# Chapter Management Services Agreement

This Chapter Management Agreement, hereinafter known as “Agreement,” specifies the terms by which National Association of Insurance and Financial Advisors hereinafter known as “NAIFA” shall provide the services described herein to NAIFA-Chapter, hereinafter known as “CLIENT.”

The following is mutually understood and agreed upon:

1. **Appointment.** CLIENT appoints NAIFA as its chapter management service provider in accordance with the terms set forth in this agreement.
2. **Term of Agreement.** This Agreement commences on DATE and remains in effect through DATE, unless terminated earlier in accordance with the Termination section of this agreement.
3. **Duties and Responsibilities of NAIFA.** 
   1. **General Management Services.** 
      1. Manage the day-to-day operations of the chapter, adhering to the policies established by NAIFA and CLIENT, formulating and recommending policies to improve operations and developing new programs and services to fulfill the strategic initiatives of the organization.
      2. Maintain an office for the receipt of mail, email, faxes and telephone calls and provide the necessary staff to perform the services outlined in this agreement. An automated telephone answering/voice messaging system will be used to answer incoming calls, with personnel available to respond to inquiries Monday-Friday, 9 a.m.-5 p.m. Eastern Time, except when the NAIFA offices are officially closed.
      3. Ensure the chapter’s compliance with the NAIFA chapter agreement, including submitting required reports and information to NAIFA.
      4. Maintain organizational files including minutes and other permanent corporate, legal and historical documents.
      5. File necessary business license forms and regulatory reports for CLIENT, including those required for political action committee.
      6. Manage the activities of lobbyists and other third-party vendors at the direction of the board of directors.
   2. **Board & Leadership Support.** 
      1. Provide administrative support and professional counsel to the board of directors and committees.
      2. For CLIENT Board meetings, work with the president to develop the agenda; coordinate the distribution of the agenda and meeting background materials; take, prepare and distribute minutes; provide updates on management activities, financial matters and other activities related to performing the services outlined in this agreement; provide meeting planning services for the meeting; take, prepare and distribute minutes; and provide non-voting participation at each meeting via conference call or in person.
      3. In consultation with the president, provide an orientation for new board members either one-on-one or as a group.
      4. Within the scope of services outlined in this agreement, implement the decisions of the board of directors.
      5. Prior to board meetings and the annual meeting, provide written reports on management activities, financial matters, marketing and communications efforts and other activities related to performing the services outlined in this agreement.
      6. Maintain rosters of board, committee and local leaders.
   3. **Membership, Marketing and Customer Service.**
      1. Respond to inquiries from members regarding the status of their membership.
      2. Support Retention efforts including follow-up with non-renewing members during the renewal cycle and member with bank or credit card draft issues.
      3. Implement new member onboarding and engagement programs, including distribution of welcome emails or other materials to new members, as requested.
      4. Support recruitment efforts including responding to membership information requests from prospective members and maintaining a list of former and prospective members.
      5. Conduct member satisfaction and needs assessment surveys, as requested, to support marketing and program development efforts.
      6. Proactively market CLIENT membership to prospective and former members, including assisting with scheduling agency presentations.
   4. **Financial Management.**
      1. Maintain CLIENT’s financial records using the accrual basis of accounting.
      2. Process accounts payable, including weekly check creation and issuing forms 1099 to vendors, adhering to mutually agreed upon procedures for expense authorization and check generation.
      3. Collect revenues for sales efforts, meetings, dues from the national office and other income-producing activities, depositing monies in a bank account designated by the CLIENT on at least a weekly basis.
      4. Maintain asset and liability accounts, including monthly account reconciliation, recording of prepaid expenses, deferred revenue, depreciation, investment income, and other similar tasks.
      5. Reconcile cash accounts on a monthly basis.
      6. Issue financial statements on a monthly basis, including detailed transaction reports for the treasurer, as requested.
      7. Administer state IFAPAC funds, file necessary reports with the state and work with the IFAPAC board of directors in the collection and distribution of these funds.
      8. Adhere to agreed-upon internal control procedures to safeguard CLIENT funds and assets.
      9. Assist with development and, upon approval of the board of directors, manage the CLIENT’s annual budget.
      10. As required, provide information for internal audits, or alternatively, coordinate the annual audit or review of the CLIENT financial records.
      11. Coordinate the selection of an outside accounting firm to file the CLIENT annual tax returns and provide that firm with requested information necessary to prepare and file the CLIENT annual tax returns. If the CLIENT is eligible for a 990N postcard filing, NAIFA will file on CLIENT’s behalf.
   5. **Client-Sponsored Events** 
      1. NAIFA will provide logistical, registration, administrative and onsite support (as requested) for client-sponsored events such as convention/annual meeting, day on the hill, meet your legislator, sales caravan, webinars, Leadership in Life Institute, social events, charity golf outing, community service projects, and continuing education program, including CE Tours.
      2. For meetings, social events and community service projects, services include program management, site selection, facility negotiations and coordination, menu selection, registration services and preparation of event and attendee materials (signs, rosters, badges, programs, etc.).
      3. Program Development/Logistics. Assist the appropriate committee in program planning and development.
      4. Marketing and Promotion. Develop and implement marketing plans for promotions including registration brochures, postcards and other electronic and direct marketing instruments.
      5. Registration. Process registrations received by phone, mail, email, fax or onsite. Set up online registration for events using CLIENT’s customer relationship management system. Produce registration materials (including badges, tickets, etc.), send confirmation notifications, process refunds, etc.
      6. Pre-Event Logistics. Develop and implement timelines for effective management of pre-event logistics. Coordinate decorating, signage and audiovisuals, food and beverage, onsite program and other onsite materials and set up the master billing account, as required.
      7. As needed, NAIFA will submit continuing education courses to the state for approval, provide sign in sheets and certificates of completion for course participants, submit continuing education credits for each program participant and respond to inquiries from participants regarding their course credits, with filing fees associated with continuing education courses and credits paid by the CLIENT.
      8. Scripts and Presentations. Prepare scripts for the state convention/annual meeting general sessions and meal events. Prepare the “state of the chapter” presentation for the annual meeting. Assist the board with preparation of the local success training program.
      9. Onsite Event Logistics. Provide adequate staff to manage logistics and registration, handle VIPs, assist board members with their duties, monitor meeting rooms and assist the speakers and participants.
      10. Post-Event Logistics. Prepare a final accounting of attendance at the meeting, file attendee continuing education credits with the state, write appropriate letters of appreciation and review the master bill and negotiate any concessions with the hotel.
   6. **Government Affairs.** 
      1. Assist with fundraising activities for IFAPAC, as requested.
      2. Coordinate the distribution of legislative updates and other communications generated by the state lobbyist necessary to keep members informed of the advocacy efforts and engage them in grassroots lobbying activities.
      3. Work with the grassroots involvement committee, as required, to increase member involvement in the advocacy efforts.
      4. Maintain a list of key contacts for state legislators developed by the grassroots involvement committee.
      5. NAIFA will coordinate scheduling Congressional appointments for members attending NAIFA’s Congressional Conference and PIC/PAC Training programs, as requested.
   7. **Website, Social Media and Communications.** 
      1. NAIFA will distribute print and electronic communications to the membership.
      2. Maintain CLIENT web site and domain names
      3. Post regularly to CLIENT social media accounts.
      4. Using resources provided by NAIFA, distribute press releases to promote activities and member participation in activities and respond to media requests for information or refer them to the appropriate officer.
   8. **Non-Dues Revenue Program Management.** 
      1. Solicit advertisers for publications, the Website and other communications vehicles; exhibitors for the annual meeting; sponsors for events and activities; and rentals of the membership list.
      2. Develop and distribute marketing materials to support sales efforts.
      3. Set rates and fees for non-dues revenue programs.
      4. Evaluate and recommend new sources for non-dues revenue to the board of directors.
      5. Adhere to CLIENT policies regarding list rentals and the nature, form and appropriateness of exhibitors, sponsors and advertisers.
      6. Provide reports on non-dues revenues generated.
   9. **New Programs and Services**
      1. As part of its management fee, NAIFA will provide program management services for new programs and services not specifically outlined in this agreement if said programs or services generate revenue at least sufficient to cover the direct expenses of the program or service and overhead at a rate of 38 percent of direct expenses of the program or service.
   10. **Reconstruction/Reconciliation of Historical Financial Information**
       1. If directed to do so, NAIFA will, on a time and material basis over and above the annual management fees, perform or assist with the reconstruction/ reconciliation of historical financial information. If the CLIENT elects to retain a certified public accountant for some or all of this work, NAIFA will, on a time and material basis, work closely with the firm selected by the chapter to assist with the reconstruction/reconciliation and/or preparation and filing of prior year tax returns or amended tax returns, including managing the engagement with the firm.
4. **Duties and Responsibilities of CLIENT.** To ensure NAIFA’s success in performing its responsibilities, CLIENT is responsible for the following:
   1. **Speakers and Program Content.** CLIENT is responsible for identifying speakers, panelists and discussion leaders for client-sponsored programs.
   2. **Budget and Expense Authorization.** CLIENT is responsible for approving the budgets and shall have the sole authority to approve policies and procedures for expense authorization.
   3. **Materials.** Provide NAIFA with information and materials available to CLIENT which might be reasonably required by NAIFA to successfully perform its responsibilities under this agreement including policies and procedures, contracts, budgets, financial data, food and beverage history, invoices, hotel pick up reports, publication templates, access to website domains, membership lists, leadership rosters, etc.
   4. **Customer Relationship and Content Management System(s).** Maintain subscriptions to a customer relationship management and content management systems with the necessary functionality necessary for NAIFA to perform its duties under this agreement.
5. **Additional Services on a Project Basis.** To the extent mutually agreed upon by the parties, including any additional fees associated with the additional work, NAIFA shall provide additional services to CLIENT upon receipt of a written request from the CLIENT president or such other authorized representative designated in writing by the board of directors.
6. **Fees.** The following fees shall be paid in accordance with the payment terms outlined later in this agreement.
   1. **Management Fee.** For the services outlined in this agreement, CLIENT shall pay NAIFA an annual fee equal to the greater of $FEE or ## percent of gross revenue from dues and chapter activities, excluding revenues generated from PAC political contributions, affiliate transfers, charitable events, and investment income.
   2. **Graphic Design Fees.** NAIFA is not a graphics house or typesetting service. From time to time, we may have personnel on staff with desktop publishing and graphic design capabilities. When we do produce graphics internally, fair and reasonable charges that are reflective of rates generally prevailing in the area for such services will be billed, with fees associated with these services included in the annual operating budget approved by the CLIENT.
7. **Out of Pocket and Direct Expenses.** 
   1. **Direct Expenses.** CLIENT will be billed directly by vendors and remit payment directly to vendors for all direct expenses.
   2. **Out of Pocket Expenses Incurred by NAIFA.** CLIENT shall be billed for and reimburse NAIFA for out of pocket expenses actually and reasonably incurred by NAIFA. Out of pocket expenses are over and above fees for management services. Out of pocket expenses are subject to the payment terms outlined later in this agreement.
8. Mileage will be reimbursed at the prevailing IRS mileage rate.
9. Other out of pocket expenses will be reimbursed at actual cost including parking, airport parking at daily rates, valet parking tips, metro transit costs, postage, supplies, copies, express delivery and courier expenses, monthly fees for a dedicated telephone number and custom voicemail, coach airfare, hotel, car rental, cab fare, meals and other expenses incurred by NAIFA at CLIENT’s request or on their behalf.
10. **Payment Terms.** 
    1. **Management Fee.** A monthly draw equal to 1/12 of the estimated annual management fee will be due in advance on the first day of each calendar month. The estimated management fee on which the draw is based shall be the greater of $FEE or ## percent of the preceding year's management fee. Within 60 days of the close of the fiscal year, NAIFA will be due the balance of any management fees in excess of those collected throughout the year and, within 60 days of the close of the fiscal year, CLIENT will be due a refund of any overpayment of management fees paid throughout the year.
    2. **Graphic Design Fees.** Fees for graphic design services performed for CLIENT will be due within 15 days of receipt of invoice.
    3. **Out of Pocket Expenses.** Payment for out of pocket expenses shall be due within 15 days of receipt of invoice.
11. **Meeting Planner Incentives.** For any meeting planned by NAIFA for the CLIENT, NAIFA is authorized to negotiate with the hotel to receive a commission and meeting planner incentives (points) from the hotel for total room nights booked by meeting attendees.
12. **Other Royalties.** NAIFA fully discloses any royalty agreements it has with vendors that may from time to time perform services for its management clients. Under no circumstances will we accept royalties that would result in higher direct costs to CLIENT.
13. **Ownership of Work Product.** All materials developed by NAIFA specifically as part of this Agreement will be deemed Work Made for Hire and will become the property of CLIENT upon payment for services rendered in creating the materials, at which time CLIENT will hold all rights, including copyrights, for such materials. NAIFA has developed certain proprietary tools, templates, documents, software and processes that remain the property of NAIFA. CLIENT shall have an unlimited license to use these proprietary materials throughout the term of this agreement.
14. **Verification.** CLIENT or an independent accountant at CLIENT’s expense will have access to NAIFA’s financial and other records relating to the services provided under this Agreement throughout the term to the extent reasonably necessary to verify NAIFA’s compliance with the terms of this Agreement.
15. **Insurance.** NAIFA shall, throughout the term of this Agreement, maintain at its sole cost and expense, comprehensive general liability insurance with minimum limits of $1,000,000 per occurrence and $2,000,000 combined single limit; employee dishonesty coverage; and, if and as required by applicable law, worker’s compensation insurance. CLIENT shall, throughout the term of this Agreement, maintain at its sole cost and expense, comprehensive general liability insurance with minimum limits of $1,000,000 per occurrence and $2,000,000 combined single limit; and, Directors and Officers Insurance, in both cases naming NAIFA as additionally insured.
16. **Confidential Information.** In the course of performing its duties under this Agreement, CLIENT may disclose to NAIFA certain information, which is confidential and proprietary. As used herein, confidential information means any information or data of a confidential nature, including but not limited to exhibitor lists, financial information and operating, performance, business and process information, and other confidential and proprietary information as well as all record-bearing media containing or disclosing such information. NAIFA acknowledges that CLIENT regards such information as valuable and agrees to use it only for the purpose of performing services under this Agreement, and to hold such information in confidence and protect it from dissemination to and use by unauthorized persons. In the absence of the CLIENT’s prior written consent, NAIFA shall not reproduce nor disclose such information to any third party.

CLIENT shall not disclose any of the financial terms of this Agreement to any other client or potential client of NAIFA. Further, CLIENT shall not disclose to a third party any of NAIFA’s confidential financial information learned in the context of exercising its rights under this Agreement.

Nothing herein shall restrict the parties from disclosing any portion of the above-referenced confidential information pursuant to a judicial or other lawful government order or to enforce the party’s rights under this Agreement, but only to the extent necessary and after notice to the other party.

1. **Limited Warranty and Liability.** NAIFA hereby warrants that it will exercise no less than reasonable care in the performance of its duties under this Agreement and further warrants that the material, analysis and services to be delivered or rendered hereunder will be of the kind and quality designated and will be performed by qualified personnel. THE IMPLIED WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY EXCLUDED.
2. **Relationship of Parties.** Neither CLIENT nor NAIFA are authorized to oblige the other party or act in the name of the other party other than as stated in this Agreement. The Agreement does not create a joint venture, partnership or association.
3. **Disputes.**
   1. Any dispute arising under this Agreement must be reduced to writing by the party asserting such dispute, together with a proposed resolution of such dispute, and forwarded to the other party within ninety (90) days of the event or act giving rise to such dispute. The party receiving such a written statement must notify the initiating party in writing within thirty (30) days if it disagrees with the proposed resolution.
   2. Pending a final decision of a dispute, NAIFA shall diligently proceed with the performance of this Agreement until CLIENT directs NAIFA not to perform. NAIFA shall be entitled to payment of fees and reimbursement of out of pocket expenses actually and reasonably incurred during this period in accordance with the terms of this Agreement.
   3. Arbitration. The parties shall settle any disputes unresolved after ninety (90) days by arbitration. The arbitration hearing shall be held in Virginia and shall be conducted in accordance with the rules of the American Arbitration Association. Judgment upon the award rendered in the arbitration may be entered in any court of competent jurisdiction.
4. **Termination.**
   1. Termination Without Cause. Subject to the restrictions set forth in the Pre-Conference Termination clause, either party may terminate this Agreement prior to the expiration of the term, in its sole discretion and without the necessity of a reason or cause, by giving the other party ninety (90) days prior written notice.
   2. Pre-Conference Termination. NAIFA shall only be permitted to give notice of a termination of the Agreement that will occur during the ninety (90) days prior to the CLIENT Conference in the event of a material breach of this Agreement by CLIENT that remains uncured for a period of ten (10) business days after delivery to CLIENT of written notice of the breach.
   3. Rights Upon Termination.
5. Out of pocket and direct expenses actually and reasonably incurred through the date of termination of this Agreement are due and payable to NAIFA in accordance with the terms of this Agreement.
6. The prorated management fees due shall be equal to the monthly draws due and payable to NAIFA through the date of termination of this Agreement in accordance with the terms of this Agreement.
7. Notwithstanding any other provision or perceived breach of this Agreement, in the event of termination or expiration of this Agreement, NAIFA shall have an absolute and non-contingent obligation to fully cooperate with CLIENT or such other persons as it may designate, in transferring all necessary information to ensure CLIENT is able to hold its annual conference.
8. **Indemnification.** NAIFA shall indemnify and hold harmless, including attorney’s fees, CLIENT, its officers, directors and employees from any liability to third parties for any act or omission of NAIFA’s officers, employees, independent contractors or agents. CLIENT shall indemnify and hold harmless, including attorney’s fees, NAIFA, its officers, directors and employees from any liability to third parties for any act or omission of CLIENT’s officers, independent contractors or agents.
9. **Applicable Law.** The validity, construction and performance of this Agreement shall be governed by the laws of the Commonwealth of Virginia.

1. **Waiver.** Failure by either party to enforce at any time or for any period the provisions of this Agreement shall not be construed as a waiver of such provisions and shall in no way affect such party’s right to later enforce such provisions.
2. **Severability.** If any part of this Agreement is determined by any court or tribunal of competent jurisdiction to be wholly or partially unenforceable for any reason, such unenforceability shall not affect the balance of this Agreement.
3. **Complete Agreement.** This Agreement is the complete understanding between NAIFA and CLIENT and it supersedes all prior Agreements and understanding concerning the subject matter set forth herein.

NAIFA CLIENT

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Corey G. Mathews, CAEClient PresidentVice President, Member & Chapter Services President

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