

Tiger Athletic Foundation Priority Point Policy and Procedures

I. Priority Point Policy*

A. Points Based on Giving

One (1) point for each \$1,000 contributed to a TAF Annual Ticket Fund, TAF Club Fund, LSU Athletics Tradition Fund, and other nonprofit organizations approved by TAF.

One (1) point for each \$1,000 in Philanthropic Donations to the LSU Foundation, the LSU Alumni Association, the LSU Health Science Center Foundation, the LSU Health Sciences Foundation, or the Pennington Biomedical Research Foundation** (“LSU Affiliated Organizations”).

Two (2) points for each \$1,000 in Philanthropic Donations to TAF.

Five (5) points for making a properly documented planned gift of \$10,000 or more to TAF or an LSU Affiliated Organization.***

B. Points Based on Membership

One (1) point per year for members of the Collegiate Club.

One (1) point per year for members of the Recent Graduates program.

Five (5) points for LSU Varsity Letter Winners per sport.

* Unless otherwise indicated, provisions of this policy apply to Donations received on or after January 1, 2017. The calculation, use and the award of priority points are governed by this policy and procedures that are subject to change without notice.

** Applies to Donations, including planned gifts, to the Pennington Biomedical Research Foundation received on or after January 1, 2018.

***Applies to planned gifts where proper documentation (at a minimum consisting of a fully executed Estate Intention Letter and excerpt from the Donor’s will, trust or other gift instrument), is received on or after January 1, 2017.

II. Procedures

Certain Terms Defined

“**Bonus Points**” are priority points allocated to individuals based on the type and amount of financial contributions made to TAF. Bonus points are in addition to any points allocated based on giving or membership described in sections A and B of the Priority Point Policy.

“**Children**” means the natural children and adopted children of a donor living at the time of the donor’s death. Children also refers to step-children who are the natural or adopted children of a donor's Surviving Spouse living at the time of a donor's death.

“**Contribution**” refers to an amount given to certain funds or for certain purposes that are not typically considered as tax-deductible for federal income tax purposes.

“**Direct Descendants**” of a donor shall mean the Children, Grandchildren and Great Grandchildren of a donor living at the time of the donor’s death.

“**Donation**” means an irrevocable gratuitous contribution, whether in cash, securities, or cash equivalents, made to TAF or an LSU Affiliated Organization or certain TAF approved funds or entities. Generally speaking, in-kind donations of goods or services, qualified corporate sponsorship payments and grants are not considered as donations for purposes of this policy.

“**Contribution to TAF Annual Ticket Fund**” refers to an annual contribution made to TAF for the specific purpose of obtaining the right to purchase tickets or parking passes to LSU Athletic events.

“**Contribution to TAF Club Fund**” refers to an annual contribution paid to TAF or certain related organizations that is required to exercise membership rights in the Collegiate Club, the Recent Graduates Program, the University Club and approved LSU Booster Clubs.

“**LSU or University**” refers to Louisiana State University and Agricultural and Mechanical College in Baton Rouge, Louisiana.

“**LSU Athletics**” refers to the Athletic Department of Louisiana State University and Agricultural and Mechanical College.

“**LSU Affiliated Organizations**” refers collectively to the LSU Alumni Association, the LSU Foundation, the LSU Health Science Center Foundation, the LSU Health Sciences Foundation and the Pennington Biomedical Research Foundation.

“**Payment**” refers to both Donations and Contributions.

“**Philanthropic Donation to an LSU Affiliated Organization**” refers to Donations made to an LSU Affiliated Organization benefiting academic programs of LSU, LSU Health Shreveport, LSU Health New Orleans or LSU Pennington Biomedical Research Center.

“**Philanthropic Donation to TAF**” means either (1) a Donation to approved TAF philanthropic programs, or (2) a Donation made to TAF, including contributions to Team TAF, which do not

involve either the right to purchase tickets or parking to LSU athletic events or significant return benefits. Annual Contributions paid by University Club members are not Philanthropic Donations to TAF.

“**TAF**” refers to Tiger Athletic Foundation, a private, Louisiana nonprofit corporation with a primary mission of providing private financial support for LSU Athletics.

“**Surviving Spouse**” refers to an individual legally married to a donor at the time of the donor’s death.

Purpose of the Priority Point System

TAF developed the priority point system to ensure that opportunities to obtain tickets and parking to certain athletic events were allocated in a fair, equitable and transparent manner. The priority point system is an objective method used by TAF and LSU Athletics to allocate rights to certain ticket and parking opportunities among donors. The priority point system is administered in accordance with priority point policies and procedures approved by TAF’s Executive Committee working in consultation with the University and LSU Affiliated Organizations. Priority points are not property, and individuals have no vested rights or rights of ownership with respect to either priority points or the use of priority points.

How Are Priority Points Calculated

Generally speaking, priority points are calculated based on the principal amount of Payments actually received. Except as otherwise specifically provided herein, pledges, testamentary gifts and other promises of future gifts, are not considered in priority point calculations until funds are actually received. Unless otherwise indicated, priority points are calculated based on rules in effect at the time that Payments are actually received. The use and calculation of priority points may vary based on the venue, ticket rights or other opportunities being allocated. Priority point calculations made in connection with available season tickets, season parking passes, the allocation of available away game and post-season tickets will typically be made as follows:

- **Available Away Game and Post Season Tickets:** In connection with the allocation of away game and post season tickets, LSU Athletics and TAF utilize a donor’s “lifetime” points, which are calculated using all qualifying Payments, whether Philanthropic Donations or Contributions, in addition to points derived from the Collegiate Club Membership, Recent Graduates program membership, LSU Varsity Letter Winner status and points resulting from the documentation of qualifying planned gifts.
- **Available Home Season Tickets and Season Parking Passes:** This calculation utilizes a donor’s “philanthropic” points, consisting of points resulting from Philanthropic Donations to TAF and LSU Affiliated Organizations, points resulting from Collegiate Club Membership, Recent Graduates program membership, LSU Varsity Letter Winner status and points resulting from the documentation of qualifying planned gifts.

To Whom Are Priority Points Credited?

Unless otherwise directed in writing prior to or at the time when a Payment is made, subject to the following exceptions priority points are normally allocated to the individual or entity actually making a Payment. In the case of Payments made via check, credit card or similar instrument, the party making the Payment is normally deemed to be the individual whose name appears on the check or credit card.

Exception Number One: In the case of Payments made to a TAF Annual Ticket Fund, TAF Club Fund, the Tradition Fund, Team TAF and to TAF pursuant to a pledge, priority points will be allocated to the individual(s) whose account or pledge is credited with the payment regardless of the name appearing on the check or credit card.

Exception Number Two: With respect to contracts relating to suite or stadium club use, priority points shall be credited first, in accordance with the terms contained in the written contract if different from the procedures described herein and, second, in accordance with the procedures described herein.

May Priority Points be Sold, Pooled or Assigned?

Priority points are not property, they are part of a system used by LSU Athletics and TAF to determine the order in which applicants may be offered the opportunity to obtain tickets and parking; therefore, priority points may not be (a) seized, sold, mortgaged or transferred for value under any circumstances, (b) transferred via bankruptcy, successions or property settlements, and (c) subject to the following exceptions, priority points may not be pooled or assigned in any way.

Exception Number One: In the case of a husband and wife while married, where spouses have established accounts in their personal capacities under different names, priority points resulting from Payments made by either spouse may be pooled if the spouses combine their individual accounts into a single joint account. Where spouses combine their individual accounts into a single joint account, priority points (including bonus points) allocated to the joint account will be re-calculated as though all Payments made by either spouse had been made to the joint account. In the case of a husband and wife who subsequently divorce, priority points resulting from Payments made by the spouses, whether jointly or individually, may no longer be pooled.

Exception Number Two: In the case of a business entity that merges with one or more businesses with priority points and there is but a single new or “surviving” entity following the merger, accounts for the merging entities will be combined and priority points for the new or “surviving” entity will be re-calculated as though all Payments made by a merged entity had been made solely on behalf of the new or “surviving” business entity.

Exception Number Three: Following the death of a donor, priority points accumulated by the deceased donor (in addition to any ticket rights or other amenities) may be transferred only to the deceased donor’s Surviving Spouse or Direct Descendants. Absent written direction to the contrary received by TAF prior to a donor’s death, following the death of a donor, accumulated priority points, tickets and other amenities shall be transferred in the following manner. The deceased donor’s priority points (in addition to any ticket rights or other amenities) shall be transferred to the deceased donor’s Surviving Spouse. In the event that the deceased leaves no Surviving Spouse or the deceased donor’s Surviving Spouse does not accept, the priority points

(in addition to any ticket rights or other amenities) shall be divided equally among the deceased donor's Children who wish to accept the available benefits. In the event that an individual either leaves no Surviving Spouse or Children, or the deceased donor's Surviving Spouse or Children do not accept, the priority points (in addition to any ticket rights or other amenities) shall be equally divided among the deceased donor's other Direct Descendents who wish to accept the available benefits. Rights of Surviving Spouses, Children and other Direct Descendents shall be subject to the requirement that Surviving Spouses, Children or other Direct Descendents receiving priority points or other rights or amenities are members in good standing of TAF and pay all required Payments, costs, fees and surcharges.

Exception Number Four: It is recognized that in cases involving hardship where, for example, a donor makes a permanent move to a distant area or is no longer physically able to attend athletic events, a donor may wish to transfer his account to his Spouse, Children or other Direct Descendents. Under such circumstances transfers of a member's account to the member's Spouse, Children or other Direct Descendents may be allowed subject to the following conditions and written approval by TAF: (a) hardship transfers should typically involve a member's entire account (all tickets, all priority points and all other amenities), however, for good cause shown a sport specific transfer of tickets may be granted; (b) hardship transfers may not be utilized to circumvent limitations on the number of tickets and other amenities available to individuals (c) hardship transfers are irrevocable, and (4) transferees must be members in good standing of TAF.

Exception Number Five: A donor may designate in writing the *individual(s)* who will receive priority points attributable to Donations made by the donor following his death (such as testamentary gifts and gifts made via life insurance). Absent such a designation, priority points attributable to Donations made by a donor following his death will be assigned to the deceased's Surviving Spouse, Children, or other Direct Descendents in accordance with Exception Number Three.

Exception Number Six: Prior to or at the time that a donation is made, a donor may request in writing that priority points resulting from a Payment be credited to another party. This exception shall not apply to Donations received by the LSU Foundation or the LSU Alumni Association from publicly traded business entities or their affiliated foundations prior to September 18, 2013.

Exception Number Seven: In the case of a business entity that is dissolved or otherwise ceases to do business, the following rules shall apply. If the business entity is a partnership, joint venture, limited liability company or similar entity, where the allocation of priority points is not controlled by the application of another rule, the business entity's priority points shall be allocated ratably among active members of TAF and LSU Affiliated Organizations holding an interest in the entity. If the business entity is a business corporation, unincorporated association or similar entity, where the allocation of priority points is not controlled by the application of another rule, unless otherwise directed by the Executive Committee, the business entity's priority points shall be allocated ratably among Officers and Directors who are active members of TAF and LSU Affiliated Organizations. In determining how to allocate the priority points of a business corporation, unincorporated association or similar entity, the Executive Committee may consider whether particular individuals among the Officers and Directors have been instrumental in the entity's support of TAF and LSU Affiliated Organizations.

Are All Payments – Regardless of When Made – Considered in Calculating Priority Points?

No. The priority point policy contains date restrictions covering certain types of Payments, and restrictions governing Payments made to certain parties.

How Are Priority Points Allocated Between Spouses Following Divorce?

Where a divorce occurs and both spouses are listed as TAF account holders, priority points attributable to the account may be divided equally between the two account holders.

Where a husband and wife divorce and, according to records maintained by TAF, only one spouse is a TAF account holder, priority points resulting from all Payments, whether made jointly or separately, will be credited to the spouse who is the account holder of record.

Treatment Of In-Kind Donations

In-Kind Donations and Contributions are not eligible for priority point credit.

Bonus Points

Based on Donations received by TAF on or after January 1, 2017, the following Bonus Points may be allocated:

- One (1) Bonus Point for each year making total Philanthropic Donations of \$50 - \$99 to TAF;
- Three (3) Bonus Points for each year making total Philanthropic Donations of \$100 - \$2,499 to TAF;
- Five (5) Bonus Points for each year making total Philanthropic Donations of \$2,500 to \$4,999 to TAF (applies to Donations received on or after January 1, 2017);
- Ten (10) Bonus Points for each year making total Philanthropic Donations of \$5,000 - \$9,999 to TAF (applies to Donations received on or after January 1, 2017);
- Twenty (20) Bonus Points for each year making total Philanthropic Donations of \$10,000 - \$24,999 to TAF (applies to Donations received on or after January 1, 2017);
- Fifty (50) Bonus Points for each year making total Philanthropic Donations of \$24,999 – \$49,999 to TAF (applies to Donations received on or after January 1, 2017);
- One hundred (100) Bonus Points for each year making total Philanthropic Donations of \$50,000 - \$99,999 to TAF (applies to Donations received on or after January 1, 2017); and,
- Two hundred (200) Bonus Points for each year making total Philanthropic Donations of \$100,000 or more to TAF (applies to Donations received on or after January 1, 2017).

Based on consecutive years of philanthropic giving to TAF, the following Bonus Points may be allocated:

- Three (3) points for 10 consecutive years of philanthropic giving to TAF (\$50 or more annually);
- Five (5) points for 20 consecutive years of philanthropic giving to TAF (\$50 or more annually); and,

- Seven (7) points for 30 consecutive years of philanthropic giving to TAF (\$50 or more annually);

Decisions Of TAF Executive Committee Are Final

Decisions by TAF's Executive Committee with respect to the interpretation of priority point policies and procedures including the calculation and award of priority points, use of the priority point system and opportunities associated with priority points shall be final. Where errors in the calculation and/or award of priority points are detected, such errors will be promptly corrected when brought to the attention of TAF in writing; however, such corrections shall have prospective effect only. Under no circumstances will the allocation of opportunities associated with priority points be interdicted, reversed or modified based on errors in the calculation and/or award of priority points, or the use or non-use of the priority point system in a particular situation. Under no circumstances may TAF, the University, its Affiliated Organizations, their officers, directors, employees or consultants be held liable for any loss or damage resulting from errors, whether intentional or negligent, including miscalculation, the failure to correct errors, or the award or failure to allocate opportunities in accordance with the priority point system.

Priority Point Policy And Procedures Are Subject To Change Without Notice

Priority point policy and procedures are subject to change without notice. Unless otherwise directed, changes in the priority point system shall be effective on approval of TAF's Executive Committee, regardless of actual or constructive notice to affected donors.

Best Interests Of The University, TAF And Affiliated Organizations

Use of the priority point system may be suspended, waived or modified by TAF's Executive Committee where the Committee determines that use of the priority point system is impractical or that suspension, waiver or modification is in the best interests of TAF, the University and/or LSU Affiliated Organizations.

Loss Of TAF Membership/NCAA Violations

In the event that an individual's membership in TAF is withdrawn, suspended, denied or non-renewed by action of TAF, such loss or suspension of membership may, at TAF's option, involve the loss or reduction of priority points. In the event that loss, suspension denial or non-renewal of membership in TAF involves the loss or reduction of priority points, the individual at issue shall be advised in writing by TAF's President and CEO; provided however, that the loss or reduction of priority points in such cases shall be effective as of the loss, suspension denial or non-renewal of membership irrespective of whether such notice is actually sent or received.

Sanctions imposed by the NCAA, SEC or LSU against donors based on violations of NCAA, SEC or LSU rules or regulations will be honored by TAF and LSU Affiliated Organizations. Any donor committing violations of NCAA, SEC or LSU rules or regulations is subject to further sanctions that may be imposed by TAF's Executive Committee. Further sanctions may include, but shall not be limited to, the loss, suspension, denial or non-renewal of membership in TAF as well as the loss or reduction of priority points. Donors who are disassociated from LSU Athletics as a result of action by the NCAA, SEC or LSU are not eligible to receive tickets, parking passes or priority points during the period of their disassociation.

Information Provided By TAF, University Or LSU Affiliated Organization Staff

From time-to-time donors may be furnished with written statements indicating Donations, Contributions, priority points and their priority point rank. Donors interested in obtaining additional information concerning their priority points and rank may contact TAF or another LSU Affiliated Organization via telephone, e-mail or facsimile. Information provided in response to such inquiries will be limited to Payments received and priority points credited to the donor's account, the donor's current rank and, if requested, information then available concerning the number of priority points and change in rank resulting from a Payment made in a specific amount. Staff members are prohibited from providing donors with information concerning priority points accumulated by or the rank of other donors.

Information provided via either written statement or by staff in response to inquiries via telephone, e-mail or facsimile is provided as a convenience to donors. No warranty is given with respect to the accuracy of any such information, and neither TAF, the University nor LSU Affiliated Organizations assume any responsibility for providing donors with updated information. The priority point system is administered in accordance with written policies and procedures that may be modified only via official action taken by TAF's Executive Committee.

Planned Gifts

Priority point credit for making a properly documented planned gift valued at \$10,000 or more to either TAF, or to an LSU Affiliated Organization on or after January 1, 2017, is available. Qualifying gifts may be either revocable or irrevocable. This is a one-time award, meaning that donors may qualify for only one award regardless of the number of planned gifts made. Generally speaking, proper documentation should consist of a fully executed Estate Intention Letter and an excerpt from the Donor's will, trust or similar gift instrument verifying the intent to give and gift terms. Should a planned gift be revoked or the actual amount received from the gift be less than \$10,000, priority points allocated will be revoked.

Treatment Of Sponsorships and Grants

Generally speaking, qualified sponsorship payments as defined in Section 512 of the Internal Revenue Code and grants, unless approved in writing by TAF's President & CEO, are not considered as either Donations or Contributions for priority point purposes. However, qualified sponsorship payments received by TAF in connection with specific events such as the LSU Tiger Tour, TAF golf tournaments, fund-raising events involving LSU's Olympic sports and similar events associated with athletics may, with written approval of TAF's President & CEO, be considered Donations for priority point purposes.

Treatment of Life Insurance Policies

As a general matter, gifts of life insurance policies are treated like pledges, testamentary gifts or other promises of future gifts and are not considered in priority point calculations until funds are actually received; however, certain "whole life" policies of insurance providing a death benefit of \$10,000 or more which are donated to TAF Philanthropic Programs and meet certain criteria, may be eligible for limited priority point credit at the time of donation. Priority point credit in connection with gifts of life insurance policies is subject to written approval by TAF's President

& CEO upon recommendation of TAF's CFO. Minimum criteria that must be met for consideration including the following:

- the ratings and financial outlook for the company issuing the policy must be acceptable to TAF's CFO;
- as of the date of donation, the policy must have a current cash surrender value, a death benefit of \$10,000 or more and the policy must provide permanent coverage for the remainder of the donor's life;
- the premium for the policy must be fully paid for the life of the policy;
- the policy must not be subject to any outstanding loans, pledges or other encumbrances;
- Tiger Athletic Foundation must be named the sole beneficiary and, upon donation of the policy, TAF must be deemed the owner of the policy with sole authority to exercise all rights and privileges of the owner.

Priority points resulting from the donation of qualifying whole life insurance policies to TAF Philanthropic Programs will be calculated as follows: upon receipt of the donation by TAF, the Donor will receive 2 priority points per \$1,000 of cash surrender value existing at the time the donation is made with annual priority point adjustments based on increases or decreases in cash surrender value; and, following the insured's death and TAF's receipt of the death benefit, the Donor's account will be adjusted so that total priority points resulting from the donation will equal 2 priority points per \$1,000 actually received by TAF.

Ticket Rights And Priority Points

By making Philanthropic Donations to TAF or LSU Affiliated Organizations, donors do not acquire the right to purchase tickets or parking to LSU athletic events whether on a season basis, single-game basis or otherwise.

New or additional season tickets or parking passes to LSU Athletic Events will be processed through waiting lists available at www.lsusports.net. Opportunities to purchase available season tickets and parking permits will typically be allocated utilizing priority points by the LSU Athletic Ticket Office and TAF. Renewal rights with respect to tickets and other amenities purchased through TAF are subject to the requirement that individuals remain members in good standing of TAF, the applicable provisions of premium seating contracts, and applicable provisions of TAF and LSU Ticket Policy. Renewal rights with respect to tickets and other amenities purchased through LSU are governed by applicable provisions of the LSU Ticket Policy.

For information concerning upgrades of season tickets and parking passes purchased through LSU, please contact the LSU Athletic Ticket Office at (800) 960-8587. For information concerning upgrades of season tickets or parking passes purchased through TAF, please contact Jamie Graham at jamiieg@lsutaf.org.

LSU season ticketholders may be eligible to purchase away game and post-season tickets, if available. Availability of away game and post-season tickets is not guaranteed. In situations where demand for away game and post season tickets exceeds the available supply, the priority point system may be utilized to determine the allocation of rights to purchase available tickets among season ticket holders and others interested in purchasing tickets.