# Schulman Orthodontic Group Association Membership Agreement

This Membership Agreement (this "**Agreement**") is entered into between _____ (the "**Member**") and the Schulman Orthodontic Group Association, a Delaware nonprofit corporation (the "**Association**") as of _____, __ (the "**Effective Date**"). This Agreement, and the Member's membership with the Association, are subject to the Bylaws of the Association and the policies and procedures of the Association as may be adopted or amended from time to time.

1. **Membership Terms and Dues.**

    a) The initial term of membership in the Association is two years, beginning on April 1st and ending on the second anniversary thereafter on March 31st. Membership Dues are paid annually on February 1, as more fully set forth in the Bylaws of the Association. For members joining after April 1st in a given year, the first-year dues will be prorated based on the number of months left in the membership year.
    b) If the Member wishes to terminate their membership with the Association prior to the end of the second year of their membership term, then the Member must provide written notice to the Chief Executive Officer or Executive Director at least sixty (60) days prior to April 1 of the current membership year. If the Member terminates their membership mid-term without proper notice, then the Member must pay the subsequent year's membership dues.
    c) Any legal fees incurred by the Association because of the Member's separation from the Association or termination of membership shall be the responsibility of the Member.
    d) Membership fees shall be determined annually by the Board of Directors and are subject to change.

2. **Membership Minimum Criteria.** The Bylaws of the Association set forth the criteria required for an individual to be eligible for membership (and to maintain membership) in the Association. Below is a summary of the criteria, which is more fully set forth in the Bylaws.*

    a) Minimum annual collections for a Member with a single office practice must be $2 million.
    b) Minimum annual collections for a Member with a multi-office practice must be $3 million.
    c) A Member's practice(s) must meet the Geographic Requirements (as defined in this agreement).
    d) Up to three (3) members with equity in the same practice must pay membership dues. All equity-holding Doctors must complete all confidentiality documents and adhere to requirements of membership including geographic exclusivity restrictions. Members must notify when a new equity associate is brought into the practice.
    e) Membership is limited to equity owners of a practice.
    f) Members may not be part of a DSO, OSO or similar organization.
    g) A nomination for a new member may be submitted by any current member. Current members who nominate a potential member must participate in the due diligence process of the potential member.
    h) To be eligible for membership, an applicant must be, in the reasonable determination of the Board of Directors, in good professional standing and must not present a risk to the collegial, confidential, and information-sharing purposes of the Association. An applicant is not eligible for membership if the Board determines that the applicant: (i) was previously a member of the Association or of any predecessor organization and resigned, withdrew, or was suspended, expelled, or otherwise separated under circumstances

reflecting conduct inconsistent with the purposes or values of the Association; (ii) has engaged in conduct that was, or reasonably would be expected to be, harmful or disruptive to the Association, its members, or its mission of success through sharing; (iii) has breached any confidentiality or other obligation owed to the Association or any predecessor organization; or (iv) provided false or materially misleading information in connection with an application for membership.

i) Membership in the Association is a privilege and not a right. Even where an applicant satisfies the other criteria set forth in this Section 2, the Board of Directors may, in its reasonable and good faith discretion and consistent with the purposes of the Association, decline to admit an applicant. The Board shall apply the membership criteria in a consistent and good faith manner and shall not deny membership on the basis of race, color, religion, sex, national origin, disability, age, or any other characteristic protected by applicable law.

j) Each applicant for membership must complete the Association's membership application and participate in the due diligence process described in Section 2(g). The Membership Committee shall review each application against the criteria set forth in this Section 2 and make a recommendation to the Board of Directors. Admission to membership requires the approval of the Board of Directors, and the Board's determination regarding admission is final.

*Note: Members joining prior to January 1, 2024 who are not in compliance with annual collections noted in section 2 (a) but meet all other requirements are exempt from this requirement.

3. **Ongoing Membership Requirements.** Below are additional requirements which each Member must meet to maintain their membership in the Association. The requirements may be modified by the Association at any time. Failure to do so may result in disciplinary action as outlined in the section 10 of the Policy Manual.

a) Members shall submit their practice data (including overhead) using approved KPI's annually or at the request of the Statistics & Research Committee.
b) Members are encouraged to use the Association's approved vendor for purchasing office supplies.
c) Two Pearls per practice shall be uploaded to the official website annually based on the submission schedule. Members are required to share pearls with the membership via listserv prior to posting.
d) Each Member is required to attend the Annual Meeting, at a minimum, 3 out of every 5 years and the same policy for multi-group practices the Board of Directors grant prior approval.
e) The membership committee shall be notified a minimum of six months prior to a Member making plans to purchase or open any new office location.
f) Members shall abide by the geographic criteria set forth in Section 5 of this Agreement. Willful expansion of a current Member's territory into the geographic territory of another member may be deemed "encroachment" and may be subject to dismissal unless impacted members waive the encroachment policy.
g) Members must demonstrate an understanding of the vision and spirit of the Schulman Orthodontic Group Association (success through sharing).
h) Members must provide their areas of interest/expertise for consistent group contributions and future meeting presentations.
i) Members must actively participate on the listserv or official online discussion platform. Participation includes posting and responding to posts on a regular basis.

j) Members must register at least one staff member to participate in the staff portion of the website.
k) New Members must present at the annual or team meeting at least once during their first three years of membership. This can include either a Practice Presentation, Pearl Presentation, or a small presentation on another topic.
l) Members are encouraged to nominate one potential new member once every three years.
m) Members shall update practice information on their website member profile page immediately as changes take place. Information that must be updated includes:
    i. Phone Numbers (Primary Office & Doctor Cell);
    ii. Email Address for SG communication;
    iii. Photo (Family Photo recommended);
    iv. Spouse & Family Member Names;
    v. Key staff member(s) receiving access to SG staff website;
    vi. Practice website URL;
    vii. Practice social media pages;
    viii. All office addresses - used to determine geographic exclusivity restrictions, include all locations in which Doctor owns equity regardless of specialty/non-specialty discipline;
    ix. Designate each office by type of specialty service provided at that specific location; and
    x. Partners - members shall provide the name, email address, and other contact information for all orthodontists (practicing and/or retired) in any locations in which the partner owns equity in the practice.
n) Associates – members shall provide the name of all orthodontist associates employed by the doctor in all locations. Associates may attend the doctor/team meeting.
o) Members shall disclose any financial interest when discussing a topic that is relevant to their product or service including but not limited to the following:
    i. Any dental or orthodontic manufacturing company.
    ii. Any dental or orthodontic service company.
    iii. Any company that is currently conducting business with SOGA
    iv. Any company for whom the member is paid to speak or act on their behalf.
    v. "Financial interest" means that the member or an immediate family member receives compensation in any form due to the relationship with the company, either directly or indirectly.

**4.** **<u>Annual Meeting.</u>** In addition to the annual meeting provisions set forth in the Bylaws of the Association:

a) Annual meeting registration fees include the Member and his/her spouse or significant other. Spouses are strongly encouraged to attend all morning meetings and to participate freely in discussions.
b) Registration fees are set each year during the budgeting process.
c) Dine-around participation is required.
d) A Member's child who is currently enrolled in an orthodontic residency program may register and attend meetings with their parent(s).
e) An annual meeting session may be declared "closed" with attendance limited only to member doctors.
f) Practice presentations are a prominent feature of the annual meeting. All members are strongly encouraged to accept a presentation invite if offered by the Annual Meeting Planning Committee.

5. **Geographic Requirements**. Ongoing membership is further subject to the Member complying with the geographic exclusivity requirements (the "**Geographic Requirements**") of the Association, which are set forth below.

a) The accepted population to support a full-time orthodontic practice is 25,000. The population of each practice ZIP code will be used to develop a radial zone of exclusivity that achieves a population of approximately 25,000. A Member may not own or practice in a practice within a geographic exclusivity zone of another Member. The purpose of this exclusivity is to protect the confidential information of each Member may be disclosed during such Member's participation in the Association from being used by a competitor.
b) Exclusivity is granted only for practice locations which are fully owned by member(s) and dedicated exclusively to providing orthodontic treatment.
c) Notwithstanding the foregoing, all locations currently owned and operated by a Member as of September, 2023, will be deemed to be in compliance with the Geographic Requirements. After that date, new locations opened by a Member will be subject to the Geographic Requirements.
d) Notwithstanding the foregoing, when determining the radial zone of exclusivity, if there are natural and constructed barriers (bridges, waterways, mountains, etc.) separating two practices, then the Board, on a case-by-case basis, may decrease the radial zone of exclusivity by taking into account the barrier.
e) A current member whose practice location is within the boundaries of a proposed new member's practice location or within a current member's proposed new location, may voluntarily waive geographic exclusivity for a new member or existing member's proposed new office locations. Once waived, the new location will be considered grandfathered into the Geographic Requirements regardless of any changes to the define parameters. Members who prevent a new Member from joining the Association due to the Geographic Requirements must provide their good faith reasoning to the Board.
f) All members shall notify the SOGA Membership Committee no later than 6 months prior to opening a new practice location. Upon notification, the SG New Member Committee will make a determination as to whether the proposed location conforms to the geographic exclusivity requirements.
g) Current member locations will not be considered in determining geographic exclusivity of proposed new members until the office is open and accepting new patients.
h) The penalty for violation of geographic exclusivity policy will be loss of active membership and all associated privileges.

6. **Confidentiality.**

a) The Member recognizes that Confidential Information (defined below) may have been and may be disclosed to the Member by the Association, or by other members of the Association. By executing this Agreement, the Member expressly agrees that at all times during the term of the Association and thereafter, and whether or not the Member is still a member of the Association, to maintain in confidence, not to disclose to any person or entity, other than the Association, any Confidential Information. As used herein, "Confidential Information" means all information, knowledge, systems or data relating to any of the following: (a) nonpublic information concerning any member of the Association, (b) information from any Listserv maintained by the Association (whether uploaded by the Association or any member of the Association), and (c) the operations,

finances, policies, strategies, intentions or inventions of the Association (including any of the terms of this Agreement) from whatever source obtained.

b) The foregoing restrictions shall not apply to any Confidential Information that (i) is or becomes publicly available through no fault of the Member, (ii) is received from a third-party and not, to the knowledge of the Member, through violation of any confidentiality agreement, (iii) is independently obtained by the Member without reference to the Confidential Information, or (iv) the Member is legally required to disclose; provided, however, that if the Member is requested or ordered to disclose any such information pursuant to any court or other government order or any other applicable legal procedure, the Member shall provide the Association with prompt notice of any such request or order and cooperate with the Association in good faith so that the Association may seek an appropriate protective order.

c) The Member shall indemnify and hold harmless the Association for any loss, damage, liability, claims and expenses incurred, suffered or sustained by the Association as a result of any breach of this Section 6 by the Member.

d) Except as otherwise provided herein, no remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, and each and every remedy shall be cumulative and shall be in addition to every remedy under this Agreement or now or hereafter existing at law or in equity.

e) The Member acknowledges and agrees that the remedies at law for a breach or threatened breach of any of the provisions of Section 6 of this Agreement would be inadequate and, in recognition of that fact, agrees that, in the event of a breach or threatened breach by a Member, then in addition to any remedies at law, the Association shall, without posting any bond, be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available.

## 7. General

a) **Entire Agreement**. This Agreement, the Bylaws and Articles of Incorporation of the Association, and any applicable policies and procedures adopted by the Board of the Association constitute the entire agreement between the Member and the Association and supersede all prior agreements, understandings and negotiations, with respect to the subject matter hereof.

b) **Amendment.** The Association may from time to time unilaterally modify the terms of this Agreement.

c) **Assignment.** Neither this Agreement nor any rights hereof, in whole or in part, are assignable by Member without the prior written consent of the Association.

d) **Relationship of Parties**. This Agreement shall not establish any relationship of partnership, joint venture, employment, franchise or agency between the Parties.

e) **Governing Law.** This agreement shall be governed by the laws of the state of Delaware without regard to its conflicts of laws principles.

f) **Counterparts.** This Agreement may be executed in one or more counterparts, which may be electronic counterparts, each of which shall be deemed to be an original, but collectively shall constitute one and the same Agreement.

**Member Acknowledgment**

I hereby acknowledge that I have received, read, and fully understand the most recent Schulman Orthodontic Group Association (SOGA) Membership Agreement and Policy Manual. I agree to comply with all policies, procedures, and requirements outlined therein. I further understand and acknowledge that failure to meet the obligations and requirements set forth in the Membership Agreement and Policy Manual may result in disciplinary actions, including but not limited to probation, suspension, or termination of my membership, at the sole discretion of the SOGA Board of Directors.

**Schulman Orthodontic Group Association**

_____
Signature

_____
Print Name and Title

**Member**

_____
Signature

_____
Print Name