



Office of the Secretary of State

CERTIFICATE OF FILING OF

Houston Employee Relief Organization, Inc.
File Number: 800814154

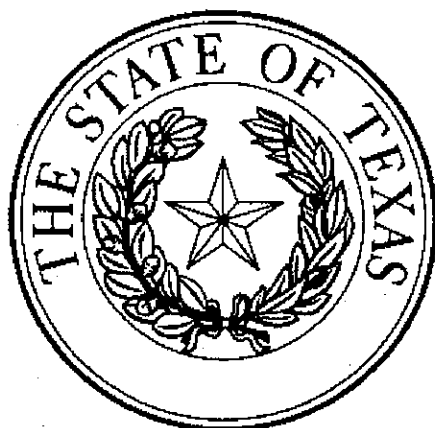
The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 05/10/2007

Effective: 05/10/2007



A handwritten signature in black ink that reads "Roger Williams".

Roger Williams
Secretary of State



Office of the Secretary of State

May 11, 2007

Capitol Services Inc
P O Box 1831
Austin, TX 78767 USA

RE: Houston Employee Relief Organization, Inc.
File Number: 800814154

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created nonprofit corporation.

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. If you need to contact the Comptroller about franchise taxes or exemption therefrom, you may contact the agency by calling (800) 252-1381, by e-mail to tax.help@cpa.state.tx.us or by writing P. O. Box 13528, Austin, TX 78711-3528. Telephone questions regarding other business taxes, including sales taxes, should be directed to (800) 252-5555. Information on exemption from federal taxes is available from the Internal Revenue Service.

Nonprofit corporations do not file annual reports with the Secretary of State, but do file a report not more often than once every four years as requested by the Secretary. It is important for the corporation to continuously maintain a registered agent and office in Texas as this is the address to which the Secretary of State will send a request to file a periodic report. Failure to maintain a registered agent or office in Texas, failure to file a change to the agent or office information, or failure to file a report when requested may result in the involuntary termination of the corporation. Additionally, a nonprofit corporation will file documents with the Secretary of State if the corporation needs to amend one of the provisions in its certificate of formation.

If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555
Enclosure

FILED
In the Office of the
Secretary of State of Texas

MAY 10 2007

CERTIFICATE OF FORMATION

OF

Corporations Section

HOUSTON EMPLOYEE RELIEF ORGANIZATION, INC.

I, the undersigned natural person, who has the capacity under Texas law to enter into a contract, acting as organizer of a corporation under the Texas Business Organizations Code, do hereby adopt the following Certificate of Formation for such corporation:

ARTICLE I. NAME

The name of the filing entity is Houston Employee Relief Organization, Inc. (the "Corporation").

ARTICLE II. NONPROFIT

The Corporation being formed is a nonprofit corporation.

ARTICLE III. PURPOSE

The purposes for which the Corporation is formed are exclusively charitable, within the meaning of the Internal Revenue Service Code, Section 501(c)(3); the Texas Tax Code, Section 11.18; and the Texas Business Organizations Code, Section 2.002. In accomplishment of such purposes, the Corporation will:

(a) Aid and provide assistance to the dependents of City of Houston employees who (i) lose their life in the course and scope of their employment by the City of Houston and (ii) are not eligible for assistance by The 100 Club, Inc., a Texas nonprofit corporation, or any other similar charitable fund providing assistance upon the death of a City of Houston employee.

(b) Perform such other functions as may be necessary or appropriate to fulfill the purposes of the Corporation.

The broadest discretion is vested in and conferred upon the Board of Directors for the accomplishment of these purposes, provided, however, that no contributions shall be made or distributed to or for any person, firm, corporation, or other entity that shall apply, directly or indirectly, such contributed funds for any purpose or purposes in violation of the Constitution and statutes of the United States or the state of Texas.

ARTICLE IV. MEMBERS

The Corporation shall have no members.

ARTICLE V. MANAGEMENT

The management of the affairs of the Corporation is vested in the Board of Directors. The number of Directors of this Corporation shall be fixed from time to time in the manner provided in the Bylaws of the Corporation, except that the number of Directors constituting the initial Board of Directors is three (3). The name and address of such persons who are qualified to serve as Directors until their successors are appointed and qualified are:

Michael S. Marcotte	c/o City of Houston, Public Works and Engineering Dept., 611 Walker, Houston, Texas 77002
Candy Aldridge	c/o City of Houston, Human Resources Dept., 611 Walker, Houston, Texas 77002
Joe Turner	c/o City of Houston, Parks and Recreation Dept., 2999 South Wayside Dr., Houston. TX 77023

The Board of Directors shall have the power to alter, amend or repeal the Bylaws of the Corporation or to adopt new Bylaws.

ARTICLE VI. PROHIBITED ACTIVITIES

Regardless of any other provisions of this Certificate of Formation or the laws of the State of Texas, the Corporation shall not:

(a) permit any part of the net earnings of the Corporation to inure to the benefit of any private individual (except that (i) assistance as described in ARTICLE III, paragraph (a) may be given to dependents of City of Houston employees, and (ii) reasonable compensation may be paid for personal services rendered to or for the Corporation affecting one or more of its purposes);

(b) devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise; or

(c) participate in, or intervene in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office.

ARTICLE VII. DIRECTOR LIABILITY

A Director of the Corporation shall not be liable to the Corporation for monetary damages for any act or omission in the Director's capacity as a Director, except that this ARTICLE VII does not eliminate or limit the liability of a Director for:

- (a) a breach of a Director's duty of loyalty to the Corporation;
- (b) an act or omission not in good faith or that (i) constitutes a breach of duty of the Director to the Corporation or (ii) an act or omission that involves intentional misconduct or a knowing violation of the law;
- (c) a transaction from which a Director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Director's office; or
- (d) an act or omission for which the liability of a Director is expressly provided by an applicable statute.

If it is determined that the law of the State of Texas (including without limitation the Texas Business Organizations Code) authorizes, or if such law is amended to authorize, action further eliminating or limiting the personal liability of Directors, then the liability of a Director of the Corporation shall be eliminated or limited to the fullest extent permitted by such statutes, as so amended. Any repeal or amendment of such statutes or of the foregoing paragraph shall not adversely affect any right of protection of a Director of the Corporation existing at the time of such repeal or modification.

ARTICLE VIII. POWER TO INDEMNIFY

The Corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a Director or other person related to the Corporation as provided by the provisions in Chapter 8 of the Texas Business Organizations Code governing indemnification. As provided in the Bylaws, the Board of Directors shall have the power to define the requirements and limitations for the Corporation to indemnify Directors, officers, or others related to the Corporation.

ARTICLE IX. ACTION WITHOUT MEETING OF BOARD OF DIRECTORS

With respect to any action (i) which is required by the Texas Business Organizations Code to be taken at a meeting of the Board of Directors or (ii) which may be taken at a meeting of the Board of Directors or any committee established by the Board of Directors, such action may be taken without any such meeting if a written consent setting forth the action to be taken is signed by a sufficient number of members of the Board of Directors or committee thereof as would be necessary to take the action

at a meeting at which all, and not just a quorum, of the members of the Board of Directors or members of the committee were present and voted.

ARTICLE X. AMENDMENT OF CERTIFICATE OF FORMATION

This Certificate of Formation may be amended by majority vote of the Board of Directors at any annual, regular or special meeting, provided that the notice for any special meeting of the Board of Directors at which amendments to this Certificate of Formation will be considered includes a description of the amendments to be considered.

ARTICLE XI. MANNER OF DISTRIBUTION UPON WINDING UP

The Corporation is authorized on its winding up, and after all liabilities and obligations of the Corporation are paid, satisfied, and discharged in accordance with Texas law, to distribute the Corporation's assets as follows: (1) property held by the Corporation on a condition requiring return, transfer, or conveyance because of the winding up shall be returned, transferred, or conveyed in accordance with that requirement; and (2) the remaining property of the Corporation shall be distributed only to a nonprofit organization with similar purposes, or, if no such organization with similar purposes exists, to the City of Houston and used for public purposes.

ARTICLE XII. REGISTERED AGENT AND OFFICE

The initial registered agent of the Corporation is an individual resident of the state whose name is Billie Tolbert, and the address of the registered agent and registered office address is c/o Houston Municipal Employees Federal Credit Union, 608 East Tidwell, Houston, Texas 77022.

ARTICLE XIII. ORGANIZER

The name and address of the organizer is:

Linda Clarke c/o City of Houston, City Hall - 901 Bagby, 2nd Floor,
Houston, Texas 77002

ARTICLE XIV. EFFECTIVENESS

This document becomes effective when filed by the secretary of state.

EXECUTION

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument.

Date: May 9, 2007

Linda Clarke
Linda Clarke
Organizer

Legal; RRJ; CERT FORMATION; 4/23/2007 9:14 AM