

**LAKE HIGHLANDS GIRLS CLASSIC LEAGUE  
BYLAWS**

**I. GENERAL**

- A. Purpose. The Lake Highlands Girls Classic League ("LHGCL," "Classic League," or "League") is a Texas non-profit corporation and shall have all of the powers, duties, authorizations and responsibilities as provided in the Texas Non-Profit Association Act ("Act"); provided, however, the Classic League shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity that would invalidate its status as a corporation that is exempt from federal income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax law ("Code"), or as a corporation the contributions to which are deductible under Section 170(a)(1) of the Code by virtue of being charitable contributions as defined in Section 170(c)(2) of the Code. The purposes for which the Classic League is organized are:
1. To operate exclusively for religious, charitable, scientific, literary, or educational purposes within the meaning of Section 501 (c)(3) of the Code, by engaging directly in support of such purposes or by making distributions to other organizations for use, by the distributees, in support of such purposes; and
  2. To provide an advanced-level soccer league for the Under 11 through Under 19 female soccer players of the Dallas/Fort Worth and North Texas area as determined by the Board of Directors from time to time; and
  3. To promote soccer, to exert an influence for good on the life of the community; to elevate the standards of integrity, honor, loyalty, courage and courtesy among the youth of our community and all others participating in the game of soccer; and to cultivate the spirit of good fellowship among the Classic League's Members; and
  4. To engage in any and all lawful activities incidental to the foregoing purposes, except as otherwise restricted herein. LHGCL shall not carry on, other than as an insubstantial part of its activities, activities that are not in furtherance of its purposes.
- B. Affiliation. LHGCL, while a separate non-profit corporation, is associated with the Lake Highlands Soccer Association ("LHSA"). However, LHSA shall have no liability or responsibility for any misfeasance, malfeasance, or nonfeasance, or any debts or obligations of the Classic League and shall have no obligation or duty to supervise, oversee, or otherwise police or be cognizant of the activities of the Classic League. LHGCL, through its affiliation with Lake Highlands Soccer Association, is a member of the North Texas State Soccer Association ("NTSSA") and will recognize the authority,

rulings, and laws of that body, which were founded on the rules, rulings and law of, and is affiliated with, the United States Youth Soccer Association ("USYSA"), the United States Soccer Federation ("USSF"), and the Federation Internationale de Football Association ("FIFA").

- C. Conduct of Corporate Affairs. The affairs of the Classic League shall at all times be conducted in a manner consistent with the requirements of the Act and Code, as such requirements affect tax exempt organizations.
  
- D. Investments. The League shall have the right to retain all or any part of any property, real, personal, tangible or intangible, acquired by it in whatever manner, and pursuant to the direction and judgment of the Board of directors, to invest and reinvest any funds held by it without being restricted to the class of investments available to Officers by law or any similar restriction; provided, however, that no action shall be taken by or on behalf of the League if such action would result in denial of the League's exemption from federal income taxation due to the provisions of Section 503 of the Code and its regulations as they now exist or as they may hereafter be amended. In the event the League is not a Public Charity, no action shall be taken by or on behalf of the League if such action is a prohibited transaction or act giving rise to an excise tax or would result in denial of the League's exemption from federal income taxation due to the provisions of Section 507 or Chapter 42 of the Code and its regulations as they now exist or as they may hereafter be amended.
  
- E. Gifts. The Board of Directors may accept on behalf of the League any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the League.
  
- F. Operation Prohibitions. The League and its Board of Directors shall not do any act which shall constitute a basis for denial of tax exemption under applicable laws, including, without limitation, the following:
  - 1. The League shall not:
    - a. Lend any part of its income or corpus, without receipt of adequate security and a reasonable rate of interest;
    - b. Pay any compensation in excess of a reasonable allowance for salaries or other compensation for personal services actually rendered;
    - c. Make any part of its services available on a preferential basis;
    - d. Make any substantial purchase of securities or any other property for more than adequate consideration in money or money's worth;

- e. Sell any substantial part of its securities or other property for less than an adequate consideration in money or money's worth; or
    - f. Engage in any other transaction which results in a substantial diversion of its income or corpus to a person who has made a substantial contribution to the League, a member of the family of such person, or a corporation controlled by such person.
  - 2. The League shall not accumulate out of income amounts which are:
    - a. Unreasonable in amount or duration in order to carry out the purpose or function constituting the basis for tax exemption;
    - b. Used to a substantial degree for purposes or fractions other than those constituting the basis for tax exemption; or
    - c. Invested in such manner as to jeopardize the carrying out of the purpose or function constituting the basis for tax exemption.
  - 3. The League shall not enter into any contract, transaction, or act if such contract, transaction, or act would result in denial of the League's exemption from federal income taxation due to the provisions of Section 503 of the Code and its regulations, as they now exist or as they may hereafter be amended.
  - 4. The Board of Directors is empowered to make and enter into any loan agreement with any financial institution or entity as determined by the Board of Directors if such loan shall be used for the furtherance of the League's purpose.
- G. Principal Office. The principal office of the Classic League in the State of Texas shall be located at such place within Dallas County, Texas, as the Board of Directors may determine or as the affairs of the Classic League may require from time to time.
- H. Registered Office. The Classic League shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Act. The registered office may be, but need not be, identical with the principal office of the Classic League in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.