

**FAIR PARK FIRST  
MINUTES OF MEETING OF  
THE BOARD OF DIRECTORS**

October 3, 2018

A meeting of the Board of Directors of Fair Park First, a Texas non-profit corporation (the "Corporation"), was held by teleconference on October 3, 2018, at 5:00 p.m.

Directors Present: Terry Kittleson  
Reverend Donald Parish  
Darren James  
Arcilia Acosta  
John Proctor  
Veletta Forsythe Lill  
Norman Alston

Directors Absent: Emily H. Ledet  
Dan Biederman

Guests: Peter Zingoni, Spectra  
Katie Porco, Spectra  
Michael Ahearn, Spectra  
Todd Glickman, Spectra  
David Leibowitz, Spectra

Legal Counsel: Denis Braham, Winstead PC  
Robert McCormick, Winstead PC  
Michael Pham, Winstead PC

It was confirmed that all participants in the meeting could hear and be heard by all other participants in the meeting. Mr. Norman Alston served as the secretary of the meeting. Mr. Darren James served as the chair of the meeting.

1. Call to Order.

Mr. Darren James officially called the meeting to order. Seven (7) of the directors were in attendance at the meeting, and with there being a quorum present, the meeting proceeded.

2. Review and Approval of Sub-Management Agreement with Spectra.

The first order of business was a review of the proposed changes to the draft of the sub-management agreement (the "Sub-Management Agreement") between the Corporation and Global Spectrum, L.P., a Delaware limited partnership d/b/a Spectra Venue Management ("Spectra"), in which Spectra will, among other things, perform substantially all of the Corporation's management and operational duties and obligations for Fair Park under the Management Agreement (the "Management Agreement") with the City of Dallas (the "City").

Mr. Robert McCormick provided an overview of the proposed changes that were made based on the comments received from the Park and Recreation Board (the "Park Board") of the City of Dallas, the mayor's office, and the City's legal counsel, including matters related to: Spectra's performance of services as it relates to the Management Agreement; indemnification provisions and insurance coverage; and termination rights and restrictions.

Discussions ensued among the Board members and the other attendees of the meeting. When there were no further discussions or questions, Mr. James entertained a motion to approve the revised draft of the Sub-Management Agreement. Upon a motion duly made and seconded, the Sub-Management Agreement, having such terms substantially similar to the terms presented to the Board of Directors, was approved by the Board, and Mr. McCormick was authorized to deliver, on behalf of the Corporation, a copy of the revised draft to the City for its review.

3. Appointment of Additional Board Member.

Upon a motion duly made and seconded, all seven of the directors present at the meeting approved that Mercedes Fulbright be and hereby is elected to the Board of Directors of the Corporation, and to serve as a director until her successor is elected and qualified or, if earlier, until her death, resignation, or removal as a director.

4. Amendments to Bylaws and Conflict of Interest Policy.

The next order of business was to review and discuss the proposed amendments to the Bylaws and the Conflict of Interest Policy of the Corporation. Mr. Darren James and Mr. Robert McCormick have met with representatives of the City and, based on their discussions, recommended that the Conflict of Interest Policy be revised to provide that if the Board of Directors (or any committee delegated by the Board to have decision-making authority) approves of a transaction or arrangement that would result in a conflict of interest, each person with a conflict of interest with respect to such transaction or arrangement shall resign from all positions with the Corporation before the Corporation may enter into such transaction or arrangement.

Discussions ensued among the Board members. When there were no further discussions or questions, Mr. James entertained a motion to amend the Conflict of Interest Policy, and upon motion duly made and seconded, all seven of the directors present at the meeting approved and adopted the amendments to the Corporation's Bylaws as set forth in the Amended Conflict of Interest Policy attached hereto as Exhibit A.

5. Closing Remarks.

Mr. Denis Braham explained that after the Corporation enters into the Management Agreement with the City, all future Board meetings would be conducted in accordance with the Open Meetings Act except as provided in the Management Agreement.

There being no other business to consider, upon a motion duly made and seconded, the meeting was adjourned at 5:55 p.m.

Respectfully submitted,



By:

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Norman Alston,  
Secretary of the Corporation

**EXHIBIT A**

**AMENDED CONFLICT OF INTEREST POLICY**

[Attached]

**AMENDED CONFLICT OF INTEREST POLICY  
FOR  
FAIR PARK FIRST**

Effective as of September \_\_, 2018

**ARTICLE I  
PURPOSE**

The primary purpose of Fair Park First, a tax-exempt and non-profit corporation organized under the laws of Texas (the "Corporation"), is to operate, manage, maintain, promote, enhance, and improve the approximately two hundred seventy-seven acres of land and improvements located in the City of Dallas and commonly known as "Fair Park" pursuant to a Management Agreement to be entered into with the City of Dallas. Maintenance of the Corporation's tax-exempt status is important both for its continued financial stability and public support.

Consequently, the members of the Board of Directors (the "Board"), the officers of the Corporation, and the members of any committee delegated by the Board to have decision-making authority shall discharge his or her duties in good faith, with ordinary care, and in a manner such person reasonably believes to be in the best interest of the Corporation, and shall not use his or her position with the Corporation or knowledge gained therefrom for his or her personal benefit.

The purpose of this Amended Conflict of Interest Policy (the "Policy") is to protect the Corporation's interests when it is contemplating a transaction or arrangement that might either benefit the private interest of a director or officer of the Corporation, or that might create the appearance of such benefit. This Policy is intended to supplement, but not to replace, any applicable state or federal laws governing conflicts of interest applicable to non-profit corporations.

It is important to understand that the Policy seeks to guard the Corporation's decision-making process against even the appearance of self-interest or impropriety. Accordingly, the Policy covers not only direct conflicts of interest but also indirect conflicts and situations that could give rise to the appearance of direct or indirect conflicts. The fact that any person is deemed to have a potential conflict of interest within the meaning of the Policy is not a criticism of such person, nor does it reflect a determination that the person has an actual financial interest in a particular transaction.

For the avoidance of doubt, this Policy shall not prevent any person from providing their input on matters pending before the Corporation where an actual conflict of interest does not exist, and any person without an actual conflict of interest may avail the Corporation of his or her experience on such matters.

## ARTICLE II PROCEDURES

### 1. Duty to Disclose.

(a) Any person having an actual or potential conflict of interest (an "Interested Person") shall fully disclose to the Chair(s) of the applicable Decision-Making Body the precise nature of the conflict of interest and all related material facts. For purposes of this Policy, "Decision-Making Body" refers to the Board and any committee delegated by the Board to have decision-making authority, as applicable.

(b) A potential conflict of interest shall be deemed to exist for any transaction between the Corporation and (i) a director or officer; (ii) a director or officer's immediate family member (e.g. his or her spouse and their parents, children, brothers, and sisters) or any other relative living in the same household; or (iii) an organization that is "affiliated" with a director or officer.

(c) For purposes of this Policy, an organization is "affiliated" with a director or officer if such person, or an immediate family member or any other relative living in the same household of such person:

- (i) is an officer, director, trustee, partner, employee, consultant, vendor, supplier, contractor, subcontractor, or agent of such organization;
- (ii) is either the actual or beneficial owner of more than 5% of the voting stock or controlling interest of such organization;
- (iii) has a potential ownership or investment interest in, or compensation arrangement with, such organization; or
- (iv) has any other direct or indirect dealings with such organization from which he or she receives any material financial benefit. For purposes of this sub-paragraph, it shall be presumed that a person receives a "material financial benefit" if he or she receives directly or indirectly cash or property or anything of value in excess of \$1,000 in any year.

### 2. Determining Whether a Conflict of Interest Exists.

(a) After disclosure of all the material facts, and after discussion with the Interested Person, such Interested Person shall temporarily leave the meeting while the potential conflict of interest is being discussed among the disinterested members of the Decision-Making Body. The Interested Person shall refrain from participating in any manner whatsoever in the Decision-Making Body's determination of whether an actual conflict of interest exists.

(b) The disinterested members of the Decision-Making Body shall discuss and determine whether a conflict of interest exists. Upon the conclusion of the discussion regarding the potential conflict of interest, the Interested Person shall be invited back into the meeting.

Such Interested Person shall not be allowed to vote on matters directly relating to the discussed conflict of interest.

(c) If the Decision-Making Body is in doubt or for any reason cannot make a determination, it shall consult with legal counsel regularly employed by the Corporation. After consultation with legal counsel, if the Decision-Making Body cannot make a determination then such legal counsel shall make the determination, which shall be final and binding on all parties.

3. Addressing a Conflict of Interest. In the event it has been determined that there is in fact a conflict of interest:

(a) The Chair of the applicable Decision-Making Body shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(b) After exercising due diligence, the Decision-Making Body shall determine whether the Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

(c) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Decision-Making Body shall determine by a majority vote of the disinterested members whether the transaction or arrangement is in the best interest of the Corporation and for its own benefit and whether the transaction is fair and reasonable to the Corporation, and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

(d) The Interested Person may make a presentation at the meeting, but after such presentation, the Interested Person shall, if requested by the presiding Chair of such meeting, leave the meeting during the discussion and voting of the transaction or arrangement that is a conflict of interest with such Interested Person.

(e) The Interested Person may be counted in determining the presence of a quorum at a meeting that authorizes the transaction or arrangement, but the Interested Person shall not be allowed to vote on such matters.

(f) If the disinterested members of the Decision-Making Body approve of a transaction or arrangement that would result in a conflict of interest, each Interested Person with respect to such transaction or arrangement shall resign from all positions with the Corporation before the Corporation may enter into such transaction or arrangement.

### **ARTICLE III COMPENSATION**

Any member of a Decision-Making Body who receives compensation, directly or indirectly, from the Corporation for his or her services is precluded from discussing and voting on matters pertaining to such person's compensation. No person, either individually or

collectively, is prohibited from providing information to any Decision-Making Body regarding compensation.

Any person receiving compensation, directly or indirectly, from the Corporation, whether as an employee or independent contractor, is precluded from membership on any committee that is delegated by the Board to make decisions on matters relating to such compensation.

## **ARTICLE IV RECORDS OF PROCEEDINGS**

The minutes for meetings held by a Decision-Making Body shall contain:

- (a) the names of the persons who disclosed or otherwise were found to have an actual or potential conflict of interest, the nature of the conflict, any action taken to determine whether a conflict of interest was present, and the decision as to whether a conflict of interest in fact existed.
- (b) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

## **ARTICLE V DISCIPLINARY AND CORRECTIVE MEASURES**

1. Disclosure of Information. All disclosures required to be made hereunder must be directed in writing to the Chair of the applicable Decision-Making Body who, together with legal counsel for the Corporation, shall have responsibility for administration of this Policy. All known violations, disputes, and other issues arising out of the application of this Policy shall be referred to the Chair of the Corporation for appropriate action.

2. Violations of the Policy.

(a) If the Board or any other Decision-Making Body has reasonable cause to believe that a person has failed to disclose an actual or potential conflict of interest, it shall inform such person of the basis for such belief and afford an opportunity to explain the alleged failure to disclose.

(b) If, after hearing the response of the Director or Officer and making such further investigation as may be warranted in the circumstances, the Board determines that the Director or Officer has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## **ARTICLE VI** **STATEMENT OF COMPLIANCE**

Each director, officer, and member of any committee delegated by the Board to have decision-making authority shall annually sign a statement affirming that such person: (a) has received a copy of the Policy; (b) has read and understands the Policy; (c) has agreed to comply with the Policy; and (d) has disclosed any and all potential or actual conflicts of interest.

## **ARTICLE VII** **PERIODIC REVIEWS**

To ensure that the Corporation operates in a manner consistent with the Policy and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted.

The periodic reviews shall, at a minimum, include an analysis of whether the transactions entered into by the Corporation conform to this Policy, are properly recorded, reflect reasonable payments for goods and services, further the purposes of the Corporation and do not result in an impermissible private benefit.

In conducting the periodic reviews, the Corporation may, but need not use legal counsel. If legal counsel is used, such use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

[Remainder of page intentionally blank]

## **FAIR PARK FIRST STATEMENT OF COMPLIANCE**

I have received and read a current copy of the Conflict of Interest Policy for Fair Park First (the "Policy"). I understand such Policy and agree to comply with the Policy. I also understand that failure to comply with the Policy or to respond truthfully to this Statement of Compliance will be a basis for disciplinary action.

Except as stated in the Disclosure section below:

- I do not know of any transaction involving Fair Park First and (i) myself, (ii) a member of my immediate family or other relative living in the same household, or (iii) an organization "affiliated" (as such term is defined in Article II of the Policy) with me, a member of my immediate family, or any other relative living in the same household.
- I do not know of any other activity or set of circumstances that is a violation of the Policy.

### **DISCLOSURE**

The information provided below discloses any and all conflicts of interest, including circumstances which may be a potential conflict of interest. If there are none, state so here:

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Date: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Name (Printed): \_\_\_\_\_

If applicable:

Company: \_\_\_\_\_  
Title (within the company): \_\_\_\_\_  
Title (within Fair Park First): \_\_\_\_\_