

This Memo of Understanding (MOU) was prepared for **Fund Partner**, hereafter referred to as “Donor” in conjunction with the _____ Fund, hereafter referred to as “Fund” and is established as an ongoing fund. It is incorporated by reference into the Field of Interest Agreement between the Foundation and Donor (the “Agreement”), the terms of which Agreement shall control.

I. Emergency Assistance Foundation Fees

Operating and Application fees are paid from the Fund but may be paid through donations separately if desired.

- a. **Start-up Fees:** The start-up fee will be \$12,500 USD (the “Start-Up Fee”) and is donated on or before the date of this MOU. If the donation for the start-up fee is not received within 10 days of the date of this agreement, an additional fee of \$1,000 USD will be required. Although very rarely requested, EAF stands ready to assist Donor with any additional services or requests above and beyond normal relief fund onboarding and administration. This is accomplished via a separate Consulting Agreement.
- b. **Foundation and Fund Operating Fees:** The Fund shall also be assessed a fee equal to 1% of donations as they are made, net of any amounts incurred by the Foundation from the sale of securities, or processing credit card contributions, checks or wire transfers. The Emergency Assistance Foundation “Foundation” or “EAF” and Fund operations include all IRS compliance and regulatory reporting issues.
- c. **Application Process Fees:** The fee is based on a per application charge of \$200 USD. These charges are based upon utilizing Emergency Assistance Foundation, Inc.’s (EAF) online application which expedites the application and grant making process. This is inclusive of all steps from application submission to grant making and documentation requirements. The cost of administering a manual (paper) application is substantially more than a streamlined online system requiring an additional fee of \$50 USD per application. Fees for applications and grants outside of the U.S. require an additional fee of \$50 USD per application, but some may be higher depending on the location where the grants are made and the complexity of the situation (e.g., translation costs, currency exchange and remittance, international tax research).
- d. **Program Support Services:** Critical success elements for a Fund include the interaction with the Fund by the applicant. This is enhanced by the use of several tools, including a Fund website using the EAF standard format, Applicant Experience Services, and Tableau viewer real-time reporting (2 users with the option to add additional users for a fee), which are not included with the application processing fees. In order to maintain the application fees at a low level, these additional service needs are included separately. The applicant support portion for charitable classes of 5,000 or fewer has an annual fee of \$1,400 USD. Those that are 5,001 or greater require an annual fee of \$1,700 USD, 10,001 or greater is \$2,000 USD, and 25,001 or greater is \$2,300 USD.
- e. **Minimum Monthly Fees:** For Dormant Funds there is no minimum monthly fee, for all other Fund types the total minimum fee for Fund Operating and Application Processing is \$400 USD per month once the Fund is open for grant applications or grant making.
- f. **Processing Charges:** Monies sent to EAF and grants made by EAF may incur processing charges by financial institutions depending on the choices made by the Donor or its employees. These charges (i.e., credit/debit card transaction fees) are sometimes deducted from the donated dollars without mark-up as part of the transaction. Grants sent by EAF may incur processing charges by financial institutions depending on the choices made by the Donor or its employees. These charges (i.e., wire transfer, Electronic Fund Transfers and credit card processing fees) are reimbursed without mark-



up to the Foundation from the Fund. Also, money market account or management expenses, if any, are directly borne by the Fund.

- g. **Immediate Response Program Fees:** These fees only apply should Donor opt to create an Immediate Response Program ("IRP") in response to a specific disaster. Donor may opt to create an IRP whose scope will be determined jointly by Donor and EAF based on the appropriate response to a specific disaster. The fees charged by EAF, the costs of the cash delivery method and parameters of the IRP program vary depending on the scope of the program desired by Donor and the grant delivery method chosen by the Donor that is appropriate for the specific disaster response. Once the scope of the IRP has been determined, EAF will provide Donor with an "Immediate Response Program Decision Step Agreement" form detailing the features and associated cost and fees for Donor's signature which must be completed before EAF performs any work in connection with the IRP.
- h. **Dormant Funds:** Funds established to be Dormant until a designated event occurs (such as large-scale disasters) have a Start-Up Fee (as described in Section I(a) above) and an annual maintenance fee of \$3,500 USD due on the date the Fund becomes Dormant and on each following anniversary date.
- i. **Minimum Fund Balance:** Disaster and Hardship funds have no minimum balance required; however, it is strongly recommended to maintain a minimum of 6 months expected grants for a prudent cash cushion. Dormant funds have a required minimum balance of \$5,000 USD to be maintained for the life of the fund.
- j. **Additional Services:** Donor may request configurable changes to the application or additional services above and beyond the standard administration. Additional services may require additional fees depending on the cost of providing the services and will be included in, or as an addendum to, this memo of understanding.

II. Standard Onboarding Service for the Fund

EAF is a foundation designed to maximize the percent of donated funds which go to the grantees and so has streamlined the onboarding and administrative processes. EAF provides up to five hours for onboarding/consulting to all funds which is included in the standard onboarding fee. We can provide quotes for any additional consulting, time or configuration that exceeds this limit.

III. Standard Administration Services for Ongoing Fund

Maintaining the 501c3 legal entity which includes:

Emergency Assistance Foundation, Inc. is the legal entity:

- EAF is an IRS-Approved 501(c)(3) Public Charity
- The IRS approved EAF's sole mission of emergency disaster relief and employee hardship fund design and administration for domestic and international employee grants
- Field-of-Interest fund designed for IRS tax compliance

Annual and ongoing requirements:

- Monitor all legal, tax, regulatory and risk management issues
- All financial compliance
 - 990 tax return,
 - Annual audit, and
 - Donation tax acknowledgements
- All financial account management
- Registration for compliance with charitable registration and solicitation requirements in each state
- Annual state filing to maintain compliance for charitable registration and solicitation



Operating the Grant Application Program:

- EAF’s online application and grant making system
- Real time reporting via Tableau to Donor
- Interact with Donor’s advisory / oversight committee
- Donation by credit / debit card (normal credit card processing charges apply)
- Donation by check
- Application process management
- Application review process management
- Grant-making process management
- Maintain adequate applicant and grants records in accordance with IRS requirements.
- Program support via email or phone

IV. Disclaimers, Representations and Warranties, Indemnity

- While the principals or agents of EAF have financial, tax and legal backgrounds, we do not represent the Donor in any way. Any information provided to the Donor should be discussed with his/her financial, legal and tax advisors. The Foundation does not act as a vendor or agent, nor receives or pays any direct or indirect fees from any other entity.
- Upon the termination of a fund, the IRS requires all donated funds to be used subject to the restricted Field-of-Interest Fund Agreement so long as the purpose is possible. Most companies will simply stop donating new funds and then will allow all grants to deplete the fund for disaster relief or personal hardship grants to the charitable class - their current and future employees. If this is not possible, the Emergency Assistance Foundation Board will use variance power to re-allocate the funds for the most similar purpose possible.
- Indemnification provision are not included in employer relief fund agreements because EAF is not acting as a service provider for an employer in this context.
- Donor understands that approved grants can only be made if there are sufficient monies within the Fund to cover the grants and associated Fund administration costs.

Please indicate below your acceptance of the above terms and conditions.

_____ (Donor)

Donor Signature/Representative

Date

By (Print Name)

Its

Accepted this _____ day of _____, 2023.

Douglas Stockham, President

