

Summary of Merger Agreement between
Four River Association of REALTORS® (FRAR) and San Antonio Board of REALTORS® (SABOR)

Purpose

- Effective April 2026, the Parties intend FRAR to merge into SABOR, with SABOR surviving.

Approvals and Member Votes

- Both boards determined the Merger is in their Members' best interests and resolved to recommend adoption by their Members under TBOC § 22.251.
- After execution, each will seek Member approval in accordance with TBOC § 22.164.
- Closing is conditioned on adoption by the Requisite FRAR and SABOR Vote.
- Each Party will hold Requisite Vote with two-thirds of votes of Members present in person or by proxy at a properly called special meeting.

Merger Mechanics and Effects

- Closing occurs no later than two business days after all conditions are satisfied or waived.
- The Merger becomes effective upon filing the Certificate of Merger or a later specified date.
- Upon the Merger Date, all FRAR property, rights, and liabilities vest in SABOR.
- FRAR officers and directors resign effective as of the Closing Date.

Governance Post-Merger

- SABOR's pre-Merger directors and officers continue as directors and officers of SABOR.
- Three FRAR Board Members will become ex-officio SABOR Board members in 2026.
- Beginning in 2027, these FRAR Board Members will hold full director positions through December 2029, with vacancies filled from alternates on Schedule 2.07.

Membership and Dues

- Each FRAR Member automatically becomes a full voting member of SABOR on the Merger Date and is eligible for all SABOR committees and initiatives.
- Such Members are exempt from paying SABOR membership dues until the first billing cycle after the Merger Date.

Representations and Warranties of the Parties

- Each Party is a Texas nonprofit in good standing with authority to conduct its business.
- Each Party has authority to enter the Agreement, with Member approval by the Requisite Vote for each Party being the only required Member consent.
- The Merger does not conflict with either Party's governance documents or law.
- Parties are both in material compliance with applicable laws and regulations.
- Parties' Tax Returns are or will be timely and accurate, and Taxes due are or will be paid.

- Parties' respective insurances are listed, in force, and meet customary standards, with premiums paid and no lapses.
- Parties disclose no pending or threatened actions or orders challenging the Merger.

FRAR Representations and Warranties

- FRAR lists its Material Contracts and Intellectual Property on a Disclosure Schedule.
- FRAR has title to real property at 936 Gruene Rd, New Braunfels, Texas 78130.
- FRAR owns listed personal property and assets per the Disclosure Schedules, all of which are in good operating condition and adequate for recent uses.
- FRAR's minutes and records are complete, maintained and will be transitioned at Closing.
- No FRAR executive officer or director has had related party transactions or interests in FRAR property within the last twelve months.

Covenants Prior to Closing

- Each Party will continue to operate and preserve its organization and relationships.
- FRAR will not solicit or engage in any Acquisition Proposal and will end such discussions.
- Each Party will use reasonable best efforts to obtain Member approvals.
- Each Party will seek required governmental and association approvals (NAR and TAR).
- Parties will use best efforts to satisfy closing conditions and coordinate announcements.
- Officers and directors of the Surviving Corporation may execute documents to vest FRAR assets in SABOR after Closing.

Post-Closing Commitments and Services

- SABOR will maintain a physical office in the FRAR Region and provide substantially similar services there, budgeting reasonably for local events without fixed-dollar commitments.
- FRAR Members joining SABOR will have access to LERA MLS at the same rate as other SABOR members.
- Actions will be taken to transition necessary service to LERA MLS or SABOR as appropriate.
- SABOR will offer educational programs in FRAR's jurisdiction in person and online.

Conditions to Closing

- Conditions for all Parties include Member approvals, NAR and TAR approvals, and no prohibitive governmental orders.
- Parties' respective conditions including accurate representations, performance, absence of Actions preventing Closing, receipt of listed approvals, and deliverables.

Termination and Effect

- The Agreement may be terminated by mutual consent or by notice for uncured breach, failure of conditions by December 31, 2026, illegality, or a Material Adverse Effect.
- Upon termination, the Agreement is void with no liability, except for liability from willful breach.