

AAFD MEMBERSHIP & MANAGEMENT SERVICES POLICY STATEMENT

This declaration sets forth the AAFD's Membership and Management Services for AAFD managed chapters, and constitutes our management services agreement between the (Chapter Name) (hereafter the "Chapter") and American Association of Franchisees & Dealers (AAFD). For good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

1. AAFD will provide membership & management support services to the Chapter as follows:
 - A. Central office for written, telephone or walk-in communication and storage of related business materials.
 - B. Coordinate and administer distribution of information to the membership of up to 2 mailings or fax communications per month.
 - C. Organize and attend meetings of the managed chapters, based upon one physical annual meeting, if it is held in conjunction with the AAFD's Annual Meeting, and four quarterly teleconference meetings.
 - D. Coordinate with committee chair people of the Chapter and provide assistance when requested up to 10 hours per month.
 - E. Coordinate with AAFD and AAFD chapters, and act as liaison. Communicate with the Chapter officers on a regular schedule regarding status of the Chapter business in regard to membership, administrative needs, etc.
 - F. Coordinate and administer membership services including newsletter, member benefits, agenda, goals and objectives.
 - G. Coordinate and administer Membership Recruitment.
 - H. Maintain books of the Chapter and perform bookkeeping functions.
 - I. At the Chapter's option and additional expense, AAFD will provide an exclusive Chapter telephone line and monthly phone services.
2. AAFD will maintain membership information and be responsible for billing and membership fulfillment.
3. AAFD shall provide, in addition to its own office, all personnel, equipment, and facilities needed by it to perform such services and same shall be subject to its exclusive control.
4. Services which are not specifically included are outside the scope of this agreement and are subject to further negotiation between the parties. Unless compensation is otherwise negotiated, additional services will be charged at the following rates:
 - 1) \$30 per hour for database entry;
 - 2) \$45 per hour for administrative services; and
 - 3) \$100 per hour for consulting services.
5. Neither AAFD nor any of its employees shall be considered an employee of the Chapter within the purview of the Workman's Compensation Law, the Social Security Act, or in any other regard. AAFD agrees to indemnify and hold harmless from and against any claim for payment made by any government agency or authority, for withholding income taxes, social security payments, workman's compensation payments or similar payments based on the assertion that any employee of AAFD was an employee of the Chapter.

6. As consideration for services contemplated herein each member of the Chapter shall pay AAFD full national dues, including applicable initiation fees, in the amount set by the AAFD Trustees from time to time. To be entitled to the management services set forth herein, the Chapter shall guarantee payment of minimum dues in the amount of \$6000 per year.

7. AAFD dues covers full AAFD Franchisee membership for each of the Chapter's members. Dues further cover the pro-rated hourly charges of AAFD executive personnel, administrative and secretarial employees. The fee includes the pro-rated building occupancy charge, use of office facilities and basic office equipment, all pro-rated charges of employee hiring, training and retention, all employee benefits, and related heat, light, utilities and other related overhead costs for AAFD. The fee does not include direct costs such as postage, office supplies specific Chapter needs, copies, transportation or lodging, or the like. It does not include the preparation, stuffing, addressing, inserting, and collating of mass mailing, nor does it include the services of other related specialists, such as legal counsel, government relations, advertising or public relations counsel, or specific services such as printing, layout, typesetting, or other contracted for outside services. This fee does not include the expenses related to the Chapter telephone line(s). The Chapter's Board of Directors will assess additional dues to cover these and all other expenses budgeted by the Chapter. AAFD billing and accounting services will include the total of the Chapter's and AAFD's dues.

8. Unless otherwise agreed in writing, all written materials produced by AAFD in the performance of services for the Chapter hereunder shall be the sole property of the Chapter, and the Chapter shall have the sole right to obtain statutory copyright protection for such writings and AAFD shall exercise its best efforts to preserve and protect the right of the Chapter to obtain such copyright protection.

9. This Agreement may not be assigned by either party without prior written approval of the other party. However, AAFD shall have the right to use such of its personnel as it deems appropriate to complete its obligations under this Agreement, providing that the Chapter approves of such personnel.

10. This Agreement shall be for an initial term from the date of this agreement and through September 30th of the year in which this agreement is made, or, of such date is less than nine (9) months, then the following September 30th. Thereafter, this Agreement shall be and continue in full force and effect until terminated by either party on 60 days written notice of intention to terminate.

11. Notices and communications under this Agreement shall be sent by first class, prepaid mail to Association at the address provided by the Association, and to AAFD c/o Robert Purvin, Jr., Trustee, P.O. Box 81887, San Diego, CA 92138-1887. Substitution of the address for service of either party may be made by notice as set forth in this Paragraph 9.

IN WITNESS WHEREOF, Chapter acknowledges the foregoing AAFD Membership and Management Services Policies Statement by their respective representatives who have been duly authorized and have approved this statement as of (DATE).

(Chapter Name)

_____, President

_____, Vice President