

## **AMENDATORY NATIONAL WESTERN CENTER FRAMEWORK AGREEMENT**

This **AMENDATORY NATIONAL WESTERN CENTER FRAMEWORK AGREEMENT** (“Agreement”), by and among the City and County of Denver, a municipal corporation of the State of Colorado (the “City”), the Board of Governors of the Colorado State University System, acting by and through the Colorado State University System (“CSU”), The Western Stock Show Association, a Colorado non-profit corporation (the “WSSA”), and The National Western Center Authority, a Colorado non-profit corporation (the “Authority”). The City, CSU, WSSA, and the Authority are referred to herein individually as a “Party” and collectively as the “Parties.”

### **RECITALS:**

**WHEREAS**, the Parties entered into a National Western Center Framework Agreement dated September 28, 2017, (the “Agreement”) to memorialize their respective and ongoing responsibilities as to the governance, funding, design, construction, operation, and maintenance of the Campus and the joint formation of the Authority, all as consistent with HB15-1344, the RTA Resolution, and the Term Sheet.

**WHEREAS** the Parties further recognize that all phases of the Master Plan must be completed to realize the full economic potential of the Campus and are committed to work toward that goal.

**WHEREAS**, the Parties intend that the Campus become self-sustaining as soon as reasonably achievable consistent with the mission and vision of the Campus.

**WHEREAS**, the City has included in the ordinance approving this Agreement a provision exempting the Campus from Section 2-275, DRMC. concerning Naming Public Buildings or Major Components of Buildings.

**WHEREAS**, the Parties desire to update the Agreement to address changes to the composition and voting of the Board of Directors of the Authority.

**NOW THEREFORE**, it is mutually agreed by the City, CSU, WSSA, and the Authority as follows:

1. Section 3 of the Agreement entitled “**FORM, FORMATION, AND POWERS OF THE AUTHORITY**”, Subsection (d) entitled “Composition of the Board of Directors; President/Chief Executive Officer.” is hereby deleted in its entirety and replaced with:

“(d) Composition of the Board of Directors; President/Chief Executive Officer. As further set forth in the Authority Articles, Bylaws, resolutions, and policies:

(i) The Authority’s Board of Directors (“Board”) shall consist of twelve (12) voting directors and one (1) non-voting director.

(ii) The Mayor shall appoint six (6) voting directors, appointment of which shall be subject to confirmation by the City Council. Nothing herein shall prohibit any Party from providing one or more candidate recommendations to the Mayor for consideration.

(iii) One (1) voting director shall serve as the Chairperson of the Authority Board (“Chairperson”). Until completion of the Initial Campus Development, the Mayor shall designate the Chairperson, whether or not appointed by the City (unless the appointing Party is changed in the event of a City default pursuant to Section 31(e)(ii)). Thereafter, the Chairperson shall be selected by the Board.

(iv) CSU shall appoint two (2) voting directors.

(v) The WSSA shall appoint two (2) voting directors.

(vi) The Mayor also shall appoint two (2) voting directors who must reside in the Globeville, Elyria, or Swansea neighborhood and demonstrate a strong commitment to, and understanding of, the economic, cultural, educational, and social circumstances of residents and businesses of the surrounding Globeville, Elyria, and Swansea neighborhoods (“GES Director(s)”), the appointment of whom shall be subject to confirmation by the City Council.

(vii) The City’s Chief Financial Officer, or his/her designee, shall serve as an *ex officio* non-voting director and shall serve in the capacity of Treasurer to the Board.

(viii) Voting directors shall have the following qualifications:

A. be a natural person, eighteen (18) years old or older;

B. demonstrate a commitment to the Parties’ vision for, and the continued viability of, the Campus;

C. have expertise in planning, design, construction, programming, marketing, financing, fundraising, or have other relevant experience,

based on the operations of the Authority and Board composition at the time of appointment;

- D. demonstrate integrity, passion, innovative ability, patience, and ability to collaborate; and
- E. may not be an elected official and may not be a then current officer or employee of the City.

(ix) The Board shall elect its Vice-Chairperson, Secretary, and, following completion of the Initial Campus Development, its Chairperson. The Board shall take action as provided in Bylaws adopted by the Board consistent with the Nonprofit Act, the Authority Articles, and this Agreement. Directors serving in the capacity of Chairperson, Vice-Chairperson, and Secretary each may serve in such capacity for the lesser of two terms or ten (10) years.

(x) The Authority shall at all times employ or contract with a qualified President/Chief Executive Officer (“CEO”) to conduct the day-to-day operations of the Authority. The CEO shall be selected by the Board and may be an at-will employee of the Authority or an independent contractor (whether an individual or contractor entity) and shall serve at the pleasure of the Board. The City, CSU, and the WSSA each shall nominate one representative to a committee to conduct a national search for the initial CEO. Under the direction of such committee, the Mayor’s Office of the National Western Center shall: develop an initial job description consistent with the powers and responsibilities of the Authority hereunder; conduct a survey to determine appropriate compensation based on current market conditions; and otherwise administer the national search. The City, CSU, and the WSSA each may nominate up to three (3) candidates for the position of CEO to the Board in addition to candidates identified during such search. If any Party fails to nominate a candidate for CEO on or before the initial meeting of the Board, such Party shall forfeit its right to nominate a candidate hereunder. Any subsequent CEO shall be selected by the Board after the Board: develops a job description consistent with the powers and responsibilities of the Authority hereunder and the then-current operational requirements of the Authority; conducts a survey to determine appropriate compensation based on current market conditions; and conducts a national search for candidates, unless the Board determines that a national search is not in the best interests of the Authority, the Campus, or the Campus Development (as defined in Section 5(c)(i)). The candidate selected by the Board as CEO must be qualified to perform such job description and willing to accept compensation within the range

identified during such survey. No CEO may be a then-current officer or employee of any Party to this Agreement, except the Authority. Pending the retention of a CEO, or in the absence or inability to act of the CEO, the duties of the CEO may be delegated by resolution of the Board to one or more voting directors, employees, contractors, or agents of the Authority.

(xi) To limit turnover in any single year, the City, CSU, and WSSA shall appoint the initial directors for the following terms.

- A. Initial appointments by the City:
  - (1) Chairperson (in accordance with Section 3(d)(iii)), five (5)-year term;
  - (2) two (2) directors, four (4)-year terms;
  - (3) voting GES Director, four (4)-year term;
  - (4) one (1) director, three (3)-year term;
  - (5) voting GES Director, two (2)-year term; and
  - (6) two (2) directors, two (2)-year terms.
- B. Initial appointments by CSU:
  - (1) one (1) director, five (5)-year term; and
  - (2) one (1) director, three (3)-year term.
- C. Initial appointments by the WSSA:
  - (1) one (1) director, five (5)-year term; and
  - (2) one (1) director, three (3)-year term.

All subsequent appointees or reappointed directors shall serve five (5)-year terms. The City, CSU, and WSSA each shall designate one director who shall not be subject to term limits (“Designated Director”). Each Designated Director and any successor replacement to such Designated Director may serve for an unlimited number of terms. Except for the Designated Directors, no appointee may serve more than three (3) terms.”

(xii) To account for the even number of voting directors, in the case of a tie vote, the vote of the City’s Designated Director shall count as two votes to break the tie.

2. Exhibit B to the Agreement, comprised of the Articles of Incorporation and Bylaws of the National Western Center Authority (“the Governing Documents”), is hereby deleted in its

entirety and replaced with Exhibit B-1, filed herewith, which amends and restates the Governing Documents consistent with this Amendatory Agreement.

3. As herein amended, the Agreement is affirmed and ratified in each and every particular.

4. This Amendatory National Western Center Framework Agreement will not be effective or binding on the City until it has been fully executed by all required signatories of the City and County of Denver, and if required by Charter, approved by the City Council.

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**Contract Control Number:** DOTI-202366890-01 [201736726-01]  
**Contractor Name:** COLORADO STATE UNIVERSITY  
THE WESTERN STOCK SHOW ASSOCIATION  
NATIONAL WESTERN CENTER AUTHORITY

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of:

**SEAL**

**CITY AND COUNTY OF DENVER:**

**ATTEST:**

By:

\_\_\_\_\_

\_\_\_\_\_

**APPROVED AS TO FORM:**

**REGISTERED AND COUNTERSIGNED:**

Attorney for the City and County of Denver

By:

By:

\_\_\_\_\_

\_\_\_\_\_

By:

\_\_\_\_\_

**Contract Control Number:**  
**Contractor Name:**

DOTI-202366890-01 [201736726-01]  
COLORADO STATE UNIVERSITY

By: DocuSigned by:  
*Tony Frank*  
A0C760D835BC4EA... \_\_\_\_\_

Name: Tony Frank  
(please print)

Title: Chancellor, CSU System  
(please print)

ATTEST: [if required]

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

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

**Contract Control Number:**  
**Contractor Name:**

DOTI-202366890-01 [201736726-01]  
THE WESTERN STOCK SHOW ASSOCIATION

By: DocuSigned by:  
Paul Andrews  
B5183A37404C4D9...

Name: Paul Andrews  
(please print)

Title: CEO  
(please print)

ATTEST: [if required]

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

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

**Contract Control Number:**  
**Contractor Name:**

DOTI-202366890-01 [201736726-01]  
NATIONAL WESTERN CENTER AUTHORITY

By: DocuSigned by:  
*Brad Buchanan*  
C3B5851A02484E6...

Name: Brad Buchanan  
(please print)

Title: CEO  
(please print)

ATTEST: [if required]

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

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

**ARTICLES OF INCORPORATION**  
**of**  
**NATIONAL WESTERN CENTER AUTHORITY**  
**(a Colorado nonprofit corporation)**

Michael B. Hancock, Mayor of the City and County of Denver, being a natural person who is 18 years of age or older, and acting as incorporator of a nonprofit corporation under the Colorado Revised Nonprofit Corporation Act, hereby adopts, acknowledges, and delivers to the Secretary of State of the State of Colorado, the following Articles of Incorporation for a nonprofit corporation. Capitalized terms used in these Articles of Incorporation that are not defined when first used have the meanings assigned to them in Section XIII hereof.

**ARTICLE I.**

**NAME**

The name of the nonprofit corporation is the National Western Center Authority (the “Authority”).

**ARTICLE II.**

**INITIAL REGISTERED ADDRESS AND INITIAL REGISTERED AGENT**

The address of the initial registered office of the Authority is 1675 Broadway Street, Suite 1200, Denver, Colorado, 80202 and the name of its initial registered agent at such address is CT Corporation.

**ARTICLE III.**

**INCORPORATOR**

The name and street address of the incorporator of the Authority is The Honorable Michael B. Hancock, Mayor, City and County of Denver, City and County Building, 1437 Bannock Street, Room 350, Denver, Colorado 80202.

**ARTICLE IV.**

**INITIAL PRINCIPAL OFFICE**

The address of the Authority’s initial principal office is Mayor’s Office of the National Western Center, 201 West Colfax Avenue, Department 205, Denver, Colorado, 80202.

**ARTICLE V.**

**NO VOTING MEMBERS**

The Authority will not have voting members.

## ARTICLE VI.

### BOARD OF DIRECTORS

**Section 6.01 Management Control; Number.** The Authority shall be managed and controlled by a board of directors (the “Board”) composed of thirteen (13) directors (individually, “Director” and collectively, the “Directors”), one of whom shall serve at all times as a non-voting director, pursuant to Section 6.02 hereof.

**Section 6.02 Appointment and Confirmation of Directors.** The Voting Directors shall be appointed by the Mayor or the Appointing Officer at the times and in the manner set forth herein. Voting Directors shall be appointed by classification as follows:

(a) Six (6) Voting Directors shall serve as appointees of the Mayor (the “Mayor”) of the City and County of Denver, Colorado (the “City”) (the “City Directors”), one of whom shall serve as the City’s Designated Director, and nothing herein shall prohibit CSU or WSSA from providing one or more candidate recommendations to the Mayor for consideration;

(b) One (1) Voting Director shall serve as Chairperson of the Board. Until completion of the Initial Campus Development, the Mayor shall designate the Chairperson, whether or not appointed by the City (unless a different Appointing Officer is selected in the event of a City default pursuant to Section 31(d)(ii) of the Framework Agreement). Thereafter, the Chairperson shall be selected by the Board;

(c) Two (2) Voting Directors shall serve as appointees of the Mayor who must reside in the Globeville, Elyria or Swansea neighborhoods and shall demonstrate a strong commitment to, and understanding of, the economic, cultural, educational, and social circumstances of residents and businesses of the surrounding Globeville, Elyria and Swansea neighborhoods (the “GES Director” or the “GES Directors”);

(d) Two (2) Directors shall serve as agency appointees of CSU (the “CSU Directors”), one of whom shall serve as CSU’s Designated Director;

(e) Two (2) Directors shall serve as agency appointees of the WSSA (the “WSSA Directors”), one of whom shall serve as WSSA’s Designated Director;

(f) The City’s Chief Financial Officer (the “CFO”), or his/her designee, shall serve as an *ex officio* Non-voting Director who shall serve as the Treasurer of the Board pursuant to the Authority bylaws (the “Bylaws”) (“Non-voting City Director”); and

(g) Directors that are neither City Directors nor the GES Directors nor the Non-voting City Director are referred to herein as “Non-City Directors.” Each of the City, CSU, and the WSSA may be referred to individually herein as an “Equity Partner” and

collectively, as the “Equity Partners.” Those Equity Partners, excluding the City, shall be referred to individually herein as a “Non-City Equity Partner” and collectively as the “Non-City Equity Partners.”

The City Directors (including the City’s Designated Director) and the GES Directors shall not take office until confirmed by the City Council of the City (the “City Council”). The Non-voting City Director shall serve continuously in an *ex officio* capacity and shall take office and remain in office without City Council confirmation. Any City Director or the GES Directors may be removed by the Mayor pursuant to Section 6.05 herein. Any Non-City Director (including the CSU Designated Director and the WSSA Designated Director) shall be appointed and may be removed by the respective Appointing Officers. City Directors, the GES Directors and successors thereto shall be appointed by the Mayor, but shall not take office until confirmed by the City Council. The Non-voting City Director shall serve continuously by virtue of his or her office so long as he/she serves as Chief Financial Officer of the City (the “CFO”), without City Council confirmation. The successor Non-City Directors shall also be appointed by their respective Appointing Officers, as the case may be.

**Section 6.03 Qualifications of Directors; Status of Directors who are Officers or Employees of the City.** Directors shall be natural persons who are 18 years of age or older, must demonstrate a commitment to the Parties’ vision for, and the continued viability of, the Campus (as such term is defined in Section 7.01 hereof), shall have expertise in planning, design, construction, programming, marketing, financing, fundraising, or other relevant experience, based on the operations of the Authority and Board composition at the time of appointment; and must demonstrate integrity, passion, innovative ability, patience, and ability to collaborate . No Director may be an elected official or, if appointed by the Mayor, may not be a then-current officer or employee of the City. The CFO, however, shall serve, *ex officio*, as set forth in Section 6.02(g) herein.

**Section 6.04 Term of Office.** The term of office of each of the Directors that serve initially on the Board (the “Initial Directors” and each, an “Initial Director”) shall commence on the date these Articles of Incorporation are filed with the Colorado Secretary of State and shall expire on the date set forth in Section 6.06 hereof; provided, however, the CFO or his/her designee shall continuously serve in an *ex officio* capacity. Upon completion of their Initial Terms (as defined below), the three (3) Designated Directors shall not be subject to term limitations, shall be designated by their respective Appointing Officers as the “Designated Director,” and shall serve for the duration of each of their five year terms, although such terms are cumulatively unlimited. Notwithstanding the foregoing, each Designated Director and any successor replacement to such Designated Director may serve for an unlimited number of terms so long as such Designated Director is re-appointed or appointed by its respective Appointing Officer upon the completion of each five (5) year term. Those Directors serving in the capacity of Chairperson, Vice-Chairperson, and Secretary each may serve in such capacity for the lesser of two (2) terms or ten (10) years while holding such offices and serving in such official capacities. The initial terms (“Initial Term(s)”) of office for the City Directors are as follows:

- (a) Chairperson of the Board, five (5)-year term;
- (b) One (1) City Director, five (5)-year term;

- (c) One (1) City Director, four (4) year term;
- (d) One GES Director, four (4)-year term;
- (e) One (1) City Director, three (3)-year term;
- (f) One GES Director, two (2)-year term; and
- (g) Two (2) City Directors, two (2)-year term.

The initial terms of office for the Non-City Directors are as follows:

- (a) One (1) CSU Director, five (5)-year term;
- (b) One (1) CSU Director, three (3)-year term;
- (c) One (1) WSSA Director, five (5)-year term; and
- (d) One (1) WSSA Director, three (3)-year term.

All subsequent appointees or reappointed Directors shall serve five (5)-year terms. With the exception of the Designated Directors, no appointee may serve more than three (3) terms.

The Equity Partners each shall endeavor to notify the other Equity Partners and the Secretary of the Authority of the names of the successor Directors each appoints not later than thirty (30) days prior to the expiration of the term of each then-current Director to be replaced or reappointed. If any Equity Partner fails to appoint a successor Director in a timely fashion, the current Director shall continue to serve up to a maximum of one (1) year or until his or her successor is appointed. Regardless of when a successor Director is appointed, his or her term shall be considered to commence on the date his or her predecessor's term would have expired. In the case of a vacancy occasioned by the resignation or removal of a Director, the votes of the remaining Directors appointed by such Equity Partner shall be weighted until a replacement is appointed, so that the effect is that the number of votes allocated to such Equity Partner shall remain the same at all times. (By way of example, if an Equity Partner appoints two Directors and one position becomes vacant, the remaining Director shall have two votes until such time as the vacancy is filled.) For purposes of the weighted voting allocation, the GES Directors shall be considered separately from the other City Directors, i.e. in case of vacant GES Director position, the other shall have two votes.

Notwithstanding the foregoing, (a) the term of office of a Director (excluding a Director who is removed, who resigns or who otherwise ceases to be a Director before the expiration of his or her term) shall continue until his or her successor has been appointed and confirmed pursuant to Section 6.02 hereof.

**Section 6.05 Removal, Suspension and Resignation of Directors.** Each Equity Partner may remove Directors (including Designated Directors) it has appointed at any time in accordance with this Section and Section 6.02 upon written notice to the Chairperson of the Board, the

Secretary of the Board, the Mayor, and the other Equity Partners; except that the City may not remove more than three (3) Directors within any eighteen (18)-month period. Additionally, upon majority vote of the Directors, the Board may recommend to any Equity Partner that a Director it appointed be removed. If the Board recommends removal of a City Director to the City, the restrictions on removal set forth in the first sentence of this subsection shall not apply.

If the Board recommends removal of a Director, the Secretary of the Authority shall notify the Mayor, the Director being removed, and the Appointing Officer in writing and request the Mayor or Appointing Officer that appointed the Director to remove such Director. Should a Director become an elected official or an officer or employee of the City after being appointed to the Board, such Director shall immediately become ineligible to serve on the Board. If a Director receives information indicating that a Director is or is about to become an officer or employee of the City, he or she shall immediately disclose that information to the other Directors in writing. No action of the Authority taken prior to the removal of a Director shall be affected by the subsequent removal of such Director. A Director who is removed shall be replaced by a Director appointed pursuant to Section 6.02 herein, and the Board shall fill such vacancy pursuant to the appointment made by the Mayor or Appointing Officer of the Non-City Equity Partner, as the case may be.

The Authority may, upon written notice from the City to the Secretary of the Authority and the Equity Partners, suspend all or one of the Directors (including the suspension of voting rights) until such time as any corresponding Event of Default (as such term is defined in the Framework Agreement) has been properly cured pursuant to Section 31 of the Framework Agreement.

The Authority shall automatically suspend the voting rights of all or any Director of any Equity Partner that fails to pay its Party Allocation under Section 3(h)(iii) of the Framework Agreement; such suspension shall continue until such Equity Partner makes the required payment pursuant to Section 31 of the Framework Agreement.

In the case of removal or suspension of Directors pursuant to Section 6.05 hereof and Section 31 of the Framework Agreement, and for voting purposes, the requirements for establishing a quorum shall be adjusted to reflect a quorum calculation that consists of the number of remaining Directors, reduced by the number of voting Directors removed in connection with a default as set forth in Section 31 of the Framework Agreement. (By way of example, if two Directors' voting rights are suspended, the weight of two votes is eliminated and action may be taken based upon a quorum requirement of ten (10) voting Directors.)

A Director or officer, including a Designated Director, may resign at any time by giving written notice of such resignation to the Authority. A resignation of a Director or officer is effective upon notice unless the notice specifies a later effective date. Upon written notice of resignation from a Director, the Secretary of the Authority shall notify the Chairperson of the Board and the Mayor or the respective Appointing Officer, as the case may be, in writing and request that the Mayor or Appointing Officer, as the case may be, appoint a successor to fill the resulting vacancy and the Board shall fill such vacancy pursuant to the appointment made by the Mayor or Appointing Officer, as the case may be. With the exception of the Chairperson (prior to completion of the Initial Campus Development), if a resignation of an officer is made effective at a later date, the Board may permit the officer to remain in office until the effective date and may fill the pending officer vacancy before the effective date with the provision that the successor does

not take office until the effective date, or the Board may remove the officer at any time before the effective date and fill the resulting officer vacancy. In the case of a resignation by the Chairperson prior to completion of the Initial Campus Development, the Mayor shall designate a Chairperson from among the remaining Voting Directors, or may designate a new Chairperson by way of appointment.

**Section 6.06 Initial Directors; Expiration of Initial Terms of Office.** The Authority shall have thirteen (13) Directors as set forth in Section 6.02 herein, who shall serve as the initial Directors. Initial Directors shall be appointed and confirmed (confirmation relating only to the City Directors) pursuant to Section 6.02 herein. The initial terms of office of the Initial Directors as appointed by the applicable Equity Partner and the dates on which their initial terms of office expire are:

<u>Status of Initial Director</u>	<u>Initial Term of Office Expires</u>
City Director	December 31, 2022
City Director	December 31, 2021
City Director	December 31, 2021
City Director	December 31, 2020
City Director	December 31, 2019
City Director	December 31, 2019
GES Director	December 31, 2021
GES Director	December 31, 2019
CSU Director	December 31, 2022
CSU Director	December 31, 2020
WSSA Director	December 31, 2022
WSSA Director	December 31, 2020
Chief Financial Officer or Designee**	NA

\*\*Currently an officer or employee of the City, serving as a Non-voting City Director.

**Section 6.07 Initial Meeting.** The Chairperson of the Board shall convene and preside over the initial meeting of the Board which shall be held at a time and place as determined by the Board.

## ARTICLE VII.

### PURPOSE AND POWERS

#### **Section 7.01 Form and Formation.**

(a) The Authority is organized exclusively for the limited purpose of equipping, leasing, maintaining, financing (including without limitation, issuing debt, accepting gifts and grants, and/or collecting or receiving percentage retail sales), programming, designing and constructing any additional facilities, and otherwise performing the Campus Redevelopment and operating the Campus.

(b) The Authority: (i) is an independent nonprofit corporation, (ii) is separate and distinct from the Equity Partners; (iii) is not a district in its own right or part of a district for purposes of article X, section 20 of the Colorado Constitution (“TABOR”); (iv) is a government owned business that has no powers of eminent domain; (v) has no taxation powers; (vi) has no police powers; (vii) has no assessment powers; (viii) has no voting members; (ix) does not hold general elections; (x) qualifies as a constituted authority able to issue “on behalf of” tax exempt bonds by virtue of its form, method of formation, and its powers, purposes, and authorizations as set forth in these Articles; and (xi) qualifies as a public entity for purposes of the Colorado Governmental Immunity Act (C.R.S. §24-10-101, et seq.) (“CGIA”).

(c) For purposes of federal income tax law, it is intended that the Authority will be an instrumentality of the City, that the activities of the Authority will lessen the burden of government of the City, that the income of the Authority will be excluded from gross income and that interest on revenue bonds and other obligations of the Authority will (unless provided otherwise in the documents governing the issuance thereof) be excluded from gross income.

(d) The Authority is being organized in conjunction with, and pursuant to, the Framework Agreement.

(e) The Board shall take all necessary action such that, beginning at the initial meeting of the Board, the Authority shall assume all authority, obligations, and functions of the EOC.

**Section 7.02 Powers.** The Authority shall possess and may exercise all the rights, powers, privileges and immunities that a Colorado nonprofit corporation may possess and exercise, provided that it may exercise such rights, powers, privileges and immunities only (a) for the purpose set forth in Section 7.01 hereof, (b) subject to the limitations described in Section 7.03 hereof, and (c) to the extent not inconsistent with any provisions of these Articles.

**Section 7.03 Limitations on Purpose and Powers.** Notwithstanding any other provision of law or of these Articles of Incorporation, the rights, powers, privileges and immunities of the Authority shall be restricted as follows:

(a) The Authority shall be operated exclusively for, and the property and income of the Authority shall be used exclusively for, the purpose described in Section 7.01 hereof.

(b) No part of the net earnings of the Authority shall inure to the benefit of, or be distributable to, its Directors, officers or employees or private Persons, except that the Authority shall be authorized and empowered to pay reasonable compensation for service rendered and to make payments and distributions in furtherance of its authorized purposes.

(c) No substantial part of the activities of the Authority shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Authority shall not participate or intervene in (including the publishing or distribution of statements regarding) any political campaign on or on behalf of any candidate for public office.

(d) The Authority shall not engage in any activities which would cause it to be characterized as an action organization, as described in Treasury Regulations § 1.501(c)(3)-1(c)(3).

(e) The City and the Non-City Equity Partners shall have no liability (except as agreed to by contract) for any direct Authority costs of, or other obligations relating to, the financing, acquisition, ownership, equipping, design, construction, renovation, operation and maintenance of the Campus or otherwise with respect to the Campus. Any direct Authority costs of, acquiring, constructing, equipping, operating and financing the Campus shall be paid by the Authority and all obligations relating thereto shall be satisfied by the Authority from its own revenues and assets, which may include proceeds of Authority revenue bonds or other obligations. For purposes of this paragraph, the direct Authority costs of redeveloping the Campus shall be deemed to include the actual cost of acquiring any sites or parcels and the cost of construction of any part of the Campus which may be constructed (including architects' and engineers' fees), the purchase price of any part of the Campus that may be acquired by purchase and all expenses in connection with the authorization, sale and issuance of debt or other obligations of the Authority issued to finance such redevelopment.

(f) The Authority shall not, except with City consent, incur debt or other obligations except in accordance with this paragraph. The Authority is authorized to issue "on behalf of" tax exempt revenue bonds or taxable revenue bonds by virtue of its form, method of formation, and its powers, purposes, and authorizations, only for the purpose of financing the Campus. The Authority's bonds shall be payable solely out of the revenues derived from the leasing or operation of the Campus or other property of the Authority and may be secured by a mortgage, deed of trust or assignment of contract rights (including naming rights and sponsorship rights) covering all or any part of the Campus] or other property of the Authority. For purposes of this paragraph, (i) moneys paid to the Authority by the City, the Non-City equity Partners or others, pursuant to a contract for services or benefits provided by the Authority to the City, Non-City Equity Partners or others may constitute revenues derived from the operation of the Campus and the Authority's contractual rights under such an agreement shall constitute property of the Authority, (ii) refunding bonds shall not count against the authorized principal amount of revenue

bonds or other obligations that may be issued and (iii) operating or capital leases for equipment and agreements with respect to lines or letters of credit that fund operating or debt service reserves or provide liquidity, credit enhancement or interest rate protection shall not constitute debt so long as the Authority's obligations thereunder are payable from the same sources and are secured in the same manner as the revenue bonds or other obligations. The Authority's revenue bonds or other obligations, leases and agreements with respect to lines or letters or credit shall be deemed to be issued on behalf of the City for federal income tax purposes so that interest thereon may qualify for exclusion from gross income for federal income tax purposes.

(g) No revenue bond, lease, agreement, contract or other obligation issued or incurred by the Authority shall be deemed a debt, bond, lease, agreement, contract or obligation of the City or the Non-City Equity Partners.

(h) Any revenue bond or other obligation of the Authority and any lease or agreement with respect to a line or letter of credit to which the Authority is a party shall contain substantially the following legend: "[The bonds/This lease/This agreement] shall never constitute a debt, indebtedness or multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the City and County of Denver within the meaning of any provision or limitation of the Colorado Constitution or statutes or the home rule charter or ordinances of the City and County of Denver and shall not constitute or give rise to any pecuniary obligation of the City and County of Denver or a charge against its general credit or taxing powers."

(i) The Authority shall not incur any expense in any fiscal year that exceeds the sum of the revenues that the Authority expects to receive in such fiscal year and other legally available moneys of the Authority, including but not limited to proceeds of the revenue bonds or other obligations issued to finance the costs of equipping, leasing, maintaining, financing, programming, designing and constructing facilities at the Campus and otherwise redeveloping the Campus, without the prior written approval of the CFO.

(j) The Authority shall conduct its business in a manner consistent with its status described in Section 7.01(b) hereof. The Authority shall have no power to levy taxes or assessments of any kind, no power to condemn property by eminent domain and no police power. The Authority shall not conduct elections nor have voters or voting members pursuant to Article V of these Articles of Incorporation.

(k) The Authority shall conduct its business in its own name, with its own personnel, from any office or offices separate from the offices of the City or any Affiliate of the City and the Non-City Equity Partners, and using its own stationery, invoices and checks; shall hold itself out as an independent nonprofit corporation that is separate and distinct from the City and the Non-City Equity Partners; shall hold title to its property in its own name or the name of a nominee or other Person who is not the City or an Affiliate of the City or the Non-City Equity Partners; shall secure any and all Authority debt solely with its own revenues; and shall not, nor shall any of its Directors, officers or employees, refer to the Authority as a department, section, agency, board, commission or other component of the City for purposes of the charter and ordinances of the City or any other

purpose or permit the City to direct or interfere in the day-to-day operations of the Authority. The Authority and its Directors, officers and employees shall correct any known misunderstanding regarding the Authority's status as an independent nonprofit corporation that is separate and distinct from the City. Notwithstanding these limitations, the Authority may by contract agree to be bound by covenants that impose obligations on it that are similar to obligations imposed on City departments and agencies and on independent contractors of the City by the charter and ordinances of the City.

(l) The Authority shall observe all organization, procedural and operational formalities for Colorado nonprofit corporations, including holding regular meetings of the Board, maintaining appropriate minutes and other corporate records regarding action by the Board (including, without limitation, written consents) of all appropriate actions and filing tax returns and complying with other governmental rules and regulations in its own name.

(m) The Authority's assets and funds shall be segregated from, and shall never be commingled with, the assets or funds of the City, any Affiliate of the City or any other Person including the assets and funds of the other Non-City Equity Partners. The Authority shall maintain its financial and accounting records and financial statements separate from those of the City, any Affiliate of the City or any other Person including the Non-City Equity Partners.

(n) The Authority shall pay its officers, employees and contractors and its revenue bonds and contractual and other obligations from its own funds.

(o) Any transactions between the Authority and the City or any Affiliate of the City or between any affiliate of the Authority and the City or any Affiliate of the City (including any services performed by an employee of one of them for the benefit of the other) shall be on arms-length terms and in exchange for fair value. The Authority will not enter into any borrowings with the City or an Affiliate of the City unless such borrowing shall be on arms-length terms and shall be reasonably expected to be repaid in accordance with its terms.

(p) The Authority shall maintain adequate capital in light of its contemplated business operations.

(q) The Authority shall pay from its assets all revenue bonds, leases and other obligations of any kind incurred by the Authority and shall not pay from its assets any debt or other obligations of any other Person including the City or the Non-City Equity Partners. Except in connection with its own revenue bonds or other obligations, leases or agreements with respect to lines or letters of credit, the Authority shall not pledge its assets for the benefit of any other Person or Persons (including the Non-City Equity Partners) or make any loans or advances to any Person.

(r) The Authority shall not guarantee or become obligated for any debt or other obligation of any other Person including the City or the Non-City Equity Partners or hold out its credit as being available to satisfy the debt or other obligation of any other Person.

(s) The Authority shall not do any of the following without the affirmative vote of all of the Directors then in office, the written consent of the Mayor, and the approval of the City Council:

- (i) Dissolve or liquidate, in whole or in part; or
- (ii) Merge or consolidate with or into any other entity or convey or transfer its properties and assets substantially as an entirety to any other entity.

(t) The Authority shall not (i) commence any case, proceeding or other action or file a petition under any existing or future bankruptcy, insolvency or similar law seeking (A) to adjudicate the Authority a bankrupt or insolvent, (B) to have an order for relief entered with respect to the Authority, or (C) reorganization, arrangement, adjustment, wind-up, liquidation, dissolution, composition or other relief with respect to the Authority or its revenue bonds or other obligations, (ii) consent to the institution of bankruptcy or insolvency proceedings against the Authority, (iii) seek or consent to the appointment of a receiver, custodian, liquidator, assignee, trustee, sequestrator (or other similar official) of the Authority or a substantial part of its property, (iv) except as required by law, admit the Authority's inability to pay its revenue bonds or other obligations generally as they become due, (v) fail generally to pay its revenue bonds or other obligations as such revenue bonds or other obligations become due within the meaning of the United States Bankruptcy Code, as determined by a relevant bankruptcy court, (vi) make a general assignment by the Authority for the benefit of creditors, or (vii) authorize, take any action in furtherance of, consent to or acquiesce in any of the foregoing or any similar action or other proceedings under any United States or state bankruptcy or insolvency or similar law on behalf of, or with respect to, the Authority.

(u) If a court of competent jurisdiction determines that the Authority may, notwithstanding the prohibition set forth in subsection (t) of this Section, take an action prohibited by subsection (t) of this Section, the Authority shall not take any such action without the affirmative vote of all of the Voting Directors then in office (excluding any Nonvoting City Director), the written consent of the Mayor and the approval of the City Council.

## ARTICLE VIII.

### ANNUAL AUDITS, BUDGETS AND WORK PLAN

**Section 8.01 Annual Audit and Performance Audits.** The Authority shall conduct an annual audit of its finances and regular performance audits (not more frequently than once every two calendar years) based on industry best practices and conducted by an independent third party auditor for submittal of copies to the Mayor, the City Auditor and City Council, the CFO and other Equity Partners on or before April 1 of the preceding fiscal year and regular performance audits regarding Campus operations promptly following completion of its s performance audit regarding Campus operations.

**Section 8.02 Annual Budget and Work Plan.** The Board shall adopt a budget and work plan for 2019 and each subsequent calendar year. The Board shall adopt the budget and work plan for each calendar year on or before October 1 of the immediately preceding calendar year and shall provide copies thereof and of any amendments thereto to the Mayor, City Council, the Manager of Finance, and the Partner Agencies promptly upon their adoption by the Board.

**Section 8.03 Use of Revenues.** All revenues received by the Authority will be applied by the Authority for Campus use.

**Section 8.04 Initial Contribution.** The Equity Partners shall deposit the Initial Operating Contribution (as defined in Section 5(b) of the Framework Agreements into an Authority bank account as set forth in Section 3(i)(iii) of the Framework Agreement.

## **ARTICLE IX.**

### **INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS**

**Section 9.01 Scope of Indemnification.** The Authority shall indemnify and hold harmless its Directors, officers, employees and agents against losses, claims and damages to the fullest extent allowed by law and to the extent such losses, claims and damages are covered under a Directors' and Officers' Liability Insurance Policy to be held by the Authority, except that such indemnification shall not be available for:

- (a) any breach of such person's duty of loyalty to the Authority;
- (b) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- (c) a transaction from which such person directly or indirectly received an improper personal benefit, whether or not the benefit resulted from an action taken within the scope of such person's position with the authority; or
- (d) acts or omissions for which the liability of a person in such a position is expressly provided for by Colorado statute.

**Section 9.02 Rules, Procedures and Insurance Relating to Indemnification.** The Board may adopt rules and procedures governing indemnification, and shall obtain insurance relating to, the indemnification prescribed in this Article.

## **ARTICLE X.**

### **DURATION**

The Authority shall exist in perpetuity from and after the date on which these Articles of Incorporation are filed with the Secretary of State of the State of Colorado unless and until the Authority is dissolved pursuant to law or the terms hereof.

## **ARTICLE XI.**

### **DISPOSITION OF ASSETS ON DISSOLUTION**

Upon the dissolution of the Authority, the Board, acting as trustees in liquidation, shall, after paying or making provision for the payment of the revenue bonds, other obligations and liabilities of the Authority, distribute all of the assets of the Authority to the City.

## **ARTICLE XII.**

### **AMENDMENT OF ARTICLES OF INCORPORATION**

Section 7.03(s) of these Articles of Incorporation may be amended by a unanimous vote of all the voting City Directors, one vote of a CSU Director and one vote of a WSSA Director, who are then in office, with the written consent of the Mayor and City Council. In the event the Non-City Equity Partner(s) terminate their rights and obligations under the Framework Agreement in accordance with Section 31(e)(ii)(A) or (B), the remaining City Directors and the Voting GES Director may vote to amend these Articles in order to continue the functions of the Authority. The remainder of these Articles of Incorporation may be amended by resolution of the Board. In the event these Articles are amended, they shall be restated and reissued with a notation indicating the date of such amendment. These Articles may not be amended or modified in any way in contravention of the terms set forth in the Framework Agreement unless the Framework Agreement is likewise amended.

## **ARTICLE XIII.**

### **DEFINED TERMS**

For purposes of these Articles of Incorporation, the following terms shall have the following meanings:

“*Affiliate*” means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such Person. An Affiliate includes, but is not limited to, a Person who is an owner, officer, Director, manager or member of an Entity or of another entity that controls such Entity. For purposes of this definition, the Authority shall not be deemed to be an Affiliate of the City and the City shall not be deemed to be an Affiliate of the Authority.

“*Appointing Officer*” means the appropriate officer of a Non-City Equity Partner that appoints Non-City Equity Partners to the Board.

“*Articles*” means these Articles of Incorporation.

“*Campus*” means the site and activities associated with the Authority’s broad-based public/private partnership to better integrate the existing one hundred thirty acres of land on which the National Western Stock Show’s existing facilities are located with surrounding neighborhoods and to build and operate a new two-hundred seventy acre state-of-the art, multi-purpose campus (hereinafter referred to as the “Campus”) to: (a) house the National Western Stock Show; (b) serve

as a hub for year round creative, experiential education for all ages, research and commercial activity that promotes, supports, and helps to preserve the western lifestyle while highlighting innovation and global issues of health, food systems, food security, water and the environment; and (c) provide an attractive environment for additional agricultural business and science investments that will increase other economic and workforce development activities in the surrounding neighborhoods encourage the revitalization of those neighborhoods, and position the state as an agricultural innovations cluster leader.

“*Campus Development*” means the Campus development activities undertaken by the Equity Partners including property acquisition and relocation, infrastructure and facility planning, and design and construction at the Campus.

“*Control*” and derivations of such term means the possession, whether direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“*CSU*” means the Colorado State University System.

“*Designated Director*” means the Equity Partners’ designation of a City Director, a CSU Director and a WSSA Director who shall occupy a director position that is not subject to term limitations as set forth in Section 6.04 herein.

“*Entity*” means any entity, organization or authority, including, but not limited to, a domestic or foreign corporation, a domestic or foreign nonprofit corporation, a profit or nonprofit unincorporated corporation, a business trust, an estate, a partnership, a limited liability company, a trust, two or more persons having a joint or common economic interest, a state, the United States, a foreign government, or the Partner Agencies.

“*EOC*” means the Executive Oversight Committee made up of representatives from the Equity Partners and the Globeville, Elyria, Swansea neighborhoods.

“*Framework Agreement*” means that certain, definitive agreement memorializing the respective and ongoing responsibilities of the City, CSU and WSSA (all as defined herein) as to the funding, design, construction, operation and maintenance of the National Western Center Campus and the joint formation of the Authority dated as of September 28, 2017.

“*Grant*” means a cash payment of public funds made directly to the Authority by the State of Colorado or a Colorado local governmental entity or a district, which cash payment is not required to be repaid; but does not include: public funds paid or advanced to the Authority by the State of Colorado or a Colorado local governmental entity or district in exchange for an agreement by the Authority to provide services or other benefits, refunds made in the current or next fiscal year, gifts, any payments directly or indirectly from federal funds or earnings on federal funds, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards, or property sales.

“*Initial Campus Development*” means those initial services and activities necessary to accomplish the items set forth in Section 7(a) of the Framework Agreement.

“*Non-voting Director*” means a Director or those Directors who: are not entitled to vote at Board meetings; or who may not vote to take Board action regarding Authority business; and who are not counted for quorum purposes.

“*Person*” means a natural person or an Entity.

“*Voting Director(s)*” means a Director or those Directors who: are entitled to vote at Board meetings; or who may vote to take Board action regarding Authority business; and who are counted for quorum purposes.

“*GES Director*” means a Director appointed by the Mayor who must, as a condition of their appointment, reside in the Globeville, Elyria, or Swansea neighborhood.

“*WSSA*” means the Western Stock Show Association.

#### **ARTICLE XIV.**

##### **SEVERABILITY**

If any Article, Section, subsection, paragraph, sentence, clause, phrase or provision of these Articles is void or illegal, it shall not impair or affect the balance of these Articles of Incorporation, and the undersigned incorporator does hereby declare that he would have signed and executed the balance of these Articles of Incorporation without such void or illegal provisions.

#### **ARTICLE XV.**

##### **CONFLICT OF TERMS**

If any Article, Section, subsection, paragraph, sentence, clause, phrase, term, or provision of these Articles conflicts with or is inconsistent with any term or provision of the Framework Agreement, such conflict or inconsistency shall be resolved in favor of the Framework Agreement. If any conflict or inconsistency of any term or provision of these Articles conflicts with or is inconsistent with any term or provision of the Bylaws, such conflict or inconsistency shall be resolved in favor of these Articles.

#### **ARTICLE XVI.**

##### **NAME AND ADDRESS OF FILER**

The name and mailing address of the individual who caused this document to be delivered for filing is \_\_\_\_\_.

**BYLAWS OF THE  
NATIONAL WESTERN CENTER AUTHORITY**

**ARTICLE I.**

**BOARD OF DIRECTORS**

**Section 1.01 Powers, Number and Term of Office.** All corporate powers of the National Western Center Authority (“Authority”) shall be exercised by or under the authority of, and the business and affairs of the Authority managed under the direction of, the Board of Directors (individually, a “Director” and collectively, the “Directors”) of the Authority (“Board of Directors” or “Board”), subject to the restrictions imposed by law, the Authority’s Articles of Incorporation (“Articles”) and these Bylaws. Defined terms herein related to the Board of Directors shall have those meanings assigned to them in the Articles of Incorporation. The Board shall consist of a minimum of thirteen (13) Directors, including one Non-voting Director (being the City’s Chief Financial Officer who shall serve as an *ex officio* Director on the Board,), and three (3) Designated Directors. The Directors shall be appointed at the times and in the manner set forth in the Articles. Capitalized terms not defined herein shall have the meanings ascribed to them in the Articles or the Framework Agreement.

**Section 1.02 Resignation and Removal of Directors.** Any Director, including a Designated Director, may resign at any time by giving written notice as provided in Section 6.05 of the Articles. Any Director, including a Designated Director, may be removed at any time as provided in Section 6.05 of the Articles.

**Section 1.03 Meetings of Directors.** The Board may hold their meetings at such time and place or places either within or without the State of Colorado as the Board may from time to time designate and with such notice as may be required by law, the Articles or these Bylaws. If the meeting is held without the state of Colorado, notice must be given by mail not less than five (5) days before the meeting, and said notice shall contain the date, place and purpose of the meeting. Such notice is considered given when deposited in the United States mail with postage prepaid.

**Section 1.04 Regular Meetings.** The Board shall hold regular meetings at a frequency determined by the Board, and in no event less than quarterly. The Chair (as defined in Section 2.01) shall preside at regular meetings of the Board.

**Section 1.05 Regular Annual Meetings.** A regular annual meeting of the Board shall be held on or before the first business day of \_\_\_\_\_ of each year, and no notice shall be required in connection therewith. The annual meeting of the Board shall be for the purposes of electing or appointing Officers or Directors, and the transaction of such other business as may come before the Board at such meeting.

**Section 1.06 Special Meetings.** Special meetings of the Board shall be held upon notice to the Directors and may be called by any Director in accordance with Section 1.09 hereof.

**Section 1.07 Initial Meeting.** The Chair (as defined in Section 2.01) shall convene and preside over the initial meeting of the Board (the “Initial Meeting”). The Board shall take all necessary actions and adopt all necessary policies as it must and in accordance with the Articles, the Framework Agreement, the Nonprofit Corporation Act and the requirements of the Board’s Equity Partners at the Initial Meeting.

**Section 1.08 Public Notice.** Meetings of the Board of Directors shall be noticed and open to the public in the same manner and to the same extent as required under the Colorado Open Meetings Law, C.R.S. 24-6-101 to 24-6-402, as amended, or any successor provisions.

**Section 1.09 Notice to Directors and Waiver of Notice.** Regular meetings of the Board may be held with notice to the Directors at such time and place as the Board shall determine. Special meetings of the board shall be held upon notice to the Directors and may be called by any Director upon two (2) days’ notice to each Director either personally or by mail, telecopy, telephone, or electronic communication (including, but not limited to, electronic mail), except as provided by Section 1.12 hereof. Special meetings shall be called by any Director in a like manner at the written request of any Director. Notice of a meeting need not be given to any Director who submits a waiver of notice, whether before or after the meeting, or who attends the meeting without objecting at the beginning of the meeting to the holding of such meeting or the transacting of business at the meeting. Whenever any notice whatsoever is required to be given to a Director under the provisions of the Colorado Nonprofit Corporation Act, as amended, the Articles of Incorporation or these Bylaws, such notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postage pre-paid wrapper addressed to the person entitled thereto at his or her post office address or by sending a facsimile or electronic mail message to such person, each at the address as it appears in the records of the Authority, and such notice shall be deemed to have been given on the day of such mailing or facsimile or electronic mail transmission. Neither the business to be transacted nor the purpose of any regular or special meeting of the Board need be specified in the notice given to a director or waiver of notice of such meeting, unless required by resolution of the Board of Directors. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of the adjournment shall be given to all Directors who are absent at the time of the adjournment and, unless such time and place are announced at the meeting, to the other Directors. In addition to the foregoing, notice shall be provided via electronic mail transmission, including an itemized Agenda and all pertinent documentation required for discussion purposes at least 24 hours prior to any regular or special meeting of the Board.

**Section 1.10 Conduct of Business.** At the meetings of the Board, matters pertaining to the purposes of the Authority shall be considered in such order as from time to time the Board may determine.

At all meetings of the Board, the Chair shall preside, and in the absence of the Chair, the Vice Chair (as defined in Section 2.01 hereof) shall exercise the powers of the Chair.

The Secretary (as defined in Section 2.01 hereof) of the Authority shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding director may appoint any person to act as secretary of the meeting.

A Director participating in a meeting by any means of communication that allows all Directors participating in the meeting and members of the public in attendance to hear each other shall be deemed to be present at the meeting for purposes including, without limitation, voting and determining whether a quorum is in attendance. Directors shall not vote by proxy; nor shall the Board take action without a meeting with respect to any matter.

**Section 1.11 Presumption of Assent.** A Director who is present at a meeting of the Board or a committee of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he objects to the transaction of such business or to such action at the meeting. The right of a Director to dissent as to a specific action taken in a meeting of the Board or a committee of the Board pursuant to this Section 1.11 is not available to a Director who votes in favor of such action.

**Section 1.12 Written Consent of Directors.** [Intentionally Omitted]

**Section 1.13 Quorum and Board Action.** A majority of the directors who are entitled to vote under rules set by the Articles (“Voting Directors”) shall constitute a quorum. In the case of removal or suspension of a Director, the quorum calculation will be adjusted in accordance with Article VI of the Articles. A quorum shall be required for the consideration of matters pertaining to the purposes of the Authority. The vote of a majority of the Voting Directors shall constitute the act of the Board, unless the vote of a greater number of Directors is otherwise required by law, the Framework Agreement, the Articles, or these Bylaws. To account for the even number of voting directors, in the case of a tie vote, the vote of the City’s Designated Director shall count as two votes to break the tie.

**Section 1.14 Executive and Other Committees.** The Board, by resolution adopted by a majority of the entire Board, may designate from among its Directors an executive committee and other committees, which may consist of Directors or other persons. The Board shall create a committee for the purpose of aligning the interests of the Equity Partners, and all campus tenants to maximize the year-round use and revenue of the Campus. Each committee shall serve at the pleasure of the Board. No such committee shall have the power or authority to: (a) amend, restate, alter or repeal the Articles; (b) amend, restate, alter, or repeal these or any other Bylaws of the Authority; (c) elect, appoint or remove any member of any such committee, or any officer of Director of the Authority; (d) adopt a plan of merger or consolidation with any other corporation; (e) authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Authority; (f) authorize the voluntary dissolution of the Authority or revoke any proceedings for the voluntary dissolution of the Authority; (g) adopt any plan for the distribution

of the assets of the Authority; (h) amend, alter, or repeal any resolution of the Board which by its terms does not expressly provide that it may be amended, altered, or repealed by such committee; or (i) take any other action prohibited by law. All committees of the Board shall keep regular meeting minutes, shall cause such minutes to be recorded in the office of the Authority, and shall report the same to the full Board at the meeting of the Board next following such actions or as requested by the Board.

**Section 1.15 Books and Records.** The Authority shall keep correct and complete books and records of account consistent with generally accepted accounting principles for nonprofit corporations, and shall keep minutes of the proceedings of its Board and committees. All books and records of the Authority shall be kept at the principal office of the Authority where they shall be available to the public as required under the Colorado Open Records Act, C.R.S. §§ 24-72-200.1 to 24-72-206, as amended, or any successor provisions (the “Open Records Act”). A “Custodian of Public Records” shall be appointed by the Board of Directors, who may make such rules with reference to the inspection of such records as are reasonably necessary for the protection of such records. All requests received by the Authority (or CSU regarding the Authority) shall be immediately transmitted to the Custodian of Public Records for processing. The transmission of such requests to the Custodian of Public Records shall not relieve CSU of its independent statutory obligations pursuant to the Open Records Act.

**Section 1.16 Indemnification.** The Authority shall indemnify any Director or Officer or former Director or Officer of the Authority to the extent allowed by law and the Articles.

**Section 1.17 Standards of Conduct and Procedures.** The Board may, by resolution, adopt and maintain policies setting forth standards of conduct and procedures consistent with law, the Articles, the Framework Agreement, and these Bylaws with respect to the following matters, as well as any other matters that the Board may from time to time deem appropriate or desirable to address. The Board may adopt a code of ethics with attendant policy standards.

(a) ***Duty of Care and Loyalty.*** The Board may adopt and maintain a policy setting standards of conduct for Directors and Officers designed to fulfill the duty of care and loyalty to the Authority and procedures for the Board. Such standards and procedures may address topics including, without limitation, scheduling of and attendance at meetings, maintenance of confidentiality, distribution of information to Directors, and regular review and update of Authority Bylaws and policies.

(b) ***Conflict of Interest.*** The Board may adopt and maintain a policy regarding disclosure of conflicts of interest and appropriate level of participation of Directors and Officers (as defined in Section 2.01 hereof) in discussion and decision making related to matters in which they have a conflict of interest.

(c) ***Hiring, Purchasing, and Contracting Policies.*** The Board may adopt and maintain a policy regarding the procedures the Board will follow in hiring Authority personnel, [including its CEO (as defined in 2.01 hereof)] purchasing supplies and contracting for services.

**Section 1.18 Compensation of Directors.** Directors as such shall not receive any stated salaries for their services, but by resolution of the Board, expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board with the exception of the Non-voting City Director. Such fixed amount shall be consistent with the expense reimbursement paid to directors of comparable non-profit boards of directors as is determined from time to time by resolution of the Board.

## **ARTICLE II.**

### **OFFICERS**

**Section 2.01 Titles and Term of Office.** The officers of the Authority (the “Officers”) shall be the Chairperson of the Authority Board (the “Chair”), a vice Chairperson of the Authority Board (the “Vice Chair”), a secretary (the “Secretary”) and a treasurer (the “Treasurer”). Until completion of the Initial Campus Development, the Mayor shall designate the Chairperson. The Board shall elect its Vice Chair, Secretary, and, following completion of the Initial Campus Development, its Chair. The Chair (following completion of the Initial Campus Development), Vice Chair and Secretary each shall serve in such capacity for the lesser of two (2) terms or ten (10) years while holding such office and serving in such official capacity in accordance with the Articles. The Board shall engage a president/chief executive officer (the “CEO”) in accordance with Section 2.06 or such other Officers as it deems necessary and appropriate to manage the business and affairs of the Authority. One person may hold more than one office, except that neither the Chair nor the CEO shall hold the office of Secretary. A vacancy in the offices of Vice Chair and Secretary shall be filled by the Board.

**Section 2.02 Chairperson.** The Chair shall be a Voting Director; shall preside at all meetings of the Board; and, in furtherance of the purposes of the Authority, may sign and execute all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes, and other instruments in the name of the Authority.

**Section 2.03 Vice President/Vice Chairperson.** The Vice Chair shall be a Voting Director; shall have such powers and duties as may be assigned by the Board; shall exercise the powers and duties as may be assigned by the Board; and shall exercise the powers of the Chair during that Officer’s absence or inability to act. Any action taken by the Vice Chair in the performance of the duties of the Chair shall be conclusive evidence of the absence or inability to act of the Chair at the time such action was taken.

**Section 2.04 Secretary.** The Secretary shall be a Voting Director; shall keep or cause to be kept the minutes of all meetings of the Board; shall attend to the giving and serving of all notices; in furtherance of the purposes of the Authority, may sign with the Chair in the name of the Authority, and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes, and other instruments of the Authority; shall have charge of the corporate books, records, documents, and instruments and such other books and papers as the Board may direct.

**Section 2.05 Treasurer.** The Treasurer shall be the City’s Chief Financial Officer or his or her authorized designee, serving as the Non-voting City Director. The Treasurer shall have custody of all the funds and securities of the Authority, which shall come into such Treasurer’s hands. When

necessary or proper, the Treasurer may endorse, on behalf of the Authority, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Authority in such bank or banks or depositories as shall be designated in the manner prescribed by the Board; may sign all receipts and vouchers for payment made to the Authority, to the extent authorized by the Board, either alone or jointly with such other officer as is designated by the Board; whenever required by the Board, shall render a statement of the cash account; shall enter or cause to be entered regularly in the books of the Authority to be kept by the Treasurer for that purpose full and accurate accounts of all monies received and paid out on account of the Authority; shall have charge of the books of account and financial records and securities; shall perform all acts incident to the position of Treasurer subject to the control of the Board. The funds and securities of the Authority shall not be co-mingled with funds of any Equity Partner.

**Section 2.06 President/Chief Executive Officer.** The Authority shall at all times employ or contract with a qualified CEO to conduct the day-to-day operations of the Authority. The CEO may be an at-will employee of the Authority or an independent contractor (whether an individual or contractor entity) and shall serve at the pleasure of the Board. The City, CSU and WSSA each shall nominate one representative to a committee to conduct a national search for the initial CEO. Under the direction of such committee, the Mayor's Office of the National Western Center shall develop an initial job description consistent with the powers and responsibilities of the Authority, conduct a survey to determine appropriate compensation based on current market conditions, and otherwise administer such national search. The Equity Partners may each nominate up to three candidates to the Board for selection of the initial CEO from candidates identified during such search. If any of the Equity Partners fails to nominate a candidate for CEO on or before the Initial Meeting of the Board, such Equity Partner shall forfeit its right to nominate a candidate hereunder. Any subsequent CEO shall be selected by the Board after the Board develops a job description consistent with the powers and responsibilities of the Authority and the then-current operational requirements of the Authority, conducts a survey to determine appropriate compensation based on current market conditions, and conducts a national search for candidates, unless the Board determines that a national search is not in the best interests of the Authority, the Campus or the Campus Development. The candidate selected by the Board as CEO must be qualified to perform such job description and willing to accept compensation within the range identified during such survey. No candidate may be a then-current officer or employee of any Equity Partner, except the Authority. The CEO shall give such bond for the faithful discharge of his or her duties in such form as the Board may require. Pending the retention of a CEO, or in the absence or inability to act of the CEO, the duties of the CEO shall be delegated by resolution of the Board to one or more Voting Directors, or employees, contractors, or agents of the Authority.

**Section 2.07 Compensation of Officers.** With the exception of the CEO, Officers or Directors as such shall receive no salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

### ARTICLE III.

#### PROVISIONS REGARDING ARTICLES OF INCORPORATION AND BYLAWS

**Section 3.01 Effective Date.** These Bylaws shall become effective upon their adoption by resolution of the Board.

**Section 3.02 Amendments to Bylaws.** These Bylaws may be amended by resolution of a majority of the Voting Directors; provided that at least one CSU Director and one WSSA Director vote in favor of such amendment. In the event these Bylaws are amended, they shall be restated and reissued with a notation indicating the date of such amendment. These Bylaws shall not be amended in any way in contravention of the Articles or the Framework Agreement.

**Section 3.03 Interpretation of Bylaws.** These Bylaws and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section, or other part of these Bylaws, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section, or other part of these Bylaws to any other person or circumstance shall not be affected thereby.

**Section 3.04 Conflict of Terms.** If any Article, Section, subsection, paragraph, sentence, clause, phrase, term, or provision of these Bylaws conflicts with or is inconsistent with any term or provision of the Framework Agreement or the Articles, such conflict or inconsistency shall be resolved favor of the Framework Agreement. If any conflict or inconsistency of any term or provision of these Bylaws conflicts with or is inconsistent with any term or provision of the Articles, such conflict or inconsistency shall be resolved in favor of the Articles, but at all times the terms of the Framework Agreement shall take precedence.

#### ARTICLE IV.

#### GENERAL PROVISIONS

**Section 4.01 Principal Office and Registered Office.** The address of the Authority's initial principal office is Mayor's Office of the National Western Center, 201 West Colfax Avenue, Department 205, Denver, Colorado, 80202 and the initial registered agent shall be CT Corporation, 1675 Broadway, Suite 1200, Denver, Colorado, 80202.

The Authority shall have and continuously maintain in the State of Colorado ("State") a registered office and a registered agent whose business office is identical with such registered office.

The name of the registered agent and the address of the registered office may be changed from time to time by the Board, pursuant to the Colorado Nonprofit Corporation Act, as amended.

**Section 4.02 Fiscal Year.** The fiscal year of the Authority shall be the calendar year.

**Section 4.03 Seal.** A seal shall not be required unless otherwise determined by resolution of the Board of Directors. In such event, the seal of the Authority shall be in such form as determined by resolution of the Board of Directors.

## ARTICLE V.

### DEFINED TERMS

**Section 5.01 Defined Terms.** For purposes of these Bylaws, the following terms shall have the following meanings:

“*Articles*” means the National Western Center Authority Articles of Incorporation, including all amendments thereto or changes thereof unless specifically excepted.

“*Board*” means that collective body of directors that manage and control the Authority composed of thirteen (13) directors, one of whom shall serve at all times as a Non-voting Director, pursuant to Section 6.02 of the Articles.

“*Campus*” means the site and activities associated with the Authority’s broad-based public/private partnership to better integrate the existing one hundred thirty acres of land on which the National Western Stock Show’s existing facilities are located with surrounding neighborhoods and to build and operate a new two-hundred seventy acre state-of-the art, multi-purpose campus (hereinafter referred to as the “*Campus*”) to: (a) house the National Western Stock Show; (b) serve as a hub for year round creative, experiential education for all ages, research and commercial activity that promotes, supports, and helps to preserve the western lifestyle while highlighting innovation and global issues of health, food systems, food security, water, and the environment; and (c) provide an attractive environment for additional agricultural business and science investments that will increase other economic and workforce development activities in the surrounding neighborhoods to encourage the revitalization of the site and activities associated with the Authority’s broad-based public/private partnership to lead, inspire, create, educate, and revolutionize the pursuit of global food solutions and agricultural advancements at and in the immediate vicinity of the current National Western Stock Show Complex and Denver Coliseum.

“*Campus Development*” means the development activities undertaken by the Equity Partners including property acquisition and relocation, infrastructure and facility planning, and design and construction at the Campus.

“*City*” means the City and County of Denver, Colorado.

“*CSU*” means the Colorado State University System.

“*Designated Director*” means each one of the City’s Designated Director, CSU’s Designated Director, and WSSA’s Designated Director, as designated in accordance with Section 6.04 of the Articles, who shall occupy a director position that is not subject to term limitations as set forth in Section 6.04 of the Articles and who shall continuously serve for the duration of time prescribed by the Articles.

“*Director*” or “*Directors*” means a director or directors who serve(s) on the Board.

“*EOC*” means the Executive Oversight Committee made up of representatives from the Equity Partners and the Globeville, Elyria, and Swansea neighborhoods.

“*Equity Partners*” means, collectively, the City, CSU, and WSSA.

“*Framework Agreement*” means that certain, definitive agreement memorializing the respective and ongoing responsibilities of the City, CSU and WSSA as to the funding, design, construction, operation and maintenance of the Campus and the joint formation of the Authority dated as of September 28, 2017.

“*Non-voting Director(s)*” means a Director or those Directors who; are not entitled to vote at Board meetings; or who may not vote to take Board action regarding Authority business; and who are not counted for quorum purposes, as determined in accordance with Article VI of the Articles and Section 1.13 of the Bylaws.

“*Voting Director(s)*” means a Director or those Directors who: are entitled to vote at Board meetings; or who may vote to take Board action regarding Authority business; and who are counted for quorum purposes, as determined in accordance with Article VI of the Articles and Section 1.13 of the Bylaws.

“*WSSA*” means the Western Stock Show Association.

**AMENDED, RESTATED AND REVISED** this \_\_\_\_\_ day of \_\_, 20\_\_.

**NATIONAL WESTERN CENTER AUTHORITY**

**BY:** \_\_\_\_\_

**Chairperson**