

Founder Membership Policies & Procedures

1. Types of Memberships.

Individual – Available to any natural person.

Corporate – Available to any corporation, limited liability company, limited partnership, limited liability limited partnership, professional corporation, professional partnership, general partnerships and other entities organized under the Texas Business Organization Code or comparable statute of another state.

2. Transferability of Memberships.

Individual – Non-transferable, except by one spouse to another upon divorce or death of the member spouse. If the individual who is the named member dies or divorces, the membership may be transferred to the named member's ex-spouse as part of the deceased Member's probate or the divorce. In that case, the ex-spouse becomes the member and the former named member ceases to be a member. Upon the death of a married member, his or her surviving spouse may become a member for the remainder of such surviving spouse's life.

Except as provided above, an individual member may not transfer, assign or bequeath his or her membership, i.e., it cannot be sold, given or left at death to the member's children or anyone other than the member's spouse.

The Club reserves the right to require written proof satisfactory to the Club of any transfer of an Individual Membership upon death or divorce of an Individual Member.

An Individual Membership may be converted to a Corporate Membership by making an additional payment equal to the difference between the initiation fees for Corporate and Individual Memberships.

Corporate – A Corporate Membership is the property of the entity named as the Corporate Member. The membership may not be sold except as part of a sale of all or substantially all of the Corporate Member's assets. If transferred to an individual, a corporate membership will become an individual membership, subject to the rules stated above for individual memberships.

If all or substantially all of a Corporate Member's assets are sold to a single buyer or the Corporate Member dissolves, merges, or consolidates, the membership shall vest in whatever other entity or individual becomes the owner of such assets or becomes the successor of the Corporate Member.

The Club reserves the right to require written proof satisfactory to the Club of any transfer of a Corporate Membership.

3. Initiation Fees Effective June 1, 2009.

- (a) Individual Membership - \$5,000.00
- (b) Corporate Membership - \$10,000.00
- (c) Initiation fees may be paid in five (5) equal annual installments beginning on the date that the application for membership is submitted, and annually thereafter on or before renewal Membership Cards are distributed by the Club. No applicant who has failed to pay any installment for an Initiation Fee will be issued any renewal Membership Cards or entry passes for admission to the Club during the STFR. Members who are paying Initiation Fees in installments will receive the Notification described in Paragraph 5(d) below and to remain in good standing must pay the installment by the date designated in such Notification. Any Member who fails to pay any installment within ninety (90) days of the due date shall forfeit all Club privileges.

4. Membership Privileges.

- (a) Each Member will be allowed Club privileges in accordance with these rules.
- (b) Each individual and each corporate member is allowed one (1) vote for each matter submitted to a vote of the membership.
- (c) The Executive Committee of the Star of Texas Fair and Rodeo ("STFR") has the right to establish and modify from time to time the rules of operation and decorum for the Founder's Club. A Member's privileges may be suspended or revoked for violations of such rules.
- (d) The Executive Committee of STFR reserves the right to establish and modify these Rules from time to time.

5. Membership Credentials.

Members in good standing are entitled to Founder's Club Membership Cards evidencing their right to Founder's Club privileges. Cards shall be valid for one (1) year and will be distributed and redistributed annually in accordance with the following rules. Each natural person holding a current Membership Card is herein referred to as a "Card Holder."

(a) Individual Members.

- (i) Each Individual Member shall be entitled to one (1) card issued in the Member's name, and one (1) card issued in the name of the Member's Spouse, or in the name of the Member's Dependent

Child. A Dependent Child is a natural or adopted child of the Member who is between the ages of thirteen (13) and twenty-one (21) and resides with the Member.

- (ii) Each Individual Member who is unmarried, but has a Dependent Child may have one (1) card issued in the Member's name, and one (1) card issued in the name of the Dependent Child.
- (iii) No Individual Member is entitled to have a membership card issued to anyone other than the Member, the Member's Spouse or the Member's Dependent Child.
- (iv) There shall be no more than two (2) Card Holders at any given time holding cards under any single Individual Membership.

(b) Corporate Members.

Each Corporate Member shall be entitled to designate persons to become Card Holders in accordance with the following rules:

- (i) Prior to June 1, 2009, some Corporate Memberships were sold for a minimum initiation fee of \$5,000.000. Any Corporate Member who has paid a membership initiation fee of \$5,000.00 shall be entitled to designate two (2) Card Holders;
 - (ii) Starting in June 1, 2009, a Corporate Membership will require a minimum fee of \$10,000.00 for which the member shall be entitled to designate four (4) cardholders. For each additional \$2,500.00 in membership initiation fees paid by a Corporate Member, such Member shall be entitled to designate one (1) additional Card Holder; provided, however, that no Corporate Member may designate more than six (6) Card Holders. A Corporate Member may increase the number of Card Holders that it is entitled to designate, up to a limit of six (6), by paying additional membership fees in increments of \$2,500.00 for each additional Card Holder that such Corporate Member desires to designate.
- (c) No Card Holder is authorized to loan, give, or otherwise entrust such Card Holder's card to anyone else. Violation of such rule may result in forfeiture of all Club privileges for such Card Holder.
 - (d) All Members shall be sent a Card Holder Renewal Notification (the "Notification") each year in advance of the Star of Texas Fair and Rodeo.

If the Member does not desire to make any changes in the persons who then currently are Card Holders under such Member's Membership, the

Member need not return the Notification. The Club's staff will reissue membership cards to the same Card Holders, so long as the Member's Membership status remains in good standing with the Club.

If the Member desires to change the identity of any Card Holder previously designated by such Member, the Member must return the Notification to the Club staff by the date indicated in the Notification.

- (e) Each Card Holder is responsible for his or her own conduct and that of such Card Holder's guests at all times while exercising Club privileges. The privileges of any Card Holder may be suspended or revoked at any time for violation of Club rules.

6. Card Holder's Founder's Club Admissions Passes During the STFR.

For admission to the Founder's Club during the STFR, each Card Holder will be issued one (1) book of passes containing four (4) guest passes for each day the Founder's Club is open. SUBJECT TO Rule 7 below, each pass shall entitle one (1) person to admission into the Founder's Club on the day for which such pass is issued. The Card Holder may utilize Founder's Club Membership Card and/or one (1) of the guest passes for himself or herself if he or she wants to enter the Club. Each pass entitles the holder to admission to the Founder's Club, but not the Arena. **For admission to the Arena, each person must have an official STFR Xtreme Bulls or ProRodeo ticket.**

7. Limitation of Number of Club Occupants.

At all times while the Club is in operation, Club management reserves the right to restrict admission to the Club in order to maintain compliance with Fire Code or other regulations governing the Travis County Exposition Center.