

AMERICAN SOCIETY FOR HEALTHCARE RISK MANAGEMENT  
of the  
American Hospital Association

CHAPTER AGREEMENT

This Agreement, effective the January 31, 2013, is made between the ASHRM American Society for Healthcare Risk Management of the American Hospital Association (“ASHRM”), an Illinois non-profit corporation, and NAME, a [nonprofit corporation – include if Chapter is properly incorporated as a nonprofit, otherwise, delete] (the “Chapter”), for mutual consideration, who agree to work together as follows:

1. GRANT OF CHAPTER STATUS

1.1 Charter. AHA hereby grants to the Chapter, and the Chapter accepts by action of its governing body, a charter to be a chapter of ASHRM. The Chapter shall use only the designation "An independent chapter of ASHRM" or “An independent chapter of the American Society for Healthcare Risk Management” with authority to use such designation in connection with the activities of the Chapter in conformance with ASHRM’s style guide set out in Exhibit A, as the same may be changed by notice from ASHRM.

1.2 Charter Grant Not Exclusive. Chapter is not entitled to any geographic or other exclusive right to solicit or serve members or operate as a chapter of ASHRM. ASHRM may, in its sole discretion, conduct its own activities within any geographic territory or region served by Chapter during the term of this Agreement. In addition, ASHRM may grant a charter to an existing or new chapter operating or intending to operate within any geographic territory or region served by Chapter. Chapter intends to focus its activities in the [State of \_\_\_\_\_ or \_\_\_\_\_ area].

1.3 Criteria to Maintain Chapter Status. In order to maintain chapter status, Chapter must meet the criteria set out in Exhibit B by the indicated deadlines, and maintain compliance with such criteria on an ongoing basis as described in Exhibit B. ASHRM reserves the right to change the criteria for chapter status. In the event of any such change, ASHRM shall notify the Chapter no less than 120 days prior to the date such change takes effect. If the Chapter does not wish to comply with any such change in order to retain its chapter status, the Chapter may exercise its termination rights set out in Section 8 below.

2. OBLIGATIONS OF ASHRM

ASHRM’s obligations under this Agreement shall include the following:

- 2.1 ASHRM shall:
- a) Permit the Chapter to utilize the ASHRM name in the name of the Chapter, provided that the Chapter adds words distinguishing the Chapter from ASHRM as required by Section 1.1, and adds words distinguishing the Chapter from any existing Chapters of ASHRM.
  - b) Identify a ASHRM staff liaison as a point of contact to maintain and enhance the ASHRM-Chapter relationship.
  - c) Provide all chapters, periodically, with a statement of chapter benefits that identifies the services to be provided to help chapter leaders offer opportunities for chapter education and networking events and to communicate with chapter members.
  - d) Notify the Chapter of educational and other opportunities available to Chapter members, including those activities of ASHRM that will take place within the area served by the Chapter.
  - e) Upon the request of the Chapter and space considerations permitting, post current information supplied by Chapter relating to its programs, products and services on the ASHRM website page devoted to chapter activities.
  - f) Upon the request of the Chapter, provide an up-to-date list of ASHRM members residing in \_\_\_\_\_ [fill-in state or region to be included in the list] showing member name, organizational name and mailing address (the "ASHRM Mailing List"); provided, ASHRM shall not be required to provide the ASHRM Mailing List more often than once per year of this Agreement and use of the list shall be subject to the requirements in Section 3.2.
  - g) Provide a chapter rebate incentive program as approved by the ASHRM Board of Directors. ASHRM reserves the right to modify or discontinue the chapter rebate incentive program at any time in its sole discretion.

### 3. OBLIGATIONS OF THE CHAPTER

The Chapter's obligations under this Agreement shall include the following:

- 3.1 The Chapter shall:

- a) Promote membership in ASHRM.
- b) Promote and encourage the use of ASHRM programs, products and services.
- c) Comply with the criteria for chapter status in effect based on the applicable time period as set out in Exhibit B.
- d) Using the current template provided by ASHRM, supply an up-to-date chapter member list including member name, organization name, mailing address and email address (i) within 60 days after the date this Agreement is signed, and (ii) annually thereafter with the Annual Report required by subsection f, below.
- e) Supply a preliminary calendar of Chapter events for the upcoming year with the Annual Report required by subsection f, below.
- f) Using the current template provided by ASHRM, submit an Annual Report certifying compliance by Chapter with the applicable criteria for chapter status set out in Exhibit B no later than January 31 of each year.

3.2 Use of ASHRM Mailing List. Chapter agrees that each ASHRM Mailing List may be used once to promote Chapter programs and activities and that no ASHRM Mailing List may be resold or used to promote a third party. Chapter agrees to specify the proposed use in its request so that ASHRM may review the request for potential conflicts.

3.3 Other National Personal Membership Organizations. The Chapter shall refrain from entering into an official relationship with another national scope personal membership organization without prior written approval of ASHRM.

3.4 Access to Records of the Chapter. Upon request by ASHRM, the Chapter shall provide ASHRM with such copies of records and such other information as ASHRM may reasonably request to confirm Chapter's compliance with the criteria for chapter status set out in Exhibit B. Chapter shall provide such materials to ASHRM no later than 15 days after the date Chapter receives the request.

#### 4. COMPLIANCE WITH LAWS

4.1 Compliance with Laws. Each party warrants that it has and shall continue to comply with all applicable laws, regulations, and other requirements that may affect its performance of this Agreement. Each party warrants that it shall make all

required filings, such as annual corporate filings and tax filings, as may affect its corporate or tax status.

## 5. USE OF ASHRM TRADEMARK AND MATERIALS

5.1 Use of ASHRM Trademark and Materials. Except as specified in Section 1.1, the Chapter shall not use, or cause or permit to be used by any person, the logos, trademarks, service marks, or trade names of ASHRM without ASHRM's prior written consent. In accordance with United States copyright law, the Chapter shall not make or cause to be made any copies of ASHRM's educational materials or membership publications, or resell any of same, without ASHRM's prior written consent. With respect to any permitted use of ASHRM's logo, mark, name, or copyrighted materials, the Chapter shall ensure that the applicable copyright or trademark notice is made, pursuant to requirements of U.S. law, the laws of applicable states, and any other guidelines that ASHRM shall prescribe. In any event, upon expiration or termination of this Agreement, all use by the Chapter of ASHRM's proprietary property, such as logos, marks, names, or copyrights, shall end immediately. The Chapter's obligations under this Section 5.1 shall survive the expiration or termination of this Agreement.

## 6. CONFIDENTIAL INFORMATION

6.1 Confidential Information. Each party shall, during the term of this Agreement and thereafter, maintain the confidentiality of any or all of the other party's confidential or proprietary information or data owned by the other party which is identified as confidential at the time it is disclosed (collectively, "Confidential Information"). Such Confidential Information shall at all times remain the property of its owner and shall be deemed to be furnished in confidence and solely in connection with the party's obligations under this Agreement. Upon termination of this Agreement for any reason, the party shall immediately deliver to the owner all written documentation, including copies, of or concerning such Confidential Information, shall make no further use thereof, and shall make reasonable efforts to ensure that no further use is made by its employees, agents, or contractors. The confidentiality obligations under this Section 6.1 shall survive the expiration or termination of this Agreement.

## 7. SEPARATE ENTITIES

7.1 Separate Entities. ASHRM and the Chapter expressly acknowledge and agree that they are, and shall remain, separate entities and that no partnership or agency is created by virtue of this Agreement. As such, neither party shall be authorized to incur any liability, obligation, or expense on behalf of the other. The Chapter is not liable or responsible for the debts or obligations of ASHRM and ASHRM is not liable for the debts or obligations of the Chapter.

## 8. TERMINATION OF CHAPTER STATUS

8.1 Termination for Failure to Comply with Criteria for Chapter Status. In the event the Chapter fails to meet the criteria for Level I or Level II status by the deadline for attaining such status set forth on Exhibit B, or fails at any time to maintain such status as required by Exhibit B, ASHRM may terminate the charter granted to the Chapter, with all of its attendant rights and obligations, effective ten (10) days after the date written notice of termination is sent by ASHRM.

8.2 Termination for Breach. Either party may terminate the charter granted to the Chapter, with all of its attendant rights and obligations, upon ten (10) days notice to the other party in the event of the other party's material breach of this Agreement.

8.3 Termination without Cause. Either party may terminate the charter granted to the Chapter, with all of its attendant rights and obligations, for any reason upon ninety (90) days written notice to the other party.

8.4 Effect of Termination. Upon delivery of notice of termination, for any reason and by either party, the Chapter shall promptly deliver to ASHRM a current roster of all members of the Chapter, including all contact information, to enable ASHRM to communicate with such members. From and after the date of termination, the Chapter shall cease to identify itself as a chapter of ASHRM, remove any reference to ASHRM from its name, remove the initials "[ASHRM]" from the Chapter's acronym, and may only utilize printed material bearing any mark of ASHRM with ASHRM's specific written permission for post-termination use. [Optional: For a period of one year following termination of the charter, the Chapter shall refrain from entering into an official relationship with another national scope personal membership organization serving \_\_\_\_\_.]

9. WARRANTY; LIMITATION OF LIABILITY

9.1 WARRANTY. ASHRM MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED (INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) CONCERNING ANY EDUCATIONAL MATERIALS, EDUCATIONAL PROGRAMS, MEMBERSHIP PUBLICATIONS OR ANY OTHER ARTICLE OR SERVICE PROVIDED HEREUNDER. ALL GUARANTEES, WARRANTIES, CONDITIONS AND REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, WHETHER ARISING UNDER ANY STATUTE, LAW, COMMERCIAL USAGE OR OTHERWISE ARE HEREBY EXCLUDED.

9.2 LIMITATION OF LIABILITY. THE CHAPTER ACKNOWLEDGES AND AGREES THAT ASHRM AND THE AMERICAN HOSPITAL ASSOCIATION SHALL NOT BE RESPONSIBLE FOR ANY DAMAGES WHICH THE CHAPTER MAY INCUR FROM ANY CAUSE, WHETHER LIABILITY IS ASSERTED IN CONTRACT OR TORT (INCLUDING NEGLIGENCE). IN NO EVENT SHALL AHA BE LIABLE TO ANY PERSON FOR LOSS OF PROFITS, LOSS OF USE, LOSS OF PRODUCTION, LOSS OF GOODWILL, OR INCIDENTAL, INDIRECT, CONSEQUENTIAL, OR SPECIAL DAMAGES OF ANY KIND.

10. APPEAL

10.1 Appeal. A Chapter may request an opportunity to present an objection to a proposed termination under Section 8 of this Agreement to the ASHRM Board of Directors. The ASHRM Board of Directors shall have authority to review whether the proposed termination is consistent with the terms of this Agreement and to make a recommendation to the American Hospital Association Vice President, Personal Membership Groups (the "VP, PMGs"). The VP, PMGs shall have the sole authority to (i) permit the termination to proceed, (ii) suspend the termination for a period of time to permit the Chapter to meet specified conditions, or (iii) to withdraw the termination notice.

11. MISCELLANEOUS

11.1 Entire Agreement. This Agreement (together with any exhibits hereto) constitutes the entire Agreement between ASHRM and the Chapter with respect to the subject matter hereof. This Agreement may be amended only by a writing executed by both parties.

11.2 Controlling Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, and venue for any litigation arising hereunder shall be Chicago, Illinois.

11.3 Waiver. Any waiver by either party to this Agreement of any provision shall not be construed as a waiver of any other provision of this Agreement, nor

shall such waiver be construed as a waiver of such provision with respect to any other event or circumstance, whether past, present, or future.

11.4 Severability. If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, the remaining provisions shall be enforceable to the maximum extent possible.

11.5 Successors and Assigns. This Agreement shall inure to the benefit of the parties and their successors and assigns. Neither party may sublicense or assign any of its rights or obligations under this Agreement without the prior written consent of the other party.

11.6 Notices. Any notice contemplated by, or made pursuant to, this Agreement shall be in writing and made by courier, facsimile, or mail addressed or directed to ASHRM at 155 North Wacker Drive, Suite 400, Chicago, Illinois 60606 or the Chapter at the home or business address of the President of the Chapter in office at the time the notice is sent. Either party may change the address for notice by 10 days advance written notice to the other party.

11.7 Termination of Prior Chapter Agreement. This agreement supersedes and replaces any prior chapter agreement between the parties and terminates any such agreement on the effective date of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, effective as of the date first written above.

FOR THE CHAPTER:

\_\_\_\_\_  
(Chapter Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name)

Chapter President

\_\_\_\_\_  
(Date)

FOR THE:

AMERICAN SOCIETY FOR HEALTHCARE RISK MANAGEMENT OF THE  
AMERICAN HOSPITAL ASSOCIATION

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(Signature)

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(Name)

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(Title)

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(Date)

EXHIBIT A

**[ASHRM STYLE GUIDE/IDENTITY STANDARDS]**

This [ASHRM Style Guide/Identity Standards] is subject to change at the sole discretion of ASHRM. ASHRM agrees to give Chapter no less than 30 days prior written notice of any changes to the [Style Guide/Identity Standards].

## EXHIBIT B

### **CRITERIA FOR CHAPTER STATUS**

**A. Criteria for Level I Chapter Status**

Every chapter must meet the criteria for Level I status. In the event Chapter cannot meet the criteria for Level I status on the date of this Agreement, it must meet such criteria by January 31, 2014 in order to retain chapter status. The Chapter must continue to meet the criteria for Level I status from that date forward. The Chapter must immediately inform ASHRM of any change in the chapter's compliance with any of these requirements. If the Chapter does not meet the criteria for Level I status at any time one year or more after the date of this Agreement, ASHRM will terminate chapter status as permitted by Section 8 of this Agreement. **Level I chapters must meet the criteria for Level II status (see B, below) no later than January 31, 2016.**

<b>Criteria for Level I Status</b>	
1	The chapter must have at least 20 members*.
2	Chapters with less than 100 members must have at least 15 members who are also ASHRM members*. Chapters with 100 or more members must have a minimum of 15% of its members who also are ASHRM members*.
3	The President and President-Elect of the chapter must be ASHRM members*.
4	The chapter must fully execute a chapter agreement with ASHRM.
5	The chapter must have obtained its own Employer Identification Number.
6	The chapter must maintain a bank account in the chapter's name.
7	The chapter must be incorporated as a not-for-profit corporation and be in good standing in its state of incorporation.
8	The chapter must have started the process for obtaining tax-exempt status from the IRS.

**\*Must be non-student.**

**B. Criteria for Level II Chapter Status**

Every chapter must meet the criteria for Level II status by January 31, 2016, as well as maintaining compliance with the criteria for Level I status. The Chapter must continue to meet the criteria for Level I and Level II status from that date forward. The Chapter must immediately inform ASHRM of any change in the Chapter's compliance with any of these requirements. If the Chapter does not meet the criteria for Level I and Level II status at any time after January 31, 2016, ASHRM will terminate chapter status as permitted by Section 8 of this Agreement.

<b>Additional Criteria for Level II Status</b>	
9	The chapter must have a mission statement that helps advance ASHRM's mission.
10	The chapter must be governed by bylaws that are compliant with relevant laws.
11	The chapter must obtain an exemption from federal income taxes under section 501(c) of the Internal Revenue Service code.
12	The chapter must maintain aggregate general or umbrella liability insurance having a minimum coverage of \$1,000,000 per occurrence and include proof of such insurance with its annual report.
13	The chapter must maintain directors and officers liability insurance and include proof of such insurance with its annual report.