

OPERATING AGREEMENT
Between
THE SOCIETY FOR CREATIVE ANACHRONISM, INC.
And
SOCIETY FOR CREATIVE ANACHRONISM UK, CIC

This Operating Agreement (the “**Agreement**”) is entered into between The Society for Creative Anachronism, Inc., a California, U.S.A. not for profit corporation (the “**SCA**”), and Society for Creative Anachronism UK, CIC, a United Kingdom not for profit ‘Community Interest Company’ (the “**Affiliate**”). This Agreement documents the relationship between the SCA and Affiliate and describes the mutual rights and obligations of the parties. This Agreement shall become effective on the date it has been signed by both parties (the “**Effective Date**”).

1. Affiliate’s Territory and Kingdom(s).

- 1.1. **Territory.** Affiliate is the representative legal entity for its members in the following countries (“the **Territory**”): England, Wales, Scotland, Northern Ireland and the Republic of Ireland
- 1.2. **Kingdom.** Affiliate operates within the following geographic region(s), each recognized by the SCA as being within a kingdom (“the **Kingdom**”): Drachenwald

2. Term.

- 2.1. **Term.** This Agreement shall begin upon the Effective Date and will continue unless terminated in writing by either party to the other, given by 1 October of that year. Such termination shall be effective on the next 1 January.
- 2.2. **Review and Re-Adoption.** This agreement shall be subject to review, revision, and re-adoption every three years, upon the request of either party. The effective date of re-adoption shall be 1 January in those years, although any change shall not be effective until ratified at the next meeting of the Board of Directors of the SCA and the governing committee or board of directors (the “**Governing Body**”) of Affiliate.

3. Other Affiliates.

- 3.1. **Inter-Affiliate Operating Agreements.** Affiliate may have separate operating agreements with other affiliates of the SCA. If Affiliate enters into such separate operating agreements, it shall also abide by the operating agreements between such other affiliates and the SCA.
- 3.2. **Precedence of Documents.** The terms and conditions of any operating agreements between Affiliate and other affiliates of the SCA may not conflict with the terms and conditions of this Agreement. In the event any terms or conditions of such operating agreements conflict with the terms and conditions of this Agreement, the terms and conditions of this Agreement shall govern.

4. Financial Arrangements.

- 4.1. **Affiliation Fee.** Affiliate shall pay the SCA an affiliation fee of US\$3.00 per paying member per year.
- 4.2. **Report.** Affiliate shall submit payment to the SCA on an annual basis, no later than January 10th each year and accompanied by a completed report substantially in the form attached as Exhibit A to this Agreement.

5. Administration and Subscriptions.

- 5.1. Administration. Affiliate shall provide its own insurance in a manner appropriate to the requirements of local law. In the event Affiliate and one or more other SCA affiliate(s) share a Kingdom, financial and mailing arrangements for the Kingdom newsletter will be covered by the operating agreement(s) between Affiliate and such other affiliate(s).
- 5.2. Subscriptions.
 - 5.2.1. SCA Publications. The SCA shall handle Affiliate members' subscriptions to any publications of the SCA, including Kingdom newsletters other than for Affiliate's Kingdom. Affiliate members shall deal directly with the SCA Registry Office in Milpitas, CA, USA in ordering any such subscriptions.
 - 5.2.2. Affiliate Publications. Should members of the SCA so desire, they shall have the ability to subscribe to the newsletter of Affiliate's Kingdom or any other publications of Affiliate. Members outside Affiliate's Kingdom shall deal directly with the Affiliate Registry Office in ordering such subscriptions.

6. Membership and Sanctions.

- 6.1. Reciprocal Membership Recognition. The SCA and Affiliate shall mutually recognize each other's members as full participants at events worldwide. Affiliate shall likewise recognize the members of other organizations similarly affiliated with the SCA.
- 6.2. Reciprocal Recognition of Revocations of Membership. All affiliates of the SCA will enter into an operating agreement with the SCA with substantially similar terms and conditions with respect to revocation of membership; therefore, reciprocal recognition of revocations of membership will be required by the SCA, Affiliate and all other SCA affiliates.
 - 6.2.1. Notification. Whenever the SCA, Affiliate or any affiliate organization proclaims such a revocation, it must notify the others of its action so that reciprocity may be assured. The SCA and Affiliate shall each be solely responsible for its own membership administration.
 - 6.2.2. Membership Administration. Membership administration between Affiliate and other SCA affiliates will be handled according to any operating agreement between Affiliate and such other SCA affiliate but shall be wholly separate from the membership administration of the SCA.
- 6.3. Sanctions.
 - 6.3.1. Affiliate Sanctions Policies and Procedures.
 - 6.3.1.1. Sanctions Policies. Affiliate shall implement policies and procedures, in accordance with Corpora, to govern the imposition of sanctions on its membership by Crowns and officers. Such procedures shall include an investigation of the circumstances leading to the sanctions and an appeal process that includes a review by Affiliate's Governing Body to ensure compliance with local law and with Affiliate's sanction policies and procedures.
 - 6.3.1.2. Banishments. The Affiliate's sanctions policies and procedures shall provide that the Affiliate's Governing Body shall automatically review Banishments from the Realm and Absolute Banishments imposed by the Crown of Affiliate's Kingdom(s), to ensure compliance with local law and

procedural correctness in accordance with Affiliate's policies and procedures, as well as Corpora.

- 6.3.1.3. Local Law. At events held under Affiliate's jurisdiction, sanctions shall be effective only to the extent that they are in accordance with local law, even if they have been upheld by the Affiliate's Governing Body.

7. Role of the SCA Board of Directors.

- 7.1. Corpora. The SCA Board of Directors maintains the rules of the Society, as delineated in its governing documents ("**Corpora**"). These rulings shall be in effect in Affiliate's Territory as elsewhere throughout the SCA. Members of Affiliate shall have the same rights and opportunity to comment on proposed changes to Corpora as do members of the SCA. Such proposals shall be sent to the Kingdom Chronicler of Affiliate's Kingdom(s) for publication in that Kingdom's newsletter. Commentary regarding proposed changes to Corpora shall be solicited directly from the Affiliate's Governing Body by the SCA Board of Directors.
- 7.2. Affiliate Rules. The above provision applies specifically to the section of the SCA Governing Documents entitled "*Corpora*". The other two sections of the Governing Documents, entitled "*By-Laws*" and "*Corporate Policies of the SCA*", apply to the SCA only. These are replaced in Affiliate's Territory by the governing rules of Affiliate, as required by local law.

8. Role of the Affiliate Governing Body.

- 8.1. Compliance. Affiliate agrees to abide by the Corpora of the SCA and the SCA Officers' Policies approved by the SCA Board of Directors, as defined in Corpora, in order to be a part of the worldwide family of The Society for Creative Anachronism. The exception shall be the Policies of the Society Exchequer and the Policies of the Society Chronicler, which shall be replaced in Affiliate's Territory by Affiliate's Financial Policies and Publication Policies, which are in accordance with the real-world laws applicable locally. The appropriate Affiliate corporate officer, as determined by Affiliate's Governing Body, will maintain such policies. Copies of these policies will be made available to the SCA Chronicler and the SCA Exchequer for informational purposes.
- 8.2. Notification of Conflict. Should a provision of Corpora or Society Officers' policies prove inapplicable in Affiliate's Territory due to differences between local and U.S. Law, the Affiliate's Governing Body shall bring said provision to the attention of the Board of Directors of the SCA so that an exception may be duly noted or a change to Corpora of the applicable policies may be made, as appropriate.
- 8.3. Local Administration. The Affiliate Governing Body shall be responsible for insurance, maintenance of a current list of all Affiliate members, financial payments to the SCA, assuring the financing of subscriptions to the Affiliate's Kingdom Newsletter, maintenance of the rules of Affiliate, and revocation and denial of memberships in Affiliate.
- 8.4. Changes to Corpora. The Affiliate Governing Body shall comment on proposed changes to Corpora in a timely manner.

9. Officers

- 9.1. All SCA officers shall explicitly solicit comment from the corresponding officers of Affiliate or Affiliate's Kingdom(s), as appropriate, before imposing Society-wide policy decisions.

10. Delegation of Authority.

- 10.1. Delegation of Authority. The Board of Directors of the SCA hereby delegates its authority under Section III (Branches) subsection E (Reservations to the Board) of Corpora to the Governing Body of Affiliate, as follows with respect to the groups within Affiliate's Kingdom(s), all in compliance with Corpora:
 - 10.1.1. To deny recognition to any group, regardless of other criteria met, for just cause, stated in writing to the affected people.
 - 10.1.2. To change the status of any branch to reflect its current qualifications.
 - 10.1.3. To dissolve a branch should it fail to continue to meet the qualifications for a branch of any level, or for other just cause, stated in writing to the affected people.
 - 10.1.4. To authorize a branch or group of branches to experiment with a non-standard class of organization. Any such authorization is specific to the branch obtaining it.
- 10.2. Required Notification. In each of the above events, Affiliate will notify the SCA of such action within 30 days of taking such action.

11. Intellectual Property of the SCA.

- 11.1. Ownership. Affiliate recognizes that the SCA has good and valuable copyrights, trademarks, and other intellectual property. These include, without limitation, copyright on the manuals and other publications of the SCA, including officer manuals, Tournaments Illuminated, Compleat Anachronist, The Known World Handbook, and others. These also include, without limitation, the registered United States trademarks in "SCA" and the organizational logo (Registration Nos. 1,929,145 and 1,962,686), and common-law trademarks in the Kingdom insignia and officer badges.
- 11.2. License. For the duration of this agreement, the SCA grants to Affiliate the right and permission to use these copyrighted materials and trademarks in Affiliate's Territory. Affiliate is required to send one copy of any use of such materials to the SCA, for its records, unless the parties agree otherwise. If any alteration in the materials is required or requested, Affiliate shall submit such request for change, with explanation, to the SCA, or in the case of an officer manual to the appropriate Society Officer, and the recipient shall respond to the request in a timely manner. Affiliate shall not be permitted to license any of the copyrighted materials, trademarks, or other intellectual property of the SCA, without the prior written permission of the SCA.
- 11.3. Effects of Termination. Upon termination of this Agreement or the dissolution of Affiliate, this grant shall terminate. At no time shall ownership of any of the copyrighted materials, trademarks, or other intellectual property of the SCA, be transferred to Affiliate, but always, during the existence of this Agreement and afterwards, shall the ownership of the SCA's intellectual property remain solely in the SCA.

12. Affiliate- / Country-Specific Provisions – not applicable.

13. Miscellaneous.

- 13.1. Limitation on Liability. TO THE EXTENT PERMITTED BY LAW, NEITHER PARTY'S LIABILITY TO THE OTHER PARTY (UNDER BREACH OF CONTRACT, STRICT LIABILITY OR OTHERWISE), IF ANY, FOR ANY DAMAGES RELATING TO THIS AGREEMENT SHALL INCLUDE ANY CONSEQUENTIAL, INCIDENTAL, EXEMPLARY, PUNITIVE, INDIRECT, SPECIAL OR OTHER DAMAGES OF ANY KIND, INCLUDING

LOSS OF PROFITS, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE LIKELIHOOD OF THE OCCURRENCE OF SUCH DAMAGES.

- 13.2. Assignment. Neither party may assign or delegate any of its rights, duties and obligations under this Agreement without the prior express written consent of the other party, which shall not be unreasonably withheld. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties, their respective successors and permitted assigns.
- 13.3. Independent Contractor Relationship. ACS and Customer are independent legal entities, and nothing in this Agreement shall be construed to be deemed to create a relationship of joint ventures, principal and agent, or employer and employee between them. Neither party shall have any authority to enter into contracts or otherwise deal with third parties on behalf of, or as an agent for, the other.
- 13.4. Waiver. Neither party shall be deemed to have waived any breach by the other party of any terms or conditions of this Agreement except by a written waiver expressly so stating. The waiver by either party of any such breach shall not be construed as a waiver of subsequent breaches or as a continuing waiver of such breach.
- 13.5. Severability. If any provision of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall be limited to the maximum extent permissible, and the other provisions of this Agreement shall remain in full force and effect.
- 13.6. Complete Understanding. This Agreement constitutes the final and complete agreement between the parties regarding the subject matter discussed in this Agreement, and supersedes any prior or contemporaneous communications, representations or agreements between the parties relating to the subject matter, whether oral or written. This Agreement may not be amended or modified, except in writing and subject to execution by an authorized agent of each party.

Each of the parties, intending to be legally bound by the terms and conditions contained in this Agreement, have hereby caused this Agreement to be signed by its authorized representative.

**The Society for Creative Anachronism,
Inc.**

By: Paul Lancaster
(Signature)

Name: Paul Lancaster
(Please Print)

Title: Chairman, Board of Directors SCA
Inc.

Date: 11-25-2016

**The Society for Creative Anachroism UK
CIC (Community Interest Company)**

By: Andrew Shiel
(Signature)

Name: Andrew Shiel
(Please Print)

Title: Chairman, Board of Directors SCA UK CIC

Date: 29th November 2016

EXHIBIT A

Affiliation Fee Report

Reporting Period: _____

Affiliate Name: _____

Contact Person

Name _____

Email Address _____

Mailing Address _____

Telephone _____

Amount of Payment _____

Membership Count _____

Payment Method

Wire Transfer SCA will provide banking information upon request

Cashier's Check Made out to The Society for Creative Anachronism, Inc. (U.S. funds only)

Visa or MasterCard Specify type:

Expiration Date _____

Security Number _____

Name on Card _____

Billing Address _____