

## CHARTER AGREEMENT

This Charter Agreement, to be effective as \_\_\_\_\_, 20\_\_\_, is entered into by and between American Society for Metabolic and Bariatric Surgery, an Iowa nonprofit corporation ("ASMBS"), and \_\_\_\_\_, a \_\_\_\_\_ nonprofit corporation ("Chapter").

### RECITALS

**A.** ASMBS is a national professional medical society devoted to the study, promotion and advancement of the surgical treatment of obesity and related disorders.

**B.** Chapter is a professional medical society comprised of bariatric surgeons and allied health care providers located in the State of \_\_\_\_\_.

**C.** ASMBS desires to grant Chapter a Charter pursuant to which ASMBS and Chapter shall become affiliated on the following terms and conditions.

In consideration of the mutual promises set forth in this Agreement, the parties agree as follows:

**1. Designation as Local Chapter.** ASMBS hereby designates Chapter as a local chapter of ASMBS.

**2. Rights of Chapter.** Chapter shall have the right to utilize the name of ASMBS in the name of Chapter, to acknowledge and advertise its affiliation with ASMBS as a local chapter, and to receive all other benefits bestowed by ASMBS on its designated local chapters as such benefits may be implemented from time to time.

**3. Relationship.** ASMBS and Chapter, and their respective members, employees, agents, officers or directors, are not and shall not be considered agents, employees, joint venturers, partners or legal representatives of the other for any purpose. Nothing in this Agreement is intended to give Chapter, on the one hand, or ASMBS, on the other hand, or any of their respective members, employees, agents, officers or directors, any authority to bind the other party to any contract or agreement or to speak or act, or purport to speak or act for or on behalf of the other party. Neither ASMBS nor Chapter shall be liable for any act, error, omission, debt, claim, or other liability of the other party.

**4. Bylaws.** Chapter shall abide by and promote the purposes and objectives of ASMBS as set forth in the most current version of ASMBS's bylaws. Chapter shall have adopted its own bylaws governing the operations of Chapter, which bylaws shall not conflict with or be inconsistent with the bylaws of ASMBS. Chapter shall submit all bylaw amendments to ASMBS in order to ensure compliance with the provisions of this paragraph.

**5. Chapter Duly Incorporated.** Chapter represents to ASMBS that Chapter is a not-for-profit corporation duly organized and validly existing under the laws of the state in which Chapter is located. Chapter agrees to maintain its not-for-profit corporate status at all times as a condition of designation as a local chapter of ASMBS.

**6. Nonprofit Tax Exemption; Tax Matters.** Chapter represents to ASMBS that Chapter has applied or will apply for tax exemption with the Internal Revenue Service and appropriate state taxing authority. Chapter's applications for tax exemption have been or shall be filed in Chapter's own name and not in the name of ASMBS. Chapter shall not be included on ASMBS's IRS Form 990. Chapter shall obtain its own federal and state employer identification numbers

and shall not use the employer identification numbers of ASMBS. Chapter shall be solely responsible for complying with all applicable tax laws, rules, regulations and filing requirements.

**7. Bank Accounts.** Any bank accounts established by Chapter shall be established in its own name and not in the name of ASMBS.

**8. Chapter Members.** Chapter may determine its own qualifications and requirements for membership provided that such qualifications and requirements are consistent with those established by ASMBS for membership in ASMBS. Members of Chapter shall be members of ASMBS.

**9. Dues.** Chapter may impose and set the amount of dues on members of Chapter.

**10. Format of Chapter Name and Use of ASMBS Name.** Chapter may use the ASMBS name provided that any and all such use complies with the provisions of section 3 and the use clearly distinguishes between Chapter and ASMBS. Chapter shall ensure that its communications with third parties and the general public specify that the communication is that of the Chapter. Chapter may identify itself as a local chapter of ASMBS as follows: “[Actual Chapter name, i.e., Bariatric Surgery Society of State X ], a local chapter of the American Society for Metabolic and Bariatric Surgery”, “The [State X] Chapter of ASMBS” or similar wording which denotes the chapter relationship. Officers, directors or members communicating on behalf of Chapter should identify themselves as officers, directors or members of Chapter.

**11. Contact Information.** Chapter shall provide and keep ASMBS current with Chapter’s contact information including principal office address, mailing address, and phone numbers and email addresses of officers.

**12. ASMBS Website.** The parties agree that ASMBS may post information regarding Chapter on ASMBS’s website.

**13. Annual Report.** Chapter shall provide an annual report on its activities to the Chairperson of the ASMBS State Chapters Committee prior to the ASMBS Annual Meeting. The annual report should include: a) a listing of the Chapter’s current officers and directors; b) a roster of current members; c) a summary of the Chapter’s activities for the 12 months prior to the annual meeting including member meetings, legislative activities, seminars or continuing education classes and other items of interest as well as a summary of future planned activities; and d) balance sheets for the prior year end and current year to date. Failure to provide an annual report is grounds for termination of chapter status.

**14. Term.** This Charter shall continue until terminated as set forth in section 15.

**15. Termination.** Either party may terminate this Charter with or without cause on thirty days written notice to the other party. Upon termination by either party for any reason, Chapter shall immediately cease utilizing the ASMBS name and acronym and may no longer claim any affiliation with ASMBS.

**16. Dispute Resolution.** Any dispute between the parties which cannot be resolved through negotiation shall be submitted to mediation and, if mediation is not successful, binding arbitration according to the commercial rules of the American Arbitration Association. Any such

///

mediation or arbitration shall take place in Alachua County, Florida. This Charter shall be governed by the laws of the State of Florida.

ASMBS:

American Society for Metabolic and Bariatric Surgery,  
an Iowa nonprofit corporation

By: \_\_\_\_\_  
Georgeann Mallory, Executive Director

Dated: \_\_\_\_\_

Chapter:

\_\_\_\_\_, a  
\_\_\_\_\_ nonprofit corporation

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

Dated: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address of Chapter: