

FISCAL SPONSORSHIP GRANT AGREEMENT – MODEL C

This Fiscal Sponsorship Grant Agreement (the “Agreement”) is made by and between Independent Arts and Media (“Sponsor”), and NAME (“Grantee”). Sponsor is a California nonprofit public benefit corporation qualified as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (“IRC”) and classified as a public charity under IRC Sections 509(a)(1) and 170(b)(1)(A)(vi). Grantee is an [individual OR entity].

RECITALS

A. The Sponsor Board of Directors (the “Sponsor Board”) has approved the establishment of a restricted fund to receive donations of cash and other property designated for support of the project known as *NAME* (the “Project”), which is a set of charitable programs and activities with a mission to _____, and within the range of permissible activities consistent with IRC Section 501(c)(3). After appropriate due diligence of Grantee’s qualifications and the Project proposal, Sponsor is satisfied that the Project is consistent with Sponsor’s charitable purposes and Grantee is capable of producing the Project in a professional, competent and diligent manner. Accordingly, Sponsor has decided to grant all amounts that it may receive and deposit to that fund (less any administrative charges set forth herein) to Grantee, subject to the terms and conditions of this Agreement, in support of the Project.

B. Sponsor desires to act as the fiscal sponsor of the Project, by receiving assets identified with the Project beginning on the Effective Date as defined in Paragraph 1, and using them to pursue the objectives for which the Project is being established, which the Sponsor Board has determined will further Sponsor’s exempt purposes. Grantee desires to conduct the Project with the grant support of Sponsor.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Term of Agreement. On _____, 2015 (the “Effective Date”), this Agreement shall commence and shall continue in effect unless and until terminated as provided herein.

2. Project Activities. Sponsor shall not be responsible for the programmatic work, fundraising events, accounts payable and receivable, negotiation of contracts, insurance, day-to-day use of Project funds, or other matters related to activities conducted by the Project. No person working on the Project shall be an employee of Sponsor with respect to such work. Grantee shall assume full and complete responsibility for all liabilities to third parties incurred by the Project, including but not limited to accounts payable, any and all claims whether asserted or unasserted while this Agreement is in effect, any performances due under contracts, goods to be delivered, and services to be performed.

3. Grantee and Sponsorship Policies. **[Individual:** Grantee personally assumes full legal, fiscal, and oversight responsibility for all responsibilities and obligations of Grantee under this Agreement. **OR Entity:** Grantee shall provide Sponsor with its governing documents, Employer ID Number or other documentation satisfactory to Sponsor, showing Grantee’s separate existence as an organization.] The parties shall abide by the Sponsorship Policies of Sponsor set forth on the attached Exhibit A (the “Sponsorship Policies”), which may be amended by Sponsor from time to time with the written consent of Grantee. The Sponsorship Policies shall include administrative fees to be paid to the

general fund of Sponsor from the restricted fund described in Paragraph 8 below.

4. Grants. Sponsor shall have authority over the financial administration of the restricted fund and shall be responsible for the processing, acknowledgment, and deposit in the restricted fund of cash and noncash items received for the purposes of the Project. Sponsor shall make grants from the restricted fund to support the Project, subject to the terms and conditions of this Agreement, in amounts and at times in Sponsor's discretion. All other authority and responsibility related to the Project shall be vested in and exercised by Grantee, including the duty to comply with the terms of this Agreement and with the terms of any agreements with funding sources, including the preparation of grant reports, although ultimate responsibility for administration of the restricted fund rests with Sponsor. All grants made pursuant to this Agreement are gifts, subject to the conditions and restrictions herein, and not payments for services. Any grant of noncash items shall be granted to Grantee on an "as is" basis without any warranty or representation whatsoever, either express or implied, about the condition, merchantability, design, or operation of such items, or its fitness for any particular purpose, or the quality or capacity of the materials in it.

5. Intellectual Property. Any tangible or intangible property, including copyrights, trademarks or other intellectual property, obtained or created by Grantee as part of the Project shall remain the property of Grantee, and Grantee shall be the sole party responsible for the editorial and creative direction of the Project. Notwithstanding the foregoing, Grantee agrees to give archival materials, including documents, collateral and finished products, to Sponsor at no cost for inclusion in Sponsor's archives, and for use in Sponsor's promotional efforts subject to any third party rights in, and restrictions on the use of, such property.

6. Use of Grants. Grantee shall use all grants disbursed from the restricted fund solely for the purposes of the Project, and Grantee shall repay to Sponsor any portion of any grant that is not spent or committed for those purposes. Any significant change in the purpose for which a grant is used must be approved in writing by Sponsor before implementation. Sponsor retains the right, if Grantee materially breaches this Agreement, to withhold, withdraw, or demand immediate return of grants made from the restricted fund, and to spend such amounts so as to accomplish the purposes of the Project as nearly as possible within Sponsor's sole judgment. Grantee agrees to acknowledge Sponsor's sponsorship/grants in any Project credits. This acknowledgement shall include a website URL for Sponsor on Project documents, collateral and finished products. Grantee further agrees to comply with all state, federal and local laws, in the production and/or distribution of publications or other goods or services produced by the Project.

7. Independent Contractors. With regard to the selection of any contractors or vendors to carry out the purposes of the grant, Grantee retains full discretion and control over the selection process, acting completely independently of Sponsor. There is no agreement, written or oral, by which Sponsor may cause Grantee to choose any particular contractor or vendor.

8. Restricted Fund; Variance Power. Beginning on the Effective Date, Sponsor shall place all gifts, grants, contributions, and other revenues received by Sponsor for the purposes of the Project into a restricted fund to be used for the sole benefit of furthering the Project's mission as that mission may be defined by Grantee from time to time within the tax-exempt purposes of Sponsor (as set forth on the Sponsorship Policies) and with the approval of Sponsor. Sponsor retains the unilateral right to spend such funds so as to accomplish the purposes of the Project as nearly as possible, subject to any

donor-imposed restrictions and consistent with any applicable grant agreement, as to purpose, on the charitable and educational use of such assets. With regard to the selection of Grantee or any other grantee to carry out the purposes of the Project, Sponsor retains full discretion and control over the selection process, acting completely independently of any revenue source. The parties agree that all money, and the fair market value of all property, in the restricted fund be reported as the income of Sponsor, for both tax purposes and for purposes of Sponsor's financial statements. It is the intent of the parties that the Agreement be interpreted to provide Sponsor with variance powers necessary to enable Sponsor to treat the restricted fund as Sponsor's asset in accordance with Statement No. 136 issued by the Financial Accounting Standards Board, while the Agreement is in effect.

9. Reporting and Recordkeeping. Grantee shall semi-annual interim written reports on June 21 and December 21, or the nearest business day, and a final report prior to termination of this Agreement. Each report shall describe the charitable and educational programs conducted by Grantee with the aid of the Sponsor grant(s), the expenditures made with grant funds, updates on production deadlines, and Grantee's compliance with the terms of this Agreement since the later of the Effective Date of this Agreement or the date of the Grantee's most recent prior report. Grantee shall treat grant funds as restricted assets and shall maintain books accounting for grant funds separately. All expenditures made in furtherance of the purposes of the grant shall be charged off against the grant and shall appear on Grantee's books. Grantee shall keep adequate records to substantiate its expenditures of grant funds. Grantee shall make these books and records available to Sponsor at reasonable times for review and audit, and shall comply with all reasonable requests of Sponsor for information and interviews regarding use of grant funds. Grantee shall keep copies of all relevant books and records and all reports to Sponsor for at least four years after completion of the use of the grant funds.

10. Performance of Exempt Purposes. All of the assets received by Sponsor under the terms of the Agreement shall be devoted to the purposes of the Project, within the tax-exempt purposes of Sponsor. No grant funds shall be earmarked to be used in any attempt to influence legislation within the meaning of IRC Section 501(c)(3) except as provided by Sponsor in writing. Any other use of grant funds by Grantee for such lobbying activities constitutes a decision of Grantee that is wholly independent of Sponsor. Sponsor shall not use any portion of the assets 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). Sponsor has determined, in reliance on the advice of its legal counsel, that the restricted fund is not a donor-advised fund within the meaning of IRC Section 4966(d)(2) as presently interpreted under federal tax authorities.

11. Termination. This Agreement shall terminate when the objectives of the Project can no longer reasonably be accomplished by Sponsor. If the objectives of the Project can still be accomplished but either Grantee or Sponsor desires to terminate Sponsor's fiscal sponsorship of the Project, the following understandings shall apply. This Agreement may be terminated by either party with cause immediately upon providing written notice of such termination and description of the cause to the other party. This Agreement may be terminated by either party without cause and in such party's discretion upon thirty (30) days' written notice to the other party. Upon termination of this Agreement, so long as there is another nonprofit corporation which is (i) tax exempt under IRC Section 501(c)(3), (ii) not classified as a private foundation under IRC Section 509(a), (iii) willing and able to sponsor the Project, and (iv) otherwise satisfactory to Sponsor in its sole discretion (a "Successor"), the balance of assets held by Sponsor in its restricted fund for the Project together with any other tangible and

intangible assets held or liabilities incurred by Sponsor in connection with the Project shall be transferred to Successor as soon as practicable after provision of the above notice. Grantee shall be eligible to be a Successor itself so long as Grantee has received a determination letter from the Internal Revenue Service indicating that Grantee meets the qualifications to be an IRC Section 501(c)(3) organization and is not classified as a private foundation under IRC Section 509(a). If no Successor is found within thirty (30) days of such receipt of written notice, Sponsor may dispose of the Project's assets and liabilities in any manner consistent with applicable tax and charitable trust laws.

12. Grantee Warranties. Grantee hereby represents and warrants as follows:

(a) the Project and its production do not violate any personal or private rights, copyright or trademark rights, or any other right of any third party. Grantee agrees to hold Sponsor harmless from, and defend Sponsor against, any claims of such violations, including, without limitation, reasonable attorney's fees and court costs of Sponsor, its officers, directors, employees, and agents; and

(b) all funding information concerning this Project has been disclosed to Sponsor, and all future funding information will be disclosed to Sponsor at the time of any new receipt of funding.

13. Indemnification. Grantee hereby irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless Sponsor, its officers, directors, employees, agents, successors and assigns, 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 grants, in expending or applying the funds furnished pursuant to such grants, or in carrying out the Project. Notwithstanding anything herein to the contrary, the indemnification provisions of this Paragraph 13 shall survive any termination of this Agreement.

14. Limitation of Liability. IN NO EVENT SHALL SPONSOR BE LIABLE TO GRANTEE FOR ANY LOST REVENUE OR ANY CONSEQUENTIAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES, REGARDLESS OF THE CAUSE OF ACTION, HOWEVER ARISING, AND EVEN IF GRANTEE WAS MADE AWARE OF THE LIKELIHOOD OF SUCH DAMAGES ARISING.

15. Insurance Obligations. Sponsor may require Grantee, at its sole cost and expense, to procure and maintain, insurance in commercially reasonable amounts and by an insurer reasonably acceptable to Sponsor against claims for injuries to persons, damages to property or loss of any kind which may arise from the production of the Project, or any actions taken in connection with the Project, by Grantee or Sponsor, their officers, agents, representatives, employees or subcontractors. If such insurance is required, Grantee agrees that Sponsor, its officers, agents, representatives, employees and subcontractors are to be covered as additional insureds; Grantee further agrees to provide Sponsor with copies of insurance certificates evidencing such coverage and receipts showing payment of premiums therefor, and will deliver updated certificates and receipts upon Sponsor's request. Sponsor shall have no liability whatsoever for any loss that may occur by reason of the absence, insufficiency or cancellation of insurance coverage.

16. Miscellaneous. In the event of any controversy, claim, or dispute between the parties arising out of or related to the Agreement, or the alleged breach thereof, the prevailing party shall, in addition to any other relief, be entitled to recover its reasonable attorneys' fees and costs of sustaining its position. Each provision of the Agreement shall be separately enforceable, and the invalidity of one provision shall not affect the validity or enforceability of any other provision. This Agreement shall be governed by and construed in accordance with the laws of the State of California, and the parties hereto consent to the exclusive jurisdiction of and venue in the courts of general jurisdiction of the State of California located in the City and County of San Francisco, California. This Agreement may not be assigned by Grantee without the prior express written consent of Sponsor. This Agreement shall be enforceable by, inure to the benefit of and be binding upon the parties' respective successors in interest, if any, and any permitted assigns. Time is of the essence of the Agreement and of each and every provision hereof. This Agreement shall not be deemed to create any relationship of agency, partnership, or joint venture between the parties hereto, and no party shall make such representation to anyone.

17. Entire Agreement; Counterparts. This Agreement constitutes the only agreement, and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. All Exhibits hereto are a material part of the Agreement and are incorporated by reference. This Agreement, including any Exhibits hereto, may not be amended or modified, except in a writing signed by all parties to the Agreement. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Fiscal Sponsorship Agreement effective on the _____, 2015 Effective Date.

INDEPENDENT ARTS AND MEDIA

By: _____
Lisa Burger, Board President

Dated: _____

[PROJECT OR ENTITY]

By: _____
NAME, Project Director

Dated: _____

EXHIBIT A
SPONSORSHIP POLICIES OF
INDEPENDENT ARTS & MEDIA

Charitable, Tax-Exempt Purposes

IAM's charitable purpose is to raise the educational and social levels of the residents of the San Francisco Bay Area and surrounding regional and national communities, through the development of non-commercial, educational and cultural media, news and arts projects for the benefit of the general public.

Administrative Fees

Sponsor shall deduct an administrative charge of seven percent (7%) of all amounts paid to Grantee from the restricted fund for accounting, donation acknowledgment, fund disbursement and IRS compliance and to defray Sponsor's costs of administering the restricted fund. Sponsor may additionally, at its sole discretion, deduct from the restricted fund any special or unusual costs it incurs in such administration, including, but not limited to, Paypal, bank, credit card and other fees related to the receipt of any donations. Any interest earned on amounts held in the restricted fund shall be retained in Sponsor's general fund and are not distributed to Grantee for the Project.

Policy Manual

Inclusive and in addition to the policies listed here, IAM's fiscal sponsorship policies are detailed in the Independent Arts & Media Fiscal Sponsorship Policy Manual, attached herewith as part of Exhibit A.