

DC-19-19359
No. _____

Angie Avina

SOUTH CENTRAL JURISDICTIONAL	§	IN THE DISTRICT COURT
CONFERENCE OF THE UNITED	§	
METHODIST CHURCH,	§	
	§	
<i>Plaintiff,</i>	§	
	§	
v.	§	DALLAS COUNTY, TEXAS
	§	
	§	
	§	
SOUTHERN METHODIST	§	
UNIVERSITY	§	
	§	
<i>Defendant.</i>	§	I-162ND
		_____TH JUDICIAL DISTRICT

PLAINTIFF'S ORIGINAL PETITION

TO THE HONORABLE JUDGE OF SAID COURT:

Plaintiff, the South Central Jurisdictional Conference of the United Methodist Church ("SCJC"), files this Original Petition against Southern Methodist University ("SMU"), and for causes of action would show:

**I.
INTRODUCTION**

1. This lawsuit has become necessary because of recent, unauthorized acts by representatives of SMU in violation of SCJC's rights and interests in a relationship between SMU and SCJC that has existed for more than a century.

2. In 1911, SCJC¹ founded SMU in conjunction with an initial gift of 133 acres that, to this day, comprises SMU's main campus in Dallas County, Texas. For more than a century, SMU and its governing documents have acknowledged that SCJC is the electing, controlling, and parental body of SMU.

3. In 1924, pursuant to an Act of the Texas Legislature, SMU's Trustees placed all of SMU's assets in trust for the benefit of SCJC.

4. The Restated Articles of Incorporation of Southern Methodist University, filed June 27, 1996 (the "1996 Articles"), acknowledge the long-standing relationship between SMU and SCJC and permanently guarantee to SCJC many valuable rights, including, but not limited to:

- a. the right to appoint SMU Trustees;
- b. the right to first approve all SMU Trustees before their appointment;
- c. the right to terminate any Trustee for cause;
- d. the right to veto any attempt to sell campus real estate; and,
- e. the right to have no amendment made to SMU's Articles of Incorporation unless it is first authorized and approved by SCJC.

5. In violation of such rights, on or about November 6, 2019, representatives of SMU attempted to enact putative amendments to the 1996 Articles *without the requisite authorization or approval of SCJC*. On November 15, 2019, SMU filed with the Texas

¹ SCJC is the successor-in-interest to the founding church conferences, the Texas Conferences of the Methodist Episcopal Church, South.

Secretary of State a Certificate of Amendment and addendum containing the putative amendments (the “November 2019 Articles”).²

6. The November 2019 Articles purport to divest SCJC of all its rights guaranteed by the 1996 Articles and SMU’s other governing documents and to effectively terminate the long-standing and permanent relationship between SMU and SCJC.

7. The November 2019 Articles are plainly founded upon and resulting from unauthorized acts by SMU’s Trustees. Put simply, the Trustees of SMU had and have *no authority* to amend the Articles of Incorporation without the prior approval and authorization of SCJC. Because the Trustees’ acts were neither approved nor authorized by SCJC, the resulting November 2019 Articles are void from their inception.

8. SCJC brings this lawsuit seeking a declaratory judgment holding that:
- a. The November 2019 Articles are void;
 - b. Any actions taken by any representatives of SMU in reliance upon the November 2019 Articles are void;
 - c. The 1996 Articles are the operative Articles of Incorporation of SMU, and any actions taken by representatives of SMU in violation of such articles are void;
 - d. SCJC retains all its rights, and its long-standing and permanent relationship with SMU, as guaranteed by SMU’s governing documents; and,

² Certificate of Amendment and Addendum containing November 2019 Articles filed November 15, 2019, attached as Exhibit 1.

- e. Such other and further declarations and relief as may be necessary to protect SCJC's rights and SCJC's beneficial interest in SMU's assets, worth billions of dollars, are held in trust for SCJC.

II.

DISCOVERY CONTROL PLAN

9. SCJC intends to conduct discovery under a Level 3 discovery control plan.

III.

PARTIES

10. The South Central Jurisdictional Conference of the United Methodist Church is an unincorporated association with its principal place of business in Oklahoma City, Oklahoma, and a successor-in-interest to the Texas Conferences of the Methodist Episcopal Church, South. SCJC has the capacity to sue in this matter pursuant to section 252.007 of the Texas Business Organizations Code.

11. SMU is a private non-profit educational university existing under the laws of the State of Texas with its principal place of business in Dallas, Texas, and may be served with process in this action by serving citation upon its registered agent, Paul J. Ward, Perkins Administration Building, 6425 Boaz, Dallas, Texas 75275. Issuance of citation is requested.

IV.

RELIEF SOUGHT

12. SCJC seeks declaratory relief and attorney's fees as described herein.

V.
VENUE AND JURISDICTION

13. Venue is proper in Dallas County, Texas under section 15.002(a) of the Texas Civil Practice and Remedies Code because the relief requested is sought against SMU, a resident of this county, which conducts business in Dallas County, and because all or a substantial part of the events or omissions giving rise to the claims occurred in Dallas County, Texas.

14. This Court has subject matter jurisdiction over this action pursuant to Chapter 37 of the Texas Civil Practice and Remedies Code, and because the amount in controversy satisfies the jurisdictional limits of the Court.

15. The Court has personal jurisdiction over SMU because it is domiciled in the State of Texas, is organized in the State of Texas, and is doing business in the State of Texas pursuant to Section 17.042 of the Texas Civil Practice and Remedies Code.

VI.
FACTUAL BACKGROUND

16. SCJC adopts and incorporates by reference all allegations contained in paragraphs 1 through 15, above.

17. SMU was founded in 1911 with a gift of real property that comprises SMU's campus in Dallas County, Texas.

18. Upon its founding, SMU filed its initial corporate charter on April 17, 1911 "establishing and maintaining a University at Dallas in Dallas County, Texas, *to be*

*owned, controlled and managed by the Texas Conferences of the Methodist Episcopal Church South[.]”*³

19. SMU’s initial corporate charter named twenty (20) Trustees and further provided that successor Trustees “shall be selected in such manner as may be determined by the five annual conferences in Texas of the Methodist Episcopal Church South[.]”⁴ These twenty Trustees were each members of the annual conferences in Texas of the Methodist Episcopal Church, South.⁵

20. SMU’s corporate charter was duly amended on June 9, 1916 to reflect the passage of “ownership and control” from nine regional conferences to the General Conference of the Methodist Episcopal Church, South, and the Conference enshrined the “Methodist Amendment Veto” power stating “[n]o amendment to this charter shall ever be made unless same shall have been first affirmatively authorized and approved by the General Conference of the Methodist Episcopal Church, South, or by some authorized agency of said General Conference.”⁶

21. The Methodist Amendment Veto is reiterated in SMU’s public filings of corporate governing documents on July 29, 1921, August 3, 1940, September 1, 1955,

³ SMU Corporate Charter filed April 17, 1911, attached as Exhibit 2, at 1, and incorporated herein for all purposes (emphasis added).

⁴ See Exhibit 2, at 2.

⁵ See *id.*

⁶ SMU Amended Corporate Charter filed June 9, 1916, attached as Exhibit 3, at 1, and incorporated herein for all purposes

March 22, 1961, April 20, 1964, September 29, 1988, and July 28, 1994, and in the current 1996 Articles.

22. On May 9, 1922, the Educational Commission of the Methodist Episcopal Church, South passed a Resolution authorizing members of that Educational Commission to convey to the Trustees of SMU, and their successors, two tracts of land comprising 133 acres in Dallas County, Texas that constitute the main campus of SMU (the “133 acres”).⁷

23. The May 9, 1922 Resolution then required that “the legal title to said property should be vested in said Trustees to be used, kept, maintained, and disposed of for educational purposes, *subject to the discipline and usages of the Methodist Episcopal Church South as from time to time authorized and determined by the General Conference of Said Church.*”⁸

24. On May 10, 1922, members of the Educational Commission of the Methodist Episcopal Church, South conveyed the 133 acres to the SMU Trustees “and their successors for the use of said Southern Methodist University and its successors *forever to be used, held, maintained and disposed of for educational purposes according to the*

⁷ See Resolution as to title of Real Estate of Southern Methodist University dated May 9, 1922, attached as Exhibit 4 and incorporated herein for all purposes. Notably, the 133 acres are still used by SMU today and comprise the majority of SMU’s campus in Dallas County, Texas.

⁸ *Id.* (emphasis added).

Discipline and usages of the Methodist Episcopal Church South as from time to time shall be authorized and determined by the General Conference of said Church.”⁹

25. Chapter 81 of the Acts of the Texas Legislature, approved March 19, 1923, provided as follows:

*Any religious, charitable, educational or eleemosynary institution so organized under the laws of this State **may acquire, own, hold, mortgage, and dispose of and invest its funds in property, real and personal for the use and benefit of, under the discretion of and in trust for such electing, controlling, and parent body . . . provided further that any such board or association heretofore incorporated may accept the benefits of this Act by filing with the Secretary of State its written acceptance thereof....***¹⁰

26. In a filing with the Texas Secretary of State on March 5, 1924, the SMU Board of Trustees made such an election under Chapter 81 and “accept[ed] the benefits of [Chapter 81] in accordance with the terms thereof.”¹¹ Accordingly, by accepting the benefits of Chapter 81, SMU’s Board of Trustees created and placed SMU’s assets in a *perpetual trust* for its electing, controlling and parent body – SCJC.

27. Therefore, the Trustees of SMU owe fiduciary duties to SCJC by virtue of holding the assets of SMU in trust for the benefit of SCJC. Additionally, the Trustees owe

⁹ See Deed dated May 10, 1922, attached as Exhibit 5 and incorporated herein for all purposes (emphasis added).

¹⁰ Chapter 81 of the Acts of the Texas Legislature, approved March 19, 1923 (emphasis added).

¹¹ SMU Board of Trustees’ Chapter 81 Election filed March 5, 1924, attached as Exhibit 6 and incorporated herein for all purposes.

fiduciary duties to SCJC since SCJC is the parent, owner, controller, and manager of SMU. Under Texas law, such fiduciary duties include duties of loyalty, care, and obedience.¹²

28. In 1939, The Methodist Episcopal Church, The Methodist Protestant Church, and the Methodist Episcopal Church, South, united as “The Methodist Church.”

29. In 1968, The Methodist Church and The Evangelical United Brethren Church united to form The United Methodist Church, at which time the Methodist Right of Superintendcy and the Methodist Amendment Veto vested in SCJC.

30. In addition to being a trust beneficiary of SMU’s assets, as the founder, owner, controller and manager of SMU, SCJC has been vested with certain powers in SMU’s governing documents to guarantee its perpetual right as the parent entity to control and manage SMU (i.e, the Methodist Right of Superintendcy and the Methodist Amendment Veto) .

31. SCJC’s right to manage and control a non-profit entity, such as SMU, is expressly authorized by section 22.07(a) of the Texas Business Organizations Code, which states:

The board of directors of a religious, charitable, educational, or eleemosynary corporation may be affiliated with, elected, and controlled by an incorporated or unincorporated convention, conference, or association organized under the laws of this or another state, the membership of which is composed of

¹² *Loy v. Harter*, 128 S.W. 3d 397 (Tex. App—Texarkana 2004, pet. denied) (recitation of the three duties - obedience, loyalty and due care); *Gearhart Industries, Inc. v. Smith International, Inc.*, 747 F.2d 707, 719 (5th Cir. 1984) (“the duty of obedience requires a director to avoid committing *ultra vires* acts, i.e., acts beyond the scope of the powers of a corporation as defined by its charter or the laws of the state of incorporation.”);

representatives, delegates, or messengers from a church or other religious association.

32. The 1996 Articles are and remain the current effective Articles of Incorporation of SMU, and they provide *inter alia* the following rights, interests, and protections for SCJC in connection with SMU as follows:

- a. [SMU is] to be forever owned, maintained, and controlled by the South Central Jurisdictional Conference of The United Methodist Church.¹³
- b. The membership of the Board of Trustees shall consist of three (3) bishops of the South Central Jurisdiction of The United Methodist church and nine (9) other members, all of whom shall be recommended for nomination by the College of Bishops of the South Central Jurisdiction of The United Methodist Church, plus not fewer than twenty-eight (28) additional members. At least one-half of the voting members of the Board of Trustees shall be members of The United Methodist Church.¹⁴
- c. Upon the nomination by the Board of Trustees of Southern Methodist University, the representatives upon the Board of Trustees shall be elected by the South Central Jurisdictional Conference or by any agency or Board to which it may delegate such authority.¹⁵
- d. No person shall become a member of the Board of Trustees of Southern Methodist University or shall be qualified to sit, serve or act as such until he shall first have been elected by the South Central Jurisdictional Conference of The United Methodist Church or by any agency or Board to which it may delegate such authority.¹⁶

¹³ See 1996 Articles, attached as Exhibit 7 and incorporated herein for all purposes, Article II.

¹⁴ *Id.*, Article VI.1.

¹⁵ *Id.*, Article VI.2.

¹⁶ *Id.*, Article VI.3.

- e. Any elected trustee may be removed for cause by the South Central Jurisdictional Conference of The United Methodist Church or by any agency or Board to which it may delegate such authority.¹⁷
- f. The qualifications of Trustees shall be those fixed by the Discipline of The United Methodist Church for the Trustees of its educational institutions, if there be any, and, if not, then the qualifications of Trustees shall be fixed by the South Central Jurisdictional Conference of The United Methodist Church.¹⁸
- g. When a nominee presented to the South Central Jurisdictional Conference or any agency authorized by it to act thereon, fails to be elected, then the South Central Jurisdictional Conference or its agency thereunto authorized, shall elect a nominee to fill the vacancy, who shall serve until his successor is duly elected.¹⁹
- h. All authority herein conferred upon the South Central Jurisdictional Conference of The United Methodist Church may be exercised by any agency or board to which such authority may be delegated by the South Central Jurisdictional Conference of The United Methodist Church.²⁰
- i. No amendment to these Articles of Incorporation shall ever be made unless the same shall have been first affirmatively authorized and approved by the South Central Jurisdictional Conference of The United Methodist Church, or by some authorized agency of said South Central Jurisdictional Conference.²¹
- j. The real estate of the corporation shall be subject to the control of the Board of Trustees, who may dispose of same through the officers thereof, except the campus property and such other property as may be used for the conduct of the business of the corporation, or matters incident thereto, and such property may be sold or leased only by consent of the South Central Jurisdictional Conference, or such agency as it may create therefor, and then only for use for religious or educational purposes or for dormitories or fraternity or sorority

¹⁷ *Id.*, Article VI.5.

¹⁸ *Id.*, Article VIII.

¹⁹ *Id.*, Article X.

²⁰ *Id.*, Article XI.

²¹ *Id.*, Article XII.

houses under the immediate discipline and control of the University authorities and with provision for reversion to the University on cessation of such use[.]²²

33. Thus, the governing documents of SMU provide that SCJC has the right to: (i) own, maintain, and control SMU; (ii) fix qualifications of Trustees; (iii) guarantee three SCJC Bishops and nine SCJC members are Trustees; (iv) elect and approve any of the remaining Trustees; (v) in the event SCJC rejects a nomination, automatically install a replacement nominee as Trustee who can serve immediately until duly elected; (vi) remove Trustees for cause; (vii) withhold its consent and prevent any amendments to the Articles of Incorporation; and (ix) withhold consent and prevent the sale or lease of the campus real estate or other assets of SMU.

34. Upon information and belief, the Trustees of SMU recently passed a resolution empowering SMU's President to take all steps necessary to sever SMU's relationship with The United Methodist Church and SCJC.

35. Sometime thereafter, Trustees of SMU (whose identities and number are unknown to SCJC) covertly, without the affirmative authorization and approval of the SCJC, allegedly "approved" the November 2019 Articles and, illegally and improperly, SMU filed with the Texas Secretary of State a Certificate of Amendment, thereby attempting to terminate the long-standing relationship between SMU and SCJC and

²² *Id.*, Article XIII.

impair both SCJC's legal rights granted by the 1996 Articles and its beneficial interest in SMU's assets held in trust by the Trustees for SCJC.

36. None of the putative amendments to the 1996 Articles were approved or authorized by SCJC.

37. The November 2019 Articles make no mention of SCJC, much less any mention of the rights permanently guaranteed to SCJC by SMU's governing documents. Instead, by deleting any mention of SCJC and its rights, the November 2019 Articles attempt to terminate all of SCJC's rights and relationship with SMU – without approval or authorization of SCJC for the amendment – in violation of SMU's governing documents and the Trustees' fiduciary duties to SCJC.

38. SMU's Vice President and General Counsel claimed in SMU's sworn Certificate of Amendment, filed with the Texas Secretary of State, on or about November 15, 2019, that in enacting the November 2019 Articles, SMU's representatives had complied with both the Texas Business Organizations Code and the 1996 Articles. In reality, SMU's representatives did not comply with either the Code or the 1996 Articles.

39. Given the foregoing, SMU's unauthorized November 2019 Articles are void from their inception.

VII.

REQUEST FOR DECLARATORY RELIEF

40. SCJC adopts and incorporates by reference all allegations contained in paragraphs 1 through 39, above.

41. The 1996 Articles contain a provision stating that the Articles cannot be amended unless the proposed amendment is first authorized and approved by SCJC.

42. The Texas Business Organizations Code expressly mandates that amendments to Articles of Incorporation must be approved in compliance with any requirements set forth in the governing documents (here, the 1996 Articles). Specifically, Texas law requires that amendments be approved “in the manner required by this code *and the governing documents of the entity.*” See TEX. BUS. ORG. CODE § 3.053(4) (emphasis added).

43. A Certificate of Amendment to governing documents must be signed by an authorized person. That authorized person must sign the document under penalties for submission of a false document and under penalties of perjury.

44. Section 3.059 of the Texas Business Organizations Code shows the same confirmation for Restated Certificates of Formation. A Restated Certificate of Formation must contain an express statement that each amendment in the Restated Certificate of Formation has been approved “in the manner required by this code *and the governing documents of the entity.*” TEX. BUS. ORG. CODE § 3.059(d)(2) (emphasis added).

45. In addition, Section 22.103 of the Texas Business Organizations Code expressly provides that any provision in a Certificate of Formation (i.e., the 1996 Articles) that is inconsistent with a bylaw provision of such organization controls over the bylaw.

Consequently, SMU's bylaws cannot override SCJC's right to approve any amendment of the 1996 Articles.

46. The Texas Business Organizations Code also contains a blanket provision prohibiting the Trustees from "exercise[ing] a power in a manner inconsistent with a limitation on the purposes or powers of the entity contained in the governing documents, [the] code or other law of this state." *See* TEX. BUS. ORG. CODE § 2.113.

47. The November 2019 Articles are a void and unauthorized effort by the Trustees to amend the 1996 Articles because such articles were not first approved and authorized by SCJC – and such prior approval and authorization are an unambiguous and absolute prerequisite under the 1996 Articles and Texas law.

48. The Certificate of Amendment containing the November 2019 Articles is similarly void and of no effect, as it falsely avers the Articles were made "in accordance with both the [Texas Business Organizations Code] and the University's Restated Articles of Incorporation" (the 1996 Articles).²³

49. The November 2019 Articles were neither approved in accordance with the Texas Business Organizations Code nor the controlling 1996 Articles as the Trustees did not seek or receive approval from SCJC to make any such amendments.

50. A real and justifiable controversy exists between SCJC and Defendants concerning SCJC's rights under the 1996 Articles or other governing documents, SCJC's

²³ *See* Exhibit 1 (emphasis added).

rights as beneficial interest holder in the assets of SMU held in trust by the Trustees in perpetuity, and SMU's rights under the unauthorized November 2019 Articles. In accordance with Section 37.001, *et seq.*, of the Texas Civil Practices and Remedies Code, SCJC seeks a declaration that:

- a. The 1996 Articles are the effective Articles of Incorporation of SMU, and all actions taken by SMU or its representatives in violation of such articles are void;
- b. The November 2019 Articles are void, and any actions taken by SMU or its representatives based upon such articles are similarly void;
- c. SCJC retains all its rights, and its long-standing and permanent relationship with SMU, guaranteed by SMU's governing documents;
- d. SCJC retains a beneficial interest in the assets of SMU held in trust for SCJC by the SMU Trustees in perpetuity;
- e. The SMU Trustees owe fiduciary duties to SCJC;
- f. Any amendments to the 1996 Articles must comply with all terms of the 1996 Articles including, but not limited to, the requirement that any such amendment to the 1996 Articles must first be authorized and approved by SCJC; and

XIII.

ATTORNEY'S FEES

51. Due to the willful disregard of its rights by Defendants, SCJC has been required to obtain the services of the undersigned attorneys to protect its rights. Therefore, SCJC has incurred, and continues to incur, attorney's fees and costs. SCJC is entitled to recover its reasonable and necessary attorney's fees under Texas Civil Practice and Remedies Code Chapter 37.009, which provides in part that "the court may award

costs and reasonable and necessary attorney's fees as are equitable and just." Therefore, SCJC is entitled to recover all of its costs, expenses, and reasonable and necessary attorney's fees incurred in the prosecution of its case for declaratory relief against Defendants.

IX.
JURY DEMAND

52. SCJC demands a jury trial upon all issues of disputed fact and tenders the appropriate fee with this Petition.

X.
CONDITIONS PRECEDENT

53. All conditions precedent to SCJC's claims for relief have been performed, excused, waived, occurred, or otherwise satisfied.

XI.
REQUESTS FOR DISCLOSURE

54. Pursuant to Tex. R. Civ. P. 194, Defendants are requested to disclose, within 50 days of service of this request, the information or material described in Tex. R. Civ. P. 194.2.

XII.
CONCLUSION AND PRAYER

Plaintiff, South Central Jurisdictional Conference of the United Methodist Church, respectfully requests the Defendants be cited to appear and answer herein, and on final

trial, that Plaintiff be awarded a judgment against Defendants, jointly and severally, for the following:

- a. Declaratory relief as set forth herein;
- b. Attorney's fees;
- c. Court costs;
- d. Post-judgment interest as allowed by law; and
- e. All other relief, at law and in equity, general and special, to which SCJC may be justly entitled.

Respectfully submitted,

/s/ Sawnie A. McEntire

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ATTORNEYS FOR PLAINTIFF, SOUTH
CENTRAL JURISDICTIONAL CONFERENCE
OF THE UNITED METHODIST CHURCH

EXHIBIT 1

Form 424
(Revised 05/11)

Submit in duplicate to:
Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
512 463-5555
FAX: 512/463-5709
Filing Fee: See instructions



Certificate of Amendment

This space reserved for office use.

FILED
In the Office of the
Secretary of State of Texas

NOV 15 2019

Corporations Section

Entity Information

The name of the filing entity is:

SOUTHERN METHODIST UNIVERSITY

State the name of the entity as currently shown in the records of the secretary of state. If the amendment changes the name of the entity, state the old name and not the new name.

The filing entity is a: (Select the appropriate entity type below.)

- | | |
|---|---|
| <input type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Professional Corporation |
| <input checked="" type="checkbox"/> Nonprofit Corporation | <input type="checkbox"/> Professional Limited Liability Company |
| <input type="checkbox"/> Cooperative Association | <input type="checkbox"/> Professional Association |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Limited Partnership |

The file number issued to the filing entity by the secretary of state is: 23066

The date of formation of the entity is: April 17, 1911

Amendments

1. Amended Name

(If the purpose of the certificate of amendment is to change the name of the entity, use the following statement)

The amendment changes the certificate of formation to change the article or provision that names the filing entity. The article or provision is amended to read as follows:

The name of the filing entity is: (state the new name of the entity below)

The name of the entity must contain an organizational designation or accepted abbreviation of such term, as applicable.

2. Amended Registered Agent/Registered Office

The amendment changes the certificate of formation to change the article or provision stating the name of the registered agent and the registered office address of the filing entity. The article or provision is amended to read as follows:

RECEIVED

NOV 15 2019

Secretary of State

Registered Agent
(Complete either A or B, but not both. Also complete C.)

☐ A. The registered agent is an organization (cannot be entity named above) by the name of:

OR

☒ B. The registered agent is an individual resident of the state whose name is:

Paul	J.	Ward
<i>First Name</i>	<i>M.I.</i>	<i>Last Name</i>

The person executing this instrument affirms that the person designated as the new registered agent has consented to serve as registered agent.

C. The business address of the registered agent and the registered office address is:

6425 Boaz Ln., Room 130, Perkins Admin. Building	Dallas	TX	75205
<i>Street Address (No P.O. Box)</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>

3. Other Added, Altered, or Deleted Provisions

Other changes or additions to the certificate of formation may be made in the space provided below. If the space provided is insufficient, incorporate the additional text by providing an attachment to this form. Please read the instructions to this form for further information on format.

Text Area (The attached addendum, if any, is incorporated herein by reference.)

☒ **Add** each of the following provisions to the certificate of formation. The identification or reference of the added provision and the full text are as follows:

See Addendum to this Certificate

☒ **Alter** each of the following provisions of the certificate of formation. The identification or reference of the altered provision and the full text of the provision as amended are as follows:

See Addendum to this Certificate

☒ **Delete** each of the provisions identified below from the certificate of formation.

See Addendum to this Certificate

Statement of Approval

The amendments to the certificate of formation have been approved in the manner required by the Texas Business Organizations Code and by the governing documents of the entity.

Effectiveness of Filing (Select either A, B, or C.)

- A. ☒ This document becomes effective when the document is filed by the secretary of state.
- B. ☐ This document becomes effective at a later date, which is not more than ninety (90) days from the date of signing. The delayed effective date is: _____
- C. ☐ This document takes effect upon the occurrence of a future event or fact, other than the passage of time. The 90th day after the date of signing is: _____

The following event or fact will cause the document to take effect in the manner described below:

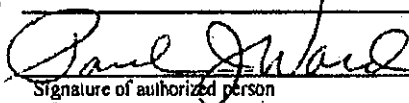
The amendments in the attached Addendum to the Certificate of Amendment to the Restated Articles of Incorporation were authorized and approved by the Board of Trustees of Southern Methodist University (the "University") who were elected by the South Central Jurisdictional Conference of the United Methodist Church ("UMC"). No additional authorization or approval by the UMC has been provided as none is required or permitted pursuant to Section 22.107(a) of the Texas Business Organizations Code ("BOC"). Based on the foregoing and on the advice of independent legal counsel, the undersigned certifies that this Certificate of Amendment is in accordance with both the BOC and the University's Restated Articles of Incorporation.

Execution

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Date: November 15, 2019

By:


Signature of authorized person

Paul J. Ward, Vice President and Secretary

Printed or typed name of authorized person (see instructions)

ADDENDUM TO
CERTIFICATE OF AMENDMENT
OF
RESTATED ARTICLES OF INCORPORATION
OF
SOUTHERN METHODIST UNIVERSITY

1. The name of the Articles of Incorporation of Southern Methodist University ("Articles") is amended to be "Amended Certificate of Formation of Southern Methodist University" (the "Amended Certificate"), and this Amendment includes any changes that are required to be made to conform the Amended Certificate to the requirements of the Texas Business Organizations Code.

2. Article II of the Articles is hereby amended to delete the following language: "said educational institution to be forever owned, maintained and controlled by the South Central Jurisdictional Conference of The United Methodist Church," and to state the purposes of the Corporation. The full text of Article II in the Amended Certificate is as follows:

"The purposes for which the Corporation is organized and formed are to: (a) acquire, own, operate, provide, maintain and perpetuate, on a non-discriminatory basis, in accordance with the Corporation's policy on nondiscrimination as adopted from time to time: (i) an institution of higher learning, including education and instruction in literary, scientific, theological, vocational and professional branches, with authority to confer all college and university degrees, (ii) such other institutions, organizations, clinics, corporations, limited liability companies, partnerships, affiliates, properties, facilities and services as are appropriate in furtherance of the educational, charitable, scientific, literary or public service purposes of the Corporation, and (iii) all properties, facilities and services necessary or appropriate in connection therewith; and (b) generally have and exercise all powers granted to nonprofit corporations under the law of the State of Texas for any lawful educational, charitable, literary, scientific or public service purposes; provided, however, that notwithstanding any other provision in this Amended Certificate of Formation, the Corporation will not carry on any other activities not permitted to be carried on: (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue law) (collectively, the "Revenue Code") or (ii) by a corporation, contributions to which are deductible under Sections 170(c)(2), 2055 and 2522 of the Revenue Code."

3. Article VI of the Articles dealing with the composition of the Board of Trustees, their election, and their removal is deleted in its entirety.

4. Article XIII of the Articles is deleted in its entirety and replaced by new Article VI which clarifies that all of the assets of the Corporation are owned by the Corporation and can be conveyed by the Corporation in accordance with the Bylaws of the Corporation. The full text of new Article VI in the Amended Certificate is as follows:

"All assets (including real, personal, mixed, tangible, intangible, intellectual, and other property) of the Corporation will be owned by the Corporation or a wholly owned subsidiary of the Corporation. The officers of the Corporation may sell, lease or otherwise dispose of, mortgage or pledge any asset of the Corporation in accordance with the Bylaws."

5. Article VIII of the Articles dealing with the qualification of Trustees is deleted in its entirety.

6. Article IX of the Articles becomes Article VIII in the Amended Certificate.

7. Article X of the Articles dealing with the election of a nominee to the fill vacancies is deleted in its entirety.

8. Article XI of the Articles dealing with authority of delegates of the South Central Jurisdictional Conference of the United Methodist Church is deleted in its entirety.

9. Article XII of the Articles dealing with amendments to the Articles is deleted in its entirety and replaced with a new Article IX in the Amended Certificate. The full text of new Article IX in the Amended Certificate is as follows:

"This Restated Certificate of Formation may be amended by the affirmative vote of a majority of the members of the Board of Trustees in office, in accordance with the provisions of the Texas Business Organizations Code, as amended."

10. Article XIV of the Articles becomes Article X in the Amended Certificate.

11. Article XV of the Articles becomes Article XI in the Amended Certificate.

12. Article XVI of the Articles, dealing with the name and address of the registered agent of the Corporation, is deleted in its entirety and replaced with a new Article XII of the Amended Certificate. The full text of new Article XVI in the Amended Certificate is as follows:

"The address of the registered agent of the Corporation is Perkins Administration Building, 6425 Boaz Lane, Room 130, Dallas, Texas 75205; the name of its registered agent at such address is Paul J. Ward, Secretary of the Corporation."

EXHIBIT 2

No. 23066
 CHAPTER OF
Southwestern Mutual
Insurance Co.
Dallas Tex

5-1

Cap. Stock \$ —
 Filing Fee \$ 10
 Franchise \$ —
 Remarks: 50 yrs

0

FILED IN THE OFFICE OF THE
 SECRETARY OF STATE
 THIS 17 DAY OF April 1911
C. C. McDonald
 SECRETARY OF STATE
 7-3

THE STATE OF TEXAS::

COUNTY OF DALLAS::

KNOW ALL MEN BY THESE PRESENTS: That we, George T. Jester, C. C. Walsh and M.M. Brooks, all being resident citizens of the State of Texas, and being desirous of establishing and maintaining a University at Dallas in Dallas County, Texas, to be owned, controlled and managed by the Texas Conferences of the Methodist Episcopal Church South, do hereby organize a corporation, as follows:

N A M E ,

The name of this corporation shall be Southern Methodist University;

PURPOSE,

The purpose for which this corporation is formed is the support of an educational undertaking, to wit: The establishment, maintenance and support of an institution for higher learning with authority to confer all college and university degrees.

LOCATION,

The said university shall be located at Dallas in Dallas County, Texas.

DURATION,

Said corporation shall exist for a term of fifty years,

S T O C K ,

This corporation has no capitol stock.

T R U S T E E S ,

The names of trustees shall be twenty, and the names follow:

NORTH TEXAS--

J. M. Peterson, Dallas, Texas,
O. S. Thomas, Greenville, Texas,
M. M. Brooks, Dallas, Texas,
J. W. Blanton, Gainesville, Texas;

THE TEXAS CONFERENCE,

James Kilgore, Texarkana, Texas,
L. B. Elrod, Marshall, Texas
W. L. Dean, Huntsville, Texas,
John C. Box, Jacksonville, Texas;

WEST TEXAS CONFERENCE,

J. E. Harrison, San Antonio, Texas,
Thomas Gregory, Uvalde, Texas,
John W. Robbins, Austin, Texas,
C. C. Walsh, San Angelo, Texas;

NORTHWEST TEXAS CONFERENCE

J. G. Putnam, Stamford, Texas,
Geo. S. Slover, Clarendon, Texas,
L. G. Hawkins, Vernon, Texas,
T. F. Turner, Amarillo, Texas;

CENTRAL TEXAS CONFERENCE,

Horace Bishop, Hillsboro, Texas,
John A. Rice, Fort Worth, Texas,
George T. Jester, Corsicana, Texas,
J. K. Parr, Hillsboro, Texas.

The successors of said trustees shall be selected in such manner as may be determined by the five annual conferences in Texas of the Methodist Episcopal Church South, to-wit: The Texas, West Texas, Central Texas, Northwest Texas and North Texas conferences, and a majority of the Trustees shall control in all affairs of said University; and said trustees herein appointed for the first year shall hold their offices until their successors shall have been selected and qualified, as above provided.

Witness our hands this 15 day of April, A.D., 1911.

George T. Jester
C.C. Walsh
M.M. Brooks

THE STATE OF TEXAS

COUNTY OF DALLAS; Before me, the undersigned authority, on this day personally appeared George T. Jester, C.C. Walsh and M.M. Brooks, known to me to be the persons whose names are signed to the above and foregoing instrument, and admitted to me that they signed the same for the purposes and consideration therein

Witness my hand and official seal this 15 day of April, 1911.

A. S. Waldron

Notary Public, Dallas County, Texas.

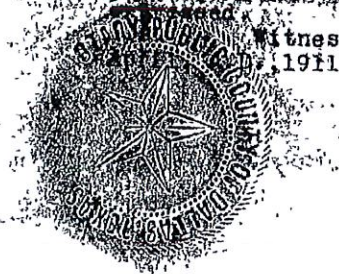


EXHIBIT 3

*Amended,
Charters*

*Amended,
Charters*

No. <u>23066</u>
CHARTER OF
<u>Southern</u>
<u>Methodist University</u>
<u>Dallas Texas.</u>

Requesting Conference:
4-17-1911

Corp. Stock \$ <u> </u>
Filing Fee \$ <u>10</u>
Franchise \$ <u> </u>
Remarks, <u> </u>

<div>Thomas, Milam & Touchstone ATTORNEYS AND COUNSELORS Practorian Building DALLAS - TEXAS</div>

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
THIS 9. DAY OF June 1916,
John H. [Signature]
SECRETARY OF STATE

AMENDMENT TO THE CHARTER OF
SOUTHERN METHODIST UNIVERSITY

* * * * *

WHEREAS, a majority of the following named annual conferences of the Methodist Episcopal Church, South, to wit: The North Texas Conference, The Northwest Texas Conference, The Central Texas Conference, The Texas Conference, The West Texas Conference, The German Mission Conference, The East Oklahoma Conference, The West Oklahoma Conference, The New Mexico Conference, The Missouri Conference, The Southwest Missouri Conference, The St. Louis Conference, The Little Rock Conference, The North Arkansas Conference, and The Louisiana Conference, did in their regular annual meetings held in the year 1915 adopt the following resolutions:

"WHEREAS, the Southern Methodist University is now controlled by the following named participating annual conferences of the Methodist Episcopal Church, South: The North Texas Conference, The Northwest Texas Conference, The Central Texas Conference, The Texas Conference, The West Texas Conference, The German Mission Conference, The East Oklahoma Conference, The West Oklahoma Conference, The New Mexico Conference, and The Missouri Conference; and

"WHEREAS, all the said conferences have heretofore by appropriate action granted the power to the General Conference of the Methodist Episcopal Church, South, to confirm trustees of Southern Methodist University elected by the several participating annual conferences of said church; and

"WHEREAS, it is deemed necessary and expedient for the purpose of making said institution connectional and in order to comply with the requirements prescribed by the General Conference and with the terms of the resolution adopted at its session held in 1914 creating the Educational Commission and providing for the establishment of a university west of the Mississippi River expressly to embody in the charter of Southern Methodist University the right and power on the part of the General Conference to either elect or confirm all trustees before they may exercise any of the offices of a trustee; and

"WHEREAS, it is deemed expedient and desirable that a trustee or trustees should be elected from the territory embraced within the bounds of the Southwest Missouri Conference, The St. Louis Conference, The Little Rock Conference, The North Arkansas Conference, and The Louisiana Conference of the Methodist Episcopal Church, South; and

"WHEREAS, the General Conference of the Methodist Episcopal Church, South, acting by and through its Educational Commission, duly authorized and empowered to take over educational institutions already in existence, did in a regularly convened meeting of said Educational Commission held in Dallas, Texas, on the 26th day of August, A.D., 1915, approve and ratify said plan and recommend the proposed amendment of the charter of Southern Methodist University to the favorable consideration of all the annual conferences of said church herein named, subject to the approval thereafter by said Commission of the list of trustees to be named before the aforesaid amended charter was filed with the Secretary of State of Texas; and

"WHEREAS, said proposed amendment to the charter of Southern Methodist University has been duly considered by this Annual Conference and its terms and provisions have been found acceptable, a form of said amended charter being submitted herewith and expressly made a part hereof; and

"WHEREAS, it is the sense of this Conference that said proposed amendment to the charter of Southern Methodist University be authorized for the purpose of forever securing the ownership and control of said institution in the Methodist Episcopal Church, South;

"NOW, THEREFORE, BE IT RESOLVED, That the trustees of Southern Methodist University be, and they are hereby, authorized, empowered, and directed, upon the adoption of similar resolutions by a majority of the annual conferences herein named, to procure an amendment to the charter of Southern Methodist University reciting in haec verba the provisions contained in the proposed form of amendment to said charter submitted with this resolution and adopted with this resolution by this Conference."

And

WHEREAS, at a meeting of the Education Commission held at Atlanta, Georgia on the 12th day of January, A.D., 1916, the names of the first board of trustees, as hereinafter set out in Paragraph XIII, of the proposed amended charter, were elected or confirmed by said Commission; and

WHEREAS, at a special meeting of the board of trustees of Southern Methodist University held at Dallas, Texas, on the 8th day of June, A.D., 1916, at which a lawful quorum was present, said board of trustees by resolution duly adopted authorized the amendment of the present charter

of Southern Methodist University so as to embody the actions taken by the several annual conferences hereinbefore named;

NOW, THEREFORE, the undersigned, being a majority of the board of trustees of Southern Methodist University, in compliance with the action of the annual conferences hereinbefore described and in compliance with said resolution of the board of trustees of Southern Methodist University have, on this 8th day of June, A.D., 1916, amended the charter of Southern Methodist University to read as follows:

THE STATE OF TEXAS }
COUNTY OF DALLAS } KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, being all resident citizens of the State of Texas, under and by virtue of the laws of this State, do hereby voluntarily associate ourselves together for the purpose of forming a private corporation under the terms and conditions hereinafter set out, as follows:

I.

The name of this corporation shall be SOUTHERN METHODIST UNIVERSITY.

II.

The purpose for which this corporation is formed is the support of an educational undertaking, to-wit: the establishment, maintenance, and support of an institution for higher learning, including education and instruction in literary, scientific, theological, vocational, and professional branches, with authority to confer all college and university

degrees, said educational institution to be forever owned, maintained, and controlled by the Methodist Episcopal Church, South.

III.

The place where the business of the corporation is to be transacted is at Dallas, Dallas County, Texas, and its corporate domicile shall be located at such place.

IV.

The term for which this corporation is to exist is fifty (50) years, *from April 17, 1911.*

V.

This corporation has no capital stock and is not organized for the purpose of pecuniary gain or profit.

VI.

1. The board of trustees shall consist of twenty-five (25) members, of whom not less than eleven shall be residents of the State of Texas, not less than four shall be residents of the State of Oklahoma, not less than three shall be residents of the State of Missouri, not less than two shall be residents of the State of Arkansas, one shall be a resident of the State of Louisiana, and one shall be a resident within the territory occupied by the New Mexico Annual Conference of the Methodist Episcopal Church, South.

2. The representatives upon said board of trustees elected by the General Conference and by the annual conferences hereinafter named of the Methodist Episcopal Church, South, shall be as follows: three trustees by the General Conference and two trustees from the territory embraced within the bounds of each of the following named annual conferences: The North Texas Conference, The Northwest Texas Con-

ference, The Central Texas Conference, The Texas Conference, The West Texas Conference, The East Oklahoma Conference, and The West Oklahoma Conference; and one trustee from territory embraced within the bounds of each of the following named annual conferences: The German Mission Conference, The New Mexico Conference, The Missouri Conference, The Southwest Missouri Conference, The St. Louis Conference, The Little Rock Conference, The North Arkansas Conference, and The Louisiana Conference.

3. All the annual conferences entitled to elect two trustees shall elect one clerical and one lay trustee.

4. Trustees selected from the territory embraced within the bounds of the above named annual conferences shall be elected by the several annual conferences in such manner as such annual conferences shall direct; provided, that no trustee so elected by any annual conference shall become a member of the board of trustees of Southern Methodist University or shall be qualified to sit, serve, or act as such until he shall have first been confirmed by the General Conference of the Methodist Episcopal Church, South, or by some agency appointed and authorized by said General Conference to confirm or reject said trustees; and provided further, that the Educational Commission shall act as such agency until the next meeting of the General Conference of said church.

5. The General Conference of the Methodist Episcopal Church, South, shall elect three trustees, said three trustees to be elected upon the nomination of a committee composed of nine members, said nominating committee to be appointed by the Bishops of the Methodist Episcopal Church, South, or by such other method as the General Conference may

adopt; provided, that the Educational Commission of the Methodist Episcopal Church, South, shall elect the aforesaid three trustees who shall serve as such until the adjournment of the next General Conference.

6. If for any cause any one or more of the annual conferences entitled to elect trustees shall fail to elect such trustee or trustees, then the General Conference of the Methodist Episcopal Church, South, shall elect said trustee, or trustees, but any trustee or trustees so elected by the General Conference shall reside within the territorial bounds of the annual conference so failing to elect. Trustees elected by the General Conference from territory embraced within the bounds of annual conferences failing to elect shall only hold office until such annual conference shall exercise the right to elect such trustee or trustees and until such trustee or trustees shall have been confirmed, whereupon he or they shall take the place of the trustee or trustees so elected by the General Conference.

7. Each trustee shall serve for a term of four years and until his successor shall be duly elected and confirmed, unless otherwise expressly provided herein; provided that the six trustees elected from the territory embraced within the bounds of the Missouri, Southwest Missouri, St. Louis, Little Rock, North Arkansas, and Louisiana Conferences shall be elected in the year 1915, and that the eight trustees elected from the territory embraced within the bounds of the North Texas Conference, Central Texas Conference, The East Oklahoma Conference, and the West Oklahoma Conference shall be elected in the year 1917, and the three trustees from the church at large shall be elected by the General Conference at its session in 1918, and the eight trustees elected from the territory

embraced within the bounds of the West Texas Conference, The Texas Conference, The Northwest Texas Conference, The German Mission Conference, and The New Mexico Conference shall be elected in the year 1920; and provided that any trustee elected by the General Conference from territory embraced within the bounds of annual conferences failing to elect shall be superseded when such annual conferences shall elect trustees and upon confirmation thereof.

8. Any trustee may be removed for cause by the General Conference of the Methodist Episcopal Church, South, acting directly or by some agency appointed and authorized by it so to do.

9. All vacancies in the board of trustees prior to the meeting of the next General Conference occurring either by death, resignation, removal, failure of any conference to elect, failure of confirmation of any trustee, or otherwise, shall be filled by the Educational Commission of the Methodist Episcopal Church, South, and the trustee appointed to fill such vacancy shall serve until his successor is duly elected and confirmed. After the meeting of the next General Conference vacancies occurring in the board of trustees shall be filled as the General Conference may provide.

VII.

The board of trustees shall have authority to appoint an executive committee and other committees necessary and convenient for the conduct of the University's business and affairs.

VIII.

The qualifications of trustees shall be those fixed by the Discipline of the Methodist Episcopal Church,

South, for trustees of its educational institutions.

IX.

The board of trustees may adopt bylaws not in conflict with law or the provisions of this charter or any law of the Methodist Episcopal Church, South.

X

When a trustee presented to the General Conference fails of confirmation, then the General Conference or its representative shall elect a trustee to fill the vacancy, who shall serve until his successor is duly elected and confirmed.

XI.

All authority herein conferred upon the General Conference of the Methodist Episcopal Church, South, shall, until the next meeting of said General Conference, be exercised by the Educational Commission of the Methodist Episcopal Church, South.

XII.

No amendment to this charter shall ever be made unless the same shall have been first affirmatively authorized and approved by the General Conference of the Methodist Episcopal Church, South, or by some authorized agency of said General Conference.

XIII.

Until the election of the trustees as hereinbefore provided in Paragraph VI, the following named persons shall constitute the board of trustees of Southern Methodist University:

From territory embraced within the bounds of

CENTRAL TEXAS CONFERENCE,

Geo. T. Jester, Corsicana, Texas

Horace Bishop, Hillsboro, Texas

From territory embraced within the bounds of

WEST TEXAS CONFERENCE

C. C. Walsh, San Angelo, Texas

Thomas Gregory, San Marcus, Texas

From territory embraced within the bounds of

NORTHWEST TEXAS CONFERENCE

J. G. Putman, Vernon, Texas

R. W. Hall, Amarillo, Texas

From territory embraced within the bounds of

TEXAS CONFERENCE

James Kilgore, Dallas, Texas

John C. Box, Jacksonville, Texas

From territory embraced within the bounds of

NORTH TEXAS CONFERENCE

O. S. Thomas, Dallas, Texas

R. H. Shuttles, Dallas, Texas

From territory embraced within the bounds of

EAST OKLAHOMA CONFERENCE

D. H. Linebaugh, Muskogee, Oklahoma

S. H. Babcock, Shawnee, Oklahoma

From territory embraced within the bounds of

WEST OKLAHOMA CONFERENCE

W. M. Wilson, Oklahoma City, Oklahoma

T. S. DeArman, Mangum, Oklahoma

M/10
10

From territory embraced within the bounds of

GERMAN MISSION CONFERENCE

C. A. Lehmberg, Cherokee, Texas

From territory embraced within the bounds of

NEW MEXICO CONFERENCE

S. E. Allison, Albuquerque, New Mexico

From territory embraced within the bounds of

MISSOURI CONFERENCE

C. C. Grimes, Columbia, Missouri

From territory embraced within the bounds of

SOUTHWEST MISSOURI CONFERENCE

J. T. Pritchett, Nevada, Missouri

From territory embraced within the bounds of

ST. LOUIS CONFERENCE

Luther E. Todd, St. Louis, Missouri

From territory embraced within the bounds of

LITTLE ROCK CONFERENCE

J. L. Cannon, Dermott, Arkansas

From territory embraced within the bounds of

NORTH ARKANSAS CONFERENCE

J. K. Farris, Morrilton, Arkansas

From territory embraced within the bounds of

LOUISIANA CONFERENCE

W. W. Drake, Minden, Louisiana

From the CHURCH AT LARGE

E. D. Mouzon, Dallas, Texas

W. D. Bradfield, Dallas, Texas

Jos. E. Cockrell, Dallas, Texas

IN TESTIMONY WHEREOF, we have hereunto signed
our names this 8th day of June, A.D., 1916.

Horace Bishop

O. S. Thomas

J. M. Peterson

L. Kilgore

R. D. Smith

M. E. Morgan

Geo. E. Foster

Thomas Gregory

W. E. Walsh

L. H. Simbaugh

S. S. Allison

E. A. Lehman

P. M. Hall

J. L. De Armas

W. E. Hargis

THE STATE OF TEXAS
COUNTY OF DALLAS

Before me, the undersigned authority, on this
day personally appeared Norman Bishop, D.A. Thomas,
M. L. Johnson, J. Kilgore, R.H. Shuttles,
R.E.L. Morgan, Geo. Foster, Thomas Gregory,
C.C. Walsh, H.H. Linebaugh, S.E. Allison,
C.A. Lehman, R.W. Hall, T.D. Seaman,

and E.D. Moulton, known to me to be the persons whose
names are subscribed to the foregoing instrument, and acknowl-
edged to me that they executed the same for the purposes and
consideration therein expressed.

Given under my hand and seal of office, this 27th
day of June, A.D., 1916.

Dorothy Ann
Notary Public, Dallas County, Texas.

EXHIBIT 4

~~applied to the directions of said Deed of trust) have granted, sold and conveyed and~~
by these presents do grant, sell and convey unto the said C V Compton of the County of
Dallas State of Texas, the property hereinbefore described;

TO HAVE AND TO HOLD the said property, together with all and
singular the rights and appurtenances thereto in anywise belonging unto the said C V
Compton and to his and their assigns forever. And for and on behalf of the said Tom W
Cole and Walter W James, Grantors in said deed of trust and their heirs, executors and
administrators I do hereby bind the said Tom W Cole and Walter W James and their heirs,
executors and administrators to warrant and forever defend, all and singular, said
premises in so far as is authorized by said Deed of Trust unto the said C V Compton
and his heirs and assigns against every person whosoever lawfully claiming or to claim
the same or any part thereof

Witness my hand this 3rd day of November A D 1926

R B Stichter Sr.

Trustee.

THE STATE OF TEXAS :

COUNTY OF DALLAS : BEFORE ME, the undersigned authority a Notary Public of the
County of Dallas in the State of Texas, on this day personally
appeared R B Stichter, Sr. known to me to be the person whose name is subscribed to the
foregoing instrument, and acknowledged to me that he executed the same as Trustee for the
purposes and consideration therein expressed, and in the capacity therein set forth

Given under my hand and seal of office this 3rd day of November A D
1926

E V Ashton

L S

Notary Public, Dallas County, Texas.

Filed for Record Nov. 12, 1926, 4:00 P M .. D C WHITELEY, COUNTY CLERK

BY A E CRUGETT, DEPUTY

RECORDED NOV. 17, 1926, D C WHITELEY, COUNTY CLERK, DALLAS COUNTY, TEXAS.

BY

DEPUTY

-0-

134378

W A CANDLER, ET AL

: THE STATE OF TEXAS :

TO DEED

W D BRADFIELD, ET AL TRUSTEES OF SOUTHERN METHODIST UNIVERSITY : DALLAS COUNTY ::

KNOW ALL MEN BY THESE PRESENTS: That we, W A Candler, W B Murrah,
J C Kilgo, W D Bradfield, F J Prettyman, A J Lamar, Plate T Durham, W G M Thomas, Joseph
E Cookrell, G T Fitzhugh, Asa G Candler, Sr. W D Thomson, J P Scott, former members of the
Educational Commission of the Methodist Episcopal Church South in conformity with the
resolutions and directions of the General Conference of said Church, assembled at Hot
Springs in the State of Arkansas in the month of May 1922, a copy of which resolutions are
hereto attached, have granted, bargained and conveyed and by these presents do grant,
bargain and convey to the following named Trustees of Southern Methodist University, a
corporation to-wit: W D Bradfield, R H Shuttles, H D Knickerbocker, James Kilgore,
C C Walsh, Thomas Gregory, J E Hickman, C H Booth, E G Perry, S B Perkins, J T Griswold,
J B Slaton, S E Allison, J A Elkins, J L Cannon, Sidney Babcock, R E L Morgan,

J T Pritchett, Ivan Lee Holt, J D Randolph, G G Davidson, W W Drake, W W Fondren and J E Cookrell and their successors all those two certain tracts of land situated in the County of Dallas, Texas, and described as follows, to-wit:

FIRST: The land known as the Daniels 33 acre tract;
Beginning at the Southwest corner of the Jeff Tilley Survey;
Thence East along the South line of said Survey 475 vrs to a stake in the South line thereof;
Thence North 425 vrs to stake for a corner
Thence West 475 vrs more or less to the WEST line of said Jeff Tilley Survey;
Thence South along the West line of said Survey to the place of beginning.

SECOND: One hundred acres of land conveyed to Southern Methodist University by Mrs Alice T Armstrong, by deed dated May 25th, 1911, recorded in Vol 518 Page 615 of the Deed Records of Dallas County, and being out of the Joel Sykes 320 acre survey and reference is had to the record of said deed for a more particular description of said 100 acres which comprises a part of the Campus of said University

TO HAVE AND TO HOLD unto the said W W Fondren, W D Bradfield, R H Shuttles, H D Knickerbocker, James Kilgore, Thomas Gregory, J E Hickman, C H Booth E G Perry, S B Perkins, J T Griswold, C C Walsh, J B Slaton, S E Allison, J A Elkins, J L Cannon, Sidney Babcock, R E L Morgan, J T Pritchett, Ivan Lee Holt, J D Randolph, G G Davidson, W W Drake and J E Cookrell, Trustees, and their successors for the use of said Southern Methodist University and its successors forever to be used, held, maintained and disposed of for educational purposes according to the Discipline and usages of the Methodist Episcopal Church South as from time to time shall be authorized and determined by the General Conference of said Church.

In Testimony Whereof These Presents are executed by the undersigned in their representative capacity as Trustees and without warranty of title, this 10th day of May 1922

Warren A Candler

William B Murrah

Plato T Durham

F J Prettyman

Jno. C Kilgo

A J Lamar

Asa G Candler

Joseph E Cookrell

W D Thomson

W G M Thomas

THE STATE OF Arkansas ;
COUNTY OF GARLAND :

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State on this day personally appeared W A Candler Plato T Durham, A J Lamar, W B Murrah, J E Cookrell, F J Prettyman and J C Kilgo, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me severally that they each of them executed the same for the purposes and consideration and in the capacity therein stated

In Testimony Whereof Witness my hand and seal of office this 13th day of May 1922

WHEREAS, under authority of the General Conference of the year A D 1914, the Educational Commission of the Methodist Episcopal Church South, composed of Bishop W A Candler and fifteen other members, in order to provide for the ownership and control of Southern Methodist University by the Church through its General Conference received conveyances of the land known as the Daniels 33 acre tract and the Armstrong 100 acre tract hereinafter particularly described, which two tract constitute the Campus of said University whereon its buildings and other improvements are situated, which conveyances to the members of said Educational Commission were in trust and to be held till the General Conference of said M E Church South should elect their successors, and whereas,

under the Charter of Southern Methodist University as amended by the consent of this General Conference the following named persons have been elected or confirmed as Trustees in accordance with the provisions of such Charter to-wit

W D Bradfield, R H Shuttles, James Kilgore, Thomas Gregory
J E Hickman C H Booth, H D Knickerbocker, E G Perry, S B Perkins, J T Griswold, J B Slaton, C O Walsh, S E Allison, J A Elkins, J L Cannon, Sidney Babcock, R E L Morgan, J T Fritchett, Ivan Lee Holt, J D Randolph, W W Drake, G G Davidson, W W Fondren, and Joseph E Cockrell

and whereas, it is proper and desirable that the legal title to said property should be vested in said Trustees to be used, kept, maintained and disposed of for educational purposes, subject to the discipline and usages of the Methodist Episcopal Church South as from time to time authorized and determined by the General Conference of said Church

THEREFORE, BE IT RESOLVED, That the members of said Educational Commission be and are hereby authorized and directed to convey to the above named Trustees of Southern Methodist University and their successors said two tracts of land situated in the County of Dallas, Texas, and described as follows

First: The land known as the Daniels 33 acre tract;
Beginning at the Southwest corner of the Jeff Tilley Survey
Thence East along the South line of said Survey 475 vrs to a stake in the South line thereof;
Thence North 425 vrs a stake for a corner;
Thence West 475 vrs more or less to the West line of said Jeff Tilley Survey;
Thence South along the West line of said Survey to the place of beginning.

SECOND: One Hundred acres of land conveyed to Southern Methodist University by Mrs Alice T Armstrong, by deed dated May 25th, 1911, recorded in Vol 518 Page 615 of the Deed Records of Dallas County, and being out of the Joel Sykes 320 acre survey and reference is had to the record of said deed for a more particular description of said 100 acres which comprises a part of the Campus of said University

BE IT FURTHER RESOLVED That the form of deed now presented for execution by the members of the Educational Commission above referred to a copy of which is hereto attached, is approved and when executed by the members of said Educational Commission or a majority of them, the legal title to said land shall be vested in said Trustees of Southern Methodist University, subject to the authority of the General Conference, which authority may be delegated to the General Board of Education

I certify that the foregoing is a true copy of a Resolution passed by the General Conference of the Methodist Episcopal Church South in Session at Hot Springs in the State of Arkansas during the Month of May 1922.

Witness my hand this 9th May 1922

A F Watkins

Secretary of the General Conference

Filed for Record Nov. 12, 1926, 4:00 P M .. D C WHITELEY, COUNTY CLERK

BY A E GRUGETT, DEPUTY

RECORDED NOV. 17, 1926, D C WHITELEY, COUNTY CLERK, DALLAS COUNTY, TEXAS.

BY

Tommy J. Jay DEPUTY

EXHIBIT 5

STATE OF TEXAS :

COUNTY OF DALLAS :

KNOW ALL MEN BY THESE PRESENTS: That we, W. A. Candler, W. B. Murrah, J. C. Kilgore, W. D. Bradfield, F. J. Prettyman, A. J. Lamar, Plato T. Durham, W. G. M. Thomas, Joseph E. Cockrell, G. T. Fitzhugh, Asa G. Candler, Jr., W. D. Thomson, J. W. Scott, former members of the Educational Commission of the Methodist Episcopal Church, South, in conformity with the resolutions and directions of the General Conference of said Church, assembled at Hot Springs in the state of Arkansas, in the month of May, 1922, a copy of which resolutions are hereto attached, have granted, bargained and conveyed and by these presents do grant, bargain and convey to the following named Trustees of Southern Methodist University, a corporation, to-wit: W. D. Bradfield, R. H. Shuttles, H. D. Knickerbocker, James Kilgore, C. C. Walsh, Thomas Gregory, J. E. Nickman, C. H. Booth, E. G. Perry, S. B. Perkins, J. T. Griswold, J. B. Slaton, S. B. Allison, J. A. Elkins, J. L. Cannon, Sidney Babcock, R. E. L. Morgan, J. T. Pritchett, Ivan Lee Holt, J. D. Randolph, G. C. Davidson, W. W. Drake, W. W. Fondren and J. E. Cockrell and their successors, all those two certain tracts of land situated in the County of Dallas, Texas, and described as follows, to-wit:

FIRST, The land known as the Daniels 33 acre tract: Beginning at at the S. W. corner of the Jeff Tilley Survey, thence E. along the S. line of said survey 475 acres to a stake in the S. line thereof; thence North 425 vrs. a stake for a corner; thence West 475 vrs. more or less to the West line of said Jeff Tilley, thence S. along the W. line of said survey to the place of beginning.

SECOND, 100 acres of land conveyed to Southern Methodist University by Mrs. Alice T. Armstrong, by deed dated May 25th, 1911, recorded in vol. 518, page 615 of the deed records of Dallas County, and being out of the Joel Sykes 320 survey, and reference is had to the record of said deed for a more particular description of said 100 acres which comprises a part of the campus of said University.

To have and to hold unto the said W. W. Fondren, W. D. Bradfield, R. H. Shuttles, H. D. Knickerbocker, James Kilgore, Thomas Gregory, J. E. Nickman, C. H. Booth, E. G. Perry, S. B. Perkins, J. T. Griswold, C. C. Walsh, J. B. Slaton, S. B. Allison, J. A. Elkins, J. L. Cannon, Sidney Babcock, R. E. L. Morgan, J. T. Pritchett, Ivan Lee Holt, J. D. Randolph, G. C. Davidson, W. W. Drake and J. E. Cockrell, Trustees and their successors, for the use of said Southern Methodist University and its successors forever to be used, held, maintained and disposed of for educational purposes according to the discipline and usages of the Methodist Episcopal Church, South, as from time to time shall be authorized and determined by the General Conference of said Church.

In testimony whereof these presents are executed by the undersigned in their representative capacity as Trustees and without warranty of title, this 10th day of May, 1922.

W. A. Candler
Wm. B. Murrah
Plato T. Durham
F. J. Prettyman
John C. Kilgo

A. J. Lamar
Asa G. Candler
Joseph E. Cockrell
W. D. Thomson
W. G. M. Thomas

STATE OF ARKANSAS :

COUNTY OF GARLAND :

Before me, the undersigned authority, a notary public in and for said county and state, on this day personally appeared W. A. Candler, Plato T. Durham, A. J. Lamar, W. B. Murrah, J. E. Cockrell, F. J. Prettyman, and J. C. Kilgo, known to me to be the persons are subscribed to the foregoing instrument and acknowledged to me severally that they each of them executed the same for the purposes and consideration and in the capacity therein stated.

In testimony whereof witness my hand and seal of office this 15th day of May, 1922.

(SEAL)

(Signed) Robert Neill
Notary Public, Garland County, Arkansas.

My commission expires June 16, 1925.

STATE OF GEORGIA :

COUNTY OF FULTON :

Before me, the undersigned authority, a Notary Public, in and for said County and State on this day personally appeared Asa G. Candler, Sr. and W. D. Thomson known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me severally that they each of them executed the same for the purposes and consideration and in the capacity therein stated.

In testimony whereof witness my hand and seal of office this 30th day of May, 1922.

(SEAL)

(Signed) Grace Ann Hembree
Notary Public, Fulton County, Georgia.

STATE OF TENNESSEE :

COUNTY OF HAMILTON :

Before me, the undersigned authority a Notary Public in and for said County and State, on this day personally appeared W. G. M. Thomas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration and in the capacity therein stated.

In testimony whereof witness my hand and seal of office this 1st day of June, 1922.

(SEAL)

(Signed) L. M. Thomas
Notary Public, Hamilton County, Tennessee.

STATE OF TENNESSEE :

COUNTY OF SHELBY :

Before me, the undersigned authority, a Notary Public in and for said County and State on this day personally appeared G. T. Fitzhugh, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration and in the capacity therein stated.

In testimony whereof witness my hand and seal of office this 25th day of May, 1922.

(SEAL)

(Signed) M. K. Thornton
Notary Public, Shelby County, Tennessee.

Recorded in Vol. 1365, Page 131,
Deed Records of Dallas County, Texas.

EXHIBIT 6

5-5

1-10-1911
2-10-1911

7173

No. 23066 CHARTER OF Southern Methodist University Dallas

Under the provisions
 of Sec. 11 of Chapter 81
 of the Acts of the Legislature
 of the State of Texas
 approved 3/19/12

No. free

FILED IN THE OFFICE OF THE
 SECRETARY OF STATE
 THIS 5 DAY OF March, 1912
 S. I. Souder
 Secretary of State

5-5
 Filed 4/17/11
 Entered in 1907-5-1-217
 COCKRELL, MCERIDE O'DONNELL & HAMILTON
 ATTORNEYS
 DALLAS, TEXAS

2657219

THE STATE OF TEXAS)
COUNTY OF DALLAS)

WHEREAS, by the provisions of Section 2, of Chapter 81 of the Acts of the Legislature of the State of Texas, approved March 19, 1923, it was provided:

"Any religious, charitable, educational, or eleemosynary institution organized under the laws of this State may acquire, own, hold, mortgage and dispose of and invest its funds in property, real and personal in ~~the~~ furtherance of the purposes of its organization, within the State of Texas, for the use and benefit of, under the discretion of and in trust for such electing, controlling, and parent body; provided that this Act shall not apply to corporations organized for pecuniary profit, and provided further that any such board or association heretofore incorporated may accept the benefits of this Act by filing with the Secretary of State its written acceptance thereof, duly executed by a majority of its board of trustees, within one year from the passage of this act." And

WHEREAS, Southern Methodist University, an educational corporation organized under the laws of the State of Texas, desires to take the benefit of the provisions of said Act:

NOW, THEREFORE, said Southern Methodist University, acting through the undersigned, who constitute a majority of its Board of Trustees, does hereby accept the benefits of said Act in accordance with the terms thereof.

In Testimony Whereof, these presents are executed by said Southern Methodist University, attested by its corporate seal and by the signature of a majority of its Board of Trustees, of Twenty-Five, this the 24 day of January, 1924.

SOUTHERN METHODIST UNIVERSITY

ATTEST:

By Charles C. Leeman, President.

A. D. Schuessler
Secretary.

Joseph E. Cockrell

R. H. H. H. H.

John M. Moore

W. D. B. B. B.

Robert C. Leeman

E. Gordon Berry

James Kilgore

H. D. K. K. K.

✓ W. W. Anderson J. F. Grissold
J. A. E. E. E. Geo. P. Alston
J. E. Hickman
William F. Booth J. B. L. L.

THE STATE OF TEXAS)
COUNTY OF DALLAS)

Before me, the undersigned authority, on this day personally appeared J. E. Cockrell, R. H. Shuttles, E. Gordon Perry, S. B. Perkins, H. D. Knickerbocker, C. C. Seleoman, James Kilgore and W. D. Bradfield, known to me to be the persons whose names are subscribed to the foregoing instrument, and each acknowledged to me that he executed same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 24 day of January, 1924.

W. F. Johnson
Notary Public, Dallas County, Texas.

THE STATE OF TEXAS)
COUNTY OF Indian)

Before me, the undersigned authority, on this day personally appeared C. Walsh, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 27 day of February 1924.

Albert Powers
Notary Public, Indian County, Texas

THE STATE OF TEXAS)
COUNTY OF Harris)

Before me, the undersigned authority, on this day personally appeared W. W. Anderson, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 7th day of February 1924.

Lee Bryan
Notary Public, Harris County, Texas

THE STATE OF TEXAS)
COUNTY OF Harris }

Before me, the undersigned authority, on this day personally appeared G. A. Clark, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 14th day of February 1924.

Mrs. G. E. B. Peck
Notary Public, Harris County, Texas

THE STATE OF TEXAS)
COUNTY OF Stephus }

Before me, the undersigned authority, on this day personally appeared J. E. Hickman, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed,

Given under my hand and seal of office this 16th day of February 1924.

James M. Munn
Notary Public, Stephus County, Texas.

THE STATE OF TEXAS)
COUNTY OF McLennan }

Before me, the undersigned authority, on this day personally appeared William H. Brook, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 20th day of February 1924.

Wm. H. Stanford
Notary Public, McLennan County, Texas.

THE STATE OF TEXAS)
COUNTY OF Donley }

Before me, the undersigned authority, on this day personally appeared J. T. Grinnell, known to me to be the person whose name is subscribed to the foregoing instrument,

and acknowledged to me that he executed same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 22nd
day of February 1924.

J. R. Porter
Notary Public, Donley County, Texas.
County Judge in and for

THE STATE OF TEXAS)

COUNTY OF Deaf Smith

Before me, the undersigned authority, on this day personally appeared Geo. P. Patton, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 23rd
day of February 1924.

Francis J. Patton
Notary Public, Deaf Smith County, Texas.

THE STATE OF TEXAS)

COUNTY OF _____)

Before me, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____
day of _____, 1924.

Notary Public, _____ County, Texas.

THE STATE OF TEXAS)

COUNTY OF _____)

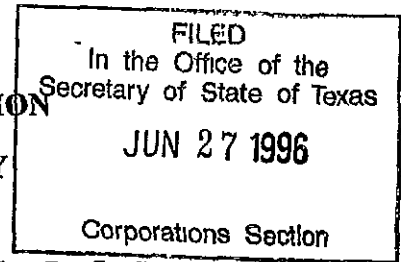
Before me, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____
day of _____ 1924.

Notary Public, _____ County, Texas.

EXHIBIT 7

**ARTICLES OF AMENDMENT
TO THE
RESTATED ARTICLES OF INCORPORATION
OF
SOUTHERN METHODIST UNIVERSITY**



Pursuant to the provisions of Article 4.03 of the Texas Non-Profit Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Restated Articles of Incorporation which:

provides a method for waiver of term limitations.

ARTICLE ONE

The name of the corporation is Southern Methodist University.

ARTICLE TWO

The following amendments to the Restated Articles of Incorporation were adopted by the corporation on May 20, 1994.

Article VI, paragraph 4. of the Restated Articles of Incorporation is hereby amended so as to read in its entirety as follows:

VI.


- 4 *Except as hereinafter provided, the service of a Trustee on the Board shall be limited to three consecutive four-year terms or until their successor shall be duly elected. When in the opinion of the Trusteeship Committee, a Trustee has been of such exceptional service as to justify the Trustee's continued service on the Board, the Trusteeship Committee has the discretion to waive the term limitation and nominate such Trustee for continued service on the Board.*

ARTICLE THREE

The amendment set forth in Article Two above was affirmatively authorized and approved by an authorized agency of the South Central Jurisdictional Conference of The United Methodist Church at a meeting held on May 9, 1995 in accordance with Article XII of the Restated Articles of Incorporation of Southern Methodist University, was adopted at a meeting of the Board of Trustees held on May 20, 1994 and received the vote of the majority of the Board of Trustees in office, there being no members having voting rights in respect thereof.

Dated: June 24, 1996

SOUTHERN METHODIST UNIVERSITY

By: 
Dr. R. Gerald Turner

Its: President

By: 
S. Leon Bennett

Its: Secretary

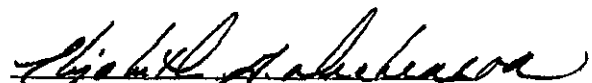
STATE OF TEXAS

COUNTY OF DALLAS

§
§
§

Before me, a Notary Public, on this day personally appeared Dr. R. Gerald Turner, President of Southern Methodist University, and S. Leon Bennett, Secretary of Southern Methodist University, known by me to be the persons whose names are subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

Given under my hand and seal of office this 24th day of June, A D., 1996.


Elizabeth G. Dickenson
Notary Public, State of Texas

My commission expires:

June 2, 1997

**RESTATED ARTICLES OF INCORPORATION
OF
SOUTHERN METHODIST UNIVERSITY**

ARTICLE ONE

Southern Methodist University, pursuant to the provisions of Article 4.06 of the Texas Non-Profit Corporation Act, hereby adopts Restated Articles of Incorporation which accurately copy the Articles of Incorporation and all amendments thereto that are in effect to date and as further amended by such Restated Articles of Incorporation as hereinafter set forth and which contain no other change in any provision thereof.

ARTICLE TWO

The Articles of Incorporation of the corporation are amended by the Restated Articles of Incorporation as follows:

Article VI, paragraph 4. of the Restated Articles of Incorporation is hereby amended so as to read in its entirety as follows:

VI.

- 4 Except as hereinafter provided, the service of a Trustee on the Board shall be limited to three consecutive four-year terms or until their successor shall be duly elected. When in the opinion of the Trusteeship Committee, a Trustee has been of such exceptional service as to justify the Trustee's continued service on the Board, the Trusteeship Committee has the discretion to waive the term limitation and nominate such Trustee for continued service on the Board*

ARTICLE THREE

Each such amendment made by these Restated Articles of Incorporation has been effected in conformity with the provisions of the Texas Non-Profit Corporation Act and such Restated Articles of Incorporation were affirmatively authorized and approved by an authorized agency of the South Central Jurisdictional Conference of The United Methodist Church in accordance with Article XII of the Articles of Incorporation of Southern Methodist University, was duly adopted at a meeting of the Board of Trustees held on May 20, 1994, and received the vote of the majority of the Board of Trustees in office, there being no members having voting rights in respect thereof.

ARTICLE FOUR

The Articles of Incorporation and all amendments and supplements thereto are hereby superseded by the following Restated Articles of Incorporation which accurately copies the entire text thereof and as amended as above set forth:

I.

The name of this corporation shall be SOUTHERN METHODIST UNIVERSITY.

II.

The purpose for which this corporation is formed is for the support of an educational undertaking, to-wit. the establishment, maintenance and support of an institution for higher learning, including education and instruction in literary, scientific, theological, vocational and professional branches, with authority to confer all college and university degrees, said educational institution to be forever owned, maintained and controlled by the South Central Jurisdictional Conference of The United Methodist Church.

III.

The place where the business of the corporation is to be transacted is Dallas County, Texas, and its corporation domicile shall be located at such place.

IV.

The term for which this corporation is to exist is perpetual.

V.

This corporation has no capital stock and is not organized for the purpose of pecuniary gain or profit.

VI.

1. The membership of the Board of Trustees shall consist of three (3) bishops of the South Central Jurisdiction of The United Methodist church and nine (9) other members, all of whom shall be recommended for nomination by the College of Bishops of the South Central Jurisdiction of The United Methodist Church, plus not fewer than twenty-eight (28) additional members. At least one-half of the voting members of the Board of Trustees shall be members of The United Methodist Church.
2. Upon the nomination by the Board of Trustees of Southern Methodist University, the representatives upon the Board of Trustees shall be elected by the South Central Jurisdictional Conference or by any agency or Board to which it may delegate such authority.
3. Trustees shall be elected from all geographical boundaries of the annual conferences of the South Central Jurisdiction, but not limited thereto. No person shall become a member of the Board of Trustees of Southern Methodist University or shall be qualified to sit, serve or act as such until he shall first have been elected by the South Central Jurisdictional Conference of The United Methodist Church or by any agency or Board to which it may delegate such authority.

4. Except as hereinafter provided, the service of a Trustee on the Board shall be limited to three consecutive four-year terms or until their successor shall be duly elected. When in the opinion of the Trusteeship Committee, a Trustee has been of such exceptional service as to justify the Trustee's continued service on the Board, the Trusteeship Committee has the discretion to waive the term limitation and nominate such Trustee for continued service on the Board.
5. Any elected trustee may be removed for cause by the South Central Jurisdictional Conference of The United Methodist Church or by any agency or Board to which it may delegate such authority.

VII.

The Board of Trustees shall have authority to appoint an executive committee and other committees necessary and convenient for the conduct of the University's business and affairs, a majority of which executive committee shall be members of the Board of Trustees.

VIII.

The qualifications of Trustees shall be those fixed by the Discipline of The United Methodist Church for the Trustees of its educational institutions, if there be any, and, if not, then the qualifications of Trustees shall be fixed by the South Central Jurisdictional Conference of The United Methodist Church.

IX.

The Board of Trustees may adopt appropriate by-laws.

X.

When a nominee presented to the South Central Jurisdictional Conference or any agency authorized by it to act thereon, fails to be elected, then the South Central Jurisdictional Conference or its agency thereunto authorized, shall elect a nominee to fill the vacancy, who shall serve until his successor is duly elected.

XI.

All authority herein conferred upon the South Central Jurisdictional Conference of The United Methodist Church may be exercised by any agency or board to which such authority may be delegated by the South Central Jurisdictional Conference of The United Methodist Church.

XII.

No amendment to these Articles of Incorporation shall ever be made unless the same shall have been first affirmatively authorized and approved by the South Central Jurisdictional Conference of The United Methodist Church, or by some authorized agency of said South Central Jurisdictional Conference.

XIII.

The real estate of the corporation shall be subject to the control of the Board of Trustees, who may dispose same through the officers thereof, except the campus property and such other property as may be used for the conduct of the business of the corporation, or matters incident thereto, and such property may be sold or leased only by consent of the South Central Jurisdictional Conference, or such agency as it may create therefor, and then only for use for religious or educational purposes or for dormitories or fraternity or sorority houses under the immediate discipline and control of the University authorities and with provision for reversion to the University on cessation of such use

XIV.

The corporation shall have no members.

XV.

To the fullest extent permitted by applicable law, no trustee of the corporation shall be liable to the corporation for monetary damages for an act or omission in such trustee's capacity as a trustee of the corporation, except that this Article XV shall not eliminate or limit the liability of a trustee of the corporation for:

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

The foregoing provisions of this Article XV shall not eliminate or limit the liability of a trustee for any act or omission occurring prior to August 31, 1987. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a trustee of the corporation existing at the time of such repeal or amendment. In addition to the circumstances in which a trustee of the corporation is not personally liable as set forth in the foregoing provisions of this Article XV, a trustee shall not be liable to the corporation to such further extent as permitted by any law hereafter enacted, including without limitation any subsequent amendment to the Texas Miscellaneous Corporation Laws Act, the Texas Business Corporation Act or the Texas Non-Profit Corporation Act.

XVI.

The address of the initial registered office of Southern Methodist University is Perkins Administration Building, 6425 Boaz Lane, Room 205, Dallas, Texas 75275-0132; the

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name of its registered agent at such address is Mr. S. Leon Bennett, Secretary of the University.