

OPERATING AGREEMENT
Between
THE SOCIETY FOR CREATIVE ANACHRONISM, INC.
And
Vereniging voor Creatief Anachronisme

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 Inc.**"), and the Vereniging voor Creatief Anachronisme, a Dutch vereniging (the "**Affiliate**"). This Agreement documents the relationship between the SCA Inc. 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**. The Affiliate is the representative legal entity for its members in the following countries ("the **Territory**"): The Netherlands.

1.2. **Kingdom**. The Affiliate operates within the following geographic region(s), each recognized by the SCA Inc. as a kingdom ("the **Kingdom**"): The Kingdom of 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 or any subsequent 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 readoption every three years, upon the request of either party. The effective date of readoption shall be 1 January in those years, although any change shall not be effective unless ratified at the next meeting of the Board of Directors of the SCA Inc. and the governing committee or board of directors (the "**Governing Body**") of the Affiliate.

3. Other Affiliates

3.1. **Affiliation with other bodies**. Where appropriate the Affiliate may enter into affiliation agreements with bodies other than the SCA Inc. or other affiliates. Such affiliation agreements shall be considered secondary to this agreement and may not contravene this agreement. The Affiliate will notify SCA Inc. of the reason for such an agreement prior to negotiating with the other body.

3.2. **Inter-Affiliate Operating Agreements**. The Affiliate may have separate operating agreements with other affiliates of the SCA. If the Affiliate enters into such separate operating agreements, it shall also abide by the relevant clauses of the operating agreements between such other affiliates and the SCA Inc.

3.3. **Sub Affiliation**. The Affiliate may affiliate subgroups to it where local law requires such sub-affiliations. When such sub-affiliations are formed, Affiliate shall enter into affiliation agreements with such sub-affiliates, which shall be considered secondary to this agreement and may not contravene this agreement. The sub-affiliate agreement must contain a clause stating that the sub-affiliate will abide by the terms of this Agreement. In such circumstances, the SCA, Inc. agrees to abide by the terms of this Agreement with respect to such sub-affiliates.

3.4. **Precedence of Documents**. The terms and conditions of any operating agreements between the Affiliate and other affiliates of the SCA Inc. 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. The Affiliate shall pay the SCA Inc. an affiliation fee of US\$3.00 per adult paying member per year. This does not include any single event memberships. This affiliate fee grants the right to use the intellectual property of SCA Inc. as agreed by this document as well as access to marketing campaigns, training, international newsletters and other services offered from time to time by the SCA Inc.
- 4.2. Affiliation Fee Setting. The affiliation fee shall be reviewed every three years when the Agreement is reviewed and readopted. This review will involve consideration of past and projected expenses
- 4.3. Affiliation fee calculation. The affiliation fee shall be calculated annually as at 31 December based on the number of adult paying members registered on that date.
- 4.4. Report. The Affiliate shall submit payment to the SCA Inc. on an annual basis, no later than August 30 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. The Affiliate shall provide its own insurance in a manner appropriate to the requirements of local law, as applicable. In the event the 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 the Affiliate and such other affiliate(s).

5.2. Subscriptions.

- 5.2.1. SCA Publications. The SCA Inc. shall handle the Affiliate members' subscriptions to any publications of the SCA, Inc. including Kingdom newsletters other than for the Affiliate's Kingdom. Affiliate members shall deal directly with the SCA Inc. Registry Office in Milpitas, CA, USA in ordering any such subscriptions, except where the Affiliate offers a stock clerk service.
- 5.2.2. Affiliate Publications. Should members of the SCA Inc. so desire, they shall have the ability to subscribe to the newsletter of the Affiliate's Kingdom or any other publications of the Affiliate. Members outside the Affiliate's Kingdom shall deal directly with the Affiliate Registry Office in ordering such subscriptions. Publications shall be offered to affiliates at an equivalent rate to SCA Inc. members, except with regards to reasonable increases in postage costs.

6. Membership and Sanctions

- 6.1. Reciprocal Membership Recognition. The SCA Inc. and the Affiliate shall mutually recognize each other's members as full participants at events worldwide. The Affiliate shall likewise recognize the members of other organizations similarly affiliated with the SCA Inc.
- 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, the Affiliate and all other SCA affiliates.

6.2.1. Notification. Whenever the SCA Inc., the 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 Inc. and the Affiliate shall each be solely responsible for its own membership administration.

6.2.2. Membership Administration. Membership administration between the Affiliate and other SCA affiliates will be handled according to any operating agreement between the Affiliate and such other SCA affiliate but shall be wholly separate from the membership administration of the SCA Inc.

6.3. Sanctions.

6.3.1. Affiliate Sanctions Policies and Procedures.

6.3.1.1. Sanctions Policies. The 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 the 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 the Affiliate's Kingdom(s), to ensure compliance with local law and procedural correctness in accordance with the Affiliate's policies and procedures, as well as Corpora.

6.3.1.3. Sanctions on Royalty. Where the Affiliate or a groups of Affiliates encompasses the entirety or a Principality or Kingdom, the board of SCA Inc. delegates to the Affiliate/s the power given in section authority under Section IV (Royals) subsection G10 (Reservations to the Board) and H10 (Reservations to the Board) of Corpora to the Governing Body of the Affiliate/s, as follows with respect to the groups within the Affiliate's Kingdom(s), all in compliance with Corpora: the Affiliate or groups of Affiliates acting in agreement shall have the authority to discipline Royals for actions taken while serving as Sovereign or Consort of the Principality or Kingdom which is covered by the Affiliate/s.

6.3.1.4. Right of Appeal. The Affiliate shall have the right to impose sanctions on its members. Affiliate members shall not have any right to appeal to SCA Inc. regarding sanctions imposed by the Affiliate.

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

7. **Role of the SCA Inc. Board of Directors**

7.1. Corpora. The SCA Inc. Board of Directors maintains the rules of the Society, as delineated in its governing documents ("Corpora"). These rulings shall be in effect in the Affiliate's Territory as elsewhere throughout the SCA Inc. Members of the Affiliate shall have the same rights and opportunity to comment on proposed changes to Corpora, as do members of the SCA Inc. Such proposals shall be sent to the Kingdom Chronicler of the Affiliate's Kingdom(s) for publication in that Kingdom's newsletter.

7.2. Affiliate Rules. The above provision applies specifically to the section of the SCA Inc. 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 Inc. only. These are replaced in the Affiliate's Territory by the governing rules of the Affiliate, as required by local law.

8. Role of the Affiliate Governing Body

8.1. Compliance. The Affiliate agrees to abide by the Corpora of the SCA Inc. and the SCA Officers' Policies approved by the SCA Inc. 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, and policies relating to social media, medical issues and privacy which shall be replaced in the Affiliate's Territory by the Affiliate's Financial Policies, Publication, social media and privacy policies, which are in accordance with the country laws applicable locally. The appropriate Affiliate corporate officer, as determined by the Affiliate's Governing Body, will maintain such policies. Copies of these policies will be made available to the SCA Exchequer, SCA Chronicler, SCA Social Media officer and Society Seneschal for informational purposes.

8.2. 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, Inc. assuring the financing of subscriptions to the Affiliate's Kingdom Newsletter, maintenance of the rules of the Affiliate, and revocation and denial of memberships in the Affiliate.

9. Management of Change

9.1. Consultation Process for Changes to Corpora. The SCA Inc. and Affiliate recognise that ongoing changes to Corpora and Society Officer Policies are necessary in order to ensure the efficient and effective management of the SCA in the Known World. Both the SCA Inc. and Affiliate have a contribution to make in this regard. In order to facilitate effective communications, commentary regarding proposed changes to Corpora shall be solicited directly from the Affiliate's Governing Body by the SCA Inc. Board of Directors. Changes to Corpora where comment was not solicited from the Affiliate's Governing Body by the SCA Inc. Board of Directors or Society Officer as per the provisions outlined below, with a reasonable period for comment and good-faith negotiation about the proposed changes need not be implemented by the Affiliate.

9.1.1. The requirement for consultation must not be treated as perfunctory or a formality. Consultation must be genuine. Sufficient precise information must be provided to the Affiliate to enable the Affiliate to review the proposal, research any potential conflict, and respond to the SCA Inc. with that view. The SCA Inc. Board of Directors, when approving changes to Society Officer Policies, shall confirm that Affiliate has been consulted regarding the changes.

9.1.2. The Affiliate Governing Body shall comment on proposed changes to Corpora in a timely manner.

9.1.3. The SCA Inc. Board of Directors or Society Officer shall consult with the Affiliate Governing Body on proposed changes to Corpora or Society Policies contemporaneously to its consultation with other parties with whom they must consult in order to prepare a proposal for change.

9.1.4. The SCA Inc. Board of Directors shall consult with the Affiliate Governing Body at least 21 days before any proposed Corpora change is made public, excepting in case of an emergency. In case of an emergency, notification must occur immediately, accompanied by an explanation of why emergency action was required.

9.1.5. For the purposes of this document "solicited directly" is defined as communication in writing, preferably via email, from the appropriate SCA Inc. Board of Directors member to the chairperson of the Affiliate Governing Body.

9.2. Notification of Conflict. Should a provision of Corpora or Society Officers' policies prove inapplicable in the 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 Inc. so that an exception may be duly noted or a change to Corpora or the applicable policies may be made, as appropriate.

10. Delegation of Authority

10.1. Delegation of Authority. The SCA, Inc. Board of Directors hereby delegates to the Governing Body of Affiliate, the following authority with respect to groups within the borders of the Kingdoms in the Territory:

10.1.1. To revise the boundaries of any principalities which lie wholly within the boundaries of an Affiliate or within the boundaries of a group of Affiliates all acting in agreement.

10.1.2. To deny recognition to any group, regardless of other criteria met, for just cause, stated in writing to the affected people.

10.1.3. To change the status of any branch to reflect its current qualifications.

10.1.4. 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.

10.1.5. 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. Assertion of Authority. The Affiliate may assert the authority to intervene in branch affairs to protect the legal standing of the Affiliate where a severe threat exists.

10.3. Delegation of Authority. The Board of Directors of the SCA Inc. hereby delegates its authority under Section VIII (Personal Awards and Titles) subsection E (Reservations to the Board) of Corpora to the Governing Body of the Affiliate, as follows with respect to members of the Affiliate, all in compliance with Corpora:

10.3.1. To degrade a person who is a member of the Affiliate from the peerage in accordance with any procedures in kingdom law

10.3.2. To revoke any award or grant of arms from any person who is a member of the Affiliate

10.4. Delegation of Authority. The Board of Directors of the SCA Inc. hereby delegates its authority under Section IV (Royalty) subsection C (Reservations to the Board) of Corpora to the Governing Body of the Affiliate, as follows with respect to the groups within the Affiliate's Kingdom(s), all in compliance with Corpora:

10.4.1. To allow bestowal of a royal peerage on a royal who has not met the requirements for a royal to attend their investiture or preside over the royal lists to select their successor or any other events stipulated by Kingdom law, where extreme and extraordinary circumstances have prevented their attendance.

10.5. Petitions. References in the Society Officer manuals to petitions to the Society Seneschal shall be interpreted as requiring the petition to be directed to the Kingdom Seneschal of the Affiliate where the Affiliate, or a group of Affiliates covers the entirety of the Kingdom.

10.6. Required Notification. In each of the above events, the Affiliate will notify the SCA Inc. of such action within 30 days of taking such action.

11. Intellectual Property of the SCA

- 11.1. Ownership. The Affiliate recognizes that the SCA Inc. 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. Ownership. The SCA Inc. recognizes that the Affiliate has good and valuable copyrights, trademarks and other intellectual property. These include, without limitation, copyright on the manuals and other publications of the Affiliate, including officer manuals, kingdom newsletter and other publications. These also include, without limitation, the Affiliate's common-law trademarks in the Kingdom names, orders, insignia and officer badges and those associated with individual Affiliate members.
- 11.3. License. For the duration of this agreement, the SCA Inc. grants to the Affiliate the right and permission to use these copyrighted materials and trademarks in the Affiliate's Territory.
- 11.4. License. For the duration of this Agreement, the Affiliate grants to the SCA Inc. the right and permission to use the Affiliate's copyrighted materials and trademarks where it is appropriate to do so.
- 11.5. Effects of Termination. Upon termination of this Agreement or the dissolution of the Affiliate, this grant shall terminate. At no time shall ownership of any of the copyrighted materials, trademarks, or other intellectual property of the SCA Inc., be transferred to the Affiliate, but always, during the existence of this Agreement and afterwards, shall the ownership of the SCA Inc.'s intellectual property remain solely in the SCA Inc.
- 11.6. Effects of Termination. Upon termination of this Agreement this grant shall terminate. At no time shall ownership of any of the copyrighted materials, trademarks, or other intellectual property of the Affiliate, be transferred to SCA Inc., but always, during the existence of this Agreement and afterwards, shall the ownership of the Affiliate's intellectual property remain solely in the Affiliate.
- 11.7. Dissolution of the Affiliate. Upon dissolution of the Affiliate, ownership of the Affiliate's intellectual property shall be vested in the successor organization, if any, or the remaining Affiliate in the Kingdom.
- 11.8. Dissolution of the SCA Inc. Upon dissolution of the SCA Inc., the Affiliate shall have the right to use any intellectual property of the SCA Inc. within its boundaries.

12. Affiliate- / Country-Specific Provisions
None.

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. SCA Inc. and the Affiliate 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

(Remainder of page intentionally left blank.)

(Signature page follows.)

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.

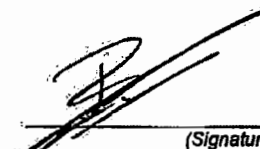
The Society for Creative Anachronism, Inc.

**Vereniging voor Creatief
Anachronisme**

By:


(Signature)

By:


(Signature)

Name:

SCOTT BERK
(Please Print)

Name:

Bart Orbons
(Please Print)

Title:

Chairman

Title:

Voorzitter (chairman)

Date:

10 July 15

Date:

February 10, 2015