

**PLAN OF CONVERSION**

**OF**

**HCMRR, LLC**

(A Texas Limited Liability Company)

**INTO**

**HCMRR, INC.**

(A Texas Nonprofit Corporation)

This Plan of Conversion (the "Plan") is adopted pursuant to Chapter 10 of the Texas Business Organizations Code (the "TBOC").

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**ARTICLE I**

**CONVERTING ENTITY**

1. The name of the converting entity is **HCMRR, LLC**, a Texas limited liability company (the "Converting Entity").
  2. The Converting Entity is governed by the Texas Business Organizations Code.
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**ARTICLE II**

**CONVERTED ENTITY**

1. The name of the converted entity shall be **HCMRR, Inc.**, a Texas nonprofit corporation (the "Converted Entity").
  2. The Converted Entity shall be governed by the Texas Business Organizations Code.
  3. The Certificate of Formation of the Converted Entity shall be filed with the Texas Secretary of State in accordance with the TBOC.
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**ARTICLE III**

**PURPOSE OF THE NONPROFIT CORPORATION**

Upon conversion, the Converted Entity shall be organized and operated exclusively for one or more charitable, educational, religious, or scientific purposes within the meaning of

Section 501(c)(3) of the Internal Revenue Code (or corresponding provision of future federal tax law), including but not limited to:

No part of the net earnings of the Converted Entity shall ensure the benefit of, or be distributable to, its directors, officers, or other private persons, except as permitted under Section 501(c)(3).

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## **ARTICLE IV**

### **TERMS AND CONDITIONS OF CONVERSION**

1. Upon the effectiveness of the filing of the Certificate of Conversion and the Certificate of Formation of HCMRR, Inc. with the Texas Secretary of State (the "Effective Time"), the Converting Entity shall be converted into the Converted Entity pursuant to TBOC §10.101.
  2. At the Effective Time:
    - a. All property, real and personal, tangible and intangible, and all rights, privileges, immunities, powers, and purposes of HCMRR, LLC shall remain vested in HCMRR, Inc. without transfer or assignment.
    - b. All debts, liabilities, and obligations of HCMRR, LLC shall continue as debts, liabilities, and obligations of HCMRR, Inc.
    - c. Any pending claim or proceeding by or against HCMRR, LLC may be continued by or against HCMRR, Inc.
    - d. The separate existence of HCMRR, LLC, shall cease.
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## **ARTICLE V**

### **MANNER AND BASIS OF CONVERTING MEMBERSHIP INTERESTS**

1. Upon conversion, all membership interests in HCMRR, LLC shall be canceled.
2. The Converted Entity shall be a **non-member nonprofit corporation** (unless otherwise specified in the Certificate of Formation).
3. The former Members of HCMRR, LLC, shall not receive stock or ownership interests in the Converted Entity.

4. If required by law or the Company Agreement of HCMRR, LLC, the Members acknowledge and approve the cancellation of their economic interests in connection with this charitable conversion.
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## **ARTICLE VI**

### **INITIAL DIRECTORS**

The initial Board of Directors of HCMRR, Inc. shall consist of the persons named in the Certificate of Formation or as otherwise approved in connection with this Plan.

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## **ARTICLE VII**

### **APPROVAL OF PLAN**

This Plan of Conversion has been approved in accordance with:

- The Company Agreement of HCMRR, LLC.
- TBOC §10.103; and
- TBOC §101.356 (approval requirements for LLC conversions).

All required member approvals have been obtained.

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## **ARTICLE VIII**

### **EFFECTIVE DATE**

The conversion shall become effective upon:

Filing of the Certificate of Conversion and Certificate of Formation

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## **ARTICLE IX**

### **FURTHER ACTION**

The Managers and/or authorized Members of HCMRR, LLC are authorized to:

- Execute and file the Certificate of Conversion (Form 637).
- Execute and file the Certificate of Formation – Nonprofit Corporation (Form 202).

- Take all actions necessary to effectuate the conversion.
  - Prepare and adopt Bylaws of the Converted Entity.
  - Apply for federal tax-exempt status under Section 501(c)(3), if applicable.
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## **ARTICLE X**

### **DISSOLUTION CLAUSE (FOR 501(c)(3) COMPLIANCE)**

Upon dissolution of HCMRR, Inc., assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3), or to the federal government, or to a state or local government for a public purpose.

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### **EXECUTION**

Adopted and approved on this \_\_\_ day of \_\_\_\_\_, 2026.

#### **HCMRR, LLC**

A Texas Limited Liability Company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_