

**Third Amended and Restated
By-Laws
of
University Co-operative Society
Austin, Texas
(Amended effective January 28, 2015)**

ARTICLE I

MEMBERSHIP

SECTION 1. MEMBERS

Clause 1. The membership of The University Co-operative Society (the “Society”) shall consist of all bona fide students of The University of Texas, who shall be in residence at The University of Texas at Austin; all members of the faculty and staff of the University of Texas at Austin (“The University”) listed in the official directory of The University; all members of the staff at The University of Texas System who are resident in Austin, Texas; all retired members of the faculty and staff of The University who are resident in Austin, Texas and who served as members of the faculty and staff for not less than five years prior to their retirement; and members of the Board of Regents of The University of Texas. The Chairperson of the Board of Directors (the “Board of Directors”) of the Society, in the event he/she shall not be a member as provided above, shall upon his/her election become a member of the Society. The two Independent Directors who are elected to the Board of Directors in accordance with Article II, Section 1, Clause 2, shall upon election become members of the Society.

SECTION 2. CLASSES OF MEMBERS

Clause 1. The membership of the Society shall be divided into two classes: Trustee and Beneficial.

Clause 2. Trustee Membership shall constitute those members who are currently serving as members of the Board of Directors who have been chosen in accordance with the provisions of these by-laws and who accordingly are charged with management of the affairs of the Society for the benefit of all the membership.

Clause 3. Beneficial Membership shall constitute all other members of the Society for whose primary benefit the affairs of the Society are being operated, who are not currently serving as members of the Board of Directors.

SECTION 3. VOTING BY THE MEMBERSHIP

Clause 1. The right to vote on any matter pertaining to amendments to the Articles of Incorporation, or the merger, consolidation, or dissolution of the corporation

shall be vested solely in the Trustee Membership, and the Beneficial Membership as such shall have no voting rights with respect to the corporation.

Clause 2. The provisions of Article II, relating to meetings of, and action by, the Board of Directors, shall apply to meeting of, and action by, the Trustee Membership.

SECTION 4. PARTICIPATION IN SAVINGS-SHARING PLAN

Clause 1. Both classes of membership shall be eligible to participate in the savings-sharing plan of the Society under the terms and conditions promulgated from time to time by the Board of Directors.

ARTICLE II

BOARD OF DIRECTORS

SECTION 1. MEMBERS

Clause 1. The Board of Directors of the Society shall consist of eleven members, four of whom (each a “Faculty Director”) shall be voting members of the general faculty of The University, four of whom (each a “Student Director”) shall be bona fide members of the student body of The University at the time of their election, two of whom (each an “Independent Director”) shall be neither presently a student at nor a faculty or staff member of The University, and one of whom (the “Chairperson”) shall be elected by the other Directors. The Board of Directors then in office shall elect new members of the Board of Directors.

Clause 2. All Student Directors shall be full-time students at The University at the time of their election and during the long sessions throughout their term of office. No student shall run for nomination to the Board of Directors without a good faith intention to complete his/her full term of two years. For purposes of these By-Laws, the “long session” means the Fall semester beginning in August of each year and the Spring semester beginning in January of the following year.

Clause 3. No Student Director shall hold any office created by the Constitution or By-Laws of the Student Government at any time during his/her term of office on the Board of Directors.

Clause 4. For purposes of clause 2 of this Article, “Full-time” member of the student body is a bona fide student actively pursuing a degree at The University within the customary time periods for that degree. “Full-time” means registered for a minimum of 12 hours in the case of an undergraduate student and a minimum of 9 hours in the case of a graduate student, except that if the school or department defines a “full-time” student as requiring a greater number of hours, that greater number shall control. However, a student who has been granted a reduced course load accommodation from the Services for Students with Disabilities is considered a full-time student. In addition, an undergraduate enrolled in at least six hours of coursework in his or her semester of expected graduation is also considered a full-time student. A copy of this definition of

“full-time” shall be provided to each prospective candidate for election to the Board of Directors of the Society.

Clause 5. No two of the four Faculty Directors shall be from the same college or school of The University.

Clause 6. The Chairperson need not be a member of the faculty or student body of The University. The provisions of clause 5 of this Section shall not apply to the selection of the Chairperson.

SECTION 2. ELECTION

Clause 1. The Chairperson shall be elected annually by the majority vote of the other directors. The term of office of the Chairperson shall begin April 1 of each year; the Chairperson in office shall serve until a successor is elected and qualified.

Clause 2. Each Independent Director shall be elected by the majority vote of the Board of Directors. The term of each Independent Director shall expire on May 1 of the second year following such member’s election to the Board of Directors; provided, that, such terms shall be staggered so that one Independent Director’s term expires every other year. An Independent Director in office shall serve until a successor is elected and qualified.

Clause 3. Each Faculty Director shall each serve a four year term. The election of the Faculty Directors shall be staggered so that one Faculty Director’s term expires each year.

Clause 4. Faculty Directors who serve a full four year term shall not be eligible for re-election to an immediately following term.

Clause 5. Faculty Directors shall be nominated by the President of The University from a list of candidates approved by the Faculty Council of The University and presented to the President by March 1 of each year.

Clause 6. The term of each Faculty Director shall expire on May 1 of the fourth year following such member’s election to the Board of Directors. Faculty Directors in office shall serve until a successor is elected and qualifies.

Clause 7. Each Student Director shall be nominated for two year terms by student election conducted in compliance with rules established by the Board of Directors. Terms of Student Director shall be staggered so that two Student Directors are elected to the Board of Directors each year.

Clause 8. The term of each Student Director shall expire on May 1 of the second year following such Student Director’s election to the Board of Directors. A Student Director in office shall serve until a successor is elected and qualifies. A Student Director who serves a full two year term shall not be eligible for re-election to an immediately following term.

Clause 9. In the event of a vacancy in a Student Director position, a successor shall be elected in a manner determined by the Board of Directors.

Clause 10. Persons properly nominated to the Board of Directors may attend meetings of the Board of Directors until they are elected to the Board of Directors or until the position is filled in some other manner.

Clause 11. Should any nominee fail to be elected by the Board of Directors, or if any elected member of the Board of Directors fails to qualify, the nominating authority may be requested to make another nomination or the Board of Directors may determine an alternative method of nomination.

Clause 12. A student appointed to fill a Student Director vacancy on the Board of Directors shall be eligible for a subsequent full two year term.

Clause 13. In the event of a Faculty Director or Independent Director vacancy, a successor shall be chosen by the Board of Directors to serve for the remainder of the term of the vacant Faculty or Independent Director. Clause 5 of this Section shall not be applicable to the filling of a vacancy under this Clause 13.

Clause 14. No person shall be employed by the Society or any of its operating sub-divisions who is serving or has served during the previous two years as a member of the Board of Directors or is a relative of the first degree of consanguinity or affinity of a person who is serving or has served during the previous two years as a member of the Board of Directors, except that the Chairperson may be elected without regard to this Clause.

Clause 15. A seat on the Board of Directors shall be vacated whenever the resignation of any member is accepted by the Board of Directors, or whenever a person elected as a Faculty Director ceases to be a member of the faculty of The University, or whenever a person elected as a Student Director fails to maintain the status of a full time student during a long session, or graduates or withdraws from The University, or fails to register as a full time student within thirty days after the first day of registration in any semester of the long session, or whenever an Independent Director becomes a student at or a faculty or administrator or staff member of The University. Any Student Director who announces that he/she is seeking, or who files his/her candidacy with the Election Board of the Student Government for any existing or proposed office under the Constitution or By-Laws of the Student Government shall be deemed to have resigned from the Board of Directors upon that filing.

SECTION 3. POWERS AND DUTIES

Clause 1. The Board of Directors shall have all powers necessary for the proper conduct and supervision of the business of the Society, and shall adopt those business policies which will furnish to its members all books, stationery, school supplies, and other merchandise at the lowest cost consistent with good business and the continued existence of the Society.

Clause 2. The Board of Directors shall, at its discretion, make rules governing the conduct of the business of the Society and its officers.

Clause 3. The Board of Directors shall hold regular monthly meetings each month during the long session. The dates, places and times of such regular meetings shall be established by the Board of Directors. The Board of Directors may also hold special meetings at the call of the Chairperson for any purpose, which shall be stated in the notice of the meeting. Notice of a Special Meeting shall be given at least one day in advance of the date of the meeting. A quorum of the Board of Directors shall consist of a majority of the directors then in office. If less than a quorum is present at any meeting, the Chairperson may adjourn the meeting to another date without further notice except notice of the time and place of the meeting. The vote of a majority of the Directors present at a meeting at which a quorum is present, constitutes action by the Board of Directors.

Clause 4. The Board of Directors shall appoint at its April meeting its senior student members to serve as Co-Vice-Chairpersons, whose terms of office shall expire at the regular meeting in May of the following year.

Clause 5. The Board of Directors shall elect a President who shall serve at the pleasure of the Board of Directors. The Board of Directors shall also elect a Treasurer and a Secretary and such other officers as the Board of Directors shall determine to be necessary to conduct the business of the Society. The President and other officers shall be nominated by the Chairperson and elected by the Board of Directors. Officers shall be elected for such term as the Board of Directors may determine. Annual compensation for elected officers shall be fixed by the Board of Directors.

Clause 6. The Board of Directors may establish an executive committee consisting of the members of the Board of Directors to exercise the powers of the Board of Directors with respect to the business and affairs of the Society. Any action taken by the Executive Committee shall be reported to the full Board of Directors at the next Board of Directors meeting.

Clause 7. No action shall be taken by the Board of Directors concerning (1) the use, transfer, or dispensation of funds in any reserve or investment accounts, or (2) any departure from established policies, except (1) upon advance written notice of at least two weeks to all members of the Board of Directors of the specific action and (2) by a majority vote of the entire membership of the Board of Directors. The opinion of any two members of the Board of Directors that a matter is a departure from established policy shall be sufficient to defer action under the provisions of this clause.

Clause 8. An audit committee of the Board of Directors shall be appointed by the Chairperson, subject to approval by the Board of Directors, to oversee the annual audit of the results of operations of the Society, and to perform other functions normally performed by audit committee.

Clause 9. The Chairperson may, from time to time, create other committees of the Board of Directors to review matters to be considered by the Board of Directors and to make recommendations to the Board of Directors. The Board of Directors may invest committees with authority to take action on behalf of the Board of Directors subject to such restrictions as the Board of Directors may establish. The Chairperson shall appoint members to committees, subject to approval by the Board of Directors, and may abolish committees if the Chairperson concludes that their continued functioning appears to be unnecessary.

Clause 10. Members of the Board of Directors or of any committee may participate in a meeting of the Board of Directors or of the committee by means of conference telephone or similar communications equipment, the internet or any combination thereof, that allows all persons participating in the meeting to communicate with one another. Participation by such means shall constitute presence in person at a meeting.

Clause 11. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee may be taken by the unanimous consent of all members of the Board of Directors or of such committee. The action must be evidenced by one or more written consents describing the action taken and signed by each member of the Board of Directors or of the committee. The written consents shall be filed with corporate record reflecting the action taken. Action taken under this clause is effective when the last member of the Board of Directors or of the committee signs a written consent, unless the consent specifies a different prior or subsequent effective date. The Secretary of the Society may certify any action taken by the unanimous consent of the Board of Directors under this clause as the action of the Board of Directors.

ARTICLE III

OFFICERS AND THEIR DUTIES

SECTION 1. THE CHAIRPERSON OF THE BOARD OF DIRECTORS

Clause 1. The Chairperson shall be the presiding officer at all meetings of the Board of Directors and at all meetings of the trustee members of the Society. The Chairperson shall have all powers usually pertaining to such office. In the conduct of the business of the Board of Directors, the Chairperson shall vote only in case of a tie.

Clause 2. It shall be the duty and the responsibility of the Chairperson to see that the policies of the Board of Directors are carried out in the operations of the Society. The Chairperson shall periodically report to the Board of Directors on the operations and financial affairs of the Society and shall make suitable recommendations to the Board of Directors for its consideration for changes and modifications in existing policies and adoption of new policies.

Clause 3. The Chairperson shall see that a proper audit is made at the end of each fiscal year of the operation of the Society. It shall be the duty of the Board of

Directors upon the request of the Board of Regents of the University of Texas at Austin, or the President of the Student Government of The University of Texas at Austin to furnish an audited annual statement of the assets, liabilities, net worth, and results of operations of the corporation, along with other suitable data concerning its business, as soon after the end of each business year as these results are certified by the Board of Directors.

Clause 4. The Chairperson shall receive such compensation for his/her services as the Board of Directors shall from time to time determine.

Clause 5. If the Chairperson dies, resigns from office or is otherwise unable to discharge the powers and duties of the office, the Board shall form an executive committee consisting of the Co-Vice-Chairpersons and the faculty member with the longest continuous tenure on the Board to discharge the powers and duties of the office.

SECTION 2. THE VICE-CHAIRPERSON OF THE BOARD OF DIRECTORS

Clause 1. Subject to Article III, Section 1, Clause 5, in the absence of the Chairperson of the Board of Directors, the Co-Vice-Chairpersons shall assume the responsibilities of the Chairperson.

SECTION 3. PRESIDENT AND VICE PRESIDENT

Clause 1. The President shall devote his or her whole working time to the business of the Society. The President shall be wholly responsible for the detailed supervision of its affairs, the carrying out of its business policies, its efficient operation, supervision of all employees, and the proper coordination of all phases of its activity, and in all things be the chief executive officer of the Society, subject only to such rules and policies as may be prescribed from time to time by the Board of Directors and to the counsel and policy guidance of the Chairperson.

Clause 2. The President shall make accessible any official records of the Society and shall explain any phase of activity of the Society, to any member of the Board of Directors, upon request.

Clause 3. The President shall assist the auditor in the proper preparation and presentation of the financial reports of the Society.

Clause 4. The Board of Directors may elect one or more vice presidents to perform such functions as the President shall determine. In the absence of the President, the most senior vice president in terms of service for the Society shall perform the functions of the President unless the Board of Directors or the Chairperson shall designate some other person to perform those functions.

Clause 5. The President shall seek prior approval of the Board of Directors for all leases, all capital expenditures of \$100,000 or more, all new positions with pay of \$100,000 or more, all increases of pay for executive staff, all bonuses for executive staff and for any changes in bank signatures.

SECTION 4. THE SECRETARY AND TREASURER

Clause 1. The Secretary of the Board of Directors shall keep a regular minute book and shall therein accurately record the proceedings of each meeting.

Clause 2. The Secretary shall likewise maintain proper files wherein all important records of the Society and its Board of Directors shall be preserved.

Clause 3. The Treasurer shall be responsible for the safe-keeping of the assets of the Society.

ARTICLE IV

INDEMNIFICATION AND INSURANCE

SECTION 1. INDEMNIFICATION

Clause 1. The Society shall indemnify any person who is or was a member of the Board of Directors of the Society to the maximum extent permitted by Section 22.235 the Texas Business Organizations Code, as the same may be amended from time to time, or any other applicable statute which may be in effect from time to time and which shall be more permissive. Such indemnification shall include (without limitation), to the maximum extent permitted by law, the direct payment by the Society of any and all judgments, penalties, fines, settlements, and reasonable expenses (including, without limitation, attorneys' fees and court costs) arising or incurred in connection with any matter relating to such person's service or status as a member of the Board of Directors (including, without limitation, service pertaining to Trustee Membership or status as a Trustee Member).

SECTION 2. INSURANCE

Clause 1. The Society shall maintain one or more policies of insurance for the benefit of each member of the Board of Directors relating to the liability of such members for their service or status as Directors (including, without limitation, service pertaining to Trustee Membership or status as a Trustee Member). Such insurance policy shall be underwritten by such carriers, shall be in such amounts, and shall provide such coverage as the Board of Directors, from time to time, shall determine appropriate. The President of the Society, no less frequently than annually, and, in all events, prior to the expiration of any applicable insurance policies, shall review such insurance with the Board of Directors so as to enable the Board of Directors to make an informed judgment with respect to the same.

ARTICLE V

AMENDMENT, REPEAL, AND PUBLICATION OF BY-LAWS

SECTION 1. REPEAL

Clause 1. These By-Laws, or any portion thereof, may be repealed at any regular meeting of the Board of Directors upon advance written notice of two weeks by a majority vote of the entire membership of the Board of Directors.

SECTION 2. AMENDMENT

Clause 1. These By-Laws, or any portion thereof, may be amended at any regular meeting of the Board of Directors upon advance written notice thereof of two weeks by a majority vote of the entire membership of the Board of Directors.

SECTION 3. PUBLIC AVAILABILITY

Clause 1. The Articles of Incorporation and By-Laws of the Society shall be available to any Trustee or Beneficial member of the Society upon request.