



Chartered Club and Group Guidelines

Kissing Tree Master Community, Inc. supports the formation of Chartered Clubs and Groups to promote opportunities for its members to pursue common interests that enrich their lives and foster positive relationships in the community. Membership in Kissing Tree's Chartered Clubs and Groups is open to all residents.

The following policy and procedures apply to all Chartered Club operations and may be modified from time to time to address the priorities and the strategic objectives of the Board of Directors. Chartered Club and Group communications, sent through official Association means, shall be managed at the sole discretion of the Community Life Team. Charter Club and Group conduct on campus where Kissing Tree amenities and buildings are used, shall fall under the oversight of the Community Life Team, and be governed by Association policy.

Chartered Clubs vs. Groups: Non-chartered clubs in the community are referred to as Groups and do not have the same guidelines as Chartered Clubs. Groups, as defined by the Association, are informal self-organizing gatherings of residents whose following is generally less than 50 residents. Groups do not have an official Club Charter and are not required to take meeting minutes when they gather. Groups may not adopt or use the Kissing Tree Master Community, Inc. name and logo, or fund raise in the Association's name within or outside the community. The promotion of Group activities, communications, and website content is supported by the Community Life Management Team upon request.

Chartered Clubs are Association-approved organizations and are required to follow all guidelines set forth in this policy. Please refer to *Appendix B*.

Authority: The Association Board of Directors reserves the right to revoke a Chartered Club's application at any time for any reason including but not limited to:

1. Violation of federal, state, or local laws.
2. Failure to abide by Kissing Tree policies.
3. Inability to maintain membership requirements over a 12-month period.
4. Inappropriate use of social media, including but not limited to slander and misrepresentation of the Community, Board, Community Life Team, or fellow Club members.
5. The promotion of personal agendas that do not support the collective interests of the Club.
6. Irreconcilable conflicts within the Chartered Club resulting in the Club being unable to function without intervention by the Community Life Team, Board, or legal counsel.
7. Actions that place the Association in an undesirable position.
8. Failure to maintain required insurance.

KISSING TREE®

SAN MARCOS ★ TEXAS

9. Engaging in discriminatory activity.

Establishing a Chartered Club: Residents may initiate the process to create a Chartered Club using Community Life communication tools, (e.g., Eblasts) to solicit interested residents. Approval of Eblasts or other communications utilizing Community Life resources are subject to review and approval by the Community Life Team.

The individual who initiated the creation of the Chartered Clubs shall submit an application, in a form to be promulgated by the Association, to the Executive Director for review by the Board of Directors. The application shall identify the name of the proposed Chartered Club's leader, member roster, mission statement, and purpose of the Club. The Club shall attach a copy of its bylaws and insurance policy(s) to the application. A minimum roster composed of 50+ residents who live within the community is required to establish a formal Chartered Club. The Board or Executive Director will respond in writing to the applicant within 30 days of receiving their application. If the Board denies the Charter Club application, the Board will provide the rationale for its decision. The applicant may appeal and resubmit a revised application within 30 days for further consideration. Assuming Board approval, the Communication Coordinator will then meet with the Chartered Club leader to incorporate the Club's presence on the Association's website.

Apart from approved tournaments and fundraisers, Chartered Club activities and membership is limited to residents of Kissing Tree who occupy a home within the community. Guest attendance at Chartered Club events is prohibited.

As noted below, Chartered Clubs are required to be formed as a Texas nonprofit corporation. The Association is not responsible for the formation or maintenance of any such corporation, including but not limited to related costs or reporting requirements.

Operations, Membership and Responsibilities: The inaugural Club leader must be designated by the members of the Club at their first meeting. Whenever a leadership change occurs, the incoming Club leader must inform the Communication Coordinator so the website can be updated. Chartered Clubs leaders are responsible for Club activities, the Clubs adherence to Association policy, meeting minutes, and the financial operations of their Club.

Chartered Club members' contact information shall be held in strict confidence and shall only be used for the purpose of Club-related communications and may not be sold or given to non-members. Membership lists may not be used for personal, business, or political purposes or shared with anyone without prior written permission of each Chartered Club member.

KISSING TREE®

SAN MARCOS ★ TEXAS

Club leaders and members must abide by the Community Association Civility Pledge, see *Appendix A*, and shall disclose any conflict of interest as set forth in the PDD, Master Covenant and all Kissing Tree Master Community Inc. policies, to the Executive Director. Failure to abide by these and all Kissing Tree policies will result in the Chartered Club's official status and privileges being suspended for a minimum of 12 months or disbanded permanently.

Insurance and Indemnity: The Association's insurance coverage extends to Chartered Club activities held on campus. In addition, each Chartered Club shall procure, secure, and maintain insurance to cover and protect both such Chartered Club and the Association against all claims for damage or loss of property or personal or bodily injury and/or death arising out of and/or directly or indirectly related to the activities performed by such club. All insurance coverage must be written through insurance companies authorized to do business in the State of Texas and must for the duration of this Agreement have a Best's Key Rating Guide rating of at least A- and a Best's Financial Size Category of Class VIII or better, according to the most current edition of A.M. Best's Key Rating Guide. Each Chartered Club shall secure and maintain valid and collectible insurance in accordance with the provisions set forth in Appendix E (the "Insurance Appendix"). Nothing in this Section is to be construed in any manner as waiving, restricting, or limiting the liability of any Chartered Club for any obligations of the Chartered Club imposed under these Guidelines, including the indemnity obligations set forth in *Appendix D*.

Each chartered club shall indemnify, protect, defend (on demand) and hold harmless the association, its directors, committees, managers, officers, agents, employees, volunteers, representatives, insurers, and reinsurers as set forth on *Appendix D* hereto.

Record Retention: Chartered Club leaders are responsible for maintaining a working file of Club activities and actions in the form of meeting agendas, minutes, financial statements, annual membership rosters, and policies. All records should be passed on to the new leader at the time of any change in officers. The Communications Coordinator shall be provided with a copy of all the Club records to store on behalf of the Association.

Rights and Privilege: Chartered Clubs may operate as necessary to fulfill the collective interests of their members. Chartered Club privileges must not conflict with Kissing Tree policies and may include, but are not limited, to the following:

- A. Chartered Club specific operating rules.
- B. Chartered Club leader election process.
- C. Participating in joint events with resident groups or outside individuals or organizations.
- D. Reserving amenities for regular meetings or activities
- E. Receiving prompt responses for assistance from the Community Life Management Team.

KISSING TREE®

SAN MARCOS ★ TEXAS

- F. Appealing unresolved conflicts or problems to the Association Board.
- G. Withdrawing their application at any time.
- H. Hosting of guest speakers.
- I. Chartered Club use of title “Kissing Tree” and its official logo

Chartered Cubs cannot authorize any transaction, expenditure of Association funds, or activities on behalf of the Association unless expressly authorized in writing by the Association’s Board.

Community Life Support & Kissing Tree Brand Integrity: The Community Life Team shall assist Chartered Clubs with the promotion, scheduling, and event planning of Club activities. The Club leader shall work through the Communication Coordinator to update Club information across established communication venues provided by the Association. The Communication Coordinator shall be the final arbiter regarding all community communications. Club communications shall be formatted and adhere to Kissing Tree’s official brand standards. All Club communications shall be posted via official Association communication venues. Club events are subject to Association approval.

Chartered Club leaders are encouraged to submit announcements or other news items for distribution through the submission form on the website. The Community Life Team will post/distribute these items according to their established protocols. Kissing Tree does not offer in-house printing of promotional materials but will assist in creating an officially branded Chartered Club logo.

All Chartered Clubs shall adhere to Kissing Tree brand standards in printed and multi-media formats. Kissing Tree has the right to post photographs, videos and articles of Chartered Club activities and its members in communication tools, including websites, social media, and email messages.

Conflict Resolution: If a Chartered Club member complaint cannot be resolved by the Club’s leadership, the complaint should be forwarded to the Executive Director by the Chartered Club President. The written complaint must outline why the Chartered Club was unable to resolve the issue internally and make a recommendation for resolution to the Director. The Executive Director will then forward the written complaint to the Board of Directors who will determine a binding resolution to the issue within 30 days.

Financial Controls and Procedures: A Chartered Club’s activities must not be for profit or to benefit any person or business. Collection of funds, such as monthly dues, are allowable, but cannot be for the benefit or financial gain of the Chartered Club leader or individual Chartered Club members. Collected funds must be solely for the purposes of obtaining supplies, purchasing equipment, educational/training purposes, or to support general Chartered Club functions. Any mismanagement of funds will be subject to legal action and may include revocation of the Chartered Club recognition and/or require the repayment of funds.

KISSING TREE®

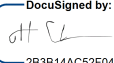
SAN MARCOS ★ TEXAS

If a Chartered Club wishes to collect and disburse its own funds, the members must elect or appoint a treasurer who is responsible for controlling and recording Chartered Club revenues and expenditures. There must be a system of checks and balances requiring two individuals to disburse funds. It is the responsibility of any Chartered Club which collects funds to require that the treasurer provide the members, Executive Director, and the Association's Board of Directors with an annual accounting of all revenues, expenses, outstanding transactions, and fund balance prior to January 31 of each year for the prior calendar year. Each Club is solely responsible for filing and paying its own taxes.

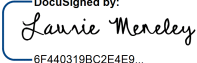
The Association reserves the right to require any Chartered Club to perform a formal review or audit of the Chartered Club's financial records.

Chartered Clubs also may request limited fiscal support from the Community Life Team. Recognized Chartered Clubs may request that the Director of Community Engagement collect funds and pay expenses for special events or other occasions as deemed appropriate and approved by the Lifestyle Director. For events where the Community Life Team collects and expends funds on behalf of a Chartered Club, the Community Life Team will maintain customary records of all receipts and expenditures.

Chartered Clubs wishing to enter a contract for a paid speaker, consultant, contractor, or business of any kind must consult with the Executive Director no less than 30 days prior to the event to ensure compliance with the Association's insurance requirements and business practices. Chartered Club do not have the authority to enter into any contractual agreement on behalf of Kissing Tree, nor do Clubs have the right to represent themselves or their activities as official Kissing Tree events. Chartered Clubs must represent their activities as "Chartered Club Activities". Proposed contracts are subject to Association review and approval prior to execution by any party thereto.

X DocuSigned by:

2B3B44ACE9C04D7 1/17/2024

Matt Chase Date
Board President

X DocuSigned by:

6F440319BC2E4E9 1/17/2024

Laurie Meneley Date
Board Secretary

KISSING TREE®

SAN MARCOS ★ TEXAS

Appendix A. Community Association Civility Pledge

“A commitment to fostering a climate of open discussion and debate, mutual respect, and tolerance between all who live in, work in, and visit our community.

- 1. We expect each individual, whether a resident, guest, board or committee member, community association manager, staff member, business partner, or contractor, to be accountable for his or her own actions and words.*
- 2. We believe all interactions in the community should be civil despite any differences of opinion on a particular issue. We believe in finding common ground and engaging in civil discussion about community issues important to each of us.*
- 3. We vow to respect all points of view and will strive to provide a reasonable opportunity for all to express their views openly—without attacks and antagonization. We agree to keep our discussions focused on the business issues at hand, as well as on the ideas and desired outcomes.*
- 4. We urge all residents to be engaged and informed. Get to know your neighbors, your board members, and your community manager. Attend meetings, join a committee, or serve on the board. Understand the community’s rules, regulations, and covenants, and the value they add. Ask questions, share your opinions, and vote.*
- 5. We also encourage all residents to review Community Associations Institute’s (CAI) Rights and Responsibilities for Better Communities. The principles laid out in the document can serve as important guideposts for all those involved in our community: residents, guests, board and committee members, community association managers, staff members, business partners, and contractors. Read more at www.caionline.org/RightsandResponsibilities.*
- 6. We believe these commitments to civility, as well as engaged and informed residents, are a vital part of our shared goal of being a vibrant, thriving community.”*

**These commitments are guiding principles. They are not governing documents or legally enforceable and do not give rise to penalties if they are not followed. The Community Association Civility Pledge originates from the College of Community Association Lawyers (CCAL) and the Community Association Institute (CAI).*

KISSING TREE®

SAN MARCOS ★ TEXAS

Appendix B. Chartered Clubs vs. Groups

CHARTERED CLUBS

GROUPS

STRUCTURE

Board approved group that shares common interest in a hobby, social or recreational activity, etc.

Group not yet approved for charter or that does not meet criteria or group wishing to limit its membership (may include political or religious group). **Groups are not sponsored by or affiliated with the Association.**

MEMBERSHIP

Open to all bona fide members w/out discrimination.

There are no specific membership requirements imposed by the Association are Groups are not affiliated with the Association.

MEETING SPACE

Reserve space dedicated & made available to Club for hosting their regular activities at no charge.

Meeting space provided at a Board approved fee on a first-come, first-serve basis.

INSURANCE

Extended limited coverage under the Association's insurance policy. May be required to obtain additional insurance at the discretion of the Board.

No coverage under the Association's Insurance

REPORTING & CONTROLS

No fees, dues or charges may be collected on behalf of the Kissing Tree Master Community Inc. Annual accountings and maintenance of records is required.

Bound only to Association policies that apply to general membership or outside rental groups.

COMMUNITY LIFE SUPPORT

Room set-up, maintenance, marketing & administrative support is provided to Clubs through the Association when possible.

Limited levels of maintenance, marketing and administrative support are provided through the Association when possible.

KISSING TREE®

SAN MARCOS ★ TEXAS

OPERATIONS

Maintain benefits associated with status as a Chartered Club. Clubs are required to abide by the policies and procedures outlined in Chartered Club Operating Guidelines approved by the Kissing Tree Master Community, Inc. Board as well as all general Association policies and procedures that apply to all members of the community while using amenity meeting spaces.

Interest Groups are not required to follow policies and procedures outlined within the Chartered Club criteria and therefore are not entitled to the same level of benefits that are extended to Charter Clubs. Interest Groups must follow all general Association policies and procedures that apply to all members of the community while using amenity meeting spaces.



Appendix C.

Charter Guidelines

Club Charter Guidelines: Club Charters shall serve as the basis for all Club operations and adhere to the policies and procedures of the Associations Governing Documents, all applicable statutes and all rules, regulations and operating procedures pertaining to Chartered Clubs.

Club Charters shall include the name, mission statement, and purpose of the Club.

Clubs shall operate as a Texas nonprofit corporation.

Membership: Membership of the Club shall be open and is exclusive to all Kissing Tree Master Community Inc. Members. Non-resident membership and participation in Club activity is strictly prohibited.

The Club will submit an updated membership roster to the Kissing Tree Master Community, Inc. on or before January 31st of each calendar year.

Club By-laws: The Club shall adopt a set of bylaws that is consistent with both the Association's Governing Documents and Texas law, including but not limited to Chapter 22 of the Texas Business Organizations Code. The Club shall rely on the advice of its own counsel regarding compliance of its bylaws with the Association's Governing Documents and applicable law. Topics to be addressed by the bylaws may include but are not limited to membership, meetings, voting rights, elections, and powers and duties of both officers and directors.

Contracting With Instructors and/or Service Providers: The Club will comply with all Kissing Tree Master Community, Inc. procedures for contracting third party instructors or service providers, as required to facilitate Club programs.

Safety, Risk Management & Incident, Accident Reporting: Section A: The Club will comply with all general safety, risk management and Incident/Accident reporting procedures as defined by the Kissing Tree Master Community, Inc. & Board. Safety procedures and membership training programs oriented toward specific club activities perceived to carry a higher level of risk will also be developed and monitored by a designated Club Safety Committee as directed by the Kissing Tree Master Community, Inc. Board.

Amendments of Club Charters: The Club shall notify the Association of any amendments to its charter or bylaws.

Appendix D. Indemnification

Indemnification: Each chartered club shall indemnify, protect, defend (on demand), and hold harmless the association, its directors, committees, managers, officers, agents, employees, volunteers, representatives, insurers, and reinsurers (each an “indemnified party” and collectively, the “indemnified parties”) from and against, and the chartered club shall reimburse the indemnified parties and pay to the indemnified parties for, any and all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, causes of action, demands, liens, attachments, similar legal processes, injunctions, judgments, orders, decrees, rulings, awards, damages, injuries (including personal or bodily injuries), deaths, losses (including losses to real or personal property and loss of use of real or personal property), penalties, fines, costs, amounts paid in settlement, liabilities, obligations, deficiencies, taxes, expenses, interest, and fees, in each case of whatever kind, including attorneys’ fees and the costs of enforcing any right to indemnification under this agreement and the cost of pursuing any insurance providers (collectively, the “indemnifiable losses”) arising out of or relating to (or alleged to arise out of or relate to) any of the following: (a) any breach of or failure to comply with applicable association guidelines, policies, or other dedicatory instruments; or (b) any act or omission of the chartered club or its members (or any contractor or subcontractor retained by the chartered club). by way of example and not of limitation, the indemnity owed by the chartered club as set forth in this section 1 includes indemnifiable losses arising out of or relating to (I) any negligence of the chartered club, or any of its members, contractors, or subcontractors; (II) any bodily or personal injury or death, or loss of property or loss of use of property, arising out of or relating to the chartered club’s acts or omissions; and (III) any claim for wages, compensation, or benefits asserted by any chartered club representative, contractor or subcontractor.

Appendix E

Insurance Requirements

1. **Insurance Coverage To Be Provided By Chartered Clubs.** This Appendix E (the “Insurance Requirements”) is attached as an Appendix as part of the Guidelines. In the event of conflict between any of the following Insurance Requirements and any provision in the Guidelines, these requirements control, amend and supplement the conflicting provision. Subject to review and revision in writing by the Association from time to time, in the Association’s good faith judgment, the following insurance shall be maintained by each Chartered Club with coverage and limits of not less than those set forth below at all times during the period of its existence as Chartered Club and thereafter as required.

| No. | Specifications | Coverages, Limits and Other Requirements |
|---------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. LIABILITY | | |
| 1. | <u>Commercial General Liability.</u> | Each Chartered Club is to maintain commercial general liability (“CGL”) insurance and, if necessary, commercial excess insurance, issued on an Occurrence Basis meeting at least the following specifications. |
| 1.1 | Minimum Limits | The limits of this insurance shall not be less than the following amounts: \$1,000,000 Per Occurrence per project \$2,000,000 General Aggregate \$2,000,000 Products and Completed Operations Aggregate \$100,000 Personal and Advertising Injury |
| 1.2 | Form | This insurance is to be issued on the most recent reasonably available and unmodified ISO form CG 00 01. |
| 1.3 | Insured Contracts | Coverage shall include but not be limited to liability assumed by the Chartered Club under the Guidelines, including the tort liability of another assumed in a contract, and shall include unmodified Separation of Insureds coverage. |
| 1.4 | Defense Costs | This insurance is to include a duty to defend any insured and associated defense costs shall be outside of or in addition to the limits of liability. |
| 1.5 | Additional Insureds | Additional Insured status shall be provided in favor of the Association Parties on a combination of ISO forms CG 20 10 10 01 and CG 20 37 10 01 to the extent permitted by law. |

| | | |
|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.6 | Electronic Data Liability | This insurance is to include an Electronic Data Liability endorsement ISO form CG 04 37 with coverage to the full limits of the policy(ies). ISO CG 04 71 and CG 04 72 are not acceptable. |
| 1.7 | Personal Injury Contractual Liability | The personal injury contractual liability exclusion shall be deleted. |
| 1.8 | Primary and Noncontributory | This insurance shall be endorsed to provide primary and noncontributing liability coverage by ISO CG 20 01 04 13. It is the specific intent that all insurance required herein shall be primary to and shall seek no contribution from any other insurance (primary, umbrella, contingent or excess) maintained by the Association Parties, with the Association Parties' own insurance being excess, secondary and noncontributing. |
| 1.9 | Waiver of Right of Recovery and Subrogation | Each Chartered Club shall waive its rights of recovery and shall cause this insurance to be endorsed to waive all rights of subrogation against the Association Parties on ISO form CG 24 04 12 19 or CG 24 53 12 19. |
| 1.10 | Notice of Cancellation | The insurance shall be endorsed to provide a 30-day notice of cancellation to the Association. |
| 1.11 | Prohibited Exclusions and Limitations | <p>The Chartered Club's insurance shall not contain any of the following exclusions/limitations to coverage or any similar thereto:</p> <ul style="list-style-type: none"> a. Amendment of Insured Contract Definition ISO CG 24 26; b. Any endorsement modifying the Employer's Liability exclusion; c. Classification or Business Description; d. Continuous or Progressive Injury or Damage; e. Contractual Liability Limitation ISO CG 21 39; f. Habitational or Residential; g. "Insured vs. Insured" except Named Insured vs. Named Insured; h. Limitation of Coverage to Designated Premises, Project or Operation ISO CG 21 44; i. Prior Injury or Prior Damage or Prior Work; j. Punitive, Exemplary or Multiplied Damages (coverage shall be provided for fines/penalties, punitive and multiplied damages, where permitted by law); or k. Any other exclusion or limitation reasonably unacceptable to the Association. |
| 2. | Directors and Officers Liability. Each Chartered Club is to maintain directors and officers insurance meeting at least the following specifications. | |

| | | |
|------------|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.1 | Minimum Limits | The limits of this insurance shall not be less than the following amounts: \$1,000,000 Per Occurrence \$1,000,000 General Aggregate |
| 2.2 | Additional Insured | Additional Insured status shall be provided in favor of Association Parties on terms no less broad than the coverages and conditions described above. |
| 2.3 | Defense Costs | This insurance is to include a duty to defend any insured and associated defense costs shall be outside of or in addition to the limits of liability. |

2. General Insurance Requirements.

.1 Definitions. For purposes of the Agreement:

- a. "Guidelines" means the Guidelines to which this Appendix is attached.
- b. "Association Parties" means (a) the Association (as defined in the Agreement), (b) any management company retained by the Association, (c) each of their respective shareholders, members, and partners, (d) any directors, committee members, officers, and employees of such persons or entities, and (e) others as required by the Guidelines.
- c. "ISO" means Insurance Services Office.

.2 Deductibles and Retentions. All deductibles and retentions shall be paid by, assumed by, for the account of, and at the sole risk of the Chartered Club. The Chartered Club shall not be reimbursed for same by the Association Parties or other additional insureds.

.3 Forms. If the forms of policies, endorsements, certificates or evidence of insurance required by this Appendix are superseded or discontinued, the Association will have the right to require other equivalent forms. Any policy or endorsement form other than a form specified in this Appendix must be approved in advance by the Association.

.4 Limits. "Limits" set out in these specifications are the minimum dollar amount of insured coverage for the risk, cause of loss or peril specified. If Chartered Club maintains greater limits, then these specifications shall not limit the amount of recovery available to the Association Parties and the limits specified above as the minimum limits are increased to the greater limits. No representation is made that the minimum insurance requirements of these Guidelines are sufficient to cover the obligations of the Association under this Exhibit.

.5 Notice of Cancellation and Material Change. All insurance required herein shall be endorsed to provide a 30-day notice of cancellation and material change to the Association to the extent

commercially available. If this endorsement cannot be provided, the Chartered Club will immediately provide written notice to the Association should any of the insurance policies required herein be cancelled, limited in scope, or not renewed upon expiration. Said notice must be provided no later than thirty (30) days prior (except 10 days for nonpayment of premium) to any such action being taken.

- .6 **Policies**. All policies held by the Chartered Club and required herein must be written through insurance companies authorized to do business in the State of Texas no less than A-: VII in the most current edition of A. M. Best's Key Rating Guide at all times Work is to be performed.