

ProtoStar Foundation’s Standard Terms and Conditions for a Grant

For informational purposes only, below are ProtoStar Foundation’s standard Terms and Conditions for all approved grants effective January 1, 2024. Before applying for a grant, please review these standard Terms and Conditions carefully and make an informed decision as to whether or not they are acceptable to you and/or your organization. You may consult with an attorney if you wish. Under no circumstances should you and/or your organization seek any legal advice from ProtoStar Foundation or any of its directors, officers, attorneys, agents, or other representatives concerning these standard Terms and Conditions, and no such legal advice shall be given by ProtoStar Foundation or any of its directors, officers, attorneys, agents, or other representatives. During the application process, you and/or your organization will be asked to sign a statement confirming that these standard Terms and Conditions are acceptable. If the grant application submitted by you and/or your organization is approved, then you and/or your organization will be required to provide signatures from at least two authorized representatives agreeing to be bound by these standard Terms and Conditions. No exceptions shall be made for this requirement. ProtoStar Foundation reserves the right to amend or revise these standard Terms and Conditions and will publish any such amended or revised standard Term and Conditions for future grants.

ProtoStar Foundation is awarding to Grantee the Grant set forth in the Grant Letter dated [DATE], subject to the following terms and conditions. Grantee warrants that all representations contained herein are true, complete, and accurate as of the date of the Grant Letter, that it will perform all of the obligations set forth herein, and that it will otherwise abide by all the following terms and conditions.

Purpose and Use of Grant

The Grant must be used for the project(s), program(s), or purpose(s) in the Grant Letter or in the manner set forth in Appendix A (the “Project(s)”), a copy of which is attached hereto and incorporated herein by reference. No portion of the Grant proceeds may be used for or in support of, either directly or indirectly: (1) any personal, family, household, or consumer activities; (2) any of the purposes described in Internal Revenue Code §4945(d); or (3) any illegal, criminal, or other prohibited activities, including without limitation such unlawful activities as money laundering, terrorist financing, bribery, corruption, and tax evasion or other types of tax fraud (see below). Grantee shall return any portion of the Grant that is unexpended at the completion of the Project or at the end of one year from the date of the Grant Letter.

Grantee’s Corporate Status

Grantee is a nonprofit organization that is currently recognized by the Internal Revenue Service as a public charity described in Section 501(c)(3) and 509(a)(1), (2), or (3) of the Internal Revenue Code. Grantee is also recognized as a tax-exempt organization under applicable state law.

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Grantee is duly qualified, licensed, and in good standing in every state in which it is doing business, is current on all of its required filings and governmental fees, and is otherwise in full compliance with all applicable laws, statutes, ordinances, and other rules and regulations.

The Grantee shall preserve, renew, and maintain in full force and effect its tax-exempt status under the Internal Revenue Code and applicable state law, and shall not engage in any conduct that would otherwise jeopardize or cause it to lose its tax-exempt status.

Grantee shall preserve, renew, and maintain in full force and effect its corporate or organizational existence, take all necessary actions to maintain all rights, privileges, registrations, licenses, and other qualifications to continue doing business, and otherwise remain qualified, licensed, and in good standing in every state or jurisdiction in which it is qualified to do business.

The Grantee shall remain current on all of its required filings, governmental fees, and otherwise remain in full compliance with all applicable laws, statutes, ordinances, and other rules and regulations.

Financial Information

All representations, documents, and information, including without limitation the budget for the Project, any financial data, cash-flow analyses, balance sheets, and profit-and-loss statements, submitted to the Foundation are true, complete, accurate, and current.

Grantee is not subject to any court judgments, administrative fines or penalties, arbitration awards, liens, or any other decree, order, or restriction that would materially affect its financial condition or ability to carry out the Project.

There is no action, lawsuit, investigation, or other proceeding, be it civil, criminal, administrative, or otherwise, that is pending or threatened to be filed or initiated against the Grantee that could materially affect its financial condition or ability to carry out the Project.

Grantee has fully and accurately disclosed to the Foundation any and all other information that could materially affect its financial condition or ability to carry out the Project.

Anti-Money Laundering, Anti-Tax Fraud, Anti-Terrorist Financing, Etc.

Grantee shall abide by any and all applicable laws, rules, and regulations to combat crime, terrorism, and other illegal activities, including without limitation anti-money laundering, anti-tax fraud, anti-terrorist financing, anti-bribery, and anti-corruption (domestic or foreign, such as activities prohibited by the U.S. Foreign Corrupt Practices Act).

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Grantee shall not, directly or indirectly, use any portion of the Grant to support activities: (1) prohibited by U.S. or other applicable laws, rules, and regulations related to combating money laundering, tax evasion or tax fraud, terrorist financing, bribery, and corruption (domestic or foreign, such as activities prohibited by the U.S. Foreign Corrupt Practices Act); (2) with any persons or entities on any lists maintained by the U.S. Government to combat crime, terrorism, and other illegal activities, such as the FBI's Most Wanted List and the List of Specially Designated Nationals; or (3) with countries against which the U.S. has issued or maintains comprehensive or targeted sanctions, unless such activities are fully authorized by the U.S. Government under applicable law and specifically approved in writing by the Foundation in its sole discretion.

Grantee shall not offer or provide money, gifts, or any other item of value, directly or indirectly, to any persons or entities, domestic or foreign, for the purpose of, or in order to, improperly influence any act or decision, or otherwise secure an improper advantage, relating to it, the Foundation, or the Project.

Grantee shall not use any portion of the Grant, directly or indirectly, to: (1) influence the outcome of any election for public office, domestic or foreign; (2) lobby any activities or to otherwise support attempts to influence legislation, domestic or foreign; or (3) otherwise engage in any illegal or improper activities to unduly influence public opinion on any matters of public interest, including without limitation creating, transmitting, or disseminating misinformation, disinformation, propaganda, false reports, or "fake news."

The term "affiliated persons or entities" includes without limitation: (1) persons or entities controlled by Grantee; (2) persons or entities controlling Grantee; and/or (3) persons or entities in common control with Grantee.

The term "applicable laws, rules, and regulations" includes those in the U.S. and the country or countries where Grantee is domiciled, has affiliated persons or entities, and/or conducts business. All such laws, rules, or regulations referenced herein shall include those in existence at the time these Terms and Conditions are executed and any subsequent amendments, revisions, or additions to such laws, rules, and regulations that relate directly or indirectly to the subject matter at issue.

The acts or activities prohibited herein shall include not only those conducted directly or indirectly by Grantee, but also those that could be construed as aiding, abetting, conspiring with, being an accessory to, or otherwise assisting in any way another person or entity to conduct or engage in such prohibited acts or activities by any means possible, including the use of artificial intelligence, "bots," and other technological devices, hardware, or software that are in existence or developed in the future.

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Records, Reports, and Deliverables

Grantee shall keep a record of all receipts and expenditures relating to the Project and shall provide the Foundation with a report on the use of the Grant in accordance with the budgeted amounts allocated, as well as the goals and impact of the Project ("Deliverables"), as set forth in Appendix A. The report shall include at least the following information: (1) expenditures made with the proceeds of the Grant; (2) an evaluation of the impact of the Project; and (3) a detailed financial breakdown of the Project, including without limitation a cash-flow analysis, budget-to-actual revenues and expenditures, and balance sheet. The Foundation may also require interim reports and/or request additional information.

Grantee shall ensure that its books and records are complete, accurate, and current, shall store them in a secure manner, including keeping up-to-date backup copies electronically with a facility that provides secure electronic storage offsite, and shall make them available to the Foundation upon request.

Required Notifications and Consent

The Grantee shall promptly advise the Foundation of any event, occurrence, or development that may have a material adverse effect on the Grantee's financial condition or ability to carry out the Project ("Adverse Development"). The term "promptly" shall mean no later than seven (7) calendar days from the date on which the Grantee first became aware of the Adverse Development.

Grantee shall not engage in any of the following activities without the Foundation's prior written consent: (1) assign or otherwise transfer its rights or delegate any of its obligations under this Grant; (2) change the mission of the Grantee, the types of programs and services it provides, or the constituents it serves; (3) merge with, consolidate into, or be acquired by any other entity, enter into any partnership or joint venture with any other entity, sell all or substantially all of the Grantee's assets, or take any other action that would result in a change in control of the Grantee; (4) change its name, place of business, address, legal structure, organizational form, or legal status; or (5) replace its senior executives, including [NAME(S)].

Publicity

The Foundation shall review and approve in advance any text, photographs, or other writings referring to or concerning the Foundation and/or this Grant. Grantee's use of the Foundation's logo, trademark, service mark, or other intellectual property requires prior written approval, and such approval may be withdrawn at any time, with or without reason.

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The Foundation may use or publish any information about the Grant, the Grantee, and/or the Project, including without limitation text, photographs, and other materials that are provided by the Grantee, obtained by the Foundation, and/or publicly available.

Right to Modify or Revoke

The Foundation reserves the right to discontinue, modify, withdraw, revoke, or withhold any payments to be made under this Grant or to require a total or partial refund of the Grant proceeds if the Foundation determines, in its sole discretion, that Grantee has: (1) made any false, misleading, inaccurate, or incomplete representations to the Foundation; (2) submitted any information or documents that are false, misleading, inaccurate, or incomplete; or (3) breached any of the terms, conditions, and undertakings set forth herein.

Notices

All notices and other communications required or permitted to be given in connection with this Grant shall be in writing and shall be deemed received if and when hand delivered and a signature receipt is given thereof, mailed by registered or certified U.S. mail, postage prepaid, return receipt requested or telefaxed, return acknowledgment requested, addressed as follows:

If to the Foundation:

Gary P. Poon
ProtoStar Foundation
9984 Scripps Ranch Boulevard #232
San Diego, CA 92131
gpoon@protostargroup.com

If to Grantee:

[NAME OF AUTHORIZED REPRESENTATIVE]
[GRANTEE]
[ADDRESS]
[EMAIL]

or at such other address as either party hereto shall notify the other of in writing.

Governing Law

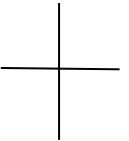
This Grant and the relationship between the parties shall be construed under and governed by the laws of the State of California without regard to the conflict of laws rules thereof and shall

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take effect as if executed and performed in the State of California. The parties hereby submit to the jurisdiction of the state and federal courts of the State of California for the purpose of resolving any dispute arising out of or resulting from this Agreement. The parties agree that the proper venue for resolving any such dispute is in the City of San Diego. In the event that any provision herein shall be held invalid by a court with jurisdiction over the parties, such provision shall be deleted from these Terms and Conditions, which shall then be construed to give effect to the remaining provisions thereof.

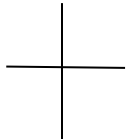
No Partnership or Joint Venture

Grantee understands and acknowledges that nothing herein shall be construed as forming a partnership or joint venture with the Foundation and that the Foundation does not owe the Grantee any fiduciary duties.



Independent Counsel

Grantee hereby acknowledges and agrees that it has had ample opportunities to seek independent legal advice or to otherwise consult with an attorney prior to the execution of this Agreement and that any decision not to seek independent legal advice or otherwise consult with an attorney was made knowingly, intentionally, and intelligently, with full understanding and appreciation of the consequences of such decision.



IN WITNESS WHEREOF, the Grantee has reviewed the Grant Letter and any attachments thereto, agree to be bound by the foregoing Terms and Conditions, and have obtained the requisite authority to sign below.

[GRANTEE]

By: _____
[NAME]
[TITLE]

By: _____
[NAME]
[TITLE]

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Appendix A

- I. Description of Project/Programs**

- II. Budget/Allocation of Grant**

- III. Goals/Deliverables**

[GRANTEE]

By: _____
[NAME]
[TITLE]

By: _____
[NAME]
[TITLE]