AFFILIATION AGREEMENT

OF

ACE MENTOR PROGRAM of (insert name)

THIS AFFILIATION AGREEMENT (this "Agreement” dated this (insert date), is by and between ACE Mentor Program of America, Inc., a Washington, DC nonprofit corporation (“ACE”), and ACE Mentor Program of (insert affiliate name), a (insert affiliate state) nonprofit corporation ("insert affiliate name" or "Affiliate").

RECITALS

WHEREAS, ACE was established to enlighten and motivate students toward architecture, construction, engineering, and related careers; and has developed a program to provide mentoring and scholarship opportunities for future designers and constructors; and

WHEREAS, ACE is national in scope and the success of its national efforts depends upon the adoption by local affiliates of uniform programming and operational standards consistent the with the policies, methods and mentoring program of worthy of ACE; and

WHEREAS, ACE deems it advisable and in its best interest to continue existing affiliates and create new affiliates, including ACE Mentor Program of (insert affiliate name) (the "Affiliate''), in order to further ACE’s mission; and

WHEREAS, ACE Mentor Program of (insert affiliate name) deems it advisable to create an affiliation with ACE in order to pursue ACE’s goals set forth in Exhibit A to this Agreement, as same may be amended from time to time by ACE in its sole discretion (the "ACE Mentor Program Goals") within (insert affiliate name) and will cooperate with ACE in the development, promotion, supervision and administration of ACE’s programs.

**NOW, THEREFORE,** in consideration of the premises and the mutual covenants and agreements contained herein, the sufficiency of which is hereby acknowledged, and intending to be legally bound, the parties hereto do hereby prescribe the terms and conditions of the Affiliation and the mode of carrying the same into effect as follows:

ARTICLE I RESPONSIBILITIES

* 1. ACE Mentor Program of America, Inc. ACE has the responsibility of developing and promoting the ACE program through local affiliates throughout the United States.
  2. Affiliate. The Affiliate will cooperate with in the development, promotion, supervision and administration of the ACE program, maintaining the ACE’s high standards in its own operations. The Affiliate shall be responsible for financing, promoting and operating the ACE program in conformance with the policies and standard practices set forth in this Agreement.

ARTICLE II AFFILIATION

* 1. Formation.
     1. Affiliate. Formation of a corporation as an affiliate of ACE requires ACE’s prior approval. In its sole discretion, ACE determines the standard of approval for the formation of an affiliate.
     2. Territory. Affiliate must define the designated geographic territory in which it plans to conduct its operations. Affiliate must complete the territory schedule substantially in the form attached hereto as Schedule I. In the event of any dispute over the boundaries of any such territory, ACE shall determine such boundaries in its sole and absolute discretion.
     3. Affiliate Chapters. As part of the defined territory for the Affiliate, the Affiliate may establish one or more local chapters. A Chapter shall constitute solely a division or chapter of Affiliate, and no Chapter shall be formed as a separate legal entity. Affiliate shall directly own and control all of the assets, liabilities and operations of its Chapters. ACE, in its sole discretion, determines the standard of approval for the formation of a Chapter.
  2. Organization and Performance.

Organization. Affiliate is responsible for organizing itself as a charitable and educational nonprofit corporation, as it now exists or may hereafter be amended ("Section 50l(c)(3)") under the applicable state and/or Federal laws, including drafting and/or filing the certificate of incorporation, by-laws, resolutions and any other necessary documentation. In addition, except as set forth in Section 2.2(d), below, Affiliate shall make all the necessary Federal, state and local registrations and filings required by a charitable, educational, nonprofit and tax-exempt (under Section 501(c)(3)) corporation, including, without limitation as applicable those registrations and filings set forth in the Corporate Governance Checklist attached hereto as Exhibit B, as same may be amended from time to time by ACE in its sole discretion.

* + 1. Documents. ACE will supply Affiliate with sample formation documents, including a sample certificate of incorporation and bylaws. With the advice of its own local counsel, the Affiliate shall make whatever adaptations are necessary in order to comply with any applicable state and/or local laws, and before filing with the appropriate state incorporation authorities, submit the formation documents to ACE for approval. Affiliate shall expressly provide in its certificate of incorporation that Affiliate shall faithfully observe all of the requirements of this Agreement, as well as the policies and procedures promulgated from time to time by ACE. Affiliate shall not amend its certificate of incorporation or bylaws without the prior written consent of ACE.
    2. Sponsorship. Affiliate must obtain ACE’s written approval prior to entering into any marketing, advertising or sponsorship agreement with a third­party. In addition, Affiliate agrees to be bound by and comply with any sponsorship arrangement or agreement entered into by ACE. Upon execution of this agreement and from time to time thereafter, ACE will notify the Affiliate of any such arrangement or agreement with which the Affiliate must comply.
    3. Tax Exemption Under Section 501(c)(3). ACE has obtained and will maintain a "Group Exemption Letter" from the Internal Revenue Service in order to streamline and simplify the Affiliate's determination of tax-exempt status under Section 50l(c)(3).
    4. Upon completion of the incorporation process, Affiliate shall notify ACE of its incorporation and provide ACE with all of the documents and information necessary to complete the Group Exemption process for Affiliate, including without limitations the Affiliate's execution and delivery of this Agreement. ACE will then take the steps necessary to include the Affiliate as part of the Group Exemption.
  1. Use of Name. If permission to incorporate is granted to the Affiliate, the Affiliate agrees that the official name of the corporation shall be or include the name "ACE Mentor Program of (Insert affiliate name) Inc." (with the name of the Affiliate's state of incorporation placed in the blank space or other appropriate geographic reference, e.g., city or region).
  2. Policies and Procedures. The Affiliate hereby agrees to comply with any and all policies and procedures ACE establishes from time to time in connection with its programming and operations and the Affiliate's ability to remain as an affiliate under this Agreement.
  3. No Power to Bind. Affiliate, including any of its agents or employees, shall not have the authority to bind ACE in any manner, whether legal, financial or other form. Any attempt by Affiliate to enter into any binding legal agreement on behalf of ACE shall be null and void.
  4. Insurance Coverage. ACE will contract and enter into an agreement with an insurance carrier to provide General Liability, Umbrella, Sexual Misconduct and Molestation, and Financial and Professional Liability policies for the ACE Mentor Program of America, Inc., all its affiliates, National boards of directors, the boards of directors of its affiliates who are in good standing in order to protect the interests of itself, contributors, volunteer leaders, mentors, directors, trustees, officers and staff members against law suits and legal claims to the extent covered by such insurance policies. For the purposes of this Section 2.6, "good standing" is defined as being in compliance with the reporting, programming, administrative, financial and compliance goals and requirements set forth in Exhibits A, B and C to this Agreement, as same may be amended from time to time by ACE in its sole discretion, and complying with any additional information requests reasonably requested of the Affiliate by ACE from time to time. The insurance provided through ACE is intended to serve as base coverage; therefore an Affiliate may choose to enter into an agreement with an insurance carrier to provide coverage that is in addition to the coverage provided through ACE under this paragraph, provided that such coverage shall not impair or restrict the coverage provided through ACE. The Affiliate hereby agrees to participate in any insurance policy provided through ACE and provide documents and information as may be necessary to so participate. Affiliate agrees to reimburse ACE for the amount allocated as the Affiliate's share of costs of the insurance premium or any other related expenses.
  5. No Liabilities. Neither of ACE nor the Affiliate is responsible, nor shall

either entity assume responsibility for any liability or obligation of the other.

* 1. Management. In its discretion, ACE has the authority to direct that the Affiliate adopt or cease and desist certain practices as a condition to maintaining the continued status as an Affiliate. It is further agreed that Affiliate is responsible for managing its own affairs and operations in connection with the ACE program. While Affiliate shall cooperate with ACE and other affiliates to achieve, individually and collectively, ACE’s mission and program objectives, each affiliate is formed and operated asan independent entity.
  2. Relationship of Parties. The relationship of the parties hereto during the terms of this Agreement will be that of affiliates and independent contractors. Nothing stated in this Agreement shall be construed as constituting or creating the relationship of franchisor/franchisee between the parties.

ARTICLE III LICENSE

3.1 Grant of License. Upon the terms and conditions hereinafter set forth, subject to the right of ACE to suspend or revoke, should circumstances so warrant, at ACE’s sole discretion:

* + 1. ACE hereby grants to the Affiliate, and the Affiliate hereby accepts, a non-exclusive and non-transferable right, license and privilege to use the names "ACE Mentor" and "ACE Mentor Program," and any other marks owned by ACE (collectively, the "Marks") and any copyrighted materials in which ACE owns the copyright (the "Copyrighted Materials"), solely and only in connection with the Affiliate's participation in the ACE Mentor Program, provided that the Affiliate's program and the manner of its use of the Marks and the Copyrighted Materials each conform to the quality specifications and standards as set forth from time to time by ACE. Affiliate acknowledges that ACE, as owner and licensor of the Marks and the Copyrighted Materials, has the obligation and right to preserve the value of the Marks and the Copyrighted Materials by controlling the nature and quality of the goods and services subject to Section 3.5 Article IV of this Agreement.
    2. Affiliate hereby grants to ACE, and ACE hereby accepts, a non-exclusive and non-transferable right, license and privilege to use and to sublicense to ACE's other affiliates any and all marks and copyrighted materials owned by Affiliate (collectively, the "Affiliate Marks and Copyrights"), solely and only in connection with the Affiliate's participation in the ACE program. ACE acknowledges that Affiliate, as owner and licensor of the Affiliate Marks and Copyrights, has the obligation and right to preserve the value of such Affiliate Marks and Copyrights by controlling the nature and quality of the goods and services subject to Article III of this Agreement.
  1. Warranties and Representations of ACE. ACE warrants and represents that:
     1. it owns and presently is using the Marks and Copyrighted Materials in connection with its mentoring and scholarship program in architecture, construction, engineering, and related careers;
     2. it is not aware of any challenges to its right to so use the Marks and/or Copyrighted Materials;
     3. it has the authority to grant the license granted hereby;
     4. it has no prior claim, and knows of no prior claim by another, to rights concerning the Affiliate Marks and Copyrights for which rights of use are provided by this Agreement; and
     5. it has the capability to discharge effectively its obligations hereunder so as to preserve and enhance Affiliate's goodwill in the Affiliate Marks and Copyrights.
  2. Warrants and Representations of the Affiliate. The Affiliate warrants and represents that:
     1. it owns and is presently using, or will use, the Affiliate Marks and Copyrights in connection with its participation in the ACE program;
     2. it is not aware of any challenges to its right to so use the Affiliate Marks and Copyrights;
     3. it has the authority to grant the license granted hereby;
     4. it has no prior claim, and knows of no prior claim by another, to rights concerning the Marks and Copyrighted Materials for which rights of use are provided by this Agreement; and
     5. it has the capability to discharge effectively its obligations hereunder so as to preserve and enhance ACE's goodwill in the Marks and Copyrighted Materials.
  3. Non-Exclusivity. ACE and Affiliate each shall at all times, without limitation, be free itself to use its own Marks and Copyrighted Materials or its Affiliate Marks and Copyrights, as the case may be, in the state in which the Affiliate was incorporated or elsewhere.
  4. Title Protection of Rights and Indemnification.
     1. ACE Marks and Copyrighted Materials.
        1. The Affiliate recognizes the great value of the goodwill associated with the Marks and Copyrighted Materials and acknowledges that such Marks and Copyrighted Materials and all rights therein and goodwill pertaining thereto, belong and shall continue to belong exclusively to ACE. The Affiliate further agrees that it shall not at any time acquire any rights in the Marks and/or Copyrighted Materials by virtue of its exercise of the rights of use granted under this Agreement.
        2. The Affiliate agrees that it will not during the term of this Agreement, or thereafter, attack the right, title or interest of ACE in and to the Marks and/or Copyrighted Materials.

1. ACE agrees to indemnify the Affiliate and undertakes to hold it harmless against any damages incurred in connection with any copyright, trademark, trade secret or unfair competition claims or suits brought by a third party against Affiliate arising solely out of the use by the Affiliate of the Marks and/or Copyrighted Materials, provided that written notice is given to ACE of any such claim or suit within seven (7) business days of the Affiliate's first notice thereof. ACE shall undertake and conduct a defense of any suit so brought, and shall have sole discretion with regard to any settlement of any such suit or claim, provided any such settlement may not include injunctive relief against the Affiliate without the Affiliate's consent. If the Affiliate alters the Marks and/or Copyrighted Materials and such alteration gives rise to any suit against ACE arising out of copyright, trademark, trade secret or unfair competition claims, the Affiliate agrees to indemnify ACE and hold it harmless against any damages incurred in connection with such use, provided that written notice is given to the Affiliate of any such claim or suit within seven (7) business days of ACE's first notice thereof. The Affiliate shall undertake and conduct a defense of any suit so brought, and shall have sole discretion with regard to any settlement of any such suit or claim, provided any such settlement may not include injunctive relief against ACE without its consent.
2. The Affiliate agrees to assist ACE to the extent necessary to protect any of ACE's rights to the Marks and/or Copyrighted Materials, and ACE, if it so desires, may commence or prosecute any claims or suits in its own name or the name of the Affiliate, or name the Affiliate as a party thereto. The Affiliate shall give written notice to ACE of any infringements, imitations, misappropriation, or misuse by others of the Marks and/or Copyrighted Materials ("Infringements") which may come to the Affiliate's attention within seven (7) business days of the Affiliate's first notice thereof, and ACE shall have the sole right to determine whether any action shall be taken on account of any such Infringements, and to institute and control any suit or take any action which it feels is necessary. The Affiliate shall not institute any suit or take any action on account of any Infringements without first obtaining the written consent of ACE.
   * 1. Affiliate Marks and Copyrights.
        1. ACE recognizes the great value of the goodwill associated with the Affiliate Marks and Copyrights and acknowledges that such Affiliate Marks and Copyrights and all rights therein and goodwill pertaining thereto, belong and shall continue to belong exclusively to Affiliate. ACE further agrees that it shall not at any time acquire any rights in the Affiliate Marks and Copyrights by virtue of its exercise of the rights of use granted under this Agreement.
        2. ACE agrees that it will not during the term of this Agreement, or thereafter, attack the right, title or interest of Affiliate in and to the Affiliate Marks and Copyrights.
        3. Affiliate agrees to indemnify ACE and undertakes to hold it harmless against any damages incurred in connection with any copyright, trademark, trade secret or unfair competition claims or suits brought by a third party against ACE arising solely out of the use by ACE or one of its affiliates of the Affiliate Marks and Copyrights, provided that written notice is given to Affiliate of any such claim or suit within seven (7) business days of ACE's first notice thereof. Affiliate shall undertake and conduct a defense of any suit so brought, and shall have sole discretion with regard to any settlement of any such suit or claim, provided any such settlement may not include injunctive relief against ACE without its consent. If ACE or one its affiliates alters the Affiliate Marks and Copyrights and such alteration gives rise to any suit against Affiliate arising out of copyright, trademark, trade secret or unfair competition claims, ACE agrees to indemnify Affiliate and hold it harmless against any damages incurred in connection with such use, provided that written notice is given to ACE of any such claim or suit within seven (7) business days of Affiliate's first notice thereof. ACE shall undertake and conduct a defense of any suit so brought, and shall have sole discretion with regard to any settlement of any such suit or claim, provided any such settlement may not include injunctive relief against Affiliate without Affiliate's consent.
        4. ACE agrees to assist Affiliate to the extent necessary to protect any of Affiliate's rights to the Affiliate Marks and Copyrights, and Affiliate, if it so desires, may commence or prosecute any claims or suits in its own name, or name the ACE as a party thereto. ACE shall give written notice to Affiliate of any infringements, imitations, misappropriation, or misuse by others of the Affiliate Marks and Copyrights (“Affiliate Infringements") which may come to ACE's attention within seven (7) business days of ACE's first notice thereof, and Affiliate shall have the sole right to determine whether any action shall be taken on account of any such Affiliate Infringements, and to institute and control any suit or take any action which it feels is necessary. ACE shall not institute any suit or take any action on account of any Affiliate Infringements without first obtaining the written consent of Affiliate.

ARTICLE IV TERMINATION

* 1. Termination of Affiliate's Affiliation. If ACE determines, in its sole discretion, that Affiliate has violated or is violating any of the governing provisions of this Agreement (including that set for in sub-paragraph 4.2 below), the Affiliate's certificate of incorporation or the Affiliate's bylaws, and Affiliate fails to cure such violation to ACE's satisfaction within thirty (30) days after receipt of notice of such violation, then ACE, in its sole discretion, may terminate this Agreement, thereby terminating that Affiliate's affiliation with the ACE, terminating the Affiliate's right to use the Marks, Copyrighted Materials and Programs, and requiring that the Affiliate change its name by amending its certificate of incorporation and taking any and all other appropriate actions to effectuate such name change. It is understood and agreed by the Affiliate that if its affiliation with the ACE is terminated, its rights under this Agreement will cease forthwith, including without limitation, the right to use the Marks and Copyrighted Materials, and the Affiliate shall cease any and all participation in, administration of and activities in connection with the ACE program. Affiliate may not terminate this Agreement without the written consent of ACE.
  2. Causes For Termination and Revocation. While the Affiliation is normally approved on a perpetual basis, as stated in Section 4.1 of this Agreement, ACE may terminate an Affiliation in its sole discretion. The following list, although not exclusive and in no way limiting the discretion of ACE to terminate an Affiliation, illustrates some possible reasons for termination:
     1. the Affiliate's failure to reasonably achieve the ACE Mentor Program Goals (as such is defined in Exhibit A to this Agreement, as same may be amended from time to time by ACE in its sole discretion) and/or to operate the Affiliate's program in a manner consistent with ACE’s quality, standards, procedures, programming, and materials;
     2. the Affiliate's failure to make all the necessary Federal, state and local registrations and filings required by a charitable, educational, nonprofit and tax-exempt (under Section 501(c)(3)) corporation, including, without limitation, as applicable, those registrations and filings set forth in the Corporate Governance Checklist attached hereto as Exhibit B to this Agreement as same may be amended by ACE.
     3. the Affiliate's failure to adhere to the terms of this Agreement or the reporting, programming, administrative, financial and compliance requirements set forth on Exhibit C to this Agreement, as same may be amended from time to time by ACE in its sole discretion;
     4. the Affiliate's failure to finance itself properly to the point where the indebtedness reflects unfavorably upon the ACE program and/or any other ACE affiliates, as determined by ACE in its sole discretion; and
     5. any attack on the right, title or interest of ACE in and to the Marks or

Copyrighted Materials by the Affiliate.

* 1. Effect of Termination on License. In connection with the licenses granted under Section 3.1 of this Agreement, upon and after the termination of an Affiliation:
     1. all rights granted to the Affiliate and/of ACE pursuant to Section 3.1 of this Agreement, as the case may be, shall immediately revert to their respective owners, which shall be free to license to other parties the right to use the Marks, Copyrighted Materials and/or Affiliate Marks and Copyrights, as the case may be; and
     2. the Affiliate and/or ACE, as the case may be, shall immediately discontinue all uses of the Marks and/or Copyrighted Materials, or the Affiliate Marks and Copyrights, as the case may be, and the Affiliate shall promptly change its corporate name to eliminate the use of any Marks and/or Copyrighted Materials in such name.
  2. Curtailment or Dissolution.
     1. Notice. If at any time Affiliate anticipates the curtailment or dissolution of its operations and proramming, it shall send a written notice to ACE immediately, but in any event at least forty-five (45) days before the contemplated termination of such Affiliate's activities, seeking ACE's consent to same, which consent shall not be unreasonably withheld.
     2. Winding Up; Return of Materials: Conveyance of Net Assets. Unless otherwise notified by ACE, upon the dissolution of Affiliate or the termination of this Affiliation Agreement, the Affiliate shall promptly:
        1. wind up its affairs;
        2. return any remaining ACE program materials to ACE; and
        3. In the event of a liquidation, dissolution, termination, or winding up of the Corporation, whether voluntary, involuntary or by operation of law, the Board of Directors shall, after provision of all liabilities, distribute any remaining assets or property of the Corporation for one or more exempt purposes within the meaning of Code section 501(c)(3) to such organization or organizations then located in the United States and qualified under Code section 501(c)(3), or to a state or local government for a public purpose, as the Board of Directors  shall deem appropriate. Any such assets not so disposed of shall be disposed of by the appropriate Court of the District of Columbia, exclusively for such purposes or to such organization or organizations as such Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE V REPORTING REQUIREMENTS

* 1. Reporting and Compliance Requirements. Affiliate agrees to comply with the Reporting and Compliance Requirements set forth in Exhibit C to this Agreement, as same may be amended from time to time by ACE in its sole discretion.
  2. Additional Information. The Affiliate agrees to fully participate in any surveys, questionnaires or other information gathering projects that may be conducted by ACE from time to time for propose of developing, evaluating and revising the ACE program. Any information gathered may be used by ACE to maintain records as a source for ACE’s statistical data.
  3. Privacy Statement Material and information received by ACE and any of its Affiliates are not shared, sold, or otherwise disseminated to other parties, except as approved by those involved or by law.

ARTICLE VI AMENDMENTS

6.1 Except for such sections of, and exhibits to, this Agreement as may, by their terms, be amended by ACE from time to time, this Agreement may not be amended except with the consent of all of the parties. All amendments made in accordance with this Article VI shall be evidenced by a writing executed by all of the parties.

ARTICLE VII ASSIGNABILITY OF AGREEMENT

7.1 This Agreement may not be assigned by Affiliate, whether to a third-party or another affiliate, and Affiliate may not delegate its duties hereunder without the prior written consent of ACE. The provisions hereof shall be binding upon and inure to the benefit of the parties, their successors and permitted assigns.

ARTICLE VIII MISCELLANEOUS

* 1. Notices. All notices required to be given hereunder shall be given in writing, signed by the party giving said notice or by its attorney or other agent, and shall be hand­ delivered against receipt or sent by certified mail, return receipt requested, or by a recognized overnight mail delivery service providing receipt against delivery, to the persons at the addresses listed below, and shall be deemed effective upon the earlier of receipt or forty-eight (48) hours after delivery.

ACE Mentor Program of America, Inc.

1501 Cherry Street

Philadelphia, PA 19102

Attn: Diana Eidenshink

ACE Mentor (insert affiliate name):

(insert affiliate mailing address)

Attn: (insert chairman of the board)

Any party may change the address at which to send notices by notifying the other party of such change of address in writing in accordance with the foregoing.

* 1. Captions. The titles of headings to the paragraphs of this Agreement are not a part hereof and shall have no effect on the construction or interpretation of any of the terms and provisions contained herein.
  2. Washington, DC Law. This Agreement and all rights, duties and obligations hereunder shall be construed and interpreted in accordance with the internal laws (not the choice of law) of the District of Columbia. Each party hereto agrees to accept and submit to the jurisdiction of the courts of the District of Columbia.
  3. Arbitration. Any controversy or claim arising out of or related to this Affiliation Agreement or the formation, breach or interpretation hereof, will be settled by arbitration before a panel of three (3) arbitrators in the District of Columbia, in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Decisions by the arbitrators shall be final and binding and judgment upon the award rendered by the arbitrators may be entered and enforced in any court having jurisdiction thereof. Any and all expenses of the party prevailing in the arbitration shall be reimbursed to the prevailing party by the non-prevailing party, and such payment obligation shall be enforceable as part of any such judgment.

8.5 No Third-Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of each party hereto and its respective successors or permitted assigns, and it is not the intention of the parties to confer third-party beneficiary rights upon any other person, other than any person entitled to indemnity hereunder.

IN WITNESS WHEREOF, this Agreement has been executed on the day and year first above written.

**ACE Mentor Program of America, Inc.**

Signature:

Name:

Title:

**ACE Mentor Program of (insert affiliate name)**

Signature:

Name:

Title:

**SCHEDULE I**

**Affiliate Name:** ACE Mentor Program of (insert affiliate name)

**Affiliate Territory:**

**EXHIBIT A**

**ACE MENTOR PROGRAM GOALS**

Be guided by ACE’S Mission Statement:

To engage, excite and enlighten high school students through mentoring and internships to pursue a career in architecture, engineering and construction.

Goals:

1. Help create a large, diverse, and better-prepared workforce for the design and construction industry.
2. Assist and guide students as they proceed along their pathways to opportunities related to the design and construction industry.
3. Create teams comprised of high school students and mentor professionals from the fields of architecture, construction management, engineering and construction-related occupations.
4. Hold approximately 15 hands-on sessions lasting 30-40 hours during the year with students and mentors to introduce and familiarize the students with the mentors’ professional work.
5. Complete a team project, which should be realistic and capable of completion within the timeframe of the scheduled team meetings.
6. Organize a “final presentation” event as the program’s culminating activity.
7. Provide opportunities for students to learn more about attending college or trades program, admissions requirements and financial aid opportunities.
8. Organize “field trips” to professional offices and job sites to give students an opportunity to observe and explore the real world of design and construction.
9. Conduct fundraising to provide resources for scholarships and the Affiliate’s operation.
10. When possible, provide students the opportunity to apply for a scholarship. A committee of mentors should review applications and select scholarship winners.
11. Track student attendance and participation in the program.
12. Offer students the opportunity to participate in internship programs with participating firms.
13. Keep track of graduates of the program as they progress toward their goals of becoming architects, construction managers, or engineers through the alumni database.

**EXHIBIT B**

**Corporate Governance CHECKLIST[[1]](#footnote-1)**

**A. Incorporation**

1. **Certificate of Incorporation and Bylaws.** The Affiliate shall incorporate as a

non-profit corporation under the laws of the state where it will operate, by filing a Certificate of Incorporation (or other similar document) as may be required by such laws. In addition, the Affiliate’s board of directors/trustees shall adopt Bylaws governing its operation. The Affiliate shall use the sample documents provided by ACE as a model for drafting these documents, with modifications as required under the applicable state’s laws.

2. **Organizational Resolutions.** After the Articles of Incorporation have been filed and the Bylaws created, the Organizational Resolutions completes the organization of the Affiliate by appointing the officers, and adopting a fiscal year end of January 1 to December 31, among other decisions.

3. **Corporate Record Keeping.** The Affiliate shall adopt a corporate record- keeping system, which includes but is not limited to recording and retaining Board and Committee meeting minutes and resolutions, bookkeeping and financial records, procedural documentation, and other relevant records.

**B. Federal Filing Requirements**

1. Tax Exemption Under IRC Section 501(c)(3) – Group Exemption. ACE Mentor

Program of America, Inc. (ACE) has a Group Exemption Letter from the IRS

under which a determination is issued to ACE recognizing on a group basis ACE’s and its Affiliates’ exemption from Federal income tax under IRC Section 501(c)(3). By participating in the Group Exemption Letter, the Affiliate does not have to file a separate Form 1023 (Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code).

a. In order for ACE to comply with the IRS requirements for the Affiliate to be included in the Group Exemption, the Affiliate shall provide ACE with the following:

(1) A copy of the fully executed Affiliation Agreement between the

Affiliate and ACE;

(2) A copy of its Certificate of Incorporation as filed, and Bylaws, as adopted;

(3) A signed statement that the Affiliate requests to be included in the

Group Exemption; and

(4) The Affiliate’s mailing address and Employment Identification Number (EIN).

1. **Form SS-4, Application for Employer Identification Number.**

The Affiliate shall obtain a Federal Employer Identification Number (EIN) by completing and filing a Form SS-4 (Application for Employer Identification Number) or filing online directly with the IRS.

3. **Form 990 Series, Return of Organization Exempt from Income Tax.**

1. Due Date: The Affiliate shall complete and file the applicable Form 990

Series with the IRS no later than the 15th day of the 5th month after the Affiliate’s fiscal year ends, or if an extension of time to file has been obtained, by such extended date approved by the IRS.

b. The Affiliate shall send a copy of its applicable Form 990 Series to ACE within thirty (30) days of filing with the IRS.

4. **Employment Tax Forms.**

If the Affiliate has employees, it shall file the required Federal employment tax forms, e.g. Forms 941, W-2, W-3, and W-2P, if applicable, by the appropriate deadline.

5. **Form 1099-MISC.**

a. The Affiliate shall file a Form 1099-MISC, Miscellaneous Income,

with the IRS for each person or entity to whom the Affiliate has paid $600 or more for consulting or other services.

b. Due Dates: Form 1099-MISC must be furnished to the recipient of

such forms no later than January 31 of each year for the prior calendar year. Form 1099-MISC must be filed with the IRS no later than February 28 of each year for the prior calendar year.

**C. State and Local Filing Requirements**

1. **Charities Fund Raising Registration and Annual Filing.** The Affiliate should

determine whether its state’s laws require it to register and/or file annual forms because it is “charitable” and/or conducts fund raising activities, e.g. with the state’s Attorney General’s Office, and if so, comply with such requirements.

2. **State Tax Registration and Annual Filings.**

a. If applicable, the Affiliate should determine whether its state’s laws require it to file forms in order to obtain sales tax exemption, which exempts the Affiliate from having to pay sales tax on purchases.

b. The Affiliate should determine whether its state’s laws contain an

annual tax return filing requirement, and if so, comply with such requirements.

3. **Periodic Report Filing Form for Nonprofit Corporations.** The Affiliate

should determine whether its state’s laws require it as a non-profit to periodically update its records with the state, and if so, comply with such requirements.

4. **Employment Forms.** If the Affiliate has paid employees, it shall file the

applicable required state employment-related forms, by the appropriate deadline.

5. **Real Property Tax Exemption.** If the Affiliate owns real property (i.e., computers, furniture, etc.), the Affiliate should determine whether its state’s laws require it to file real personal property tax forms, and if so, comply with such requirements.

**D. Other**

1. Pursuant to IRC Section 6104(d), the Affiliate must make available for inspection

by the general public copies of its three most recently filed Forms 990, and if filed, Forms 1023 and other related documents. In addition, the Affiliate is required to provide copies of such documents to anyone who requests them (a “reason” is not required for making such request). The Affiliate, however, may exclude from these disclosures the list of contributors that is otherwise included as part of Form 990.

2. IRS Publication 1771 (Rev. 11-93) requires that the Affiliate provide receipts in

certain circumstances to persons making charitable contributions to the Affiliate.

**EXHIBIT C**

**REPORTING AND COMPLIANCE REQUIREMENTS**

Affiliates must observe the following requirements in order to comply with Federal and state laws and ACE’s policies.

**A. Start-up Documents**

Before an Affiliate can begin operation, it must file the following documents with the ACE national office:

* Signed Affiliate Agreement
* Articles of Incorporation, which must also be filed with the appropriate state office
* Affiliate By-laws
* Membership list of board of directors
* Copy of charitable organization registration, if required by affiliate’s state (see paragraph C below).

**B. Financial Statements**

Within thirty (30) days after filing the IRS Form 990, 990-EZ, or 990-N tax return with the IRS, affiliates must email PDF copies of the following financial statements for the entire fiscal year to the affiliate’s Regional Director:

* IRS Form 990, 990-EZ, or 990-N confirmation
* Final Fiscal Year End Balance Sheet
* Final Fiscal Year End Profit & Loss (also called P&L, Income Statement, or Statement of Activities)

If a state requires an affiliate to file an income tax report, a PDF copy of this report should be sent to the affiliate’s Regional Director.

If an affiliate undertakes an audit by an external accounting firm, a PDF copy of this report should be sent to the affiliate’s Regional Director.

**C. Charitable Organization Registration**

Most states require a non-profit organization to register with the state agency that regulates charitable organizations and charitable solicitations (usually the Attorney General). Some states require an annual renewal of the filing.

**D. Background Check**

All adult volunteers/mentors working with students, all paid staff persons working for ACE and any of its affiliates, and any individual who has access to the ACE database must undergo a background check every three years (36 months). Prior to serving as a volunteer, mentor, or paid staff person, every individual must be recorded as “approved” in the ACE database.

Guest speakers and mentors who come in direct contact with students less than 20% of the overall program (two meetings) do not need an approved background check. However, the guest speaker/mentor must have an approved active mentor or teacher with them when in contact with students.

**E. Parental Consent**

All students must have a signed parental consent form in order to attend ACE meetings.

Affiliates should keep copies of all signed parental consent forms for the current year in a readily accessible file. In addition, the Lead Mentor should keep a copy of the parental consent form on-site during all ACE program sessions.

A PDF copy of all forms must be retained by the Affiliate and provided to ACE, when requested. In addition, annually each Affiliate shall provide written certification to ACE confirming that, to the best of the Affiliate's knowledge and belief, it has implemented procedures necessary to ensure that such parental consents are received from all students and that the Affiliate has retained on file copies of parental consents from all students and will make them available upon request.

**F.****Database**

Every affiliate is responsible to properly register all students, mentors, staff, and board members in the national database.

**G. Program Report**

At the end of each program year, affiliates must complete a program report distributed by the ACE national office.

H.  **Reimbursement of Fees**

To remain in good standing, affiliates must fully reimburse ACE National in a timely fashion for their portion of insurance premiums advanced by ACE National, the cost of volunteer/staff background checks, and an administrative fee.

1. Affiliates shall comply with all Federal and state registration and filing requirements applicable to charitable and educational nonprofit corporation tax-exempt under Internal Revenue Code Section 501(c)(3). What follows is a list of items believed to be a starting point in this regard, but it is an Affiliate’s responsibility to determine all of the requirements applicable to it and to comply with them. [↑](#footnote-ref-1)