

FISCAL SPONSORSHIP AGREEMENT

This fiscal sponsorship agreement (“Agreement”) is entered into on _____ (“Effective Date”) by and among The Hack Foundation, a California nonprofit corporation (“Hack Club”) and the organizing team consisting of the individuals whose names appear in the signature section of this Agreement (collectively, the “Team”).

RECITALS

The parties enter into this Agreement with reference to the following facts:

- A. Hack Club is a California nonprofit corporation exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code (“Code”), its charitable purposes and activities of which include working with students to start and lead programming clubs and conducting events and projects at their schools (“Hack Club’s Mission”).
- B. The Team, which has been formed in alignment with Hack Club’s Mission, is comprised of a group of individuals who are engaging in a project consisting of Code section 501(c)(3) activities, the specifics of which are to be determined by the Team and communicated to Hack Club in writing when such information is available (the “Project”).
- C. Hack Club desires to act as the fiscal sponsor of the Project and the Team desires to have Hack Club act as the fiscal sponsor of the Project. As such, in support of the Project, Hack Club has approved the establishment of a restricted fund (the “Fund”) to receive funds earmarked for support of the Project and to grant all amounts it may receive and deposit in that Fund (less the fees outlined in **Exhibit A** which is attached hereto and incorporated herein by this reference (“Protocols”)) to the Team for the payment of the expenses associated with the Project.

AGREEMENT

In consideration of the mutual promises and agreements in this Agreement, the parties agree as follows:

1. RECITALS

The above cited recitals are incorporated herein by this reference and made a part of this Agreement.

2. TERM OF AGREEMENT

This Agreement shall commence on the Effective Date, and will continue until the completion of the Project/depletion of the funds in the Fund, unless terminated under Section 6 of this Agreement.

3. RELATIONSHIP & PROCESS

Hack Club will assist in managing the funds of the Fund; it will collect the income and will pay and disburse the net income and principal for purposes of the Project.

- A. Relationship of the Parties. Nothing in this Agreement constitutes the naming of the Team or members or agents of the Team as an agent or legal representative of Hack Club for any purpose whatsoever except as specifically and to the extent set forth herein.
- B. Protocols. To operate the Fund, Hack Club has established the Protocols, as set forth in **Exhibit A** and the Team hereby agrees to adhere to said Protocols.
- C. Intellectual Property. The Team acknowledges and agrees that any trademarks, trade names, artwork, designs, logos, copy, and all other intellectual property (collectively, “Hack Club’s Intellectual Property”) provided to the Team or its agents may be used by the Team solely in connection with this Agreement, that all right, title, and interest in and to Hack Club’s Intellectual Property is and shall remain the sole and exclusive property of Hack Club; and that the Team shall acquire no rights therein by reason of this Agreement. As such, Hack Club hereby grants to the Team, a nonexclusive and revocable license to use Hack Club’s Intellectual Property in furtherance of this Agreement for purposes of the Project.
- D. Solicitation of Funds. The Team may solicit gifts, contributions, sponsorships, and grants to Hack Club for the purpose of funding the Project. The Team’s choice of funding sources to be approached is up to the Team. The text of the Team’s Project fundraising materials, including its website, social media pages and other solicitation materials are up to the Team and shall in all material respects be true and accurate.
- E. Ownership of Intellectual Property. Any and all tangible or intangible property, including intellectual property, such as copyrights relating to the Project belong to Hack Club. The Team acknowledges and agrees that any trademarks, trade names, artwork, designs, logos, copy, and all other intellectual property created for or related to the Project, whether Hack Club’s Intellectual Property is or is not used therein (“Project Materials”), belongs exclusively to Hack Club. In the event of termination pursuant to Section 6 of this Agreement, Hack Club will transfer ownership of the Project Materials to the Team. For those Project Materials containing Hack Club’s Intellectual Property, such transfer shall be contingent upon Hack Club’s approval of the Team’s continued use of Hack Club’s Intellectual Property.

4. THE PROJECT

According to the terms of this Agreement, Hack Club will create a Fund for the Project to receive funds earmarked for support of the Project, and to make disbursements for expenses to be incurred in furtherance of the Project. Beginning on the Effective Date, Hack Club will place all such revenues received by Hack Club and identified with the Project into the Fund to be used for the benefit of the Project. Hack Club will exercise full control over the disbursement of the Fund.

- A. Restricted Fund: Hack Club’s Income. The parties agree that all money and the fair market value of all property in the Fund will be reported as the income of Hack Club, for both tax purposes and for purposes of Hack Club’s financial statements. Accordingly, Hack Club is responsible for the processing and deposit in the Fund of all monies received for the Project.
- B. Restricted Fund: Disbursements. The Team will submit receipts, invoices and other evidence of the uses of the money from the Fund for the purposes of the Project, to Hack Club as specifically set forth in the Protocols.

5. FUND FOR PROJECT PURPOSES

All of the assets received by Hack Club under the terms of this Agreement will be devoted to the purposes of the Project in furtherance of Hack Club's exempt purposes. The Team agrees it will use the funds Hack Club disburses to it from the Fund solely for the purposes of the Project. In the event the Team does not use all of the funds disbursed to it from the Fund for the Project or in the event funds remain in the Fund after completion of the Project, Hack Club may permit the Team to use the remaining funds for a separate project, event or purpose (e.g. donating such remaining funds to another 501(c)(3) organization). Such approval by Hack Club and the permitted use/redirection of the remaining funds, if any, shall be set forth in a separate writing by Hack Club (email shall be sufficient), which will serve as an addendum to this Agreement. While Hack Club will delegate certain expenditure authority to the Team as provided in this Agreement and the Exhibits, Hack Club retains the unilateral right to spend such funds to accomplish the purposes of the Project as nearly as possible within Hack Club's sole judgment, subject to any more specific donor-imposed restrictions, 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 be reported as the income of Hack Club on Hack Club's financial statements and tax returns. It is the intent of the parties that this Agreement should be interpreted to provide Hack Club with variance powers necessary to enable Hack Club to treat the restricted fund as Hack Club'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). Because the restricted fund is held under the charitable trust doctrine for the purposes of the Project as understood by and with funding sources, the parties intend that assets in the restricted fund are not subject to the claims of any creditor or to legal process resulting from activities of Hack Club unrelated to the Project.

6. TERMINATION

Hack Club may terminate this Agreement immediately in the event it determines that the Team has used the funds of the Fund for purposes other than as set forth in this Agreement. Further, either Hack Club or the Team may terminate this Agreement on 30 days' written notice to the other party. In the event of such termination, the Team shall be required to identify another nonprofit corporation which is recognized as tax-exempt under Code section 501(c)(3), (a "Successor"), who is willing and able to support the Project. When a Successor is found, and subject to the provisions of Section 5, Hack Club will transfer the balance of assets in Hack Club's restricted Fund for the Project, together with any other assets held or liabilities incurred by Hack Club in connection with the Project, to the Successor at the end of the notice period or any extension thereof, subject to the approval of any third parties that may be required.

7. NOTICE

Any notices or other communications under this Agreement will be in writing and will be deemed properly given if emailed (preferred method) or mailed by first class or certified mail, postage prepaid, in the manner provided in this paragraph to the following persons:

D. Entire Agreement; Modification. This Agreement supersedes 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. This Agreement may not be amended or modified, except in a writing signed by both parties hereto. Each provision of this Agreement will be separately enforceable, and the invalidity of one provision will not affect the validity or enforceability of any other provision. The failure of Hack Club to exercise any of its rights under this Agreement will not be deemed a waiver of such rights.

9. TEAM RECEIPT OF AGREEMENT

By signing this Agreement, the Team acknowledges that each member and agent of the Team has received a complete copy of this Agreement, including all exhibits.

10. TEAM LIABILITIES & INDEMNIFICATION

The Team is responsible for all activities of its Project, including any financial or other liabilities and hereby agrees that it will not enter into any conflicting obligations herein as it pertains to this subject matter. The Team shall indemnify, defend and hold harmless Hack Club and its respective agents, representatives, employees, directors, managers, members, and officers from any and all claims, damages, losses, liabilities, costs and expenses (including reasonable attorney’s fees) resulting from the Team’s performance of its obligations contained herein; injury (including sickness, disease or loss of life) to any person, or damage to any property of any third party at or as a result of Team’s activities or its Project, including that caused by the Team’s willful, wanton or intentional acts; the Team’s improper use of or claim to the Project, including those made by any third party for the Team’s violation of any intellectual property laws; or the Team’s operations of the activities under its Project.

IN WITNESS WHEREOF, the parties execute this Agreement as of the Effective Date.

Hack Club:

The Hack Foundation

By: _____

Zach Latta, Executive Director

Team:

By: _____

Dated: _____

Printed Name: _____

By: _____

Dated: _____

Printed Name: _____

By: _____

Dated: _____

Printed Name: _____

By: _____

Dated: _____

Printed Name: _____

For Team members who are minors under the age of 18 years, parent or guardian must sign:

By: _____

Dated: _____

Printed Name: _____

Name of Minor Team Member: _____

By: _____

Dated: _____

Printed Name: _____

Name of Minor Team Member: _____

By: _____

Dated: _____

Printed Name: _____

Name of Minor Team Member: _____

By: _____

Dated: _____

Printed Name: _____

Name of Minor Team Member: _____

EXHIBIT A

Protocols

The following are protocols of Hack Club; these Protocols may be amended by Hack Club with 10 days notice at any time.

- 1. Fees:** To receive the services described under this Agreement, the Team will be required to pay an administrative fee to Hack Club as well as any processing fees assessed to the Fund (“Fees”). The Fees will be automatically deducted from the Fund and will consist of:
 - a.** 7% of all of the funds deposited into the Fund, regardless of source, to defray the costs Hack Club incurs in administering the Fund; and
 - b.** Any processing fees charged to Hack Club as a result of administering the Fund, including such fees billed to Hack Club by its third party vendor for processing any checks that are deposited into the Fund.

- 2. Disbursements from the Fund:** In order to receive a disbursement of the funds raised to cover expenses that will be incurred in furtherance of the Project, the Team will reach out to Hack Club in writing (email) to request said disbursement or do so through Hack Club’s online platform. Upon Hack Club’s approval of said request, Hack Club will then disburse said request from the Fund to the Team, to be used by the Team solely for the purpose of the Project expenses.

- 3. Receipts, Invoices & Other Backup Documents:** For each expense incurred by the Team using the disbursement made to the Team by Hack Club, the Team shall submit to Hack Club receipts, invoices or other backup documents evidencing each expense for which the disbursement was used to allow Hack Club to substantiate that the funds were used in furtherance of the Project and for no other purpose.