

Articles of Incorporation of

Texas A&M Research Foundation

An Organization for Sponsored Research

We, L. P. Gabbard, M. T. Harrington , J. D. Lindsay, J. H. Milliff, and W. E. White, the subscribers hereto, all being citizens of the State of Texas, for the purpose of forming a foundation to have a perpetual existence pursuant to the laws of the State of Texas, in that behalf made and enacted, do hereby associate ourselves together as a body corporate and foundation in the manner and for the purposes hereinafter designated, and to that end do hereby subscribe the following:

**ARTICLE I
NAME**

The name of the corporation is Texas A&M Research Foundation.

**ARTICLE II
PURPOSE AND POWERS**

The objects for which this Corporation is organized are to promote educational purposes by encouraging, fostering and conducting scientific investigations and research; by training and developing persons for the conduct of such investigations and research and by acquiring and disseminating knowledge in relation thereto; and further, both in connection with The Texas A&M University System and independently thereof if expressly authorized by the Corporation's Board of Trustees,, to foster and encourage education and learning in all fields and to promote the liberal and practical education of all classes in the several pursuits and professions of life.

The Corporation shall be operated exclusively for such purposes, and 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 such purposes, no part of its net earnings shall inure to the benefit of, or be distributable to, any Trustee, officer or other private person. No part of the activities of the Corporation shall be carrying on propaganda and the Corporation 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. Further, all funds and money received from the operation of the Corporation are hereby pledged and shall be used solely for the furtherance of the aims and purposes of the Corporation.

The Corporation shall also have, use and enjoy any and all powers necessarily or properly incident to or connected with the foregoing purposes, or any of them, including the power to acquire in any lawful manner such property, real, personal or mixed, or interest therein, as may be necessary for the transaction of its business or the execution of any trust and may hold, use, lease, sell, mortgage, pledge, assign, transfer or convey the same or any part thereof.

**ARTICLE III
POWER TO RECEIVE GIFTS**

The Corporation may receive by gift, devise, bequest or otherwise any money or property, absolutely or in trust, to be used, either the principal or the income therefrom, for the furtherance of any of the corporate purposes expressed in its charter or for any other purpose which may hereafter be or become within its corporate powers.

**ARTICLE IV
BOARD OF TRUSTEES**

The business and affairs of the Corporation shall be managed by a Board of Trustees consisting of twenty-seven (27) Trustees, the number of Trustees to be fixed in the Bylaws of said corporation. The Trustees of the Board of Trustees, unless and until otherwise provided in the Bylaws, shall be divided so that the terms of office for not less than six (6) Trustees shall expire each year. Trustees, other than the Trustees of the first Board of Trustees, whose terms of office are herein elsewhere designated, and further, except in cases of election to fill a vacancy, shall be elected to serve for terms of not more than three (3) years. The foregoing three (3) year term of office for serving as a Trustee shall not apply to the President of the Foundation serving as a Trustee. Trustees are limited to a maximum of three (3) consecutive terms as a Trustee.

**ARTICLE V
FIRST BOARD OF TRUSTEES**

The persons who shall constitute the first Board of Trustees, together with their respective places of residence and the length of time each shall serve are as follows:

Name	Residence	Term of Office
R. W. Briggs	San Antonio, TX	3 years
Gibb Gilchrist	College Station, TX	3 years
F. M. Law	Houston, TX	3 years
E. J. Kyle	College Station, TX	3 years
Rufus R. Peoples	Tehuacana, TX	3 years

Successors to the Trustees named above shall be chosen in such manner and subject to such limitations as the Corporation in its Bylaws shall prescribe.

The Corporation, through its Bylaws, shall also provide the manner of filling vacancies in its Board of Trustees; and may also, in its Bylaws, determine all other matters relating to the selection, election, classification and qualifications of Trustees. The Corporation, through its Bylaws, shall also provide the manner of voting (including, but not limited to actions by written consent requiring less than unanimous consent), meetings, and notice thereof pertaining to the members of the Corporation (who shall be referred to as "Councilors"), Board of Trustees, and the committees thereof.

**ARTICLE VI
COMPENSATION OF MEMBERS OF BOARD OF TRUSTEES**

No Councilor, Trustee or officer of the Corporation may receive any pecuniary benefit from it, except such compensation as may be allowed for services actually rendered.

**ARTICLE VII
POWER OF THE BOARD OF TRUSTEES**

The power to alter, amend, or repeal the Bylaws or to adopt new Bylaws shall be vested in the Councilors of the corporation, but such power may be delegated by the Councilors to the Board of Trustees.

**ARTICLE VIII
LIMITATION ON ACTIVITIES**

Notwithstanding any other provision of these Articles, the Corporation shall not engage, participate or intervene in any activity or transaction which would result in the loss by the Corporation of its status as an organization exempt from Federal income taxation under section 501(a) of the Code, or corresponding provisions hereafter in effect, as an organization described in section 501(c)(3) of the Code, or corresponding provisions hereafter in effect, and the use, directly or indirectly, of any part of the assets of the Corporation in any such activity or transaction is expressly prohibited.

Anything to the contrary herein notwithstanding, the Corporation shall:

(A) make distributions at such time and in such manner as not to subject the Corporation to tax under section 4942 of the Code, or corresponding provisions hereafter in effect;

(B) not engage in any act of self-dealing as defined in section 4941(d) of the Code, or corresponding provisions hereafter in effect, which would be subject to tax under section 4941 of the Code, or corresponding provisions hereafter in effect;

(C) not retain any excess business holding as defined in section 4943(c) of the Code, or corresponding provisions hereafter in effect, which would subject the Corporation to tax under section 4943 of the Code, or corresponding provisions hereafter in effect;

(D) not make any investments which would subject the Corporation to tax under section 4944 of the Code, or corresponding provisions hereafter in effect, and

(E) not make any taxable expenditures as defined in section 4945(d) of the Code, or corresponding provisions hereafter in effect, which would subject the Corporation to tax under section 4945 of the Code, or corresponding provisions hereafter in effect.

**ARTICLE IX
DISPOSAL OF PROPERTY IN CASE OF DISSOLUTION OF THE CORPORATION**

In the event of the dissolution of the Corporation, by lapse of time or otherwise, 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 upon such dissolution, the Board of Trustees shall, after paying or making provision for the payment of all liabilities of the Corporation, transfer and set over such funds or property or rights thereto in such manner to the System Members of The Texas A&M University System, an institution of higher

education supported by the State of Texas, for whose benefit and use such funds, property, or rights were originally acquired; provided, however, such organization at such time of dissolution is then qualified as a governmental organization under section 170(c)(1), or corresponding provisions hereafter in effect, or as an organization exempt from federal income taxation under section 501(a) of the Code, or corresponding provisions hereafter in effect, as an organization described in section 501(c)(3) of the Code, or corresponding provisions hereafter in effect, or if The Texas A&M University System does not so qualify, then to such other organization (or organizations) which shall at such time of dissolution qualify as an organization (or organizations) exempt from Federal income taxation under section 501(a) of the Code, or corresponding provisions hereafter in effect, as an organization (or organizations) described in section 501(c)(3) of the Code, or corresponding provisions hereafter in effect, as the Board of Trustees in its absolute discretion shall determine.

ARTICLE X DESIGNATION OF MEMBERS

The Corporation by its Bylaws shall define who shall constitute Councilors of said corporation and their rights, privileges and duties, and may further provide such other classes of membership and fix the privileges, terms and conditions thereof as may be deemed for the best interests of said Corporation.

ARTICLE XI SPECIFIC POWER TO CONTRACT

The Corporation may make such contracts and agreements with the Board of Regents of The Texas A&M University System for the conduct of its business, the execution of its powers and the use of its property as to the Board of Trustees of the Corporation may seem most expedient; and may permit its property to be used, operated and enjoyed by the Board of Regents of The Texas A&M University System for a nominal charge, or without charge, or upon such terms and conditions as to its Board of Trustees shall seem most consistent with the purpose of its organization. And the Corporation, in the discretion of its Board of Trustees, and upon such terms as said Board shall deem proper, may at any time, and from time to time, convey, hypothecate, lease or otherwise transfer its property, or any part thereof, to or for the use and benefit of the Board of Regents of The Texas A&M University System; provided, however, that the provisions of this Article shall be supplemental to and not in limitation of any of the general powers of the Corporation to lease, sell, mortgage, pledge, assign, transfer or convey any of its property for other purposes and to other persons or corporations as to it shall seem proper.

ARTICLE XII CAPITAL STOCK

The Corporation shall be operated as a non-profit corporation and shall have no capital stock. At the time of filing these Articles of Incorporation the Corporation owns no assets and possesses no liabilities.

**ARTICLE XIII
LIMITATIONS OF LIABILITY**

As provided in Article 1302-7.06 (Limitation of Liability) of the Texas Miscellaneous Corporation Laws Act, a director (hereinafter "Trustee") of the Foundation is not liable to the Foundation or its Councilors for monetary damages for an act or omission in the Trustee's capacity as a Trustee, except that this Article does not eliminate or limit the liability of a Trustee for:

- (A) a breach of a Trustee's duty of loyalty to the Corporation or its Councilors;
- (B) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law;
- (C) a transaction from which a Trustee received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Trustee's office; or
- (D) an act or omission for which the liability of a Trustee is expressly provided for by an applicable statute; or

If the Texas Miscellaneous Corporation Laws Act or any other statute of the State of Texas hereafter is amended to authorize the further elimination or limitation of the liability of Trustees of the Corporation, then the liability of a Trustee of the Corporation shall be eliminated or limited to the fullest extent permitted by the statutes of the State of Texas, as so amended, and such elimination or limitation of liability shall be in addition to, and not in lieu of, the elimination and limitation on the liability of a Trustee of the Corporation provided by the foregoing provisions of this Article XIII.

Any repeal of or amendment to this Article XIII shall be prospective only and shall not adversely affect any limitation on the liability of a Trustee of the corporation existing at the time of such repeal or amendment.

**ARTICLE XIV
PLACE OF BUSINESS**

The principal place of business of the Corporation shall be at College Station in Brazos County, Texas.

IN WITNESS WHEREOF, we, the subscribers hereto, have hereunto set our hands and seals this 14th day of November, 1944

/s/L. P. Gabbard College Station, TX
/s/M. T. Harrington College Station, TX
/s/J. D. Lindsay College Station, TX
/s/J. H. Milliff College Station, TX
/s/W. E. White College Station, TX