

## LETTER OF AGREEMENT

Original Signing July 27, 2005,  
Revised January 16, 2006 to reflect new name of our Cooperative

### THE FLORIDA COOPERATIVE OF FPA CHAPTERS

#### ARTICLE 1

##### Name and Location

Name: The name of this organization shall be the Florida Cooperative of FPA Chapters, a Cooperative formed by various Financial Planning Association chapters through out the State of Florida.

#### ARTICLE 2

##### Purpose of our Cooperative

The purpose of the Florida Cooperative of FPA Chapters is fourfold:

Best Practices – to be a place where chapter leaders and administrators can gather by any means to help each other improve each of our chapters including but not limited to the following areas, membership, chapter financials, educational offerings, symposiums, etc.

Public Relations – to promote financial planning, the financial planning profession and the Financial Planning Association to the statewide public and to build relationships with State Government and the Governor's office in Tallahassee.

Regional Leadership Training and Development – to *effectively* involve more Chapter Leaders in leadership training.

Single Voice to State Government – to be a single voice to State Government including, but not limited to elected and appointed officials and the Governor's office regarding matters that affect our profession and the clients that we serve. Our interaction with State officials may be reactive to laws that are being drafted and may include proactive pursuit of certain items that we deem valuable and worthy again for our profession and the clients that we serve.

ARTICLE 3  
Membership

Members. The Cooperative shall consist of the FPA chapters in the State of Florida who choose to join. Each member chapter will appoint one individual to represent that chapter. This individual will serve on the Board of Directors of the Florida Cooperative. This appointee should be a member in good standing of the FPA and either an elected Officer or Director or an appointee by the chapter.

Voting Rights. Each chapter member representative (a.k.a. Director) shall be entitled to one vote on each matter required to be submitted to a vote of the members by law or by this Letter of Agreement. Each appointed Director may vote by written ballot or signed proxy. Robert's Rules of Order will apply.

Resignation. Any member Chapter may resign from the Cooperative at any time by giving written notice to the Board. Such resignation shall take effect at the time specified thereon, or if no such time is stated, at the time of receipt by the Cooperative. Such resignation shall not relieve the member of the obligation to pay any dues, fees or charges which have accrued, remain unpaid or they committed to while members.

Appointment of new Chapter Representative. The decision making body of each local chapter has the authority to reassign its representative Director from one person to another. The decision to change representatives can be made at anytime. Changes should be communicated to the Board as soon as possible.

ARTICLE 4  
Meetings

Annual Meeting.

A. Time and Place. The annual meeting of the membership representatives shall be held at an agreed location in Florida. The Board of Directors will consist of all of the representatives from each chapter member.

B. Purpose of Meeting. The business to be transacted at such meeting shall be such business as shall be properly brought before the meeting. The election of officers shall be held at the Annual Meeting.

C. Notice. We will provide at least 60 days advance notice of the annual meeting.

Special Meetings. Special meetings of the membership may be called for any purpose or purposes by the President. If necessary, Special meetings may be also called by a majority vote of the Board of Directors.

Telephonic Meetings Members of the Board of Directors or the Officers may participate in a meeting by means of a conference telephone call or by similar communications equipment by which all persons participating in the meeting can hear one another at the same time. Such participation shall constitute presence in person at the meeting.

Quorum. A quorum will be defined as a majority of either Directors or Officers depending on the meeting.

Presiding Officer. Meetings of the Directors shall be presided over by the President. If the President is not present, the meetings shall be presided over in the following order: President-Elect; person chosen by the Board of Directors by way of a majority vote.

Manner of Acting. All matters shall be determined by a vote of a majority of the Directors present in person or by proxy.

## ARTICLE 5 Directors and Officers

General Powers, Number and Tenure. The primary decision making body of this Cooperative shall be called the Board of Directors which consists of one representative from each member chapter. The Board of Directors shall manage and supervise the affairs of the Cooperative. The Board of Directors may delegate areas of its authority as it deems appropriate (e.g. duties of the Officers).

Election of Officers – At each annual meeting the Board of Directors shall elect Officers that will be more actively involved in the daily and regular operational activities of the Cooperative. The Officer positions are as follows: President, President Elect, Treasurer, Secretary and any other Officers and agents that the

Board of Directors shall deem necessary or appropriate. The terms of all of the Officer positions shall be for one year with the President-Elect automatically serving as President in the following year.

President. The President shall be the chief executive officer of the Cooperative and subject to the direction of the Board of Directors. The President will guide the agenda of the Cooperative with the support of the Directors. The President shall have general responsibility for the affairs of the Cooperative and general supervision over its Officers and agents.

President-Elect. If the President is unable, the President-Elect shall perform the duties and exercise the powers of the President. The President-Elect shall generally assist the President and perform such other duties as prescribed by the Board of Directors.

Secretary. The Secretary shall attend all meetings and record all votes and the proceedings of the meetings.

Treasurer. The Treasurer shall manage the financials of the Cooperative in cooperation with the Chapter that will handle the cash needs and reimbursements of the Cooperative.

Vacancies. If any vacancies occur in the Board of Directors, the vacancy shall be filled by the chapter that they represent. If a vacancy occurs with an Officer, the Board of Directors by majority vote shall appoint a replacement.

#### Removal or Resignation of Directors or Officers

Removal. Any Officer may be removed from office, with or without cause, by a two-thirds (2/3) vote of the Board of Directors who are entitled to vote and present at a meeting at which a quorum of the Board is present.

Resignation. An Officer may resign at any time by giving written notice.

### ARTICLE 6 Financial Matters

Fiscal Year The Cooperative fiscal year shall be the calendar year.

Budget. The Board shall establish a budget at the beginning of each fiscal year to determine how expenses will be covered.

Examination. The Cooperative financials shall be examined and annual financial reports shall be prepared.

Sharing of Expenses:

Common Costs – Administrative, advocacy and common expenses for the operation of the Cooperative will be shared by the member Chapters based on a prorata formula that considers the number of members of each chapter as of September 30<sup>th</sup> of the previous year.

Leader Training and Meetings - Expenses for leader training, common events or other meetings will be prorated based on the participation of each chapter, e.g. if one chapter brings 25% of the attendees then they should carry 25% of the costs to host the event. It will be the responsibility of each chapter to directly pay for all meals and travel expenses for it's Director or other chapter representatives who attend the various types of Florida Cooperative meetings.

Dues - The Cooperative may establish annual dues, fees or reimbursement of expenses as the Cooperative sees fit per majority vote of the Directors not to exceed \$10 per individual chapter member based on the September 30 Chapter member count.

If for some reason the Cooperative has surplus funds that are determined to be returned to the member chapters, surplus funds shall be paid to the member chapters using the same formula that expenses were prorated with.

ARTICLE 7

Records of the Cooperative

Maintenance Of Corporate Records: The Cooperative shall keep:

- A. Minutes of all meetings
- B. Adequate and correct books and records of the Cooperative

- C. Member List indicating their names, addresses, e-mails etc. The Cooperative data usage policy will comply with FPA chapter charter agreement.
- D. A copy of the Cooperative's most recent “Letter of Agreement”

ARTICLE 8

Liability, Indemnification, and Insurance

Nonliability Of Directors: The directors shall not be personally liable for the debts, liabilities, or other obligations of the Cooperative.

Indemnification and Insurance for Cooperative Directors And Officers: The directors and officers of the Cooperative acting on behalf of their respective chapters shall be responsible to ensure they are covered under their respective chapter’s D&O coverage.

ARTICLE 9

Dissolution

In the event of dissolution of this Cooperative all of the assets of the Cooperative shall be distributed prorata to the member Chapters based on the same prorata expense sharing formula in Article 6.

ARTICLE 10

Amendment of Letter of Agreement

This Agreement may be amended by a two-thirds vote of the Directors present at any regular or special meeting of the Board of Directors duly called and regularly held.

