

## **AFFILIATION AGREEMENT**

This Affiliation Agreement made by and between The Antique and Classic Boat Society, Inc., a New Jersey not-for-profit corporation and registered to do business in New York, 422 James Street, Clayton, New York 13624 (the “Society”) and NC Coastal & Piedmont Chapter of ACBS, 1301 Rainwood Lane, Raleigh, NC 27615, (the “Chapter”) and is effective as of the date signed by the final party.

WHEREAS, the Society was created and exists for the purposes stated in Section 2 below; and

WHEREAS, an international organization, the Society wishes to provide certain benefits to its Chapters in accordance with the requirements stated in this Agreement and as set by the Society’s Board of Directors from time to time, including by way of example only the availability of its IRS tax exemption, certain intellectual property rights including branding and name recognition, general liability insurance coverage, coordination, economies of scale, and such other benefits from time to time as may be available; and

WHEREAS, the Society wishes to continue its affiliation with the current Chapter or consider the application submitted for a new Chapter, as the case may be, in the territory. Marque or area of interest specified in Exhibit A (collectively referred to as the “Territory”) in accordance with the provisions of this Affiliation Agreement.

NOW THEREFORE in consideration of the mutual promises and covenants contained in this Affiliation Agreement, the sufficiency and receipt of which are expressly acknowledged, the parties agree as follows:

1. Agreements of the Society. The Society agrees to the following:
  - (a) Provided that the Chapter remains in good standing and in material compliance with all policies and procedures of the Society and the terms of this Affiliation Agreement, the Chapter will continue as a chapter of the Society within the Territory from the date hereof unless and until the relationship is terminated. As an approved chapter of the Society the Chapter shall have the nonexclusive rights, together with any other chapter which may be established by the Society within the Territory, to provide services and carry on programs consistent with the Society’s purposes.
  - (b) The Society shall at all times comply with all requirements of its Certificate of Incorporation and Bylaws.

(c) Neither formation documents nor the Bylaws for a new applicant for chapter membership shall be effective unless the same shall be approved in writing in advance by the Society; provided, however, that the Society shall consider and approve all such documents, including those from existing Chapters, submitted to it by the Chapter for review if such documents are consistent with the Society's stated purposes and policies, and are in accordance with the law.

(d) The assets of the Chapter shall be transferred to and become the property of the Society upon the dissolution of the Chapter or its disaffiliation from the Society.

(e) Provided that the Chapter shall file all reports and otherwise comply with the applicable provisions of the Internal Revenue Code of 1954, as amended comply with all policies of the Society, and shall remain a chapter of the Society in good standing, the Society may make available to the Chapter any of the following benefits as approved by the Board of Directors and agreed to by the Chapter: the group exemption from U.S. Income Tax heretofore obtained by the Society, the intellectual property of the Society specifically including the name "The Antique and Classic Boat Society" and any logo of the Society, general liability insurance coverage under the Society's blanket policy, as well as such other benefits as may be made available by the Society to the chapters generally from time to time.

(f) The Society will keep correct and complete books and records of account, minutes of the meetings of the membership and board of directors, and reports of the committees having any authority from the board of directors.

(g) All year-end financial statements will be prepared by a certified public accountant, as truly and accurately representing the financial condition of the Society as of the date of such statements and as having been prepared in accordance with generally accepted accounting principles in the United States consistently applied throughout the applicable period. The Society agrees that upon request it will furnish copies of the year-end reviewed financial statements to its membership and its chapters.

2. Agreements of the Chapter. The Chapter agrees as follows:

(a) The Chapter endorses and subscribes to the purposes of the Society which include:

(1) Bring together people with a common interest in historic, antique and classic boats to share fellowship, information and experiences, and to provide a forum for the exchange of ideas related to vintage boats;

- (2) Protect the heritage of boating by promoting the preservation and restoration of historic, antique and classic boating;
  - (3) Promote, further and encourage a love and enjoyment of all aspects of historic, antique and classic boating;
  - (4) Serve as a communication channel for the Society's membership, the public and other entities regarding information relating to historic, antique and classic boats and boating;
  - (5) Inspire and support quality boat shows and related events; and
  - (6) Educate the Society's membership and the general public about safety and protocol relating to historic, antique and classic boats and boating.
- (b) It will abide by each and every provision hereof;
  - (c) It will comply with all policies and procedures of the Society;
  - (d) It will keep correct and complete books and records of accounts and minutes of the proceedings of its members, board of directors and committees having any of the authority of the board of directors;
  - (e) It will prepare and file in a complete and timely fashion all reports required by law to be prepared and filed by chapters, together with such additional reports as may be required by the Society from time to time;
  - (f) Regardless of any other language in this Agreement, in the event that the Society's Board of Directors determines that there is reason to request financial statements for any particular year, as the result of inconsistencies or substantial questions raised about the Chapter's finances, the Society reserves the right to request, and the Chapter will then provide at its expense, audited financial statements for such year.
  - (g) All property of the Chapter shall be transferred to the Society upon the dissolution of the Chapter or its disaffiliation from the Society;
  - (h) It will comply with all applicable state and federal laws and regulations, including those relating to charitable organizations.

The Chapter expressly acknowledges and agrees that a material condition to its continued affiliation with the Society is its execution and delivery of this Affiliation Agreement to the Society.

3. Failure to Comply.

The Chapter acknowledges that any material failure by it to comply with this Affiliation Agreement or with the Society's policies and procedures in effect from time to time, may result in result in the Society's Board of Directors approving the disaffiliation of the Chapter from the Society after written notice by the Society to the Chapter of any such failure or violation, a 60-day opportunity to correct the failure or violation or to put in place the appropriate process to do so, and a hearing on the issues before the Society's Board of Directors.

4. Entire Agreement; Modification.

This instrument contains the entire agreement of the parties with respect to the subject matter hereof and shall not be modified except by written instrument executed by both parties.

5. Notices.

Notices hereunder shall be in writing and delivered in person or by U.S. certified mail, postage prepaid, to the parties at the addresses set forth below.

Notices to THE SOCIETY shall be sent to:  
**The Antique and Classic Boat Society, Inc.**  
**422 James Street**  
**Clayton, New York 13624**  
**Attn: Executive Director**

Notices to THE CHAPTER shall be sent to:  
**NC Coastal & Piedmont Chapter of ACBS**  
**[To the address of Chapter as listed above, and to its then President/Chair,**  
**and its Secretary]**

6. No Agency, Partnership or Joint Venture.

Nothing in this Agreement shall be deemed to create any agency, partnership or joint venture relationship between the Society and the Chapter.

7. Actions.

The parties agree that as the sole remedy related to or arising from any and all disputes concerning the application or interpretation of this Affiliation Agreement or any provision hereof or any default hereunder by either party, after the parties have made a good faith attempt to negotiate and resolve their differences over at least a thirty (30) –day period, all such disputes shall be submitted to arbitration in accordance with the rules of the American Arbitration Association in the State of New York at such time.

8. Governing Law.

This Affiliation Agreement shall be governed by the laws of the State of New York without giving effect to the principles of conflict of laws.

**THIS SPACE LEFT BLANK INTENTIONALLY**

**Signatures on the following page**

**THE ANTIQUE AND CLASSIC BOAT SOCIETY, INC.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: Lora Nadolski Hanson

Title: Executive Director

**NC COASTAL & PIEDMONT CHAPTER OF ACBS**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: Alan Hills

Title: Chapter President

**[EXHIBIT A: Territory]**

The territory of NC Coastal & Piedmont Chapter of ACBS shall be the central Piedmont and eastern Coastal regions of the State of North Carolina.

**[EXHIBIT B: Modifications to the Agreement]**

Based on the Articles of Incorporation of NC Coastal & Piedmont Chapter of ACBS filed in the State of North Carolina on July 26<sup>th</sup>, 2022, the Affiliation Agreement Items 1(d) and 2(g) are modified whereby:

Upon the dissolution of the NC Coastal & Piedmont Chapter of ACBS, assets shall be distributed for one or more exempt purposes as determined by the membership at the time of dissolution. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.”

Upon the disaffiliation of the Chapter from the Society, the assets will remain the property of the Chapter.