



LOTUS, Ltd.

North America's Largest Lotus Car Club

Lotus Ltd. Local Group Affiliation Agreement

Statement of Purpose:

Both Lotus Ltd. and _____ (Local Group) recognize that there are benefits for both the Local Group and Lotus Ltd. by the affiliation of the Local Group with Lotus Ltd. The Local Group recognizes that the insurance programs offered through Lotus Ltd. as well as Lotus Ltd.'s publications offer significant benefits to the Local Group and its members. Lotus Ltd., as a national/international club, recognizes that it is unable to offer significant local activities on a regular basis to its members and that the affiliation of the Local Group with Lotus Ltd. provides benefits to Lotus Ltd.'s members.

Conditions:

As such, the Local Group accepts the following terms and conditions in return for acceptance as a Lotus Ltd. affiliate:

To have all local members join Lotus Ltd.

To maintain or adopt membership policies that are consistent with those of Lotus Ltd. The Local Group agrees not to adopt any membership requirement or policy which violates the civil rights of any person.

To provide Lotus Ltd. with a calendar of events on a regular and timely basis for inclusion in the ReMarque (subject to available space and deadlines).

To provide Lotus Ltd., upon request, with a Local Group roster on an annual basis designating its officers as well as the name, address and phone number of the its member designated to be the "contact person" with Lotus Ltd.

To provide Lotus Ltd. with an income statement if requested from Lotus Ltd.



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To register all driving events through Lotus Ltd. and meet insurance underwriter requirements as required by the terms of the Lotus Ltd. insurance policy, to pay the required special event insurance premium, or to provide Lotus Ltd. with proof of alternative insurance coverage, and to insure that all participants in a driving event hold a valid driver's license. A driving event is any event required by the terms of the Lotus Ltd. insurance policy for which registration and payment of a fee is required. Examples of driving events include rallies, autocrosses, track days and gymkhanas (this list is not all-inclusive and subject to change as required by insurance underwriter). Caravans, tours, shows, and concours are not considered driving events. In the event that the Local Group co-sponsors a driving event with any other non-Lotus Ltd. related group, or participates in any driving event sponsored by any other non-Lotus Ltd. related organization, the Local Group must register the event with Lotus Ltd., unless the other group or sponsoring group provides a certificate of insurance indicating that such group has insurance coverage for the event at least comparable to that of the Lotus Ltd. policy. Advance notice of a driving event must be given in every case and the applicable special event insurance premium must be paid at that time. All Local groups will received an insurance packet in the first quarter of every year with specific details and procedures regarding insurance riders including forms.

To abide by the provisions of the Lotus Ltd. by-laws, where applicable.

Other Provisions:

Lotus Ltd. grants the Local Group the right to designate their group as an affiliate of Lotus Ltd. and to use the name and logo of Lotus Ltd. in their communications and publicity so long as this agreement is in effect.

The Local Group, so long as this agreement is in effect, shall have the right to participate in Lotus Ltd.'s event liability insurance program, subject to any restrictions established by the terms of the policy or the underwriters. However, in no event will Lotus Ltd., or its officers or directors, be liable for any claims not paid by the policy then in place nor is Lotus Ltd., or its officers or directors, to be considered as the provider of the insurance or as an insurer. Both the Local Group and Lotus Ltd. acknowledge that this policy may be canceled, amended or modified at any time, in any manner, with or without notice to Lotus Ltd. or the Local Group and that the Local Group shall have no recourse against Lotus Ltd., or its officers or directors, in the event that such policy is canceled, amended or modified in any manner.



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Lotus Ltd. encourages that each local group incorporate. This is not mandatory, but is highly recommended. Lotus Ltd. will attempt to provide guidance to any local group considering incorporation.

This agreement may be amended or canceled at any time by Lotus Ltd., and all rights and privileges granted under this agreement terminated, with 30 days written notice to the Local Group. However, in the event that the Local Group fails to register a driving event with Lotus Ltd. or fails to meet insurance underwriters requirements, or fails to pay the required special event insurance premium or to provide Lotus Ltd. with proof of alternative insurance coverage for a driving event or to insure that all participants in a driving event hold a valid driver's license, Lotus Ltd., by its board of directors, may cancel this agreement with the Local Group immediately upon the mailing of written notice to the Local Group.

Lotus Ltd. will, on an annual basis, provide the Local Group with a list of Lotus Ltd. members in the Local Group's geographic area. The Local Group shall, within 30 days after receipt of this list, submit a list of its members.

This agreement is subject to the approval of the Lotus Ltd. board of directors.

Local Group Representative

Lotus Ltd. Representative – Eric Nordstrom

(Signature)

(Signature)

(Group Name)

(Group Contact Person – Print Name)

(Address)

(Day Time Telephone)

(Evening Telephone)