

**MEMORANDUM OF UNDERSTANDING
BETWEEN UNITED STATES
POWER SQUADRONS® AND CANADIAN
POWER & SAIL SQUADRONS®**

This Understanding is between the **Canadian Power & Sail Squadrons**, a non-profit corporation existing under the laws of Canada (hereinafter called CPS), and the **United States Power Squadrons**, a non-profit corporation existing under the laws of the State of North Carolina, United States of America (hereinafter called USPS), and the parties when referred to in reference to material that will apply to either of them or collectively to them shall be hereinafter called organization or organizations@.

WITNESSETH:

WHEREAS, USPS has been actively engaged in the education of its members in a wide variety of boating and nautical subjects since its establishment in 1914; has initiated emergency training for the general public in matters of seamanship, boat handling and navigation during the World Wars and recently has acted in furtherance of the homeland security objectives of the United States, the states and local subdivisions and for more than 50 years has provided the United States and its citizens with basic safe boating instruction made locally available on a re-occurring basis through its own public course development and teaching; and USPS acts through and with its subordinate units known as squadrons and which are organized into thirty-three (33) Districts; and

WHEREAS, CPS has been actively engaged in the education of its members and the public in a wide variety of boating and nautical subjects since its establishment in 1938; has initiated training for the general public in matters of seamanship, boat handling and navigation to Canadians with safe boating instruction made locally available on a re-occurring basis through its own public course development and teaching; and CPS acts through and with its subordinate units known as Squadrons and which are organized into seventeen (17) Districts; and

WHEREAS, CPS and USPS have had a long history of cooperation in furthering their mutual and respective objectives and in sharing their educational experience and cooperating on issues of importance to both organizations; and

WHEREAS, CPS members attend National USPS meetings and USPS members attend National CPS meetings and many members of both organizations are members and associate members of Squadrons of the other organization and attend their District and squadron meetings; and

WHEREAS, the parties hereto are desirous of setting forth in this Memorandum of Understand a structure for future cooperation and assistance to be provided by each organization in relation to the other; and both organizations enter into this Memorandum of Understanding with the purpose producing better educational materials for their members and the public, enhancing the awareness of the importance of boating safety and the need for boating education courses and increasing their respective membership involvement.

NOW, THEREFORE, the Understanding can be stated as follows:

1. **Attending Meetings.** With the concurrence of unit Commanders, members of each organization shall be welcome to attend the following meetings of the other organization: on the Squadron level each organization=s members may attend the other organization=s Squadron membership meetings; on the District level each organization=s members may attend the other organization=s District conferences; and on the National level each organization=s members may attend the others Annual and Governing Board meetings. In addition to the meetings referred to above in this paragraph, USPS and CPS agree that they will normally hold one joint National bridge or operating committee meeting per year to be held at a location mutually agreed upon. This joint meeting will be held in alternating years in each country. Each organization shall be solely responsible for its expenses relating to its National bridge or Operating Committee while attending such joint meetings.
2. **Port Captains.** Port Captains of each organization may respond when appropriate to inquiries made by members of the other organization. It is understood that Port Captains of each organization are individuals who have the right to respond or not respond to any inquiries made of them and that any information provided by such Port Captains is given strictly for the boating enjoyment of the person inquiring and that such information should be verified whenever possible by a reference to governmental and private information which is available to the inquiring person. Neither organization, or its subordinate units shall have any liability for advice given by an individual Port Captain to members of the other organization.
3. **Insurance.** The organizations will exchange copies of their liability insurance policies within 90 days of the signing of this Memorandum of Understanding.
4. **Respect for Coast Guard.** Both organizations provide functions which are in aid of their respective National government=s Coast Guard. Each organization will attempt to further the objectives and respect for the other organization=s governmental Coast Guard, but only to the extent that such does not interfere with:
 - A. Obligations which the organization may owe to its Coast Guard; or,
 - B. Obligations which the organization may be bound to provide or meet under the terms of any agreements it has with Coast Guard, Coast Guard Auxiliary Association or any of its governmental units of its country.

This provision is in no way intended to require either organization to support a position of the other organization=s governmental Coast Guard (or a related Auxiliary Association).
5. **Joint Marketing.** The organizations shall establish in the future a liaison between their respective marketing committees so that marketing efforts within the United States and Canada that are consistent with each organization=s mutual shared objectives and policies can be coordinated for the financial benefit of each organization. The organizations will explore the possibility of entering into joint arrangements for the production of media which will

enhance the membership recruitment and the objectives of both organizations towards the end of promoting boater safety and disseminating knowledge of navigation techniques in the two countries.

6. **Printed Educational Materials.** Each organization shall sell to the other, under conditions agreed upon by the two organizations= Operating Committees, its printed educational materials, noting that the production of combined material for both organizations may accrue to greater publication discounts for the two organizations. Reasonable provisions will be established for minimum purchases of such materials and for the cost of postage and handling which will adequately compensate the selling organization for providing such material. Such printed educational materials shall be in all cases shipped to the headquarters of the purchasing organization and the purchasing organization shall be solely responsible for all expenses incumbent in distributing the said printed educational material after receipt by its headquarters. This paragraph relates solely to the transfer and sale of printed educational material (tangible personal property consisting of text books and related items) of each organization which is printed on paper stock and does not relate to software or data files (software) or media containing software or data files. All such printed educational material distributed after receipt by the recipient organization shall not be changed in any way by the recipient organization or its subordinate units without the agreement of the two organizations= Operating Committees. However, the recipient organization shall be solely responsible for preparation of any addendum to such material which shall be advisable considering the laws, customs and boating related rules, laws and regulations of the recipient organization=s country.
7. **Membership and Accounting Software.** Under terms mutually agreed upon by the two organizations= Operating Committees, each organization shall allow the other organization through its competent individuals to inspect and evaluate the other=s accounting and membership software. This ability is allowed towards the end that each organization may potentially have use of the other=s such software. If any such software is in fact used by the organization which did not originally create it, compensation may be paid to the organization which created the software under terms mutually agreed upon by the two organizations= Operating Committees. Membership software shall mean any software used or acquired by either organization for the purpose of enhancing membership and keeping track of or fostering of membership information. The data files (software) which relate to such accounting and membership software and contain data information relating to the organizations members or its business practices shall not be transferred to the non-creating organization and shall remain the sole and private information of the organization which has produced the said data files. Each organization, which acquires any software of the other organization, shall retain as a part of said software any indication or notice which relates to the producing organization=s service marks, trademarks or copyrights. Nothing in this paragraph shall allow transfer of any software which is not in the ownership of the respective organization. All licenses with third parties shall be complied with and respected.
8. **Educational Software.** The educational software which constitutes data files or operating software for printed educational materials or is provided in connection with printed

educational materials on electronic media of each organization shall also be available to the other organization, but only when agreed upon by the organizations= two Operating Committees.

9. **Intellectual Property Rights.** Each organization shall respect the trademarks, service marks and copyrights (herein collectively referred to as I.P. Rights@) of the organization who produced the printed educational material or software referred to above. The organizations shall confer on the protection of the I.P. Rights which are contained in and upon such printed educational material and software and determine upon a course of action so that no third party shall without the organizations= permission obtain any right to use said I.P. Rights. Of particular importance in relationship to this Memorandum of Understanding is that each receiving organization shall retain upon the printed educational material or software so distributed to it the copyright notices and trademark or service mark ownership notices in their original form. To implement this understanding, it will be necessary in the future for the parties hereto to execute reciprocal licensing agreements as shall be dictated by the laws of their respective countries which will adequately protect the creating organization=s I.P. Rights in the non-creating organizations country, and towards that end the parties acknowledge their duty to cooperate towards the execution of any such needed license agreements.
10. **Web Site Recognition.** Each organization shall prominently recognize the other=s organization on its respective web site and will provide information with regard to access to the web site of the other and where the members of both organizations can attain information relating to the other organization=s structure and the method of becoming a member or an associate member of the other. Each organization shall encourage its subordinate units, especially those located near their common boundary to make information about attendance at Squadron, District and National meetings available to the subordinate units of the other.
11. **Efforts to Coordinate Activities and Policies.** Both USPS and CPS will appoint an individual or individuals or a committee which will meet from time to time with the other organization=s counterpart or counterparts for the purpose of deliberating and reaching such agreements as shall be deemed advisable to coordinate the activities of the two organizations, particularly at the District and Squadron level where the Squadrons and Districts are in close proximity to the boundary between the two countries. This liaison may attempt from time to time coordinate social activities which the two organizations may hold jointly. This liaison may discuss the adoption of policies which are in their mutual interests of both organizations. This liaison may discuss the possibility of the parties jointly publishing certain educational materials.
12. **Additional Provisions.** The parties hereto further agree as follows:
 - A. To maintain open communications, cooperation and support in the furtherance of their mutual goals and objectives;
 - B. That any amendments to this Memorandum of Understanding must be with the written consent of both parties;
 - C. This Memorandum of Understanding shall become effective upon the date of its execution by both parties and shall remain in effect until terminated by either party upon thirty

(30) days written notice;

D. This Memorandum contains the complete understandings of the parties hereto;

E. In no event shall either party under any circumstances be responsible for indirect, consequential or punitive damages alleged by the other party;

F. There shall be no sales or transfers of any educational materials or software acquired by the non-creating organization to any person or entity which is not a party to this Understanding, a subordinate unit or member of a subordinate unit of a party to this Understanding, without first obtaining the consent of the Operating Committee of the organization which created such educational materials or software. Such educational materials or software shall not be sold or transferred by the non-creating party to any person or entity which is located or resident in the country of the creating organization, without the consent of the Operating Committee of the organization which created such education materials or software. If the parties jointly publish education materials, then such materials shall only be sold by each organization in its country, unless first obtaining the consent of the Operating Committee of the other;

G. Any notice, demand, approval, consent, waiver or other communication which may or is required to be given pursuant to this Memorandum of Understanding shall be in writing and shall be deemed given when delivered to the postal authority of the respective organization's country, shall be addressed to the addressee party to addresses set forth below (or at such different addressee as a party shall have hereafter advise the other party in writing using the notice method set forth in this paragraph), and shall be sent by certified mail or its equivalent:

as to USPS: Headquarters Director
 1504 Blue Ridge Road
 P. O. Box 30423
 Raleigh, NC 27622

as to CPS: Executive Director
 26 Golden Gate Court
 Scarborough, ON
 M5J 2M1;

and,

H. This Memorandum of Understanding is in addition to any Memorandums of Understanding or agreements previously entered into by the parties.

Dated this 25th day of October, 2003.

UNITED STATES POWER SQUADRONS

By
Name:
Its: Chief Commander



Dated this 25 day of October, 2003.

CANADIAN POWER & SAIL SQUADRONS

By
Name:
Its: Chief Commander

A handwritten signature in black ink, appearing to be 'D. J. ...', written over the text 'Name:' and 'Its: Chief Commander'.