

Central Texas Spaceport Development Corporation By-Laws

PREAMBLE

These Bylaws are subject to, and governed by, the Texas Non-Profit Corporation Act and the Certificate of Formation 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 Certificate of Formation of the Corporation, the Certificate of Formation 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 charted 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 Cedar Park, 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 in the City of Cedar Park.

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; provided the

Corporation shall not be authorized to exercise the power of eminent domain to acquire property for a spaceport pursuant to Texas Local Government Code, Title 12, Subtitle C1, Chapter 507, Subchapter C, Sec. 507.103.

- 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 Cedar Park, 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 **Officers.** The Board of Directors shall elect a President, a Secretary, and a Treasurer from among its members, or as specifically stated below. The Board of Directors may also elect a Vice President, and other assistant officers, as considered necessary. Board officers shall be elected or reaffirmed bi-annually.
 - 5.2.1 **President.** The President shall preside at all meetings of the Board, and, subject to Board approval, may sign and execute all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments in the name and on behalf of the Corporation.
 - 5.2.2 **Vice President.** The Vice President shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the President during the President's absence or inability to act. Any action taken by the Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken.
 - 5.2.3 **Treasurer.** The Treasurer shall have the responsibility to see to the handling, custody, and security of all funds and securities of the Corporation in accordance with these Bylaws. When necessary or proper, the Treasurer may endorse and sign, on behalf of the Corporation, for collection or issuance, checks, notes and other obligations in or drawn upon such bank or banks or depositories as shall be designated by the Board consistent with these Bylaws. The Treasurer shall see to

the entry in the books of the Corporation full and accurate accounts of all monies received and paid out on account of the Corporation. The Treasurer shall, at the expense of the Corporation, give such bond for the faithful discharge of his duties in such form and amount as the Board. The Board may appoint as Treasurer any Board member or Williamson County or City of Cedar Park employee.

5.2.4 **Secretary.** The Secretary shall keep the minutes of all meetings of the Board in books provided for that purpose, shall give and serve all notices, may sign with the President in the name of the Corporation, and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the papers as the Board may direct, and shall in general perform all duties incident to the office of Secretary subject to the control of the Board. The Board may appoint as Secretary any Board member or Williamson County or City of Cedar Park employee.

5.3 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 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 reimbursement for reasonable expenses incurred in the performance of their role as a Director of the Corporation.

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 (7). Directors shall have strong leadership skills and commitment to the Corporation's mission. Directors shall dedicate adequate time and effort to the performance of their responsibilities as Director and shall not have a conflict of interest that places their personal interest in conflict with the interest of the Corporation.

6.4 Designation of Initial Board of Directors. The initial Board of Directors will be appointed by Williamson County, by majority vote of the Williamson County Commissioners Court, and the City of Cedar Park, by majority vote of the Cedar Park City Council, as provided below. The initial Directors will be named in the Certificate of Formation of the Corporation and will serve from the date of Corporation charter until the dates set forth in Section 6.5.1 below.

6.4.1 Williamson County. Williamson County, by majority vote of the Williamson County Commissioners Court, shall have the unequivocal right to appoint, and thereafter, at all times, maintain three (3) Directors on the seven-member Board of Directors. Williamson County will fill Place #1, Place #3, and Place #5. Williamson County, by majority vote of the Williamson County Commissioners Court upon consideration of input from the City of Cedar Park, shall have the right to appoint an individual with significant professional experience in a space related industry or a university level professor in a space related field to Place #7 on the Board of Directors.

6.4.2 Cedar Park. The City of Cedar Park, by majority vote of the Cedar Park City Council, shall have the unequivocal right to appoint, and at all times maintain three (3) Directors on the seven-member Board of Directors. The City of Cedar Park 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 respective appointing body 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, provided any appointment to Place #7 shall be made upon consideration of input from the City of Cedar Park. Any Director vacancy of a City of Cedar Park appointed Board position shall be filled by a majority vote of the Cedar Park City Council. 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, with or without cause, by a majority vote, if appointed by Williamson County, of the Williamson County Commissioners Court, or if appointed by the City of Cedar Park, by a majority vote of the Cedar Park City Council. Williamson County shall only remove the Place #7 Director upon consideration of input from the City of Cedar Park.

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 reasonably anticipated conflicts of interest in any matter which is the subject of business before the Board. No Director may deliberate or vote on any matter in which he or she has any actual or reasonably anticipated conflict of interest. Directors shall disclose in writing to the Board of Directors any persons to whom they are closely related or organization or entity 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 or entity 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 or entity. Closely related persons shall include, in addition to spouses, children, siblings, and blood relatives, affectional relationships between persons of the same or opposite sex. A "substantial interest" is as defined in Tex. Local Gov't. Code, Section 171.002.

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 the City of Cedar Park. 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 City of Cedar Park. 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 all regular and special meetings of the Board shall be provided at least 3 business days prior to the meeting, 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.

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 City of Cedar Park City Council. 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 Cedar Park, Texas.
- 12.9 Eminent Domain.** The exercise of eminent domain shall be contingent upon prior approval by the County or City having jurisdiction over the subject property.
- 12.10 Amendments to Bylaws.** These Bylaws may only be amended upon the prior consent of both Williamson County, by majority vote of the Williamson County Commissioners Court, and City of Cedar Park, by majority vote of the Cedar Park City Council.