaws are for convenience only and may not be considered in construing the Bylaws.

Number

12.04. All singular words include the plural, and all plural words include the singular.

Seal

12.05. The Board of Directors may, but need not, provide for a corporate seal.

Power of Attorney

12.06. A person may execute any instrument related to the Corporation by means of a power of attorney if an original executed copy of the power of attorney is provided to the Secretary to be kept with the corporate records.

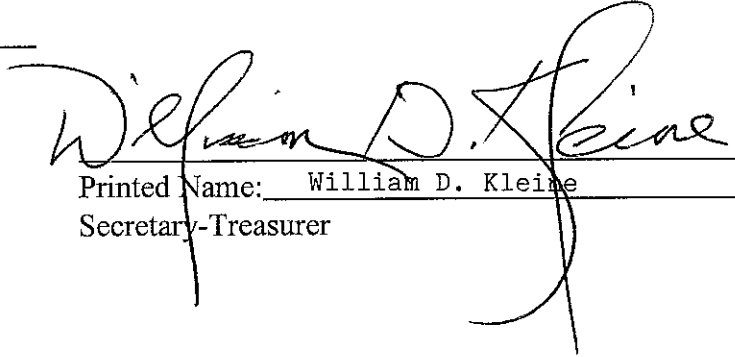
Parties Bound

12.07. These Bylaws will bind and inure to the benefit of the Directors, officers, committee members, Trustees, employees, and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as these Bylaws otherwise provide.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of MIDLAND COLLEGE FOUNDATION, INC. and that these Bylaws constitute the Corporation's Bylaws. These Bylaws were duly adopted at a meeting of the Board of Directors held on April 28, 1998.

Dated: May 18, 1998



Printed Name: William D. Kleine
Secretary-Treasurer