

Form: Bylaws for a professional association

PREVIEW

1. The professional association should adopt bylaws at its organizational meeting.
2. The bylaws may provide for the management and operations of the professional organization.
3. Electronic transmissions may be utilized to carry out corporate functions. This includes notice, voting, proxies and meetings. This is reflective of the expanded use of teleconferencing, internet conferencing/communication, and facsimiles. This should be addressed in the Bylaws for these areas by either including them as authorized options or not including them.

a. When using electronic transmissions for notice, it must be with the approval of the shareholder and should not attempt to provide notice by electronic transmission; if, in fact, the sender must use alternative means of notice.

b. When the corporation receives information by electronic transmission, as in voting and proxies, the corporation must require that within or accompanying the electronic transmission there is information whereby the corporation can authenticate the identity of the sender. The use of electronic transmission for meetings will still require that the minutes of the meetings can be reduced to written form.

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BYLAWS OF [NAME] A PROFESSIONAL ASSOCIATION

1. PURPOSES

1.1 The purposes for which this professional association is incorporated is to [practice medicine or are those set forth in the Certificate of Association]

2. PRINCIPAL OFFICE

2.1 The place where the principal business of the association will be transacted is [address], or such other place as designated by the board of directors.

2.2 The professional association may also have other offices at such other places or locations within or without the State of Texas as the board of directors, upon resolution, may determine.

2.3 The registered office of the professional association and its initial registered agent are as set forth in the Certificate of association.

3. BOARD OF DIRECTORS

3.1 Number and Qualifications of Directors.

a. The corporate powers, business and property of the association shall be conducted, controlled and managed to the extent authorized by law and by the Certificate of association and these Bylaws by a board of [number] directors.

3.3. Qualifications.

a. Each director must be duly licensed or otherwise legally qualified in the State of Texas to render the professional service for which the corporation has been organized.

b. In the event a director becomes disqualified to render such professional service in the State of Texas, he or she shall immediately cease to be a director on the effective date of disqualification, and his or her office as director shall become vacant.

3.3 Election of Directors.

a. The directors shall be elected at the annual meeting of the shareholders, and each shall serve until [his or her] successor shall have been elected and qualified

b. The term of office of each director shall be until the next annual meeting of the shareholders and the election of a successor in office.

PREVIEW

c. The number of directors may be increased or decreased from time to time by amendment to these Bylaws but no decrease shall have the effect of shortening the term of any incumbent director.

d. All directors shall be elected by secret ballot, and the nominees receiving the greatest number of votes shall be elected.

3.3 Vacancies.

a. Whenever a vacancy occurs in the board of directors other than from the expiration of a term of office, the remaining directors shall appoint a shareholder of the professional association to fill the vacancy for the remaining unexpired term of office.

3.4 Board Meetings.

a. A regular meeting of the board of directors shall be held without call or notice immediately after and at the same place as the annual meeting of shareholders.

b. The board of directors may provide, by resolution, the time and place, either within or without the State of Texas, for the holding of additional regular meetings without other notice than such resolution.

3.5 Special Board Meetings.

a. Special meetings of the board shall be held upon call of the president or upon the written request of at least [number] members of the board.

b. Notice of any special meeting shall be given at least [number] days previous thereto by written notice delivered personally, mailed to each director at this business address, or by telegram [or verified electronic transmission].

c. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid.

d. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company.

e. [If notice is given by electronic transmission, such notice shall be deemed to be delivered upon verification of successful transmission].

f. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business of the meeting nor the purpose of, any regular or special meeting of the board of directors, need be specified in the notice of such meeting.

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3.6 Quorum.

a. A majority of the number of directors fixed by Paragraph 3.1 of this Article shall constitute a quorum for the transaction of business at any meeting of the board of directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

3.7 Depository.

a. The board of directors shall have the power from time to time to select one or more banks to act as depositories of the funds of the association, to determine the manner of receiving, depositing, and disbursing the funds of the association, the form of checks to be used, and the person or persons who shall be authorized to sign such checks.

3.8 Employees.

a. The board of directors shall have the power to employ or to authorize the employment of a president and such other offices and employees as may be deemed necessary, to prescribe the duties thereof, and to fix their compensation.

3.9 Bonds.

a. The board of directors may require all officers, employees and agents of the professional association handling funds or property belonging to or in the possession or under the control of the professional association to furnish the professional association with a satisfactory bond of indemnity, indemnifying the professional association and its members against any fraudulent, dishonest or unlawful act on the part of such officers and employees.

b. Such bonds shall be furnished by a responsible bonding company and shall be approved by the board of directors.

3.10 Removal.

a. The directors of the professional association, and each of them, may be removed from office from time to time and at any time with or without cause, by the shareholders entitled to vote, at any meeting thereof at which a quorum is present, by the vote of a majority of the votes of the shareholders present in person or by proxy and entitled to vote thereat; any vacancy or vacancies in the board resulting therefrom may be filled by the remaining directors, though less than quorum, or by the shareholders, whichever shall first act thereon.

3.11 Offices and Records.

a. The directors may have or establish one or more offices of the professional association and keep the books and records of the professional association, except as otherwise

provided by statute, in such place or places in the State of Texas or outside the State of Texas, as the board of directors may from time to time determine.

PREVIEW

3.12 Presumption of Assent.

a. A director of the professional association who is present at a meeting of the board of directors at which action on any corporate matter is taken shall be presumed to have assented to the action unless such person's dissent shall be entered in the minutes of the meeting before adjournment thereof or shall forward such dissent by registered mail to the secretary of the professional association immediately after the adjournment of the meeting. Such right of dissent shall not apply to a director who voted in favor of such action.

3.13 Compensation.

a. Directors, as such, shall not be entitled to receive any fixed sums or stated salaries for their services, but, by resolution of the board, a fixed sum and reasonable expenses of attendance at the meetings of the board, may be provided and allowed, provided that nothing herein contained shall, or shall be construed so as to, preclude any director from serving the professional association in any other capacity or receiving compensation therefore. Members of special or standing committees may be allowed a fixed sum and expenses of attendance, if any, at committee meetings.

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3.14 Non-liability of Directors and Officers in Certain Cases.

a. No director or officer or member of the executive committee shall be liable for acts as such if executed in good faith and in reliance upon the written opinion of any attorney of the professional association, the books of account or reports made to the professional association by any of its officials or by an independent certified public accountant, or by an appraiser selected with reasonable care by the board of directors or by such committee, or in reliance upon other records of the professional association.

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b. To the fullest extent now or hereafter permitted by the Texas Business Organizations Code, each officer or director or member of the executive committee shall, in the discharge of any duty imposed or power conferred upon [him or her] by the professional association, be fully protected if, in the exercise of ordinary care, such officer, director, or member of the executive committee acted in good faith and in reliance upon the written opinion of any attorney of the professional association, the books of account or reports made to the professional association by any of its officials or by an independent certified public accountant, or by an appraiser selected with reasonable care by the board of directors or by such committee, or in reliance upon other records of the professional association.

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3.15 Indemnification of Directors and Officers.

a. Each director, officer, former director, and former officer of this professional association and each person who may have served at its request as a director or officer of another professional association in which it owned shares of capital stock or of which is a creditor, shall be and hereby is, indemnified by the professional association against liabilities imposed upon such director or officer and against expenses, actual and reasonable, incurred in connection with any claim made against such person, or the defense of any action, suit, or proceeding to or in

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which such person is or may be made a party by reason of being or having been such director or officer.

PREVIEW

b. The indemnification shall be against such sums as independent counsel selected by the board of directors shall deem reasonable payment made in settlement of any such claim, action, suit, or proceeding primarily with a view of avoiding expenses of litigation.

c. No director or officer shall be indemnified with respect to matters as to which that person shall be adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in performance of duty, or with respect to any matters which shall be settled by the payment of sums which counsel selected by the board of directors shall not deem reasonable payment, made primarily with a view to avoiding expenses of litigation, or with respect to matters for which such indemnification shall be in addition to, but shall not exclude, any other rights to which directors or officers may be entitled.

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4. OFFICERS

4.1 Officers and qualifications.

a. All officers must be duly licensed or otherwise duly authorized in the State of Texas to render the professional service for which this corporation has been organized.

b. In the event an officer becomes disqualified to render such professional service in the State of Texas, then he or she shall immediately resign and cease to be an officer on the effective date of his or her disqualification.

c. His or her office shall become vacant and another person shall be named to his or her office according to the provisions for naming officers in these bylaws.

d. Principal Officers.

e. The officers of the professional association shall be chosen by the board of directors.

f. The officers shall be a president, a secretary, a treasurer, and such number of Vice-Presidents, and such number of assistant secretaries and assistant treasurers, as the board may from time to time determine or elect.

g. Number of offices held.

h. Any person may hold two or more offices at the same time, except that the president and secretary shall not be the same person.

4.2 Additional Officers

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a. The board may appoint such other officers, agents, and factors as it shall deem necessary.

PREVIEW

4.3 Terms of Officers.

a. Each officer shall hold office until a successor shall have been duly elected and qualified or until death or until resignation or removal in the manner hereinafter provided.

4.4 Removal.

a. Any officer, agent, or member of the executive committee elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the professional association will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

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4.5 Vacancies.

a. A vacancy in the office of any officer may be filled by the vote of a majority of the directors then in office for the unexpired portion of the term for the person with respect to which a vacancy has occurred in each instance.

4.6 Powers and Duties of Officers.

a. The officers so chosen shall perform the duties and exercise the powers expressly conferred or provided for in these Bylaws, as well as the usual duties and powers incident to such office, respectively, and such other duties and powers as may be assigned to them from time to time by the board of directors or by the president.

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4.7 Chairman of the Board.

a. The board of directors may select from among its members a chairman of the board who may, if so selected, preside at all meetings of the board of directors and approve the minutes of all proceedings thereat, and who shall be available to consult with and advise the officers of the professional association with respect to the conduct of the business and affairs of the professional association.

4.8 The President.

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a. The president, subject to the control of the board of directors, shall be the chief executive officer of the professional association and shall have general executive charge, management, and control of the affairs, properties, and operations of the professional association in the ordinary course of its business, with all such duties, powers, and authority with respect to such affairs, properties, and operations as may be reasonably incident to such responsibilities.

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b. The president may appoint or employ and discharge employees and agents of the professional association and fix their compensation; make, execute, acknowledge, and deliver any and all contracts, leases, deeds, conveyances, assignments, bills of sale, transfers, releases, and receipts, any and all mortgages, liens, and hypothecations, and any and all bonds, debentures, and notes, and any and all other obligations and encumbrances and any and all other instruments, documents, and papers of any kind or character for and on behalf of and in the name of the professional association.

c. The above shall be performed with the assistance of the corporate secretary or an assistant secretary, and the secretary may sign all certificates for shares of the capital stock of the professional association .

d. The president shall perform such other duties and have such additional authority and powers as from time to time may be assigned to or conferred upon the president by the board of directors.

4.9 Vice-Presidents.

a. In the absence of the president or in the event of the president's disability or refusal to act, the Vice-President (or in the event there be more than one Vice-President, the Vice-Presidents in the order designated, or in the absence of any designation, then in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president.

b. Any Vice-President shall perform such other duties as from time to time may be assigned by the president or by the board of directors of the professional association .

c. Any action taken by a Vice-President in the performance of the duties of the president shall be conclusive in the event such action was taken due to the absence or inability to act of the president.

4.10 Treasurer.

a. The treasurer shall have custody of all the funds and securities of the professional association which come into [his or her] hands.

b. When necessary or proper, the treasurer may endorse on behalf of the professional association, for collection, checks, notes, and other obligations and shall deposit the same to the credit of the professional association in such bank or banks or depositories as shall be selected or designated by or in the manner prescribed by the board of directors.

c. The treasurer may sign all receipts and vouchers for payments made to the professional association, either alone or jointly with such officer as may be designed by the board of directors.

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d. Whenever required by the board of directors, the treasurer shall render a statement of the cash account.

PREVIEW

e. The treasurer shall enter or cause to be entered, punctually and regularly, on the books of the professional association to be kept by the treasurer or under the treasurer's supervision or director for that purpose, full and accurate accounts of all moneys received and paid out by, for, or on account of the professional association.

f. The treasurer shall at all reasonable times exhibit such books and accounts and other financial records to any director of the professional association during business hours.

g. The treasurer shall have other powers and duties as may be conferred upon or assigned by the board of directors.

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h. The treasurer shall perform all acts incident to the position of treasurer subject always to the control of the board of directors, and shall, if required by the board of directors, give a bond for the faithful discharge of the duties in a form and amount as the board of directors may require.

4.11 Assistant Treasurers.

a. Each assistant treasurer shall have the usual powers and duties pertaining to such office, together with such other powers and duties as may be conferred upon or assigned by the board of directors.

b. The assistant treasurer shall have and exercise the powers of the treasurer during that officer's absence or inability to act.

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4.12 Secretary. The secretary shall:

a. keep the minutes of all meetings of the board of directors and the minutes of all meetings of the shareholders, in books provided for that purpose,

b. attend to the giving and servicing of all notices,

c. sign with the president or a Vice-President in the name of the professional association and/or attest the signature of either to all contracts, conveyances, transfers, assignments, encumbrances, authorizations, and all other instruments, documents, and papers, of any and every description whatsoever, or executed for or on behalf of the professional association and affix the seal of the professional association thereto,

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d. sign with the president or a Vice-President all certificates for shares of the capital stock of the professional association and affix the corporate seal of the professional association thereto.

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e. have charge of and maintain and keep or supervise and control the maintenance and keeping the stock certificate books, transfer books and stock ledgers, and such other books and papers as the board of directors may authorize, direct, or provide for, all of which shall at all reasonable times be open to the inspection of any director, upon request, at the office of the professional association during business hours, and

f. perform all the duties incident to the secretary, and have such other powers and duties as may be conferred upon or assigned by the board of directors; subject always to the control of the board of directors.

4.13 Assistant Secretaries.

a. Each assistant secretary shall have the usual powers and duties pertaining to such office, together with such other powers and duties as may be conferred upon or assigned by the board of directors or the secretary. The assistant secretaries shall have and exercise the powers of the secretary during that officer's absence or inability to act.

5. SHAREHOLDERS

5.1 Annual Meeting.

a. The annual meeting of the shareholders shall be held on the first Tuesday, in [address], in each year, at [time] if not a legal holiday, and if a legal holiday, then at the same hour of the day on the next succeeding business day.

b. The annual meeting shall be held for the purpose of electing directors and for the transaction of any and all such other business as may properly be brought before or submitting to this meeting.

c. Any and all business of any nature or character whatsoever may be transacted, and any action may be taken thereon, at any annual meeting, except as otherwise provided by law or by these Bylaws.

d. Each annual meeting of the shareholders, respectively, shall be held at the registered office of the professional association, or at such place within or without the State of Texas as may be determined by the board of directors. However, any annual meeting may be held at any place within or without the State of Texas designated in a waiver of waivers of notice signed by, or in the aggregate signed by, all of the shareholders.

5.2 Special Meeting.

a. Special meetings of the shareholders shall be held at such time and place within or without the State of Texas as may be determined by the board of directors or as designated in a waiver or waivers of notice signed by, or in the aggregate signed by, all of the shareholders.

Notice and waivers of notice may not be given by any other means provided for by statute and approved by the Board of Directors and Shareholders.

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PREVIEW

b. Special meetings of the shareholders of any purpose or purposes, unless otherwise prescribed by statute or by law or by the Certificate of Association of the professional association, may be called by the president or by a Vice-President or by the board of directors or by the then holders of at least ten percent (10%) of the then issued and outstanding voting shares of the capital stock of the professional association entitled to be voted at such meeting, and shall be called by the president or secretary at the request in writing of a majority of the board of directors at the request in writing of shareholders owning as much as twenty-five percent (25%) in amount of the entire capital stock of the professional association, or of any class if there be more than one class, issued and outstanding and entitled to vote. Such request shall state the purpose or purposes of the proposed meeting.

5.3 Notice of Shareholders Meeting.

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a. Written or printed notice stating the place, day and hour of each meeting of the shareholders, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days no more than fifty (50) days before the date of the meeting either personally or by mail, by or at the direction of the president, a Vice-President, the secretary, or the officer or person or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the shareholders at their respective addresses appearing on the stock transfer books of the professional association. Notice [may – may not] be given by any other means provided for by statute and approved by the Board of Directors and Shareholders.

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5.4 Quorum of Shareholders

The holders of _____ percent (_____%) of the shares issued and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of shareholders for the transaction of business except as otherwise provided by statute or by the Certificate of Formation. The vote of the holders of _____ percent (_____%) of the shares entitled to vote and thus represented at a meeting at which a quorum is present shall be that of the shareholders' meeting, unless the vote of a greater number is required by law, the Certificate of Formation, or these Bylaws.

5.5 Adjournments of Annual and Special Meetings of the Shareholders.

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a. If the holders of the amount of stock necessary to constitute a quorum shall fail to attend any meeting of the shareholders in person or by proxy, and entitled to vote thereat, may adjourn any such meeting from time to time without notice, other than by announcement at the meeting, until holders of the amount of stock requisite to constitute a quorum shall be present at the particular meeting or at any adjournment or adjournments thereof, in person or by proxy.

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b. The holders of a majority of the votes of the shareholders present, in person or by proxy, and entitled to vote at an meeting may also adjourn any annual or special meeting of the shareholders from time to time and without notice, other than by announcement at the meeting of the time and place at which the meeting will reconvene, until the transaction of any and all business submitted or proposed to be submitted to such meeting or any adjournment or adjournments thereof shall have been completed.

c. At any such adjourned meeting at which a quorum is present, in person or by proxy, any business may be transacted which might have been transacted at the meeting as originally notified or called.

5.6 Meetings of the Shareholders.

The president of the professional association, or in the event of the president's absence, omission, or refusal to so act, a Vice-President of the professional association shall call each meeting of the shareholders to order and shall act as chairman of such meeting.

b. The Secretary of the professional association, or in the event of the Secretary's absence, omission, or refusal to act, an assistant secretary, shall act as secretary of each meeting of the shareholders.

c. If for any reason whatsoever, neither the secretary nor an assistant secretary acts or will act as secretary of the meeting of shareholders, then the chairman of the meeting or, if the chairman fails to do so, the shareholders present, either in person or by proxy, and entitled to vote thereat may by majority vote appoint any person to act as secretary of the meeting and such person shall act as secretary of the meeting.

5.7 Attendance.

a. Each shareholder entitled to vote at the particular shareholders' meeting may attend such meeting and vote in person

5.8 Voting of Shares.

a. Voting. Every shareholder will be entitled to one vote for each share standing in his or her name on the record of shareholders.

b. All corporate action, except for those decisions that are regulated by statute, will be determined by a majority vote of the shareholders present in person.

5.9. Preemptive rights and cumulative voting.

a. The shareholders of the corporation shall not have the preemptive right to subscribe to any issue of shares or securities of the corporation. No shareholder shall have the right to cumulate his or her votes at any election for directors of the corporation.

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5.10 Decisions at Meetings of Shareholders

PREVIEW

a. At all meetings of the shareholders, all questions, business, and matters, shall be decided by the vote of the holders of _____ percent (_____%) of the shareholders of the professional association present in person.

b. All voting shall be by voice except that upon the determination of the officer or person presiding at the meeting the voting may be voted upon by use of ballots.

c. In the event any business, question, or matter is so voted upon by ballot, then each ballot shall be signed by the shareholder voting or by such voter's proxy and shall state the number of shares so voted.

5.11 List of Shareholders.

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a. A complete list of shareholders entitled to vote at each shareholders' meeting or any adjournment thereof, arranged in alphabetical order with the address of and a number of shares held by each, shall be prepared by the Secretary and kept on file at the registered office of the professional association and subject to inspection by any shareholder.

5.12 Record Date.

a. The Board of Directors shall have the power to close the stock transfer books of the professional association or, in lieu thereof, to fix a record date for the determination of the shareholders entitled to notice of or to vote at any meeting of the shareholders and at any adjournment or adjournment thereof and to fix a record date for any other purpose or purposes as provided in Section 6 or Paragraph 7 of these Bylaws.

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5.13 Action Without Meeting.

a. Action may be taken by the shareholders without a meeting if each shareholder entitled to vote signs a written consent to the action and such comments are filed with the Secretary of the professional association .

6. BOOKS, DOCUMENTS, AND ACCOUNTS

6.1 The Board of Directors shall have power to keep the books, documents, and accounts of the professional association within the State of Texas, except that the record of its shareholders, giving the names and addresses of all shareholders and the number and class of shares held by each, shall be kept at its registered office or principal place of business or at the office of its transfer agent or registrar and the original or a duplicate stock ledger shall at all times be kept within the State of Texas.

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6.2 Open to Inspection. All books and records provided by statute shall be open to inspection by the shareholders. The directors may examine all books and records at all reasonable times.

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ARTICLE 7. CAPITAL STOCK

7.1 Eligible shareholders.

a. Shares of the corporation will be issued only to persons duly licensed or authorized by law to [practice the profession of _____ or perform the services of _____] in the State of Texas.

7.2 Stock Certificates

a. The certificates for shares of the capital stock of the professional association shall be in such form as shall be approved by the Board of Directors.

b. They shall be consecutively numbered and shall be entered in the books of the professional association as they are issued and shall exhibit the holder's name and the number of shares.

c. Every holder of stock in the professional association shall be entitled to have a certificate signed by or in the name of the professional association by the President, or a Vice-President, and the Secretary or an Assistant Secretary of the professional association, certifying the number of shares such person owns in the professional association with the seal of the professional association or a facsimile thereof impressed or printed thereon.

d. Where any such certificate is countersigned by a transfer agent, or registered by a registrar, either of which is other than the professional association itself or an employee of the professional association, the signatures of the President or Vice-President and the Secretary or Assistant Secretary upon a certificate may be facsimiles, engraved or printed.

e. In case any office or officers who shall have signed, or whose facsimile signature or signatures shall have been used or placed on any such certificate or certificates shall have ceased to be such officer or officers of the professional association, whether because of death, resignation, or otherwise, before such certificate is, or such certificates are issued, such certificate or certificates or whose facsimile signature or signatures have been used thereon was or were such officer or officers at the time of issuance thereof, and with the same effect as if [he or she] or they were such officer or officers at the date of issuance thereof.

7.3 Transfer

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a. Transfers of shares of the corporation will be made only on the books of the corporation by the holder of record of such shares or by his or her duly authorized attorney in fact.

b. No shareholder of the corporation may sell or transfer his or her shares in the corporation except to any other shareholder of the corporation, to the corporation, or to any other person who is licensed or otherwise legally authorized to [practice the profession of _____ or perform the services of _____] in the State of Texas.

c. The corporation and/or its shareholders are authorized to enter into a separate buy-sell agreement for the purchase of outstanding shares of the corporation. Any such agreement will be deemed a part of these bylaws, and will be attached to the bylaws and incorporated in them. Any transfer of shares will be subject to the terms of the separate buy-sell agreement.

7.4 Death or disqualification of shareholders, agents, and employees.

a. If any shareholder, officer, or director of the corporation, or any agent or employee of such corporation who has been rendering professional service of the same type that the corporation was organized to render, becomes legally disqualified to render such professional service, he or she will sever all employment with, and financial interest in the corporation immediately.

b. The corporation will purchase or cause to be purchased the shares of a shareholder in case of such disqualification, and will redeem the shares in case of death, within [Number of Months] months after such disqualification or after appointment of the executor, administrator, or other legal representative of the estate of the deceased shareholder.

c. The price and terms on which the shares of each deceased or disqualified shareholder will be redeemed or purchased will be [set forth price and terms such as: the book value of such shares as of the end of the month immediately preceding the death or disqualification of the shareholder as determined from the books and records of the corporation in accordance with its regular method of accounting].

d. At no time after the shareholder's death or disqualification to practice _____ in Texas will the shareholder or his or her personal representative have the right to vote on matters relating to the corporation's practice of _____.

7.5 New Certificates.

a. The professional association may, in its sole discretion, issue a new certificate for shares of its stock in the place of any certificate previously issued which has been allegedly lost or destroyed. The Board of Directors may, in its discretion, require the owner of the lost or destroyed certificate, or the owner's legal representative or representatives, to give the professional association such a statement of death or other evidence of the loss or destruction as the Board may desire.

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b. The Board of Directors may also require a bond in such form, amount, and with such surety or sureties as the board may determine is reasonably necessary and sufficient, in the sole judgment of the Board, to indemnify and protect the professional association against any and all claims, liabilities, costs, and expenses that may be made or asserted against it or which it may suffer or incur or pay, on account of the alleged loss of any such certificate or the issuance of such new certificate.

c. A new certificate may be issued without requiring any bond when in the sole discretion of the Board, it is proper so to do.

7.6 Dividends.

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The Board of Directors may declare dividends if, as, and when the Board deems expedient and as may be permitted by law and under the provisions of the Texas Professional Association Act.

b. Only members licensed to perform the association's business may receive dividends.

c. Before declaring any dividend there may be reserved out of the earned surplus such sum or sums as the Board of Directors from time to time, in the absolute discretion of the directors, deems proper for working capital or as a reserve fund to meet contingencies or for equalizing dividends, or for such other purposes as the Board may deem conducive to the interests of the professional association, and the Board may abolish any such reserve in the manner in which it was created.

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7.7 Record Dates and Closing of Transfer Books.

a. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders, or any adjournment thereof, or entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors of the professional association may provide that the stock transfer books shall be closed for a period but not to exceed, in any case, fifty (50) days.

b. If the stock transfer books shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least ten (10) days immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than fifty (50) days and, in case of a meeting of shareholders, not less than ten (10) days prior to the date on which the particular action requiring such determination of shareholders is to be taken.

c. If the stock transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or shareholder entitled to receive payment of a dividend, the date on which the notice of the

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meeting is mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders.

PREVIEW

7.8 Regulations.

a. The Board of Directors shall have power and authority to make all such rules and regulations as they may deem expedient concerning the issue, transfer, and registration or the replacement of certificates for shares of the capital stock of the professional association .

8. MISCELLANEOUS PROVISIONS

8.1 Fiscal Year

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a. The fiscal year of the professional association shall be such as the Board of Directors shall, by resolution, provide or establish or such as the President shall determine subject to approval of the Board.

8.2 Seal.

a. The seal of the professional association shall be in form as the Board of Directors shall prescribe, and may be used by causing it or a facsimile thereof to be impressed, or affixed, or printed, or reproduced or in any other manner.

8.3 Notice and Waiver of Notice

THIS DOCUMENT
a. Whenever any notice whatever is required to be given to any shareholder or director under the provisions of the Texas Business Organizations Code, Texas Professional Association Act or under the provisions of these Bylaws or the Certificate of Association of this professional association, the notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person or persons entitled thereto at their post office addresses, respectively, as same appear on the books or other records of the professional association. Notice [may – may not] be given by any other means provided for by statute and approved by the Board of Directors and Shareholders.

b. Such notice shall be deemed to have been given on the day of such mailing, but the notice shall also be deemed to be on the day of such mailing, but the notice shall also be deemed to be sufficient and to have been given and received if given in any other manner or by any other means authorized or provided for elsewhere in these Bylaws.

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c. A waiver or waivers of notice, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

8.4 Registration

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a. Any director or officer may resign at any time.

b. Each such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by either by the Board of Directors or the President or the Secretary.

c. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

8.5 Depositories.

a. Funds of the professional association not otherwise employed shall be deposited from time to time in such banks or other depositories as either the Board of Directors or the President or the Treasurer may select to approve.

8.6 Signing of Checks, Notes, etc.

a. In addition to and cumulative of, but in nowise limiting or restricting, any other provision or provisions of these Bylaws which confer any authority relative thereto, all checks, drafts, and other orders for the payment of money or monies out of funds of the professional association.

b. All notes and other evidences of indebtedness of the professional association shall be signed on behalf of the professional association, in such manner, and by such officer or officers, person or persons, as shall from time to time be determined or designated by or pursuant to resolution or resolutions of the Board of Directors, and, however, but if, when, after, and as authorized or provided for by resolution or resolutions of the Board of Directors the signature or signatures of any such officer or officers, person or persons, may be facsimile or facsimiles, engraved or printed, and shall have the same force and effect and bind the professional association as though such officer or officers, person or persons, had signed the same personally, and, in event of the death, disability, removal, or resignation of any such officer or officers, person or persons, as though and with the same effect as if such death, disability, removal, or resignation had not occurred.

8.7 Persons.

a. Wherever used or appearing in these Bylaws, the singular shall include the plural wherever appropriate.

8.8 Laws and Statutes.

a. Wherever used or appearing in these Bylaws, the words "law", "laws", "statute", and "statutes", shall mean and refer respectively, to laws and statutes, or a law or a statute, of the State of Texas, to the extent only that such is or are expressly applicable, except where otherwise expressly stated to the contrary.

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9. AMENDMENTS

PREVIEW

9.1 These Bylaws may be amended or altered at any regular or special meeting of the members by the affirmative vote of a minimum of fifty percent (50%) of the holders of the common stock present and voting. No amendment to the Bylaws shall be passed, however, unless notice in writing to the effect that the same will be voted upon has been mailed to the address of each holder of common stock of the professional association .

10. DISSOLUTION

10.1 The corporation may be dissolved at any time by the affirmative vote of the holders of [specify fraction] of the outstanding shares of the corporation at a meeting called for that purpose or by unanimous written consent of all the shareholders without a meeting.

10.2 In the event of such dissolution, the corporate property and assets shall, after payment of all debts of the corporation, be distributed to the shareholders, each shareholder to participate in such distribution in direct proportion to the number of shares held by such shareholder.

10.3 No one shareholder may cause the dissolution of the corporation by his or her own independent action.

Adopted by the Board of Directors _____ on.

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THIS DOCUMENT

President

ATTEST:

Secretary

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