

**UNIVERSITY OF ILLINOIS ALUMNI ASSOCIATION  
AFFINITY AGREEMENT**

This Agreement is entered into as of this 1<sup>st</sup> day of July, 2010 (the "Effective Date") by and between University of Illinois Employees Credit Union, a credit union chartered under the laws of the State of Illinois, having its principal place of business at 2201 South First Street, Champaign, Illinois 61820 ("Credit Union"), and the University of Illinois Alumni Association, an Illinois non-profit corporation having its principal place of business at the Alice Campbell Alumni Center, 601 South Lincoln Avenue, Urbana, Illinois 61801 ("UIAA"), for themselves and their respective successors and assigns. UIAA is a membership organization of persons who have attended the University of Illinois (the "University").

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, UIAA and Credit Union agree as follows:

1. DEFINITIONS

When used in this Agreement, the following initially capitalized words and phrases will have the meanings ascribed to them as set forth below:

**"Active Customer Account"** means a Customer Account (as defined below) through which the Customer has made at least one (1) purchase or cash advance during the prior ninety (90) days.

**"Affiliate"** means, with respect to any entity or organization, any other entity or organization (other than UIAA chapters) directly controlled by, or under common control with such entity or organization. The term "controlled by" and "under common control with" means the possession of the power to direct or cause the direction of the management and policies, whether through the ownership of voting securities, by contract or otherwise; provided, however, that notwithstanding the foregoing, an "Affiliate" of UIAA will not include the University of Illinois.

**"Agreement"** means this Affinity Agreement and all Schedules attached hereto and incorporated by reference therein.

**"Applicable Law"** means, at any time, any applicable (i) federal, state, and local statutes, regulations, licensing requirements, regulatory bulletins or guidance, regulatory examinations, agreements or orders, (ii) regulations, by-laws and rules of any applicable self-regulatory organizations, (iii) rule, regulation, restriction, requirement or contractual term of any credit card network and (iv) judicial or administrative interpretations of any of the foregoing.

**“Confidential Information”** means any responses to a request for proposal submitted by a party (the “Disclosing Party”) to the other party (the “Receiving Party”), the terms of this Agreement (but not its existence) and any information, however stored, compiled or conveyed relating to the Disclosing Party’s performance of its duties and obligations under this Agreement and disclosed to the Receiving Party, including but not limited to the Marketing Lists or other lists of actual or potential customers, technical information or processes, computer software or programs, product designs, marketing and strategic business plans, balance sheets, income statements, journals or other financial information. Notwithstanding the foregoing, “Confidential Information” shall not include (1) information already in the possession of the Receiving Party at the time of disclosure by the Disclosing Party and not subject to a duty of confidentiality, (2) information obtained by the Receiving Party from a third party without any duty of confidentiality, and (3) independently discovered or deduced by the Receiving Party without any reference to the Disclosing Party’s Confidential Information.

**“Credit Card Services”** shall mean unsecured credit extended by Credit Union to Customers that Customers may access through the presentation to a merchant or other payee of the Customers’ credit account information that is embedded on a plastic card, provided however that Credit Card Services shall not include any card used to make an electronic withdrawal from the holder’s funds on deposit at a financial institution, or any non-credit cards, including but not limited to debit cards, gift cards, stored value cards, ATM cards, per diem cards, or any other cards associated with a depository account, pre-paid funds, or checking account.

**“Customer”** means any Participant who opens a Financial Service Product account with Credit Union.

**“Customer Account”** or **“Account”** means an open-end consumer credit account that is accessed utilizing a card, plate and/or any other device or instrument, or other Financial Service Product account opened by a Customer as a result of the Program.

**“Eligible Royalties”** means all Royalties that accrue and are payable by the Credit Union to UIAA under Schedule A of the Agreement.

**“Financial Service Products”** means any Credit Card Services and any other financial service programs or products as mutually agreed upon by UIAA and Credit Union by amendment to this Agreement; provided that “Financial Service Products” will not include (1) any Financial Services Products that UIAA or University use for internal business purposes, or (2) any credit card or travel and entertainment card program that UIAA or University authorizes UIAA or University employees to use for business expenses incurred or reimbursable by UIAA or University, or (3) any insurance and insurance-related products and services, or (4) any revolving credit arrangement that is secured by assets of the borrower.

**“Intellectual Property Rights”** means any patent, copyright, trademark, service mark, collective membership mark, trade secret, mask work, trade dress, privacy rights, publicity rights, contract rights prohibiting the disclosure, resale or redistribution of confidential data or information, or other intangible property rights created at common law, or under the statutes or laws of any state, the United States, or any foreign country.

**“Licensed Trademarks”** means the Trademarks set forth on Schedule B that are licensed to Credit Union for use in connection with the Program on the terms and conditions set forth herein.

**“Marketing Lists”** means an updated and current list (in a mutually agreeable format) containing names, with corresponding valid postal addresses and e-mail addresses of all Participants who have not requested that their contact information not be made available by the University or UIAA for commercial solicitations, and who are at least twenty-one (21) years of age, segmented by zip codes or other mutually selected characteristics.

**“Participant”** means persons identified on the Marketing Lists, who shall consist of University graduates, formerly enrolled students of the University, faculty or staff of the University, and University friends, supporters, and donors, provided, however, that a Participant will not include any person under the age of twenty-one (21) years admitted to, or applying for admission to the University, or enrolled on a full or part time basis in a course or program of academic, business, or vocational instruction offered by the University where credits earned could be applied to the earning of a bachelors degree, or any other classification of potential participants as mutually agreed by UIAA and Credit Union.

**“Program”** means the Financial Service Products, and the promotion thereof, that Credit Union and UIAA agree that Credit Union may offer to Participants pursuant to this Agreement from time to time.

**“Reward Account”** means a Credit Card Services carrying a Reward Enhancement.

**“Reward Enhancement”** means an enhancement as provided through Credit Union and offered as part of the Program as a reward to Customers to use Credit Card Services for the purchase of goods and services. A Reward Enhancement may be marketed under a trade name, as determined by Credit Union from time to time.

**“Royalties”** means the compensation paid or payable by the Credit Union to UIAA as set forth in Schedule A.

**“Trademarks”** means trademarks, logos, collective membership marks, or service marks owned, used or acquired by UIAA or the University during the term of this Agreement.

“**University**” means the Board of Trustees of the University of Illinois and its operations including the campuses at Urbana-Champaign, Chicago, and Springfield.

2. RIGHTS AND RESPONSIBILITIES OF UIAA

- (a) UIAA agrees that, subject to Section 11(c), during the period that this Agreement is in effect, it will endorse the Program exclusively and that UIAA will not, by itself or in conjunction with others, directly or indirectly: (i) sponsor, advertise, aid, develop, market, solicit proposals for programs offering, or discuss with any organization (other than Credit Union), the providing of any Financial Service Products of any entity other than Credit Union; (ii) license, allow others to license, or use or allow the use by others of the Trademarks in relation to or for promoting any Financial Service Products of any entity other than Credit Union; and (iii) sell, rent or otherwise make available or allow others to sell, rent or otherwise make available any of its Marketing Lists or information about any current or potential Participants for the purpose of promoting any Financial Service Products of any entity other than Credit Union. Notwithstanding anything contained in this Agreement to the contrary, (1) UIAA shall have the right to enter into agreements with third parties to offer secured installment loan products, provided that the products offered under such agreements are not accessed by credit card or other credit device, and (2) UIAA may solicit proposals from entities other than the Credit Union for programs offering Financial Service Products, and may discuss with any organization other than Credit Union, the providing of any Financial Service Products of any entity other than Credit Union pursuant to Section 11(c), or during the twelve (12) months immediately preceding the expiration of the term of this Agreement; provided, however, that any agreement between UIAA and any entity other than Credit Union for the providing of Financial Service Products will not have an effective date prior to the expiration of this Agreement. Notwithstanding the foregoing, Credit Union understands and agrees that UIAA was a party to an affinity agreement with the Bank of America that expired on December 31, 2009. Pursuant to that agreement, the Bank of America has rights for eighteen (18) months from the expiration of that agreement to issue credit cards, debit cards, and other documentation bearing the Licensed Trademarks to Bank of America customers who opened accounts pursuant to UIAA’s affinity agreement with Bank of America. Credit Union agrees that the issuance of such cards and other documentation by the Bank of America shall not constitute a breach by UIAA or the University of the exclusivity provisions of this Section 2(a) provided, however, that UIAA and the University shall not provide any Marketing Lists, sponsorship or other information or support to Bank of America for use in promoting Bank of America Financial Service Products during such eighteen (18) month period.
- (b) UIAA agrees to provide Credit Union with such information and limited assistance as may be reasonably requested by Credit Union in connection with the Program; provided that UIAA shall have the right to decline any Credit Union request for assistance that would, in the exercise of UIAA’s reasonable judgment, result in the

monies payable by the Credit Union to UIAA pursuant to Schedule A to be treated as Unrelated Business Income as defined in the Internal Revenue Code.

- (c) Subject to any limitations imposed by Applicable Law, UIAA authorizes Credit Union to solicit Participants for participation in the Program using direct mail, internet messaging, print or electronic advertisements, personal contacts, or any other means as mutually agreed to by the parties, provided that direct mail and e-mail solicitations by the Credit Union shall be limited to six contacts by direct mail or e-mail, during any twelve (12) month period. In the event UIAA provides information regarding the Program directly to Participants, whether in hard copy or electronic format, the same shall not be counted against the number of contacts described in the immediately preceding sentence. The foregoing limit on the number of contacts shall not apply to Customers.
- (d) UIAA in its own capacity, and as duly authorized agent for the University, will have the right of prior written approval, which approval will not be unreasonably withheld, conditioned or delayed, of all Program materials to be used by Credit Union that contain any Trademarks, except that the Credit Union may use UIAA's trade name "University of Illinois Alumni Association" on monthly statements or other correspondence from Credit Union to a Customer relating to the Customer's account(s) without any additional prior written approval from UIAA.
- (e) Within thirty (30) days following the request of Credit Union, UIAA will provide Credit Union with the Marketing List free of any charge, and will provide updated Marketing Lists in six (6) month intervals free of any charge provided, however, that UIAA will use commercially reasonable efforts to remove from any Marketing List the name and/or related information regarding any Participant who has expressly requested that UIAA not provide his/her personal information to third parties. UIAA will provide the first Marketing List as soon as possible but no later than thirty (30) days after UIAA's execution of this Agreement. Subject to the rights granted to Credit Union in this Section 2 (e), Credit Union acknowledges that UIAA and the University collectively own all right, title and interest in and to the Marketing Lists, that Credit Union will not take any action inconsistent with UIAA's and the University's collective ownership claims in the Marketing Lists, nor assist others in doing so. The Credit Union shall have the right to request Marketing Lists, or updates to the Marketing Lists, in addition to those being provided every six (6) months, but shall be responsible for payment to UIAA of the reasonable cost of producing such Marketing Lists or updates, which shall not exceed \$300.00.
- (f) UIAA will only provide information to or otherwise communicate with Participants or potential Participants about the Program with Credit Union's prior written approval, except for any current advertising and solicitation materials provided by Credit Union to UIAA. Notwithstanding the above, UIAA may respond to individual inquiries about the Program from any Participants on an individual basis, provided that said responses are accurate and consistent with the then-current materials

provided by Credit Union to UIAA. Any correspondence received by UIAA that is intended for Credit Union (*e.g.*, applications, payments, billing inquiries, etc.) will be forwarded to the Credit Union account executive via overnight or other courier within two (2) business days of receipt. All reasonable overnight courier expenses incurred by UIAA will be paid by Credit Union.

- (g) UIAA hereby grants Credit Union and its Affiliates a limited, non-transferable, license to use the Trademarks and the variations thereof displayed on Schedule B solely in conjunction with the Program. UIAA agrees to amend Schedule B to add any trademarks that the University may from time to time in the future approve for use under the University's commercial licensing program administered under the University's agreement with The Collegiate Licensing Company, exclusive of the University's official seal. UIAA further grants Credit Union a limited non-transferable, non-exclusive license to use the Trademarks displayed on Schedule B, and as Schedule B may be amended from time to time, on gift cards. Subject to the rights of Bank of America as set forth in Section 2(a), UIAA agrees that it will not license the use of the Trademarks on Schedule B, or as Schedule B may be amended from time to time, to any other entity in connection with the promotion of Financial Service Products during the term of this Agreement and that Credit Union will be the only entity offering Financial Service Products to Participants that is endorsed by UIAA. Subject to Section 11(c) and 11(e), this license will remain in effect for the duration of this Agreement and will apply to the Licensed Trademarks listed on Schedule B, notwithstanding the transfer of such Trademarks by operation of law or otherwise to any permitted successor, corporation, organization, or individual. UIAA will provide Credit Union as soon as possible with reproducible copies of all Licensed Trademark production materials (*e.g.*, camera ready art) required by Credit Union for use in promoting the Program, but no later than thirty (30) days after UIAA's execution of this Agreement. Nothing stated in this Agreement prohibits UIAA from granting to other persons a license to use the Trademarks in conjunction with any other service or product, except for any Financial Service Products. UIAA will have the right to discontinue any Trademark identified on Schedule B by providing Credit Union with an amended Schedule B and any successor Trademarks that the Credit Union is licensed to use. Upon receipt of an amended Schedule B, Credit Union's license to use any deleted Trademark(s) shall cease, except that Credit Union shall not be required to reissue any unexpired credit cards bearing any discontinued Trademark(s) prior to the normal expiration date for such cards unless specifically requested by UIAA to do so in writing or as may be required as a result of any court order or other legally binding obligation, and in the event UIAA makes such a request, Credit Union shall have one hundred and twenty (120) days from the date of UIAA's request or any deadline imposed by a court or other legally binding order, whichever is shorter, to accomplish any reissuance of cards and the UIAA shall be solely responsible for the reasonable cost and expense of (i) reissuance of the cards and (ii) UIECU's out of pocket costs for replacing unissued card stock, banners, signage, posters and other marketing materials related to the discontinued Trademark(s). In the event UIAA or the University create additional Trademarks that

the UIAA or the University are willing to license or sub-license to Credit Union for use in conjunction with the Program, UIAA shall tender to Credit Union an amended Schedule B that adds the additional Trademark(s) to the Licensed Trademark(s) licensed pursuant to this Section 2(g) and Credit Union shall have the right to use the additional Trademark(s) in conjunction with the Program subject to the terms and conditions of this Agreement. As between UIAA and Credit Union, Credit Union acknowledges and agrees that, subject to the license to use the Trademark(s) granted in this Section 2(g), (1) UIAA or the University shall own all right, title and interest in the Trademark(s); (2) Credit Union will not take any action inconsistent with UIAA's or the University's claims of ownership of the Trademark(s) and (3) Credit Union will not contest UIAA's or the University's claims of ownership in the Trademark(s), nor assist any others in doing so. Except as otherwise provided herein, upon the expiration or earlier termination of this Agreement, the license granted herein shall terminate and the Credit Union shall cease all further use of the License Trademarks in conjunction with the Program.

- (h) Notwithstanding anything herein to the contrary, (1) UIAA may accept advertising from any entity provided that such advertising does not refer to any sponsorship or endorsement by UIAA of any Financial Services Products other than those of the Credit Union, and (2) UIAA may accept sponsorships of its activities or events by other entities that offer Financial Service Products, provided that such sponsorships do not promote any particular Financial Service Products offered by such entities.
- (i) UIAA will, at no cost to Credit Union, include a link from UIAA's website to the Credit Union's website, but shall not be obligated to engage in any other web-based promotion of the Program. UIAA will modify or remove such link within five (5) business days of Credit Union's request.
- (j) UIAA shall have the right periodically to include messages or inserts in Program billing statements distributed by Credit Union to Customers. UIAA shall bear all costs associated with such messages or inserts. Credit Union shall assume the cost of mailing such messages or inserts, provided that the weight of the messages or inserts does not increase the Credit Union's postage expense above the expense incurred by the Credit Union in mailing Customer statements without the UIAA messages or inserts. The Credit Union shall have the right to approve the content of all UIAA messages or inserts, which approval shall not be unreasonably withheld, conditioned or delayed. UIAA shall provide any messages or inserts to Credit Union in accordance with Credit Union's schedule for mailing Customer statements. Notwithstanding the foregoing, UIAA messages or inserts may promote UIAA or University sponsored events, activities, products or services, other than any products or services of a third party that compete with products or services offered by Credit Union. UIAA agrees that the Credit Union need not seek separate approval from the University for any messages or inserts provided by UIAA to Credit Union for inclusion in Customer billing statements.

- (k) UIAA expressly disclaims any representation or warranty concerning the current or future creditworthiness of any Participant, and does not guaranty the financial obligations of any Participant.
- (l) UIAA shall provide a full page in every print alumni magazine except UIS Alumni Magazine (which does not accept commercial advertising), and a promotional block with a hyper-link in UIAA electronic newsletters and/or magazines, for placement by Credit Union of an advertisement of the Program, at no additional cost to Credit Union.

3. RIGHTS AND RESPONSIBILITIES OF CREDIT UNION

- (a) Credit Union at its own cost and expense will design, develop, maintain, and administer the Program for the Participants. Credit Union shall not knowingly take any action designed specifically to promote the completion of an application for Financial Service Products available through the Program by any person who is not eligible to be a Participant, as that term is defined in Section 1 above.
- (b) Subject to Section 2(d), Credit Union at its own cost and expense will design all advertising, solicitation, and promotional materials used in the Program. UIAA reserves the right of prior written approval of all marketing materials created by Credit Union that contain a Trademark and will be transmitted to Participants. Credit Union reserves the right of prior written approval of all materials concerning or related to the Program that may be developed by or on behalf of UIAA.
- (c) Credit Union will bear all costs of the Program, including the creation, production and mailing of marketing materials and the cost of any telephone or email solicitations.
- (d) Credit Union will make all credit decisions and will bear all credit risks with respect to each Customer's account(s) independently of UIAA.
- (e) Credit Union will use the Marketing Lists provided pursuant to this Agreement solely to promote the Financial Service Products to Participants as a part of the Program, and in a manner consistent with this Agreement. Credit Union shall have the responsibility, and bear the expense, for merging the Marketing Lists provided by UIAA, and purging any duplicate names and addresses that may appear on more than one Marketing List in order to minimize the possibility of duplicate mailings of promotional material being directed to the same Participant. If Credit Union provides access to the Mailing Lists in whole or in part to unaffiliated third party companies engaged by the Credit Union to perform marketing functions as part of the Program, which UIAA hereby authorize, Credit Union shall enter into written agreements with such unaffiliated third parties prior to any disclosure of the Marketing List information that obligate such third parties to use the Mailing Lists only as permitted herein, and to protect the contents of the Marketing Lists from unauthorized

disclosure or non-permitted uses. Credit Union will have the sole right to designate Participants on these Marketing Lists to whom promotional material will be sent. The Marketing Lists are and will remain the sole property of UIAA, provided, however, that Credit Union may maintain separately and will own all information that it obtains from a Participant as a result of an account relationship or an application for an account relationship. This information becomes a part of Credit Union's files and will not be subject to this Agreement; provided however that Credit Union will not use this separate information in a manner that would imply an endorsement by UIAA or the University. Except as otherwise provided herein, upon expiration or termination of this Agreement, the Credit Union shall return to UIAA, or, at UIAA's option, destroy, all copies of the Marketing Lists in what ever form or media that are in the Credit Union's possession or control, or in the possession or control of any third party to whom the Credit Union provided access to the Mailing Lists as permitted herein.

- (f) Subject to Applicable Law, Credit Union has the right to place the Licensed Trademarks on gifts for Participants completing applications and on other premium items, including without limitation t-shirts, hats, or other items suitable in Credit Union's judgment for the solicitation of Credit Card Services account applications, provided, however that Credit Union shall not offer any premium items bearing any Licensed Trademarks in return for the completion of a Credit Card Services account application to any person who is not a Participant as defined herein. UIAA will have the right of prior approval of the types of gifts or premium items on which any Licensed Trademark will be displayed and of the use and appearance of the Licensed Trademarks on such items, but otherwise grants Credit Union the right to use the approved items at Credit Union's discretion. When procuring gifts or premiums bearing the Licensed Trademarks as permitted in this Section 3(f), Credit Union shall use its reasonable best efforts to obtain such items from vendors licensed by the University. UIAA shall provide Credit Union with the names, addresses, telephone and other contact information for such licensed vendors promptly following request therefor by the Credit Union.
- (g) Credit Union shall not target market any products or services that are not defined as Financial Service Products to any Participants unless this Agreement is amended to permit such additional marketing activity on terms and conditions mutually agreeable to the parties; provided, however, that Credit Union may (i) market to Customers any products or services whether or not such products or services are Financial Service Products and (ii) market its products or services generally and allow Participants to use such products or services.
- (h) In the event that any Participant notifies the Credit Union that the Participant does not desire to receive any marketing materials or solicitations from the Credit Union as otherwise permitted herein, the Credit Union shall remove the Participant's contact information from any further promotional programs or campaigns initiated by the Credit Union as part of the Program.

- (i) During the term of this Agreement, and for one (1) year after its termination or expiration for any reason, the Credit Union shall maintain detailed transaction records relating to all Customer Accounts and shall make such records accessible to a certified public accounting firm engaged by UIAA at its expense for the purpose of conducting an audit to determine whether the Royalties paid by the Credit Union to UIAA are the full amounts required by Schedule A of this Agreement. UIAA may request such an audit no more frequently than once in any twelve (12) month period. Any such audit shall take place during regular business hours at the Credit Union's place of business where the Customer Account records are maintained, and shall be conducted in a manner that minimizes the impact upon the Credit Unions regular business operations. The Credit Union shall reasonably cooperate with the UIAA auditors during the course of the audit. If an audit report properly concludes, after input from the Credit Union, that the Credit Union has paid UIAA less than the amounts otherwise due and owing pursuant to Schedule A, the Credit Union shall within thirty (30) days of the date of the audit report pay to UIAA the amount of the shortfall together with interest on such shortfall calculated at the prime interest rate published in the Wall Street Journal on the date of the audit report. If an audit report shows that the Credit Union's has paid UIAA ninety-five percent (95%) or less than the amounts that were otherwise due and owing pursuant to Schedule A, the Credit Union shall reimburse UIAA for the reasonable fees and costs incurred by UIAA for the performance of the audit.
- (j) Credit Union may periodically include messages or inserts in mailings distributed by UIAA to Participants, subject to UIAA's prior right of approval, which UIAA may withhold in its absolute discretion. Credit Union shall bear all costs associated with such messages or inserts. UIAA shall assume the cost of mailing such messages or inserts, provided that the weight of the messages or inserts does not increase the UIAA's postage expense above the expense incurred by the UIAA in mailing without the Credit Union messages or inserts. Any increase in UIAA's postage expense associated with Credit Union's approved messages or inserts shall be borne by Credit Union. The Credit Union shall provide any messages or inserts to UIAA in accordance with UIAA's schedule for mailing.

#### 4. REPRESENTATIONS AND WARRANTIES

- (a) UIAA and Credit Union each represents and warrants to the other party that as of the Effective Date and throughout the term of this Agreement:
  - (i) It is duly organized, validly existing and in good standing;
  - (ii) It has all necessary power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement;

(iii) This Agreement constitutes a legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, receivership, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;

(iv) No consent, approval, or authorization from any third party is required in connection with the negotiation, execution, delivery and performance of this Agreement, except such as have been obtained and are in full force and effect;

(v) The execution, delivery and performance of this Agreement by such party will not constitute a violation of any law, rule, regulation, court order or ruling applicable to such party, or constitute a breach of any other agreement or contract to which a party is bound.

(b) UIAA represents and warrants to Credit Union as of the date hereof and throughout the term of this Agreement that (i) it has the right and power to license the Licensed Trademarks to Credit Union for use as contemplated by this Agreement, and to approve the marketing materials, and to provide the Marketing List(s) to Credit Union for the promotion of the Program as set forth in this Agreement.

(c) Credit Union represents and warrants to UIAA that any Credit Union trademarks, logos, text, images, or audio recordings used or displayed in conjunction with the Program (excluding displays of any Licensed Trademarks) do not infringe upon the Intellectual Property Rights of any third party and Credit Union will not, nor permit any of its Affiliates, agents, or independent contractors to, use the Trademarks or Marketing Lists for a purpose other than the purposes permitted under this Agreement. Credit Union further represents and warrants to UIAA that Credit Union will operate and administer the Program in a manner that does not cause UIAA or the University to assume any obligations under, or violate, the Illinois Credit Card Marketing Act of 2009, 110 ILCS 26/1 et seq.

## 5. ROYALTIES

(a) During the term of this Agreement, Credit Union will pay Royalties to UIAA as set forth in Schedule A, as consideration for the license to use the Licensed Trademarks and the Marketing Lists for the purposes permitted in this Agreement, and for no other rights or benefits provided by UIAA other than as expressly set forth in this Agreement. Except as otherwise provided in Schedule A, Credit Union shall pay Royalties then due to UIAA thirty (30) days after the end of each calendar quarter.

(b) On or before the thirtieth (30<sup>th</sup>) day after the end of each calendar quarter during the term of this Agreement, Credit Union will provide UIAA with a statement showing the following information relating to Customer Accounts of Participants identified with each of the University campuses (Urbana, Chicago, and Springfield): the

number of Customer Accounts opened, the number of Customer Accounts renewed, the number of Customer Accounts outstanding, the number of Active Customer Accounts (as defined above), the dollar volume of retail purchase transactions charged to Customer Accounts (excluding refunds, returns, fraudulent and unauthorized transactions), the dollar amount of Customer Account outstanding balances, and the dollar amount of Customer Account outstanding balances that are deemed by the Credit Union to be delinquent, and the dollar amount of Customer Account balances that were written off by the Credit Union or otherwise determined to be uncollectible.

6. PROGRAM ADJUSTMENTS

Credit Union has the right, in its sole discretion, to make periodic adjustments to the Program, including, without limitation, changes to the terms and features of the Financial Service Products offered to Participants. Notwithstanding the foregoing, Credit Union will use reasonable efforts to give UIAA ten (10) business days advance written notice of any material adjustments to the Program. Credit Union may further offer Customers opportunities to select credit protection and other products and services related to Customers' Accounts.

7. CONFIDENTIALITY

During the Term of this Agreement, the parties acknowledge that from time to time the Disclosing Party may disclose Confidential Information (as defined herein) to the Receiving Party. Such Confidential Information will not be disclosed by the Receiving Party to any other person or entity, except as permitted under this Agreement or as mutually agreed in writing. The Receiving Party will implement measures to protect the Disclosing Party's Confidential Information from unauthorized disclosure that are at least as rigorous as the Receiving Party implements to protect its own Confidential Information, but in any case not less than reasonable care. The parties acknowledge that the Receiving Party will be permitted to disclose the Disclosing Party's Confidential Information (i) to the Receiving Party's officers, directors, relevant committee members, administrative officials, accountants, lawyers, financial advisors, marketing advisors, affiliates and employees (its "Agents") as necessary for the performance of the Receiving Party's duties and obligations under this Agreement, provided that such Agents agree to treat the Disclosing Party's Confidential Information as confidential in the above described manner. The Credit Union acknowledges and agrees that for the purposes of this Section 7, the University's administrative and financial officers shall be deemed to be UIAA's Agents. Notwithstanding the foregoing, (1) the Receiving Party will be liable to the Disclosing Party for any breach of this Section 7 by the Receiving Party's Agents, and (2) UIAA shall be permitted in the event UIAA solicits proposals pursuant to Section 11(c) or Section 2(a) from other entities offering Financial Service Products to share with entities that respond to UIAA's solicitation of proposals the information provided by Credit Union to UIAA pursuant to Section 5(b)

(other than any personally identifiable Customer information that is protected by the Credit Union's privacy policy or is otherwise considered private under Applicable Law), provided that such entities first execute a written agreement with UIAA agreeing to protect such information from disclosure to third parties, and to use such information only for the purpose of preparing a proposal to UIAA for the promotion of financial products and services to Participants, and for no other purpose whatsoever. In the event the Receiving Party is served with a valid subpoena, discovery request, or other legal demand for the disclosure of the Disclosing Party's Confidential Information, the Receiving Party shall provide the Disclosing Party with prompt written notice of such demand in sufficient time to permit the Disclosing Party to seek to quash or limit such a demand or secure an appropriate protective order. The Receiving Party shall reasonably cooperate with the Disclosing Party in any such efforts. Subject to the foregoing, the Receiving Party's compliance with a valid subpoena or discovery request, or other legal demand for disclosure of the Disclosing Party's Confidential Information shall not be construed as a violation of this Section 7. Upon expiration or earlier termination of this Agreement, and at the Disclosing Party's option, the Receiving Party shall (1) return to the Disclosing Party all of the Disclosing Party's Confidential Information in the Disclosing Party's possession or control, or the possession or control of any third parties to whom the Receiving Party granted access to such Confidential Information, or (2) destroy all such Confidential Information, and provide the Disclosing Party with a certificate signed by an officer of the Receiving Party attesting to the return or destruction of all of the Disclosing Party's Confidential Information. Each party acknowledges that a breach by the other party of that party's obligations under this Section 7 will cause irreparable harm to the non-breaching party for which money damages would not be adequate. In the event a party files a petition for temporary or permanent injunctive relief alleging a violation of this Section 7, the defendant agrees that the petitioner need not prove that its injury is irreparable, or that it does not have an adequate remedy at law. In the event a court issues a preliminary injunction against a party for violation of its duties under this Section 7, the party against whom the injunction is issued waives any requirement that the petitioner post a security bond.

## 8. INDEMNIFICATION

### (a) By The Credit Union.

The Credit Union shall defend, indemnify, and hold harmless UIAA and the University, and their respective officers, directors, trustees, managers, employees, agents and assigns (the Indemnified Parties") from any and all losses, damages, judgments, penalties, fines, costs and expenses, including reasonable attorneys fees and litigation expenses, arising from any allegations asserted by a third party, including any governmental agency or officer, (a "Claim") that if proven to be true, would constitute a breach by the Credit Union of its duties, obligations, representations or warranties set forth in this Agreement or any Schedule thereto. For the avoidance of doubt, a Claim for the purposes of this Section 8(a) shall also

include any conduct by the Credit Union that causes UIAA or the University to assume any obligations under, or violate, the Illinois Credit Card Marketing Act of 2009, 110 ILCS 26/1 et seq. In the event of a Claim based upon allegations that the Credit Union has conducted the Program in a manner that causes UIAA or the University to assume obligations under, or violate, the Illinois Credit Card Marketing Act, and subject to the Credit Union's duty to defend, indemnify and hold UIAA and the University harmless from any losses, damages, judgments, fines, penalties, costs, and expenses, including reasonable attorneys fees and litigation expenses arising from such a Claim, the Credit Union shall indemnify UIAA or the University for all costs and expenses incurred by UIAA or the University as a result of having to comply with the requirements of the Illinois Credit Card Marketing Act by reason of Credit Union's conduct of the Program; provided, however, that the Credit Union shall be deemed to have satisfied its duty to indemnify the University or the UIAA for the expense of complying with Section 10 of the Illinois Credit Card Marketing Act, 110 ILCS 26/10, if the Credit Union provides or offers to make available to UIAA or the University, at the Credit Union's expense, educational programs developed by, or available to, the Credit Union to the extent such programs comply with the requirements of Section 10 of the Illinois Credit Card Marketing Act. In the event of any Claim, an Indemnified Party shall provide the Credit Union with prompt written notice of the Claim, and a copy of any complaint, petition, or other written documents setting forth the Claim. The Indemnified Parties shall cooperate with the Credit Union on reasonable terms and conditions in the defense or settlement of any Claim. The Credit Union shall have the right and duty to engage legal counsel to defend or settle any Claim; provided that the Indemnified Parties shall have the right to engage at their expense separate legal counsel to monitor the defense or settlement of any Claim. The Credit Union shall have the right to settle or compromise any Claim, provided that UIAA shall have the right to approve any settlement or compromise that reduces the rights or benefits of UIAA under this Agreement, which approval shall not be unreasonably withheld, conditioned or delayed.

(b) By UIAA

UIAA shall defend, indemnify, and hold harmless the Credit Union, and its respective officers, directors, trustees, managers, employees, agents and assigns (the Indemnified Parties") from any and all losses, damages, judgments, penalties, fines, costs and expenses, including reasonable attorneys fees and litigation expenses, arising from any allegations asserted by a third party (a "Claim") that if proven to be true, would constitute a breach by UIAA of its duties, obligations, representations or warranties set forth in this Agreement or any Schedule thereto. In the event of any Claim, an Indemnified Party shall provide UIAA with prompt written notice of the Claim, and a copy of any complaint, petition, or other written documents setting forth the Claim. The Indemnified Parties shall cooperate with UIAA on reasonable terms and conditions in the defense or settlement of any Claim. UIAA shall have the right and duty to engage legal counsel to defend or settle any Claim; provided that the Indemnified Parties shall have the right to engage at their expense separate legal

counsel to monitor the defense or settlement of any Claim. UIAA shall have the right to settle or compromise any Claim, provided that the Credit Union shall have the right to approve any settlement or compromise that reduces the rights or benefits of the Credit Union under this Agreement, which approval shall not be unreasonably withheld, conditioned or delayed.

9. TERM OF AGREEMENT

The initial term of this Agreement will begin on the Effective Date and end on June 30, 2020.

10. STATE LAW GOVERNING AGREEMENT

This Agreement will be governed by and subject to the laws of the State of Illinois (without regard to its conflict of laws principles) and will be deemed for all purposes to be made and fully performed in Illinois.

11. TERMINATION

- (a) In the event of any material breach of this Agreement by Credit Union or UIAA that is not substantially cured as permitted herein, the other party may terminate this Agreement by giving notice to the breaching party. The notice will (i) include a description of the material breach; and (ii) state the party's intention to terminate this Agreement. If the breaching party does not substantially cure such breach within sixty (60) days after receipt of notice, as provided herein (the "Cure Period"), then this Agreement will terminate thirty (30) days after the expiration of the Cure Period.
- (b) If either Credit Union or UIAA becomes insolvent in that its liabilities exceed its assets or it is unable to meet or it has ceased paying its obligations as they generally become due, or it is adjudicated insolvent, or takes advantage of, or is subject to, any insolvency proceeding, or makes an assignment for the benefit of creditors or is subject to receivership, conservatorship or liquidation, then the other party may immediately terminate this Agreement.
- (c) Commencing on July 1, 2015, and once during each twelve (12) month period thereafter while this Agreement is in effect, UIAA may at its discretion solicit proposals from other entities for terms and conditions upon which such other entities would promote Financial Service Products to Participants if for any immediately preceding twelve (12) month period between July 1 and June 30 the Royalty Income accrued to UIAA does not equal or exceed \$475,000. If pursuant to any proposal(s) received by UIAA, UIAA elects to enter into an agreement with another entity to promote Financial Service Products to Participants, UIAA shall, prior to entering into any definitive agreement with another entity, provide Credit Union with a copy of a letter of intent or terms sheet signed by UIAA and another entity setting forth the material terms and conditions of a definitive agreement between the parties, and

Credit Union shall have sixty (60) days from the date of its receipt of such letter of intent or terms sheet to notify UIAA in writing of its agreement to amend this Agreement to adopt terms that are at least equal to the terms as set forth in the letter of intent or terms sheet signed by UIAA and the other entity. If Credit Union declines to agree to amend this Agreement as set forth herein, UIAA shall have the right thereafter to terminate this Agreement upon sixty (60) days advance written notice to Credit Union.

- (d) Upon the expiration or earlier termination of this Agreement, Credit Union will, except as set forth in Section 11(e) of this Agreement, cease to use the Licensed Trademarks or the Marketing Lists for Program marketing purposes, provided that Credit Union may conclude all solicitations required by law. Upon the expiration or earlier termination of this Agreement, Credit Union will not claim any right, title, or interest in or to the Trademarks or to the Marketing Lists, and any licenses granted by UIAA to Credit Union for the use of such Trademark(s) and Marketing Lists will cease.
- (e) Credit Union will have the right to prior review and approval of any notice to be communicated by UIAA to Participants in connection with, relating or referring to the expiration or earlier termination of this Agreement, which approval shall not be unreasonably withheld, conditioned, or delayed. UIAA will have the right of prior review and approval with respect to any notice from Credit Union to Participants relating to the expiration or earlier termination of this Agreement, which approval shall not be unreasonably withheld, conditioned or delayed. During any Wind Down Period as defined in Section C of Schedule A, Credit Union shall have the right for a period of eighteen (18) months following the expiration of the Term of this Agreement to issue credit cards containing the Licensed Trademarks to existing Customers as of the expiration date of the Agreement (the "Reissue Period"). In consideration of Credit Union's rights during the Reissue Period, Credit Union shall pay to UIAA the Wind Down Royalties pursuant to Section C of Schedule A. Credit Union shall reissue to Customers credit cards that do not contain any of the Licensed Trademarks ("Force Reissue") within twelve (12) months following the termination of the Reissue Period. If this Agreement terminates prior to the expiration of its Term for any reason whatsoever, Credit Union shall at its own expense Force Reissue all credit cards bearing a Licensed Trademark within one hundred and twenty (120) days after the date of termination of the Agreement.
- (f) For a one (1) year period immediately following the expiration or earlier termination of this Agreement for any reason, UIAA agrees that neither UIAA by itself or in conjunction with others, directly or indirectly, will target any offer of a Financial Service Product, or a related product, to persons who were Customers at the expiration or earlier termination of this Agreement. Notwithstanding the foregoing, UIAA may, after the expiration or earlier termination of this Agreement, offer persons who were Customers the opportunity to participate in another financial service program endorsed by UIAA, provided the opportunity is not made available

only to such Customers, but rather as a part of a general solicitation to all Participants and provided further that any communication or solicitation does not directly or indirectly identify a person as a Customer, or offer to that Customer any terms or incentives that differ from those offered to all Participants. Such general solicitations shall not, directly or indirectly, contain any mention of the Credit Union or the Program.

12. SURVIVAL

The following Sections of this Agreement shall survive its expiration or earlier termination: Section 1, the penultimate sentence of Section 2(g), 3(i), 7, 8, 10, 11(c), 11(d), 11(f), 12, 13, and Section C of Schedule A

13. MISCELLANEOUS

- (a) This Agreement cannot be amended except by written agreement signed by the authorized agents of both parties hereto.
- (b) The failure of any party to exercise any rights under this Agreement will not be deemed a waiver of such right or any other rights.
- (c) The section captions are inserted only for convenience and are in no way to be construed as part of this Agreement.
- (d) If any part of this Agreement is, for any reason, found or held invalid or unenforceable by any court or governmental agency of competent jurisdiction, such invalidity or unenforceability will not affect the remainder of this Agreement which will survive and be construed as if such invalid or unenforceable part had not been contained herein and the parties hereto will immediately commence negotiations in good faith to reform this Agreement to make alternative provisions herein that reflect the intentions and purposes of the severed provisions in a manner that does not run afoul of the basis for such unenforceability or invalidity.
- (e) All notices relating to this Agreement will be in writing and will be deemed given (i) upon receipt by hand delivery, facsimile or overnight courier, or (ii) three (3) business days after mailing by registered or certified mail, postage prepaid, return receipt requested. All notices will be addressed as follows:

- (1) If to UIAA:

University of Illinois Alumni Association  
Alice Campbell Alumni Center  
601 South Lincoln Avenue

Urbana, Illinois 61801

ATTENTION: Mr. Loren R. Taylor  
President and Chief Executive Officer

Fax #: (217) 333-7803

(2) If to Credit Union:

University of Illinois Employees Credit Union  
2201 South First Street  
P.O. Box 500  
Champaign, IL 61824-0500

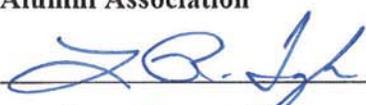
ATTENTION :Mr. E.J. Donaghey  
President and Chief Executive Officer  
Fax # :217-244-5789

(3) Any party may change the address and fax number to which communications are to be sent by giving notice, as provided herein, of such change of address.

- (f) This Agreement contains the entire agreement of the parties with respect to the matters covered herein and supersedes all prior promises and agreements, written or oral, with respect to the matters covered herein. This Agreement does not and is not intended to alter or amend any aspect or provision of any other agreement between the parties that survives termination of that agreement. UIAA may not assign any of its rights or obligations under this Agreement to any third party without the prior consent of Credit Union, which consent will not be unreasonably withheld, conditioned or delayed, except that UIAA may assign this Agreement to the University without Credit Union's prior consent. Credit Union may not assign or transfer its rights or obligations under this Agreement without the prior written consent of UIAA, which shall not be unreasonably withheld; conditioned or delayed, provided that Credit Union may assign or transfer, without UIAA's consent, any of its rights or obligations under this Agreement as part of a merger with a third party, or a sale of all, or substantially all, of the Credit Union's assets to a third party.
- (g) Credit Union and UIAA are not agents, representatives or employees of each other and neither party will have the power to obligate or bind the other in any manner except as otherwise expressly provided by this Agreement.
- (h) Nothing expressed or implied in this Agreement is intended or will be construed to confer upon or give any person other than UIAA and Credit Union, or their permitted successors and assigns, any rights or remedies under or by reason of this Agreement.

- (i) Neither party will make any statement, whether written, oral or otherwise, to any person or entity which defames the reputation or character of the other or any of its Affiliates, whether or not the statement is true and whether or not it is characterized as confidential.
- (j) Neither party will be held responsible for any delay or failure in performance to the extent such delay or failure is caused by fire, flood, explosion, terrorism, war, strike, embargo, government laws, rules, regulations or requirements, civil or military authority, act of God, act or omission of carriers or other similar causes beyond its control, that was not reasonably foreseeable or avoidable, and without the fault or negligence and/or lack of diligence of the delayed party ("force majeure condition"). The non-delayed party will have the right to terminate this Agreement if such force majeure condition endures for more than one hundred twenty (120) days upon providing at least thirty (30) days written notice to the delayed party at any time after the expiration of the one hundred twenty (120) day period.
- (k) This Agreement may be executed in two (2) or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. The parties hereto agree to accept a digital image of this Agreement, as executed, as a true and correct original and admissible as best evidence to the extent permitted by a court with proper jurisdiction.
- (l) This Agreement is the product of negotiations between the parties hereto and their respective counsel. No provision or section of this Agreement will be read, construed or interpreted for or against either party by reason of ambiguity of language, rule of construction against the draftsman, or any similar doctrine.

IN WITNESS WHEREOF, each of the parties, by its representative, has executed this Agreement as of the Effective Date.

<p><b>University of Illinois Alumni Association</b></p> <p>By: <u></u></p> <p>Name: <u>Loren R. Taylor</u></p> <p>Title: <u>President &amp; CEO</u></p> <p>Date: <u>7/6/10</u></p>	<p><b>University of Illinois Employees Credit Union</b></p> <p>By: <u></u></p> <p>Name: <u>E.J. DONAGHEY</u></p> <p>Title: <u>CEO</u></p> <p>Date: <u>6/17/2014</u></p>
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UNIVERSITY OF ILLINOIS EXCLUSIVITY COVENANT TO CREDIT UNION

The Board of Trustees of the University of Illinois, a body corporate and politic of the State of Illinois, (the "University") hereby covenants and agrees with the University of Illinois Employees Credit Union (the "Credit Union") that (1) the University understands that the University of Illinois Alumni Association ("UIAA") has entered into the above referenced Affinity Agreement (the "Affinity Agreement") with the Credit Union in which the UIAA, among other things, agrees that while the Affinity Agreement is in effect that UIAA will not sponsor or endorse the products or services of any financial institution, other than the Credit Union, that are the same as Credit Card Services, as defined in the Affinity Agreement; and (2) as an inducement to the Credit Union to enter into the Affinity Agreement with UIAA, the University hereby agrees that while the Affinity Agreement remains in full force and effect, the University shall not sponsor or endorse any products or services of any financial institution other than the Credit Union, that are the same as Credit Card Services, as defined in the Affinity Agreement, or license the use of University's trademarks, service marks, or mailing lists in the promotion of products or services of any financial institution that are the same as Credit Card Services as defined in the Affinity Agreement, provided, however, that in the event the Sponsorship Agreement between the University and the Credit Union, executed contemporaneously with the Affinity Agreement, terminates while the Affinity Agreement remains in effect, the University may enter into a similar sponsorship agreement with another financial institution that offers products and services that are the same as Credit Card Services as defined in the Affinity Agreement, so long as the University does not undertake any of the actions prohibited by this Covenant with respect to the other financial institution's products and services. Except for the University's obligations set forth in this Covenant, the University does not undertake any duties or obligations under the Affinity Agreement.

IN WITNESS WHEREOF, the University executes this Covenant as of this day and year above written

THE BOARD OF TRUSTEES OF THE  
UNIVERSITY OF ILLINOIS

BY Walter K. Kuntz  
COMPTROLLER

ATTEST Michele M. Y. Thompson  
SECRETARY 7/1/10

APPROVED AS TO LEGAL FORM

[Signature]  
OFFICE OF UNIVERSITY COUNSEL

SCHEDULE B

Insert new Schedule B provided by UEICU

SCHEDULE B

Schedule B includes the following Trademarks plus all color variations  
and components thereof

UIAA Trademarks



UIC Trademarks



UIS Trademarks



UIUC Trademarks

