

Central Texas Spaceport Development Corporation By-Laws

PREAMBLE

These Bylaws are subject to, and governed by, the Texas Non-Profit Corporation Act and the Articles of Incorporation of the Corporation. In the event of a direct conflict between the provisions of these Bylaws and the mandatory provisions of the Texas Non-Profit Corporation Act, the Texas Non-Profit Corporation Act will be controlling. In the event of a direct conflict between the provisions of these Bylaws and the Articles of Incorporation of the Corporation, these Bylaws will be controlling.

ARTICLE I – NAME

1.1 Name. The name of the corporation is Central Texas Spaceport Development Corporation, referred to hereinafter as “Corporation”. The Corporation was duly chartered on **DATE (Charter No. XXXX)**, pursuant to the provisions of the Nonprofit Corporations Act, Chapter 22 of the Texas Business Organizations Code.

ARTICLE 2 – PURPOSE

2.1 Purpose. The purpose of the Corporation is to support the creation and development of a spaceport project in Williamson County, Texas and Burnet County, Texas, and for any lawful purpose permitted by the Nonprofit Law of the State of Texas.

ARTICLE 3 – OFFICES

3.1 Principal Office. The principal office of the Corporation and such other offices, either within or without the State of Texas, shall be established as the Board of Directors may determine as necessary.

3.2 Registered Office. The Corporation shall continuously maintain a registered office, and a registered agent whose office is identical with such registered office, or as otherwise required by Chapter 22 of the Texas Business Organizations Code. The registered office may be, but need not be, identical with the principal office, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE 4 – POWERS

4.1 General Powers. The general powers are as follows:

- 4.1.1 To perform any lawful act as prescribed by the powers of the Secretary of State of Texas and Chapter 507 of the Texas Local Government Code.
- 4.1.2 To receive and maintain a fund or funds, real estate or personal property, or both, and subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively to support the creation and development of a spaceport project in Williamson County, and Burnet County, Texas.
- 4.1.3 No part of the net earning of the Corporation shall inure to the benefit of any Director of the Corporation, Officer of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes), and no Director or Officer of the Corporation, or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation.

ARTICLE 5 – MEMBERSHIP

- 5.1 Members.** The Corporation shall not have members, unless required by law.
- 5.2 Presiding Officer.** The Board of Directors shall elect a Presiding Officer from among its members.
- 5.3 Other Officers.** The Board of Directors shall elect a secretary and a treasurer from among its members. The Board of Directors may also elect a Vice President who shall serve in the Presiding Officer’s absence, and other assistant officers, as considered necessary.
- 5.4 Immunity from Liability.** The members of the Board of Directors of the Corporation are not personally liable for a debt, liability, or obligation of the Corporation, unless the officer’s conduct was not exercised:
 - (1) In good faith;
 - (2) With ordinary care; and
 - (3) In a manner the officer reasonably believes to be in the best interest of the Corporation.

ARTICLE 6 – BOARD OF DIRECTORS

- 6.1 General Powers and Responsibilities.** The Corporation shall be governed by a Board of Directors (“the Board”), which shall have all the rights, powers, privileges and limitations of liability of directors of a nonprofit corporation organized under the Texas Non-Profit Corporation Act. The Board shall establish policies and directives governing business and

programs of the Corporation and may delegate responsibility for the administrative and business management of the Corporation to an Executive Director.

6.1.1 Primary Responsibility. The Board of Directors is vested with a fiduciary responsibility is to set policy, provide fiscal guidance, and ongoing governance of the Corporation.

6.1.2 Board Compensation. The Board shall receive no compensation other than reasonable expenses.

6.2 Authority. The Board of Directors has the general power to control and manage the affairs, funds, and property of the Corporation; disburse the Corporation's monies and dispose of its property in accordance with the provisions contained in the Corporation's Certificate of Formation. The Board of Directors shall not permit any part of the net earnings or capital of the Corporation to benefit any private individual. The fiduciary responsibilities of individual Directors are those specified for directors in Chapter 22 of the Texas Business Organizations Code, as amended. Notwithstanding anything to the contrary above, the Board of Directors shall have power to act in accordance with Chapter 507 of the *Texas Local Government Code* to carry out the purposes of the Corporation.

6.3 Number and Qualifications. The number of Directors shall be seven. The Commissioners Courts of Williamson and Burnet counties will select Directors with strong leadership skills and commitment to the Corporation's mission. Directors will not have a conflict of interest and will have a willingness to commit the needed time to the Corporation.

6.4

6.4.1 Williamson County. The Williamson County Commissioners Court shall have the unequivocal right to appoint, and at all times maintain four (4) Directors on the seven-member Board of Directors. Williamson County will fill Place #1, Place #3, Place #5, and Place #7 on the Board.

6.4.2 Burnet County. The Burnet County Commissioners Court shall have the unequivocal right to appoint, and at all times maintain three (3) Directors on the seven-member Board of Directors. Burnet County will fill Place #2, Place #4, and Place #6 on the Board.

6.5 Board Terms.

6.5.1 Term Length. Unless a Director resigns or is removed, all terms on the Board of Directors will be two (2) year terms that expire June 1, except that the initial term for Place #1, Place #2, Place #3, and Place #4 on the Board of Directors shall be a two (2) year term

expiring June 1, 2027 and the initial term for Place #5, Place #6, and Place #7 shall be a one (1) year term expiring June 1, 2026 so that the terms are staggered in the future. The initial Directors will be named in the Certificate of Formation of the Corporation

6.5.2 Term Limitations. There will be no term limitations on the Board of Directors. Board appointees will serve at the pleasure of the Commissioners Courts from Williamson County and Burnet County and will continue to serve until a successor is appointed.

6.5.3 Vacancies. Any Director vacancy of a Williamson County appointed Board position shall be filled by a majority vote of the Williamson County Commissioners Court. Any Director vacancy of a Burnet County appointed Board position shall be filled by a majority vote of the Burnet County Commissioners Court. An appointee will serve the remaining portion of the Director's term that he or she is filling.

6.6 Removal of Directors. A Director of the Board may be removed by a majority vote of the Commissioners Court who appointed the particular Director being removed. A Director on the Board may be removed from the appointed office, with or without cause, by the Commissioners Court of the respective Board position.

6.7 Conflict of Interest. It is the responsibility of each Director to make full disclosure to the Board of Directors concerning any actual or potential conflicts of interest in any matter which is the subject of business before the Board. No Director may vote on any matter in which he or she has any actual or potential conflict of interest. Directors shall disclose in writing to the Board of Directors any persons to whom they are closely related or organization with which they are affiliated who or which presently transacts business with the Corporation or might reasonably be expected to do so in the future. Each disclosure shall be updated and resubmitted on a yearly basis.

An affiliation with an organization shall be considered to exist when a Director or a member of his or her immediate family, close relative, affectional or life partners is an officer, director, partner, employee, or agent of the other organization, or has any substantial interest or dealing with the other organization. Closely related persons shall include, in addition to spouses, children, siblings, and blood relatives, affectional relationships between persons of the same or opposite sex.

ARTICLE 7 – MEETINGS

7.1 Regular Meetings. The regular meetings of the Board shall be as set by a majority of the Board and held in a Location designated by the Board. The Board of Directors may reschedule regular meetings as deemed necessary by a majority vote. The Board of Directors shall meet at least once every three months at the call of the Presiding Officer or a majority of Directors.

- 7.2 Special Meetings.** Special meetings of the Board may be called by or at the request of the Presiding Officer or by a vote of a majority of the Directors at a regular meeting. Special meetings shall be held in the location to be determined by the Board of Directors. All special meetings shall be called by the Presiding Officer at least seventy-two (72) hours in advance of said meeting.
- 7.3 Waiver of Notice.** Notice of any special meeting of the Board shall be given at least three days previous thereto by written notice, delivered personally or sent by email or electronic transmission to each Director at his or her address shown by the records of the Corporation. If notice is given by electronic transmission, such notice shall be deemed to be delivered upon transmission. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, unless a Director attends a meeting for the express purpose of objecting to the transaction of any business. A waiver of notice of a board meeting is not required to specify the business to be transacted at the meeting or the purpose of the meeting, unless required by the bylaws.
- 7.4 Quorum.** A majority of the Board of Directors qualified to vote shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum is not present at a meeting, the Board members present may adjourn the meeting from time to time without further notice until a quorum shall be present. However, a Board member shall be considered present at any meeting of the Board of Directors if during the meeting he or she is connected by conference telephone or similar communications system, including videoconferencing technology or the internet, or any combination of these used to communicate with other Board members participating in the meeting, as provided under Chapter 551 of the Texas Government Code.
- 7.5 Manner of Acting.** The act of a majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors, unless the acts of a greater number is required by law or by these Bylaws.
- 7.6 Open Meetings.** All regularly scheduled meeting or special called meetings of the Board of Directors and any committees or subcommittees of the Board of Directors shall be held in compliance with Chapter 551 of the Texas Government Code, the “Open Meetings Act.”

ARTICLE 8 – COMMITTEES OF THE BOARD

- 8.1 Creation and Authority.** The Board of Directors may designate and appoint one or more committees. Each shall be chaired or co-chaired by a Director of the Board and shall consist of at least two or more Directors. Each committee shall report directly to the Board of Directors. The Chair shall appoint committee chairs of each Board committee and be an ex-officio voting member of each said committee.
- 8.2 Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

- 8.3 Quorum.** Unless otherwise provided in the resolutions of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.
- 8.4 Rules.** Each committee may recommend rules for its own government not inconsistent with these Bylaws and shall be submitted to the Board of Directors for adoption.

ARTICLE 9 – INDEMNIFICATION

- 9.1 Indemnification.** The Corporation shall indemnify a director or officer of the corporation for necessary expenses and costs, including attorney’s fees, actually incurred by the director or officer in connection with a claim asserted against the director or officer, by action in court or another forum, by reason of the director’s or officer’s being or having been a director or officer of the corporation. No Director shall be held personally liable for any debts of the Corporation.

ARTICLE 10 – PERSONNEL POLICIES

- 10.1 Written Policies.** If employees are hired, the Corporation shall establish written policies concerning qualifications, responsibilities, and conditions of employment.
- 10.2 Contents of Policies.** The Corporation’s personnel policies shall be available to each employee. The policies shall be applicable to all federal, state, and local laws.

ARTICLE 11 – FINANCIAL RECORDS and ANNUAL REPORT

- 11.1 Financial Records.** The Corporation shall maintain current and accurate financial records with complete entries as to each financial transaction of the Corporation, including income and expenditures, in accordance with generally accepted accounting principles.
- 11.2 Minutes.** Corporation shall keep minutes of the proceedings of its Board of Directors, and Committees having any of the authority of the Board of Directors and shall keep at the registered or principal office a record of the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any Director or his or her agent or attorney for any purpose at any reasonable time.
- 11.3 Annual Report.** The Board of Directors shall oversee and approve an annual report of the business of the Corporation and present the annual report to the Williamson County Commissioners Court and the Burnet County Commissioners Court. The annual report shall be prepared using current financial records of the Corporation from the previous year and must conform to accounting standards as adopted by the American Institute of Certified Public Accountants. The Annual Report shall be made available on the Corporation’s website.

11.3.1 Availability to Public. The Corporation shall keep each document the Corporation is required to make available for public inspection at the Corporation's registered or principal office for at least three years after the close of the fiscal year. Documents shall be available for inspection and copying at the Corporation's principal office during regular business hours. The Corporation may charge a reasonable fee for preparing a copy of a document.

ARTICLE 12 – MISCELLANEOUS

- 12.1 Fiscal Year.** The fiscal year of the Corporation shall be October 1 to September 30.
- 12.2 Seal.** The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed therein the name: "Central Texas Spaceport Development Corporation". The Corporate seal may be either embossed or produced by a computerized graphic.
- 12.3 Discrimination.** The rules established by the Board of Directors shall govern all cases wherein they do not conflict with the law, the charter, or these Bylaws.
- 12.4 Parliamentary Authority.** The rules established by the Board of Directors shall govern all cases wherein they do not conflict with the law, the charter, or these Bylaws. The Presiding Officer has the authority to appoint a Parliamentarian as needed.
- 12.5 Proxy.** Directors shall not be permitted to vote by proxy.
- 12.6 Voting.** At any meeting of the Directors, every Director present shall be entitled to one vote and, except as otherwise provided by law or by these Bylaws, the act of the majority present at any meeting at which a quorum is present shall be the act of the Directors.
- 12.7 Loans.** The Corporation shall not make a loan to a Director. The Corporation shall not make any loan of money or property to, or guarantee the obligation of, any Director, Officer, or Employee. Provided, however, that the Corporation may advance money to a Director, Officer, or Employee of the Corporation for expenses reasonably anticipated to be incurred in the performance of their duties so long as such individual would be entitled to be reimbursed for such expense absent that advance.
- 12.8 Dissolution.** In the event that the Corporation is dissolved for any reason ceases to operate, the assets of the Corporation, if any, are to be transferred equally to Williamson County, Texas and Burnet County, Texas.