

**FISCAL SPONSORSHIP AGREEMENT
BETWEEN
AKAMAI FOUNDATION AND NA‘I AUPUNI**

This Fiscal Sponsorship Agreement (Agreement) is made by and between The AKAMAI Foundation (Sponsor) and Na‘i Aupuni (Client).

Sponsor is a non-profit Internal Revenue Code (IRC) Section 501(c)(3) organization incorporated in the State of Hawai‘i and headquartered at 1136 Union Plaza, Suite 206, Honolulu, Hawaii 96813. Sponsor’s mission and work is community development.

Client is an organization whose mission is to provide assistance in the non-political aspects of an election of Native Hawaiian delegates, ‘Aha and ratification vote for the purpose of Native Hawaiian self-determination.

RECITALS

A. Client desires Sponsor to act, for the duration of this Agreement, as the fiscal sponsor of restricted funds from the Office of Hawaiian Affairs (OHA) for the Project pursuant to the grant agreement with OHA dated April 27th, 2015 that is incorporated herein by reference, and Client projects that grant funds will be used pursuant to the budget, a true copy of which is attached hereto as Exhibit 1.

B. Sponsor agrees to act, for the duration of this Agreement, as the fiscal sponsor of the restricted funds it receives for the Project.

C. Sponsor and Client each represent and warrant to the other that they have the power and authority to execute and perform this Agreement.

D. Sponsor and Client each agree that they shall act in good faith to give effect to the intent of this Agreement and to take such other action as may be necessary or convenient to consummate the purpose and subject matter of this Agreement.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Duration of Agreement. The duration of this Agreement shall be from April 27, 2015 to and including the earlier of THIRTY (30) days after any ratification vote or December 31, 2016.

2. Duties of Sponsor. Sponsor agrees to:

a. Provide Client with copies of all written materials received by Sponsor from OHA related to restricted funds received under this Agreement.

b. Deposit restricted funds it receives under this Agreement into a designated interest-bearing account with a federally insured financial institution with dual signatures required for disbursement by Sponsor.

- c. In a timely manner consistent with the Letter of Agreement, disburse restricted funds received under this Agreement to Client upon receipt of appropriate written request from Client for Project purposes.
- d. Provide necessary and timely custodial, accounting, reporting, and record-keeping services for restricted funds it receives pursuant to this Agreement to both Na‘i Aupuni and OHA.
- e. Report restricted funds it receives under this Agreement as income of Sponsor on Sponsor’s financial statements and tax returns.
- f. Perform these duties and services for Client’s Project for the following amount: FIVE PERCENT (5%) of the \$2.598 million from OHA that is used by Client for the Project purposes which shall be automatically earned by Sponsor upon use by Client of any Project grant funds.
- g. Perform services by the Sponsor’s Chairman/Treasurer without involvement of other employees of Sponsor or its officers and directors so that other employees of Sponsor or its officers and directors may freely participate in the election of delegates, ‘Aha and/or ratification vote. To the extent that any of the above listed employees of Sponsor is qualified to participate in the election of delegates, ‘Aha and/or ratification vote by virtue their Hawaiian or Native Hawaiian descent, the same hereby knowingly, voluntarily and intelligently waive such qualification and promise to abstain from participation as a delegate.
- h. In the event Client requests disbursements that are substantially different than as set forth in the budget, Sponsor shall exercise its sole discretion to determine if said requests comply with the Project purposes and are reasonably justified to satisfy Project purposes and if not Client agrees that Sponsor is not required to comply with said requests.

3. Duties of Client. Client agrees to:

- a. Fully adhere to and comply with all applicable laws and regulations in management, implementation, and operation of the Project.
- b. Fully adhere to and comply with all contractual agreements or obligations entered into regarding restricted funds for the Project, and make Sponsor immediately aware of any such contractual agreements or obligations.
- c. Identify to Sponsor any individual(s) authorized to and responsible for requesting disbursements of restricted funds for the Project, and use and adhere to Sponsor’s disbursement request forms, methods, and procedures.
- d. Not spend or otherwise obligate Sponsor to pay for any amount exceeding the balance in the restricted fund for the Project, nor authorize or permit anyone to do so.

e. Conduct timely reporting regarding the Project as required by Sponsor and/or OHA, and Client shall be responsible for delivery of any reports to OHA.

f. Prepare and submit timely to Sponsor any and all reports, documentation, or other information regarding the Project as required by Sponsor.

g. Prepare and submit written acknowledgments timely to OHA as requested by Sponsor.

h. Not refer to or use Sponsor's name in any written materials, proposals, or solicitations regarding the Project without the express prior written approval of Sponsor.

i. Keep confidential any information or material proprietary to Sponsor or designated by Sponsor as Confidential Information that Client may receive, have access to, develop, or contribute to the production of or in connection with this Agreement.

4. Performance of Charitable Purposes. All restricted funds received by Sponsor under this Agreement shall be devoted to the purposes of the Project, within the tax exempt purposes of Sponsor. Sponsor shall not, and shall not permit Client or Project, to use restricted funds received under this Agreement to attempt to influence legislation; 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).

Client shall not, and shall not permit Project to use restricted funds received under this Agreement to attempt to influence legislation; 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 Sponsor's status as a non-profit IRC Section 501(c)(3) organization.

The restricted fund may not be a donor-advised fund within the meaning of IRC Section 4966(d)(2) as presently interpreted under federal tax authorities.

5. Termination. In consultation with OHA, this Agreement shall terminate if and when Sponsor and OHA determine that the objectives of the Project can no longer be reasonably accomplished upon thirty days written notice to the AF by OHA and NA.

6. Unclaimed Funds. The manner of disposition of any restricted funds received under this Agreement that are not used for Project purposes shall be returned to OHA.

7. Limitations. This Agreement states the terms of Sponsor's fiscal sponsorship of Client's Project only, and does not express or imply Sponsor's endorsement of any decisions, actions, or conduct of Client or any other activity undertaken by Client. Client is an independent organization whose decisions, actions, conduct and activities or those of its representatives do not necessarily represent the decisions, actions, conduct or positions of Sponsor or Sponsor's directors and staff.

8. Indemnification. Sponsor shall defend, indemnify and hold harmless Client, its directors, officers, employees and agents, from and against any and all liability, loss, expenses, attorneys' fees

or claim for injury or damages asserted by any third party, arising out of acts or omissions of Sponsor in the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of Sponsor, its directors, officers, employees or agents.

Client shall defend, indemnify and hold harmless Sponsor, its directors, officers, employees and agents, from and against any and all liability, loss, expenses, attorneys' fees or claim for injury or damages asserted by any third party, arising out of acts or omissions of Client in the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of Client, its directors, officers, employees or agents. In addition, Client waives any and all claims arising out of the exercise or failure to exercise discretion set forth in section 2(h) of this Agreement.

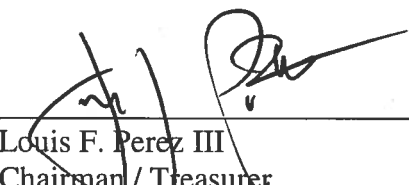
8. Miscellaneous. Each provision of this Agreement shall be separately enforceable, and the invalidity of one provision shall not affect the validity or enforceability of any other provision. This Agreement shall be interpreted and construed in accordance with the laws of the State of Hawai'i. The failure of Sponsor to exercise any of its rights under this Agreement shall not be deemed a waiver of such rights.

9. Entire Agreement. This Agreement constitutes the only agreement, and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. This Agreement may not be amended or modified, except in writing signed by both parties to this Agreement.

10. Effective upon Signing. This Agreement is effective upon the signing of both parties by their authorized representatives.

FISCAL SPONSOR

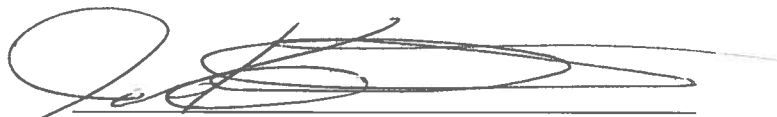
Date: 4-27-15



Louis F. Perez III
Chairman / Treasurer

CLIENT

Date: 04-27-2015



James Kuhio Asam

Enclosure: Attachment "A" PRESIDENT AND DIRECTOR NA'I AUPUNI PROJECTED BUDGET

Attachment "A"
 President & Director NA'I AUPUNI PROJECTED BUDGET

3/9/2015

Category	
Apportionment & Election Contract	\$256,500
<i>This includes</i>	
Base Estimate	\$171,000
Estimate for Sub-Contractor with Expertise in Native Hawaiian Affairs	\$34,200
Estimate for Expenses related to Community Consultation	\$17,100
Estimate for Additional Needs, Election Website, Unforeseen Circumstances	\$34,200
Total	\$256,500
Governance `Aha Contract	\$1,457,088
Assumes 62 working days, 40 delegates, 5 facilitators, 10 staff	
Includes convention site and meals, stipend, and travel costs	
Includes 10 percent scaling	
Referendum Contract	\$117,000
<i>This includes</i>	
Base Estimate	\$78,000
Estimate for Sub-Contractor with Expertise in Native Hawaiian Affairs	\$15,600
Estimate for Expenses related to Community Consultation	\$7,800
Estimate for Additional Needs, Election Website, Unforeseen Circumstances	\$15,600
Total	\$117,000
Independent Election Monitoring Contract	\$20,250
<i>This includes</i>	
Base Estimate	\$3,000
Estimate of Expenses related to Travel	\$17,250
Total	\$20,250
Independent Referendum Monitoring Contract	\$20,250
<i>This includes</i>	
Base Estimate	\$3,000
Estimate of Expenses related to Travel	\$17,250
Total	\$20,250
Any attorneys fees, any other consultants, or if any category above needs additional funding	\$726,912
TOTAL BUDGET (as set forth by OHA 1/12/15)	\$2,598,000