

Fiscal Sponsorship Agreement

This Agreement is made by and between:

1. Fundația Ceata (“Ceata”) represented by President Tiberiu-Constantin Turbureanu and
2. Nicolás Reynolds on behalf of the project known as Parabola GNU/Linux-libre (“Parabola”) each, a “Party”; together, “the Parties”. Ceata is a foundation (nonprofit organization) incorporated in Bucharest, Romania, and exempted from income tax under Romanian law 246/2005.

Whereas:

- a) Ceata's organizational mission is to liberate users from restrictions in art and technology, with Free Software and Free Culture. “Free Software” is software its users are free to use, redistribute, modify and distribute modified versions. Similarly, “Free Culture” is any cultural work the public is free to use, redistribute, modify and distribute modified versions.
- b) Parabola's purpose is to develop and maintain a bleeding-edge 100% Free Software and Free Culture distribution of the GNU operating system.
- c) Ceata desires to act as the fiscal sponsor of Parabola beginning on the Effective Date (as defined below) to assist Parabola in accomplishing its purpose, which Ceata has determined is fully aligned with Ceata's mission.
- d) Ceata's Council has approved the establishment of a fund (“Parabola Fund”) to receive donations of cash and other property earmarked for support of Parabola and to make disbursements in furtherance of Parabola.

Now, therefore, the Parties hereby agree as follows:

1. **Term of Agreement.** As of the Effective Date, Parabola benefits from the fiscal sponsorship of Ceata for a term of 1 year, unless and until terminated as set forth in § 7. The term can be extended definitely or indefinitely by an amendment to this Agreement, signed by the Parties at least 60 days prior to the expiration of the 1-year term.
2. **Parabola's Activities and Communication of All Donation-related Decisions.**
 - a) **Nicolás Reynolds Is Parabola's Delegate** (the “Delegate”) to communicate any and all donation-related (including but not limited to expenditure) decisions to Ceata's Council. Ceata will only object to the decisions to the extent Parabola is not in compliance with § 2(b) or § 5 of this Agreement.
 - b) **Parabola Stays Free Software and Free Culture.** Ceata and Parabola's Delegate agree that any and all software and/or documentation/cultural works distributed by Parabola will be distributed solely as Free Software and Free Culture, respectively. Ceata retains the sole right to determine whether Parabola's software and/or documentation/cultural works constitute Free Software and Free Culture, respectively (as defined herein).
 - c) **Ultimate Responsibility of Parabola.** Subject to § 2(a) of this Agreement, any and all donation-related information, processing and acknowledgement of cash and non-cash revenue items, accounts payable and receivable, negotiation of leases and contracts and disbursement of Parabola funds (including grants) shall be the ultimate responsibility of Ceata and shall be conducted in the name of Ceata, beginning of the Effective Date.
 - d) **Parabola Not An Agent of Ceata.** The Parties acknowledge that Parabola and its Delegate do not and shall not act as an agent for Ceata unless specifically authorized in writing by Ceata to do so.

3. **Fees.**
 - a) Ceata's Council has agreed the fiscal sponsorship offered Parabola does Not oblige Parabola to donate to Ceata a percentage of Parabola's gross revenue, for Ceata's operational costs.
 - b) Notwithstanding the above, the Parties agree that should Ceata be required to pay any taxes (including but not limited to sales taxes and unrelated business taxable income) as the result of any activity of Parabola and/or activities undertaken by Ceata on Parabola's behalf, such taxes shall be deducted from the Parabola Fund.
 - c) Ceata will monitor any unrelated business taxable income and may require Parabola to cease activities generating such income if the overall amounts exceed amounts permissible or prudent for Ceata, given Ceata's tax exempt status.
4. **Parabola Fund/Variance Power.** Beginning on the Effective Date, Ceata shall place all gifts, grants, contributions and other revenues received by Ceata and identified with Parabola into a Parabola Fund to be used as communicated by Parabola's Delegate to accomplish Parabola's purpose (as defined herein). Ceata retains the right to refuse donation-related (including but not limited to expenditure) decisions to the extent Parabola is not in compliance with § 2(b) or § 5 of this Agreement. The Parties agree that all money, and the fair market value of all property, deposited in the Parabola Fund be reported as the income of Ceata, for both tax purposes and for purposes of Ceata's financial statements. It is the intent of the Parties that this Agreement be interpreted to provide Ceata with variance powers necessary to enable Ceata to treat the Parabola Fund as Ceata's asset while this Agreement is in effect.
5. **Parabola Fund Management / Performance of Tax-exempt Purposes.** All of the assets received by Ceata under the terms of this Agreement shall be devoted to the purpose of Parabola, within the tax-exempt purposes of Ceata. The Parties agree not to use its funds or operate in any way which would jeopardize the tax-exempt status of Ceata.
6. **Outstanding Liabilities.** The signatories represent that any liabilities that may be outstanding in connection with Parabola have been disclosed to Ceata.
7. **Termination.** Parabola's Delegate or Ceata may terminate this Agreement at any time before its term ends subject to the understandings below.
 - a) **Notice and Successor Search.** Either Parabola's Delegate or Ceata may terminate this Agreement on sixty (60) days' written notice ("the Notice Period") to the other Party, so long as a Successor can be found that meets the following requirements (the "Successor has Qualified"):
 1. The Successor is another nonprofit organization which is tax-exempt,
 2. the Successor is willing and able to sponsor Parabola, and,
 3. the Successor has (a) communicated its willingness to sponsor Parabola in writing to Ceata and (b) sent a copy of its incorporation documents to Ceata, and,
 4. the Successor is approved in writing by both Parties by the end of the Notice Period, such approval not to be unreasonably withheld.
 - b) **Transfer to a Successor.** If a Successor has Qualified, the balance of assets in Parabola Fund, together with any other assets held or liabilities incurred by Ceata in connection with Parabola, shall be transferred to the Successor within thirty (30) days of the approval of the Successor in writing by both Parties or any extension thereof, subject to the approval of any third parties that may be required.
 - c) **Termination Without a Successor.** If no Successor is found, Ceata may dispose of Project assets and liabilities in any manner consistent with applicable tax and charitable trust laws.

This document is based on the public Fiscal Sponsorship Agreement draft of Software Freedom Conservancy.

8. **Miscellaneous.** 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 Romania. 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.
9. **Amendments.** This Agreement may not be amended or modified, except in writing and signed by both Ceata and Parabola's Delegate.
10. **Counterparts / Facsimile.** This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when together, shall constitute but one and the same instrument, and shall become effective when one or more counterparts have been signed by each Party hereto and delivered to the other Party. In lieu of the original, a facsimile transmission or copy of the original shall be as effective and enforceable as the original.

In witness whereof, the Parties have executed this Fiscal Sponsorship Agreement effective on the 15 day of April, 2015 (the "Effective Date").

By: _____

Date: _____

Fundația Ceata
Tiberiu-Constantin Turbureanu
Title: President

By: _____

Date: _____

Nicolás Reynolds