

DONATION ACCEPTANCE TERMS & CONDITIONS

Membership

The Organization represents and warrants to United Way of the Mid-Willamette Valley that all materials that the Organization provided to United Way in support of the Organization's application to become a member of United Way are true, correct and complete. The Organization shall notify United Way if any event or change occurs that results in the foregoing representation and warranty no longer being accurate.

The Organization represents and warrants to United Way that the Organization:

- (1) is a tax-exempt public charity as described in Internal Revenue Code ("IRC") § 501(c)(3) and not a private foundation,
- (2) is not subject to a revocation of tax-exempt status or other adverse tax determination from the Internal Revenue Service,
- (3) is not currently and have not formerly been subject to any investigation or examination by any state or local authority, including but not limited to law enforcement and charity regulators, or any federal authority, including but not limited to the Internal Revenue Service and Federal Trade Commission, and
- (4) is not aware of any threatened revocation, adverse tax determination, investigation, or examination. If the Organization becomes the subject of any such revocation, adverse tax determination, investigation, or examination, or any written threat thereof, the Organization shall notify United Way within five (5) days of such determination, the initiation of such investigation or examination or the Organization's receipt of a written threat.

The Organization shall:

- (1) refrain from supporting or opposing candidates in political campaigns in any way,
- (2) ensure that the Organization's net earnings do not inure in whole or in part to the benefit of private shareholders or individuals (including without limitation board members, officers, key management employees, or other insiders),
- (3) not further non-exempt purposes (such as purposes that benefit private interests) more than insubstantially,
- (4) not be organized or operated for the primary purpose of conducting a trade or business that is not related to your exempt purpose(s) and
- (5) not devote more than an insubstantial part of the Organization's activities attempting to influence legislation.

United Way reserves the right to immediately suspend or immediately terminate the Organization's status as a member of United Way for any reason in United Way's sole discretion. Only current United Way members who have not been suspended are eligible to obtain Donated Goods from United Way, either directly or under a Program. Suspension or termination of the Organization's status as a member of United Way shall not be United Way's exclusive remedy for the Organization's violation of this Agreement (or any other agreement between United Way and the Organization) and shall not preclude United Way's simultaneous or subsequent exercise of any right, power, or remedy that United Way may have under this Agreement (or any such other agreement), at law or in equity.

Receipt of Donated Goods

Upon possession of Donated Goods in connection with a Program, title in and to Donated Goods shall transfer from United Way to the Organization, subject to the terms and conditions of this Agreement. United Way will not accept and the Organization shall not provide to United Way anything of value in exchange for Donated Goods.

The Organization understands and agrees that any Donated Goods the Organization may receive from United Way will be received by the Organization in "as-is" condition, with all faults and defects, latent and otherwise. United Way makes no warranty, covenant or representation, expressed or implied, or arising by operation of law, regarding Donated Goods, including without limitation, any warranty as to their design, condition, merchantability, or fitness for any particular use or purpose. United Way shall not be liable in any event for any direct, actual, special, indirect, incidental or consequential damages or losses of any kind, nature or description whatsoever, regardless of whether arising from breach of contract, warranty, tort, strict liability or otherwise, suffered or incurred by the Organization or a third party as a result of the

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transfer, receipt, storage, transportation or use of Donated Goods, even if the other party is advised of the possibility of such loss or damage or if such loss or damage could have been reasonably foreseen.

The Organization hereby fully releases and discharges United Way from and waives any and all rights, claims, and actions that Organization may have or acquire against United Way arising out of or in any way associated with Donated Goods, including, without limitation, the condition, use, or consumption of Donated Goods.

Use of Donated Goods

The Organization shall use Donated Goods solely to further a purpose or function constituting the basis for the Organization's exemption under IRC § 501 and solely for the care of the ill, needy or infants, in compliance with IRC § 170(e)(3) and IRC regulations § 1.170A-4A(b)(2) and (3) so that United Way's donors may qualify for the enhanced inventory donation deduction under IRC § 170(e)(3). The Organization acknowledges that Donated Goods must be used to alleviate or cure an existing illness, to alleviate or satisfy an existing need, or to perform parental functions and provide for needs of infants as set forth in the IRC regulations. The Organization will ensure that Donated Goods will be used in accordance with these requirements.

The Organization further agrees that Donated Goods will be used in a manner that complies with all applicable laws, ordinances, and regulations, including that they will not be used to further or with the intent to commit a terrorist act(s).

The Organization shall not transfer, sell, give or assign any Donated Goods to any other individual or entity (other than as permitted by the first paragraph of this "Use of Donated Goods" Section) or except as permitted by any Program in which you are an approved participant (as described below), including that the Organization shall not sell, trade, barter or otherwise transfer Donated Goods in exchange for money, property or services. Without limiting the generality of the foregoing:

- The Organization shall not use Donated Goods for fundraisers, raffles, or auctions, and shall not sell, trade, barter or otherwise transfer Donated Goods in thrift stores, restores, retail stores, on websites, or at flea markets;
- The Organization shall not use Donated Goods in conjunction with any fundraising activities;
- The Organization shall not accept anything of value, including but not limited to voluntary, recommended or required cash "donations", in direct or indirect exchange for Donated Goods;
- The Organization shall not give any Donated Goods to its volunteers, officers, directors, employees, or contractors, or permit any such person to take any Donated Goods, for personal use; and
- The Organization shall not return any Donated Goods to the original donor or the original donor's retail store.
- The Organization shall not, ship or redistribute any Donated Goods to any location outside of the United States of America.

Distribution Records

The Organization shall maintain accurate books and records of all Donated Goods documenting the distribution of Donated Goods and the purpose of such distribution. Your books and records shall include, but are not limited to, accurate records that reflect the total amounts received and distributed (or used) and outline the procedures the Organization uses to determine that the Donated Goods are used solely for the care of the ill, needy, or infants. The Organization shall keep such books and records for at least four (4) years after the end of the year of the receipt of such Donated Goods, or for such longer period as may be required by applicable federal, state, or local tax regulations.

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Upon reasonable notice, the Organization shall promptly make such records available to United Way or United Way's designee for inspection, audit, or copying upon United Way's request.

The Organization shall promptly provide adequate substantiation and records of the Organization's distribution of Donated Goods to the Internal Revenue Service and/or United Way upon request.

In addition, the Organization shall comply with all requirements related to IRC § 170(e)(3) and IRC regulations § 1.170A-4A(b)(2) and (3). Such reporting requirements include the provision of certain information in connection with the Organization's ordering and/or receiving Donated Goods. United Way and the donor of the Donated Goods to United Way may rely on the accuracy of information reported by the Organization and the Organization's records.

Non-Discrimination Policy

The Organization shall adhere to a nondiscrimination policy in accordance with applicable state and federal law.

Indemnification

The Organization shall indemnify and hold harmless United Way of the Mid-Willamette Valley, its donors, its affiliates, and each of its respective officers, directors, employees, agents, counsels, successors, and assigns (collectively, "Indemnified Party") from and against any and all losses, costs, damages, expenses, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, liabilities, or expenses of whatever kind, including reasonable attorneys' fees (collectively, "Losses"), that are incurred by or claims against Indemnified Party, directly or indirectly, as a result of or in any way arising from: (i) any material breach by the Organization of the terms of this Agreement (or any agreement between the Organization and United Way of the Mid-Willamette Valley that relates to a Program); (ii) Donated Goods, including without limitation the selection, delivery, possession, use, operation, or return of Donated Goods, including, without limitation, Claims relating to the bodily injury or the death of any person. The Organization will reimburse any Indemnified Party for all Losses incurred by such Indemnified Party in connection with investigating, preparing or defending any such action or claim, whether or not in connection with pending or threatened litigation to which any Indemnified Party is a party. Such expenses shall be reimbursed on an as-incurred basis. The foregoing Agreement shall be in addition to any rights that any Indemnified Party may have at common law or otherwise including, but not limited to, any right to contribution. Each of the Parties shall give the other prompt written notice of any Claim of which it becomes aware.

Media/Communications

The Organization shall make no mention, orally or in writing, to the public, the media, or anyone else regarding United Way, its donation programs, or its donors in any manner or media without the express written consent of United Way. The Organization shall coordinate all Press Statements that mention United Way of the Mid-Willamette Valley, its donation programs or its donors, through our communications office. Press statements include, but are not limited to: Press releases, Media advisories, Interviews, Blogs, Webcasts, Newsletters and other materials.