

AUTOMOTIVE SERVICE COUNCILS OF CALIFORNIA

Chapter Affiliation Agreement

This Agreement is entered into as of this _____ day of _____, 20____
Between the Automotive Service Councils of California, a California nonprofit mutual benefit corporation (ASCCA) and undersigned (Chapter) with respect to the following:

A. ASCCA is the preeminent professional trade association of independent repair garage owners in the State of California whose overall purpose is to advance and protect the industry.

B. The Chapter represents ASCCA members primarily in the geographical area described below within the State of California and desires to be chartered by ASCCA as its exclusive Chapter within that geographical area subject to the terms and conditions of this Agreement.

1. Charter. ASCCA grants to Chapter the exclusive charter to operate as an ASCCA Chapter in the geographical territory as recommended by the Chapters Representatives Committee and approved by the ASCCA Board of Directors (Attachment A). This grant shall become effective (or continued) as of the date of this Agreement and shall continue until suspended or terminated as provided below.

2. Name. ASCCA licenses the use of its name to the Chapter for the purpose of using the ASCCA name in conformance with the terms and conditions of this Agreement, provided Chapter shall adopt, or continue in use, "Automotive Service Councils of California, [followed by the name of the Chapter]" in the manner stated in Attachment A ("Chapter name"). The Chapter shall refer to itself by the Chapter name in the conduct of its affairs and shall avoid any inference that it is acting under the authority of ASCCA unless specifically authorized by ASCCA to do so in writing. The license of the use of the ASCCA name as provided in this Agreement shall be effective as of the date of this Agreement and shall continue until it is suspended or terminated as provided below.

3. Logo. ASCCA licenses the use of its logo to the Chapter for the purpose of identifying itself as a chapter of ASCCA in conformance with the terms and conditions of this Agreement and in accordance to Article VIII: Use of Association Name, Section: 8-01. The license of the use of the ASCCA logo shall be effective as of the date of this Agreement and shall continue until it is suspended or terminated as provided below.

4. ASCCA Membership. All members of the Chapter shall be members in good standing of the ASCCA.

5. Leadership. Chapter Board members shall be ASCCA members in good standing; committee members are not required to be ASCCA members.

6. Standards. The Chapter shall conform its activities to the purposes of ASCCA as expressed in the ASCCA Bylaws, Policies, and Code of Ethics as amended from time to time, and as established by the ASCCA Board. The ASCCA Board may pass resolutions which also apply to the Chapter and the Chapter shall conform its activities to meet the standards of such resolutions.

7. **Minimum Membership.** The Chapter must maintain a minimum membership in accordance with policy 3-2 *New Chapter Formation and Minimum Requirement of an Existing Chapter* as established by the ASCCA Board of Directors.

8. **Incorporation.** The Chapter shall be organized and operated as a separate, independent corporation, as required by State law, with its own tax identification number.

9. **Respective Authority.** The parties are independent corporations. Neither party shall have the authority to direct or control the other except as specifically provided in this Agreement. Neither party shall have the authority to bind the other except as specifically provided in this Agreement. No partnership or joint venture is created by this Agreement.

10. **Dues.** The respective responsibility of ASCCA and the Chapter for dues collection is described in policy number 2-14, *Collection and Payment of Membership Dues*, as established by the Board of Directors.

11. **Insurance.** ASCCA shall procure insurance in the following general coverage areas that it deems appropriate as to the terms and conditions of each policy and that will specifically name the Chapter as an insured: comprehensive general liability insurance or its equivalent and association professional liability insurance (directors and officers liability insurance) or its equivalent. ASCCA may revise the policies at any time, provided it shall give the Chapter adequate notice. The Chapter will be responsible for determining whether those policies are adequate for the Chapter's particular needs. The Chapter may obtain other or additional insurance as it deems appropriate.

12. **Indemnification.** Each party shall defend, indemnify, and hold harmless the other against any claim arising from the negligence or willful misconduct of the indemnifying party, its agents and employees in the performance of its own activities.

13. **Programs, Activities and Materials.** The parties shall make reasonable efforts to avoid conflicts with the scheduling of significant events. ASCCA and the Chapter shall exchange educational and informational materials produced by each upon request.

14. **Program Providers.** Both parties agree that providing benefits at both the state and chapter level is not only beneficial but desirable for the member. ASCCA partners with reliable companies to enhance the benefit of membership and revenue to the association to support its effectiveness. Program Providers may be endorsed vendors, corporate sponsors and or benefit providers, as defined in Policy 2-19, *Association Program Provider Definitions*. Chapters should participate in joint program development and revenue sharing, as defined in Policy 3-5A, *Chapter / Association Joint Corporate Sponsorship Program*.

15. **Chapter Access by Program Providers.** A benefit offered to ASCCA Program Providers is access to members. Chapters are encouraged to highlight the benefits of the ASCCA Program Providers when they attend local meetings. Program Providers will participate at chapter events, at the chapter applicable member rate. Participation shall be coordinated to cause minimal inconvenience to the Chapter.

16. Records and Reports. After consultation with the chapter, ASCCA may require such records and reports of the chapter as it deems reasonably necessary to establish that the chapter is conforming to the terms of this Agreement. Upon reasonable notice to the chapter, ASCCA may inspect and copy those records.

17. Confidential Information. Each party shall maintain the confidentiality of all confidential and proprietary information and data, including membership lists (“Confidential Information”) of the other party. Each party shall also 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 the 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.

18. Contracting. The Chapter Board shall specify those persons authorized to enter into Chapter agreements; such persons shall be advised to avoid any impression that ASCCA is in any way involved or liable for performance of the agreement.

19. Tax Matters. The Chapter is encouraged to adopt the same accounting year as that of ASCCA. The Chapter is solely responsible for preparation and filing of its own tax returns and other legal filings as required by law, regardless of whether the Chapter has a separate tax exemption or is exempt under ASCCA’s Group Exemption. The Chapter agrees to provide ASCCA a copy of its annual return within 30 days of filing. By Acceptance of the affiliation agreement the Chapter acknowledges its responsibility for filing its own tax return.

20. Suspension or Termination. ASCCA retains the right to suspend or terminate this Agreement and any of the benefits conferred under it to the Chapter based on a majority vote of the ASCCA Board of Directors that the Chapter has substantially breached any of the provisions of this Agreement or has or is taking actions prejudicial to the interests of ASCCA. A Chapter may terminate this Agreement for any or no reason by a 2/3 vote of its entire membership. Should this agreement be terminated, the Chapter must immediately cease usage of any and all ASCCA identifiers and return all ASCCA property within 10 days. All members will remain members of ASCCA despite any dissolution of the Chapter.

21. Review and Revisions. This Agreement shall be reviewed on the first day of December of the year this Agreement is entered into and every two years thereafter on December 1. This Agreement may be revised or amended at any time, but only by a written document executed by both parties.

21. Dispute Resolution. In the event of any dispute or controversy arising out of this Agreement, the parties agree to first submit all issues to mediation under the procedures of the American Arbitration Association. In the event that mediation fails to resolve all issues, the parties shall submit all remaining issues to arbitration under the procedures of the American Arbitration Association; the prevailing party shall be entitled to reasonable attorneys' fees and expenses in accordance with those procedures. The venue of the mediation or arbitration shall be Sacramento, CA.

23. Controlling Law. This Agreement shall be controlled and governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties have entered into this agreement as of the day and year first above written.

Automotive Service Councils of California:

By: _____
[name/title]

[Full, legal name of Chapter]:

By: _____
[name/title]

Pursuant to the authority granted by Chapter Board motion adopted on _____ (date), a true and correct copy of which is attached to the Agreement.

ASCCA Policy # 2-19

Association Program Provider Definitions

ASCCA Currently has three (3) separate definitions for a program provider based on the level of participation and vetting process.

- 1. Endorsed Vendor – The Endorsed Vendor is the highest level program provider. The Endorsed vendor is vetted through a request for proposal process that involves extensive review of the services provided, reputation of the company, and requires that the vendor is able to provide services state-wide. The resulting outcome is the association exclusive promotion of the vendor’s services and the association’s approval of the services provided.**
- 2. Corporate Sponsor – A corporate sponsor is a vendor that elects to support the ASCCA Advantage in exchange for brand exposure.**
- 3. Benefit Provider - A Benefit Provider is a business that offers value added services to ASCCA members. An Endorsed Vendor and Corporate Sponsor may also be a benefit provider.**

ASCCA Policy # 3-5A

Chapter / Association Joint Corporate Sponsorship Program

Policy # Assigned 12/2014
Adopted 9/25/12

The ASCCA Corporate Sponsorship program will work with individual Chapters that refer a potential Corporate Sponsor to the association. In exchange for the Chapter's referral, the Chapter will receive 20% of the Corporate Sponsorship amount.

In exchange for the 20% referral fee the Chapter agrees to extend to the Corporate Sponsor the following minimum tiered benefits based on the Corporate Sponsorship amount.

- \$5K – 1 year Chapter Membership + Listing as a Corporate Sponsor for 1 year + Literature distribution at Chapter Events.
- \$7,500 – 1 year Chapter Membership + Listing as a Corporate Sponsor for 1 year + Literature distribution at Chapter Events + 2x newsletter half page ads (and/or website)
- \$10K - 1 year Chapter Membership + 2x newsletter half page ad (and/or website) + Speak at Chapter Event + Table at Chapter Event

In cases which the Corporate Sponsorship spans multiple years or the Corporate Sponsor renews after one year, the Chapter will continue to receive the 20% referral fee, as long as the Chapter continues to provide the minimum benefits.

Corporate Sponsorship Criteria

The association is interested in developing corporate sponsorship relationships with businesses that can provide goods and services on a state-wide level. These minimum criteria must be met by the vendor before a corporate sponsorship will be considered.