



NONBINDING LETTER OF INTENT

This Letter of Intent (“LOI”) is entered into by and between the City of El Paso de Robles (“City”) and the _Gran Systems Co., Ltd._ of Taiwan for the purpose of memorializing and expressing the intent of the City and the _Gran Systems_ to explore an operational relationship at the proposed Paso Robles Spaceport (PRSP). The City and _Gran Systems_ are herein referred to as “Party” or “Parties” to this LOI.

This LOI is not meant by the Parties to be a legally binding agreement, or an amendment to any existing agreement, but it does memorialize the Parties intent to pursue future agreements related to the development, use, and operations at the proposed PRSP.

Recitals:

- A. Currently, there are 14 licensed commercial spaceports in the United States, and on Aug. 3, 2021, the City Council unanimously voted to start the pre-application process with the Federal Aviation Administration (“FAA”) for licensing the Paso Robles Spaceport.
- B. FAA Spaceport designation will allow the City to market the airport to firms wishing to conduct research, manufacturing or launch of small scale satellites and attracting high paying space tech related jobs.
- C. As a launch and landing site for suborbital, reusable launch vehicles as well as a center for innovation, a Spaceport may offer a number of economic development opportunities including leasing opportunities, laboratory office space including technology incubator space and hardware production facilities.
- D. The City is interested in continuing non-exclusive discussions with potential tenants and partners interested in the proposed PRSP.

Facts; Intended Points for Negotiation:

1. Nonbinding. This letter is non-binding in all respects and should not and may not be construed as a commitment of either the City or _Gran Systems_.
2. Intent. While the City explores the possible Spaceport designation, it is the desire of the Parties to continue to explore an operational relationship at the proposed PRSP.



3. Public Purpose a Future Agreement. Gran Systems has expressed interest in establishing its Californian facility at the proposed PRSP. The potential relationship presents jobs, redevelopment of part of airport, partnerships and development of deep space tech, and further incoming international companies for the City and the PRSP.
4. Compliance With All Laws. The Parties acknowledge that this LOI neither includes nor constitutes an approval of any project or use at the PRSP. The PRSP and all activities related to the application, proposal, licensure and future uses or operations are subject to compliance with the California Environmental Quality Act (“CEQA”) and that this LOI in no way commits the City to the approval of any project or to any CEQA determination. It is understood that the City reserves the right to exercise its discretion as to all matters, which it is by law entitled or required to exercise. In addition, any agreement, amendment, or application processed will be subject to and brought to the City Council for consideration in accordance with applicable legal requirements.
5. Counterparts. This LOI may be executed in any number of counterparts (each of which shall be original) and by facsimile (which along with the originally executed LOI) shall constitute one and the same document.
6. No Liability. Notwithstanding anything else in this LOI, either party may, at any time unilaterally terminate all negotiations or discussions without any liability whatsoever to the other Party. Each Party is and will be solely liable for all of its own fees, costs, and other expenses in conjunction with the discussions called for in this LOI.

The Parties agree with the foregoing as indicated by their signatures below. The signatories below for the City and Gran Systems represent that they have authority to act on behalf of their respective entity. The Parties understand that nothing about this LOI constitutes a binding agreement.

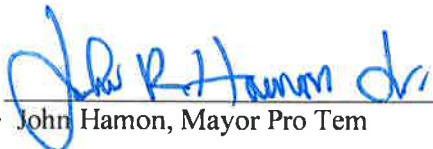
(NEXT PAGE IS SIGNATURE PAGE)

SIGNATURE PAGE TO
LETTER OF INTENT

IN WITNESS WHEREOF, the parties hereto have caused this Letter of Intent to be executed the day and year first hereinabove set forth.

THE CITY OF EL PASO DE ROBLES

GRAN SYSTEMS CO., LTD.


PS John Hamon, Mayor Pro Tem

Kuang-Han Ke, Chairman

June 8, 2023
(Date)


Kuang-Han Ke (May 26, 2023 15:51 GMT+8)

(Signature)

May 26, 2023

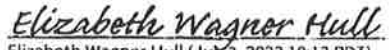
(Date)

ATTEST:


Melissa Boyer, City Clerk

June 8, 2023
(Date)

Approved as to form by:


Elizabeth Wagner Hull (Jun 2, 2023 10:13 PDT)
City Attorney

Jun 2, 2023
(Date)