

# Exhibit A

## BYLAWS OF

### CITY OF DALLAS ECONOMIC DEVELOPMENT CORPORATION

#### ARTICLE 1

#### STRUCTURE, PURPOSES AND MEMBERS

**1.01 Purpose.** The City of Dallas Economic Development Corporation (the “Corporation”) is a public nonprofit corporation organized under the laws of the State of Texas for the purpose of aiding, assisting and acting on behalf of the City of Dallas, Texas (the “City”) in the performance of its governmental functions as set forth in the Corporation’s Certificate of Formation, and in the Corporation’s agreement with the City of Dallas, as may be amended from time to time (“Agreement”).

**1.02 Formation.** The Corporation is formed pursuant to the provisions of Subchapter D, Chapter 431, Texas Transportation Code (the “Act”) as it now or may hereafter be amended, which authorizes the Corporation to assist and act on behalf of the City to accomplish any governmental purpose of the City and to engage in activities in the furtherance of the purposes for its creation, in the manner specified by Chapter 394 of the Texas Local Government Code, and in conformance with Chapter 22 of the Texas Business Organizations Code (the “TBOC”).

The Corporation will also seek determination by the Internal Revenue Service that it is a public charity pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

**1.03 Powers.** The Corporation shall have and exercise all rights, powers, privileges, authority, and functions given by the general laws of the State of Texas to non-profit local government corporations incorporated under the Act including, without limitation, the TBOC, to the extent necessary to carry out its authorized purposes, including but not limited to the power to acquire land and enter into a sale, loan, lease, grant, transfer, trust, operating, or other agreements. The Corporation may also adopt a separate business name (e.g., a “doing business as” name or DBA).

The Corporation shall have all other powers of a like or different nature not prohibited by law which are available to nonprofit corporations in Texas and which are necessary or useful to enable the Corporation to perform the purposes for which it is created, including the power to issue bonds, notes or other obligations, and otherwise exercise its borrowing power to accomplish the purposes for which it was created.

The Corporation is created as a local governmental corporation pursuant to the Act and shall be a governmental unit within the meaning of Chapter 101, Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental, not proprietary, functions for purposes of the Texas Tort Claims Act, Section 101.001 et seq., Texas Civil Practice and Remedies Code.

**1.04 Purposes.** The Board of Directors shall administer the Corporation for the purposes set forth in the Certificate of Formation and pursuant to the Agreement.

**1.05 Members.** The Corporation has no members.

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### **ARTICLE 2 OFFICES**

**2.01** Principal Place of Business. The principal place of business of the Corporation is located at 1500 Marilla, Dallas, Texas 75201. The Corporation may have such other offices within Dallas, Texas as the Board of Directors may determine or as the affairs of the Corporation may require from time to time. The Corporation shall not maintain offices outside of the State of Texas.

**2.02** Registered Agent and Registered Office. The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is the Corporation's registered office, as required by the TBOC. The registered office may but need not be identical to the principal office of the Corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors in accordance with applicable law.

### **ARTICLE 3 BOARD OF DIRECTORS**

**3.01** General Powers. The property, business, and affairs of the Corporation shall be managed and controlled by a board (the "Board") and, subject to the restrictions imposed by law, the Certificate of Formation, these Bylaws, and the Agreement, the Board shall exercise all of the powers of the Corporation.

**3.02** Number, Appointment and Term. The Board shall consist of at least three (3) interim Directors and up to fifteen Directors (the "Directors") who shall be appointed as prescribed in the Bylaws. The initial Directors shall be those persons set forth in the Certificate of Formation. After the formation of the Corporation, the City Council shall approve an initial Board of Directors following submission of nominations by an initial nominating committee, consisting of the Mayor of Dallas, City Manager, the Chair of the City's Economic Development Committee, and two individuals selected by the City's Economic Development Policy Task Force.

The Corporation's Chief Executive Officer, the City of Dallas Chief of Economic Development and Neighborhood Services, and the Office of Economic Development Director shall serve as an ex-officio Director on the Board. Following the appointment of the initial Board of Directors, the nominating committee shall consist of the Mayor of Dallas, the City Manager, the Chair of the City's Economic Development Committee, and two individuals selected by the Corporation's Board of Directors (the "Nominating Committee"). The ex-officio Directors shall not be included in the 15 Director positions or as a quorum of the Board, and shall not vote on matters before the Board. Each person serving as a Director shall comply with Chapter 12A of the Dallas City Code.

The Board of Directors will consist of 15 members divided into 3 classes of five member each or in as nearly equal number as is possible. At the first meeting of the full Board of Directors, each Director will be sorted, as determined by the Nominating Committee, into 3 classes, with Class 1 serving an initial term of two years, Class 2 serving an initial term of three years, and Class 3 serving an initial term of four years. Each term will end on June 30 of the relevant term expiration year. Thereafter, each class shall serve a three-year term unless the Director resigns, dies, is removed (as

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provided in the Bylaws) or otherwise creates a vacancy. No Director shall serve more than eight consecutive years, and shall be automatically removed from the Board at the end of such time.

**3.03** Removal. Any Director may be removed from office, with cause, by (a) resolution in support of removal of the City Council approved by a three-fourths vote or (b) by vote of the Board and City Council, each requiring a three-fourths vote in support of removal.

**3.04** Vacancies. Any vacancy occurring in the office of a Director, whether by death, resignation, removal, or otherwise, shall be filled for the unexpired portion of the former occupant's term by nomination of candidates by the Board in consultation with the Nominating Committee, and approval by the Dallas City Council.

**3.05** Meetings of Directors. The Directors may hold meetings, maintain an office, and keep the Corporation's books and records at such place or places within the City as the Board of Directors may from time to time determine; provided, however, that in the absence of any such determination, such place shall be the Corporation's principal office in the State of Texas.

The Board shall meet in accordance with and file notice of each meeting of the Board for the same length of time and in the same manner and location as is required of the Council under Chapter 551, Texas Government Code (the "Open Meetings Act"). The Board is subject to Chapter 552, as amended, Texas Government Code (the "Public Information Act"). The City Secretary has the primary responsibility for carrying out the duties required by the Public Information Act for the Board, and is designated as the public information coordinator for the Board for the purposes of such statute.

**3.06** Organizational Meetings. After approval of the Certificate of Formation by the Council and filing of the Certificate of Formation with the Texas Secretary of State, the initial three Directors will hold an organizational meeting to adopt and approve the Bylaws and to transact such other business as may be included in the meeting agenda. Once the full slate of Directors is appointed by the Council, the full Board will hold an additional organizational meeting to elect officers and to transact such other business as may be included in the meeting agenda. This second organizational meeting shall serve as the first Annual Meeting (as defined in Section 3.07 below) of the Board.

**3.07** Annual Meetings. The annual meeting of the Board of Directors (the "Annual Meeting") shall be held each year for the purpose of (a) electing officers for the ensuing year, (b) recommending the next year's operating budget for City Council review and approval, (c) determining the date, time, and location of Regular Meetings for the next year, and (d) if necessary, transacting other business. The Board will designate the time and location of such annual meeting, which location shall be within the City.

**3.08** Regular Meetings. Regular meetings of the Board ("Regular Meetings") shall be held at such times and places within the City as shall be designated by resolution of the Board. The Board will meet at least twice annually, inclusive of the Annual Meeting.

**3.09** Special Meetings. Special meetings of the Board ("Special Meetings") may be called by or at the request of the Chair of the Board or the City Manager of the City of Dallas, and shall be called by the Secretary whenever requested in writing by at least a majority of the Directors then in office.

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**3.10 Notice.** The Secretary shall give notice of the time and place of each Annual, Regular and Special Meeting to each Director by electronic message or phone call at least three (3) business days before such meeting. Notice of such meeting shall also be given in the manner required of the Council under the Open Meetings Act.

**3.11 Quorum.** A majority of the then-appointed Directors shall constitute a quorum for the consideration of any matters pertaining to the Corporation's purposes. If at any meeting of the Board there is less than a quorum present, the meeting shall be cancelled, or if the meeting is already underway, shall immediately adjourn. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless a greater number is required by law, the Certificate of Formation, or these Bylaws.

A Director who is present at a meeting of the Board at which any action is taken shall be presumed to have assented to such action, unless the Director's dissent or abstention is due to a stated conflict of interest, which shall be entered into the minutes of the meeting.

**3.12 Participation by Telephone Conference and Videoconference.** In accordance with the Open Meetings Act, members of the Board may participate in and hold meetings of the Board by means of visible and audible presence in a video conference to the same extent as a governmental body within the meaning of the Open Meetings Act, and participation in such a meeting shall constitute presence in person at such meeting. Notice of such virtual or hybrid meetings shall be given in accordance with the Open Meetings Act.

**3.13 Conduct of Business.** At all meetings of the Board of Directors, the Chair shall preside, and in the absence of the Chair, the Vice Chair shall preside, and in the absence of the Vice-Chair, a Chair shall be chosen by the Board from among the Directors present to preside over the meeting. The Secretary of the Corporation shall act as secretary of all meetings of the Board of Directors, but in the absence of the Secretary, the Chair of the meeting may appoint any person to act as secretary of the meeting. The Chair of any meeting of the Board of Directors shall determine the order of business and the procedure at the meeting, including, without limitation, conduct of the discussion and the order of business.

**3.14 Compensation of Directors, Expenses.** Persons serving as Directors shall not receive any salary or compensation for their services as Directors. However, Directors shall be entitled to reimbursement for reasonable expenses actually incurred in performance of their official duties as a Director.

**3.15 Relationship with the City.** The Chair of the Board shall make an annual report regarding the operations and finances of the Corporation to the City Council or a committee thereof as required by the Agreement and shall make such other reports or presentations as may be required from time to time by the city manager of City.

**3.16 Director's Reliance of Consultant Information.** Directors shall discharge their duties in good faith, with ordinary care, and in a manner each Director reasonably believes to be in the Corporation's best interests. In this context, "ordinary care" means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. A Director shall not be liable if while acting in good faith and with ordinary care, the Director relies on information, reports, or

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statements, including financial statements and other financial data, concerning the Corporation or any matters pertaining to the Corporation's purposes that were prepared or presented by (a) one or more officers or employees of the Corporation or (b) legal counsel, public accountants, or other persons if such Director reasonably believes the information, reports, or statements are within that person's professional or expert competence. A Director is not relying in good faith if the Director has knowledge that renders such reliance unwarranted or unreasonable.

**3.17 Committees.** The Board may establish standing and ad hoc committees by resolution. The resolution shall indicate the specific authority delegated by the Board, committee member eligibility, committee member appointment, and the process for removal of committee members. The following initial standing committees are hereby established: (a) executive; and (b) finance.

### ARTICLE 4 OFFICERS

**4.01 Officers.** The officers of the Corporation shall be a Chair, a Vice Chair, a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of the Certificate of Formation or these Bylaws. The Board may elect or appoint such other officers as it shall deem desirable, such officers to have the authority and perform the duties prescribed herein or prescribed, from time to time, by the Board. No person may hold more than one office. All offices must be held by persons serving as Directors of the Corporation.

**4.02 Election and Term of Office.** Each year at the Annual Meeting of the Board, the Board of Directors shall elect officers. All officers shall hold office for a term of one (1) year, commencing upon the officer's election at an annual meeting and expiring when an election of officers is held at the next Annual Meeting following the Annual Meeting at which the officer was elected, and may be reelected to such office any number of times. Notwithstanding the above, each officer shall continue to hold office until a successor shall have been duly elected or until the earlier occurrence of death, resignation, or removal. All officers shall be subject to removal, with or without cause, at any time by: (a) a three-fourths vote of City Council or (b) a three-fourths vote of City Council and the Board. A vacancy in any office because of death, resignation, removal, or otherwise, may be filled by majority vote of the Board for the unexpired portion of the term.

**4.03 Chair.** The Chair shall preside at all meetings of the Board of Directors, shall perform such other duties as are specified in these Bylaws, and shall perform all duties incident to the office of Chair and such other duties as may be prescribed by the Board of Directors from time to time. To the extent authorized by the Board, the Chair may sign, accompanied by a secondary signature from the Corporation's Chief Executive Officer or Board's Vice Chair, in the name and on the behalf of the Corporation all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes, and other instruments of the Corporation. The Chair may call Special meetings of the Board.

**4.04 Vice Chair.** The Vice Chair shall generally assist the Chair in the performance of the Chair's duties and, in the absence of the Chair or in the event of an inability or refusal to act, shall perform the duties of the Chair, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall also perform such other duties as from time to time as may be assigned by the Chair or Board of Directors. Any action taken by the Vice Chair in the

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performance of the duties of the Chair shall be conclusive evidence of the absence or inability of the Chair to act at the time such action was taken.

**4.05 Treasurer.** The Treasurer shall have custody of all of the Corporation's funds and securities that come into such officer's hands. When necessary or proper, the Treasurer may endorse or cause to be endorsed, with approval of Chief Executive Officer, in the name and on the behalf of the Corporation, checks, notes, and other obligations for collection and shall deposit or cause to be deposited the same to the credit of the Corporation in such bank or banks or depositories and in such manner as shall be designated and prescribed by the Board; may sign or cause to be signed all receipts and vouchers for payments made to the Corporation either alone or jointly with such other officer as may be designated by the Board; whenever required by the Board, shall render or cause to be rendered a statement of the cash account; shall enter or cause to be entered regularly in the Corporation's books to be kept by such officer for that purpose full and accurate records of all moneys received and paid out on account of the Corporation; shall perform all acts incident to the position of Treasurer subject to the control of the Board; and shall, if required by the Board, give such bond for the faithful discharge of the individual's duties in such form as the Board may require. The Treasurer may either be a Director or an employee of the City.

**4.06 Secretary.** The Secretary shall keep the minutes of all meetings of the Board of Directors in books provided for that purpose; shall attend to the giving and serving of all notices; shall have charge of the Corporation's books, records, documents, and instruments, except the books of account and financial records and securities of which the Treasurer shall have custody and charge, and such other books and papers as the Board of Directors may direct, all of which shall be open at reasonable times to the inspection of any Director upon application at the Corporation's office during business hours; and shall in general perform all duties incident to the office of Secretary subject to the control of the Board of Directors.

**4.07 Officer's Reliance of Consultant Information.** Officers shall discharge their duties in good faith, with ordinary care, and in a manner each officer reasonably believes to be in the Corporation's best interests. In this context, "ordinary care" means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. An officer shall not be liable if while acting in good faith and with ordinary care, the officer relies on information, reports, or statements, including financial statements and other financial data, concerning the Corporation or any matters pertaining to the Corporation's purposes that were prepared or presented by legal counsel, public accountants, or other persons if such officer reasonably believes the information, reports, or statements are within that person's professional or expert competence. An officer is not relying in good faith if the officer has knowledge that renders such reliance unwarranted or unreasonable.

## ARTICLE 5 STAFF

**5.01 Staff.** The Board of Directors may hire such staff as it deems necessary to carry out the work of the Corporation, subject to and in accordance with the Corporation's budget adopted in accordance with Section 6.03. The Director of the City's Office of Economic Development will serve as the interim Chief Executive Officer for the Corporation until a permanent hire is made. The Chief

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Executive Officer has overall supervision of the operations of the Corporation and shall direct the day-day business of the Corporation, maintain the properties of the Corporation, hire or discharge staff members, and determine the salaries and other compensation of all staff members under his/her supervision, and perform such additional duties as may be assigned or as directed by the Board of Directors.

### ARTICLE 6 FINANCES, AUDITS, AND RECORDS

**6.01** Fiscal Year. The fiscal year of the Corporation shall be the same as the fiscal year of the City.

**6.02** Books and Records. The Corporation shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its Board. All books and records may be inspected by representatives of the City with reasonable notice.

**6.03** Operating and Capital Budget. The Board shall approve a recommended operating and capital budget for the next fiscal year. The portion of the budget sourced with City funds shall be submitted to the Assistant City Manager over the Office of Economic Development for approval. If new City appropriation or assets (not previously approved by the Agreement) is a proposed revenue source of the budget, the budget will be presented to the Economic Development Committee of the Dallas City Council (or such relevant successor committee as may be established by the City) at the next available committee meeting, but no later than May of each year.

**6.04** Authorization to Sign Checks. The Chief Executive Officer has the authority to sign checks. Notwithstanding the foregoing, the Board may authorize a threshold amount that requires the signature of one or more officers as determined by the Board.

**6.05** Deposits. All funds of the Corporation shall be deposited within 1-3 business days of receipt to the credit of the Corporation in such banks, trust companies, depositories, or investment funds or companies as shall be designated from time to time by or in accordance with Board resolution or as otherwise required by the ILA. Any checks or financial instruments waiting to be processed or deposited should be logged and secured by designated staff to either be placed in a locked safe or a locked drawer for safekeeping.

**6.06** Appropriations, Donations, and Grants. The Corporation shall have the authority to request and accept any appropriation, grant, contribution, donation, or other form of aid from the federal government, the State of Texas, any political subdivision or municipality of the State of Texas, or any other source.

**6.07** Audits. The Board shall cause to be maintained a proper and complete system of records and accounts of all transactions, business, and affairs of the Corporation. At the end of each fiscal year, the Board shall cause the preparation of a financial statement for the Corporation, which shall be audited by an independent certified public accountant or firm of independent certified public accountants retained by the Board for such purpose. A copy of such audited financial statement, prepared in accordance with generally accepted accounting principles in a form acceptable to the Chief Financial Officer of the City (CFO), shall be delivered to the CFO upon completion but not later than 120 days after the end of the Corporation's fiscal year.

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In addition, the City shall have access to the premises, documents, records, and other materials of the Corporation at any reasonable time and shall have the right to audit same. The Corporation shall reimburse the City for any costs of such audits.

**6.08** Investment of Funds. The Corporation shall invest public funds on deposit only in investments that are authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended

**6.09** Legal Counsel. The Corporation shall engage legal counsel to advise it on all legal issues.

### ARTICLE 7 INDEMNIFICATION

**7.01** Right to Indemnification. Subject to the limitations and conditions as provided in this Article 7 and the Certificate of Formation, each person who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative (hereinafter a “proceeding”), or any appeal in such a proceeding or any inquiry or investigation that could lead to such a proceeding, by reason of the fact that the individual, is or was a Director or officer of the Corporation shall be indemnified by the Corporation to the fullest extent permitted by the Texas Business Operations Code and Texas Civil Practice and Remedies Code, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent than such amendment permits the Corporation to provide broader indemnification rights that said law permitted the Corporation to provide prior to such amendment) against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlements and reasonable expenses (including, without limitation, attorneys’ fees) actually incurred by such person in connection with such proceeding, and indemnification under this Article 7 shall continue as to a person who has ceased to serve in the capacity which initially entitled such person to indemnity hereunder. The rights granted pursuant to this Article 7 shall be deemed contract rights, and no amendment, modification or repeal of this Article 7 shall have the effect of limiting or denying any such rights with respect to action taken or proceedings arising prior to any such amendment, modification or repeal. Notwithstanding the foregoing, the indemnity described above does not apply to a Director or officer’s bad faith or gross negligence, or any illegal act. In addition, Board members are considered Plan members as defined under Chapter 31A of the Dallas City Code. If City incurs any cost under Chapter 31A, the LGC will reimburse the City.

**7.02** Advance Payment. The right to indemnification conferred in this Article 7 shall include the right to be paid in advance or reimbursed by the Corporation the reasonable expenses incurred by a person of the type entitled to be indemnified under Section 7.01 above who was, is or is threatened to be made a named defendant or respondent in a proceeding in advance of the final disposition of the proceeding and without any determination as to the person’s ultimate entitlement to indemnification; provided, however, that the payment of such expenses incurred by any such person in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of a written affirmation by such Director or officer of a good faith belief that the Director or officer has met the standard of conduct necessary for indemnification under this Article 7 and verification satisfactory to the Board as to such person’s ability to repay all amounts so advanced if it shall ultimately be



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determined that such indemnified person is not entitled to be indemnified under this Article 7 or otherwise.

**7.03** Indemnification of Employees and Agents. The Corporation, by adoption of a resolution of the Board or pursuant to an agreement approved by the Board, may indemnify and advance expenses to an employee or agent of the Corporation to the same extent and subject to the same conditions under which it may indemnify and advance expenses to Directors and officers.

**7.04** Appearance as a Witness. Notwithstanding any other provision of this Article 7, the Corporation may pay or reimburse reasonable expenses actually incurred by a Director or officer in connection with an appearance or other participation in a legal proceeding involving the Corporation or its business at a time when the individual is not a named defendant or respondent in the proceeding.

**7.05** Non-exclusivity of Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article 7 shall not be exclusive of any other right which a Director or officer may have or hereafter acquire under any law (common or statutory) or provision of the Certificate of Formation or these Bylaws.

**7.06** Insurance. The Corporation shall, at its expense, secure and maintain at all times such directors and officer's liability insurance coverage as is required by the ILA. The Corporation may also purchase and maintain, at its expense, any additional insurance it deems necessary to protect itself and any person who is or was serving as a Director, officer, employee, or agent of the Corporation.

**7.07** Notification. Any indemnification of or advance or reimbursement of expenses to a Director or officer in accordance with this Article 7 shall be reported in writing to the members of the Board with or before the notice of the next regular meeting of the Board and, in any case, within the 12-month period immediately following the date of the indemnification, reimbursement, or advance.

**7.08** Savings Clause. If this Article 7 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify and hold harmless each Director, officer or any other person indemnified pursuant to this Article 7 as to costs, charges and expenses (including attorneys' fees), judgments, fines and in amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, to the full extent permitted by any applicable portion of this Article 7 that shall not have been invalidated and to the fullest extent permitted by applicable law.

## ARTICLE 8 MISCELLANEOUS PROVISIONS

**8.01** Supremacy of Certificate of Formation. These Bylaws are subject to and governed by the Certificate of Formation.

**8.02** Seal. The Corporation's seal, if any, shall be such as may be approved from time to time by the Board.

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**8.03** Notice and Waiver of Notice. Whenever any notice is required to be given by mail under the provisions of these Bylaws, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed postpaid wrapper addressed to the person entitled hereto at such person's post office address, as such appears in the records of the Corporation, and such notice shall be deemed to have been given on the date of such mailing. If transmitted by facsimile or electronic message, such notice shall be deemed to be delivered upon successful transmission of the facsimile or electronic message. A member of the Board of Directors may waive notice of any meeting. The attendance or participation of a member of the Board at any meeting shall constitute a waiver of notice of such meeting unless such attendance or participation is for the purpose of objecting to the failure of notice. A waiver of notice in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to notice.

**8.04** Resignations. Any Director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the Chair or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

**8.05** Actions Requiring Prior City Council Approval. The following actions must be pre-approved by resolution of the Dallas City Council before the Board may take any such action:

- (1) amendment or restatement of the Bylaws or Certificate of Formation of the Corporation;
- (2) issuance of bonds; or
- (3) any activity not described in the Agreement.

The Corporation shall have the ability to take the following actions without pre-approval by resolution of the Dallas City Council:

- (4) Any activity described in the Agreement.

## ARTICLE 9 CODE OF ETHICS

### **9.01** Policy and Purposes.

(1) It is the policy of the Corporation that Director and officers conduct themselves in a manner consistent with sound business and ethical practices; that the public interest always be considered in conducting corporate business; that the appearance of impropriety be avoided to ensure and maintain public confidence in the Corporation; and that the Board of Directors establish policies to control and manage the affairs of the Corporation fairly, impartially, and without discrimination.

(2) This Code of Ethics has been adopted as part of the Corporation's Bylaws for the following purposes: (a) to encourage high ethical standards in official conduct by Directors and corporate officers; and (b) to establish guidelines for such ethical standards of conduct.

### **9.02** Conflicts of Interests.

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(1) Except as provided in subsection (3) below, a Director or officer is prohibited from participating in a vote, decision, or award of a contract, and all Board deliberation related to same, involving a business entity or real property in which the Director or the officer has a substantial interest, if it is foreseeable that the business entity or real property will be economically benefitted by the action. A person has a substantial interest in a business (i) if the person's ownership interest is ten percent or more of the voting stock or shares of the business entity or ownership of \$15,000 or more of the fair market value of the business entity, or (ii) if the business entity provides more than ten percent of the person's gross income. A person has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more. An interest of a person related in the second degree by affinity (marriage relationship) or the third degree by consanguinity (blood relationship) to a Director or officer is considered a substantial interest.

(2) If a Director or a person related to a Director in the first or second degree by affinity or the first, second, or third degree by consanguinity has a substantial interest in a business entity or real property that would be pecuniary affected by any official action taken by the Board of Directors, such Director, before a vote or decision on the matter, shall file an affidavit stating the nature and extent of the interest. The affidavit shall be filed with the Secretary of the Board.

(3) A Director who has a substantial interest in a business entity that will receive a pecuniary benefit from an action of the Board may vote on that action if a majority of the Board has a similar interest in the same action or if all other similar business entities in the City will receive a similar pecuniary benefit.

(4) An employee of a public entity may serve on the Board.

**9.03** Acceptance of Gifts. No Director or officer shall accept any benefit as consideration for any decision, opinion, recommendation, vote or other exercise of discretion in carrying out official acts for the Corporation. No Director or officer shall solicit, accept, or agree to accept any benefit from a person known to be interested in or likely to become interested in any contract, purchase, payment, claim or transaction involving the exercise of the Director's or officer's discretion. As used here, a benefit does not include:

(1) a fee prescribed by law to be received by a Director or officer or any other benefit to which the Director or officer is lawfully entitled or for which the Director or officer gives legitimate consideration in a capacity other than as a Director or officer;

(2) a gift or other benefit conferred on account of kinship or a personal, professional or business relationship independent of the official status of the Director or officer;

(3) an honorarium in consideration for legitimate services rendered above and beyond official duties and responsibilities if:

- a. not more than one honorarium is received from the same person in a calendar year;
- b. not more than one honorarium is received for the same service; and
- c. the value of the honorarium does not exceed \$250 exclusive of reimbursement for travel, food, and lodging expenses incurred by the Director or officer in performance of the services;

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(4) a benefit consisting of food, lodging, transportation, or entertainment accepted as a guest if reported as may be required by law.

**9.04 Bribery.** A Director or officer shall not intentionally or knowingly offer, confer or agree to confer on another, or solicit, accept, or agree to accept from another:

(1) any benefit as consideration for the Director's or officer's decision, opinion, recommendation, vote, or other exercise of discretion as a Director or officer;

(2) any benefit as consideration for the Director or officer's decision, vote, recommendation, or other exercise of official discretion in a judicial or administrative proceeding; or

(3) any benefit as consideration for a violation of duty imposed by law on the Director or officer.

**9.05 Nepotism.** No Director or officer shall appoint, or vote for, or confirm the appointment to any office, position, clerkship, employment or duty, of any person related within the second degree by affinity or within the third degree of consanguinity to the Director or officer so appointing, voting or confirming, or to any other Director or officer. This provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously employed in any such office, position, clerkship, employment or duty at least thirty days prior to the appointment of the Director or officer so appointing or voting.

**9.06 Annual Statements.** Each Director and officer shall annually sign a statement which affirms such person:

(1) has received a copy of the Code of Ethics policy, has read and understands the policy, and

(2) has agreed to comply with the policy.

## ARTICLE 10 AMENDMENTS TO BYLAWS

These Bylaws may be altered or amended in whole or in part, or repealed and new bylaws may be adopted, by a two-thirds (2/3) vote of the Directors present at any Board meeting where a quorum of Directors is present, if at least seven (7) days' written notice is given of an intention to alter, amend, or repeal these Bylaws or to adopt new Bylaws at such meeting, and such notice contains the proposed amendment(s). Any proposed alteration, change, amendment, repeal, or adoption of new bylaws approved by the Directors must be approved by the City Council to be effective. Alternately, the Bylaws may be altered or amended in whole or in part, or repealed and new bylaws may be adopted, by resolution of the City Council.

\* \* \* \* \*

The undersigned, being the duly elected and qualified Secretary of the Corporation, does hereby certify that the foregoing Bylaws of the Corporation were duly adopted by the Board of Directors of the

## Exhibit A

Corporation at a meeting held on \_\_\_\_\_, 2022, at which a quorum was present and voting throughout.

\_\_\_\_\_  
\_\_\_\_\_, Secretary

DRAFT