

(NOTE – the entire following SECTION 10 is new text in 2018; Bold underline font usually used for new text is omitted for clarity)

SECTION 10 - CORPORATE MEMBERSHIP: RIGHTS AND RESPONSIBILITIES

10.1 General Information

Central Motorcycle Roadracing Association, Inc. is a Texas nonprofit membership corporation exempt from federal income tax pursuant to section 501(c)(7) of the Internal Revenue Code. It is managed by a board of directors that is elected by CMRA members. Its corporate governance rules are set forth in its Bylaws, which are available for review on the “Forms” page of the CMRA website.

10.2 Membership Qualifications

The Club, at its sole discretion, reserves the right to refuse the issuance or renewal of Club membership to any person for whatever reason it deems appropriate.

The Club has two (2) classes of corporate members: Racing Members and Associate Members. Racing Members are allowed to compete in club racing events to the extent permitted by their License Type. Associate Members cannot compete in club racing events. Aside from racing rights, both classes of members have the same rights and privileges of club membership.

10.3 Membership Obligations

The Board establishes the annual membership fees for each class of members and members must pay those dues to remain in good standing with the Club.

All Members are responsible for becoming familiar with and complying with all information covered by the Club rulebook, including mid-season updates published by the Club, as well as information covered at any Rider Briefing.

Each Member shall be entitled to one (1) vote on each matter submitted to a vote of the members as permitted by these Bylaws.

Membership is not transferable or assignable.

Racing Members may have their racing privileges and rights revoked, suspended or restricted where such action shall be deemed necessary for the safe and orderly progress of a race, other Club event, or future events.

Any member may have membership suspended, revoked or expelled for conduct which negatively reflects upon the Club; dishonorable conduct; failure to abide by and/or comply with the rules, regulations, directives or procedures established by the Board; disorderly conduct; the conviction of a felony or a misdemeanor involving moral turpitude. The Board is solely responsible for ascertaining what constitutes dishonorable conduct or conduct that negatively reflects on the Club.

10.4 Membership Rights

There is a meeting of the Members at least once a year, and all Members are invited.

All Members in good standing may vote in the annual election of directors and may vote on other business that is brought before the Members.

Members are not personally liable for any debt, liability, or obligation of the Club.

10.5 Litigation Against the CMRA or Against Current or Former CMRA Directors, Officers or Employees

If any Member institutes litigation in which the CMRA is included as a defendant, in an effort to recover damages or relief of any type, including injunctive or declaratory relief, in connection

with alleged actions or inactions by the CMRA, unless the member prevails in such litigation by recovering all relief requested at any time in the litigation, the member shall be liable to the CMRA for its attorneys' fees, costs of court, and all other expenses incurred in connection with such litigation. Venue for any litigation in which the CMRA is included as a defendant shall be McLennan County, Texas.

If any member institutes litigation, on his or her own behalf or on behalf of any third party, including the CMRA, in which any of the CMRA's current or former directors, officers, or employees is included as a defendant, in an effort to recover damages or relief of any type, including injunctive or declaratory relief, in connection with alleged actions or inactions by any of the CMRA's current or former directors, officers, or employees relating to their involvement with the CMRA, unless the member prevails in such litigation by recovering all relief requested at any time in the litigation, the member shall be liable to each of the defendants who are current or former directors, officers, or employees of the CMRA for his or her attorneys' fees, costs of court, and all other expenses incurred in connection with such litigation. If the CMRA is also a defendant in such litigation, venue for the litigation shall be McLennan County, Texas. If the CMRA is not also a defendant in such litigation, venue for the litigation shall be in the county of residence of the defendant who is a current or former director, officer, or employee of the CMRA, or, if multiple current or former directors, officers, or employees of the CMRA are defendants in such litigation, venue for the litigation shall be in the county of residence for the majority of such defendants.

► END OF RULES ◀