

Bylaws of BEST Robotics, Incorporated

Approved March 29, 2003

ARTICLE I

NAME, OFFICES, AND PURPOSE

Section 1. Name. The name of this organization is Boosting Engineering, Science, and Technology Incorporated also known as BEST Robotics, Inc. (BRI). BRI's board of directors, as defined in Article II, may register any assumed names for this corporation it deems appropriate.

Section 2. Offices. BRI may have, in addition to its registered office, other offices at such places, both within and without the State of Texas, as its board of directors may from time to time determine.

Section 3. Purpose. The purpose of BRI is to boost student and public interest in engineering, science, technology, and other related disciplines. BRI accomplishes this by promoting and overseeing scientific and engineering competitive activities between pre-collegiate student teams. These competitions use the design skill and construction abilities of the students themselves under guidance from professional technologist and teachers. Participation in a BEST contest is provided at no cost to these teams.

Section 4. Organization. The BRI organization structure consists of geographically dispersed branches, known as hubs, that conduct annual robotics competitions sanctioned by BRI. A Board of Directors manages the overall organization.

ARTICLE II

BOARD

Section 1. General Powers. The activities, properties, business, and affairs of BRI shall be managed by a Board of Directors (referred herein as "the board"). The board may exercise all such powers and authority of a nonprofit corporation and do all such lawful acts and things as are permitted by the laws of the State of Texas and the Internal Revenue Code.

Section 2. Number; Qualification; Election. The board shall consist of up to 11 members. Six members shall be selected by and represent hubs and regional competitions. Hubs shall be geographically divided into five districts with one representative per district. There shall be one representative of regional competitions. The other members shall be selected for their expertise in one or more of the committee priority areas. Members shall be elected by the board at the annual meeting of the board, as provided in Section 7, provided that until there shall be a full board of eleven members, additional members may be elected at any regular or special meeting of the board. Newly elected board members shall be approved by the hub council by email vote.

Approximately half the boards members' terms shall expire in even years and the remainder expire in odd years.

Section 3. Term of Office. A board member's term of office shall be for two years; a member shall not serve more than three consecutive terms. In exception, a member initially appointed to complete an unexpired term may serve an additional term if completion of the term shall not result in the member having served more than seven consecutive years.

Section 4. Officers. The board shall annually select the following officer positions from among its members: President, Vice President, Secretary and Treasurer and any other positions deemed as necessary.

Section 5. Removal; Vacancies. Any board member may be removed for cause at any annual meeting or special meeting of the board called for that purpose and attended by a quorum. A majority vote of that quorum is required for removal. Removal shall be approved by 2/3 majority of the hub council by email vote. The individual appointed to fill a vacancy shall be elected for the unexpired term of the predecessor in office.

Section 6. Place of Meeting. The board may hold its meetings (regular, annual or special) at such place or places it chooses. This may include telephone, email, or Internet meetings, except for the annual meeting, which shall be a face-to-face meeting.

Section 7. Annual Meeting. The annual meeting of the board shall be held on such date as the board shall determine, but no later than the end of February of each fiscal year. The time of the annual meeting shall be designated in a notice given as hereinafter specified for a special meeting of the board or in a waiver of notice of such meeting.

Section 8. Regular and Special Meetings; Notice. The board shall hold regular meetings, as it deems necessary. The board may transact any and all lawful business related to BRI at the meeting. Notice of the meeting shall be given to board members at least fourteen (14) days in advance of the meeting, by mail or electronic media, or facsimile. The president may call special meetings of the board at any time and for any purpose. Except as otherwise provided by law or by these bylaws, notice of each special meeting of the board stating the time and place of meeting shall be sent by mail, facsimile, or electronic media to each member's residential address or usual place of business at least ten (10) days in advance of the meeting. Such notice may also be hand-delivered or given by telephone at least five (5) days in advance of the meeting.

Section 9. Quorum; Manner of Acting. At all meetings of the board (regular, annual, or special), a simple majority of the members of the board shall constitute a quorum for the transaction of all business. Board members who cannot attend a meeting may designate in writing another member to represent them by proxy.

Section 10. Action Taken Without Meeting. Any action required or permitted by law or these bylaws to be taken at a meeting of the board may be taken without a meeting, if consent in writing or by email, setting forth the action so taken, shall be signed by all persons entitled to

vote on the matter. Such consent shall have the same force and effect as a unanimous vote of the board at a meeting and may be stated as such in any document or instrument filed with the Texas Secretary of State or otherwise used or delivered for any purpose.

Section 11. Compensation; Expenses. Board members shall not receive compensation for their services on the board. Nothing shall prohibit the reimbursement by BRI of expenses expended by board members in attending meetings or for funds expended by the member in furtherance of the purpose of the corporation, if approved by the board.

Section 12. Attendance at Meetings. Board members shall attend all meetings of the board unless illness, unalterable business, or professional or personal commitments prevent a member's attendance at any meeting. To the extent possible, the board member shall notify the secretary in advance of the meeting of the reason for the board member's absence. A member shall be removed from the board after three (3) consecutive absences.

Section 13. Communications. To serve as a member on the board or to chair a designated committee, individuals must have access and be capable of receiving and transmitting email communications.

Section 14. Duties of Board Officers. *President* -- Shall act as the official representative of BRI, and shall supervise the business affairs of the corporation. The president may execute any contracts or documents of legal obligation or other instruments that the board has authorized to be executed. The president shall perform other duties prescribed by the board and all duties incidental to the office of president.

Vice president -- Shall, in the absence or during the disability of the president, have all powers and perform all duties of the president. The vice president shall also perform such other duties as may be assigned from time to time by the board.

Secretary -- Shall give all notices as provided in the bylaws or as required by law, take minutes of board meetings, keep such minutes as part of the corporate records, and maintain custody of the corporate records. The secretary shall perform duties as assigned by the president or the board and perform all duties incidental to the office.

Treasurer -- Shall have charge and custody of and be responsible for all funds and securities of the corporation. The treasurer shall direct the accounting of BRI. Additionally, the treasurer shall receive and give receipts for money due and payable to the corporation from any source and deposit all money in the name of the corporation in banks as provided by resolution of the board. The treasurer shall maintain the financial books and records, write checks, and disburse funds to discharge obligations of the corporation. The treasurer shall perform other duties as assigned by the board or which are incidental to the office of treasurer.

Section 15. Function. The board shall meet to hear updates from committees, decide on strategic plans for BRI, direct committees to carry out BRI operations, and make decisions in the management of BRI. Minutes from the board meetings shall be distributed to hub council members.

Section 16. Staff. The board shall employ the executive director and other staff members as deemed necessary. The executive director is empowered to carry out day-to-day activities of the organization and other policies and procedures adopted by the board.

ARTICLE III

HUB COUNCIL

Section 1. General Powers. The hub council shall serve as an advisory group to the board. Items affecting local programs and game execution shall be presented to the hub council for advice and comment. Council members shall communicate information from the board and committees to their hubs.

Section 2. Hub council; Number. Each hub shall select one person to serve on the hub council and communicate the name of that person to the secretary of the board no less than 30 days prior to the annual meeting of the board. The method of selecting hub council members shall be at the discretion of each hub. There will also be one representative on the hub council from each regional competition.

Section 3. Email voting. The votes of any hub not responding within 14 days to items sent to the hub council for approval shall be automatically assigned by proxy to the president.

Section 4. New hubs and new regionals must have completed one full BEST contest cycle to have a voting member on the hub council.

ARTICLE IV

COMMITTEES

Section 1. Establishment of Committees. The board shall establish committees deemed necessary to conduct the affairs of the organization. The establishment of a committee or the delegation of authority to it shall not relieve the board or individual members, of any responsibility imposed by the bylaws or otherwise imposed by law. Committees shall maintain records of its meetings and shall report the same to the board.

Section 2. Committees. The committees listed below shall serve at the pleasure of the board and shall share these common characteristics:

- (a) The president shall appoint the committee chair.
- (b) The committee chair shall appoint members of his particular committee to assist in carrying out the activities of the committee. The hub council shall be contacted for candidates.

- (c) Each committee shall provide feedback and actions to the board and shall carry out the plans of BRI.
- (d) Each committee shall be responsible for monitoring hub compliance to BRI procedures in its area of responsibility.
- (e) Each committee shall investigate any complaints brought to BRI in its area of responsibility, and make recommendations to the board of necessary corrective actions.

Public Awareness Committee -- Assures that a common theme is presented to the public; performs marketing and public relations duties in order to promote BRI to corporations, universities, high schools, engineering students, and the general public; and develops and maintains BRI interactive and non-interactive multimedia, including the BRI web site.

Board Development Committee -- Proposes nominations of qualified persons to be elected to the board; nominates a slate of officers at the annual meeting; nominate persons to fill vacancies; and coordinates training and materials to improve the effectiveness of the board.

Fund Development -- Develops funding sources that support national, regional and local program development.

Regional Contest Advisory Committee -- Advises annual regional competition sponsors and/or hosts on issues relating to running a BEST contest to allow competition between representative teams from each local hub after completion of all local hub contests.

Game Committee – Develops the game to be used by all hubs. This committee shall include members from the hub designated as the primary developer of that year's game.

Awards and Judging Committee -- Defines award categories for each game with criteria to be used in judging for those awards at both the hub level and at the regional competitions; defines standard award specifications for use by all hubs, as well as award specifications for regional contests; acts as the BRI agent to negotiate bulk award purchases in support of the hubs.

Kit Committee -- Creates the kit parts list, working closely with the game committee to meet each year's game specific parts needs; manages kit consumables and returnables; and acts as the BRI agent to contract for bulk purchase of kit material.

New Hub Development Committee - Recruits and helps develop prospective hubs for BRI; coordinates and conducts the New Hub Workshop; prepares information and guidelines for groups starting new hubs; serves as a contact point for these new hubs during their formation and first contest year; defines what it takes for a new hub to qualify for hub status.

ARTICLE V

NOTICES

Section 1. Signed Waiver of Notice. Whenever any notice is required to be given under the provisions of law or under the provisions of the articles of incorporation or bylaws, a written waiver signed by a person entitled to receive a notice shall be deemed equivalent to the giving of the notice. A waiver of notice shall be effective whether signed before or after the time stated in the notice being waived.

Section 2. Waiver of Notice by Attendance. The attendance of a person at a meeting shall constitute a 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 is not lawfully called or convened.

ARTICLE VI

FISCAL MANAGEMENT

Section 1. Fiscal Year. The fiscal year for BRI shall begin on the first day of January and end on the last day of December of each year.

Section 2. Annual Dues. The board shall approve an annual operating budget at its annual meeting each year and shall assess dues from each hub sufficient to meet the approved annual expenses. First year hubs will be exempt from dues.

Section 3. Gifts. The board may accept on behalf of BRI any contributions, gifts, donations, bequests, or other devise for the general purpose of the corporation.

Section 4. Contracts. The board may authorize any board member or officer of the corporation to enter into a contract or execute and deliver any instrument in the name of and on behalf of the corporation.

ARTICLE VII

INDEMNIFICATION

Section 1. Requirement. BRI shall indemnify a board or hub council member of the corporation who was, is, or may be named defendant or respondent in any proceeding as a result of his actions or omissions within the scope of his official capacity in the corporation.

Section 2. Limitation. BRI shall indemnify a person only if he or she acted in good faith and reasonably believed that his conduct was in the corporation's best interests. In 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 shall 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 a court of competent jurisdiction has adjudged the person liable 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.

Section 3. Expenses. The corporation shall pay or reimburse expenses incurred by a board or hub council member of the corporation in connection with the 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 proceeding.

Section 4. Scope. In addition to the situations otherwise described in this article, the corporation may indemnify a board or hub council member of the corporation to the extent permitted by law.

Section 5. Advance. BRI 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. Furthermore, the corporation shall 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.

Section 6. Extent. The indemnity permitted under these bylaws includes indemnity against judgments, penalties, fines, settlements, and reasonable expenses (including attorneys' 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.

Section 7. Procedures. Before the corporation may pay any indemnification expenses (including attorneys' fees), the corporation must specifically determine that indemnification is permissible, authorize indemnification, and determine that expenses to be reimbursed are reasonable. The corporation may make these determinations and decisions by any one of the following procedures:

- (i) Majority vote of a quorum consisting of board members 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 board members, consisting solely of two or more board members 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 board members.

The corporation shall 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 shall be made as specified by subparagraph (iii) above, governing selection of special legal counsel.

The corporation shall 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 shall be made in the same manner as a determination that indemnification is permissible.

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 shall state that he has met the standard of conduct necessary for indemnification under these bylaws. The written undertaking shall 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 shall 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 VIII

AMENDMENTS OF BYLAWS

Section 1. Procedure. The bylaws may be altered, amended or repealed, or new bylaws may be adopted, at any annual or special meeting of the board at which a quorum is present by vote of a majority of the members present at such a meeting. Final approval will be by 2/3 majority vote of the hub council, by email.

Section 2. Notice. The notice of any meeting at which the bylaws are altered, amended, or repealed, or at which new bylaws are adopted shall include the text of the proposed bylaws 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. Such notice may be sent by mail, facsimile or electronically at least fourteen (14) days prior to the meeting. Such notice may be hand delivered, but it must be so delivered at least five (5) days prior to the meeting.

ARTICLE IX

DISSOLUTION OF CORPORATION

Section 1. Procedure. The board, by resolution passed at any annual or special meeting, may vote to dissolve the corporation. A majority vote of the members on the board is required.

Section 2. Distribution of Assets. Upon dissolution of BRI and after payment of all of the liabilities of the corporation, the remaining assets shall be distributed to the State of Texas for a

public purpose, or to an organization organized and operated exclusively for charitable and educational purposes and which is exempted from taxes under the Internal Revenue Code Section 501(c)(3). In no event, upon dissolution, shall any assets be distributed to any individual director or officer.

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 1. Legal Authorities. The bylaws shall be construed in accordance with the laws of the State of Texas. All references in the bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

Section 2. Legal Construction. If any bylaw provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or un-enforceability shall not affect any other provision and the bylaws shall be construed as if the invalid, illegal or unenforceable provision had not been included in the bylaws.

Section 3. Headings. The headings used in the bylaws are used for convenience and shall not be considered in construing the terms of the bylaws.

Section 4. Gender. Wherever the context requires, all words in the bylaws in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

Section 5. Parties Bound. The bylaws shall be binding upon and inure to the benefit of the directors, officers, committee members, employees and agents of BRI and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as otherwise provided by the bylaws.

Section 6. Hub Bylaws. The bylaws of hubs shall not conflict with the bylaws of BRI. Hub bylaws shall be amended if necessary to conform.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary of BRI and that the foregoing bylaws constitute the bylaws of the corporation. These bylaws were duly adopted at a meeting of the hub council held on the 29th day of March, 2003

Signature_____

Name (print)_____

Secretary of the Corporation