



BLUE STAR MOTHERS OF AMERICA, INC.

2024 AFFILIATION AGREEMENT

Effective August 2024

**AFFILIATION AGREEMENT BETWEEN
THE CORPORATE NATIONAL EXECUTIVE BOARD (NEB)
AND
Department/Chapter/Auxiliary**

STATEMENT OF RELATIONSHIP

The Blue Star Mothers of America, Inc. (Corporation) is a Congressionally chartered organization formed for the purposes of supporting America's military, veterans, and their families. Its members are mothers of men and women who are serving or have served in the U.S. Armed Forces.

Every member of the Corporation is a stakeholder in the Corporation. This Agreement is for the benefit of all members, to ensure that all levels of the Corporation work together effectively and efficiently.

National, Departments, Chapters, and Auxiliaries are part of a diverse yet interdependent organization. This document represents the commitment of all levels of the Corporation to approach challenges in a unified and mutually supportive manner, mindful of each other's roles and respectful of each other's strengths. Each level of the Corporation has responsibilities for achieving each component of our mission of support and patriotism and must be held accountable to the **M** members for fulfilling these responsibilities.

1. Definitions

- 1.1 "National" shall mean the Corporation, which is a Congressionally chartered nonprofit Corporation based in Washington, D.C., with Chapters throughout the United States. The executive body at the national level is the NEB, which is charged with carrying out the functions of the Corporation between conventions.
- 1.2 "Department" shall mean the entity based in the State of _____ that is charged with carrying out the Corporation's mission at the state level by working with local Chapters located within its jurisdiction, if such an entity exists.
- 1.3 "Chapter" shall mean the entity charged with carrying out the Corporation's mission at the local level within a geographical area defined in the charter.
- 1.4 "Auxiliary" shall mean the subgroup charged with carrying out the Corporation's mission.

1.5 "Binding Arbitration" shall mean the hearing and determination of a case in controversy by a person (Arbitrator) chosen by National, Department, Chapter or Auxiliary or member/associate, with the resulting decision by the Arbitrator being a final resolution of the controversy.

1.6 "Intellectual Property" shall mean any and all intangible assets that consist of human knowledge and ideas that belong to the Corporation, the use of which is overseen by National. This includes, for example, patents, copyrights, trademarks, logos, and program or project names.

2. Representations of the Parties

2.1 National represents and warrants that it is a corporation validly existing and duly organized under the laws of the District of Columbia.

2.2 Each Party represents and warrants that each has the authority to enter into this Agreement and that each is not a party to any other agreement which prohibits the entering into of this Agreement, or which renders any provision of this Agreement ineffective or unenforceable. This Agreement is not in, and shall not be construed as to, conflict with the Congressional Charter or with any of the Corporation's Governing Documents.

3. Agreements by National

3.1 National shall provide fair and impartial leadership for the entire Corporation.

3.2 National agrees that, to the extent reasonably practical, it shall facilitate and support Department, Chapter and Auxiliary activities consistent with the goals and mission of the Corporation.

3.3 National shall provide guidance, instruction, and training to all Departments, Chapters and Auxiliaries with respect to accounting procedures and financial reporting requirements, the management infrastructure of Departments, Chapters and Auxiliaries as well as the communications infrastructure of the Corporation. This includes providing Departments, Chapters and Auxiliaries with access to the Congressional Charter and the Governing Documents, the National Convention Minutes, the National Financial Policy, the National Leadership Guide, all guidelines prepared by National regarding any official Corporation programs, and any other written policies adopted by the NEB

through the use of modern technology, programs and systems to include the website and information relating to the necessary Federal tax filing documents (990) filed by December 1st, required by the Internal Revenue Service (IRS) each fiscal year.

- 3.4 No single Department, Chapter, Auxiliary or individual shall be given preferential treatment. This may require that a Department, Chapter, Auxiliary or individual may have to put forth a personal effort to work with a chapter or fellow member who does not have the access to the technology utilized to distribute and disburse information and training materials. National shall also provide a free link on the Corporation's website to Department's, Chapter's and Auxiliary's own pages or websites, as well as provide free access to the Corporation's online communication groups. National shall provide a monthly digital newsletter that will be made available to all members. Finally, National shall also provide all members with current contact information of all National Officers and Committee Chairs.
- 3.5 As more specifically detailed below, National grants to Departments, Chapters and Auxiliaries a non-exclusive right to use the trademarks, service marks, logotypes, or other symbols of National, as well as copyrighted material owned by National. Fees must be paid to National in accordance with the Corporation's Code of Conduct.
- 3.6 Provided that Departments, Chapters and Auxiliaries are each in compliance with this Agreement and with applicable provisions of the Internal Revenue Code (IRC) during the term of this Agreement, Departments, Chapters and Auxiliaries are entitled to use the group exemption obtained by National from the IRS. A violation by a Department of this provision shall not affect a Chapter's ability to utilize National's group exemption. Likewise, a violation by a Chapter shall affect only the Chapter's ability to utilize National's group exemption and a violation by an auxiliary shall affect only the Auxiliary's ability to utilize National's group exemption.
- 3.7 National agrees to consistently solicit a broad range of input from Departments, Chapters and members regarding all matters affecting the Corporation and the general membership.

Agreements by Department

- 4.1 A Department agrees to promote the Corporation's mission within its area.

- 4.2 A Department must comply with the Governing Documents and all other policies and guidelines as directed by the NEB (ie., Financial Policy).
- 4.3 A Department agrees to provide National and the Chapters within its jurisdiction with current contact information for all Department officials, including a current mailing address for all Corporation correspondence directed to the Departments.
- 4.4 A Department agrees to provide National, every Chapter and Auxiliary within its jurisdiction with access to the following: Department's Charter and standing rules (if any), the minutes from Department's Convention, and any other policies that the Department adopts. This distribution may be through the use of modern technology, programs, and systems. No single Chapter, Auxiliary or individual shall be given preferential treatment. This may require that a Department, Chapter, Auxiliary or individual may have to put forth a personal effort to work with a chapter or fellow member who does not have the access to the technology utilized to distribute and disburse information and training materials.
- 4.5 A Department agrees to prepare and file all required state registration statements and filings for the state in which it operates to assure its continued status as an affiliated organization under the National's IRC group tax-exemption. Each state has its own submission timelines and documents which are outlined by the state's Attorney General's Office or other state Agencies. It is the responsibility of the Department to identify what filings must be completed along with the filing deadlines. In accordance with the Department's Auxiliary's status in the IRC tax exempt organization, the Department may not participate in or contribute to any political campaign, nor may it engage in any activities that either support or oppose a candidate for public office.
- 4.6 A Department must operate on the same fiscal year as National, which currently runs from September 1st to August 31st.
- 4.7 Each year, for Compliance with National requirements, a Department must submit the following documents by December 1st:
- New Officer Roster with updated Affiliation Agreement signature page
 - Corporate Annual Report
 - EIN Report

- Financial Reports (Profit and Loss Statement, Balance Sheet, copies of all fiscal year end bank statements for all accounts, and bank signer verification)
- Proof of IRS filing or a copy of the tax extension filed (with proof of filing at a date approved by the N4VP)
- Proof of State filings required for non-profits, if applicable
- Receipt for payment of the annual VAVS Fund obligation
- Updated Department information for the National Website

4.8 The parties agree that upon disbandment of a Department, its assets, after settlement of all Department liabilities, shall be transferred to National and the final and necessary Federal/State tax paperwork (990) is filed with the IRS, closing out the Department.

5. Agreements by Chapter

5.1 A Chapter agrees to promote the Corporation's mission within their area as defined in their Chapter Charter.

5.2 A Chapter must comply with the Governing Documents and all other policies and guidelines as directed by the NEB (ie., Financial Policy).

5.3 A Chapter agrees to provide National and Department, **if** applicable, with current contact information, including a current mailing address for all Chapter correspondence.

5.4 A Chapter agrees to provide each member/associate with access to the following documents: Chapter's Charter and standing rules, if any; Department's Charter and standing rules, if any; the Governing Documents, and all correspondence from the NEB, so that all members/associates can be informed and be active participants in the Corporation.

5.5 With the exception of MI33, a Chapter agrees to prepare and file all required state registration statements and filings for the state in which it operates to assure its continued status as an affiliated organization under the National's IRC group tax-exemption. Each state has its own submission timelines and documents which are outlined by the state's Attorney General's Office or other state Agencies. It is the responsibility of the Chapter to identify what filings must be completed along with the filing deadlines. In accordance with the Chapter's status in the IRC tax exempt organization, the Chapter may not participate in or

contribute to any political campaign, nor may it engage in any activities that either support or oppose a candidate for public office.

- 5.6 A Chapter must operate on the same fiscal year as National, which currently runs from September 1st to August 31st unless the Chapter has other IRS documentation to the contrary. This would only apply to those Chapters that have been grandfathered with their own IRC designation (CA101).
- 5.7 Each year, for Compliance with National requirements, a Chapter must submit the following documents by December 1st:
- New Officer Roster with updated Affiliation Agreement signature page
 - Corporate Annual Report
 - EIN Report
 - Financial Reports (Profit and Loss Statement, Balance Sheet, copies of all fiscal year end bank statements for all accounts, and bank signer verification)
 - Proof of IRS filing, or a copy of the tax extension filed (with proof of filing at a date approved by the N4VP)
 - Proof of State filings required for non-profits, if applicable
 - Receipt for payment of the annual VAVS Fund obligation
 - Updated Chapter information for the National Website
- 5.8 The parties agree that upon disbandment of the Chapter, its assets, after settlement of all Chapter liabilities, shall be transferred to the Department, if such an entity exists. If such an entity does not exist, then all Chapter assets shall be transferred to National. The Chapter must file their final 990 with the IRS and any state required documents, closing out the Chapter.

6. Agreements by an Auxiliary

- 6.1 An Auxiliary agrees to promote the Corporation's mission within its area.
- 6.2 An Auxiliary agrees to comply with the Governing Documents and all other policies and guidelines as directed by the NEB (ie., Financial Policy).
- 6.3 An Auxiliary agrees to provide all applicable contact information, including a current mailing address for all Auxiliary correspondence to National and respective Department (if applicable).

- 6.4 An Auxiliary agrees to prepare and file all required state registration statements and filings for the state in which it operates to assure its continued status as an affiliated organization under the National's IRC group tax-exemption. Each state has its own submission timelines and documents which are outlined by the state's Attorney General's Office or other state Agencies, if applicable. It is the responsibility of the Auxiliary to identify what filings must be completed along with the filing deadlines. In accordance with the Auxiliary's status in the IRC tax exempt organization, the Auxiliary may not participate in or contribute to any political campaign, nor may it engage in any activities that either support or oppose a candidate for public office.
- 6.5 An Auxiliary must operate on the same fiscal year as National, which currently runs from September 1st to August 31st.
- 6.6 Each year, for Compliance with National requirements, an Auxiliary must submit the following documents by December 1st :
- New Officer Roster with updated Affiliation Agreement signature page
 - Corporate Annual Report
 - EIN Report
 - Financial Reports (Profit and Loss Statement, Balance Sheet, copies of all fiscal year end bank statements for all accounts, and bank signer verification)
 - Proof of IRS filing or a copy of the tax extension filed (with proof of filing at a date approved by the N4VP)
 - Proof of State filings required for non-profits, if applicable
 - Receipt for payment of the annual VAVS Fund obligation
 - Updated Auxiliary information for the National Website
- 6.7 The parties agree that upon disbandment of the Auxiliary, its assets, after settlement of all Auxiliary liabilities, shall be transferred to the Department, if such an entity exists. If such an entity does not exist, then all Auxiliary assets shall be transferred to National. The Auxiliary must file their final 990 with the IRS, and any state required documents, closing out the Auxiliary.

7. Assets and Liabilities

- 7.1 The parties acknowledge and agree that National maintains the responsibility of protecting the Corporation's name, reputation, and the 501(c)(3) IRC tax-exempt status. Because of this responsibility, National has the right to require a financial audit of a Department, Chapter, or

Auxiliary if the circumstances warrant. Departments, chapters and/or Auxiliaries expressly agree to participate in such an audit and to make whatever records are necessary available to National for this purpose. Refusal to submit the requested is grounds for disbandment.

8. Intellectual Property

- 8.1 All Corporation Intellectual Property is and shall remain at all times the sole and exclusive property of the Corporation.
- 8.2 Intellectual Property shall be overseen by National; Departments, Chapters or Auxiliaries may use the Intellectual Property if, and only if, such use is made pursuant to the terms and conditions of a limited and revocable license and in accordance with the Corporation's Governing Documents. Any failure by a Department, Chapter or Auxiliary to comply with the terms and conditions contained in Section 8, whether willful or negligent, may result in the immediate suspension, or disbandment of the Department, Chapter or Auxiliary by National.
- 8.3 A Department, Chapter or Auxiliary may not alter the official Corporation logo in any way.
- 8.4 Intellectual Property must be used by a Department, Chapter or Auxiliary in a professional manner and solely for official Department, Chapter or Auxiliary related purposes. A Department, Chapter or Auxiliary shall not permit any third party to use the Intellectual Property without prior written approval from National.
- 8.5 In any authorized use by a Department, Chapter or Auxiliary of the Intellectual Property, the Department, Chapter or Auxiliary shall ensure that the applicable trademark and copyright notices are used pursuant to the requirements of the United States law and any other guidelines that National may prescribe.
- 8.6 National reserves the right to request samples of use of the Intellectual Property from which it may determine compliance with these terms and conditions. National also reserves the right to prohibit use of any of the Intellectual Property, as well as to impose other sanctions, if it determines, in its sole discretion, that the Department's, Chapter's or Auxiliary's use of the Intellectual Property is not in accordance with the terms and conditions of this limited and revocable license.

9. Renewal Process

- 9.1 A Department, Chapter or Auxiliary is required to renew this Agreement on an annual basis by submitting the required documentation to National.
- 9.2 If the Department, Chapter or Auxiliary fails to submit all required documentation, the actions described below shall be taken.

10. Suspension and Revocation of Charter; Disbandment

The Charter granted by National to a Department Chapter shall remain in full force and effect until all annual renewal paperwork is due, following the date of this Agreement, unless and until revoked or suspended by National or surrendered by the Department or Chapter in accordance with the provisions of this Agreement.

10.1 Suspension. National, acting through the NEB, may suspend a Department or Chapter's Charter, or an Auxiliary if a majority of the NEB, after an investigation, determines that the Department, Chapter or Auxiliary is not in compliance with this Agreement and the Governing Documents. National agrees to provide the Department, Chapter or Auxiliary with a Notice of Suspension within 15 days of the NEB's decision to suspend the Department, Chapter or Auxiliary. The Notice of Suspension will include a clear description of the actions that the Department, Chapter or Auxiliary must take to remove the suspension.

A Department or Chapter's Charter is subject to suspension if the Department or Chapter has not submitted required annual renewal documentation to National by the due date of December 1st. An Auxiliary may also be suspended if they have not provided the appropriate documentation.

10.2 Revocation. National, acting through the NEB, shall have the authority to revoke the charter of a Department or Chapter for consistent failure to adhere to this Agreement, just as it had the power to grant such charter. Revocation shall occur after the Department or Chapter has been placed on suspension and given reasonable time to remedy the situation and remove the suspension.

Any decision by the NEB to revoke a Department or Chapter's charter shall be initiated by sending notice to a Department or Chapter, specifying the grounds for revocation and giving a Department or Chapter a final chance to remedy the situation and shall specify a clear deadline for such remedy. In the event that the NEB determines, in its sole discretion, that the Department or Chapter has failed to correct the condition listed in the notice of suspension, then the NEB shall notify

the Department or Chapter in writing within 15 days of the NEB's decision to revoke the Charter and shall inform the Department or Chapter of the effective date of the revocation. An Auxiliary may also be revoked if they have failed to correct the condition listed in the notice of suspension.

10.3 Disbandment. The procedures for disbanding a Department, Chapter or Auxiliary are contained in the National Bylaws and must be followed if the Department, Chapter or Auxiliary wishes to disband. The Department, Chapter or Auxiliary must file a final 990 with the IRS, before they are approved to disband.

10.4 Liquidation of Assets.

Under the provisions of this Section, all Department assets, including the balance of all bank accounts, must be transferred to National.

Under the provisions of this Section, all Chapters assets, including the balance of all bank accounts, must be transferred to the Department, if such an entity exists. If such an entity does not exist, then all assets shall be transferred to National.

Under the provisions of this Section, all Auxiliary assets, including the balance of all bank accounts, must be transferred to National, with the exception of state Big Dipper auxiliaries. Those funds would be transferred to the National Big Dipper auxiliary.

If such assets are not transferred to the applicable governing body within 30 days of the date of the revocation of the Charter or disbandment, a late reminder will be sent to the President of the Department, Chapter or Auxiliary.

If such assets are not transferred to the applicable governing body within 60 days of the revocation or disbandment date, then the National President shall call the Department, Chapter or Auxiliary President as a final reminder.

If such assets are still not transferred to the applicable governing body within 90 days of the revocation or disbandment date, then the NEB shall take the necessary legal steps to obtain the Department, Chapter or Auxiliary assets in compliance with the National Governing Documents.

11. Conflict Resolution; Governing Law

11.1 The parties agree that all disputes arising out of, or relating to, the application or interpretation of this Agreement or any provision hereof or any default there under by either party shall be submitted to binding arbitration to be conducted within the District of Columbia.

11.2 The parties agree that binding arbitration is the final resolution of any issue.

11.3 The law governing this Agreement is the law of the District of Columbia.

12. Entire Agreement; Modification

12.1 This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof, superseding all prior negotiations, correspondence, understandings, and agreements, if any, between the parties. All Governing Documents shall be read consistently with this Agreement and to the extent any provisions conflict between and among such Governing Documents and this Agreement, **the Governing Documents** shall control.

12.2 No amendment or modification of this Agreement shall be binding upon the parties unless made in writing and duly executed by all parties.



The individuals signing below hereby represent and warrant that they have read and understand the Agreement, are duly authorized to execute and deliver this Agreement, and this Agreement is binding in accordance with its terms.

FOR DEPARTMENT/CHAPTER/AUXILIARY STATE & # _____

as National President as President

as National 1st Vice President as 1st Vice President

as National 2nd Vice President as 2nd Vice President

as National 3rd Vice President as 3rd Vice President

as National 4th Vice President as 4th Vice President

as National Recording Secretary as Recording Secretary

as National Financial Secretary as Financial Secretary

as National Treasurer as Treasurer

As Department President

DATE

DATE

PLEASE SCAN THE SIGNATURE PAGE ONLY AND UPLOAD WITH THE OFFICER ROSTER

Contact 4vp@bluestarmothers.us for any questions.