

AMENDED AND RESTATED FISCAL SPONSORSHIP AGREEMENT

This Amended and Restated Fiscal Sponsorship Agreement (the "Agreement") is made on this ___ day of January, 2012, by and between SEATTLE TILTH ASSOCIATION, a Washington nonprofit corporation ("Seattle Tilth") and RAINIER BEACH URBAN FARM AND WETLANDS PRESERVATION PROJECT (FRIENDS OF ATLANTIC CITY NURSERY), a Washington nonprofit corporation ("FACN"), and amends and restates that certain Fiscal Sponsorship Agreement dated March 15, 2010 between Seattle Tilth and FACN.

Seattle Tilth is a nonprofit corporation located in Seattle, Washington which is exempt from federal tax under section 501(c)(3) of the Internal Revenue Code, as amended (the "Code"). It is formed for purposes which include educating and inspiring people to garden organically, conserve natural resources and support local food systems in order to cultivate a healthy urban environment and community.

FACN is a nonprofit corporation located in Seattle, Washington, and established to facilitate community participation and guidance in the affairs of the Rainier Beach Urban Farm and Wetlands Project.

The Rainier Beach Urban Farm and Wetlands Project is a project with the primary purpose of developing the Atlantic City Nursery property into an urban agriculture center that could provide the community and organizations with opportunities for training, education and year-round gardening (the "Project"). Seattle Tilth and FACN jointly submitted a proposal to the City of Seattle to develop the Project, which was accepted by City of Seattle.

The Board of Directors of Seattle Tilth has approved the establishment of a restricted fund to receive tax-deductible charitable contributions, grants of cash and other property designated for support of FACN and the Project. Seattle Tilth desires to continue to act as the fiscal sponsor of FACN and the Project, by receiving assets and incurring liabilities identified for the Project beginning on the effective date as defined in Paragraph 1, and using them to pursue the objectives of the Project, which Seattle Tilth's Board of Directors has determined will further its charitable and educational goals.

By entering into this Agreement, the parties agree to the following terms and conditions:

1. Effective Date: Effective March 16, 2010, Seattle Tilth shall commence operation of the Project, which operation shall continue in effect unless and until terminated as provided herein.
2. Project Activities and Sponsorship Policies: All community programs, public information work, fundraising events, processing and acknowledgement of cash and noncash revenue items, accounts payable and receivable, negotiation of leases and contracts, disbursement of Project funds (including grants), and other activities conducted by the Project shall be the ultimate responsibility of Seattle Tilth and shall be conducted in the name of Seattle Tilth, beginning on the effective date of this Agreement. Any tangible or intangible property, including intellectual property, such as copyrights, obtained by FACN from third parties or created by FACN in connection with the Project shall be the property of Seattle Tilth while this Agreement is in effect.
3. Governance: Management of the Project shall be governed by that certain Memorandum of Understanding between Seattle Tilth and FACN dated February 3, 2012 (the "MOU"). In matters governed by this Agreement, (a) FACN's separate legal existence as a nonprofit corporation will be solely for the limited purpose of holding, exercising and enforcing the contractual duties and obligations Seattle Tilth may owe to FACN under this Agreement (and not for binding Seattle Tilth in any other manner), and (b) any director, officer, or employee of FACN shall serve as an individual only, not as a representative or agent of any funding source, employer or any party other than Seattle Tilth.

4. Restricted Fund/Variance Power: Beginning on the effective date, Seattle Tilth shall place all gifts, grants, contributions, and other revenues received by Seattle Tilth for the purpose of the Project into a restricted fund to be used for the sole benefit of the Project's mission as that mission may be defined by FACN from time to time with the prior approval of Seattle Tilth. Seattle Tilth retains the unilateral right to spend such funds so as to accomplish the purposes of the Project as nearly as possible within Seattle Tilth's sole judgment, subject to any donor-imposed restrictions, as to the purpose, or 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 Seattle Tilth, for both tax purposes and for purposes of Seattle Tilth's financial statements. It is the intent of the parties that this Agreement be interpreted to provide Seattle Tilth with variance powers necessary to enable Seattle Tilth to treat the restricted fund as Seattle Tilth's asset in accordance with Statement No. 136 issued by the Financial Accounting Standards Board, while this Agreement is in effect. Seattle Tilth shall acknowledge receipt of any grant, charitable contribution or gift for the purpose of the Project in writing and will furnish evidence of its status as an exempt organization under Section 501(c)(3) to the donor upon request. Seattle Tilth agrees to notify FACN of any change in Seattle Tilth's tax-exempt status.

5. Protection of tax-exempt status: FACN agrees not to use funds received from Seattle Tilth in any way which would jeopardize the tax-exempt status of Seattle Tilth. FACN agrees to comply with any written request by Seattle Tilth that it cease activities which might jeopardize Seattle Tilth's tax status, and further agrees that Seattle Tilth's obligation to make funds available to FACN shall be suspended in the event that FACN fails to comply with any such request. Any changes in the purpose for which grant funds are spent must be approved in writing by Seattle Tilth before implementation. Seattle Tilth retains the right, if FACN breaches this Agreement, or if FACN jeopardizes Seattle Tilth's legal or tax status, to withhold, withdraw, or demand immediate return of gifts, grants, contributions, and other revenues.

6. Use of funds: Seattle Tilth authorizes FACN to make expenditures, subject to Seattle Tilth's prior approval on a case by case basis, which do not exceed total contributions for the Project, on Seattle Tilth's behalf for use in the Project. FACN agrees to use any and all funds received from Seattle Tilth solely for legitimate expenses of the Project and to account fully to Seattle Tilth for the disbursement of these funds. On behalf of the Project and with the Project's funds, Seattle Tilth will pay for the Project's direct expenses like salary and benefits for Project staff, computers, and travel and meeting expenses. Seattle Tilth will obtain acknowledgement from FACN of payment of these expenses using the Project's funds.

7. Financial accounting, reporting, and procedures: Seattle Tilth will maintain books and financial records of the Project in accordance with generally accepted accounting principles. The Project's revenue and expenses shall be a restricted fund and separately classed in the books of Seattle Tilth. Seattle Tilth will provide reports reflecting revenue and expenses to FACN including receipts, expenditures and balances on a regular basis. Seattle Tilth shall submit financial reports required by grant funders of the Project as needed. If funds are used to pay individuals for their services, Seattle Tilth will determine whether they are acting as partners, employees, or independent contractors, and comply with tax reporting requirements accordingly. FACN must abide by Seattle Tilth's financial policies.

8. Administrative Fees: An administrative charge of eight and one-half percent (8.5%) of all amounts deposited into the Project's restricted fund shall be deducted by Seattle Tilth to defray its costs of administering these restricted funds. An estimate of the annual administrative charge will be accrued by Seattle Tilth upon signing of this Agreement and will be deducted from the Project's restricted fund periodically, but no less frequently than quarterly, over the term of this Agreement. From time to time FACN may request services above those included in the regular administrative fee. When the specific costs of these services are identified and agreed upon, Seattle Tilth will charge them directly to the Project's fund.

9. Employment: Unless otherwise agreed, and subject to their consent, all personnel to be compensated for working on the Project shall be at-will employees of Seattle Tilth and subject to the same personnel policies and benefits that apply to all employees of Seattle Tilth. FACN members are volunteers. FACN members are not employees of Seattle Tilth unless expressly agreed to by Seattle Tilth and the particular committee member.

10. Fundraising: FACN may solicit gifts, contributions, and grants on behalf of Seattle Tilth which shall be earmarked for the activities of the Project. The funding sources of the Project and the text of the Project's letters of inquiry, grant applications, and other fundraising materials are subject to the prior approval of Seattle Tilth. Seattle Tilth's Executive Director 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 Project shall be executed by Seattle Tilth. The cost of any reports or other compliance measures required by such funding sources shall be borne by the restricted fund of the Project. Seattle Tilth's Executive Director must be copied at least one week in advance on all progress and final report submissions. Seattle Tilth shall be responsible for the processing and acknowledgment of all monies received for the Project, which shall be reported as the income of Seattle Tilth for both tax purposes and for purposes of Seattle Tilth's financial statements. Grants involving government or public agency monies have substantial reporting and auditing requirements; therefore, if FACN desires to apply for government or public agency grants, FACN must get advance approval to do so from Seattle Tilth's Executive Director.

11. Performance of Charitable Purposes: All of the assets received by Seattle Tilth under the terms of this Agreement shall be devoted to the purposes of the Project, within the tax-exempt purposes of Seattle Tilth. Expenditures for any attempt to influence legislation within the meaning of IRC Section 501(c)(3) shall be subject to limitations imposed by Seattle Tilth. Seattle Tilth shall not use any portion of the assets to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office, to induce or encourage violations of law or public policy, to cause any private inurement or improper private benefit to occur, nor to take any other action inconsistent with IRC Section 501(c)(3). Seattle Tilth has determined that the restricted fund is not a donor-advised fund within the meaning of IRC Section 4966(d)(2) as presently interpreted under federal tax authorities.

12. Termination: Either Seattle Tilth or FACN may terminate this Agreement on 60 days' written notice to the other party and provided that another nonprofit organization has been identified that is: (i) acceptable to Seattle Tilth's Board of Directors; (ii) tax-exempt under IRC Section 501(c)(3); (iii) not classified as a private foundation under IRC Section 509(a); and (iv) willing and able to sponsor the Project (a "Successor"). (As used in this Paragraph, the word "able" shall mean that the Successor has charitable purposes compatible with the purposes of the Project and has the financial and administrative capacity to competently manage the Project.)

Seattle Tilth will transfer the following items to the Successor at the end of the notice period or any extension thereof, subject to subparagraphs (a) and (b) below: (i) the balance of assets in Seattle Tilth's restricted fund for the Project, after any administrative charges under Paragraph 8, (ii) any other tangible and intangible assets obtained by FACN from third parties or created by FACN in connection with the Project, and (iii) all outstanding liabilities incurred by Seattle Tilth or FACN in connection with the Project.

- (a) If the Successor proposes to assume Seattle Tilth's obligations under the MOU and all other agreements related to the Project to which Seattle Tilth is a party, Seattle Tilth shall be obligated to transfer such assets and liabilities to the Successor only upon: (i) the Successor's written assumption of such agreements in a form acceptable to Seattle Tilth, (ii) the written consent to such assignment and assumption by all required third parties, including without limitation the City of Seattle or its Parks Department; and (iii) the written release and indemnification of Seattle Tilth from all future obligations under such agreements.
- (b) If the Successor does not propose to assume Seattle Tilth's obligations under the MOU or any other agreement related to the Project to which Seattle Tilth is a party, Seattle Tilth shall not be obligated to transfer such assets and liabilities to the Successor until the MOU or other agreement is amended to reflect the changed circumstances, including but not limited to allocation of liability and risk, insurance requirements, and reasonable compensation to Seattle Tilth for its performance under such agreement.

If FACN qualifies as a Successor or has formed a new organization qualified to be a Successor as set forth in this Paragraph, such organization shall be eligible to receive all such assets and liabilities so long as it has received a determination letter from the Internal Revenue Service, indicating that such qualifications have been met, no later than the end of the notice period or any extension thereof. If no Successor is found, Seattle Tilth may dispose of the Project assets and liabilities in any manner consistent with applicable tax and charitable trust laws. Either party may terminate this Agreement, based upon a material breach of this Agreement by the other party, by giving 30 days' written notice to the other party, and any Project assets and liabilities shall be disposed of at the end of the notice period, but only in a manner consistent with the provisions stated above in this Paragraph. Termination of this Agreement shall not affect the validity or enforceability of any other agreement between the parties.

13. Miscellaneous: In the event of any controversy, claim, or dispute between the parties arising out of or related to this Agreement, or the alleged breach thereof, the prevailing party shall, in addition to any other relief, be entitled to recover its reasonable attorneys' fees and costs of sustaining its position. 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. This Agreement shall be interpreted and construed in accordance with the laws of the State of Washington. Time is of the essence of this Agreement and of each and every provision thereof. The failure of Seattle Tilth to exercise any of its rights under this Agreement shall not be deemed a waiver of such rights.

14. Entire Agreement. 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.

15. Assignment. Neither party may directly, indirectly, or by operation of law, assign or transfer this Agreement without the written consent of the other party.

By signing below, both parties agree to execute this Agreement on the day and year first written above.

Seattle Tilth Association

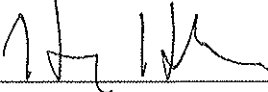


Name: Andrea Platt Dwyer
Title: Executive Director

2/7/12

Date:

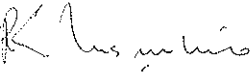
**Rainier Beach Urban Farm and Wetlands
Preservation Project (Friends of Atlantic City Nursery)**



Name:
Title: Co-Chair

2/2/12

Date:



Name: Peter Masundire
Title: Co-Chair

2-1-12

Date:

**Memorandum of Understanding
Between
Seattle Tilth and the Friends of Atlantic City Nursery**

This Memorandum of Understanding ("MOU") dated February 3, 2012, represents a mutual understanding and agreement between SEATTLE TILTH ASSOCIATION, a Washington nonprofit corporation ("Seattle Tilth") and RAINIER BEACH URBAN FARM AND WETLANDS PRESERVATION PROJECT (FRIENDS OF ATLANTIC CITY NURSERY), a Washington nonprofit corporation ("FACN") for the planning, development, and implementation of the Rainier Beach Urban Farm and Wetlands Preservation Project (the "Project"). With respect to the project, FACN plans to use the name "Friends of Rainier Beach Urban Farm and Wetlands."

The primary purpose of the Project is developing the Atlantic City Nursery property into an urban agriculture center that can provide the community and organizations with opportunities for training, education and year-round food production. Seattle Tilth and FACN jointly submitted a proposal to the City of Seattle to develop the Project, which was accepted by City of Seattle.

The cooperation between Seattle Tilth and FACN under this MOU will facilitate the implementation of the Project, ensure broad community engagement, and clarify the specific roles and responsibilities of each party, beyond those already defined in the Fiscal Sponsorship Agreement executed by both parties.

I. GENERAL RESPONSIBILITIES OF BOTH PARTIES

By entering into this MOU, both parties agree to:

1. Continue to work together to secure approvals for the development and operation of the Project, and to plan and implement site programs and capital improvements.
2. Comply with the terms of all contracts and agreements regarding the Project that are signed by both FACN and Seattle Tilth.
3. Identify, cultivate, and maintain positive relations with key donors and other parties involved in the Project, including Seattle Parks and Recreation.
4. Collaborate to raise funds necessary for the implementation and ongoing operations of the Project.
5. Develop program metrics and outcomes, and monitor those agreed upon measures to ensure satisfactory program performance.

II. SPECIFIC ROLES AND RESPONSIBILITIES OF EACH PARTY

A. By entering this MOU, FACN agrees to:

1. Act as a community oversight committee consisting of community representatives who will exercise watchful care over the Project, provide advice and guidance to the Seattle Tilth staff and board of directors, as well as community outreach, regarding the Project (the "Community Oversight Committee"). More details regarding the Community Oversight Committee are set forth in Section III below.

2. Submit the names of two candidates to serve on the Seattle Tilth board of directors and regularly maintain representation on the Seattle Tilth board. This requirement will be implemented at a future date to be mutually determined.
 3. Submit regular reports and recommendations regarding the Project, in its role as the Community Oversight Committee for the Project, to the board of directors and Executive Director of Seattle Tilth.
 4. Respond to specific requests for information and reports from the board of directors or Executive Director of Seattle Tilth regarding the Project.
- B. By entering into this MOU, Seattle Tilth agrees to:
1. Ensure that two seats on the Seattle Tilth board of directors are available for representatives from the Community Oversight Committee at a mutually agreeable date.
 2. Include recommendations, reports, and other information from the Community Oversight Committee to the Seattle Tilth board of directors in the materials provided to board members in advance of board meetings.
 3. Manage the finances of the Project, and make financial reports available to FACN on a periodic basis.
 4. Serve as the lead operator of the Project, with input and guidance from FACN.

III. COMMUNITY ADVISORY COMMITTEE

FACN will act as a community oversight and outreach committee for the Project, and will collaborate and provide input to Seattle Tilth with respect to the Project. The Community Oversight Committee shall consist of no fewer than five individuals. Community volunteers are encouraged to serve on the Community Oversight Committee. Two (2) of FACN members may serve as directors on Seattle Tilth's board of directors, subject to the approval of each individual by the Seattle Tilth board of directors, and in compliance with Seattle Tilth's existing governance documents and policies.

IV. GOVERNANCE/DECISION-MAKING PROCESS

Decisions will be made through consensus and collaboration. However, in the event of a conflict, a small group will be convened to discuss and resolve the issue. The small group will consist of the following:

- three FACN representatives, including the chair or co-chairs
- Seattle Tilth's board president
- one other officer from the Seattle Tilth board
- Seattle Tilth's Executive Director

In the event that an agreement cannot be reached, the parties agree to seek help from a neutral arbitrator, such as the King County Dispute Resolution Center.

V. TERMS OF MOU

This MOU is effective on the date first written above. It shall remain effective as long as Seattle Tilth and FACN are both parties to the Management and Operating Agreement with the City of Seattle Department of Parks and Recreation regarding the Project, unless terminated earlier by mutual agreement of the parties. This MOU will be reviewed annually by the signing parties. Amendments will be made as deemed necessary and agreed to by the representatives of the signing parties.

SEATTLE TILTH

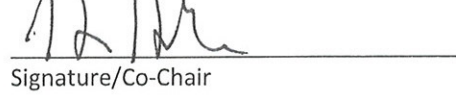

Signature/Board President

Justine Dell'Aringa
Printed Name

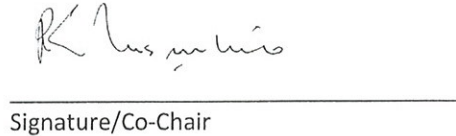

Signature/Executive Director

ANDREA P. DWYER
Printed Name

FACN


Signature/Co-Chair

Harry Hoffman
Printed Name


Signature/Co-Chair

Peter K. Masundire
Printed Name

Exhibit D – Premises Atlantic City Nursery Property

