

ARTICLES OF INCORPORATION

OF

SAN ANGELO CHRISTIAN ACADEMY

FILED
In the Office of the
Secretary of State of Texas

SEP 09 2003

Corporations Section

We, the undersigned natural persons over the age of eighteen (18), acting as incorporators, adopt the following Articles of Incorporation of SAN ANGELO CHRISTIAN ACADEMY (referred to herein as the "Corporation") under the Texas Non-Profit Corporation Act (referred to as the "Act"):

ARTICLE I

Name

The name of this corporation is SAN ANGELO CHRISTIAN ACADEMY.

ARTICLE II

Non-profit Corporation

The corporation is a non-profit corporation. Upon dissolution, all of the Corporation's assets shall be distributed to the State of Texas or an organization exempt from taxes under Internal Revenue Code Section 501(c)(3) for one or more purposes that are exempt under the Texas franchise tax to be used to accomplish the general purposes for which the Corporation was organized.

ARTICLE III

Duration

The period of its duration is perpetual.

ARTICLE IV

Purpose or Purposes

The purpose or purposes for which the corporation is organized are to perform religious and charitable activities within the meaning of Internal Revenue Code Section 501(c)(3) and Texas Tax Code Section 11.18(c)(1). Specifically, the corporation is organized for the following purposes:

- (a) To establish and operate a Christian school in the San Angelo, Texas area which offers a superior academic program in a distinctively Christian environment as an alternative to public education.
- (b) To have and to exercise all rights and powers that are now or may hereafter be granted to a non-profit corporation by law.

ARTICLE V

Powers

Except as otherwise provided in these Articles, the Corporation shall have all of the powers provided in the Act. Moreover, the Corporation shall have all implied powers necessary and proper to carry out its express powers.

ARTICLE VI

Restrictions and Requirements

The Corporation shall not pay dividends or other corporate income to its directors or officers or otherwise accrue distributable profits or permit the realization of private gain. The Corporation shall have no power to take any action prohibited by the Act. The Corporation shall have no power to take any action that would be inconsistent with the requirements for qualifying as a tax exempt organization under Internal Revenue Code Section 501(c)(3) and related regulations, rulings, and procedures. The Corporation shall have no power to take any action that would be inconsistent with the requirements for receiving tax deductible charitable contributions under Internal Revenue Code Section 170(c)(2) and related regulations, rulings, and procedures. Regardless of any other provision in these Articles of Incorporation or state law, the Corporation shall have no power to:

1. Engage in activities or use its assets in manners that are not in furtherance of one or more exempt purposes, as set forth above and defined by the Internal Revenue Code and related regulations, rulings, and procedures, except to an insubstantial degree.
2. Serve a private interest other than one that is clearly incidental to an overriding public interest.

3. Devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise, except as provided by the Internal Revenue Code and related regulations, rulings, and procedures.
4. Participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office. The prohibited activities include the publishing or distributing of statements and any other direct or indirect campaign activities.
5. Have objectives that characterize it as an "action organization" as defined by the Internal Revenue Code and related regulations, rulings, and procedures.
6. Distribute its assets on dissolution other than for one or more exempt purposes; on dissolution, the Corporation's assets shall be distributed to the state government for a public purpose, or to an organization exempt from taxes under Internal Revenue Code Section 501(c)(3) to be used to accomplish the general purposes for which the Corporation was organized.
7. Permit any part of the net earnings of the Corporation to inure to the benefit of any private shareholder or member of the Corporation or any private individual.
8. Carry on an unrelated trade or business except as a secondary purpose related to the Corporation's primary, exempt, purposes.

ARTICLE VII

Membership

The Corporation shall have no members.

ARTICLE VIII

Initial Registered Office and Agent

The street address of its initial registered office is 3140 Executive Drive, San Angelo, Texas 76904 and the name of its initial registered agent at such address is Don McKee.

ARTICLE IX

Directors

The qualifications, duties, terms and other matters relating to the Board of Directors and officers shall be provided in the bylaws. Any vacancy occurring in the Board of Directors and any position to be filled by reason of an increase in the number of Directors shall be filled by the Board of Directors with approval of a majority of the elders of Southgate Church of Christ, San Angelo, Texas, or its successor. The elders of Southgate Church of Christ, San Angelo, Texas (or its successor) shall have the power to remove any Director or Directors.

The initial Board of Directors shall consist of seven (7) persons. The number of directors may be increased to no more than nine (9) persons or decreased to no fewer than five (5) persons, in the manner provided in the bylaws. The number of directors shall always be an odd number, except for temporary vacancies as a result of resignation, death or termination of a director or directors. The initial Board of Directors shall consist of the following persons at the following addresses:

<u>Name of Director</u>	<u>Address</u>
Mason Hackus	220 Edinburgh San Angelo, TX 76901
Harroll Clemmer	5812 Pecan Valley Lane San Angelo, TX 76904
Herschel Duckworth	3515 Grape Creek Road San Angelo, TX 76903
Bryan Horner	1324 Doral Road San Angelo, TX 76904
Eddie Howard	3818 Deerfield San Angelo, TX 76904
Tommy McMahon	3602 Wildewood San Angelo, TX 76904
Steve Sherrod	4922 Mariner Terrace San Angelo, TX 76903

ARTICLE X

Limitation on Liability of Directors and Officers

A director or officer is not liable to the Corporation for monetary damages for an act or omission in the director's or officer's capacity except to the extent otherwise provided by a statute of the State of Texas.

ARTICLE XI

Indemnification

The Corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or other person related to the Corporation as provided by the provisions in the Act governing indemnification. As provided in the bylaws, the directors and officers shall have the power to define the requirements and limitations for the Corporation to indemnify directors and officers.

ARTICLE XII

Construction

All references in these Articles of Incorporation to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

ARTICLE XIII

Incorporators

The name and street address of each incorporator is:

<u>Name</u>	<u>Address</u>
Mason Backus	220 Edinburgh San Angelo, Texas 76901
Allen L. Price	1506 Ray Street San Angelo, Texas 76904

We execute these Articles of Incorporation on this 5th day of September, 2003.

Mason R. Backus
MASON BACKUS

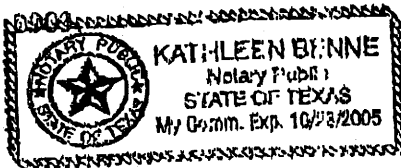
Allen L. Price
ALLEN L. PRICE

THE STATE OF TEXAS §

COUNTY OF TOM GREEN §

BEFORE ME, the undersigned authority, on this day personally appeared MASON BACKUS who being by me duly sworn, declared that he is one of the persons who signed the foregoing document as incorporator and the statements contained therein are true.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 5th day of September,



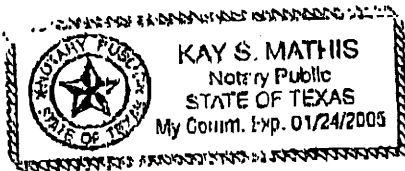
Kathleen Bennet
Notary Public in and for the State of Texas

THE STATE OF TEXAS §

COUNTY OF TOM GREEN §

BEFORE ME, the undersigned authority, on this day personally appeared ALLEN L. PRICE who being by me duly sworn, declared that he is one of the persons who signed the foregoing document as incorporator and the statements contained therein are true.

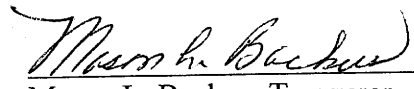
GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 5 day of September, 2003.



Kay S. Mathis
Notary Public in and for the State of Texas

DECLARATION:

The original copy of these articles was filed September 9, 2003 with, and approved by, the Texas Secretary of State.



Mason L. Backus, Treasurer