



## FISCAL SPONSORSHIP GRANT AGREEMENT

WHEREAS by submitting an application for fiscal sponsorship, the applicant indicates that he/she has read and understood the below Terms and Conditions in full and that, in the event that the application is approved for sponsorship, agrees and intends to be legally bound;

WHEREAS

these terms and conditions shall become effective if, only if, and at such time as Far Away Projects, Inc. ("Grantor") decides by affirmative resolution of its Board of Directors that financial support of the charitable activities described in the associated fiscal sponsorship application (the "Project") will further Far Away Projects mission to advance sustainability, access to education and science, and increasing the availability of food and water to everyone.;

WHEREAS

in the absence of such a resolution, no part of this Agreement shall be binding in any way on either party;

NOW, THEREFORE,

in consideration of the premises and the mutual covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

### TERMS AND CONDITIONS OF FISCAL SPONSORSHIP

1. Far Away Projects, Inc. ("Grantor") is willing to receive tax-deductible charitable gifts, grants and contributions to be awarded by donors ("Donors") to Grantor for the purposes of the activities described in the associated fiscal sponsorship application (the "Project"). In furtherance of its charitable purposes, Grantor shall create a restricted fund designated for the purposes of the Project and has decided to grant all amounts that it may receive from Donors for the purposes of the Project, less any administrative

handling charge as set forth below, to the responsible legal entity identified in the fiscal sponsorship application ("Grantee"), or, at the request of Grantee, to another public charity, subject to the terms and conditions herein.

2. If Grantee is an organization, Grantee represents and warrants that its governing documents, completed and filed [IRS Form SS-4](#), and/or other documentation deemed necessary by Grantor to evidence Grantee's separate existence as a legal entity are accurate and complete. If Grantee is an individual, Grantee shall personally assume full legal, fiscal, and oversight responsibility for all responsibilities and obligations of Grantee under this Agreement in particular and the grantor-grantee relationship in general.
3. Grantee shall use the grant solely for the purposes of the Project, and Grantee shall repay to Grantor any portion of the amount granted which is not so used by the Grantee for the Project, provided, however that:
  - a. Any changes in the purposes for which grant funds are spent desired by Grantee must be approved by Grantor (in writing) before implementation.
  - b. Grantor retains the right, if Grantee breaches this Agreement or if Grantee's conduct of the Project jeopardizes Grantor's legal or tax status, to withhold, withdraw, or demand immediate return of grant funds, and to spend such funds so as to accomplish the purposes of the Project as nearly as possible within Grantor's sole judgment.
4. Grantee may solicit monetary gifts, contributions, grants, and non-monetary gifts to Grantor for the purposes of the Project, and Grantor hereby appoints Grantee, and Grantee accepts appointment, as Grantor's non-exclusive agent for the limited purpose of soliciting such contributions from Donors and receiving non-monetary gifts ("In-Kind Items"). Grantee's choice of funding sources to be approached and the text of Grantee's fundraising materials are subject to Grantor's prior approval (in writing). 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. Grantee agrees to document (photograph and written description) of each In-Kind Item over \$500 value for reporting purposes. Notwithstanding anything in this paragraph, Grantee is not authorized to make any binding commitments, either express or implied, to funding sources or Donors on behalf of Grantor. Grantee agrees that it is acting as an agent of Grantor pursuant to this paragraph (3) solely in a volunteer capacity and is not owed any compensation or other consideration, and agrees not to seek any compensation or other consideration, from Grantor for any solicitations conducted by Grantee pursuant to this Agreement.

- a. Except as specifically and to the extent set forth in paragraph (3) above, (i) nothing in this Agreement shall constitute the naming of Grantee as an agent or legal representative of Grantor for any purpose whatsoever; and (ii) this Agreement shall not be deemed to create any relationship of partnership, joint venture, or other agency between the parties hereto, and Grantee shall make no such representation to anyone.
- 5.
- a. Grantee understands that, in compliance with applicable laws, Grantor retains full legal ownership of, and discretion and control over, funds contributed to Grantor for the purposes of the Project and placed in the restricted fund, until such funds are granted or spent in accordance with this Agreement. With respect to the selection of Grantee or any other grantee to carry out the purposes of the Project, Grantor retains full discretion and control over the selection process, completely independent of any funder or revenue source. Grantor retains the unilateral power, without approval from any funding source, from Grantee, or from any other interested party, to redirect use of funds received for purposes of the Project away from Grantee to another beneficiary capable of fulfilling the purposes of the Project. However, Grantor holds the restricted fund in charitable trust under the laws of the State of California, so that uses of the fund are limited to the Project's purposes. It is the intent of the parties that this Agreement be interpreted to provide Grantor with variance powers necessary to enable Grantor to treat the restricted fund as Grantor's asset in accordance with [Accounting Standards Codification](#) (ASC) paragraphs ASC 958-605-25-25 and -26, formerly expressed in Statement No. 136 issued by the Financial [Accounting Standards Board](#) (FASB).
  - b. Because the restricted fund is held for the purposes for which such funds were given, the parties intend that its assets are not subject to the claims of any creditor or to legal process resulting from activities of Grantor unrelated to such purposes.
  - c. Grantee is responsible for notifying Grantor of any benefits provided by Grantee to Donors in exchange for any contribution, and for estimating the fair market value of such. *For example, if Grantee holds a fundraising event to support its sponsored activities and sells tickets for \$50, but ticket buyers receive \$20 worth of entertainment and refreshments at the event, then the Grantee must provide this information to Grantor so that Grantor may issue appropriate and accurate tax receipts to said Donors.*
6. Grantee understands that contributions to Grantor for the purposes of the Project are only tax-deductible under the Internal Revenue Code to the extent that they are motivated by donative intent. All donors should consult with a professional tax advisor

regarding the deductibility of their contributions. Anyone making a contribution for the purposes of the Project without the requisite intent, especially the Grantee or a member of the Grantee's family, should consult a professional tax advisor. Grantor reserves the right not to accept any contribution. Grantor assumes no responsibility for ensuring that contributions to Grantor for the purposes of the Project are tax-deductible to any particular Donor. Grantor does not provide individual tax advice; therefore all Donors are encouraged to consult their own outside professional advisers to address questions on deductibility or donative intent.

7. In order to defray Grantor's costs of administering the restricted fund and this grant, Grantor shall deduct an administrative charge of 7% of the full amount of any donation designated for purposes of the Project. This administrative charge shall be assessed, recorded, and deducted each time a donation is received into the restricted fund or received by Grantee acting as agent for Grantor under the terms of paragraph (3). Grantor may additionally, at its sole discretion, deduct from the restricted fund any special or unusual costs it incurs in administering the restricted fund (such as bank penalty fees resulting from a Donor's bounced check). Any interest earned on amounts held in the restricted fund shall be retained in Far Away Project's general fund.
8. Grantee understands that any contributions made by Grantor to another charitable organization, at the request of Grantee, will be deducted from the Grantee's restricted fund and will not be available for grantmaking to Grantee.
9. In furtherance of Grantor's charitable mission and the project's charitable intent, the parties desire to ensure that works produced using grant funds are made available for public (rather than private) benefit. As such, Grantee shall not sell or transfer the right to distribute, exhibit, or otherwise profit from such works or any part or derivatives of such works to a third party without Grantor's written consent.

## FUND DISBURSEMENT

10. Grantee shall spend all funds received from Grantor in furtherance of the Project within ninety (180) days of receipt. Grantee shall return any funds not so spent to Grantor, who shall allocate them to the restricted fund designated for purposes of the Project.
  - a. Grantee shall submit a full and complete report to Grantor no later than 90 days following the end of each year within which any portion of this grant is received or spent. The report shall describe the charitable programs conducted by Grantee with the aid of this grant and the expenditures made with grant funds, and shall report on Grantee's compliance with the terms of this Agreement.

11. This grant is not earmarked to be used in any attempt to influence legislation within the meaning of Internal Revenue Code (IRC) Section 501(c)(3). No agreement, oral or written, to that effect has been made between Grantor and Grantee. Thus, any use of grant funds by Grantee for such activities constitutes a decision of Grantee that is wholly independent of Grantor. Grantee shall not use any portion of the funds granted herein to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office, to induce or encourage violations of law or public policy, to cause any private inurement or improper private benefit to occur, nor to take any other action inconsistent with IRC Section 501(c)(3).
  - a. Grantor has determined, relying on the advice of legal counsel, that the restricted fund is not a donor advised fund within the meaning of IRC Section 4966(d)(2)(B)(i), as presently interpreted, because it makes distributions only to a single identified entity.
12. Grantee shall notify Grantor immediately by mail (*1211 Pine St. Oakland, FL 94607*) or email ([hello@farawayproject.org](mailto:hello@farawayproject.org)) of any change in (a) Grantee's legal or tax status, or (b) Grantee's executive staff or key staff responsible for achieving the grant purposes.
13. Grantee hereby irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless Grantor, its officers, directors, employees, and agents, from and against any and all claims, liabilities, losses, and expenses (including reasonable attorney's fees) directly, indirectly, wholly, or partially arising from or in connection with any act or omission of Grantee, its employees, or its 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. Notwithstanding any other provision of this Agreement, this paragraph (16) shall survive the termination of this Agreement.
14. This Agreement may be terminated by either party (a) with cause immediately upon providing notice (in writing or by email) of such termination and the cause to the other party, or (b) without cause forty (40) business days after providing notice (in writing or by email) of such termination to the other party. The Agreement may be terminated by the Grantee when the purposes of the Project can no longer reasonably be accomplished.
15. In the event this Agreement is terminated and the balance of the restricted fund designated for the purposes of the Project is greater than zero, Grantor may, within its sole discretion, distribute some or all remaining amounts to Grantee within fifteen (15) business days of receiving a final grant request for any legitimate, Project-related anticipated or non-reimbursed expenses (the "Final Request"). Grantee shall submit the Final Request no later than ninety (90) calendar days after this Agreement is terminated. Grantor shall process the Final Request in accordance with the standard policies and procedures for fund disbursements as described in this Agreement and the Program

Manual (defined below) as in effect at the time a notice of termination is sent by either party. Grantor, in its sole discretion and control, may also dispose of the Project assets, including funds held in the restricted fund, in any manner consistent with applicable tax and charitable trust laws, which may include granting any balance to another fiscal sponsor recognized as tax-exempt within the meaning of Section 501(c)(3) and a public charity described in Section 509(a), re-allocating any balance to another fund for substantially similar purposes, or using any balance to defray Grantor's costs of administering its fiscal sponsorship program.

16. Agreement to the contrary, this paragraph (19) shall survive the termination of this Agreement for so long as Grantor is processing the Final Request.
17. Grantor, at any time and at its sole discretion, may conduct an audit of the Project's activities. Such audits are intended to investigate and document that the Project is being carried out in accordance with the approved application, this contract, Grantor's exempt purposes, and all applicable laws. Failure on the part of Grantee to provide full cooperation and adequate documentation in the event of an audit shall be considered a breach of this Agreement.

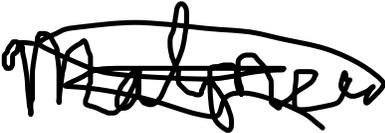
## ARBITRATION

18. This Agreement shall be governed by, and construed under, the laws of the State of California applicable to contracts entered into and to be performed in such State. Venue for all purposes shall be in the San Francisco County, State of California, and each party hereby consents to the personal jurisdiction of any court in such county.
19. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way, and the invalid provision replaced by an enforceable provision most nearly approximating the intent of the parties.
20. This Agreement, in conjunction with the program manual posted in the fiscal sponsorship section of the Far Away Projects website (at) (the "Fiscal Sponsorship FAQ's") constitutes the entire agreement of the parties with respect to the subject matter hereof. Grantor reserves the right to modify or amend this Agreement at any time, provided that such modification or amendment shall not be effective until thirty (30) calendar days after notice (either in writing or by email) describing such modification or amendment is provided to Grantee. Grantor reserves the right to modify or amend the FAQ's at any time, provided that such modification or amendment shall not be effective until the modified or amended FAQ's is published on the website described in this paragraph

(22). Grantee's continued nonexercise of its right to terminate this Agreement under paragraph (17) shall be deemed acceptance of all such modifications and amendments. Grantor reserves the right to assign its rights and responsibilities under this Agreement to another fiscal sponsor recognized as tax-exempt within the meaning of Section 501(c)(3) and a public charity described in Section 509(a).

21. Grantee may not assign any part of this Agreement without Grantor's written consent.

Printed Name	Signature	MM/DD/YY
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Eric Matzner		4/15/2019
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*Grantee or Representative*

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*Grantor*