

**CHARTER AGREEMENT
BETWEEN
CATHOLIC MEDICAL ASSOCIATION
AND**

THIS CHARTER AGREEMENT (“Agreement”) is entered into as of _____, by and between **Catholic Medical Association** (“CMA-National”), a Virginia nonprofit, tax-exempt corporation with its principal office at 550 Pinetown Road, Suite 205, Ft. Washington, PA, 19034, and _____ (“Guild”) a chartered guild of the Catholic Medical Association.

1. Recitals.

1.1 **WHEREAS**, the Purpose of the CMA is to:

- Uphold the principles of the Catholic faith in the science and practice of medicine;
- Assist the Church in the work of communicating Catholic medical ethics to the medical profession and society at large;
- Support Catholic hospitals in applying Catholic moral principles in health-care delivery;
- Enable Catholic physicians and healthcare professionals to know one another better and to work together with deeper mutual support and understanding; and

1.2 **WHEREAS**, the Guild desires to adopt and implement the purpose of CMA- National, specifically in the locality of the Diocese of _____ (“Locality”); and

1.3 **WHEREAS**, the purpose, vision, and goals of the Guild are consistent with those of CMA-National; and

1.4 **WHEREAS**, it is the intention of CMA-National and the Guild that this Agreement be entered into for the sole purpose of establishing a meaningful structure for advancing the professional activities in which the parties are cooperating, including the use by the Guild of CMA-National’s marks CATHOLIC MEDICAL ASSOCIATION™, and other marks listed in Attachment 1; and

1.5 **WHEREAS**, each of the parties hereto is and shall continue to be an autonomous and legally separate and distinct organization;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the following mutual promises and undertakings, the parties hereto, intending to be legally bound, hereby agree as follows:

2. **Scope and Description of Association.** The parties have entered this Agreement to jointly further the CMA purpose in the Locality. To that end, each party commits to the following:
- 2.1 The Guild shall:
- 2.1.1 at all times adhere to and be governed by the CMA purpose as set forth above in Section 1.1;
 - 2.1.2 conduct all activities in accordance with and in submission to the teaching authority of the Magisterium of the Catholic Church;
 - 2.1.3 obtain from the local Bishop approval to establish a Guild;
 - 2.1.4 obtain from the local Bishop the assignment of a priest in good standing to serve as the Guild Chaplain, with due consideration to requests from the Guild. The Guild Chaplain should have a background in moral theology and medical ethics. If a priest is not available, a deacon with similar qualifications should be sought. The term of office will be two (2) years, renewable by the Board. The Guild Chaplain is encouraged to be a CMA national member.
 - 2.1.5 at all times have at least three (3) members who both (a) have an M.D. or D.O. degree; and (b) are members in good standing of CMA-National;
 - 2.1.6 require that voting members of the Guild’s governing board are members in good standing of CMA-National;
 - 2.1.7 require that a CMA-State Director in the Guild’s state be an ex officio non- voting member of the Guild’s governing board. In the event that there is no State Director a Regional Director will serve in that position.
 - 2.1.8 provide to CMA-National annually a complete list of its local members with all pertinent contact information;
 - 2.1.9 may be asked to provide to CMA-National at the Annual Board Meeting and General Assembly a written report of Guild activities, describing accomplishments in the various facets of the CMA and Guild’s purposes;
 - 2.1.10 include the phrase “A Chartered Guild of the Catholic Medical Association” when publicly identifying the Guild, including but not limited to on Guild letterhead, newsletters, brochures, websites, emails, and other media;
 - 2.1.11 abide by all requirements set forth in this Agreement and various other agreements that may be entered into by CMA-National and the Guild from time to time, including but not limited to agreements under which CMA-National grants any funds to the Guild and agreements intended to advance CMA-National’s purpose and protect its intellectual property; and

2.1.12 maintain good standing as an organization qualifying as tax-exempt under the governing law of its jurisdiction.

2.1.13 consider offering Directors and Officers liability insurance to Board and Leadership members.

2.2 CMA-National shall:

2.2.1 grant to the Guild, during the term of this Agreement, a nonexclusive limited license, within the Locality, to identify itself as “A Chartered Guild of the Catholic Medical Association”; and

2.2.2 grant to the Guild, during the term of this Agreement, a nontransferable, nonexclusive, limited license, within the Locality, to use, solely in connection with CMA purpose-related activities, the trademarks, service marks, and trade names of CMA-National set forth in Attachment 1 (collectively, the “CMA Marks”). The Guild acknowledges the exclusive right, title, and interest of CMA-National in and to the CMA Marks and further acknowledges that the Guild has no right, title, interest, or goodwill in the CMA Marks. The Guild agrees that nothing contained in this Agreement shall give to the Guild any right, title, or interest in the CMA Marks, and that any further value, rights, or goodwill which is generated by the Guild’s use of the CMA Marks is the sole and exclusive property of CMA-National. CMA-National, may, at its option, require submission of documents, brochures, advertising, stationery, promotional materials, or other material displaying the CMA Marks to CMA-National for approval prior to usage by the Guild. Approval may be withheld by CMA-National in its sole discretion; and

2.2.3 provide other consultation, training, and financial assistance as deemed appropriate in CMA-National’s sole discretion, to support the Guild’s development and promotion of the CMA purpose in the Locality.

3. **General Assembly Representation.** The Guild shall be permitted to appoint delegates to the General Assembly of CMA-National (with full rights to vote at the General Assembly) in accordance with the number of CMA-National Physician Members in the Guild on a Record Date established by CMA-National each year. The Record Date shall normally be July 31, but shall be adjusted as necessary to be no less than sixty (60) days before the General Assembly. Only Guild members who are also Physician Members of CMA- National are eligible to be voting delegates to the General Assembly. The number of permitted delegates to the General Assembly shall be as follows:

CMA-National Physician Members in Guild

Permitted Number of Delegates

6-25	1
26-50	2
51-100	3
101-150	4
151+	5

Within five (5) days of the Record Date, CMA-National shall provide to the Guild a list of its Physician Members who are in good standing with CMA-National. The Guild shall have ten (10) business days to contact CMA-National with any corrections to this list. After making any adjustments necessary, CMA-National will approve the proper number of Guild delegate(s), and the Guild will provide the name(s) of the delegate(s) to CMA- National at least thirty (30) days prior to the General Assembly.

4. **Term of this Agreement.** This Agreement shall begin on the date that the Guild is approved by the Board, and its initial term shall be for ten (10) years. At the end of the term, this Agreement may be renewed. This Agreement shall cease to continue upon the occurrence of one of the following events:

- 4.1 Automatically upon the dissolution of any of the parties or equivalent discontinuance of operations; or
- 4.2 Immediately upon written notification by one party upon the loss of tax-exempt or charitable status by the other party or similar governmental action; or
- 4.3 Sixty (60) days after either party provides written notice of cancellation at any time, with or without cause, to the other party, as approved by its board of directors; or
- 4.4 Immediately upon written notice of cancellation by one party to the other, in the event that the other party or its representative(s) engages in any act or omission that is: (1) in material violation of this Agreement; (2) inconsistent with the purpose or tax-exempt status of either party to this Agreement; or (3) which would subject either party to public disrepute.

5. **Termination.** Upon the termination of this Agreement, the licenses granted herein shall immediately cease, and all other rights and interests shall immediately cease except under the provisions of Sections 9 and 10. At that time, the Guild shall:

- 5.1 To the extent requested by CMA-National, return to CMA-National or its designee within thirty (30) days, any and all manuals, books, videos, tapes, and other materials bearing any CMA-National trade name, symbol, logo, trademark, and service mark as well as any CMA-National membership data of any kind;
- 5.2 Immediately cease using the name “CATHOLIC MEDICAL ASSOCIATION”™ or any mark that is confusingly similar to any set forth in the Trademark License in its most recent update, or any other name used by CMA-National which would have appeared in the Trademark License but for the failure to timely address amending it;

- 5.3 Immediately cease identifying itself as “A Chartered Guild of the Catholic Medical Association”; and
- 5.4 Immediately cease use of any CMA-National goods, materials, publications, programs or other CMA-National property or services.

6. **Organizational Structure.**

- 6.1 **Organizational Integrity.** During the term of this Agreement, both the Guild and CMA-National shall remain as separate and distinct corporate entities with independent boards that shall remain ultimately responsible for the management and governance of their respective organizations. Each entity shall comply with all laws of its jurisdiction necessary for maintaining its corporate status in good standing.
- 6.2 **Not a Merger.** This Agreement does not constitute a merger or consolidation. Each entity remains solely responsible and liable for its respective claims, debts, obligations, and liabilities. Except to the limited extent delegated herein or expressly provided for in other agreements, neither entity hereby succeeds to the rights, interests, powers, privileges, assets, or liabilities of the other.
- 6.3 **No Partnership.** Nothing in this Agreement shall be construed to constitute a partnership between the parties or the creation of a separate entity. Neither the Guild nor CMA-National shall become bound by any representation, act, or omission of the other, not expressly provided for in this Agreement.
- 6.4 **Agreements with Other Organizations.** Nothing in this Agreement shall be construed to preclude CMA-National from entering into agreements similar to this Agreement with other organizations.

7. **Governing Law.** The laws of the Commonwealth of Virginia shall govern the validity of this Agreement, the construction of its terms, and the rights and responsibilities of the parties. It is the intent of the parties to fully comply with all applicable local, state, provincial, federal, and international laws. If any court of competent jurisdiction determines that any provision of this Agreement is not in compliance with applicable statutes, that provision shall immediately be regarded as null and void, and the Agreement shall otherwise continue with the parties cooperating in good faith to modify the Agreement as required so as to most fully accomplish the original goals, objectives, and stated purposes of this Agreement.

8. **Compliance with U.S. Law for Tax-Exempt Organizations.** Both parties, as tax-exempt or charitable organizations under the governing laws of their respective jurisdictions, must abide by certain legal requirements to continue their tax-exempt status in good standing. It is the intent of the parties that their activities under this Agreement fully satisfy these requirements. In the event that counsel for either party determines that subsequent changes in tax law or the actual operations under this Agreement would cause some aspect of this Agreement to interfere with either party’s ability to satisfy these tax-exempt requirements, the parties agree that they will immediately negotiate in good faith to achieve, if at all possible, a modification of the Agreement so as to resolve the problem. If such modification is not possible, this Agreement shall terminate at the election of either party.

9. **Confidentiality.** The parties agree to maintain the confidentiality of all documents and information that the other considers to be confidential, secret, and/or proprietary (“Confidential Information”) received or arising during the term of or in connection with this Agreement. Confidential Information shall include, but not be limited to all financial information, and product and program development information. Upon termination of this Agreement for any reason, each party shall immediately return to the other all Confidential Information of the other, including but not limited to all copies in any form, including electronically stored documents and data, and shall make no further use of such Confidential Information. The parties agree not to disclose the content or the existence of this Agreement except by mutual consent. This provision shall survive termination of this Agreement.
10. **Conflict Resolution.** The parties hereby agree that, if any dispute or controversy arising out of or related to this Agreement and any modifications hereof, or its performance, is not resolved in private meeting, then they will submit the dispute to a private mediator or mediators designated by CMA-National. If mediation has not successfully resolved the dispute within four (4) weeks from the time mediation has commenced, then the dispute may be submitted to arbitration under the rules and procedures of an arbitrator or arbitrators designated by CMA-National, and such arbitration shall be located at a place designated by CMA-National. The parties agree that all actions, disputes, and matters whatsoever arising out of or related to this Agreement submitted to litigation must be brought in and before a court of competent jurisdiction located in Fairfax County in the Commonwealth of Virginia. All actions submitted to arbitration or litigation shall be brought within twelve (12) months of occurrence or discovery, or shall be forever waived. Notwithstanding the foregoing, in the event of actual or threatened violation of the trademark rights of a party, the party may obtain from any court of competent jurisdiction such injunctive relief as may be appropriate to compel compliance with or prevent breach of the party’s trademark rights.
11. **Duplicate Originals and Counterpart Execution.** This Agreement may be executed in duplicate originals and in any number of counterparts with the same effect as if all parties hereto have signed the same document. All counterparts shall be construed together and shall constitute one and the same Agreement.
12. **Entire Agreement.** This Agreement constitutes the entire understanding and agreement between CMA-National and the Guild with respect to its subject matter and may only be amended or modified by a written agreement signed by both parties.
13. **Assignment.** Any attempted or purported assignment or other transfer, or encumbrance of this Agreement by either party without the prior written approval of the other shall be void and of no effect.
14. **Authority.** Each party warrants that this Agreement is authorized by appropriate action of its respective governing board and is not in contravention to any provision in its respective governing documents.
15. **Notices and Payments.** All official notices required to be given hereunder shall be made by personal delivery, by first class mail (postage prepaid), confirmed facsimile, or by overnight delivery with receipt confirmed at the following addresses of the parties or at such other addresses as the parties may from time to time designate by proper written notice. Notices shall be deemed

made on the date of sending for personal or electronic delivery, one (1) day thereafter for overnight delivery, and four (4) days thereafter for first class mailing thereof:

If to CMA-National:

With Copy to:

Attn: Executive Director
Catholic Medical Association
550 Pinetown Rd., Suite 205
Ft. Washington, PA 19034
Email: info@cathmed.org

Stephen H. King
Gammon & Grange, P.C.
1945 Old Gallows Road, Suite 650
Vienna, VA 22182
Email: shk@gg-law.com

If to Guild:

With Copy to:

IN WITNESS WHEREOF, the undersigned have affixed their signatures and seals as of the date set forth in the first paragraph of this Agreement.

Catholic Medical Association National Office Signature

By: _____
President

By: _____
Attest: Executive Director

Guild Name

By: _____
Guild President

By: _____
Attest

Attachment 1: CMA Marks