

MEMORANDUM OF UNDERSTANDING

This **MEMORANDUM OF UNDERSTANDING** (“MOU”) is made this 17th day of June 2019, between Lift To Rise (hereinafter called “LTR”), a 501(c)(3) non-profit corporation, and Regional Access Project Foundation (“RAPF”), a California non-profit corporation, regarding the fiscal agency relationship between LTR and RAPF. LTR and RAPF may hereinafter be referred to as “Party” or “Parties,” as applicable.

INTRODUCTION.

LTR is an California 501(c)(3) non-profit corporation performing charitable work for the residents of the Coachella Valley, using a collective action network approach. LTR has established itself as a non-profit corporation but still needs RAPF to act as LTR’s “fiscal agent” for the purpose of formally receiving and disbursing funds provided to LTR by public and private organizations that have agreed and/or will agree to provide funds to support LTR’S charitable work.

RAPF is a non-profit corporation, duly organized under California and federal law. RAPF has expressed an interest in assuming certain fiscal agency responsibilities for LTR, starting June 30, 2019 for all new activities.

The Parties desire to enter into this MOU for the limited purpose of defining LTR’S and RAPF’S respective duties with respect to RAPF’S fiscal agency role.

Therefore, the Parties agree as follows:

SECTION 1. PRELIMINARY OBJECTIVES

1.1 The Parties agree that the primary objective of both LTR and RAPF is to ensure that the fiscal agency relationship does not compromise either LTR’S or RAPF’S financial integrity or create an adverse financial impact on either Party.

1.2 The Parties agree to work collaboratively to define the parameters of fiscal agency relationship in a manner that truthfully conveys both Parties’ financial and operational responsibilities and needs and thereafter. RAPF agrees to act as LTR’s “fiscal agent” for the purpose of formally receiving and disbursing funds provided to LTR by public and private organizations that have agreed and/or will agree to provide funds to support LTR’S charitable work.

1.3 The Parties acknowledge that RAPF will incur expenses as a result of accepting fiscal agency responsibilities on behalf of LTR. Therefore, the Parties will endeavor to identify the most effective and economically feasible method for LTR to compensate RAPF for assuming the responsibility of being LTR’S fiscal agent, whether that method involves LTR paying RAPF a percentage of its incoming revenue, a percentage of RAPF’S operational expense, or some other form of compensation. Subject to change upon further consideration by the Parties, LTR agrees, as a preliminary matter, to pay to RAPF, as compensation for the expenses RAPF will incur as LTR’S fiscal agent, an amount equal to five percent (5%) of the total funds that RAPF receives on behalf of LTR in RAPF’s capacity as LTR’S fiscal agent.

1.4 LTR agrees to extend the fiscal agency relationship for an additional year in order to be able to apply to Foundations for grants requiring 2 years of Financial audits from 2018 to 2020.

SECTION 2. OPERATIONAL CONCERNS.

2.1 LTR'S EMPLOYEES. RAPF does not wish to assume the legal, fiscal, or operational responsibilities of employing LTR'S employees. LTR has obtained federal and state tax ID numbers, established the necessary employer accounts with the California Employment Development Division, set up payroll processing mechanisms, and secured the appropriate employment insurance policies.

2.2 LTR'S PHYSICAL OPERATIONS. LTR offices are located at 73710 Fred Waring Suite 100 Palm Desert. RAPF has not and will not support or house LTR'S physical operations in RAPF'S offices.

2.3 INSURANCE. During the fiscal agency period, LTR agrees to maintain adequate liability insurance and to name RAPF as an additional insured.

SECTION 3. ASSIGNMENT.

3.1 This MOU, any interest herein, and any funds the Parties identify as belonging to LTR shall not be assigned, in whole or in part, by RAPF without the prior written consent of LTR, except that without securing such prior consent, RAPF shall have the right to assign this MOU to any successor of RAPF by way of merger or consolidation or the acquisition of substantially all of the assets of RAPF relating to the subject matter of this MOU, if such successor has expressly assumed all obligations and liabilities of RAPF under this MOU.

SECTION 4. TERM OF MOU.

4.1 This MOU shall be effective as of the date first set forth above upon the execution by all the Parties, and shall automatically terminate on June 30, 2020 unless terminated earlier pursuant to section 4.3 infra.

4.2 Termination of this MOU shall not terminate rights and obligations of the Parties which arose prior to such termination, but nothing in this Section shall confer, create, or expand any rights in either LTR or RAPF any other third parties.

SECTION 5. MISCELLANEOUS.

5.1 This MOU will be interpreted and the rights of the Parties construed in accordance with California law, and any litigation concerning this MOU shall be limited and confined exclusively to the appropriate State or Federal Court located within the State of California.

5.2 This MOU shall relate only to the matters specified herein and nothing herein shall be deemed to:

- (a) Confer any right or impose any obligation or restriction on a Party with respect to any other project at any time undertaken by any Party hereto, or
- (b) Preclude a Party hereto from soliciting or accepting any funds from third parties.

5.3 Any notice, demand or request required or permitted by this MOU shall be in writing and shall be deemed to have been sufficiently given when personally delivered or deposited in the United States mail and received within seven (7) days of postmark, registered or certified, postage prepaid, addressed as follows:

LTR: 73710 Fred Waring Suite 100
Palm Desert, CA 92260

Attn: Heather Vaikona

RAPF: 41-550 Eclectic Street
Palm Desert, CA 92260
Attn: Leticia De Lara

5.4 This MOU constitutes the entire understanding and MOU of and among the Parties with respect to the subject matter hereof and supersedes all prior representations and MOUs, verbal or written. It shall not be varied, except by an instrument in writing of subsequent date, duly executed by an authorized representative of each Party.

5.5 Paragraph headings herein are for convenience only and shall not limit in any way the scope or interpretation of any provision to this MOU.

5.6 Legal Fees and Costs.

In the event either party brings any action for relief against the other, declaratory or otherwise, arising out of this MOU (including actions to enforce and interpret this MOU), the losing party shall pay to the prevailing party, in addition to any other relief to which such party shall be entitled, a reasonable sum for attorneys' fees incurred in bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorney fees and costs incurred in enforcing such judgment, in addition to any other relief to which such party shall be entitled.

5.7 Third Parties.

None of the provisions of this MOU shall be for the benefit of third parties or enforceable by any third party. Any agreement to pay an amount and any assumption of a liability herein contained, expressed or implied, shall only be for the benefit of the parties hereto and such agreement or assumption shall not inure to the benefit of the any third party, including an obligee.

5.8 Force Majeure.

Neither party shall be liable or deemed to be in default for any delay or failure in performance under this MOU or other interruption of service deemed to result, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, strikes

IN WITNESS WHEREOF, the Parties have executed this MOU the day and year first written above.

REGIONAL ACCESS PROJECT FOUNDATION

LIFT TO RISE

By: _____

By: _____

Name: Leticia De Lara

Name: Heather Vaikona

Title: CEO

Title: Director