**AACE INTERNATIONAL**

**SECTION AFFILIATION AGREEMENT**

THIS AFFILIATION AGREEMENT (the “Agreement”), is made this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_, 20\_\_\_\_, by and between AACE International (“AACE”), a West Virginia nonprofit corporation, with its principal place of business at 726 East Park Avenue #180, Fairmont, WV 26554 USA and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“SECTION”), a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ nonprofit corporation.

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 SECTION.

1. Charter. AACE hereby grants to SECTION an exclusive charter to be a SECTION of AACE. In accordance therewith, SECTION is authorized to use the name “AACE International,” acronym “AACE,” and logo of AACE in or in connection with SECTION’s name, acronym and logo, with the authority to use such marks in connection with SECTION’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 SECTION by AACE.
2. Term and Termination. The Term of this Agreement shall commence on the effective date set forth above and shall continue until revoked by AACE or surrendered by SECTION, pursuant to the terms of this Agreement for revocation and surrender.
3. Termination of Prior Agreement. This Agreement terminates and replaces any and all prior agreements.
4. Geographic Limitation. SECTION shall represent AACE as AACE's affiliate in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “State(s)”), pursuant to and in accordance with AACE's mission and purposes as set forth in AACE's Articles of Incorporation and Bylaws or as otherwise established by AACE's Board of Directors.

II. Membership.

Members of SECTION also must be members of AACE. The terms and conditions of membership shall be determined exclusively by AACE.

III. Obligations of AACE.

AACE's obligations under this Agreement shall include such support and resources to help SECTION provide membership value and contribute to AACE’s strategic plan goals:

1. Web Presence. AACE will create an optional webpage for SECTION on the AACE website and provide technical support. SECTION is responsible for keeping the page up to date.
2. Events and Education. AACE will provide optional event support, as outlined in the AACE Organization Manual. Revenue for fee-based SECTION events produced independent of AACE will be retained by SECTION unless otherwise agreed upon.
3. Communications. AACE shall provide an email and online community platform, with supporting guidelines, for SECTION’s use.
4. Support. AACE shall make SECTION support staff available during regular AACE business hours.
5. Reporting. AACE shall maintain and update customer data and regularly provide SECTION membership reports and statistics. SECTION shall report volunteer leadership changes to AACE.
6. Resources. AACE shall provide resources, training, and information related to governance, communication, events, finance, document retention, volunteer management, and any requirements associated with Member Service and Engagement (Section IV, F).
7. Logos. AACE will provide a SECTION logo as provided in the license granted in Section V of this Agreement.
8. Grants. AACE will make grant funding available for SECTION at the discretion of the AACE Board of Directors.
9. AACE Programs and Activities. AACE acknowledges that it has sole responsibility for the planning, management, and carrying out of AACE’s activities under this Agreement, including but not limited to payment of all expenses and other liabilities that it may incur in such activities. AACE shall promptly advise SECTION of any changes in AACE’s nonprofit status or bylaws.

IV. Obligations of SECTION.

The purpose of a local engagement program, such as a SECTION, is to support members by meeting needs that are unfulfilled or are determined may be better carried out by a “local” group. A local group may be defined narrowly or broadly to include a specific geographic area, locality, or communities of practice based on member needs. Activities carried out through these programs would provide membership value and contribute to one or more of AACE’s strategic plan goals.

SECTION’s obligations under this Agreement shall include:

1. Corporate and Tax-Exempt Status. SECTION shall be and remain incorporated as a nonprofit corporation in good standing in its jurisdiction of incorporation and shall be and remain exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. SECTION shall advise AACE within thirty (30) days if its good standing status as a nonprofit corporation or federal tax-exempt organization changes. SECTION warrants that it shall make all required federal and state filings, such as annual state corporate reports and federal and state tax filings. A SECTION that is part of the AACE International IRS group exemption must comply with all requests from AACE regarding the group exemption filing.
2. Articles of Incorporation, Bylaws and Other Requirements. As a condition of receipt of its charter as a SECTION of AACE, SECTION heretofore provided to AACE, and AACE provided its approval to, the Articles of Incorporation and Bylaws of SECTION. Such SECTION Bylaws are, and shall remain, consistent in all material respects with the Model Bylaws attached hereto as Exhibit A and incorporated by reference herein. Any amendments to the SECTION’s Articles of Incorporation or Bylaws must first be submitted to, and approved by, AACE. SECTION shall have as its purposes those set forth in the Model Bylaws attached hereto, shall conduct its activities at all times in strict accordance with such Bylaws, and shall comply at all times with all of the requirements set forth in AACE’s Bylaws and all other SECTION-related policies, procedures, handbooks, or other written guidance heretofore or hereafter promulgated by AACE (all of which are incorporated by reference herein).
3. Compliance with Laws. SECTION 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 law, regulations and other legal standards. Further, SECTION warrants that it shall maintain at all times all permits, licenses and other governmental approvals that may be required in the State in connection with its performance under this Agreement.
4. Recordkeeping, Reporting and Inspection. SECTION shall maintain all records related to its corporate and tax-exempt status and shall forward to AACE any adverse notices or other correspondence received from any governmental agency (e.g., Internal Revenue Service, state Secretary of State or corresponding agency). SECTION shall maintain reasonable records related to all of its programs, activities and operations. SECTION shall submit to AACE written reports summarizing programs, activities and operations and financial statements, no later than sixty (60) days after the end of the calendar year. Upon the written request of AACE and at AACE’s expense, SECTION shall permit AACE or AACE’s designated agent to review appropriate records of SECTION pertaining to its programs, activities, and operations. Alternatively, SECTION shall send to AACE copies of such records.
5. Programs and Activities. SECTION shall endeavor to sponsor and conduct programs and activities that further the purposes and objectives of AACE and shall use its best efforts to ensure that such programs and activities are of the highest quality with respect to content, materials, logistical preparation, and otherwise. AACE may, at its sole discretion, send representatives to observe such programs and activities.
6. Member Service and Engagement. Each year, SECTION shall provide a minimum of three (3) SECTION events per year that may include networking/social meeting, technical sessions, or informal discussions. SECTION will send regular communications, newsletters, or messages to SECTION members. SECTION shall ensure that all communications and materials reflect AACE’s branding. SECTION website must be kept up to date.

V. Intellectual Property and Confidential Information.

1. Limited License. SECTION is hereby granted a limited, revocable, non-exclusive license to use (i) the name “AACE International,” acronym “AACE,” logo of AACE and other AACE trademarks, service marks, trade names, and logos (hereinafter collectively referred to as the “Marks”); (ii) AACE’s membership mailing lists with respect to past, current, or prospective members of AACE located within the SECTION area (hereinafter collectively referred to as the “Mailing List”); and (iii) all copyrighted or proprietary information and materials provided by AACE to SECTION during the Term of this Agreement (hereinafter referred to as the “Proprietary Information”)(the Marks, Mailing List, and Proprietary Information are hereinafter collectively referred to as the “Intellectual Property”) in or in connection with SECTION’s name, acronym and logo and for other official SECTION-related purposes, with the limited authority to use the Intellectual Property solely in connection with the 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 SECTION by AACE.

AACE’s logo may not be revised or altered in any way and must be displayed in the same form as produced by AACE. The Marks may not be used in conjunction with any other trademark, service mark, or other mark without the express prior written approval of AACE.

Use of the Marks shall create no rights for the SECTION in or to the Marks or its use beyond the terms and conditions of this limited and revocable license. All rights of use of the Marks by the SECTION shall terminate immediately upon the revocation, surrender or other termination of this Agreement. The SECTION’s obligations to protect the Marks shall survive the revocation, surrender, or other termination of this Agreement.

1. Confidential Information. The parties shall maintain the confidentiality of all of the confidential and proprietary information and data (“Confidential Information”) of the other party. 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. SECTION shall maintain the confidentiality of Personally identifiable information (PII) and shall not sell, trade, transmit, or otherwise disseminate the member contact information, in whole or in part, to any third party without the express prior written approval of AACE.

VI. Relationship of Parties.

Independent Organizations. AACE and SECTION expressly acknowledge and agree that AACE and SECTION are, and intend to remain, separate corporate entities. SECTION agrees that the conduct of SECTION and its employees and agents, and any other legal obligations of SECTION, are the sole responsibility of SECTION. The relationship of SECTION and AACE under this Agreement is that of independent contracting parties.

VII. Insurance and Indemnification.

1. Insurance. SECTION is encouraged to maintain director and officer liability insurance. The cost of the insurance coverage is the responsibility of the SECTION. AACE will provide the SECTION a coverage option through a national provider in order to extend group utilization discounted rates. AACE reserves the right to require the SECTION to obtain other insurance coverage as AACE may determine from time to time.
2. Indemnification. SECTION shall indemnify, defend, and hold harmless AACE and its officers, directors, members, agents, and assignees, from and against any and all claims, actions, suits, demands, losses, damages, judgments, settlements, costs, and expenses, including reasonable attorneys’ fees and expenses, and liabilities of every kind and character whatsoever resulting from (i) any breach by SECTION of its obligations under this Agreement; or (ii) any other act or omission by SECTION, its officers, directors, members, and agents, whether in connection with this Agreement or otherwise.

VIII. Revocation or Surrender of Charter.

1. Revocation of Charter. The charter granted by AACE to SECTION hereunder shall remain in full force and effect unless and until revoked by AACE or surrendered by SECTION in accordance with the provisions of this Agreement. AACE, through its Board of Directors, shall have the authority to revoke the charter of SECTION if the Board of Directors determines that the conduct of SECTION is in breach of any provision of this Agreement or that the continuation of this Charter is otherwise contrary to AACE’s best interests, as determined in AACE’s sole discretion. Any decision by AACE to revoke SECTION's charter shall be initiated by sending written notice to SECTION specifying the grounds upon which the revocation is based; provided, however, that AACE shall provide SECTION with sixty (60) business days from the date of such notice to cure any alleged breach of this Agreement. In the event that AACE determines, in its sole discretion, that SECTION has not corrected the condition leading to AACE’s decision to revoke SECTION's charter, AACE shall so notify SECTION in writing. AACE’s decision shall become final unless, within thirty (30) days of its receipt of written notice from AACE, SECTION delivers to AACE written notice to appeal such determination. Upon the filing of such an appeal notice, SECTION shall have the opportunity to present its case, by written communication or in person, to the Board of Directors of AACE pursuant to the applicable rules or procedures prescribed by AACE’s Board of Directors. The decision of AACE’s Board of Directors upon such appeal shall be final and not subject to further appeal.
2. Surrender of Charter. SECTION may surrender its charter by delivering to AACE written notice of its intention to do so no less than thirty (30) days prior to the effective date of such surrender.
3. Effect of Revocation or Surrender of Charter. Upon revocation or surrender of SECTION’s charter, SECTION shall immediately cease any and all use of the AACE Marks and shall no longer hold itself out to be affiliated with AACE.

IX. Miscellaneous.

1. 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.
2. 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.
3. Arbitration. Any and all disputes arising under this Agreement shall be subject to mandatory and binding arbitration. Said arbitration shall take place in the State of West 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.
4. Governing Law. All questions with respect to the construction of this Agreement or the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State of West Virginia. Any legal action taken or to be taken by either party regarding this Agreement or the rights and liabilities of parties hereunder shall be brought only before a federal, state or local court of competent jurisdiction located within the State of West Virginia. Each party hereby consents to the jurisdiction of the federal, state and local courts located within the State of West Virginia.
5. Assignment. This Agreement may not be assigned, or the rights granted hereunder transferred or sub-licensed, by either party without the express prior written consent of the other party.
6. Severability. All provisions of this Agreement are severable. If any provision or portion hereof is determined to be unenforceable in arbitration or by a court of competent jurisdiction, then the remaining portion of the Agreement shall remain in full effect.
7. 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.
8. Notice. Notices, approval, and consent under this Agreement shall be in writing and shall be delivered by mail, courier, fax, or email to the addresses set out on the signature page of this Agreement. Notices shall be considered effective two (2) days after deposit in the mail, or the next business day if delivered by courier, fax, or email.
9. Survival. Sections V.B, VI, VII, and IX shall survive the termination or expiration of this Agreement.

SIGNATURE PAGE

**\* \* \* \* \***

IN WITNESS WHEREOF, AACE and SECTION have executed this Agreement as of the date first written above.

**AACE International: [SECTION] of AACE International:**

Name: Name:

Title: Title:

Address: Address:

Telephone Number: Telephone Number:

Email Address: Email Address:

**Exhibit**

Exhibit A – Model SECTION Bylaws