

**ITS AMERICA
STATE CHAPTER AFFILIATION AGREEMENT**

THIS AGREEMENT, made this 11th day of April between the Intelligent Transportation Society of America, a nonprofit corporation in the District of Columbia, whose principal office is at Suite 1200, 1100 17th Street, N.W., Washington, D.C. 20036-4601 (hereinafter referred to as “ITS America”) and ITS Tennessee, a nonprofit corporation in the State of TN (hereinafter referred to as “Chapter”).

WHEREAS, ITS America and Chapter wish to cooperate to promote their mutually charitable, educational and scientific purposes; and

WHEREAS, Chapter wishes for ITS America to assist Chapter in matters of mutual common interest and value;

NOW, THEREFORE, in consideration of the mutual promises and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by ITS America and Chapter, ITS Tennessee.

IT IS AGREED:

1. Affiliation. America and Chapter agree that they will use their best efforts to cooperate in the provision of the Services, as described in the corporate purposes of ITS America (Attachment 1), embodied in its Articles of Incorporation.

(a) In general. ITS America licenses Chapter to use the ITS America name, as an official chapter, indicating the affiliation of the parties, and any and all copyrights, trademarks or service marks ITS America now or hereafter owns and extends to Chapter, during the term of this Agreement, in connection with Chapter’s activities to promote the common purposes of ITS America and Chapter in the following geographic area: the State of TN. In

order to protect the good name and integrity of ITS America, ITS America retains the right to review and approve all uses of said name and marks, but will not unreasonably withhold its approval. The Chapter shall submit any graphic design letterhead design, or other planned presentation of the chapter's affiliation with ITS America or use of ITS America's logo prior to adoption or publication. Chapter shall also send copies of all documents or publications that incorporate ITS America's name affiliation, logo, trademark or service mark to ITS America.

(b) Acknowledgement. Chapter acknowledges that ITS America is the lawful owner of the name, "INTELLIGENT TRANSPORTATION SOCIETY OF AMERICA", and of the name "ITS America" and its associated trademarks and service marks used in its activities, and Chapter agrees that it will take no action inconsistent with ITS America's ownership of its names, trademarks, and service marks. In the event of disaffiliation of the parties, Chapter shall have no rights with respect to, or authority to use ITS America's legal, trade name, copyrights, trademarks, service marks or adaptations made thereto.

2. Services to chapters. ITS America agrees to make available the following services to Chapter:

(a) The right to representation on the ITS America State Chapters Council provided, however that any representative designated by Chapter to serve on the State Chapters Council shall come from organizations that are both members of ITS America and Chapter.

(b) Use of an ITS America outreach handbook and public education materials.

(c) Authorized use of the ITS America name and logo.

(d) The opportunity to review and comment on draft policy and advisory documents related to Chapters and state and local perspectives prepared by ITS America through participation in the State Chapters Council.

(e) Access by Chapter officers and State Chapters Council representatives to an electronic mail conference service (listserv) maintained by ITS America.

3. Additional Chapter Services. ITS America agrees to assist Chapter in the following ways to the extent feasible and as consistent with the objectives of ITS America:

(a) Incorporation and tax filings

(1) ITS America will arrange for Chapter filing with the United States Internal Revenue Service for designation as a tax-exempt non-profit organization under Section 501(c)(3) of the federal tax code and prepare and file annual federal tax returns on behalf of Chapter provided that Chapter submits the necessary information to ITS America in time for filing.

(b) Insurance. ITS America will provide Chapter, at Chapter's option, with a policy for general liability at a cost not to exceed \$1,360.00. Should such policy cost greater than that amount, the parties will negotiate a cost sharing arrangement annually for such insurance.

(c) Membership Services.

(1) One copy per year of ITS America's national membership list, committee rosters and exhibitor list shall be made available to the Chapter in electronic and paper forms at no charge to the chapter.

(2) One copy per year of ITS America's national mailing list shall be made available to the Chapter in electronic and paper forms at no charge to the chapter.

(d) Newsletter and Web Site Coverage. ITS America will incorporate into its current member newsletter and Internet web site information provided by the Chapter covering developments in state chapters.

4. Fee. In consideration of the foregoing license and services, Chapter agrees to pay ITS America the annual registration and renewal of \$250.00.

5. As a condition of, and in consideration of, the foregoing license, Chapter agrees to:

(a) Governing documents. Adopt and maintain Articles of Incorporation and Bylaws substantially similar to model documents provided by ITS America, to submit said documents to ITS America for approval prior to adoption and to submit all proposed amendments to these governing documents to ITS America, for its review and approval, not less than 60 days before the date proposed for their adoption. In the event that Chapter adopts amendments which, after review by ITS America, are inconsistent with this Agreement and/or may create legal liability for ITS America, this Agreement may be terminated by ITS America.

(b) Corporate Purposes and Activities.

(1) Support the corporate purposes of ITS America (Attachment 1) and work with ITS America in activities of mutual purpose and interest.

(2) Be organized and operated at all times for charitable, educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986.

(3) Distribute ITS America publications oriented to state and local audiences.

(c) Membership.

(1) Maintain membership policies that allow all with an interest in intelligent transportation systems within the boundaries of the chapter to participate as a member.

(2) Maintain at least ten (10) members on a continuous basis.

(3) Involve as members or participants in chapter activities the key transportation public agencies in the Chapter's geographic area.

(4) Cooperate with ITS America in encouraging membership in ITS America.

(5) Accept subsidy payments from ITS America on behalf of its national members to be used to pay in whole or part Chapter dues.

(d) Officers. Every effort will be made to maintain leadership arrangements so that at least half of the Chapter's officers and at least half of the Chapter's governing board hold national membership in ITS America.

(e) Meetings. Hold at least one annual meeting for the Chapter's membership. Additionally, Chapter will give at least fifteen days advance notice of any meeting to ITS America and will provide a report within thirty days after the meeting to ITS America. ITS America will provide advance notice to Chapter of meetings, activities, or events of mutual interest to the parties to be conducted by ITS America within the geographic boundaries of the Chapter.

(f) Operations. Operate in conformity with its Articles of Incorporation and Bylaws, and remain in good standing under the law under which it is incorporated.

(g) Federal and state laws. Be organized and operate at all times in conformity with all applicable federal, state and local laws, regulations, and ordinances.

(h) Reporting/Rechartering. Annually provide ITS America with updates or copies of its Articles of Incorporation, Bylaws, policy statements, annual state corporate report, Form 990 (if any), and other documents of Chapter that may be requested from time to time by ITS America, and be required to verify compliance with applicable laws and regulations.

Submission of the following documents is also required:

- (1) Annual financial statement
- (2) Slate of officers
- (3) Complete membership roster
- (4) Copies of minutes reflecting any of the following actions
 - (a) Adoption or amendments to Bylaws, Articles of

Incorporation, of Affiliation Agreement.

- (b) Elections or appointments of Board members, officers or representatives.

- (i) National cooperation. Cooperate with ITS America and its other chapters in providing regional and national services and in the development of national policy advice. Accept as an ex-officio, non-voting member of and formal liaison to its Board of Directors the President of ITS America or his designee.

- (i) State Chapters Council. Designate a representative and an alternate to serve on ITS America's State Chapter's Council. Any representative so designated shall come from organizations with national membership in ITS America.

6. Agency. ITS America and Chapter agree that this agreement is not intended to create an agency relationship of any kind, and both agree not to contract any obligations in the name of the other, to use each other's credit in conducting any activities under this Agreement, or to take any action which would lead a member of the public to believe that Chapter is the agent of ITS America.

7. Audit and inspection of records. Chapter agrees to submit to ITS America or make available at its regular place of business upon reasonable notice such records as may be

necessary for determining compliance with the requirements of this Affiliation Agreement and Chapter's Articles and Bylaws.

8. Indemnification. ITS America and Chapter individually agree to indemnify and hold harmless each other for any and all claims, losses, damages, liabilities, judgements, or settlements, including reasonable attorney's fees, arising out of the negligence of Chapter or ITS America, respectively, in the conduct of activities pursuant to this Agreement. ITS America and Chapter will promptly notify each other upon receipt of any claim or legal action arising out of activities conducted pursuant to this Agreement. The rights and responsibilities established in the paragraph shall survive indefinitely the termination of this Agreement.

9. Term. This Agreement shall be effective on the date above written, and shall continue in effect until terminated pursuant to paragraph 10.

10. Termination.

(a) In general. Either ITS America or Chapter may terminate this Agreement upon 45 days notice in writing to the other party.

(b) For cause. Either ITS America or Chapter may terminate this Agreement immediately upon written notice to the other in the event of the other's insolvency, fraud, willful misconduct, or substantial breach of this Agreement.

(c) Effect. Upon termination of this Agreement, ITS America shall have no further responsibility under this Agreement, and Chapter shall cease all use (if any) of ITS America's name, acronym, and logos.

11. Mediation and arbitration of disputes. The parties agree that all disputes arising under this Agreement shall be resolved exclusively by mediation by ITS America's legal counsel, or by arbitration under the rules of the American Arbitration Association. Unless

otherwise agreed, the arbitration, if any, shall take place in the capital city of the state where the Chapter is incorporated. The Arbitrator's decision shall be final and binding on all parties.

12. 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.

13. Successors and assigns. This Agreement shall be binding on the parties, and on their successors and assigns, without regard to whether it is expressly acknowledged in any instrument of succession or assignment.

14. Captions. The captions of each paragraph of this Agreement are inserted solely for the reader's convenience, and are not to be construed as part of the Agreement.

15. Notices. Notices required by this agreement shall be in writing and shall be delivered either by personal delivery or by mail. If delivered by mail, notices shall be sent by Express Mail, or by certified or registered mail, return receipt requested, with all postage and charges prepaid. All notices and other written communications under this Agreement shall be addressed as indicated below, or as specified by subsequent written notice delivered by the party whose address has changed.

If to ITS America: President, ITS America, Suite 1200, 1100 17th Street, N.W.
Washington, D.C. 20036-4601.

If to Chapter: **_David Stansell, ITS Tennessee, 1630 Church Street Alley. Nashville, TN 37203._**

16. Governing law. This Agreement shall be governed in all respects (other than conflicts of laws) by the laws of the District of Columbia.

17. Amendment. This Agreement constitutes the entire agreement between the parties, and supersedes all prior writings or oral agreements. This Agreement may be amended

only by a writing clearly setting forth the amendments and signed by the party against whom enforcement is sought.

18. Conformity with Chapter Bylaws. The parties acknowledge that full compliance with the terms of this agreement may require amendment of Chapter's bylaws. Chapter agrees to make good faith efforts to assure that its bylaws are amended to conform with this agreement within one year of execution of this agreement or December 31, 2005, whichever is later. Until such bylaws are amended, such bylaws shall be controlling upon the Chapter where a conflict exists. If such conforming amendments are not made within, the period specified previously, this agreement shall be deemed terminated.

19. Warranty. Each of the parties warrants that the individual who executes this Agreement on its behalf has been duly authorized to do so.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized representatives.

ITS America:

By: _____
Neil Schuster
President & CEO

CHAPTER:

By: _____
David P. Stansell
President