

Public Risk Management Association

Chapter Affiliation Agreement

Kansas Chapter

Deleted: [state or region name]

This Affiliation Agreement is made this ____ day of _____, 2004, by and between the Public Risk Management Association (hereafter referred to as "PRIMA"), a District of Columbia not-for-profit corporation and the Public Risk Management Association Kansas Chapter (hereafter referred to as the "Chapter").

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Whereas per the PRIMA Bylaw, five members have petitioned for the granting of a charter and PRIMA has determined that granting this charter is in the best interests of PRIMA and the state and/or geographic location of the petitioning members; and

Whereas, PRIMA has conditionally granted a charter to the Chapter pursuant to which the Chapter will be known as the Kansas Chapter of PRIMA; and

Deleted: [state or region name]

Whereas, PRIMA and the Chapter wish to set forth herein certain of their understandings and agreements pertaining to the granting of said Charter and the mutual rights and responsibilities created thereunder;

Now, therefore, in consideration of the foregoing and of other mutual promises and agreements hereinafter set forth, PRIMA and the Chapter hereby agree as follows:

1. Conditional Grant of Exclusive Charter

- A. By virtue of the conditional granting of the Charter by PRIMA to the Chapter, the Chapter will have the right to be known as the affiliate of PRIMA in said state of Kansas, including the use of PRIMA's logo and materials in promotion of the chapter's affairs. [*Where the territory of a chartered chapter is limited to part of a state or extends beyond the borders of a single state, the territory covered by the chapter will be defined here.*]
- B. PRIMA and the Chapter understand and acknowledge that if an existing Chapter is unable in good faith to comply fully with the terms of this Agreement at this time, PRIMA agrees that the Chapter will not be deemed to be in violation of the terms hereof for two years from the date of this agreement. The Chapter will use its best efforts in good faith to endeavor to comply with all of the requirements of this agreement.
- C. It is agreed that PRIMA is the sole exclusive owner of the acronym "PRIMA" and the name "Public Risk Management Association" and the grant to the

Chapter of the right to use the same is via a non-exclusive, non-transferable license.

2. Affiliation Standards

- A. The Chapter expressly acknowledges the objectives of PRIMA as set forth in the Charter and in the bylaws of PRIMA, and agrees to take such action as is appropriate to implement such objectives and to enhance the reputation and good will of PRIMA.
- B. The Chapter hereby acknowledges receipt of the Bylaws of PRIMA (hereinafter referred to as the "PRIMA Bylaws") and expressly agrees to comply with and conform to all amendments, revisions and modifications thereof as may hereafter be duly promulgated by the Board of Directors and members of PRIMA who will send the Chapter a copy of all amendments, revisions and modifications to the bylaws within thirty (30) days after the same have been approved by the Board of Directors and the members of PRIMA.
- C. The Chapter hereby acknowledges receipt of the Chapter Affiliation Agreement and expressly agrees to comply with and conform to the Agreement and all amendments, revisions and modifications thereof as may hereafter be duly promulgated by the Board of Directors and members of PRIMA who will send the Chapter a copy of all amendments, revisions and modifications to the Rules and Regulations within thirty (30) days after the same have been approved by the Board of Directors of PRIMA.
- D. The chapter shall provide a copy of the chapter bylaws to PRIMA and file any changes to the bylaws, with PRIMA, within 120 days of adoption.
- E. The Chapter will take no action that may tend to harm or reflect negatively on PRIMA or its members.

3. Membership

- A. The voting membership of the Chapter shall be governed by the chapter bylaws. The classifications of membership and qualifications shall strive to be consistent in name, voting status and description as those used by PRIMA. Any changes to these categories must be incorporated into the Chapter's bylaws.
- B. The Chapter will take all appropriate action to sustain membership growth. The Chapter will develop procedures to ensure that the interests of its members are fully and properly represented with respect to those matters that are of a particular interest to the members of the Chapter, and will provide membership services that are consistent with those offered by PRIMA and other state/regional chapters of PRIMA in order to develop and provide membership services and programs without conflict. PRIMA will provide the Chapter with assistance in developing

procedures for membership services, if requested to do so by the chapter. The Chapter and PRIMA will cooperate with each other in offering membership services.

C. Upon assuming the duties of the position of Chapter President, the President of a chapter must be from an entity with membership in PRIMA.

D. All PRIMA and/or chapter members in good standing shall subscribe to and abide by the PRIMA and/or chapter Code of Ethics. Should a member be charged with a violation of the Codes of Ethics, PRIMA shall, with the help of the member's chapter, conduct an investigation into the allegations. If substantiated, said membership shall be immediately revoked and shall not be reinstated unless the member petitions PRIMA and/or chapter for reinstatement. PRIMA and/or chapter shall make the final determination for any reinstatement.

4. Programs

- A. A program, activity or service designed and initiated by the Chapter for local use may have potential value for use by other chapters. If the Chapter wishes to make the service, activity or program available to other chapters on a cooperative, not-for-profit basis, it may do so. The Chapter may also join with other chapters to sponsor programs. When such services are undertaken, PRIMA must be notified in writing of the arrangements by which such programs are to be offered or jointly sponsored. PRIMA will cooperate and assist in encouraging these "mutual help" activities that are of benefit to the general membership.
- B. The Chapter agrees that it will not advertise, promote, sell or provide its services, programs, or activities that are designed to produce revenue outside of its own established territorial jurisdiction without prior written agreement with the other chapter's whose territories are involved. PRIMA will be concurrently advised in writing of the planned activity and agreement. Each chapter agrees that it will not refuse to permit another chapter to advertise, promote, sell, or provide said services, programs or activities without just cause.
- C. PRIMA will market and distribute PRIMA services, programs and activities in cooperation with the Chapter.
- D. Chapter's primary obligations are to promote public risk management, and provide risk-related training and education opportunities for chapter members. The chapter shall also promote PRIMA activities, programs, and services.
- E. Each chapter will be responsible for any chapter liability coverage that, from time to time, may be necessary to be in place at the onset of certain chapter functions or activities for which coverage may be required or desirable. PRIMA will provide advice and assistance but shall not provide coverage.

- F. Additionally, in the event a chapter suffers suit, a chapter shall hold PRIMA harmless.

5. Organization of the Chapter

- A. The Chapter will be governed by a Board of Directors pursuant to legally established bylaws that will be consistent with the terms of this agreement.
- B. The Chapter will adopt bylaws to provide for the administration and regulation of its internal affairs, which bylaws will be subject to the laws governing non-profit organizations of the State(s) where the chapter is located.
- C. The Chapter will have the right to adopt such additional bylaws provisions as are required by statute or which it deems to be appropriate; provided, however, that such additional bylaw provisions will not be inconsistent with PRIMA bylaws and this Affiliation Agreement.

6. Fiscal Operations

- A. The Chapter will establish and practice sound fiscal policy and will at all times maintain financial self-sufficiency. The Chapter will operate and conduct its business affairs in accordance with the generally accepted accounting principles (GAAP) of non-profit organizations (IRC 501 (c)(3)).
- B. The Chapter is a financially autonomous organization. The Chapter will determine its own dues structure. PRIMA shall not be responsible for and will not assume any debt of any kind incurred by the Chapter. PRIMA shall not be responsible for any tax liability of the Chapter.

7. Dispute Procedure and Revocations of Charter

- A. This Charter grants to the Chapter all of the rights and obligations created thereunder and hereunder will remain in full force and effect unless revoked. The Board of Directors of PRIMA will have the authority to revoke the Charter granted to the Chapter if the board determines the conduct of the Chapter to be in violation of the standards of PRIMA. The Chapter will be deemed to have violated the standards of PRIMA if the Chapter fails or refuses to comply with this Affiliation Agreement.
- B. The procedure to be followed in the event of the revocation of the Chapter's Charter will be as follows.
 - (i) Upon written, signed request, the President of PRIMA will cause an inquiry to be made for the purposes of determining whether there is reasonable basis to believe that the Chapter's Charter should be revoked. Requests should be directed to the Executive Director of PRIMA.

- (ii) Inquiry will be made by an ad hoc Charter Review Committee (hereafter "the Committee") appointed by the President of PRIMA. The Committee will be comprised of at least five persons, each of whom will be a member of the Board of Directors of PRIMA. A finding agreed to by the majority of the Committee will be the finding of the Committee.
- (iii) The Committee will review the written request. If the Committee finds that the written request does not state allegations which, if sustained, would constitute a violation of the standards of PRIMA, it will make inquiries of the Chapter and may make inquiries of any individual who may have knowledge of pertinent facts and circumstance.
- (iv) If the Committee determines that there is sufficient evidence to support the allegations of the request, the President of PRIMA will, within thirty (30) days after receipt of a Committee finding that a violation may have occurred, direct the committee to determine if the Chapter's Charter should be revoked.
- (v) Within thirty (30) days, the Committee will send notice of the purported violation by Certified Mail, Return Receipt Requested, to the appropriate representatives of the Chapter. The notice will specify the conduct that is the subject of the request.
- (vi) A time and place will be fixed for a hearing at which the representatives of the Chapter will have an opportunity to be heard.
- (vii) Within thirty (30) working days after the conclusion of the hearing, the Committee will issue its findings. The findings of the Committee will be based exclusively on matters presented at the hearing. The Committee findings will immediately be communicated to the President of PRIMA, to the appropriate representatives of the Chapter and to the originator of the request. The Committee will submit its recommendation for action by the Board of Directors of PRIMA through the President of PRIMA.
- (viii) The Board of Directors of PRIMA will review the findings of the Committee, will consider the gravity of the offense and will take any action that it deems appropriate. The determination of the Board of Directors will be by an affirmative vote of two-thirds of the Directors present at a duly called meeting at which a quorum is present. The action of the Board of Directors of PRIMA will immediately be communicated to the appropriate representatives of the Chapter by Certified Mail, Return Receipt Requested. In the event that the Charter is revoked, the Chapter will immediately forfeit the right to use the names "Public Risk Management

Association” and “PRIMA” and the emblem of PRIMA, or any similar names or emblems.

The decision of the PRIMA Board of Directors is final and will be adhered to by all parties.

8. Legal Compliance and Structure

- A. Granting of charter rights and acceptance of charter obligation do not create a principal-agent relationship between PRIMA and the Chapter. The Chapter is a separate legal entity. Neither party is liable for the debts, liabilities, acts, or omissions of the other, nor may either party legally obligate the other.
- B. The Chapter will strictly comply with federal, state and local antitrust, trade regulations, tax and other applicable laws, regulations and ordinances. Without limiting the foregoing, the Chapter will remain in good standing as a corporation under an applicable State nonprofit corporation law, and will remain exempt under, and shall undertake no activity inconsistent with, section 501(c)(3) of the Internal Revenue Code.

9. Effect of Other Documents

PRIMA and the chapter acknowledge the existence, force and effect of the following additional documents including but not limited to: (a) the PRIMA Code of Ethics; (b) the PRIMA bylaws; (c) the chapter charter; and (d) the chapter bylaws. If at any time any provision of this Affiliation Agreement is determined to be inconsistent with any provisions of the aforementioned documents, the provisions of this Affiliation Agreement will govern.

10. Effective Date and Duration

This Affiliation Agreement shall become effective upon its execution by the parties and the issuance of the charter herein described and shall remain in effect in perpetuity unless that charter or any succeeding charter, shall be revoked by PRIMA.

In Witness Whereof, the parties hereto have caused this affiliation agreement to be executed by their duly authorized officers, effective as of the day and year first written above.

Attests:

By: _____

PRIMA Kansas Chapter

Attests:

By: _____

PRIMA