



Fiscal Sponsorship Agreement

RARE Village Foundation (“Sponsor”, “Foundation” or “RARE”) is a Texas 501(c)(3) nonprofit corporation that exists to empower families in their work to pursue treatments and cures for rare childhood diseases through local community education, inspiring advocacy, and timely connection to critical research that leads to the development of treatments for children confronting rare genetic diseases.

We are aware you are an individual or organization raising awareness within our communities of rare diseases and conducting fundraising to support rare disease research in alignment with our mission and values (“Project”). RARE wants to support Project and is willing to receive tax-deductible charitable contributions on Project’s behalf, subject to the terms and conditions below.

Purpose of the fund: (mission statement and purpose of project)

Terms and Conditions:

1. Sponsor agrees to receive contributions and gifts, including but not limited to grant funding, if awarded (“Funds”) to be used for Project, and to distribute those funds to Project. Funds received for use directly by Project shall be deposited and held in an account managed by Sponsor.
2. At all times, Sponsor will maintain complete discretion and control over the use of Funds.
3. Sponsor agrees that all Funds it receives for Project will be reported as contributions to Sponsor, as required by law. Sponsor will notify Project of any change in its tax-exempt status.
4. Project will ensure all Funds received for Project are used solely for Project. Without exception, Funds will not be used for lobbying purposes, to aid in the election of a public official, in any attempt to influence legislation, or to participate in any political campaign. Sponsor authorizes Project to make legitimate expenditures on its behalf, provided they do not exceed total Funds. Project agrees to use Funds solely for legitimate expenses of Project and to account fully to Sponsor for the disbursement of these Funds. Any expenditure beyond the amount authorized are the sole responsibility of Project and shall not be considered funds under the control and discretion of Sponsor not can they be reported in any way associated with Sponsor’s tax-exempt status.

5. Project agrees not to use Funds in any way that would jeopardize the tax-exempt status of Sponsor. Projects agrees to immediately comply with any written request from Sponsor to cease activities that in Sponsor's sole opinion may jeopardize Sponsor's tax-exempt status. Further, Project agrees that Sponsor may suspend its obligation to make Funds available and may terminate this Agreement if Project fails to comply with any such request.
6. Project agrees to operate under a project committee of no less than three community volunteers who provide advice and recommendations to the Foundation with respect to distribution of funds and or payment of expenses of the Project fund (the "Project Committee"). The authority of the committee is limited to advice and recommendations with respect to the Project and the Committee. Project Committee does not have general advisory privileges. All recommendations for payment of expenses must be accompanied by receipts, invoices or other support such that any changes in the purpose for which Funds are used must be approved in writing by Sponsor before implementation. Sponsor retains the right to immediately return Funds to Sponsor or the donor if Project breaches this Agreement or if Project jeopardizes Sponsor's legal or tax-exempt status. The Project Committee shall designate in writing one or more members of the Project Committee to serve as the Authorized Representatives. The Authorized Representatives shall serve as the voice of the Project Committee on all matters relating to the Fund. The Project Committee may add or delete persons as Authorized Representatives by so advising the Foundation in writing.

The initial Authorized Representatives shall be:

7. Sponsor will maintain books and financial records for Project in accordance with generally accepted accounting principles. Project's revenue and expenses shall be separately recorded in Sponsor's books. Grantee will provide financial and programmatic reporting to Sponsor on a regular basis, respond to any audit requests pertaining to the Funds, and provide biannual reports of the overall financial status and performance of Project. Sponsor will use these reports to provide Project with an annual report. It is the responsibility of Sponsor to fully account for Project's income on its annual Form 990 and to issue a Form 1099 to Project as required by the IRS. Project Committee will provide annually a project report summarizing activities conducted in furtherance of Project.
8. At all times, Project will maintain full tax liability for Funds, as Funds granted to Project by Sponsor may or may not be taxable depending on how they are used. Project, not Sponsor, is responsible for Project's applicable tax returns, employment taxes, insurance, debts, liabilities, and other legal obligations required by the legal status of Project. Project Committee shall not enter into any contracts or agreements on behalf of, or as an agent of, the Foundation.
9. Project will provide Sponsor with copies of all grant applications submitted on behalf of Project, recommendations regarding grant awards, and other documentation reasonably required by Sponsor to enable it to fulfill its obligations as a fiscal sponsor. Authority to manage the programmatic activities of the Project is delegated to its Advisory

Committee, subject to the ultimate direction and control of the Sponsor's Board of Directors.

10. Sponsor and Project may solicit contributions that are earmarked for the activities of Project. Sponsor shall be responsible for the processing and year-end tax acknowledgment of all monies received by Sponsor on behalf of Project, which shall be reported as the income of the Sponsor for both tax purposes and for purposes of Sponsor's financial statements. For contributions solicited directly by Project, Project must provide to Sponsor a name and address of all individual donors who have contributed through the fiscal sponsorship.
11. Project may also solicit grants on behalf of Sponsor that are earmarked for the activities of the Project. For grants submitted through Sponsor, Project's sources of funding and Project's grant applications are subject to Sponsor's approval. Sponsor's President or his/her designee must co-sign all original letters of inquiry to foundations or other grant making entities and all grant applications or proposals. All grant agreements, pledges, or other commitments with funding sources to support Project shall be executed by Sponsor. Advance approval by Sponsor is required for any application for government or public agency grants. As with other fundraising, Sponsor shall be responsible for the processing and year-end tax acknowledgment of all grant monies received by Sponsor on behalf of Project, which shall be reported as the income of Sponsor for both tax purposes and for purposes of Sponsor's financial statements.
12. Any grants and funds raised on behalf of an individual or organization, not Project, that are not submitted through Sponsor shall be excluded from this Agreement and Sponsor's supervision. Individuals or organizations reserve the right to raise funds outside of Project and agree to manage these funds separately and distinctly from Project Funds. Sponsor is not responsible for the use, supervision, control, reporting, or governance of those funds that are excluded from this Agreement.
13. Once Funds are raised, Project may request a disbursement of Funds from Sponsor. In applying for disbursement of Funds, Project agrees to include the amount requested, anticipated dates of use, and a brief work summary as well as receipts, invoices, or other supporting documentation as requested from the Foundation in the process of requesting Funds from Sponsor. All recommendations shall be solely advisory, and the Foundation shall not be bound by these recommendations. The Foundation will accept the recommendations only if it concludes upon review that such distribution is consistent with the charitable purposes of the Foundation and furthers the purposes of the Project. The Foundation shall have no liability for disbursements from the Fund made at the request of the Authorized Representatives.
14. In addition to serving as fiscal sponsor for Project, Sponsor will provide administrative support to Project. Project agrees that in exchange for the administrative cost of financial accounting, human resources, and other support provided by Sponsor, Sponsor will retain a 3% administrative fee on all private donations received on behalf of Project valued up to \$3,000.00 and a capped \$150.00 administrative fee for any and all donations greater than \$5,000.00. Once a Project fund reaches \$500,000 or more, the administrative fee will be 1.5%. Project agrees that for grants received on behalf of Project, Sponsor will retain a 3% administration fee.

15. Any tangible or intangible property, including copyrights, obtained or created by Project shall remain the property of Project. Sponsor will retain access to the work product including deliverables and other materials, during and upon conclusion or termination of Project, at no cost to the Sponsor. When all or part of the product is confidential, Sponsor will work with Project to maintain confidentiality.
16. Project consents to the use of Project's name and likeness by Sponsor, including in reporting, publications, and social media to promote and raise awareness of Sponsor's work in the community as well as to solicit donations for Project and Sponsor's other projects, generally.
17. This Agreement will remain in force until it is terminated with thirty (30) days' written notice by either Sponsor or Project, provided however that Sponsor has the right to terminate the Agreement with immediate effect by giving written notice if Project breaches this Agreement or if, in Sponsor's sole opinion, Sponsor reasonably determines that its continued fiscal sponsorship of Project may jeopardize Sponsor's tax-exempt status through misuse of funds, misalignment with Sponsor's mission, or project dormancy defined as two (2) years of inactivity of Project. Upon termination, any unused Funds shall be returned to Sponsor, which will return the funds to their original donors after deducting the applicable administrative fees.
18. If Project will continue to exist but Sponsor terminates Sponsor's fiscal sponsorship of Project for any reason other than one that allows Sponsor to terminate this Agreement with immediate effect as provided in section 17 above, Project may identify another nonprofit corporation that is tax-exempt under Section 501(c)(3), is not classified as a private foundation under Section 509(a), and that is willing and able to sponsor Project (the "Successor"). If a Successor is found, the balance of assets held by Sponsor for Project, together with any other assets held or liabilities incurred by Sponsor in connection with Project shall be transferred to the Successor as soon as administratively practicable, subject to the approval of any third parties (including funding sources) that may be required. If Project has formed a new organization qualified to be a Successor as set forth in this section, 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 affirming that Successor is exempt from federal tax under section 501(c)(3) of the Internal Revenue Code. If no Successor is found, Sponsor may allocate Project's assets and liabilities in any manner consistent with applicable tax and charitable trust laws and other obligations.
19. No personnel working at Project shall be considered Sponsor's employee and is not subject to Sponsor's personnel policies and benefits that apply to Sponsor's employees.
20. Project acknowledges that Sponsor will devote such time to the management of Project's Funds and to general supervision of Project as it sees fit and in its sole discretion. Project agrees to indemnify and hold harmless Sponsor and its officers, directors, employees, subsidiaries, affiliates, and agents (the "RARE Parties") with respect to any and all judgments, damages, expenses, obligations, losses, liens, or other liabilities asserted against the RARE Parties with respect to any claims or causes of action resulting from or related to Project, except damages arising solely from

Sponsor's gross negligence or willful misconduct. Project shall pay all expenses, including legal fees and costs, to respond to or defend any such claim or cause of action, whether brought in a court of law or otherwise. The RARE Parties shall provide written notice of any claim or action to Project and shall cooperate with Project in the defense of such claim or action, provided that the RARE Parties shall be entitled to select legal counsel to represent them in the claim or action and that Project shall not enter into a settlement on behalf of the RARE Parties without the RARE Parties' prior written consent.

21. Each provision of this Agreement shall be separately enforceable, and the invalidity of one provision shall not affect the validity or enforceability of any other provision.
22. 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. This Agreement may not be amended or modified, except in a writing signed by all Parties to this Agreement.

Thank you for your good work!

Sincerely,

Name/Title	DATE
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ACCEPTED on behalf of Project by:

Name/Title	DATE
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Project Committee for: _____ (Fund Name)

Printed Name: _____

Printed Name: _____

Printed Name: _____