

TRUST AGREEMENT

As of January 27, 2015 (the "Effective Date"), Compact for America Educational Foundation, Inc., acting as the Compact Administrator for the Compact for a Balanced Budget Commission, ("FOUNDATION"), and Nick Dranias Law & Policy Analysis LLC ("TRUSTEE") agree as follows:

1. Term of Agreement. The term of TRUSTEE's engagement shall begin on the Effective Date and shall extend to September 30, 2015, unless earlier terminated as set forth herein. Upon expiration of the initial term, this Agreement may be renewed in writing upon mutual agreement of the parties, whereupon the "Effective Date" as referenced herein shall be construed as the actual latest signature date of such renewal, or such other date as specified and mutually agreed upon in the renewal instrument.

2. Duties. TRUSTEE shall perform services as the trustee of funds held for the benefit of the Compact for a Balanced Budget Commission. Such duties shall include exclusively: (a) depositing grants and donations made by the FOUNDATION and third parties for the benefit of the Compact for a Balanced Budget Commission in TRUSTEE's Arizona IOLTA Trust Account maintained at Bank of America, the last four account numbers of which are 6758 ("Account"); (b) maintaining the Account exclusively to hold said grants and donations in trust as aforesaid; and (c) disbursing amounts from the Account to the Commissioners of the Compact for a Balanced Budget Commission for the reimbursement of expenses and related incidentals incurred by said Commissioners in the course of performing their official duties upon request from FOUNDATION. TRUSTEE shall have no other obligation relating to the maintenance, deposit and disbursement of funds in the Account. TRUSTEE is entitled to rely on requests made by FOUNDATION relative to the account as duly authorized by the Compact for a Balanced Budget Commission without further investigation.

3. Expense Reimbursement. FOUNDATION shall reimburse TRUSTEE for incurred reasonable and necessary expenses within a reasonable period of time, no later than the last day of the following month in which a reasonably informative expense reimbursement request has been submitted.

4. Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

5. Entire Agreement and Modification. This Agreement contains the entire agreement and understanding between the parties. It rightfully terminates, voids, and supersedes all previous agreements between them. Each party acknowledges that it has read this Agreement and understands its full force and effect. This Agreement may not be modified except by a later written agreement signed by both parties.

6. Termination. Either party may terminate this Agreement without cause upon 15 days' written notice to the other party. Either party may terminate this Agreement immediately upon written notice of termination to the other in the event the other is in substantial breach of this Agreement, and the breach is not cured within 5 days of written notice of the breach by the non-breaching party to the breaching party. All notices under this paragraph shall be sent by electronic mail or by overnight delivery and, if sent to FOUNDATION, be addressed to CEO Chip DeMoss, or if sent to TRUSTEE, be addressed to Managing Member Nick Dranias at the respective addresses set forth on the signature page or the addressee's last known e-mail address.

7. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Arizona (excluding the conflicts of laws rules thereof). In addition, except as otherwise provided, all disputes arising under this Agreement shall be resolved in any local or federal court in the State of Arizona that properly has subject matter jurisdiction and venue with respect to such a lawsuit, and each party agrees, solely for purposes of this Agreement, to submit to the personal jurisdiction of that court.

8. Joint Preparation. The Parties have participated jointly in the negotiation and drafting of this Agreement and have had a reasonable opportunity to engage legal counsel to seek advice regarding the implications of the same before signing below. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement

IN WITNESS WHEREOF, each of the parties has executed this Agreement as of the Effective Date:

COMPACT FOR AMERICA EDUCATIONAL FOUNDATION, INC.

By: 

Name: Harold R. DeMoss, III

Title: CEO

2323 Clear Lake City Blvd, Ste 180-190

Houston, TX 77062

Email: chip.demoss@compactforamerica.org

NICK DRANIAS LAW & POLICY ANALYSIS LLC

By: 

Name: Nick Dranias

Title: Managing Member

15025 S. 8th Street

Phoenix, AZ 85048

Email: nickdranias@gmail.com