

Fiscal Sponsorship Agreement
between
All Aboard Washington
and
The Cascadia Center for Regional Trade and Economic Development

1. Purpose

This Fiscal Sponsorship Agreement ("Agreement") is made between All Aboard Washington ("Sponsor"), a nonprofit organization, incorporated in the State of Washington and exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Service Code, and the Cascadia Center for Regional Trade and Economic Development ("Cascadia"), an unincorporated entity, for the purposes of receiving donations of cash and other property in support and furtherance of two specific projects and other projects and efforts of shared interest to both the Sponsor and Cascadia, namely:

- 1.1 The Eastside TRailway Alliance ("Eastside TRailway");
- 1.2 The Blaine Station effort ("Blaine Station"); and,
- 1.3 Other efforts and projects as the two parties may decide or agree to enter into.

2. Receipt of Funds

The Sponsor agrees to receive grants, contributions and gifts to be used for the Eastside TRailway, Blaine Station, or other projects, depending on any designation or specification attached to said grant, contribution or gift. If there is no such designation or specification, such grant, contribution or gift may be used in furtherance of agreed upon projects as Cascadia deems fit, subject to oversight by the Sponsor through its designated Oversight Representatives as defined in section 5. Oversight and Use of Funds, below.

3. Acknowledgement of Charitable Donations on Behalf of the Projects

The Sponsor agrees that all grants, charitable contributions and gifts which it receives for either the Eastside TRailway, Blaine Station, or other agreed upon projects will be reported as contributions to the Sponsor as required by law, and further agrees to acknowledge receipt of any such grant, charitable contribution or gift in writing and to furnish evidence of its status as an exempt organization under Section 501(c)(3) to the donor upon request. The Sponsor agrees to notify Cascadia of any change in its tax-exempt status.

4. Protection of Tax Exempt Status

Cascadia agrees not to use funds received from the Sponsor for either the Eastside TRailway, the Blaine Station, or other agreed upon projects in any way that would jeopardize the tax-exempt status of the Sponsor. Cascadia agrees to comply with any written request by the Sponsor that it cease activities which might jeopardize the Sponsor's tax status, and further agrees that the Sponsor's obligation to make funds available to it is suspended in the event that it fails to comply with any such request. Any changes in the purpose for which grant funds are spent must be approved in writing by the Sponsor before implementation. The Sponsor retains the right, if Cascadia breaches this Agreement, or if either Cascadia or the Eastside TRailway, Blaine Station, or other agreed upon projects

jeopardize the Sponsor's legal or tax status, to withhold, withdraw, or demand immediate return of grant funds.

5. Oversight and Use of Funds

Oversight and use of funds for each project shall be as follows:

- 5.1 For the Eastside TRailway, the Sponsor shall authorize an Oversight Committee ("TRailway Oversight Committee"), comprised of the two Eastside TRailway Alliance Co-Chairs and two Oversight Representatives, or their designated alternates, as chosen by motion of the Sponsor's governing board. This TRailway Oversight Committee shall make expenditures, which do not exceed total contributions for the Eastside TRailway, on the Sponsor's behalf. Cascadia and the TRailway Oversight Committee agree to use any and all funds received from the Sponsor for the Eastside TRailway solely for legitimate expenses of the Eastside TRailway, and to account fully to the Sponsor for the disbursement of these funds.
- 5.2 For the Blaine Station, the Sponsor shall authorize Cascadia to make expenditures, which do not exceed total contributions for the Blaine Station, subject to oversight by either the same or different two Oversight Representatives as designated in 5.1 above. Cascadia agrees to use any and all funds received from the Sponsor for the Blaine Station solely for legitimate expenses of the Blaine Station, and to account fully to the Sponsor for the disbursement of these funds.

6. Financial Accounting and Reporting

The Sponsor will maintain books and financial records for all agreed projects in accordance with generally accepted accounting principles. The revenue and expenses for each project shall be separately classed in the books of the Sponsor. The Sponsor will provide reports reflecting revenue and expenses to Cascadia for each project on a monthly basis, and, on an annual basis, within three months after the end of each fiscal year of the Sponsor.

7. Governance

- 7.1 With regards to the Eastside TRailway, authority to manage the programmatic activities of the Eastside TRailway shall be vested with the TRailway Oversight Committee, subject to the fiduciary oversight of the Sponsor's governing board to maintain compliance with the Sponsor's state charitable and Federal tax exempt statuses.
- 7.2 With regards to the Blaine Station, authority to manage the programmatic activities of the Blaine Station shall be vested with Cascadia, subject to the fiduciary oversight of the Sponsor's governing board to maintain compliance with the Sponsor's state charitable and Federal tax exempt statuses.
- 7.3 Other projects or efforts shall be governed either as defined in subsections 7.1 or 7.2 above, or as otherwise agreed to as an amendment or addendum to this Agreement.

8. Fundraising

Cascadia may solicit gifts, contributions, and grants on behalf of the Sponsor which are earmarked for the activities of the Eastside TRailway, Blaine Station, or other agreed upon projects. Cascadia's choice of funding sources to be approached and the text of Cascadia's letters of inquiry, grant applications, and other fundraising materials are subject to approval by the Sponsor. Either the Sponsor's Executive Director or Treasurer must co-sign all original letters of inquiry, grant proposals, and grant agreements. All grant agreements, pledges, or other commitments with funding sources to support the Eastside TRailway or Blaine Station shall be executed by the Sponsor. The cost of any reports or other compliance measures required by such funding sources shall be borne by the project, either the Eastside TRailway or the Blaine Station, to which such funding with requirements attached was given. The Sponsor shall be responsible for the processing and acknowledgment of all monies received for the project, which shall be reported as the income of the Sponsor for both tax purposes and for purposes of the Sponsor's financial statements. Grants involving government or public agency monies have substantial reporting and auditing requirements; therefore, if the Project desires to apply for government or public agency grants, the Project must get advance approval to do so from either the Sponsor's Executive Director or Treasurer.

9. Sponsor's Fee

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 **Ten Percent (10%)** of funds received for the Eastside TRailway, Blaine Station, and other agreed upon projects respectively, or such other amount as is authorized in Project grant agreements. In addition, Fiscal Sponsor may be reimbursed for any increase in its out-of-pocket costs attributable to the performance of its fiscal sponsor services, e.g. increased insurance costs to cover Project activities, and increased audit costs for an audit of Project funds. The parties agree that all such payments are a reasonable approximation of Fiscal Sponsor's costs incurred in performing its fiscal sponsor services.

10. Term and Termination

This Agreement shall commence on January 1, 2014, and shall continue indefinitely until terminated upon the giving of thirty (30) days written notice to the other party. Unless otherwise agreed by the parties or required by the terms of a contribution or grant, Fiscal Sponsor shall retain all funds received for the Project and unspent as of the date of termination of this Agreement.

11. Whole Agreement

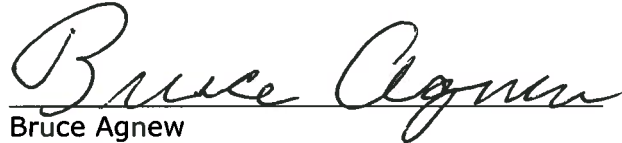
This Agreement contains the entire agreement between the parties. Any change, modification or waiver must be in writing and signed by both parties.

12. Certification

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

 11/02/2013

Loren Herrigstad
President, All Aboard Washington



Bruce Agnew
Director, Cascadia Center