



1500 Thames Street • Suite 406 • Baltimore, MD 21231
FISCAL SPONSOR AGREEMENT

This Agreement is between the Earthome Inc. ("Fiscal Sponsor") and the XXX ORGANIZATION ("Sponsored Organization"), who agree as follows.

1. Fiscal Sponsor is a Maryland nonprofit public benefit corporation, tax exempt under Internal Revenue Code Section 501(c)(3). Fiscal Sponsor's charitable purpose is to educate the public about how people working together can preserve, protect and live harmoniously with the one living system that supports all life on our planet. Fiscal Sponsor enters into this Agreement to further this tax-exempt purpose.
2. Sponsored Organization is a recently formed Maryland nonprofit public benefit corporation that is in the process of applying for tax-exempt status under Internal Revenue Code section 501(c)(3). Sponsored Organization's purpose is to educate the public on the importance of supporting the local economy and encouraging business to become more environmentally sustainable and socially responsible. Sponsored Organization shall not carry out any activities or exercise any powers that are not in furtherance of its primary charitable purpose.
3. Until such time as Sponsored Organization obtains Internal Revenue Code Section 501(c)(3) tax-exempt status, Sponsored Organization needs a fiscal sponsor to receive grants, tax-deductible contributions, and other revenues ("Sponsored Funds") on its behalf for use in carrying out its charitable activities. Sponsored Organization desires that Fiscal Sponsor serve as its fiscal sponsor, and Fiscal Sponsor is willing to do so for grants and contributions of \$5,000 or more. For the purposes of this Agreement, Sponsored Organization shall be represented by its Executive Director, and the National Coordinator of Fiscal Sponsor, or his or her designee, is authorized to represent Fiscal Sponsor.
4. This Agreement shall commence on MM/DD/YYYY and shall remain in effect until all Sponsored Funds have been properly expended and all grantor terms and conditions have been satisfied, or until all grantors have released Fiscal Sponsor from further responsibility for Sponsored Funds. Fiscal Sponsor shall not accept Sponsored Funds after the earliest of the following: (a) MM/DD/YYYY; (b) the date that Sponsored Organization obtains Section 501(c)(3) tax-exempt status; or (c) the date specified in written notice given to the other party at least thirty (30) days prior to the specified date.
5. Fiscal Sponsor in its sole discretion has the final authority concerning solicitation and receipt of Sponsored Funds. Sponsored Organization shall submit for Fiscal Sponsor's prior approval a copy of all written material that identifies Fiscal Sponsor as the fiscal sponsor for Sponsored Organization, and any other relevant material reasonably requested by Fiscal Sponsor.
6. Upon receipt, Fiscal Sponsor will transfer all Sponsored Funds, except for amounts owed to Fiscal Sponsor, to one or more bank accounts maintained by Sponsored Organization. Sponsored Organization shall adopt appropriate expense authorization, expense documentation, and check writing procedures for payments and withdrawals of Sponsored Funds from its bank account(s). Expense documentation shall include

information on name of payee, amount of check, purpose of check, funding source for payment, and an original invoice, contract, receipt, or other evidence of amount owed. Sponsored Organization shall make payments or withdrawals of Sponsored Funds only in accordance with grantor-approved budgets, with proper authorization and documentation, and only for grantor-approved activities. Sponsored Organization shall promptly reimburse Fiscal Sponsor, with interest, for any amounts improperly expended by Sponsored Organization.

7. In administering Sponsored Funds, Fiscal Sponsor will send all required acknowledgements to donors of tax-deductible contributions. Sponsored Organization shall assist Fiscal Sponsor by providing quarterly narrative reports of its activities by funding source not more than thirty (30) days after the end of each period, and such other information and reports that Fiscal Sponsor requests, in the format required by each funder. Fiscal Sponsor will include all Sponsored Funds on its income tax returns. Sponsored Organization shall include all funds received from Fiscal Sponsor on its income tax returns.
8. Sponsored Organization shall select, employ and/or enter into consultant contracts with, and supervise all persons who perform compensated services on its behalf, on such terms and conditions as are consistent with the budget and other requirements of the Sponsored Funds. All such persons shall be employees and independent contractors of Sponsored Organization and not of Fiscal Sponsor, and Sponsored Organization shall be responsible for all income and payroll tax withholding and reporting.
9. Sponsored Organization shall keep and maintain accurate and complete records of all Sponsored Funds in accordance with generally accepted accounting principles, showing all assets, liabilities, income, and expenditures associated with such funds. Sponsored Organization shall prepare a quarterly and December 31 year-end balance sheet and income & expense statement for delivery to Fiscal Sponsor within thirty (30) days after the close of each period. Fiscal Sponsor, through its authorized representative(s), may inspect at any reasonable time any records related to Sponsored Funds held by Sponsored Organization, and may require Sponsored Organization to turn over any such records.
10. Sponsored Organization shall maintain a policy of comprehensive general liability insurance of at least \$1 million in coverage, in addition to any other such insurance as the law may require. General Liability policy shall cover the Sponsored Organization's activities with the Sponsored Funds, and shall name Fiscal Sponsor as an additional insured.
11. Fiscal Sponsor shall not be liable to Sponsored Organization or third parties for any act or omission of Sponsored Organization. Sponsored Organization shall indemnify, assume the defense of (if requested), and hold harmless Fiscal Sponsor and its directors, officers, employees, and agents from every claim, loss, damage, injury, expense (including attorney's fees), judgment, and liability of every kind, nature, and description arising in whole or in part from any Sponsored Organization act or omission.
12. For the performance of its fiscal sponsor services described herein, Fiscal Sponsor shall be reimbursed for its administrative and overhead costs in an amount equal to 4% of the Sponsored Funds, or such other amount as is authorized by a grantor and acceptable to Fiscal Sponsor. In addition, Fiscal Sponsor may be reimbursed for any increase in out-of-pocket costs attributable to the performance of its fiscal sponsor services, e.g. increased insurance costs to cover Sponsored Organization activities or increased audit costs for an audit of Sponsored Funds. Fiscal Sponsor may deduct said reimbursements before transferring Sponsored Funds to Sponsoring Organization. The parties agree that such reimbursements are a fair and reasonable approximation

of Fiscal Sponsor's costs incurred in performing its fiscal sponsor services.

13. This Agreement contains the entire agreement of the parties, superseding any prior written or oral agreements between them on the same subject matter. Any change, modification, or waiver must be in writing and signed by both parties.
14. Fiscal Sponsor will not assign any of its obligations or duties under this Agreement without the prior written consent of Sponsored Organization, which consent shall not be unreasonably withheld. Sponsored Organization shall not assign any of its duties or obligations under this Agreement or under any grant of Sponsored Funds without the prior written consent of Fiscal Sponsor, which consent may be withheld in Fiscal Sponsor's sole discretion. This Agreement is binding upon and inures to the benefit of the successors and permitted assigns of its parties.
15. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.
16. This Agreement may be executed in counterparts, each of which shall constitute an original but all of which together constitute one and the same instrument.
17. Nothing in this Agreement shall be construed as giving any person, corporation, or other entity other than the parties any right, remedy, or claim under or in respect of this Agreement or any person hereof.

The parties have caused their duly authorized representatives to execute this Agreement effective on its commencement date.

FISCAL SPONSOR

SPONSORED ORGANIZATION

BY: _____

BY: _____

DATE: _____

DATE: _____