

## FPA CHAPTER AFFILIATION AGREEMENT

This Chapter Affiliation Agreement (“Agreement”) is made this 1st day of January, 2009, by and between the Financial Planning Association, a District of Columbia nonprofit corporation (“FPA”) and the Financial Planning Association of Maryland.

WHEREAS, FPA and the Chapter wish to describe their understanding concerning the services to be rendered and other rights and obligations of the parties;

NOW, THEREFORE, in consideration of the foregoing and of their mutual promises and agreements, FPA and the Chapter agree as follows:

### **1. PREAMBLE**

1.1 FPA is a nonprofit tax-exempt organization ("FPA") organized under Section 501(c)(6) of the Internal Revenue Code and incorporated under the laws of the District of Columbia. The purpose of FPA is to serve the needs of its members, to establish the value of financial planning and the success of the financial planning profession.

1.2 Pursuant to the Bylaws of FPA, all Chapters of FPA will exist under the sanction of FPA subject to this Chapter Affiliation Agreement and other policies adopted by FPA from time to time.

1.3 The Chapter agrees to support FPA’s Primary Aim and will abide by the following documents (which may be modified from time to time by FPA) including but not limited to the Chapter Articles of Incorporation, Chapter Bylaws, Chapter/National Objectives and Responsibilities (Exhibit 1 to this Agreement), and Chapter Policies and Procedures Manual (Exhibit 2 to this Agreement). Exhibits 1 and 2 are incorporated herein by reference.

1.4 This agreement contains the mutual rights and responsibilities of FPA and the Chapter concerning their relationship with each other and to other FPA Chapters.

### **2. JURISDICTION**

FPA has the authority to assign, modify or withdraw the geographical jurisdiction of the Chapter. Upon receipt of a fully executed copy of this agreement, FPA will authorize the Chapter to represent FPA as the Financial Planning Association of Maryland. FPA will establish the geographic area to be served by the Chapter.

### **3. FPA OBLIGATIONS**

3.1 FPA will provide the Chapter with certain materials to assist the Chapter in recruiting members, providing assistance in preparing and presenting educational programs, making available certain supplies, and providing the Chapter Policies and Procedures Manual regarding the operation of the Chapter.

3.2 Membership dues will be established from time to time by the FPA National Board of Directors. Dues paid by individuals to FPA will be for membership in both FPA

and the Chapter. Additional fees may be assessed by the Chapter to conduct meetings and events and for general operational purposes in accordance with the Chapter Policy and Procedure Manual.

#### **4. CHAPTER OBLIGATIONS**

The Chapter will take all appropriate action to sustain membership growth. The Chapter will develop policies and procedures consistent with FPA's policies and procedures.

#### **5. INSURANCE, LIABILITY AND INDEMNIFICATION**

5.1 FPA will maintain director and officer liability insurance and will provide Chapter with certificates of insurance. Such insurance will be provided to the Chapter by FPA and the Chapter will reimburse FPA for the cost of such insurance. FPA reserves the right to require the Chapter to obtain other insurance coverage as FPA may determine from time to time.

5.2 FPA and the Chapter expressly acknowledge and agree that FPA and the Chapter are, and intend to maintain, separate corporate entities. As such, FPA will not incur any liability, obligation or expense on behalf of the Chapter unless the act giving rise to the potential liability will have first been approved in writing by FPA.

5.3 The Chapter hereby indemnifies, holds harmless and agrees to defend and pay all costs and expenses as they are incurred, FPA and its officers, directors, agents, members and employees from and against any action, suit, proceeding, asserted claim, damage, liability, obligation, cost and expense which may be incurred by FPA and/or its officers, directors, agents and employees and which may arise by reason of any act or failure or omission to act by the Chapter or by any officer, director, agent, member or employee thereof, any breach of this Agreement, or the failure or refusal of Chapter and its officers, directors and employees to comply with and conform to FPA Bylaws, or which in any other way pertains to the relationship and mutual rights and responsibilities between the Chapter and FPA.

#### **6. LIMITED LICENSE OF FPA MARKS AND INTELLECTUAL PROPERTY**

6.1 FPA national owns all FPA copyrights, trademarks, logos and other intellectual property ("Intellectual Property"), defines the use of all its Intellectual Property, and manages adherence to all Intellectual Property usage guidelines.

6.2 FPA grants a non-exclusive, royalty-free license to the Chapter to use certain of the trademarks or service marks ("Marks") now owned or developed by FPA in the future. Use of the Marks is limited to those activities, services or products that are approved in writing by FPA. The Chapter agrees that all use of the Marks will conform to the usage established by FPA and communicated to the Chapter from time to time. Upon termination, dissolution, merger or any other transfer of assets by the Chapter, this license will terminate and the Chapter will cease all use of the Marks and Intellectual Property, return all materials containing the Marks and Intellectual Property, and cease using the FPA name, Marks and Intellectual Property.

6.3 Upon request by FPA, the Chapter will submit to FPA for review any and all

Chapter materials in which the Marks appear. FPA will have the right to require changes to such materials for the purpose of insuring proper use of the Marks.

6.4 The Chapter will not question or attack the ownership or validity of the Marks nor the validity or enforceability of this limited license. All use of the Marks will inure to the benefit of FPA. The Chapter agrees to notify FPA immediately of any unauthorized use of the Marks.

6.5 If the Chapter elects to use a web site, FPA will provide a web template and grant a non-exclusive, royalty-free license to the Chapter to use said template. This web site template cannot be altered or customized by the Chapter without FPA approval.

## **7. EFFECT OF OTHER DOCUMENTS**

FPA and the Chapter acknowledge the existence, force and effect of the following documents: (A) FPA Articles of Incorporation; (B) FPA Bylaws; (C) FPA Code of Ethics as currently existing as to be adopted by FPA; (D) Chapter Articles of Incorporation (or equivalent document), as currently existing or as to be adopted by FPA; (E) Chapter Bylaws; (F) Objectives and Responsibilities document; and (G) the Chapter Policies and Procedures Manual, as currently existing or as adopted by FPA. If at any time any provision of the Agreement is determined to be inconsistent with any provision of the documents named in (A), (B) and (C) above, said documents will control.

## **8. TERM/ RENEWAL/TERMINATION**

8.1 The parties acknowledge and agree that, subject to the terms of Paragraph 8.2 below, this Agreement will continue for a period of one (1) year after the effective date hereof, and will automatically renew for successive one (1) year periods, unless terminated or modified by FPA.

8.2 The parties acknowledge and agree that this Agreement may be terminated by FPA under the following circumstances:

- A. At any time by providing the Chapter with thirty (30) days prior written notice of such termination;
- B. Upon the filing of a petition of bankruptcy by or against the Chapter which is not dismissed within ninety (90) days after the date filing;
- C. Upon placement of the assets of the Chapter in the hands of a receiver or an assignment of assets by the Chapter for the benefit of its creditors;
- D. Upon the voluntary or involuntary dissolution of the Chapter.

In the event of termination or dissolution of the Chapter, to the extent allowed under applicable law, all of the assets of the Chapter will be distributed to FPA within 60 days of the date of termination. In the event that the Chapter Board of Directors will fail to act in the manner herein, the state court in which the principal office of this Chapter has been located will make such distribution as herein provided, upon the petition of FPA or other persons having an interest in the Chapter or its assets.

## **9. MISCELLANEOUS PROVISIONS**

9.1 Nothing in this Agreement will be deemed to create a partnership, joint venture or agency relationship between FPA and Chapter to make either party jointly liable for any obligation of the other arising out of the activities and services contemplated or performed by this Agreement. Neither party will have any power or authority to act in the name of or on behalf of the other party except with the express written consent of such party.

9.2 Waiver by either party of any term, condition or breach will not constitute a waiver of any other term, condition or breach of this agreement. In the event any provision of this Agreement is held invalid or unenforceable then the remaining provisions of this Agreement will be in full force and effect.

9.3 This Agreement contains all of the terms agreed upon by the parties with respect to its subject matter and supersedes all prior agreements, arrangements, promises and communications between the parties concerning such subject matter, whether oral or written. This Agreement can be amended upon approval of FPA as outlined in the Policies and Procedures Manual.

9.4 Neither party will assign any of its rights or obligations under this agreement, in whole or in part, without the written consent of the other party.

9.5 Unless otherwise required by state law, the parties agree that the jurisdiction, venue and choice of law will be the District of Columbia.

IN WITNESS WHEREOF, the parties have caused this Chapter Affiliation Agreement to be executed by their duly authorized officers, effective as of the day and year first written above.

Financial Planning Association of Maryland

By: *Michelle Kato*  
President  
10/24/08  
Date

Financial Planning Association (FPA):

By: *Maria W. Tuttle*  
CEO/Executive Director  
1/8/09  
Date