

## CHAPTER AFFILIATION AGREEMENT

THIS AFFILIATION AGREEMENT (the "Agreement"), is made this 23 day of Jan., 2010, by and between the American Society for Training and Development ("NATIONAL ASTD"), a nonprofit corporation with its principal place of business in Alexandria, Virginia, and Sacramento Chapter ("CHAPTER"), a nonprofit corporation with its principal place of business in Sacramento, CA 95819.

WHEREAS, NATIONAL ASTD is dedicated to training and development professionals and to other purposes otherwise consistent with its exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code;

WHEREAS, CHAPTER desires to become an affiliate of NATIONAL ASTD and to be included in the group exemption granted to NATIONAL ASTD by the Internal Revenue Service ("IRS"); and

WHEREAS, the IRS requires NATIONAL ASTD to exercise general supervision or control over all affiliates under NATIONAL ASTD's group exemption to ensure that each affiliate's operations are, on an ongoing basis, consistent with NATIONAL ASTD's 501(c)(3) status;

NOW THEREFORE, in consideration of the premises set forth above and the promises set forth below, the sufficiency and receipt of which are hereby acknowledged, the parties hereby agree as follows:

### I. Grant of Charter to CHAPTER.

A. Charter. Subject to the terms and conditions of this Agreement, NATIONAL ASTD hereby grants to CHAPTER a non-exclusive charter to be a CHAPTER of ASTD. In accordance therewith, CHAPTER is authorized to use the name "the American Society for Training and Development," acronym "ASTD," and ASTD CHAPTER logo as provided by NATIONAL ASTD in connection with CHAPTER's name with the authority to use such marks in connection with CHAPTER's activities authorized under this Agreement, subject to the terms and conditions of this Agreement and any written guidelines attached hereto, otherwise incorporated herein, or subsequently provided to CHAPTER by NATIONAL ASTD.

B. Term and Termination. The Term of this Agreement shall commence on the effective date set forth above and shall continue until revoked by NATIONAL ASTD or surrendered by CHAPTER, pursuant to the terms of this Agreement for revocation and surrender.

C. Authorized Activities. NATIONAL ASTD specifically authorizes CHAPTER to conduct activities that engage members of the training and development profession, such as chapter meetings, learning events, professional development activities, networking functions, virtual engagement, and such other activities that CHAPTER sees appropriate for its membership base and remains consistent with the mission and purposes of NATIONAL ASTD.

### II. Membership.

Individual CHAPTER membership is separate from NATIONAL ASTD membership. The terms and conditions of CHAPTER membership shall be determined exclusively by CHAPTER, and shall be set forth in CHAPTER's bylaws. The terms and conditions of NATIONAL ASTD membership shall be determined exclusively by NATIONAL ASTD. National members are encouraged to join a local CHAPTER, and CHAPTER members are encouraged to be members of NATIONAL ASTD. In addition, CHAPTER is subject to such national and joint membership requirements as may be described in the most recent version of ASTD's Chapter Operating Requirements.

### III. Obligations of NATIONAL ASTD.

A. Operating Requirements. NATIONAL ASTD shall operate consistently with the most recent version of ASTD's National Operating Requirements ("NORE"), as such document may be updated by

NATIONAL ASTD from time to time. The most current version of NORE is attached to this Agreement as Exhibit A.

B. Tax-Exempt Status. NATIONAL ASTD confirms that it is currently organized exclusively for charitable, literary, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code and has been granted tax-exempt status on that basis. NATIONAL ASTD agrees to promptly notify the Chapter of any change to its tax-exempt status.

IV. Obligations of CHAPTER.

A. Operational Requirements.

1. CHAPTER shall operate consistently with the most recent version of ASTD's Chapter Operating Requirements ("CORE"), as such document may be updated by NATIONAL ASTD from time to time. The most current version of CORE is attached to this agreement as Exhibit B.

2. CHAPTER agrees that its governing documents are and shall remain consistent in all material respects with NATIONAL ASTD's governing documents. In particular, CHAPTER agrees that its stated purposes shall at all times be the same or materially consistent with those of NATIONAL ASTD, and that it will conduct its activities at all times in accordance with such purposes.

3. CHAPTER warrants that it is in full compliance with all applicable laws, regulations, and other legal standards that may affect its performance under this Agreement, and shall remain in full compliance with, and otherwise conduct its activities at all times in accordance with all applicable laws, regulations, and other legal standards. Further, CHAPTER warrants that it shall at all times maintain all permits, licenses, and other governmental approvals that may be required in any jurisdiction in which CHAPTER operates.

B. Corporate and Tax Status.

1. CHAPTER warrants that it is a nonprofit corporation in good standing, that it is not a private foundation as described in Section 509(a) of the Internal Revenue Code, and that it shall at all times operate in a manner consistent with the tax-exempt purposes of NATIONAL ASTD.

2. CHAPTER shall maintain all records related to its corporate status and forward to NATIONAL ASTD a copy of any adverse notice or other correspondence received from any governmental agency.

3. CHAPTER shall notify NATIONAL ASTD in writing of any audit performed by the IRS or any state revenue agency within seven (7) days of the commencement of such audit.

4. CHAPTER hereby authorizes NATIONAL ASTD to include CHAPTER in NATIONAL ASTD's group tax exemption.

V. Intellectual Property and Confidential Information.

A. Limited License.

1. NATIONAL ASTD hereby grants to CHAPTER a limited license to use (i) the name "American Society for Training and Development," the acronym "ASTD," the CHAPTER logo provided by NATIONAL ASTD (collectively, "Marks"); (ii) NATIONAL ASTD's membership lists with respect to current members of NATIONAL ASTD located within the area of CHAPTER's operations as determined by NATIONAL ASTD (the "Mailing List"); and (iii) all copyrighted or proprietary information and materials provided by NATIONAL ASTD to CHAPTER during the Term of this Agreement (collectively, "Proprietary Information") (the Marks, Mailing List, and Proprietary Information collectively referred to as "ASTD's Intellectual Property").

2. CHAPTER hereby grants to NATIONAL ASTD a limited license to use (i) any name, acronym, or logo associated with the CHAPTER; (ii) CHAPTER's membership lists; and (iii) all copyrighted or proprietary information and materials provided by CHAPTER to NATIONAL ASTD during the Term of this Agreement (collectively, "CHAPTER's Intellectual Property").

3. Except as provided expressly herein, no property license, permission, or interest of any kind to the use of ASTD's Intellectual Property or CHAPTER's Intellectual Property is created, transferred, or acquired.

4. CHAPTER agrees that it shall not permit any person or entity to use ASTD's Intellectual Property, without the express written consent of NATIONAL ASTD.

5. CHAPTER agrees that it shall not revise or alter the Marks in any way that conflicts with NATIONAL ASTD logo guidelines.

6. CHAPTER agrees that its usage of ASTD's Intellectual Property shall be restricted solely to the activities authorized under this Agreement. CHAPTER agrees further that the exploitation of such right of usage shall protect the name and goodwill of NATIONAL ASTD.

7. CHAPTER and NATIONAL ASTD each represent and warrant that it has the full right to grant the license provided herein; that it has not previously or in any manner disposed of any of the rights granted herein or granted rights adverse to or inconsistent therewith; that there are no rights outstanding that would diminish, encumber, or impair the full enjoyment or exercise of the rights granted herein; and that its intellectual property does not and will not violate or infringe upon any patent copyright, literary, privacy, publicity, trademark, service mark, or other personal or property right of any third party, or constitute a libel or defamation of any third party.

8. Upon the termination or expiration of this agreement, CHAPTER and NATIONAL ASTD shall (i) immediately cease utilization of the other party's intellectual property; and (ii) return all originals and copies of the other party's intellectual property to the other party (whether printed, electronic, recorded, or in other tangible form) at the other party's request.

9. If CHAPTER seeks to use the name, acronym, logo, mailing list, or other intellectual property of another affiliate of NATIONAL ASTD, CHAPTER shall request permission from such affiliate prior to such use.

B. Confidential Information. The parties shall maintain the confidentiality of all of the confidential and proprietary information and data ("Confidential Information") of the other party. Confidential Information is any information or data designated as such by the party that owns the information or data and/or any information or data that the other party reasonably knows or should know to be confidential or proprietary in nature. The parties also shall take all reasonable steps to ensure that no use, by themselves or by any third parties, shall be made of the other party's Confidential Information without such other party's consent. Each party's Confidential Information shall remain the property of that party and shall be considered to be furnished in confidence to the other party when necessary under the terms of this Agreement. Upon any revocation, surrender or other termination of this Agreement, each party shall: (i) deliver immediately to the other party all Confidential Information of the other party, including but not limited to all written and electronic documentation of all Confidential Information, and all copies thereof; (ii) make no further use of it; and (iii) make reasonable efforts to ensure that no further use of it is made by either that party or its officers, directors, employees, agents, contractors, or any other person or third party. Each party's confidentiality obligations under this Section shall survive any revocation, surrender or other termination of this Agreement.

#### VI. Relationship of Parties.

Neither party, nor any of its members, officers, directors, managers, agents, employees, independent contractors or representatives will (a) be considered an agent, partner, joint venturer, employee, or representative of the other party for any purpose whatsoever, (b) have any authority to make any agreement or commitment for, or to incur any liability or obligation in the other party's name or for or on its behalf, and (c) represent to outside parties that they or any of them has any right to bind the other party to this Agreement. CHAPTER is not, and will not be

deemed to be, for any purpose, an employee or agent of NATIONAL ASTD. NATIONAL ASTD will not be responsible to CHAPTER, or to any governmental authority, for the payment or withholding of any foreign, federal, state or local income, unemployment or other employment-related taxes in connection with any payments to CHAPTER contemplated by this Agreement.

Unless expressly agreed to in writing by the parties, neither party is authorized to incur any liability, obligation or expense on behalf of the other, to use the other's monetary credit in conducting any activities under this Agreement, or to represent to any third party that CHAPTER is an agent of NATIONAL ASTD.

VII. Indemnification.

Each party agrees to indemnify, save and hold harmless the other party, its subsidiaries, affiliates, related entities, partners, members, agents, officers, directors, employees, attorneys, heirs, successors, and assigns, and each of them, from and against any and all claims, actions, demands, losses, damages, judgments, settlements, costs and expenses (including reasonable attorneys' fees and expenses), and liabilities of every kind and character whatsoever, which may arise by reason of: (i) the performance of the party's obligations under this Agreement, (ii) the failure of the party or any of its directors, officers, employees, or other representatives to comply with any term or condition of this Agreement, and/or (iii) the breach of any representation or warranty given or made by the party in this Agreement. This indemnity will require the payment of costs and expenses as they occur. Each party will promptly notify the other party upon receipt of any claim or legal action referenced in this Section VII.

VIII. Revocation or Surrender of Charter.

A. Revocation of Charter. The charter granted by NATIONAL ASTD to CHAPTER hereunder shall remain in full force and effect unless and until revoked by NATIONAL ASTD or surrendered by CHAPTER in accordance with the provisions of this Agreement. NATIONAL ASTD, through its Board of Directors, shall have the authority to revoke the charter of CHAPTER if the Board of Directors determines that the conduct of CHAPTER is in breach of any provision of this Agreement or as defined in NATIONAL ASTD policy. In addition, NATIONAL ASTD may revoke CHAPTER's charter for any reason by delivering to CHAPTER notice of its intention to do so no less than ninety (90) days prior to the effective date of such revocation.

B. Surrender of Charter. CHAPTER may surrender its charter by delivering to NATIONAL ASTD written notice of its intention to do so no less than ninety (90) days prior to the effective date of such surrender.

IX. Miscellaneous.

A. Entire Agreement. This Agreement: (i) constitutes the entire agreement between the parties hereto with respect to the subject matter hereof; (ii) supersedes and replaces all prior agreements, oral and written, between the parties relating to the subject matter hereof; and (iii) may be amended only by a written instrument clearly setting forth the amendment(s) and executed by both parties.

B. Warranties. Each party covenants, warrants and represents that it shall comply with all laws, regulations and other legal standards applicable to this Agreement, and that it shall exercise due care and act in good faith at all times in performance of its obligations under this Agreement. The provisions of this Section shall survive any revocation, surrender or other termination of this Agreement.

C. Waiver. Either party's waiver of, or failure to exercise, any right provided for in this Agreement shall not be deemed a waiver of any further or future right under this Agreement.

D. Arbitration. Any and all disputes arising under this Agreement shall be subject to mandatory and binding arbitration. Said arbitration shall take place in the Commonwealth of Virginia. Neither party shall have any right to bring an action relating to this Agreement in a court of law, except insofar as to either enforce or appeal the results of any such arbitration. In any such arbitration, and subsequent court action, the prevailing party shall be entitled to collect its fees and costs associated therewith from the non-prevailing party.

E. Governing Law. This Agreement will be governed by, and the rights and liabilities of the parties will be determined, solely in accordance with the laws of the Commonwealth of Virginia, United States of America, except for its conflict-of-laws principles. Any legal action taken or to be taken by either party regarding this Agreement or the rights and liabilities of parties under this Agreement will be brought only before a court of competent jurisdiction located within the Commonwealth of Virginia, United States of America. Each party hereby submits to the jurisdiction of the courts located within the Commonwealth of Virginia, United States of America, in relation to any dispute arising from or in connection with this Agreement.

F. Assignment. This Agreement may not be assigned, or the rights granted under this Agreement transferred or sub-licensed, by either party without the express prior written consent of the other party, except that NATIONAL ASTD may assign this Agreement without CHAPTER's consent to any parent, subsidiary, affiliate of NATIONAL ASTD, or any successor pursuant to a merger, consolidation, reorganization, or a sale of all or substantially all of NATIONAL ASTD's assets.

G. Heirs, Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of each party, its subsidiaries, affiliates, related entities, partners, agents, officers, directors, employees, heirs, successors, and assigns, without regard to whether it is expressly acknowledged in any instrument of succession or assignment.

H. Headings. The headings of the various paragraphs hereof are intended solely for the convenience of reference and are not intended for any purpose whatsoever to explain, modify or place any construction upon any of the provisions of this Agreement.

I. Counterparts. This Agreement may be executed in one (1) or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

J. Severability. The invalidity in whole or in part of any provision of this Agreement will not affect the validity of other provisions.

K. Force Majeure. Neither party shall be liable for failure to perform its obligations under this Agreement due to events beyond its reasonable control, including, but not limited to, strikes, riots, wars, fire, acts of God, and acts in compliance with any applicable law, regulation or order (whether valid or invalid) of any governmental body.

L. Notice. All notices and demands of any kind or nature that either party may be required or may desire to serve upon the other in connection with this Agreement will be in writing and may be served personally, by facsimile, by electronic mail, by certified mail, or by overnight courier, with constructive receipt deemed to have occurred on the date of the mailing, sending or faxing of such notice, to the following addresses or facsimile numbers:

If to ASTD: American Society for Training and Development  
1640 King Street  
Alexandria, Virginia 22314-1443  
United States of America  
Fax: 703.683.8184  
Attn: Director of Chapter Services

If to CHAPTER:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_, \_\_\_\_\_

*In the event that CHAPTER lacks a permanent business address for service of notice, CHAPTER shall maintain some form of current address on record with NATIONAL ASTD for service of legal notice and other communications. NATIONAL ASTD may serve notice upon CHAPTER at such address according to the provisions of this Section.*

\* \* \* \* \*

IN WITNESS WHEREOF, This Agreement has been duly executed and delivered by the authorized officers of the parties to be effective as of the last date written below (the "Effective Date")

**AMERICAN SOCIETY FOR  
TRAINING AND DEVELOPMENT**

**SACRAMENTO CHAPTER**

By: *Anthony Bingham*  
Anthony Bingham, President & CEO

By:  *Michael A. Hodge* 2010 President  
 *Carol Christensen* 2009 President  
*2011 Pres. Elect*

Date: *2/3/10*

Date: *January 23, 2010*

## Exhibit A

### The National Operating Requirements (NORE)

1. Collaboration - National ASTD will offer relevant collaboration opportunities to chapters.
  - 1.1 Identify opportunities for collaboration with chapters on an ongoing basis.
  - 1.2 Actively encourage chapter participation across organizational initiatives.
  - 1.3 Facilitate collaboration and networking among chapters.
2. Communication - National ASTD will offer materials and resources that are current and relevant to the needs of the chapters while reporting successes consistently and regularly.
  - 2.1 Offer clear, streamlined, timely communication to chapter leaders about available resources and important information impacting chapter operations.
  - 2.2 Make a website with timely information and comprehensive resources available to chapter leaders.
  - 2.3 Identify a contact person on staff for each chapter.
  - 2.4 Make tools available for chapters to share information and best practices.
3. Customer Service - National ASTD will offer reliable, accurate, and timely data management and customer service, if requested by chapter leaders.
  - 3.1 Deliver response from Chapter Services staff to inquiries and requests within one business day, and resolve inquiries in a timely manner.
  - 3.2 Offer accurate information to the chapters.
4. Feedback - National ASTD will solicit feedback from chapter leaders to identify opportunities for improvement via surveys, forums, and various methods. Results and action plans will be shared with the chapter leaders in a timely manner.
  - 4.1 Solicit feedback from chapter leaders at least annually.
  - 4.2 Develop action plans in response to feedback collected.
  - 4.3 Advise chapter leaders of feedback results and action plan progress.
5. Membership - National ASTD will support membership at the local chapter level by offering marketing materials, national advertising support, and national membership rosters as requested by chapter leaders.
  - 5.1 Make support to increase joint chapter and national membership available to chapters.
  - 5.2 Offer national membership discounts to chapter members.
  - 5.3 Advertise for joint membership in national marketing channels.
  - 5.4 Promote chapter membership to national members through online and national member communications.
  - 5.5 Make marketing materials available to chapters to promote joint membership.
  - 5.6 Make national membership rosters available for the state the chapter is located in, upon the request of chapter leaders to invite to attend chapter meetings and to join the chapter.
6. Operational Support - National ASTD will offer high-quality operational support, either directly or via partnerships, to chapters to reduce the administrative burden on chapter leaders and to increase efficiency and consistency throughout ASTD at both chapter and national levels (fees may be involved and participation is optional).
  - 6.1 Make marketing materials, tools, templates, samples, and best practices available to chapters.
  - 6.2 Offer membership administration and management support.
  - 6.3 Offer website and online event registration support and/or resources.
  - 6.4 Make chapter business operations coaching available to chapters.
  - 6.5 Offer national ASTD representatives as speakers for chapter programs subject to availability.
  - 6.6 Offer leadership development opportunities.
  - 6.7 Identify revenue-sharing opportunities for chapters.

## Exhibit B

### The Chapter Operating Requirements (CORE)

#### 1. Administrative Component

- 1.1. The chapter's mission, vision, and bylaws align with those of ASTD. Additionally, the chapter meets the ASTD brand identity guidelines.
- 1.2. The chapter maintains written position descriptions for elected chapter board members.
- 1.3. The chapter members participate in the nomination and election of the chapter board.
- 1.4. The chapter creates an operational plan that includes but is not limited to:
  - annual goals;
  - communication/marketing strategy;
  - recruitment/retention strategy; and
  - succession planning strategy.
- 1.5. The chapter submits a current board roster in Excel format with CORE submission and updates ASTD Chapter Services as changes occur.
- 1.6. The chapter submits a current membership roster in Excel format to ASTD Chapter Services with CORE submission.
- 1.7. The chapter board meets at least once per quarter and makes meeting minutes available to members.
- 1.8. The chapter board completes a risk management assessment.

#### 2. Financial Component

- 2.1. The chapter complies with federal and state reporting requirements.
- 2.2. The chapter board develops and approves an annual operating budget and makes it available to members.
- 2.3. The chapter board ensures an annual internal or external financial review is completed by an individual or group not directly responsible for the management of the chapter's finances.

#### 3. Membership Component

- 3.1. The chapter board assesses its members' needs and satisfaction levels at least once per year.
- 3.2. The chapter achieves minimum joint chapter/national membership levels according to the following criteria and timeline:
  - 30% or 20 joint members (whichever is greater) by 12/31/09\*

*\*requirements for 2010 and beyond to be announced at [www.astd.org/CORE](http://www.astd.org/CORE)*

#### 4. Professional Development Component

- 4.1. The chapter board members maintain joint chapter/national membership and participate in both annual chapter and national leadership development opportunities.
- 4.2. The chapter provides at least six (6) professional development activities per year for members.

#### 5. Communication Component

- 5.1. The chapter maintains a current website with up-to-date information.
- 5.2. The chapter disseminates a communication piece to members at least once per quarter that includes chapter and national programs and initiatives.
- 5.3. The chapter board produces, and shares with members, an annual report that includes but is not limited to:
  - membership numbers;
  - financial performance; and
  - progress toward annual goals.