Allied Arts of Whatcom County (hereinafter, AAWC) provide fiscal and program sponsorship to many arts-related charitable projects throughout the county that further the purposes of Allied Arts sponsorship. Services include the provision of non-profit status to projects or organizations that do not have nonprofit status (thus making contributions tax-deductible.)

The Sponsored will:

- Operate in a manner consistent with the AAWC's tax-exempt status and as described in this Agreement, which AAWC will oversee.
- Sponsored is to act as its Program Agent and is responsible for the Project's daily business.
- Have the option to apply to funding sources under the auspices of AAWC, but AAWC is not responsible for fund-raising or for providing support for the project.
- Send a thank you letter for all in-kind gifts, grants and contributions.
- Not attempt to influence legislation or directly or indirectly intervene in any political campaign on behalf of (or in opposition to) any candidate for public office or otherwise engage in the carrying on of propaganda (within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986).
- Regularly provide Project reports that describe programs and services to AAWC.
- Submit a written permission form to AAWC if needing material changes for the purposes or activities of the Project in accordance with requirements imposed by any funding organizations, nor shall the AAWC carry on activities or use funds in a manner that jeopardizes AAWC’s tax-exempt status or reputation.
- Provide all information and prepare all reports, including interim and final reports, with the AAWC's assistance and final approval.
- Identify the Project as “Affiliated with Allied Arts of Whatcom County” on all Project marketing material, including fundraising requests.

Allied Arts of Whatcom Country (AAWC) will:

- Approve all fundraising requests.
- Establish and operate the use of the Project’s designated account (“Account”) segregated on AAWC’s books.
• Be responsible for funds that are eligible for disbursement within 14-days of verification (such as when the contribution clears the bank).
• Organize the disbursement of all contributions deposited into a Project's Account which are subject to conditions of this Agreement, and must be used in its support, less than 10%, which serves as AAWC’s consideration and defrays administrative charges.

Both will:

• Maintain and retain all financial records relating to the Project as required by law and according to generally accepted accounting principles.
• Reflect the activities of the Project, to the extent required, on their state and federal tax returns and financial reports. All disbursements from an Account shall be treated as payments made to or on behalf of the Sponsored to accomplish the purposes of the Project. The Sponsored will provide AAWC with proper documentation to fulfill this duty, including a tax identification number.

This Agreement:

• Is subject to review every six months.
• Terminates 21-days following written notice by either party of its intent to terminate this Agreement. Also, if AAWC issues a written request to cease activities it deems inconsistent with its purpose and/or inconsistent with its terms, then this Agreement terminates 10-days from the date notice was received.
• If terminated, AAWC and the Sponsored will comply with any termination conditions imposed by any funding organization. All disputes will be resolved in Whatcom County, WA.