



**CHAPTER CHARTER
AGREEMENT**

This Chapter Charter Agreement (this “Agreement”) is made effective as of the ___ day of _____, 200__ (the “Effective Date”) by the Congress for the New Urbanism, a non-profit corporation organized in accordance with the laws of Florida, with offices located at 1720 N St NW Washington DC, 20036 (the “CNU”) and [CHAPTER], with offices located at [ADDRESS] (the “Chapter”).

Recitals

The CNU is a non-profit organization that works with architects, developers, planners, and others involved in the creation of cities and towns, teaching them and the public how to implement the principles of New Urbanism. The CNU owns the marks, trade names, copyrights and similar proprietary materials indicated on Schedule A, attached hereto and incorporated by reference herein (the “CNU Intellectual Property”), as used in connection with the goods and services provided by the CNU. The Chapter is an independently incorporated group that is recognized by the CNU as the affiliated chapter of CNU for the area described in Schedule B (the "Territory"), and as such, is organized to provide and facilitate education, information exchange and collaboration on its and the CNU’s programs within the Territory.

In connection with the Chapter’s affiliation with CNU, the parties have developed and intend to further a relationship to enhance their abilities to fulfill their common purpose of advancing the environmentally, socially responsible and profitable development of real estate in accordance with principles of New Urbanism. As a condition of Chapter affiliation, the parties agreed to confirm their relationship and the Chapter’s status as CNU’s affiliate in the Territory, as well as an arrangement whereby the CNU authorizes the Chapter to use the CNU Intellectual Property. By entering into this Agreement, the CNU hereby grants the Chapter a license to use the CNU Intellectual Property identified in this Agreement, subject to the terms and conditions contained herein.

Agreement

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Grant of License. Subject to the terms and conditions of this Agreement and Schedule A, the CNU hereby grants the Chapter a nonexclusive, royalty-free, non-transferable right and license to use, reproduce, distribute and display the CNU Intellectual Property in connection with its services and activities as a CNU chapter within the Territory. The license granted herein shall automatically and immediately terminate upon the termination of this Agreement, except as expressly provided herein.

2. Limitations. The Chapter shall not carry on any activities that are not in furtherance of and consistent with the charitable and educational purposes of the CNU or the Chapter within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The CNU shall at all times have the right to ensure that the activities of the Chapter are in furtherance of such purposes. Any use hereunder of the CNU Intellectual Property must conform to this Agreement and to the formats

set forth on Schedule A. The CNU Intellectual Property may not be used by the Chapter on any product, service, or in any context in which use of the CNU Intellectual Property could be construed as endorsement of a product, enterprise, project or undertaking other than the ordinary operations of the Chapter without the prior written consent of the CNU. Subject to the provisions in Section 6 of this Agreement, the CNU Intellectual Property may not be modified or supplemented by the Chapter or any agent thereof without the prior written permission of the CNU.

3. The CNU Intellectual Property Acquired Subsequent to the Effective Date. Subsequent to the Effective Date, the CNU may develop or acquire additional intellectual property and/or additional rights in the CNU Intellectual Property. In the sole discretion of the CNU, the additional intellectual property and/or rights may be added to Schedule A, in which event such additional intellectual property and/or rights shall be governed by and licensed in accordance with this Agreement. Notwithstanding the foregoing, new intellectual property or new rights in the CNU Intellectual Property acquired subsequent to the Effective Date, shall not be licensed pursuant to this Agreement unless the parties amend Schedule A to include such intellectual property or rights.
4. Chapter Intellectual Property. Subject in each instance to CNU's prior written consent, not to be unreasonably withheld, the Chapter may develop its own marks or other intellectual property ("Chapter Intellectual Property"); provided that the Chapter Intellectual Property will not, and will not be deemed to, create or constitute a joint or composite mark or derivative work with respect to CNU Intellectual Property.
5. Quality Control. The Chapter agrees that its use of the CNU Intellectual Property shall be consistent with the purposes of its Chapter affiliation and with this Agreement; and the Chapter will undertake its activities and programs in a professional manner and consistent with a view toward promoting the good reputation of itself and CNU, and of New Urbanism generally. The Chapter may not use the CNU Intellectual Property in any manner that would reflect adversely upon the CNU. The CNU shall have the right to exercise control over the quality of the services rendered by the Chapter under the CNU Intellectual Property pursuant to the terms and conditions of this Agreement. The Chapter and the CNU agree to cooperate to promote New Urbanism. Upon written request from the CNU, the Chapter will provide to the CNU a reasonable written description of the services rendered and activities performed by the Chapter under the CNU Intellectual Property and the manner in which the CNU Intellectual Property is used in connection with such services and activities, so that CNU may monitor the quality of the services and otherwise protect and maintain its rights in the CNU Intellectual Property. The CNU shall have the right to visit Chapter facilities to conduct audits of the use of CNU Intellectual Property. Upon CNU's written request, the Chapter shall provide samples of actual advertising, promotional materials, educational, and other materials prepared by or for the Chapter.
6. Rights to Approve Use of the Marks. The Chapter agrees to comply with any requirements established by the CNU with respect to use of its CNU Intellectual Property, including without limitation, requirements relating to the style, format, design, size, and color. Furthermore, the CNU shall have the right to review and approve materials incorporating its CNU Intellectual Property, and the CNU may withhold its approval of the Chapter's advertising, promotional, or educational materials if the CNU reasonably determines that its CNU Intellectual Property is improperly used therein. If the CNU withholds its approval of any materials in or on which its CNU Intellectual Property appears, such materials shall not be used and shall be revised until they are acceptable to the CNU. The Chapter shall have the right to make reprints of the CNU Charter for use in accordance with this Agreement.
7. Noncompetition.
 - a. The Chapter agrees that while this Agreement is in force and for one year after the date of termination of this Agreement, the Chapter shall not directly or indirectly engage in, represent, be employed by, affiliated with, or be connected with any business or activity other than with the CNU to provide training for certification programs or training in connection with any LEED® products within the Territory other than as approved by the CNU. The Chapter agrees that these

restrictions are necessary to protect the CNU's legitimate business interests, and the Chapter agrees that these restrictions will not prevent the Chapter from conducting its legitimate business interests. The foregoing covenant limiting competition as applicable to the Chapter shall not be deemed to be applicable with respect to individual members of the Chapter.

- b. The non-competition obligations the Chapter has under Section 7.a. above shall survive termination of this Agreement regardless of the reason for or method of termination. The Chapter agrees that if the Chapter breaches or threatens to breach the non-competition provision of this Agreement, the CNU's remedies at law may be inadequate, and the CNU shall be entitled to an injunction restraining the Chapter from such breach and threatened breach. Such remedy shall be in addition to all other remedies available at law or in equity. The Chapter shall pay the CNU all CNU's attorney fees incurred in enforcing the CNU's rights under this Agreement.
8. The CNU Intellectual Property Notices. The Chapter agrees that when the CNU Intellectual Property is used in advertising, promotional and educational materials, (i) any registered trademark shall be accompanied by the symbol ® and any trademark that is not registered shall be accompanied by the symbol ™ or ℠, as appropriate depending on whether the trademark is a trademark or service mark; (ii) all copyrighted material shall be accompanied by the following notation in a prominent location – © 1993-2006 Congress for the New Urbanism, Inc. All Right Reserved; and (iii) the phrase "Chapter: [CHAPTER]" shall appear alongside any use of the CNU Intellectual Property.
9. Ownership. The CNU represents and warrants that it has the right to license the Chapter to use the CNU Intellectual Property. The CNU knows of no competing claim or claim of infringement or of any basis for any claim of infringement in connection with the license granted hereunder. The Chapter acknowledges the CNU's exclusive right, title, and interest in and to its CNU Intellectual Property; subject to the license hereunder and possible similar non-exclusive licenses in favor of other CNU affiliates. The Chapter shall not commit, nor knowingly cause any third party to commit, any act challenging, contesting or in any way impairing, or attempting to impair, the CNU's right, title, and interest in and to its CNU Intellectual Property.
10. Infringement by Third Parties. If the Chapter learns of any activity that might constitute an infringement of the CNU's rights in its CNU Intellectual Property, the Chapter shall notify the CNU in writing. The CNU shall have sole discretion to determine whether to bring an infringement claim against any third party whose actions may constitute infringement, and to prosecute or settle such claim at its sole expense, provided that the Chapter shall make all reasonable efforts to cooperate and assist with the prosecution or settlement of any such claim, including providing such evidence and expert assistance as it may have within its control, as requested by the CNU and at the CNU's expense.
11. Defense of the Chapter's Right to Use the CNU Intellectual Property. In the event any third party asserts that any of the CNU Intellectual Property, or the use thereof pursuant to the licenses granted in this Agreement, constitute unauthorized use or infringement, the CNU shall have sole discretion to determine whether to defend or settle any infringement claim asserted by a third party, which claim may result in the Chapter's inability to use the CNU Intellectual Property, or a portion thereof, pursuant to the licenses granted in this Agreement. The Chapter shall make all reasonable efforts to cooperate and assist with the prosecution or settlement of any such claim, including providing such evidence and expert assistance as it may have within its control, as requested by the CNU and at the CNU's expense.
12. Disclaimer of Warranties. Except as expressly provided herein, the CNU Intellectual Property is licensed "as is" without any warranties, express or implied. The CNU specifically does not warrant that use of its CNU Intellectual Property will enable the Chapter hereunder to obtain increased recognition, or that use of the CNU Intellectual Property will not cause any loss, damage, or injury.
13. Indemnification. The CNU and the Chapter will each defend, indemnify, and hold each other and their respective subsidiaries, affiliates, officers, directors, employees, agents, and representatives

harmless from and against, and reimburse them for, all claims, liabilities, losses, damages, or expenses, including reasonable attorneys' fees and costs, resulting from: (i) a material breach of any warranties or representations made in this Agreement by the indemnifying party; (ii) any failure of the indemnifying party to perform its obligations under this agreement; (iii) any negligent, reckless, or willful misconduct by the indemnifying party or its officers, directors, employees, or agents; (iv) any failure of the indemnifying party to comply with any applicable laws, ordinances, or regulations.

14. Limitation of Liability. Except as otherwise expressly provided herein, neither party shall be liable to the other party, or its subsidiaries, affiliates, officers, directors, members, employees, agents, or representatives, for any consequential, special, incidental, indirect, or punitive damages as a result of the breach or alleged breach of this Agreement, or any representation, warranty, covenant or obligation contained herein. However, the Chapter shall be liable to CNU, or its subsidiaries, affiliates, officers, directors, members, employees, agents, or representatives for all infringement by the Chapter, or its subsidiaries, affiliates, officers, directors, members, employees, agents, or representatives of the CNU's rights in its CNU Intellectual Property.
15. Term. The term of this Agreement shall begin on the Effective Date and shall continue until terminated in accordance with the provisions of Section 17 of this Agreement.
16. Compliance with the Policies of the CNU. The Chapter shall comply with the policies of the CNU. The policies of the CNU shall include the policy enacted for the conduct of all members of the CNU, policies enacted specifically for the Chapters, and policies enacted for officers and directors of the Chapters, as the same may be amended from time to time. It shall be the duty of the CNU to advise the Chapter in writing of such policies. Additionally, the Chapter shall not violate federal, state or local laws or engage in activities such as slander or libel that might expose the CNU to liability. The Chapter shall comply with all laws regarding the conduct of activities by a § 501(c) (3) organization as well as all laws regulating lobbying or advocacy. Failure to comply with the terms of this Section 16 shall be grounds for revocation of the Chapter's charter and termination of its status as a chapter of the CNU following any review procedures created by the CNU.
17. Termination. This Agreement may be terminated in accordance with the following terms and conditions.
 - a. Upon Termination of the Chapter Status. This Agreement shall terminate automatically in the event the Chapter's status as a Chapter is revoked by the CNU. Upon termination of this Agreement pursuant to this Section 17(a), the Chapter shall immediately cease developing new advertising, promotional, or educational materials utilizing the CNU Intellectual Property. Furthermore, immediately upon termination of this Agreement pursuant to this Section 17(a), the Chapter shall cease using or distributing any materials utilizing the CNU Intellectual Property, and shall remove the CNU Intellectual Property from any such materials.
 - b. With Cause. The CNU may terminate this Agreement immediately by providing written notice of termination if the Chapter's representations were materially false when made or if the Chapter materially breaches or fails to perform any warranty, obligation, covenant, term, condition, or provision of this Agreement, including the quality control provisions of Section 5, and such breach continues without cure being effected for a period of thirty (30) days after the breaching party receives notice thereof. Upon issuance of a notice of termination pursuant to this Section 17(b), the Chapter shall cease developing new advertising, promotional, or educational materials utilizing the CNU Intellectual Property. Furthermore, immediately upon receipt of a notice of termination pursuant to this Section 17(b), the Chapter shall cease using or distributing any materials utilizing the CNU Intellectual Property, and shall remove the CNU Intellectual Property from any such materials.
18. Notices. Each notice required or permitted to be given under this Agreement shall be in writing and shall be delivered by hand, by registered mail, or by express delivery service, to the addresses indicated at the beginning of this Agreement, or to such other address as a party may designate by

notice hereunder. Notices delivered in accordance with this Section 18 shall be deemed effective on the date sent.

19. Governing Law and Choice of Forum. This Agreement shall be governed by and construed in accordance with the laws of Illinois, without regard to the conflict of laws rules thereof. The parties agree that any action, suit, or proceeding based upon any matter, claim, or controversy arising hereunder or related hereto shall be brought exclusively in the Federal or State Courts located within Illinois. The parties consent to the jurisdiction of such courts, and waive any objections to the jurisdiction or venue of such courts.
20. Relationship of the Parties. The CNU and the Chapter are independent organizations. Neither party nor its respective employees, members or representatives may make any warranties, representations, or covenants or incur any obligations on behalf of the other party.
21. Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, assigns, parents, subsidiaries, or otherwise related or affiliated companies. Notwithstanding the foregoing, the Chapter may not assign this Agreement without the prior written consent of the CNU.
22. Waiver. The failure of either party to insist upon strict performance of any of the terms or provisions of this Agreement, or the exercise of any option, right, or remedy contained herein, shall not be construed as a waiver of any prior, concurrent, or subsequent application of such term, provision, option, right, or remedy, and such term, provision, option, right, or remedy shall continue and remain in full force and effect. No waiver of performance relating to any of the terms or provisions of this Agreement, or the exercise of any option, right, or remedy contained herein, shall be effective unless such waiver is made in writing.
23. Integration. The terms and provisions of this Agreement constitute the entire agreement between the parties with respect to the Chapter's use of the CNU Intellectual Property, and supersede all previous communications, negotiations, proposals, representations, conditions, or agreements, whether written or verbal, relating thereto. Notwithstanding the foregoing, other terms and conditions of the relationship between the parties are governed by the Chapter Agreement between the parties, as identified in the Introduction of this Agreement.
24. Amendment. This Agreement may not be modified or amended except in a writing signed by a duly authorized officer or representative of each party.
25. Severability. If any term or provision of this Agreement is declared unlawful, against public policy or otherwise void or unenforceable in a particular situation, by any judicial or administrative authority, this declaration shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation. Notwithstanding the foregoing, in the event either party determines that a declaration of invalidity or unenforceability adversely affects the ability of this Agreement to capture the original intent of the parties, such party may terminate this Agreement by giving thirty (30) days written notice of termination to the other party.
26. Force Majeure. Neither party will be liable to the other for any failure or delay in performance under this Agreement due to circumstances beyond its reasonable control, including, without limitation, the failure of the other party or any third party to furnish necessary information, sabotage, failures, or delays in transportation or communication, failures or substitutions of equipment, labor disputes, accidents, technical failures, or shortages of labor, fuel, raw materials, or equipment.
27. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall be considered one instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers or representatives to be effective as of the Effective Date.

CONGRESS FOR THE NEW URBANISM, INC.

[CHAPTER]

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: Chapter Chair
Date: _____

By: _____
Name: _____
Title: Chapter Vice Chair
Date: _____

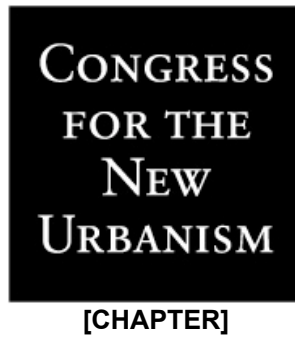
By signing this Agreement on behalf of the Chapter, I acknowledge that I have read and understood the terms of this Agreement and the relationship contemplated by this Agreement, and I sign the Agreement with the intent to legally bind the Chapter by this Agreement.

SCHEDULE A

The CNU Intellectual Property

TRADEMARKS AND TRADE NAMES

1. **Congress for the New Urbanism**
2. **CNU**
3. **[The CNU logo for use ONLY with the Chapter name shown underneath the logo.]**



OTHER MATERIALS

Other materials prepared by CNU or delivered by CNU to the Chapter and identified as CNU Intellectual Property at or before the time of delivery to the Chapter.

SCHEDULE B

The Territory

CHAPTER TERRITORY, LIST STATES OR COUNTIES