

## **SWE SECTION AGREEMENT**

THIS SECTION AGREEMENT (the "Agreement"), is made this 25<sup>th</sup> day of September, 2020, by and between the Society of Women Engineers ("SWE" or the "Society"), a District of Columbia nonprofit corporation, and the Section of the Society of Women Engineers (the "Section"), Houston Area.

The Term of this Agreement shall commence on the effective date set forth above and shall continue until revoked by SWE or surrendered by Section, under the terms of the Society Bylaws for revocation and this Agreement for surrender. This Agreement shall be acknowledged annually by individuals with fiduciary responsibility for the Section, at their start of term.

### **I. Grant of Charter to Section.**

SWE will grant to the Section a non-exclusive charter to be a section of SWE upon the completion of the chartering process and approval of the SWE Board of Directors. The charter authorizes the Section to conduct activities that are consistent with the mission and objectives of SWE in accordance with the SWE Code of Conduct. The Section is required to use the name "Society of Women Engineers," "SWE" and logo of SWE as outlined in the SWE Branding Guidelines in connection with authorized Section activities.

### **II. Membership.**

Members shall have the same membership grade in the Section as they have in the Society and voting privileges as specified in the Society Bylaws.

### **III. Obligations of SWE.**

SWE's obligations under this Agreement, as funding and resources allow, include:

- A. Collecting member dues. The Section may receive dues rebates for section members from the Society if the Section is in good standing.
- B. Providing administrative support and operational guidance/direction.
- C. Providing lists of Section members.

### **IV. Obligations of Section.**

Section's obligations under this Agreement shall include:

- A. Corporate and Tax Status. The Section shall operate under one of the following structures:
  1. SWE Subordinate. The Section may request to become a SWE Subordinate after registering with the Internal Revenue Service (IRS) for an Employer Identification Number (EIN). If approved by the Society, the Section will receive a group exemption for federal income tax under the Society 501(c)3 tax exemption. To maintain this status, the section treasurer must file the appropriate forms with the IRS (990-N, 990-EZ, or 990) by November 15<sup>th</sup> of each year.
  2. College or University Subordinate. The Section may choose to utilize their college's or university's financial structure. In this scenario, the college or university will include the Section's income in their tax filings.

3. Independent Section. An independent Section will register with the IRS for an EIN. The Section may independently incorporate and/or seek tax exemption and must file the appropriate forms with the IRS by the appropriate due dates of the Internal Revenue Code.

B. Articles of Incorporation, Bylaws and Other Requirements. “SWE Governing Documents” shall include this Agreement, the Society Bylaws, and the record of Policy and Interpretation. The Section shall have as its purposes those set forth in the SWE Governing Documents and shall conduct its activities at all times in strict accordance with the requirements set forth in the SWE Governing Documents.

Independent and College or University Subordinate Sections may prepare and adopt additional section governing documents. Such section governing documents shall be consistent in all material respects with the SWE Governing Documents. The Society Bylaws take precedence over all other governing documents. The Society reserves the right to audit the section governing documents for consistency with the SWE Governing Documents.

When required by external agencies, SWE Subordinate Sections may request addendums to this Section Agreement. Addendums must first be submitted to, and approved by, the SWE Board of Directors.

C. Compliance with Laws. The Section warrants that it is in full compliance with all applicable laws, regulations and other legal standards that may affect its performance under this Agreement, and shall remain in full compliance with, and otherwise conduct its activities at all times in accordance with, all applicable law, regulations and other legal standards. The Section warrants that it shall make all required filings, such as tax filings that may affect its tax status, as required by applicable law.

D. Tax Exempt Activity Limitations. SWE is prohibited from engaging in certain activities that are specified in the applicable tax laws. For example, SWE as a tax-exempt organization is prohibited from participating in or intervening in any political campaign on behalf of or in opposition to a candidate for public office. The Section shall not engage in activities that are not tax exempt under IRS 501(c)3 and shall seek guidance from SWE in connection with Section activities and the applicability of IRS 501(c)3.

E. Recordkeeping, Reporting and Inspection. The Section may establish and maintain a bank account or accounts and financial records of all income and expenses. The Section shall maintain all records related to its tax-exempt status and shall forward to SWE copies of its section governing documents, as well as any adverse notices or other correspondence received from any governmental agency (e.g., Internal Revenue Service).

F. SWE Reporting. The Section shall maintain appropriate records related to all of its programs, activities and operations. Section shall submit regular reports to SWE, upon request of the Society.

G. Governance. The Section shall be governed by section elected officers in accordance with the Society Bylaws and this Agreement. Any officer with fiduciary responsibility,

including the successor of the president and treasurer, shall be reported to the Society and sign this agreement.

1. Quorum. Unless otherwise required by applicable law, fifteen voting members or thirty percent of the voting members of the Section, whichever is fewer, shall constitute a quorum for the conduct of the business of the Section.
2. Section Officer Duties. Section officers shall serve for a term to coincide with the Society's fiscal year. Officers and officer duties shall be defined and maintained by the Section in their section procedures. At a minimum, these officer positions and duties shall be required of elected section officers:
  - a. The president shall:
    - i. Represent the Section before the public and preside at meetings of the Section and its executive council;
    - ii. Authorize the disbursement of Section funds within the budget approved by the executive council;
    - iii. Be an authorized signatory on all Section accounts;
    - iv. Review and approve the year-end Section financial report;
  - b. The secretary shall:
    - i. Maintain the records of the Section in accordance with the requirements of this Section Agreement.
  - c. The treasurer shall:
    - i. Be responsible for the collection, distribution, and safekeeping of Section funds;
    - ii. Prepare, maintain, and report as directed on the financial position of the Section in relation to the approved budget;
    - iii. Submit a financial report to the Society in accordance with established procedures;
    - iv. Provide financial oversight and guidance to any committee chairs.
3. Nomination and Election. The executive council shall elect a minimum of two members to serve on a nominating committee, one of whom shall be the chair. Members of the nominating committee may not become candidates during their tenure of service on the nominating committee, including write-in candidates. The nominating committee shall propose at least one qualified candidate for each of the officer positions. Additional candidates may be nominated by petition as defined by the section. The voting members of the section shall elect the section officers. A plurality shall elect for each office. Write-in votes for eligible candidates shall be allowed. In the event of a tie, the election for that position shall be determined by lot, conducted by the chair of the nominating committee.
4. Section Vacancies. A vacancy in the office of president shall be filled by the secretary unless otherwise specified in section procedures. A vacancy in any other position shall be filled by election by the executive council.
5. Executive Council
  - a. Composition. The governing body of the section shall be the executive council. The officers of the section shall constitute the executive council.
  - b. Removal. Any officer may be removed for cause by a vote of two-thirds of the

voting members of the section responding to a recall ballot, provided that votes have been received from at least the number of members required for a quorum. Such removal shall be effective immediately upon the recording of such vote. Removal procedures not covered by law or this Agreement shall be developed and approved by the executive council.

6. Committees. The executive council may establish committees as the need arises. Standing committees for the section shall be defined in the Section Procedures.

**V. Intellectual Property and Confidential Information.**

The Section shall adhere to SWE's Policy on Intellectual Property and Confidential Information, and SWE's Branding Policy and Guidelines for use of the SWE Brand and logo.

**VI. Relationship of Parties.**

The relationship of SWE and Section to each other is that of independent contractors. Nothing in this agreement shall create any SWE, joint venture, partnership, or agency relationship of any kind between the parties. Unless expressly agreed to in writing by the parties, neither party is authorized to incur any liability, obligation or expense on behalf of the other, to use the other's monetary credit in conducting any activities under this Agreement, or to represent to any third party that Section is an agent of SWE.

**VII. Indemnification.**

Section shall indemnify, save and hold harmless SWE, its agents, officers, employees, members, and each of them, from and against any and all claims, actions, suits, demands, losses, damages, judgments, settlements, costs and expenses (including reasonable attorneys' fees and expenses), and liabilities of every kind and character whatsoever (a "Claim"), which may arise by reason of (i) any act or omission by the Section or any of its officers, employees, members, or agents; or (ii) the inaccuracy or breach of any of the covenants, representations and warranties made by Section in this Agreement. This indemnity shall require Section to provide payment to SWE of costs and expenses as they occur. SWE shall promptly notify Section upon receipt of any Claim and shall grant to Section the sole conduct of the defense to any Claim. The provisions of this Section shall survive any revocation, surrender or other termination of this Agreement.

**VIII. Miscellaneous.**

- A. Entire Agreement. This Agreement: (i) constitutes the entire agreement between the Section and SWE with respect to the subject matter; (ii) supersedes and replaces all prior agreements, oral and written, between the parties relating to the subject matter; and (iii) may be amended only by a written instrument clearly setting forth the amendment(s) and executed by both parties.
- B. Warranties. Each party covenants, warrants and represents that it shall comply with all laws, regulations and other legal standards applicable to this Agreement, and that it shall exercise due care and act in good faith at all times in performance of its obligations under

this Agreement. The provisions of this Section shall survive any revocation, surrender or other termination of this Agreement.

- C. Waiver. Either party's waiver of, or failure to exercise, any right provided for in this Agreement shall not be deemed a waiver of any further or future right under this Agreement.
- D. Arbitration. Any and all disputes arising under this Agreement shall be subject to mandatory and binding arbitration. Said arbitration shall take place in the State of Illinois. Neither party shall have any right to bring an action relating to this Agreement in a court of law, except insofar as to either enforce or appeal the results of any such arbitration. In any such arbitration, and subsequent court action, the prevailing party shall be entitled to collect its fees and costs associated therewith from the non-prevailing party.
- E. Governing Law. All questions with respect to the construction of this Agreement or the rights and liabilities of the parties shall be determined in accordance with the laws of the District of Columbia. Any legal action taken or to be taken by either party regarding this Agreement or the rights and liabilities of parties shall be brought only before a federal, state, or local court of competent jurisdiction located within the District of Columbia. Each party hereby consents to the jurisdiction of the federal, state, and local courts located within the District of Columbia.
- F. Assignment. This Agreement may not be assigned, or the rights granted transferred or sub-licensed, by either party without the express prior written consent of the other party.
- G. Severability. All provisions of this Agreement are severable. If any provision or portion hereof is determined to be unenforceable in arbitration or by a court of competent jurisdiction, then the remaining portion of the Agreement shall remain in full effect.
- H. Force Majeure. Neither party shall be liable for failure to perform its obligations under this Agreement due to events beyond its reasonable control, including, but not limited to, strikes, riots, wars, fire, acts of God, and acts in compliance with any applicable law, regulation or order (whether valid or invalid) of any governmental body.
- I. Notice. All notices that either party may be required or may desire to send the other in connection with this Agreement shall be in writing and may be sent personally, by certified mail, or by overnight courier, with constructive receipt deemed to have occurred on the date of the mailing, or sending of or of such notice, to the following addresses:

If to SWE: 130 East Randolph St, Suite 3500, Chicago, IL 60601

If to Section, to the address on file from the most current section leadership report.

Signature Page:

FY21 President Signature:  
Title:

DocuSigned by:  
*Mk Spiegelhauer*  
6B57034BF9EF44E...  
FY21 President

FY21 Treasurer Signature:  
Title:

DocuSigned by:  
*Ken Kull*  
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FY21 Treasurer

FY21 Secretary Signature:  
Title:

DocuSigned by:  
*Emily Anne Bautista*  
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FY21 Secretary

First Additional Signature:

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Title:

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Second Additional Signature:

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Title:

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Third Additional Signature:

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Title:

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CC:  
SWE HQ  
SWE Archives  
SWE Bylaws Committee  
FY20 President  
FY20 Treasurer  
FY20 Secretary