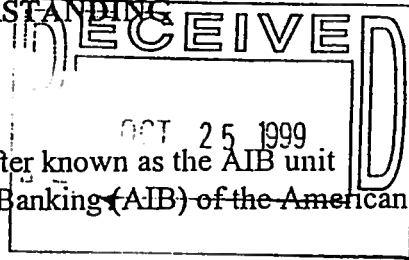


LETTER OF UNDERSTANDING



11-97

Between Florida AIB Consolidated, hereinafter known as the AIB unit [chapter/study group of the American Institute of Banking (AIB) of the American Bankers Association (ABA)]

2801 S. Bay Street, Suite B

AIB unit address

Eustis FL 32726-6503 (352) 589-9555  
City State Zip Phone

AND

Pensacola Junior College (School), hereinafter known as the College

1000 College Boulevard

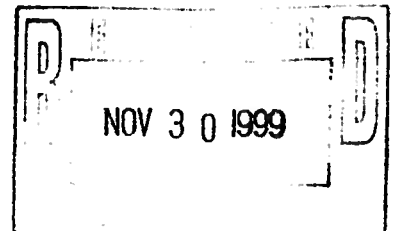
College address

Pensacola FL 32504 (850) 484-1000  
City State Zip Phone

We, the aforementioned parties, declare our intention to affiliate for the period of three years beginning with the effective date of this Letter of Understanding (LOU). This agreement which specifies the terms of our program and mutual commitment to one another, is subject to the consent of both parties and the written approval of the Director of ABA's AIB Division or his/her designee, unless otherwise provided in the LOU. This LOU may be rescinded by either party at any time upon giving written notice. However, it will not go into effect until the beginning of the next academic term. Provision shall be made to protect the students' interest in our program. Upon termination of this LOU, there shall be no obligation or liability on the part of either party against the other.

**I. ADMINISTRATION OF THE AFFILIATION**

A Banker Oversight Committee, consisting of representatives from the AIB unit and college, will be formed. The committee shall serve as a formation committee initially and a banker advisory committee after the affiliation is established. Its mission shall be to ensure that the affiliation effectively meets mutual needs. It shall meet as needed, but at least annually to discuss and review the affiliation course offerings as well as instructors' performance, students' feedback, and other subjects of continuing interest and concern.



All amendments and modifications should be signed by both the AIB unit and the college and submitted in writing to the ABA's AIB Division at least 30 days prior to the beginning of the next academic term. The signatures of the authorized parties of the AIB unit and a college official on this document indicate acceptance of the terms of this LOU for three (3) years.

It is mutually agreed that neither party shall be held liable for damage caused by delay or failure to perform when such delay or failure is due to government regulation, Act of God, war disaster, fire, flood, strike or labor disruption, or civil disorder making it illegal or impossible to abide by this agreement or any of its terms.

## **II. SCOPE OF THE PROGRAM**

### **A. The AIB unit agrees to:**

1. provide timely, ABA developed educational materials for banking, finance, and some business courses
2. counsel students about their courses of study toward AIB diplomas and certificates
3. submit the attached listing of courses to ABA's AIB Division to obtain information on whether and how specific college courses apply to AIB diplomas and certificates
4. promote approved college courses that apply towards AIB diplomas and certificates to the local banking community
5. assist the college in establishing a Banker Oversight Committee, comprised of representatives from the local banking community (may be the AIB unit's Board of Directors) and the college
6. establish an ABA account for the ordering of course materials
7. award AIB credit for approved college courses
8. sublicense ABA or AIB trade name, trademark, service mark, or logo rights to the college if the college agrees to APPENDIX A

### **B. The AIB unit assumes joint responsibility for:**

1. evaluating AIB program faculty

2. scheduling AIB courses at a time and place convenient to the local banking community
3. ordering and billing for textbooks and instructor's manuals for AIB programs
4. reporting grades and credits to AIB students as well as to their respective banks and record keeping offices

**C. The college agrees to:**

1. assume joint responsibility for the selection and evaluation of AIB/college program faculty
2. offer the AIB courses specified on the attached listing of AIB courses, or AIB unit-approved substitutions, to its community on a continuing need basis
3. make available a degree in banking and finance or a banking/finance minor within a business degree (or include AIB courses in the college continuing education program if the bankers prefer this program over the degree program)
4. respond to the Banker Oversight Committee's identification of local banker education needs
5. purchase through chapter authorization and use ABA/AIB-developed materials for banking and finance courses, if alternative materials are selected, the college or the AIB unit must provide justification to ABA's AIB Division and receive its written approval prior to implementation
6. counsel students about the application of their AIB courses to college degree(s)
7. market the mutual program to the community
8. coordinate regular meetings with the Banker Oversight Committee
9. award college credit for approved AIB courses that meet college requirements

**D. AIB/College Program**

It is our intent that the AIB and college courses noted on the attached course listing will be offered through this affiliation and will apply to the following: (check all that apply and attach copy of relevant Associate Degree)

College degree credits, specifically: Business

Associate Degree in Banking and Finance

Associate Degree in Banking

Associate Degree in Finance

Associate Degree in Business with emphasis in Banking/Finance Field

Bachelor's Degree in Banking and Finance

Bachelor's Degree in Banking

Bachelor's Degree in Finance

Bachelor's Degree in Business with emphasis in Banking/Finance Field

National AIB Diplomas and Certificates as determined by ABA's AIB Division and written on the attached course listing

College Continuing Education Program

Other (Please specify): \_\_\_\_\_

E. We, the AIB unit and college, will publicize this information to our students so that they may benefit from advance notice of the courses being offered and what applications those courses have. It is understood that the courses apply to college degrees and AIB diplomas and certificates in accordance with the education policies and parameters of the respective institutions regarding matriculation, grades, instructional hours, and relevance of content. Both the AIB unit and the college retain their own autonomy in regard to granting credit.

**III. EDUCATIONAL POLICIES AND STANDARDS**

The college is an independent contractor and not an agent, employee, joint venturer, or party of said AIB unit of the AIB Division of ABA. Unless otherwise noted, educational policies and standards are as stated in each institution's catalog or bulletin.

AIB credit is granted on an instructional-hour scale that may or may not be the same as that used by the college. (If the college is not on the semester system, the number of credits granted by it may differ from the number granted by AIB.) Students should be made aware of this in advance. For information on student eligibility for AIB credit, see Section IV. The AIB instructional-hour and credit scale is as follows:

5-14 instructional-hours = 1/2 credit  
15-29 instructional-hours = 1 credit  
30-44 instructional-hours = 2 credits  
45-59 instructional-hours = 3 credits

(One instructional hour = 50 minutes)

**Grades:** For AIB purposes, a grade scale of A, B, C, D, F, I, P, and W is used (See AIB Course Catalog for explanation). If the college grading system differs from the AIB system, the instructor will prepare duplicate grades to meet the needs of any students who desire both AIB and college credit. The AIB unit and college agree to arrange for the submission of grades to each other, if mutual credit is desired.

**Reporting:** It is the college's responsibility to report the students' grades to the AIB unit within 30 days of the completion of the course. It is then the responsibility of the AIB unit to report AIB student's grades to the AIB Division or its designated record-keeping office. Courses taken through this affiliation that are prequalified for AIB credit should be forwarded on AIB Registration Forms and not on college transcripts. The use of the registration form is mandatory for reporting students' grades.

In order to protect students' privacy, it is necessary to obtain their written consent to release the grades from the college to the AIB unit or vice versa. This should be done at the time of registration.

#### IV. STUDENTS

Non-AIB courses offered through this program are available to all college students and authorized AIB unit students unless otherwise specified. AIB courses that are banking-specific are normally available only to AIB unit members. By agreement of the Banker Oversight Committee, however, qualified non-banker students may be admitted to AIB courses under the following conditions:

1. They must be students at the college.
2. They may receive credit for the course at the college, but may not receive AIB credit unless they enter the banking profession. AIB credit may be granted retroactively if the course was completed within the past 10 years and is submitted to the AIB Division or its designated recordkeeping office on an AIB Registration Form.

3. Every effort is made by the AIB unit and the college to sustain the essential banking context of the courses, so that banking students may apply the knowledge to banking jobs.
4. AIB students are entitled to the ordinary services and facilities accorded students of the college.

#### V. FACULTY

We, the AIB unit and college, full intend to take all reasonable measures to obtain as faculty members those individuals deemed qualified to teach the respective courses and to cooperate with each other to ensure that standards of performance are maintained. We understand that faculty who teach AIB courses must satisfy AIB qualifications. It is important that instructors who teach AIB banking-specific courses have a current or ongoing involvement in the profession. We understand that faculty who teach college credit classes must meet SACS qualifications.

We understand that evaluation of AIB program faculty at the college is a responsibility that must be shared with the college. The evaluation, continuance, transfer, or termination of any member of the AIB unit's faculty can be accomplished by AIB unit with consultation with the college.

#### VI. TUITION

It is understood that tuition fees for AIB students shall be determined and collected by the AIB unit unless noted otherwise here:

AIB/PJC students shall remit to PJC the tuition and fees established by the college for instruction.

#### VII. ADMINISTRATIVE/OTHER COSTS/REVENUES

Any administrative and supplemental revenues and expenses that apply to this LOU, together with details of payment, shall be listed here: **NONE**

#### VIII. REVIEW AND RENEWAL OF THE AFFILIATION

In addition to the annual and other as needed reviews, the Banker Oversight Committee (see section I.) shall meet at the end of the three year term of this LOU for purposes of monitoring the progress of the affiliation and making decisions related to its continuation.

During each meeting the Banker Oversight Committee shall come to a decision relative to any modifications or termination of the LOU. If the decision is to modify it, the Committee shall complete the review form and forward it to ABA's AIB Division. If the decision is to terminate it, a letter to that effect, signed by both AIB unit and college officials, shall be submitted to the ABA's AIB Division.

This Letter of Understanding has been prepared by the Florida AIB Consolidated AIB unit of the American Institute of Banking of the American Bankers Association and Pensacola Junior College as written indication of our mutual intent to work effectively toward the achievement of quality education for the banking industry, under the terms and conditions of affiliation compatible with both parties and designed to enhance our respective educational programs and the essential integrity of both the AIB unit and the college. Moreover, it is understood that the termination of this LOU is without obligation or penalty to the AIB unit or college. However, let it be clear, the termination of this LOU also terminates privileges associated with the affiliation.

## IX. CLOSING

This document, Appendix A, and the attached listing of AIB and college courses constitute the entire agreement by and between both parties. It supersedes any and all prior agreements, understandings, or representation, whether written or oral. This agreement is intended to bind only the parties hereto and may not be assigned by either party without the express written consent of the other. This agreement shall not be deemed to create an employment relationship, a partnership, or a joint venture, but rather, creates an independent contractor relationship, and shall be interpreted according to the laws of the AIB unit's state.

The college agrees to maintain responsibility for its acts under its exclusive control arising out of this agreement.

AIB shall indemnify and hold the college harmless from any and all claims, demands, losses, liability and damages, including attorney fees incurred by the college in defending itself, arising out of or connected with AIB's conduct of the workshop or arising out of two agreements.

Therefore, we understand and agree that commencing December 1, 1999 and for a period of three years, with an annual review, this understanding shall be in effect.

AIB Unit

Affiliated College

By: *Jean K. Boyer*  
(Signature)

District Board of Trustees of  
Pensacola Junior College, FL

Jean K. Boyer  
(Print or type)

By: *Charles A. Atwell*  
(Signature)

Title: Executive Director

Dr. Charles A. Atwell  
(Print or type)

Unit Name/Number- 80475

Title: President

College Name: Pensacola Junior College

Date: 10/18/99

Date: 10/19/99

PLEASE CHECK COLLEGE SYSTEM:  semester  quarter  
 other (specify: \_\_\_\_\_)

**FOR AIB DIVISION USE ONLY**

Approved by: *Thomas J. Gilliam*, Director/Designee of American  
Institute of Banking Division

Date: 11-9-99

CH/SIG #: 80475

BKSTR #: \_\_\_\_\_

Approved as to Form:

By: *Thomas J. Gilliam*  
Attorney for Pensacola Junior College



## APPENDIX A

### Sublicense of Trademark Rights:

1. The AIB unit agrees to sublicense to the college the right to use the following proprietary materials and rights of ABA in connection with this LOU, but only so long as such proprietary materials are used in accordance with the specifications contained herein.
2. For purposes of this Agreement, the term proprietary materials and rights shall mean only the following proprietary materials and rights owned exclusively by ABA.
  - a) Service mark no. 1, 161, 438 on the principal register, which is the property of ABA, and which is used in representing the commercial banking industry; and
  - b) The words "American Bankers Association" used in connection with service mark no. 1, 161, 438, and
  - c) Service mark no. 1, 163, 193 on the principal register, which is the property of ABA, and which is used in representing the commercial industry; and
  - d) The words "American Bankers Association" used in connection with service mark no. 1, 163, 193, and
  - e) Service mark no. 1, 575, 617 on the principal register, which is the property of ABA, and which is used in representing the commercial banking industry; and
  - f) The words "American Institute of Banking" used in connection with service mark no. 1, 575, 617, and
  - g) Service mark no. 1, 530, 160 on the principal register, which is the property of ABA, and which is used in representing the commercial banking industry, and
  - h) The letters "AIB" used in connection with service mark no. 1, 530, 160; and
  - i) Service mark no. 1, 535, 804 on the principal register, which is the property of ABA, and which is used in representing the commercial banking industry; and
  - j) The words "Banking Education AIB" used in connection with service mark no. 1, 535, 804; and
  - k) Service mark no. 1, 539, 658 on the principal register, which is the property of ABA, and which is used in representing the commercial banking industry; and
  - l) The letters "AIB" used in connection with service mark no. 1, 539, 658.
3. The college agrees to:
  - a) The college shall mark ABA's service marks with a suitable legend in a form approved, in advance, by the AIB unit indicating that the service marks are being used under license.

- b) The college shall submit to the AIB unit, for prior approval, all of the AIB unit's proposed advertising with respect to the college's use of the ABA's service marks in the marketing of the college affiliation program.
- c) All courses, pamphlets, promotional materials, sales materials, and advertisements offered or produced by the college, and used to market the college affiliation program, which bear any of the licensed trademarks shall meet the standards of quality specified by the ABA.
- d) To insure that the quality requirements of this LOU are maintained, the college will, at all times during the continuance of this LOU, permit or arrange for any duly authorized representative of ABA or the AIB unit to inspect any part or parts of any premises where such pamphlets, promotional materials, sales materials, and advertisements are produced, and to take samples of such pamphlets, promotional materials, sales materials, and advertisements.
- e) On termination of this LOU, for any reason, the college shall forthwith cease production of any copies of any pamphlets, promotional materials, sales materials, or advertisements containing any of the ABA's proprietary materials and rights. All remaining materials containing the proprietary materials and rights shall be returned to the ABA immediately after termination. The college agrees not to operate or do business in any manner that might tend to convey or give the general public the impression that this LOU is still in effect.
- f) The college shall, at all times, recognize the validity of the proprietary materials and rights. Furthermore, nothing in this LOU shall give the college any interest in the proprietary materials and rights. Furthermore, nothing in this LOU shall give the college an interest in any such service mark or goodwill or in any label, design, etc. used in connection therewith.
- g) The college agrees that in the event of any actual or suspected infringement of any trademark or service mark which are owned by the ABA, the college shall promptly report such infringement to the ABA. The ABA shall determine whether to institute any demand, suit, or action with respect to infringement of its proprietary materials and rights. The college agrees to furnish full cooperation with reference to any such demand, suit, or action.
- h) In the event the college shall be made a party to any litigation directly concerning the use of any service marks, trade name, or copyrights which are sublicensed by the AIB unit to the college, the college shall immediately notify the ABA of the fact and give the ABA a copy of the petition, summons, or complaint.



AIB Title of AIB Course	Number of CEUs	Number of College Credits	Name of College Degree to which Course Applies	Elective or Required
_____	X	_____	_____	_____
_____	X	_____	_____	_____
_____	X	_____	_____	_____
_____	X	_____	_____	_____
_____	X	_____	_____	_____
_____	X	_____	_____	_____
_____	X	_____	_____	_____
_____	X	_____	_____	_____
_____	X	_____	_____	_____
_____	X	_____	_____	_____



