

## CHAPTER AGREEMENT

THIS **AFFILIATION AGREEMENT** (the "**Agreement**") is made and entered into on \_\_\_\_\_, 202\_, by and between The Reading League Inc., a New York not-for-profit corporation with offices at 103 Wyoming Street (2<sup>nd</sup> Floor), Syracuse, New York 13204 ("**TRL**"), and \_\_\_\_\_[, Inc., a \_\_\_\_\_ not-for-profit corporation] **or** [a program of \_\_\_\_\_, its fiscal sponsor] with offices at \_\_\_\_\_ ("**Chapter**").

### W H E R E A S:

**A.** TRL is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**").

**B.** The charitable purpose of TRL is to provide supportive educational resources to advance the awareness and use of evidence-based instructional practices in reading, for the benefit of teachers and education agencies.

**C.** TRL has developed materials and processes to train educators in evidence-based teaching methods aimed to increase literacy all of which are protected by federal trademark and/or copyright laws (collectively, the "**TRL Brand**").

**D.** TRL is building a network of chapters each of whom has a similar mission and each of whom will have entered into an affiliation agreement (the "**TRL Network**") with TRL.

**E.** Chapter is a recognized tax-exempt organization under Section 501(c)(3) of the Code [or is a program of \_\_\_\_\_, its fiscal sponsor, an organization that is a recognized tax-exempt entity under Section 501(c)(3) of the Code].

**F.** Chapter desires to join the TRL Network and agrees to abide by and support the TRL charitable purpose and objectives.

**G.** TRL and Chapter share the goal and vision of improving literacy by advancing the awareness and use of evidence-based instructional practices in reading, and both have a vested interest in the success and growth of the TRL Network at all levels; and

**H.** TRL and Chapter have determined that it is in their best interests to enter into this Agreement and simultaneously to enter into a License Agreement of even date, (the "**License Agreement**") to set forth the terms and conditions of their affiliation.

**NOW THEREFORE**, the parties agree as follows:

**1. AFFILIATION.** TRL hereby grants to Chapter the non-exclusive right to be known as a TRL Chapter, subject to the terms and conditions of this Agreement. TRL and Chapter agree to maintain a cooperative and supportive relationship with each other, and expect and desire that each shall support, assist and/or participate with the other with respect to all matters of common interest that further the fundamental and primary charitable purposes of each and of the TRL Network. TRL and Chapter acknowledge the value of a national network coordinated by TRL with the goal of supporting access to and consistency in materials and training provided to educators across the network.

(a) Rights and Obligations of TRL.

TRL will endeavor to develop a national network of Chapters to provide supportive educational resources to advance the awareness and use of evidence-based instructional practices in reading, for the benefit of teachers and education agencies. TRL's responsibilities include (but are not limited to):

- develop resources, such as model bylaws, conflict of interest forms, training materials, form minutes, templates, etc.;
- endeavor to provide national advocacy efforts on behalf of the TRL Network;
- support Chapter and the TRL Network through its website and other social media, conferences, and on-site consultations;
- provide access to TRL materials and training videos;
- protect the Brand and assure that it is used appropriately for the benefit of the TRL Network
- provide training to Chapter;
- administer a website network sufficient to support Affiliate, including the provision of a subdomain website to Affiliate for Affiliate's individual and local use;
- provide standard email and social media handles to support and protect the TRL Brand;
- provide timely support in the review and use of social media for purposes of promoting TRL programs and activities; and
- send representatives to observe Chapter's programs and activities to assure adherence to TRL policies and procedures (if necessary/requested).

TRL will maintain a list of Chapters which will be considered confidential information subject to the confidentiality terms of this Agreement. The list shall be available to Chapter for use in activities in furtherance of TRL's charitable purpose. Chapter shall adhere to TRL guidelines, as promulgated from time to time, regarding the list and may not sell, rent, or provide the list to any third party.

TRL will work collaboratively with all Chapters to develop goals and standards to measure, monitor and improve performance and outcomes throughout the TRL Network.

(b) Rights and Obligations of Chapter.

Chapter agrees to conduct business in accordance with TRL policies and procedures, as may be amended from time to time, codes of conduct, and the provisions of this Agreement. Chapter shall ensure that any activities related to the TRL Brand promote TRL's charitable purpose.

Affiliate agrees to post TRL materials on the authorized TRL website, and use TRL email and social media handles in the promotion of TRL materials, programs and activities.

Chapter shall endeavor to sponsor a minimum of 3-5 programs and activities per year that fulfill the purposes and objectives of this Agreement. All presentations, materials and sponsor/vendors related to the TRL Brand which are developed by Chapter must be approved by TRL in accordance with TRL guidelines as promulgated from time to time. This includes approval on all sponsor and partnerships for TRL branded events. Approval requests must be formally submitted no later than 3 weeks prior to event.

Chapter is responsible for obtaining and maintaining appropriate insurance for its activities, including without limitation, events and programs related to this Agreement.

Chapter agrees to file with TRL an annual report which shall be due July 1 of each year, or as otherwise specified by TRL (the “**Annual Report**”). Such Annual Report shall include the following information, as well as all other such information as TRL shall reasonably require of Chapter:

- A copy of Chapter’s audited or reviewed financial statements, if required. If not required, a copy of the annual Statement of Activities, showing actual results compared to budget;
- A copy of Chapter’s Management Letter, if issued;
- A copy of Internal Revenue Service Return of Organization Exempt from Income Tax Return (Form 990, 990-EZ or 990-N); and
- A copy of Chapter’s State Annual Filing Report.

Additionally, Chapter shall provide TRL the following on a semi-annual basis:

- Information summarizing the activities and events conducted in the last six months by Chapter, such as type of events, number attended, members reached, etc.

Additionally, from time to time, TRL may request certain information. Chapter agrees to provide this information to TRL within thirty (30) days of such a request.

Chapter agrees to comply with all applicable laws, regulations, and ordinances, including without limitation the Code and regulations related to exempt organizations.

(c) Affiliation Fee.

In exchange for the right to be known as an Chapter of TRL and to receive benefits of being part of the TRL Network with access to and use of the TRL Brand, Chapter shall pay to TRL an annual affiliation fee of based on the following fee structure.

Year 1	Fee subsidized by TRL to allow Chapter to invest in start up
Year 2 – 4	10% of Chapter revenue; minimum of \$500
Years 5+	20% of Chapter revenue; minimum of \$1,000

TRL reserves the right to adjust the affiliation fee for subsequent years by providing written notice to Chapter at least thirty (30) days prior to the end of the then current year of the term. The annual fee shall be due on the anniversary date of this Agreement.

(d) Fundraising.

Chapter is encouraged to seek funding or sponsorship as needed to support local activities and events. Affiliation with TRL does not assure 501(c)(3) public charity status for Chapter. Chapter and TRL shall keep each other informed regarding corporate sponsors, grant funders, and major donors. To the extent there is overlap in these resources, the parties shall coordinate development activities related to that funder. Chapter will be clear in all communications with sponsors or potential sponsors that gifts {H3559277.4}

to Chapter do not imply any benefits at the national level. It is the policy of TRL that Reading League Chapters do not engage in providing direct, for-fee professional development services in schools or districts. Any inquiries or solicitations for paid professional services should be directed to Heidi Beverine-Curry at heidi@thereadingleague.org.

## **2. TERM AND TERMINATION.**

(a) This Affiliation Agreement shall commence on \_\_\_\_\_, 202\_ and shall continue for a term of one year, unless sooner terminated as set forth below. Upon expiration of the initial term, this Agreement shall automatically renew for an additional, successive one-year terms (each, a “Year”) unless either party provides written notice of nonrenewal at least thirty days prior to the end of the then-current term.

### **(d) Termination.**

(i) Either party may terminate this Agreement, without cause, upon thirty (30) days written notice to the other. This Agreement may be terminated immediately by either party; in the event of a breach of this Agreement or the License Agreement, which remains uncured for a period of Twenty-One (21) business days upon notice thereof or by its nature cannot be cured. TRL may terminate this Agreement immediately if it terminates the License Agreement, defined below, pursuant to Paragraph 4.

(ii) In the event of termination of this Agreement for any reason, Chapter shall not be entitled to any refund in whole or in part of the Affiliation Fee.

(iii) The Confidentiality (Section 3), Non-Solicitation; Non-Competition (Section 7), Indemnification (Section 8), Non-Disparagement (Section 11), and Miscellaneous (Section 13) Sections shall survive the expiration or termination of this Agreement.

(iv) In the event this Agreement is terminated, the License Agreement shall also be terminated immediately and without further notice or act by either party.

## **3. CONFIDENTIALITY.**

(a) The parties recognize that during the term of this Agreement, each party may receive or become familiar with and obtain knowledge of the other party, including, without limitation, the following: (i) all information not generally known to the public, in spoken, printed, electronic or any other form or medium, relating directly or indirectly to the respective parties' business processes, practices, methods, programs, materials, content, research, operations, services, strategies, techniques, contracts, marketing information, pricing information, design information, market studies, sales information, revenue,; (ii) information concerning the other party's clients', suppliers' and other third parties', past, present and future business affairs including, without limitation, finances, customer information, supplier information, products, services, organizational structure and internal practices, forecasts, sales and other financial results, records and budgets, and business, marketing, development, sales and other commercial strategies; (iii) unpatented inventions, methods and processes, trade secrets, know-how, works of authorship and other confidential intellectual property; (iv) designs, specifications, documentation, components, source code, object code, snippets, internal processes, {H3559277.4}

methodologies, frameworks, images, icons, audiovisual components and objects, schematics, drawings, protocols, processes, and other visual depictions, in whole or in part, of any of the foregoing; (v) third-party confidential information, included with, or incorporated in, any information provided by a party; (vi) other information that would reasonably be considered non-public, confidential or proprietary given the nature of the information and the parties' businesses; and (vii) notes, analyses, compilations, reports, forecasts, studies, samples, data, statistics, summaries, interpretations and other materials that contain, are based on, or otherwise reflect or are derived, in whole or in part, from any of the foregoing (the "**Confidential Information**").

(b) Subject to the terms and conditions set forth in this Agreement, the parties agree to hold and treat as secret and confidential any and all Confidential Information disclosed by a party (in such capacity, the "**Disclosing Party**") to the other party (in such capacity, the "**Receiving Party**") in any manner, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential". Additionally, the Receiving Party shall, without limitation, do all of the following: (i) treat all Confidential Information as strictly confidential, using reasonable care and as the Receiving Party would safeguard its own confidential information; (ii) not directly or indirectly disclose (in writing or orally), publish, communicate or make available Confidential Information, or allow it to be disclosed, published, communicated or made available, in whole or part, to any entity or person whatsoever, except in accordance with the terms hereof; and (iii) not access or use any Confidential Information, and not copy any documents, records, files, media or other resources containing any Confidential Information, or remove any such documents, records, files, media or other resources from the premises or control of the Disclosing Party, except in accordance with the terms hereof.

(c) The parties agree that all Confidential Information and any derivative works or improvements on or to the Confidential Information is and shall be the sole property of the Disclosing Party, and the Receiving Party shall make no claims to the ownership of such Confidential Information. All Confidential Information shall be considered intellectual property of the Disclosing Party, including all designs, concepts, products, materials or process applications relating thereto, whether or not incorporating comments, suggestions, etc. made by the Receiving Party to the Disclosing Party based upon the Receiving Party's evaluation thereof. Neither this Agreement, nor any disclosure of Confidential Information, shall be deemed to imply or grant any license, interest in or other intellectual property rights in Confidential Information, except to the extent set forth in the License Agreement by and between Chapter and TRL, of even date and available as a separate document (the "**License Agreement**"). Neither party shall use in any manner any Confidential Information for its own benefit.

(d) Notwithstanding anything to the contrary set forth herein, pursuant to 18 U.S.C. § 1833(b), no individual shall be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is (i) made in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; or (ii) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, any individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose a trade secret to his or her attorney and use the trade secret information in the court proceeding, so long as any document containing the trade secret is filed under seal and the individual does not disclose the trade secret, except pursuant to court order.

4. **INTELLECTUAL PROPERTY.** The License Agreement is incorporated herein by reference and as if set forth in full. Breach of the License Agreement shall constitute a breach of this Agreement, subject to the terms and conditions of this Agreement, including the rights of termination and cure set forth herein.

5. **AUTHORIZATION AND NOTIFICATION.** The parties each represent and warrant that:

(a) It has full legal authority and right to enter into this Agreement and to participate in the Network;

(b) It has no obligations or agreements currently, and represents that it will not enter into any obligations or agreements during this Agreement, which are inconsistent or in conflict with the execution or performance of this Agreement;

(c) It has no obligation to any third party that is in conflict with, or is reasonably likely to conflict with its obligations under this Agreement; and

(d) This Agreement has been duly executed and delivered by it and constitutes a valid, binding obligation enforceable against it.

6. **INDEPENDENCE.**

(a) TRL and Chapter are independent non-profit entities, and shall not be deemed to be the employee, agent or representative of the other. It is specifically intended and agreed between the parties that by virtue of this Agreement, neither party is, nor becomes, an agent of the other, and this Agreement does not establish a partnership or joint venture between the parties. Neither party shall have the authority, nor shall hold itself out as having the authority, to take any action that would indicate any relationship to the contrary, or to take any action that would obligate the other.

(b) Any persons employed or engaged by TRL in connection with the performance of this Agreement shall be its employees or contractors and it shall be fully responsible for them. TRL shall provide proof to Chapter, upon written request, that it has current workers' compensation insurance coverage, or is otherwise exempt from obtaining such coverage.

(c) Any persons employed or engaged by Chapter in connection with the performance of this Agreement shall be its employees or contractors and it shall be fully responsible for them. Chapter shall provide proof to TRL, upon written request, that it has current workers' compensation insurance coverage or other coverages as required by applicable law or is otherwise exempt from obtaining such coverage.

7. **NON-SOLICITATION; NON-COMPETITION.** Chapter agrees that during the term hereof and for a period of two (2) years after the expiration or earlier termination of this Agreement without obtaining the prior written consent of TRL, Chapter nor any of its Chapters or representatives (each, a "**Restricted Person**") shall directly or indirectly, for itself or on behalf of another person or entity:

(a) solicit for employment or otherwise induce, influence or encourage to terminate employment with TRL, or employ or engage as an independent contractor, any current or former {H3559277.4}

employee of TRL, with whom the Restricted Person had contact or who became known to the Restricted Person in connection with the Services provided hereunder (each, a "**Covered Employee**"), except (i) pursuant to a general solicitation through the media or by a search firm, in either case, that is not directed specifically to any employees of TRL, unless such solicitation is undertaken as a means to circumvent the restrictions contained in or conceal a violation of this Section 7(a), or (ii) if TRL terminated the employment of such Covered Employee before the Restricted Person had solicited or otherwise contacted such Covered Employee or discussed the employment or other engagement of the Covered Employee; or

(b) solicit business from or induce, influence or encourage any other Chapter, customer, client or other contractual beneficiary of TRL that became known to the Restricted Person directly or indirectly as a result of Confidential Information, or the performance of this Agreement, to alter, terminate or breach its contractual or other business relationship with TRL.

**8. INDEMNIFICATION.** Each party shall indemnify and hold harmless the other and its directors, officers, members, managers, employees, agents, shareholders, contractors, Chapters, subsidiaries, successors, and assigns from and against any and all damages, liabilities, costs, expenses, claims, and judgments, including, without limitation, reasonable attorneys' fees (collectively, "**Liabilities**") that any of them may suffer from or incur and that arise or result primarily from (i) any gross negligence or willful misconduct of such party arising from or connected with performance of its obligations hereunder, or (ii) such party's breach of any of its obligations, agreements, or duties under this Agreement or the License Agreement.

**9. ASSIGNMENT.** This Agreement is a personal contract and, except as specifically set forth herein, this Agreement may not be sold, transferred, assigned, pledged or hypothecated by either party. The right and obligations of each party hereunder shall be binding upon and run in favor of its successors and assigns.

**10. RETURN OF PROPERTY.** Upon termination of this Agreement for any reason or upon request during the term hereof, Chapter and TRL hereby agree to return all property provided it or in its possession or control belonging to the other.

**11. NON-DISPARAGEMENT.** The parties agree and covenant that they will not at any time make, publish or communicate to any person or entity or in any public forum any defamatory or disparaging remarks, comments or statements concerning the other's products or services, and existing and prospective customers, suppliers, investors and other associated third parties, or make any maliciously false statements about the other's employees and officers.

**12. TAX EXEMPT STATUS.** If any interpretation or change in law, regulation or rule would cause any provision of this Agreement to jeopardize either party's status under Section 501(c)(3) of the Internal Revenue Code, that party may at its option terminate this Agreement. The parties, however, agree to use their best efforts to amend this Agreement so as to conform its intent to such applicable laws, regulations or rules and to preserve their respective tax-exempt status.

**13. MISCELLANEOUS.**

(a) This Agreement constitutes the complete understanding between TRL and Chapter and supersedes any and all prior or contemporaneous agreements, promises or inducements, whether oral {H3559277.4}

or written, concerning these subject matters, specifically excepting however the License Agreement. No promises or agreements made subsequent to the execution of this Agreement by the parties shall be binding unless reduced to writing and signed by both parties. Each of the parties hereto will cooperate with the other and execute and deliver to the other party such other instruments and documents and take such other actions as may be reasonably requested from time to time by such other party as necessary to carry out, evidence and confirm the intended purposes of this Agreement. Subject to the terms and conditions herein provided, each of the parties hereto agrees to use its best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by this Agreement.

(b) This Agreement shall be construed and governed in accordance with the laws of the State of New York, without regards to conflicts of laws principles. TRL and Chapter agree that the Supreme Court of the State of New York for Onondaga County or any federal district court having jurisdiction in that county shall have jurisdiction and shall be the proper location for the determination of all disputes arising under or related to this Agreement.

(c) The failure of any party to insist on strict performance of any term or condition set forth herein on one occasion shall not prevent such party from insisting on strict performance with respect to such term or condition on any subsequent occasion.

(d) Any notice which may be given hereunder shall be sufficient if in writing and mailed by registered or certified mail, return receipt requested, to either party at the address indicated above or to such other address as a party may indicate by written notice given in the aforesaid manner.

(e) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, personal representatives, successors and assigns.

(f) If any provision of this Agreement or the application thereof to any person or circumstance for any reason and any extent shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, but rather is to be enforced to the greatest extent permitted by law.

(g) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

***[Signature Page Follows]***



**IN WITNESS WHEREOF**, Chapter and TRL have signed this Agreement to be made effective as of the date first set forth above.

**The Reading League Inc.**

\_\_\_\_\_  
(name of chapter)

By: \_\_\_\_\_  
Name: Maria Murray, Founder and CEO

By: \_\_\_\_\_  
Name:  
Title:

**Agreed to and Accepted by Chapter’s Fiscal Sponsor (if applicable):**

\_\_\_\_\_  
(name of fiscal sponsor)

By: \_\_\_\_\_  
Name:  
Title: