

SUSAN G. KOMEN FOR THE CURE
AFFILIATE POLICIES

I. Definitions

As used in this document, the following terms have the meanings set forth below:

An “Affiliate” is a separately incorporated non-profit corporation located in the United States that has entered into a duly executed Affiliation Agreement with Headquarters and is charged with the sole purpose of furthering the Promise of the Komen Organization in a specific Service Area (defined below).

The “Komen Branding Guidelines” means the quality control, branding and standard trademark guidelines and terms of use adopted by Headquarters with respect to the Komen Organization’s Marks and/or the Komen Organization’s Copyrighted Materials, as may be amended from time to time by Headquarters in its sole discretion.

The “Komen Organization” means Headquarters and all Affiliates collectively.

The “Komen Organization’s Copyrighted Materials” means all copyright in and associated with all materials, including without limitation, information text, photographs, illustrations, artwork, software, music, sound graphics, audio/visual works, video, books, promotional or advertising copy, brochures, articles, documents or other materials, whether publicly posted or privately transmitted, whether registered or not, owned or licensed by Headquarters, and all translations, adaptations, editions, excerpts or derivative works thereof.

The “Komen Organization’s Marks” shall mean the trade names, service marks, trademarks, logotypes, symbols, Internet domain names and other indicia of source, whether registered or not, owned by Headquarters, including, without limitation, any trademark or service mark that contains the words “for the Cure”, “for a Cure”, “Imagine”, “Promise” and/or “Komen”, except that for purposes of these Affiliate Policies, such term shall not include the Komen Race for the Cure® service marks.

“Headquarters” means The Susan G. Komen Breast Cancer Foundation, Inc. d/b/a Susan G. Komen for the Cure, a Texas non-profit corporation, that is duly qualified as a tax-exempt organization under Internal Revenue Code § 501(c)(3).

The “Service Area” shall mean the specific geographic region, as defined in the Affiliation Agreement, within which the Affiliate will conduct all its programs, activities, fund raising, grants and operations.

II. Purpose

These Affiliate Policies have been established, and are necessary, to protect and preserve certain of the Komen Organization's most valuable assets – the Komen Organization name, reputation, goodwill, trademarks, copyrights and other intellectual property, as well as its qualification as a tax-exempt organization. The Affiliation Agreement, which incorporates these Affiliate Policies by reference, is a binding contract between Headquarters and each Affiliate that sets forth their respective duties and obligations. While a number of the individual policies set forth below are addressed in greater detail in the Affiliation Agreement, the intent of these Affiliate Policies is to provide a clear and concise summary of the major policies regarding Affiliate operations and activities in an easily-referenced resource and to promote operational excellence and consistency throughout the Komen Organization.

III. General

[A] The Promise

The Komen Organization was founded on the promise to end breast cancer forever (“Promise”), that is, to save lives and end breast cancer forever by empowering people, ensuring quality care for all and energizing science to find the cures. Each Affiliate agrees to promote the Komen Organization's Promise within its Service Area and agrees to support and promote the strategic initiatives of the Komen Organization. All activities of the Komen Organization shall be consistent with its qualification as a tax-exempt organization.

[B] Statement of Voluntarism

The Komen Organization is a grassroots, volunteer-oriented organization committed to reaching into all areas of the communities it serves for volunteers and volunteer leadership. We honor voluntarism and foster the spirit to serve by the lives that we touch.

[C] Statement of Inclusiveness

A diverse group of dedicated volunteers and staff who are representative of their community is essential to fulfilling the Komen Organization's Promise. In order to achieve its goals, it is imperative that each Affiliate be an inclusive organization that reaches into all segments of the community with its programs, leadership and volunteers and recognizes the unique contribution each person may make to the fight against breast cancer. Inclusion welcomes and respects the variety in personalities, talents, viewpoints, values, and life experiences that define humanity. It allows people to move freely, think openly, speak candidly and reach confidently toward their goals. Inclusion is open, supportive and encouraging of everyone, regardless of age, gender, gender identity, genetic, racial or religious background, language, income or educational level, appearance, physical challenged or sexual orientation. Each Affiliate shall seek to maintain a broad, diverse and inclusive volunteer base and constituency representative of its Service Area.

[D] Statement of Nondiscrimination

The Komen Organization shall design and conduct its operations without regard to race, ethnicity, color, religion, national origin, gender, age, sexual orientation, genetics, disability or any other non-merit criteria, except that certain education, diagnostic, treatment or other mission programs may, for valid scientific or medical reasons, focus on specific segments of the population.

[E] Core Values Statement

The Komen Organization shall, at all times, uphold and maintain its guiding principles, which are set forth below:

Inclusion	to embrace the uniqueness of every individual
Stewardship	to be accountable for our performance, individually and collectively
Honesty	to foster a community of trust and integrity
Openness	to seek out new ideas and new ways of thinking
Passion	to demonstrate personal commitment to our Promise
Empowerment	to entrust others and hold yourself accountable

[F] Headquarters Support

Headquarters will provide, to the extent that it is reasonably practical, assistance, direction, guidance, resources and training to Affiliates to facilitate and support the Komen Organization's mission and the Affiliates' compliance with the responsibilities and obligations set forth herein and in the Affiliation Agreement. The primary Headquarters contact for each Affiliate shall be its designated Affiliate Relationship Manager and all Affiliate inquiries and communications should be directed to such Affiliate Relationship Manager.

IV. Affiliate Responsibilities and Obligations

[A] Authority to Bind Headquarters

No Affiliate has the authority to bind, and shall not bind, Headquarters or any other Affiliate to any contract or agreement at any time.

[B] Service Area

Each Affiliate shall assume responsibility for furthering the Komen Organization's Promise within its Service Area and shall conduct its programs, activities, grants, fund raising and operations exclusively within the boundaries of the Service Area except as provided in the Service Area Policy and shall endeavor to do so throughout the entire Service Area. For administrative convenience, an Affiliate may sub-divide its Service Area; however, any such subdivisions will not be considered separate Affiliates and must be under the direct supervision and control of the Affiliate. An Affiliate may conduct business in selected areas outside of its Service Area in accordance with the Service Area Policy, but may not otherwise amend or expand its Service Area or offer programs or raise funds outside of its Service Area without first (1) submitting an application to its Affiliate Relationship Manager setting forth, in detail, the reasons for such amendment or expansion and the proposed new boundaries and (2) obtaining prior written approval from Headquarters.

[C] Compliance with Applicable Law

The Affiliate and each officer, director, employee, committee chair, volunteer, agent and representative of the Affiliate shall comply with all applicable local, state, and federal laws. Every Affiliate officer, director, employee, committee chair, volunteer, agent and representative shall also strive to avoid the appearance of impropriety or professional or criminal misconduct.

[D] Tax Exemption

Each Affiliate shall conduct all of its activities and operations in such a manner as to qualify, at all times, (1) as an organization exempt from federal taxation under Internal Revenue Code Section 501(c)(3) and (2) as a "subordinate" organization of Headquarters, as defined for Internal Revenue Code purposes, eligible to be included as part of Headquarters' group tax exemption under Headquarters' group exemption ruling and to file under Headquarters' group tax return. Provided an Affiliate is in compliance with these Affiliate Policies, the Affiliation Agreement and such other requirements as may be imposed by law, it shall be entitled to use the group tax exemption granted to Headquarters by the United States Internal Revenue Service.

[E] Bylaws and Articles of Incorporation/Officers and Directors

Each Affiliate agrees to adopt Articles (or a Certificate) of Incorporation and Bylaws consistent with Headquarters' promulgated models and to govern itself in accordance with those documents. Each Affiliate shall have on file with Headquarters a copy of its then current Articles (or Certificate) of Incorporation and Bylaws at all times. Headquarters must approve in writing any amendment to an Affiliate's Articles (or Certificate) of Incorporation or Bylaws. Each Affiliate shall at all times maintain its Articles (or Certificate) of Incorporation in good standing with the Secretary of State (or other issuing agency) in Affiliate's state of incorporation. Each Affiliate shall also maintain a Certificate of Authority to Conduct Business (or state equivalent) in each state covered by the Affiliate's Service Area.

Each Affiliate shall provide Headquarters with a current list of its directors and officers within thirty (30) days after the annual meeting of its Board of Directors at which said directors and officers are elected, and shall provide an updated list within thirty (30) days after any change (e.g., death, resignation, removal or withdrawal of a director, newly-created directorships, etc.).

[F] Accounting/Internal Controls

Each Affiliate shall adopt a fiscal year, for tax and financial statement purposes, consistent with the fiscal year of Headquarters.

Each Affiliate shall maintain complete and accurate books and records of its operations and finances (using the manner and methods, including, without limitation, any software applications and processes, prescribed by Headquarters) and shall make same available to Headquarters upon request. Furthermore, each Affiliate shall maintain such books and records in such manner to include all board minutes, all committee minutes and all information necessary to prepare and file federal, state and local tax returns, including, but not limited to, appropriate information related to unrelated business taxable income and sales tax.

Each Affiliate shall distribute to Headquarters, to fund the Susan G. Komen for the Cure Award and Research Grant Program, at least 25% of net annual revenue (as properly calculated on the year end report form submitted to Headquarters) received from all Affiliate activities and events.

Each Affiliate that conducts an event that generates \$50,000.00 or more in gross revenue shall, within 90 days after the event, complete and file with Headquarters an Event Report, in a form promulgated by Headquarters, detailing all expenses and revenues relating to such event and to the Affiliate's operations year-to-date, all sponsorship agreements related to such event, as well as the entry fee reconciliation, if applicable, for such event. The Affiliate shall include with such report a check to Headquarters for at least 25% of the net revenue from such event and for at least 25% of all other Affiliate net revenue accrued but unpaid to date. The Affiliate is not required to submit this report with respect to any third party event for which the Affiliate is strictly the beneficiary and which the Affiliate does not conduct, manage, actively promote or assume any risk of loss.

Each Affiliate shall complete and file with Headquarters year-end financial reports reflecting all of its financial activity, and shall include a check to Headquarters for twenty-five percent (25%) of all remaining accrued but unpaid net revenue. All Affiliate financial information shall be due to Headquarters in accordance with the Shared Service Manual and Treasurer's Guide.

Each Affiliate will provide, as part of these financial reports, a summary of any unrelated business income activity (as defined pursuant to Internal Revenue Code Section 512) generated during the year. Each Affiliate shall submit such information to Headquarters on the appropriate reporting forms provided by Headquarters, along with supporting documentation.

Each Affiliate shall assure that the accounting internal controls and procedures, financial records and reports of the Affiliate conform to standards set forth in the Affiliate Treasurer Guide, Shared Services Manual and the Affiliation Agreement.

Each Affiliate's disbursement/operating account must be held and managed by a partner bank designated by Headquarters in the Shared Services Manual. ADP, or another payroll service provider designated by Headquarters, shall serve as each Affiliate's payroll provider. Such services shall be provided to the Affiliate by such service provider under an agreement obtained by Headquarters and executed by the Affiliate.

No more than 25% of an Affiliate's gross annual revenue may be spent on the aggregate of fund-raising, general, and administrative expenses as defined in the Affiliate Treasurer Guide.

An Affiliate's Unrestricted Fund Balance at the end of each fiscal year must fall between 70% to 100% of that fiscal year's total operating expenses (which does not include Grant and Research expenses), up to a maximum expense ratio of 25%. If an Affiliate's Unrestricted Fund Balance exceeds 100% for a period of twenty-four (24) months or more following the Komen Organization's fiscal year end, the excess fund balance shall be payable to Headquarters, and Headquarters shall direct the use of such funds, with preference to use in the Affiliate's Service Area.

Affiliates with gross revenues greater than \$3,000,000 annually are required to obtain verbal bids for purchases greater than \$15,000 and written bids for purchases greater than \$30,000. Affiliates with gross revenues less than \$3,000,000 annually are required to obtain verbal bids for purchases greater than \$5,000 and written bids for purchases greater than \$10,000. Affiliates with gross revenues greater than \$3,000,000 annually may enter into vendor/supplier multi-year contracts for purchases less than \$25,000 per year (up to \$75,000 total). These contracts should not exceed a 3-year timeframe. Affiliates with gross revenues less than \$3,000,000 annually may enter into vendor/supplier multi-year contracts for purchases less than \$10,000 per year (up to \$30,000 total). These contracts should not exceed a 3-year timeframe. Note that these dollar figures do not include in-kind donations.

No Affiliate may enter into any type of lending or loan agreement, either as a borrower or lender, nor shall an Affiliate act as a guarantor of any loan.

Each Affiliate will make its financial books and records and all other Affiliate documents and information available for an internal audit and/or other accounting verification procedures to be performed by Headquarters or its designee at Headquarters' request and at Headquarters' sole cost and

expense. Notwithstanding the foregoing, an Affiliate that is not prepared for a scheduled internal audit (with a minimum of forty-five (45) days' prior notice) will be held responsible for any increased costs resulting therefrom, including any costs associated with rescheduling the internal audit. For purposes of this section, "prepared" is defined as providing the audit team with all information requested in the document request on or before the date specified therein, and having all information requested for sampling available for review immediately upon the internal audit team's arrival.

Each Affiliate generating annual revenues of \$1,000,000.00 or more, as well as any Affiliate that meets the criteria established by the accounting firm engaged by Headquarters to conduct the Komen Organization's annual audit, may be required to undergo an agreed-upon procedures audit annually, to be performed by an accounting firm chosen by Headquarters. The cost of such agreed-upon procedures will be shared equally by the Affiliate and Headquarters. Notwithstanding the foregoing, an Affiliate that is not prepared for a scheduled audit will be held responsible for any increased costs resulting therefrom, including any costs associated with rescheduling the audit. For purposes of this section, "prepared" is defined as providing the audit team with all information requested in the Engagement Letter on or before the date specified therein, and having all information requested in the document checklist (which is included with the Engagement Letter) available for review immediately upon the audit team's arrival. In addition, each Affiliate agrees to comply with any request by Headquarters for information required by the accounting firm in connection with the annual audit of the Komen Organization's financial statements.

Each Affiliate that desires to undergo an elective agreed-upon procedures audit may do so at the Affiliate's expense by giving written notice to Headquarters not later than ninety (90) days prior to the fiscal year end. Such audit must be performed by an accounting firm selected by Headquarters.

Each Affiliate shall execute a Limited Power of Attorney that authorizes each of the financial institutions where it maintains an account to allow Headquarters direct access to information regarding such accounts. If a financial institution requires that Headquarters be a signatory on an account in order to have such access, then the Affiliate shall allow Headquarters to be a signatory.

Affiliate Treasurers will meet the minimum skills and experience qualifications outlined in the Affiliate Treasurer Guide and Affiliation Agreement. At least one Treasurer or other person responsible for the Affiliate's financial records will attend an Affiliate Treasurer training once every two years. Headquarters will provide reasonable assistance to the Affiliate, including an Affiliate Treasurer Guide, Affiliate Financial Specialist support, and a minimum of four opportunities per year for an Affiliate Treasurer to attend an Affiliate Treasurer training.

Each Affiliate shall adopt a procedure to perform background checks of all (a) officers, directors, employees and staff; and (b) volunteers that may (i) handle material sums of money or have access to any Affiliate accounts or have access to any Affiliate accounts of Affiliate credit/debit cards, (ii) work directly with any children's program where parental supervision is not required, or (iii) perform other functions that may require a background check under these Affiliate Policies or applicable law.

[G] Communications/Public Relations

No Affiliate shall have the authority to speak or take any position on behalf of the Komen Organization with respect to any medical, scientific, or educational issue or to take any position or make any public statements that are inconsistent with or contrary to a Headquarters promulgated position statement (including, but not limited, to any crisis communication or response statement issued by Headquarters), unless specifically authorized by the Headquarters Senior Vice President of Global Marketing and Networks, President or CEO.

Each Affiliate is required to obtain Headquarters' approval prior to printing or distributing any collateral material (such as entry forms, sponsorship brochures, posters, press releases, etc.) relating to a new Affiliate event; provided, however, that all collateral material created in connection with a Susan G. Komen Race for the Cure® event shall be submitted to Headquarters for approval in accordance with the Race Agreement. This does not apply to any Komen Organization's Copyrighted Materials provided by Headquarters that are distributed and/or published without alteration.

Unless prior written approval is obtained from Headquarters, Affiliates may only obtain, sell or distribute merchandise from Headquarters or an authorized national wholesale merchandising licensee of the Komen Organization's Copyrighted Materials or the Komen Organization's Marks. Notwithstanding the foregoing, an Affiliate may (i) obtain (either through purchase or donation) awards and medals from any merchandiser or third party as long as such awards and medals are in compliance with the Komen Branding Guidelines; (ii) benefit from a third party event whereby a portion of the donations received is generated through the sale of generic pink ribbon merchandise (this exception being referred to herein as the "Third Party Exception"); and (iii) give away or auction generic pink ribbon items at an Affiliate event (including the Affiliate's Susan G. Komen Race for the Cure®) if and only if such items were donated by an official sponsor of the event. The Third Party Exception shall not apply to those third parties that sell or create merchandise on behalf of the Affiliate (i.e., a third party merchandiser).

Headquarters will provide to each Affiliate Komen Branding Guidelines and other tools as well as provide a minimum of two Affiliate Communications training opportunities per year.

[H] Code of Ethics

Every Affiliate officer, board member, employee, staff member, grant reviewer, Race director, committee chair, and committee or task force member shall perform his or her duties in an honest and ethical manner and shall avoid any conflict, or the appearance of any conflict, between personal, professional, or business interests and the interests of the Komen Organization. In addition, each such person shall hold in strict confidence all confidential information regarding the Affiliate or the Komen Organization. To this end, each Affiliate shall adopt a Code of Ethics provided by Headquarters. Pursuant thereto, at (a) the beginning of each fiscal year or (b) the date on which the individual becomes associated with the Affiliate if subsequent to the date in subpart (a), every board member, officer, employee, staff member, grant reviewer, Race director, committee chair and committee or task force member of the Affiliate shall submit a Disclosure Statement provided by Headquarters. Board members, officers, employees, staff members, Race directors, and committee chairs must submit all executed Disclosure Statements electronically. Grant reviewers and committee and task force members may submit executed Disclosure Statements to the Affiliate in tangible form. In the event an individual does not execute his or her disclosure statement electronically, a hard copy of the executed disclosure statement shall be kept on file with the Affiliate records. An individual's disclosure statement must be updated by such individual whenever merited by changed factual circumstances.

If any Affiliate officer, board member, employee, staff member, grant reviewer, Race director, committee chair or committee or task force member has any direct or indirect interest in, or relationship to, or will derive any personal benefit or advantage from, any individual or organization that has entered or proposes to enter into a transaction with the Affiliate, such person shall provide prompt written notice of such interest or relationship to the Board of Directors (or its designee) of such Affiliate, withdraw from the meeting and abstain from participating in or informally influencing the decision-making process, except to provide factual information upon request.

[I] Education

Each Affiliate agrees to distribute only educational materials that have the prior approval of Headquarters. In the event an Affiliate has Breast Self Examination cards in its possession, the Affiliate may distribute the Breast Self Examination cards until its stock is depleted, at which time the Affiliate must begin distributing Breast Self Awareness cards. Notwithstanding the foregoing, all Breast Self Examination cards must be distributed prior to the end of Fiscal Year 2011. Headquarters will provide each Affiliate with a monetary credit, in an amount determined by Headquarters, to be used toward the purchase of education and promotional materials from Headquarters during each fiscal year. The balance of any unused credit may not be carried over into the next fiscal year.

No Affiliate shall distribute educational materials that are inconsistent with or contrary to Headquarters' educational materials.

[J] Fund Raising

Each Affiliate shall fully comply with all applicable federal, state and local legal requirements relating to (1) the solicitation and acknowledgment of contributions, and (2) the Affiliate's qualification for exemption from federal and state taxation.

The Komen Organization shall employ the highest ethical standards and practices in connection with all of its fund raising. With regard to all of its fund raising, each Affiliate shall:

- Refrain from the selling, exchanging or providing donor lists, Race participant lists, Affiliate personnel lists or survivor lists to any person or entity outside the Komen Organization, without the prior permission of Headquarters, or making any other unauthorized use of such lists;
- Respect the right of the prospective donor to give or not to give;
- Use solicitations that include a clear description of the programs and activities for which funds are requested, and that clearly state the precise amount of the funds raised that will benefit the Affiliate;
- Comply with the guidelines and standards of the Association of Fundraising Professionals, the Better Business Bureau Wise Giving Alliance and the Direct Marketing Association;
- Comply with the terms of the Donor Confidentiality Statement provided by Headquarters; and
- Comply with the Affiliate's published privacy policies.

No Affiliate shall agree to pay finder fees, commissions, percentage compensation based on contributions or any other form of incentive-based compensation to any person or organization, including any officer, director, employee, member, or volunteer, without the prior written approval of Headquarters. No Affiliate shall use telemarketing for fund raising purposes. This telemarketing prohibition includes, but is not limited to, pre-recorded or automated requests for donations made via a telephone call or text message initiated by the Affiliate or its designee.

All agreements relating to fund-raising activities conducted by a third party for the benefit of an Affiliate (also known as a third-party event) shall be in writing (e.g., a letter of agreement or "LOA"), and clearly describe the rights, duties and obligations of the parties. Headquarters will provide each Affiliate with a template letter of agreement that may be utilized for this purpose. No Affiliate shall enter into agreements to benefit from events held at inappropriate venues, including, but not limited to, gentlemen's clubs, the Playboy Mansion or other similar establishments.

Affiliates with revenues greater than \$3,000,000 annually may enter into multi-year revenue contracts with a total value of \$300,000 or less. These contracts should not exceed a 3-year timeframe. Affiliates with revenues less than \$3,000,000 annually may enter into multi-year revenue contracts with a total value of \$150,000 or less. These contracts should not exceed a 3-year timeframe. Note that these dollar figures do not include in-kind donations.

An Affiliate may enter into a fund-raising agreement for an event or program exclusively within its Service Area (or outside of its Service Area pursuant to the Service Area Policy). Such events and programs must be conducted pursuant to the Affiliate Fund Raising Guide provided annually by Headquarters to Affiliates.

An Affiliate may not be the beneficiary of an event or program in which the contribution to the Affiliate is generated through tobacco sales or the purchase of a prescription medication.

An Affiliate may not be the beneficiary of an event or program in which the contribution to the Affiliate is generated through alcohol sales. This includes any direct sales of alcohol, as well as indirect sales of alcohol (e.g., through the sale of “alcoholic drink tickets”). Notwithstanding the foregoing, the Affiliate may be the beneficiary of an event where an alcoholic beverage is included as an incidental benefit received by the event participant (e.g., an alcoholic beverage included with dinner or admission to the event).

An Affiliate must receive prior written permission from Headquarters before entering into an agreement with a pharmaceutical company where a brand-name over-the-counter medication or supplement (rather than the pharmaceutical company’s corporate name) may be featured in association with an Affiliate event or any copyrightable material provided by an Affiliate or with an Affiliate’s approval. Such agreement must include the requirements set forth in the Affiliate Fund Raising Guide with regard to such relationship.

Unless otherwise approved in writing by Headquarters, an Affiliate may only enter into a fund-raising agreement with a manufacturer or distributor of products whereby the contribution to the Affiliate is generated through the production, distribution or sale of its products if and only if the Affiliate was the beneficiary of the same event or program conducted by the same manufacturer or distributor in Fiscal Year 2010. Affiliates will not be permitted to be the beneficiary of such an event or program after Fiscal Year 2011. Notwithstanding the foregoing, an Affiliate may enter into a fund-raising agreement with a retailer located in the Affiliate’s Service Area whereby the contribution to the Affiliate is generated through the sale of products solely within the Affiliate’s Service Area.

An Affiliate shall not (i) enter into a fund-raising or sponsorship agreement with a manufacturer of firearms or other objects designed, made, or adapted for the purposes of inflicting death or serious physical injury; or (ii) be the beneficiary of an event or program in which the contribution is generated through the sale of such items.

An Affiliate may enter into a sponsorship agreement with an alcoholic beverage or tobacco company (i) if the alcoholic beverage or tobacco company is a major local employer in the Affiliate’s Service Area; and (ii) upon written permission from the Affiliate’s Board of Directors. The Affiliate may only acknowledge and recognize the sponsor by its official corporate name (e.g., Molson Coors Brewing Company, Anheuser-Busch, Inc.), rather than by the name of a particular product or brand (e.g., Coors Light, Budweiser).

An Affiliate shall not enter into fund-raising or sponsorship agreements with companies that are reasonably likely to bring disrepute to the Komen Organization or brand. This includes, but is not limited to, companies that primarily produce or sell, or have a reputation for producing or selling, sexually explicit products or adult entertainment, such as pornographic movies, publications, adult toys or websites.

Affiliates shall not enter into an *exclusive* sponsorship or cause-related marketing agreement, including but not limited to Race sponsorship agreements, without Headquarters prior approval, which approval shall not be unreasonably withheld.

In cases where Headquarters develops a fund-raising program in which an Affiliate wishes to participate, Headquarters will provide the Affiliate a written notice outlining the responsibilities of the Affiliate and Headquarters and the allocation of funds raised by such programs.

An Affiliate may only solicit, accept and designate funds for the purpose of establishing endowments, funds functioning as endowments, or other long-term or donor-restricted funds in accordance with the Gift Acceptance Policies promulgated by Headquarters, as such policies may be amended from time to time.

Headquarters shall provide an Affiliate Fund Raising Guide to each Affiliate as well as a minimum of two Affiliate Fund Raising training opportunities per year.

In the event that an Affiliate utilizes the Internet to solicit, accept or receive donations or contributions, the Affiliate shall comply with the following:

- The Internet site, web page or other electronic communication mechanism (the “Site”) must be secure.
- Any transactional pages on the Site that collect donor data must be encrypted to protect the confidential information of each donor.
- The Site must contain clear and conspicuous disclosure indicating (1) that the Affiliate is the recipient of the donation, (2) the actual amount of the donation which will be received by the Affiliate and (3) that up to 75% of the net funds donated to the Affiliate will be used to fund breast health and breast cancer programs in the Affiliate’s Service Area.
- The Site must contain language specified by Headquarters and a link to Headquarters website that will provide potential donors the opportunity to donate to another Affiliate or to Headquarters.
- The Site must include in clear and conspicuous language an “opt-out” provision that allows the prospective donor to decline any future correspondence or solicitations from the Affiliate. Affiliate shall honor all “opt-out” requests.
- The Affiliate must comply with its published privacy policies. Such privacy policies shall include that the Affiliate will share donor names with Headquarters.
- The Affiliate must ensure that an acknowledgement process is in place to acknowledge the donation and such process must, at a minimum, meet the Internal Revenue Service acknowledgement requirements for charitable contributions.
- The Affiliate must comply with all state charitable registration and solicitation laws and regulations and must be registered to solicit donations in all states within the Affiliate’s Service Area or any other area that the Affiliate may be soliciting donations in accordance with the Service Area Policy.

- Unless in accordance with the Service Area Policy, any solicitations for donations or contributions initiated by an Affiliate must not specifically target residents of any state except in the Affiliate's Service Area and may not specifically target residents within the Service Area of another Affiliate.
- The Affiliate shall not initiate the solicitation of donations or contributions by knowingly sending emails to any persons outside of its Service Area, unless in accordance with the Service Area Policy.
- It is recommended that an Affiliate not enter into a multi-year agreement with any application service provider in connection with the Affiliate's on-line activities.
- The Affiliate must comply with (i) all applicable privacy laws, data protection, on-line protection, anti-spam, advertising or other similar laws (including, without limitation, the CAN-SPAM Act and the Children's Online Privacy Protection Act) in its operations via the internet and (ii) any promulgated policies regarding the VICTORY program.

An Affiliate may conduct fund-raising activities to benefit Susan G. Komen for the Cure Advocacy Alliance upon the terms and conditions provided by Headquarters to each Affiliate.

An Affiliate may not directly or indirectly accept funds from a local, state, federal or foreign governmental entity.

[K] Community Profile

Each Affiliate shall maintain a thorough working knowledge of the breast health needs and services within its entire Service Area. This should be accomplished primarily through a community profile.

Each Affiliate shall conduct and maintain a formal community profile of the population within its entire Service Area. The community profile shall be performed and completed in accordance with a Community Profile Guide, which shall be provided by Headquarters to each Affiliate. Each Affiliate shall submit a completed community profile on or before the date communicated by Headquarters.

Each Affiliate must send at least one Affiliate representative to a Community Profile training in Fiscal Year 2011.

[L] Grant Programs

Within 30 days after the execution of a grant agreement, an Affiliate shall provide Headquarters with a report of such grant awarded using the "Grants Online Reporting Tool" on Affiliate Corner. Other grant project reports shall be due to Headquarters as are set forth in the Affiliate Grantmaking Guide. Each Affiliate shall maintain complete and accurate grant files (using the manner and methods, including, without limitation, any software applications, prescribed by Headquarters) and shall make the same available to Headquarters upon request.

Affiliates may make grants only to other nonprofit organizations, educational institutions and government entities. Grant funding may not be given to a “for-profit” entity. Grant funding (with the exception of educational travel scholarships not to exceed \$2,000) may not be given to individuals.

All requests for Affiliate grant funding over \$10,000 must be processed through a competitive, independent and objective Affiliate review procedure that complies with the standards set forth in the Affiliate Grantmaking Guide.

Affiliates with annual revenue of \$3 million or greater may award grants with up to a three year contract contingent upon the following:

- The Affiliate is in compliance with the Affiliation Agreement and Affiliate Policies;
- Headquarters has accepted and approved the Affiliate’s completed Community Profile;
- The Affiliate employs a full-time person whose primary responsibility is the management of the grants program; and
- The Affiliate successfully completes a multi-year grant training conducted by Headquarters (if offered) before the Request for Applications is issued.

If an Affiliate believes that it meets the above criteria, the Affiliate must (i) notify its Affiliate Relationship Manager of its intent to offer multiyear grants, and (ii) receive approval from Headquarters prior to awarding such grants.

Affiliates with annual revenue of less than \$3 million may not fund multi-year grant contracts, without the prior written approval of Headquarters.

Affiliates may not fund or administer research grants (as defined in the Affiliate Grantmaking Guide), except those that have been peer-reviewed and referred for Affiliate consideration by the Headquarters’ Grants Program. This includes, but is not limited to, any study that would require Institutional Review Board (IRB) or Institutional Animal Care and Use Committee (IACUC) approval.

Affiliates may not make grants for any of the following: endowments, general operating funds, debt reduction, annual fund-raising campaigns, event sponsorships, projects completed before the date of grant approval, individuals (with the exception of travel scholarships), building/renovation, capital campaigns, employee matching gifts, land acquisition, program-related investments/loans, scholarships, or equipment over \$5000.

Affiliates shall not provide direct services to individuals, including, but not limited to, transportation services, health care services and social services. Educating the general public about breast health is not considered a direct service. Affiliates shall not reimburse organizations for specific individual’s transportation services, health care services or social services.

An Affiliate may make a grant in support of direct, public healthcare services provided in connection with specific equipment or facilities. The Affiliate’s name or logo may be placed on the equipment or facilities as an acknowledgement of the grant if (i) such equipment or facilities are located

in, or will be used primarily in, the Affiliate's Service Area; and (ii) the acknowledgement is approved by Headquarters prior to the grantee providing the funded services. In the event the Affiliate is to be acknowledged on the equipment or facilities, a written agreement must be executed by and between the Affiliate and the grantee of the funds. Such written agreement shall include the following terms and conditions:

- The acknowledgement shall expressly state that the services are funded by the Affiliate, rather than the facility or equipment itself (e.g., "Services provided by the generous support of _____", "Services funded by a grant from _____", "Services sponsored by a grant from _____").
- The acknowledgement shall be in close proximity or adjacent to the Affiliate's name or signature logo and reasonably proportionate in size to the name and logo.
- The acknowledgment shall include reference to www.komen.org or the Affiliate's website.
- The grantee shall remove the acknowledgement and Affiliate logo/name from the facility or equipment upon the earlier of (1) the discontinued use of the facility or equipment; (2) the grantee's sale or disposal of the facility or equipment; or (3) the request of the Affiliate or Headquarters. The Affiliate may also require the grantee to remove the acknowledgement upon the termination of the grant.
- The grantee shall indemnify, defend and hold the Affiliate and Headquarters harmless from and against any and all expenses, damages, claims, suits, costs, or losses, including reasonable attorneys' fees, court, arbitration or mediation costs, that the Affiliate or Headquarters may incur by reason of any third-party claim or suit arising out of or resulting from the equipment or facilities and the services provided thereby.
- The grantee shall carry a minimum of \$1,000,000.00 per occurrence of general liability insurance for such equipment or facilities and shall name the Affiliate and Headquarters as an additional insured on the policy.

Headquarters shall provide an Affiliate Grantmaking Guide and a minimum of two Grant Training opportunities per year, to a representative of each Affiliate who has a part in grantmaking at such Affiliate. Each Affiliate must send at least one Affiliate representative to Affiliate Grant training every two years.

[M] Insurance/Waivers

Each Affiliate is required to maintain and comply with the terms and conditions of all insurance policies including but not limited to Directors and Officers Liability Insurance, Comprehensive General Liability Insurance, Worker's Compensation, Crime Policy, Auto Liability Policy, and, if the Affiliate conducts a Komen Race for the Cure® event or other event, Race Insurance and/or event insurance as applicable, in such amounts and containing such terms and conditions as required by Headquarters. Headquarters shall make such coverage available to Affiliates on a group basis and will charge the corresponding premium to the Affiliates annually or in such other manner as may be necessary. Each Affiliate shall refer to its Certificate of Insurance delivered to the Affiliate annually after renewal.

Each Affiliate that is asked to name an individual/entity as an Additional Insured on the Komen Organization's insurance policy(ies) with respect to an event must (a) at least thirty (30) days before the event, submit to Headquarters a Certificate of Insurance request form and a copy of the letter of agreement with the individual/entity which states that the individual/entity will be named as an additional insured; (b) obtain Headquarters' approval of the request; and (c) execute, prior to the event, said letter of agreement.

Each Affiliate shall obtain a certificate of insurance, which names the Affiliate and Headquarters as Additional Insureds, from each vendor, concessionaire, sponsor, contractor or other third-party that (1) provides significant goods or services to or has significant contact with the public at Komen events or (2) erects, assembles or is responsible for temporary structures (including stages, tents, pavilions etc.). The certificate of insurance obtained by Affiliates from third parties that erect, assemble or are responsible for temporary structures must establish that the third-party has current general liability insurance coverage in the minimum amount of one million dollars per occurrence.

Each Affiliate that conducts an athletic or sporting event shall notify Headquarters prior to scheduling the event and shall secure general and participant liability insurance for such event in the minimum amount of one million dollars (\$1,000,000.00) per occurrence (higher risk events may require higher insurance coverage amounts). The Affiliate may only secure this coverage through Headquarters and not from another source. The Affiliate shall submit the application for insurance coverage at least thirty (30) days prior to the event and payment for the full amount of the premium as Headquarters may designate. In the event Headquarters is unable to provide insurance coverage of the event, the Affiliate may not conduct the event.

Each Affiliate that is a beneficiary of an athletic or sporting event sponsored by a third-party (including any event in which participants utilize motorized vehicles) shall notify Headquarters prior to agreeing to be the beneficiary of such event. The Affiliate shall ensure that the event sponsor maintains general and participant liability insurance for such event in the minimum amount of one million dollars (\$1,000,000.00) per occurrence, and shall require the Affiliate and Headquarters to be named as Additional Insureds on such policy of insurance. The Affiliate shall provide a certificate of insurance to Headquarters evidencing this coverage no later than thirty (30) days prior to the event.

In addition, each Affiliate that conducts an athletic or sporting event shall obtain a signed Waiver and Release (substantially in the form below) from all participants in such event and shall retain same in its files for at least five (5) years. This Waiver and Release must be printed at a size of 8-point or greater. Each Affiliate that is the beneficiary of a third-party sponsored athletic or sporting event shall ensure that the event sponsor obtains signed waivers from all participants in a substantially similar form to the following:

PHOTOGRAPHIC AND RESULTS RELEASE and WAIVER AND RELEASE OF CLAIMS

**I AGREE THAT ANY AND ALL REPRESENTATIONS MADE AND RELEASES,
WAIVERS, COVENANTS, CONSENTS AND PERMISSIONS GIVEN BY ME
HEREUNDER ARE GIVEN ON BEHALF OF ME AND ANY AND ALL OF MY MINOR**

**CHILDREN OR PERSONS OVER WHOM I HAVE GUARDIANSHIP PARTICIPATING
IN OR ATTENDING THE EVENT.**

I give my consent and permission to The Susan G. Komen Breast Cancer Foundation, Inc. d/b/a Susan G. Komen for the Cure ("Komen"), its affiliates and races, their sponsors and corporate sponsors, their successors, licensees, and assigns the irrevocable right to use, for any purpose whatsoever and without compensation, (i) any photographs, videotapes, audiotapes, or other recordings of me that are made during the course of this event (the "Event"); and (ii) the results of my participation in this Event (e.g., race time, name, participant number).

I understand that (i) my consent to these provisions is given in consideration for being permitted to participate in this Event; (ii) I may be removed from this competition if I do not follow all the rules of this Event; (iii) I am a voluntary participant in this Event. I am in good physical condition and am solely responsible for my personal health, safety and personal property. **I KNOW THAT THIS EVENT IS A POTENTIALLY HAZARDOUS ACTIVITY AND I HEREBY VOLUNTARILY ASSUME FULL AND COMPLETE RESPONSIBILITY FOR, AND THE RISK OF, ANY INJURY OR ACCIDENT WHICH MAY OCCUR DURING MY PARTICIPATION IN THIS EVENT OR WHILE ON THE EVENT PREMISES (COLLECTIVELY, "MY PARTICIPATION"). TO THE FULLEST EXTENT OF THE LAW, I, FOR MYSELF, MY NEXT OF KIN, MY HEIRS, ADMINISTRATORS, AND EXECUTORS (COLLECTIVELY, "RELEASORS"), HEREBY RELEASE AND HOLD HARMLESS AND COVENANT NOT TO FILE SUIT AGAINST (I) KOMEN, [AFFILIATE CORPORATE NAME] D/B/A [AFFILIATE DBA NAME], AND ALL OTHER KOMEN AFFILIATES AND THEIR RESPECTIVE DIRECTORS, OFFICERS, VOLUNTEERS, AGENTS AND EMPLOYEES; (II) ANY EVENT SPONSORS; AND (III) ALL OTHER PERSONS OR ENTITIES ASSOCIATED WITH THIS EVENT (COLLECTIVELY, THE "RELEASEES") FOR ANY INJURY OR DAMAGES I MIGHT SUFFER IN CONNECTION WITH MY PARTICIPATION. THIS RELEASE APPLIES TO ANY AND ALL LOSS, LIABILITY, OR CLAIMS I OR MY RELEASORS MAY HAVE ARISING OUT OF MY PARTICIPATION, INCLUDING BUT NOT LIMITED TO, PERSONAL INJURY OR DAMAGE SUFFERED BY ME OR OTHERS, WHETHER SUCH LOSSES, LIABILITIES, OR CLAIMS BE CAUSED BY FALLS, CONTACT WITH AND/OR THE ACTIONS OF OTHER PARTICIPANTS, CONTACT WITH FIXED OR NON-FIXED OBJECTS, CONTACT WITH ANIMALS, CONDITIONS OF THE EVENT PREMISES, NEGLIGENCE OF THE RELEASEES, RISKS NOT KNOWN TO ME OR NOT REASONABLY FORESEEABLE AT THIS TIME, OR OTHERWISE.**

[NOTE: the following language shall only be included in the waiver if the event is held in California: **This release extends to claims and facts unknown and unsuspected to exist at the time of executing this release. All rights under Section 1542 of the California Civil Code are hereby expressly waived with respect to any of the claims, injuries, or damages described in this release. Section 1542 of the California Civil Code reads as follows:**

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH
THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS
FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF**

empowering people, ensuring quality care for all and energizing science to find the cures; and (iii) he or she provides prior notice to the Headquarters' Senior Vice President of Government Affairs and Public Policy

- An Affiliate representative may contact or visit the Affiliate's designated federal Members of Congress in Washington, D.C. or in the Affiliate's state as long as (i) the purpose of the contact or visit is consistent with and reasonably related to (a) the strategy and messaging promulgated by Headquarters and/or the Susan G. Komen for the Cure Advocacy Alliance, and (b) the Promise of the Komen Organization; and (ii) the representative holds himself or herself out as a representative of the Affiliate and not as a representative of Headquarters or the Komen Organization as a whole (unless otherwise authorized by the Headquarters' Senior Vice President of Government Affairs and Public Policy or General Counsel). Prior to any such contact or visit, the Headquarters' Senior Vice President of Government Affairs and Public Policy must be informed of any such planned contact or visit as soon as reasonably practical prior to such contact or visit. The Headquarters' Senior Vice President of Government Affairs and Public Policy may require that the Affiliate representative be accompanied by a Headquarters' representative.

- An Affiliate shall not establish, or otherwise be involved with, a Political Action Committee (PAC) or any other similar group involved in raising or receiving funds for distribution to, for or on behalf of any candidate for political office. In order to ensure consistency in messaging and protect the organization's tax exempt status, an Affiliate shall not hire any third party to conduct lobbying efforts on behalf of the Affiliate or the Komen Organization without the prior written consent of Headquarters.

- An Affiliate is strictly prohibited from engaging in any activity that may reasonably be perceived as a political campaign activity. Political activity is defined for federal income tax purposes as intervening directly or indirectly in any political campaign on behalf of or in opposition to any candidate for public office. Affiliates may not participate or intervene in any partisan political campaign activities. If an Affiliate is unclear as to whether an activity constitutes impermissible political campaign activity, the Affiliate must consult its Public Policy Specialist for guidance. An Affiliate may not accept donations in any form (including, but not limited to, sponsorships, regular donations or via a third party event) from a political campaign, but may accept donations from a political candidate in his or her personal capacity.

- Each Affiliate officer, director, employee, staff member, committee chair and volunteer shall scrupulously distinguish between personal political activity and activity conducted on behalf of the Affiliate and shall use all reasonable efforts to ensure that such distinction is readily apparent to the public.

- The Komen Organization has elected to have its lobbying activities measured under the Internal Revenue Code Section 501(h). Headquarters will provide a 501(h) election form to each Affiliate that has not already completed such a form. Each Affiliate will make and maintain the 501(h) election and provide evidence of same to Headquarters. Financial information relating to any lobbying activities and expenditures shall be provided to Headquarters upon request in connection with any filings required by the Internal Revenue Service.

- An Affiliate shall not, as a substantial part of its activities, carry on propaganda or otherwise attempt to influence legislation. An Affiliate may engage in legislation or lobbying activities and expenditures, provided such activities are (1) non-partisan; (2) expressly allowed under the Affiliate Policies; (3) are permissible under Internal Revenue Code Section 501(h); and (4) the Affiliate provides notice of such activities to its Affiliate Relationship Manager. In addition, each Affiliate shall provide Headquarters with a complete description of its legislative and lobbying activities and expenditures in accordance with the Shared Service Manual and Treasurer's Guide.

- Each Affiliate shall notify its Affiliate Relationship Manager of any invitation to a public official, political candidate or office holder to participate in an Affiliate activity. Headquarters will provide a "Policy Statement", outlining policies and guidelines governing participation by public officials in Komen Organization events and activities, to the Affiliate for delivery to such individual. Each Affiliate officer, director, employee, staff member, committee chair and volunteer shall become familiar with such policies and guidelines and ensure that they are complied with.

- An Affiliate may conduct fund-raising activities to benefit Susan G. Komen for the Cure Advocacy Alliance upon the terms and conditions provided by Headquarters to each Affiliate.

[O] Endorsements

No Affiliate shall enter into any agreement or take any action that may imply support or endorsement of a specific commercial or non-commercial product, process, service, or enterprise undertaken or sponsored by a person or entity other than the Komen Organization without the express written permission of Headquarters.

[P] Staffing

Affiliates that wish to employ staff members shall: (1) ensure that the Affiliate's general, administrative and fund-raising expenses do not annually exceed 25% of gross revenues without prior written authorization from Headquarters; (2) agree to carry Worker's Compensation insurance on employees where required by state law; (3) comply with all applicable federal, state, and local employment laws; and (4) institute a policy, and include a corresponding provision in the Affiliate Bylaws, prohibiting paid employees of the Affiliate from serving on the Affiliate Board of Directors. Prior to hiring the Affiliate's first employee, the person that will be responsible for making hiring decisions on behalf of an Affiliate (e.g. Executive Director, President) shall attend a Human Resources training. Such representative may attend a training offered by Headquarters, or the Affiliate representative may attend a local Human Resources training if Headquarters approves such training in advance. The person responsible for making hiring decisions on behalf of an Affiliate shall thereafter attend either a Headquarters or local Human Resources training once every two years.

[Q] Trademarks and Copyrights

Each Affiliate in good standing shall be granted a non-exclusive limited license to use (but not modify) the Komen Organization's Marks and the Komen Organization's Copyrighted Materials in connection with Affiliate activities in accordance with the Affiliation Agreement; provided, however, that certain of the Komen Organization's Marks or the Komen Organization's Copyrighted Materials, as determined by Headquarters in its sole discretion, may be reserved solely for use by Headquarters. All rights to the use of any of the Komen Organization's Marks and the Komen Organization's Copyrighted Materials may be suspended or terminated at any time by Headquarters in its sole discretion.

Each Affiliate shall use its best efforts to safeguard the Komen Organization's Marks and the Komen Organization's Copyrighted Materials from unethical or unauthorized usage, including any unauthorized usage by commercial or promotional ventures and shall immediately notify Headquarters if it learns of any such unethical or unauthorized uses.

No Komen Organization's Mark or Komen Organization's Copyrighted Material, whether registered or not, may be licensed or sublicensed to any person or organization, including any local sponsors or vendors, without the prior express written permission of Headquarters or as otherwise specifically allowed by Headquarters pursuant to an executed Komen Race for the Cure® agreement, the Affiliation Agreement or other similar written agreement. No Komen Organization's Mark or Komen Organization's Copyrighted Material may be altered or modified in any way without the express written permission of Headquarters. An Affiliate may sublicense in writing the use of the Affiliate's name and/or signature logo to third parties for purposes related to the Promise. In addition, in all instances where an Affiliate has sublicensed such name and/or signature logo to another entity, the Affiliate and Headquarters must review and approve all uses of such marks to ensure compliance with the Komen Branding Guidelines.

Headquarters has a "family" of trademarks, service marks and domain names that utilize the words "for the Cure", "Imagine", "Promise", "Komen" and "for a Cure". Each Affiliate shall not, without Headquarters' prior consent, adopt or use, or allow any third party to adopt or use, any trademark or service mark or domain name that incorporates such terms or any confusingly similar mark, and each Affiliate agrees that all right, title and interest in an to any trademark or service mark or domain name that is created or used for its benefit that contain the words "for the Cure", "for a Cure", "Imagine", "Promise" and/or "Komen" shall inure to the sole benefit of Headquarters.

Headquarters shall provide Affiliates with Komen Branding Guidelines containing guidelines and samples of how the Komen Organization's Marks and Komen Organization's Copyrighted Materials are to be appropriately used. Any usage of the Komen Organization's Marks and Komen Organization's Copyrighted Materials shall be of a high quality consistent with the Komen Organization's outstanding public image. Affiliates shall refrain from using or agreeing to the use of any Komen Organization's Marks or Komen Organization's Copyrighted Materials in connection with any third party that would be reasonably likely to bring disrepute to the Komen Organization or would be inconsistent with the Promise. If Headquarters reasonably believes that any such usage would be reasonably likely to bring disrepute to the Komen Organization or would be inconsistent with the Promise, then upon notice from Headquarters,

As of April 1, 2010

the Affiliate shall immediately discontinue such usage or affiliation with such third party and shall use its best efforts to terminate any such usage by such third party.

[R] Risk Management

Each Affiliate shall adopt a procedure to perform background checks of all (a) officers, directors, employees and staff; and (b) volunteers that may (i) handle material sums of money or have access to any Affiliate accounts or Affiliate credit/debit cards, (ii) work directly with any children's program where parental supervision is not required, or (iii) perform other functions that may require a background check under these Affiliate Policies or applicable law.

Headquarters shall provide a Volunteer Management Guide to each Affiliate as well as a minimum of two Volunteer Management Training Programs annually. Headquarters shall provide to each Affiliate standard agreements related to volunteers, which may be amended from time to time by Headquarters in its discretion. The Affiliate shall use its best efforts to cause such standard agreement to be executed by each volunteer prior to making any material donation of time or being given access to any information, marks or materials of the Komen Organization.

V. Administering the Policies

[A] Policy Amendment

The Affiliate Policies may be amended from time to time at the sole discretion of Headquarters. Headquarters shall endeavor to solicit Affiliate input into the development and updating of the Affiliate Policies.

[B] Enforcement

It is in the best interests of the Komen Organization that these Affiliate Policies be adhered to and followed by all the Affiliates and Headquarters. To further this goal, Headquarters will strive to monitor, interpret and enforce these policies in a consistent, uniform and reasonable manner.

[C] Suspension or Termination of Affiliate

As set forth in greater detail in the Affiliation Agreement, the Headquarters Board of Directors (or a committee appointed thereby) may, among other remedies, suspend or terminate an Affiliate that does not comply with the Affiliate Policies or Affiliation Agreement. In this regard, an Affiliate will be given due notice of intent to suspend or terminate and will be given a fair and reasonable opportunity to cure such non-compliance. An Affiliate will also have the opportunity to receive a hearing before the Headquarters Board of Directors (or a committee appointed thereby) if it received notice of intent to suspend or terminate. Such a hearing shall be conducted before any final decision to suspend or terminate the Affiliate is made.

If an Affiliate is suspended or terminated, the Affiliate shall immediately cease representing that it is affiliated with the Komen Organization, immediately cease using any Komen Organization Marks or materials and immediately cease soliciting contributions in the name of the Komen Organization. The

Affiliate shall further immediately comply with all terms and conditions of its suspension or termination as determined by the Headquarters Board of Directors (or a committee appointed thereby).

If an Affiliate is terminated, the Affiliate shall dissolve as a corporation under the law of the state in which it is incorporated as soon as possible. The Affiliate shall comply with all applicable laws and regulations regarding dissolution.

An Affiliate wishing to voluntarily terminate its relationship with the Komen Organization shall notify Headquarters in writing and dissolve the Affiliate under the laws of the state in which it is incorporated in compliance with all applicable laws and regulations.

[D] Distribution of Assets upon Dissolution or Termination

Upon dissolution of an Affiliate, all liabilities and obligations of the Affiliate shall be paid in full or otherwise satisfied in accordance with the laws of the state in which the Affiliate is incorporated. All remaining assets of the Affiliate shall, in accordance with the Affiliate's Articles (or Certificate) of Incorporation and the terms of the Affiliation Agreement, be distributed to further the Komen Organization's Promise in the Affiliate's Service Area or distributed to Headquarters, as applicable.

* * * * *