

Fiscal Sponsorship Agreement

This Fiscal Sponsorship Agreement (“Agreement”) is made by and between Aspiration, Inc., a Washington nonprofit corporation (“Grantor”), and _____, **[a unincorporated nonprofit established to manage the affairs of the Project, as defined herein]** (“Grantee”).

RECITALS:

A. Grantor’s Board of Directors has decided that financial support of the project described in Exhibit A attached to this Agreement (the “Project”) will further Grantor's tax-exempt purposes and approved the establishment of a restricted fund designated for the Project from which Grantor shall grant all amounts deposited in such fund, less any administrative charge as set forth below, to Grantee, subject to the terms and conditions in this Agreement.

B. Grantor desires to act as the fiscal sponsor of the Project, by receiving assets and incurring liabilities identified with the Project beginning on the Effective Date (as defined herein), and using them to pursue the objectives for which the Project is being established, which Grantor’s Board of Directors has determined will further its charitable and educational goals.

C. Grantee desires to manage the Project under the fiscal sponsorship of Grantor.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Term of Agreement. On _____, 200_ (the “Effective Date”), Grantor shall assume fiscal sponsorship of the Project, which sponsorship shall continue in effect unless and until terminated under Section 14 below.

2. Conditions Precedent. Grantor shall not be obligated to act as fiscal sponsor of the Project until (a) Grantee provides Grantor with its governing documents, a completed and filed IRS Form SS-4 and any other documentation required by Grantor, showing, to Grantor’s satisfaction, Grantee's separate existence as an organization; and (b) Grantor completes a Pre-Grant Inquiry based on sufficient information provided by Grantee.

3. Project Activities. Grantor delegates to Grantee authority to manage the day-to-day programmatic activities of the Project, subject at all times to the ultimate direction and control of Grantor’s Board of Directors. In expending or investing the Project's assets, Grantor shall seek and consider advice from Grantee, but Grantor shall not be bound by any such advice, and Grantor may at its reasonable discretion, reject any advice from the Project. Grantor shall retain and shall exercise complete ownership and control of all funds donated to Grantor, including those designated for support of the Project, as provided in this Agreement.

[4. Sponsorship Policies. Grantee shall abide by the Sponsorship Policies of Grantor set forth in the attached Exhibit B to this Agreement, which may be amended from time to time with the consent of Grantee.]

5. Restricted Fund/Variance Power. Beginning on the Effective Date, Grantor shall place all gifts, grants, contributions and other revenues received and accepted, at Grantor's sole discretion, by Grantor, and identified with the Project into a restricted fund to be used for the sole benefit of the Project's mission as that mission may be defined by Grantee from time to time with the approval of Grantor and consistent with Grantor's exempt purposes. Grantor retains the unilateral right to spend such funds so as to accomplish the purposes of the Project as nearly as possible within Grantor's sole judgment, subject to any donor-imposed restrictions, as to purpose, on the charitable use of such assets. The parties agree that all money, and the fair market value of all property, in the restricted fund shall be reported as the income of Grantor, for both tax purposes and for purposes of Grantor's financial statements. It is the intent of the parties that this Agreement be interpreted to provide Grantor with variance powers sufficient to enable Grantor to (a) treat the restricted fund as Grantor's asset, and (b) allow Grantor to disburse the funds to another recipient or to carry out the Project itself should the Grantor deem for any reason that Grantee is not an appropriate recipient of the funding.

6. Restricted Fund/Grants to Grantee. Grantee shall use grants from Grantor's restricted fund identified with the Project solely for the Project, and Grantee shall repay to Grantor any portion of the amount granted which is not used for the Project. Any changes in the purposes for which grant funds are spent must be approved in writing by Grantor before implementation. Grantor retains the right to withhold, withdraw, or demand immediate return of grant funds, and to spend such funds so as to accomplish the purposes of the Project nearly as possible within Grantor's sole judgment if, in Grantor's sole discretion, such action is necessary: (a) because Grantee has not fully complied with the terms and conditions of this Agreement; (b) because Grantee's conduct of the Project jeopardizes Grantor's legal or tax status; or (c) to protect the purpose and objectives of the grant or any other charitable activities of Grantor,. Any tangible or intangible property, including copyrights, obtained or created by Grantee as part of the Project shall remain the exclusive property of Grantee. Grantee agrees in perpetuity to use the works and materials produced by Grantee with funding received from the Sponsor (the "Works") only for purposes appropriate for an organization operating as a private operating foundation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("IRC"). If Grantee violates this provision during the term of this Agreement, all ownership rights to the Works shall revert to Grantor and Grantee shall promptly surrender ownership of the Works to Grantor. If Grantee violates its agreement regarding use of the Works after the term of this Agreement, all ownership rights to the Works shall revert to the Successor described in Section 14.a. or, if no Successor exists, to a charitable organization designated by Grantor, and Grantee shall promptly surrender ownership to such organization. Grantee grants to Grantor a license to any and all materials delivered to Grantor by Grantee under this Agreement for Grantor to use, for the term of this Agreement, solely in illustrating Grantor's charitable and educational work

7. Expenditure Responsibility. Because Grantee is not currently recognized by the Internal Revenue Service ("IRS") as a public charity described in IRC sections 501(c)(3) and 509(a)(1), Grantee must keep all grant funds segregated continuously in a separate fund dedicated to the purposes of this grant, and no part of this grant may be used for Grantee's general support or general purposes. This grant is an "expenditure

responsibility” grant within the meaning of IRC section 4945(b). Accordingly, Grantor must (a) ensure that the grant is spent solely for the purposes for which it is made; (b) obtain full and complete reports from Grantee on how the grant funds are spent; and (c) make full and detailed reports with respect to such expenditures to the IRS. By accepting this grant, Grantee agrees to cooperate fully with Grantor to assure that Grantor is able to satisfy all of the requirements of an “expenditure responsibility” grant in accordance with IRC section 4945(h) and the regulations thereunder.

8. Fundraising. Grantee may solicit gifts, contributions and grants to Grantor, earmarked for Grantor's restricted fund for the Project. Grantee's choice of funding sources to be approached and the text of Grantee's fund-raising materials are subject to Grantor's prior written approval. All grant agreements, pledges, or other commitments with funding sources to support the Project via Grantor's restricted fund shall be executed by Grantor. The cost of any reports or other compliance measures required by such funding sources shall be borne by Grantee.

9. Restricted Fund Management/Performance of Charitable Purposes. All of the assets received by Grantor under the terms of this Agreement shall be devoted to the purposes of the Project, within the tax-exempt purposes of Grantor. Grantee shall not use any portion of the funds granted herein (a) to influence legislation within the meaning of IRC Section 501(c)(3), to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office, to carry on voter registration drives, to make grants to individuals or other organizations, or to undertake any nonexempt activity when such use of the funds would be a taxable expenditure (as defined in IRC Section 4945(d)) if made directly by Grantor; nor (b) to induce or encourage violations of law or public policy, to cause any private inurement or improper private benefit to occur, or to take any other action inconsistent with IRC Section 501(c)(3).

10. Records and Reports. Grantee is required to keep a record of all receipts and expenditures relating to this grant and shall make its books and records available to Grantor at reasonable times [during typical business hours]. Grantee shall submit a full and complete report to Grantor as of the end of Grantee's annual accounting period within which any portion of this grant is received or spent. The initial report shall be submitted by Grantee no later than _____, 20__, and subsequent reports, if any, shall be due on the anniversary date of the initial report. The report shall (a) describe Grantee's progress in achieving the purposes of this grant; (b) provide a detailed accounting of the uses or expenditures of all grant funds, including a description of the charitable programs conducted by the Grantee with the aid of this grant; and (c) report on Grantee's compliance with the terms of this grant.

11. Administrative Fees. An administrative charge of ___percent (___%) of all amounts paid to Grantee from the restricted fund shall be deducted by Grantor to defray Grantor's costs of administering the restricted fund and this grant.

12. No Partnership. Nothing in this Agreement shall constitute the naming of Grantee as an agent or legal representative of Grantor for any purpose whatsoever except as specifically and to the extent set forth herein. This Agreement shall not be deemed to create any relationship of agency, partnership, or joint venture between the parties hereto, and Grantee shall make no such representation to anyone.

13. Conditions Subsequent. Grantee shall notify Grantor immediately of (a) any change in Grantee's legal or tax status; (b) any change in Grantee's executive or key staff

responsible for achieving the purposes of the grants; (c) Grantee's inability to expend the grant funds solely for the Project; and (d) any expenditure from this grant made for any purpose other than those for which the grant was intended.

14. Confidentiality. The Program may designate specific documents or data as "confidential" by a clear and prominent written designation on or accompanying the transmission of the data or document. The Sponsor shall maintain such confidentiality and shall not disclose any plans, documents or data that it receives from the Program so designated without the consent of the Program except as may be necessary to fulfill a legal obligation to any Program funder or as otherwise required by law. The Program shall not disclose any documents or data that it receives from Sponsor without the consent of the Sponsor except as otherwise required by law. The provisions of this Section 10 shall survive termination of the Agreement.

15. Termination. This Agreement shall terminate when the objectives of the Project can no longer reasonably be accomplished by Grantor. If the objectives of the Project can still be reasonably accomplished by Grantor, either Grantor or Grantee may terminate the Agreement by giving 60 days' written notice to the other party, subject to the terms and conditions herein. If Grantee seeks to continue to manage the affairs of the Project but one of the parties desires to terminate Grantor's sponsorship of the Project, the following terms and conditions shall apply.

- a. The parties to this Agreement may transfer sponsorship of the Project to another organization that (i) has been recognized by the Internal Revenue Service as tax-exempt under Code Section 501(c)(3), (ii) agrees and is willing and able to sponsor the Project, and (iii) is approved in writing by both parties by the end of the 60-day notice period (the "Successor").
- b. If the parties cannot agree on a Successor to sponsor the Project prior to the termination of this Agreement, then, at the request of Grantee, the term of this Agreement shall be extended for an additional 60 days during which time Grantee shall attempt to find a Successor acceptable to both parties to this Agreement.
- c. If a Successor is found, the balance of assets in Grantor's restricted fund for the Project, together with any other assets held or liabilities incurred by Grantor in connection with the Project, shall be transferred to the Successor, subject to the approval of any third parties (including funding sources) that may be required. If Grantee has formed a new organization qualified to be the Successor as set forth herein, such organization shall be eligible to receive all such assets and liabilities so long as such organization has received a determination letter from the Internal Revenue Service, indicating that such qualifications have been met, no later than the end of the notice period or any extension thereof.
- d. If no Successor is found, the Sponsor may dispose of the Project's assets and liabilities in any manner consistent with applicable tax and charitable trust laws and other obligations.

16. Indemnification. Grantee hereby irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify and hold harmless Grantor, its officers, directors, trustees, employees and agents, from and against any and all claims, liabilities, losses and expenses (including reasonable attorneys' fees) directly, indirectly, wholly or partially arising from or in connection with any act or omission of Grantee, its

employees or agents, in applying for or accepting the grant, in expending or applying the funds furnished pursuant to the grant or in carrying out the program or project to be funded or financed by the grant, except to the extent that such claims, liabilities, losses, or expenses arise from or in connection with any act or omission of Grantor its officers, directors, trustees, employees or agents.

17. [Arbitration]. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in San Francisco, California, before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Streamlined Arbitration Rules and Procedures. Judgment on the Award may be entered in any court having jurisdiction. The parties agree to abide by all decisions and awards rendered in such proceedings. Such decisions and awards rendered by the arbitrator shall be final and conclusive. All such controversies, claims or disputes shall be settled in this manner in lieu of any action at law or equity; provided however, that nothing in this subsection shall be construed as precluding parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. The arbitrator shall not have the right to award punitive damages or speculative damages to either party and shall not have the power to amend this Agreement. The arbitrator shall be required to follow applicable law. IF FOR ANY REASON THIS ARBITRATION CLAUSE BECOMES NOT APPLICABLE, THEN EACH PARTY, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY AS TO ANY ISSUE RELATING HERETO IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER MATTER INVOLVING THE PARTIES HERETO.]

19. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to agreements made and to be performed entirely within such State.

19. Entire Agreement. This Agreement shall supersede any prior oral or written understandings or communications between the parties and constitutes the entire agreement of the parties with respect to the subject matter hereof. All Exhibits hereto are a material part of this Agreement and are incorporated by reference. This Agreement may not be amended or modified, except in a writing signed by both parties hereto.

20. Grantee's Receipt of Agreement. By signing this Agreement, Grantee acknowledges that each member of Grantee has received a complete copy of this Agreement and its Exhibits.

IN WITNESS WHEREOF, the parties have caused this Fiscal Sponsorship Agreement to be executed by their duly authorized officers or representatives effective on the _____ day of _____, 20__, and the undersigned officer(s) or representative(s) of Grantee certify that they are duly authorized to accept this grant on behalf of Grantee, to obligate the Grantee to observe all of the terms and conditions placed on this grant, and in connection with this grant, to make, execute and deliver on behalf of Grantee all grant agreements, representations, receipts, reports and other instruments of every kind.

Aspiration, Inc., Grantor

By: _____

Dated:

Its: _____

_____, Grantee

By: _____

Dated:

Its: _____