Fundraising Guidelines, Best Practices & Agreements

About Music Beats Cancer

Music Beats Cancer (MBC) is a 501(c)(3) public charity committed to advancing entrepreneurial efforts aimed at fighting cancer.

We focus on bridging the critical funding gap - the ***"Valley of Death"*** - that can prevent promising cancer innovations from advancing from scientific discovery toward patients. By bringing together biotech innovators, philanthropic donors, musical artists, patient advocates, and the broader community, Music Beats Cancer raises awareness and mobilizes resources to help promising cancer-fighting solutions move forward.

Our Philanthropic Model

Music Beats Cancer uses multiple philanthropic strategies to support cancer innovation:

1. **Peer-to-Peer Giving Platform**
   Our platform enables individuals to make transparent charitable contributions and indicate their preference for a cancer-fighting campaign or innovation they would like to support, subject to the discretion of MBC's board of directors.
2. **Major Gifts & Philanthropic Partnerships**
   We work with high-net-worth individuals, foundations, family offices, and other philanthropic partners who are interested in advancing promising cancer-fighting technologies.
3. **Music & Community Engagement**
   Through musical artists, events, media, and community partnerships, we bring cancer innovation beyond the traditional scientific ecosystem and make it accessible to a broader audience.

Tax Information: Music Beats Cancer is a 501(c)(3) public charity. Contributions are tax-deductible to the extent permitted by U.S. law. The legal name of the organization is **Sound Affects** and the Federal Tax Identification Number is **45-4642925**.

THE TECHNOLOGIES WE SEEK TO SUPPORT

Music Beats Cancer supports entrepreneurs developing biomedical technologies that address critical gaps in cancer detection, treatment, monitoring, prevention, and patient care.

We consider innovations across a range of categories, including:

- **Therapeutics**
- **Treatment decision-making tools**
- **Disease and wellness monitoring solutions**
- **Diagnostics** for early detection or tracking disease progression
- **Medical devices** that enhance care and improve the patient experience
- **Prevention tools and vaccines**
- **Patient and clinician management systems**
- **Digital health applications**, including patient monitoring and mental health support

Our focus is on innovations addressing meaningful unmet needs and demonstrating a credible opportunity to advance cancer care.

VETTING PROCESS

Every biotech or biomedical company seeking to raise funds through the Music Beats Cancer platform undergoes a thorough review process.

We seek companies that:

- Demonstrate a strong scientific foundation
- Address a meaningful unmet need in cancer care or the standard of care
- Confirm that any results, data, and products will be made available for public benefit
- Have a credible development strategy
- Have the capability and positioning to achieve defined product-development milestones
- Can clearly articulate how philanthropic funding will advance a specific milestone

Our vetting process is intended to identify promising innovations that may be appropriate for philanthropic support.

Participation on the Music Beats Cancer platform does not constitute an endorsement or guarantee of a company's future success, regulatory approval, commercialization, clinical efficacy, or ability to reach patients. Biotechnology development is inherently uncertain, and not every promising technology will ultimately succeed.

CAMPAIGN ONBOARDING

To begin the onboarding process, prospective campaign companies must complete the Music Beats Cancer application.

The application includes:

1. Short-answer responses to five key questions
2. A detailed, itemized budget outlining how funds will be used
3. Names, titles, and brief biographies of key team members
4. Links to relevant publications, media coverage, and supporting materials
5. Promotional images and a 2–3 minute call-to-action video

Once approved, MBC works with each company to develop campaign materials that explain the technology and its potential impact in clear, accessible, lay-friendly language.

FUNDRAISING APPROACH

Successful campaigns generally engage three audiences.

1. Your Network — The “Hot” Crowd

Campaign companies are expected to actively engage their own network, including:

- Leadership and board members
- Employees and colleagues
- Investors and business partners
- Friends and family
- Patients and patient advocates
- Individuals personally connected to the company's mission

Based on our experience, this network is often the most likely to provide early support.

2. The Music Beats Cancer Network — “Warm” and “Cold” Audiences

MBC will engage its network of donors, philanthropists, foundations, healthcare leaders, patient advocates, artists, and other constituents to raise awareness of promising cancer-fighting innovations that have undergone a rigorous vetting process. The goal is to mobilize philanthropic support for projects that address critical gaps in cancer care and advance public benefit. Participation on the MBC platform does not constitute an endorsement of any company or guarantee of commercial success.

3. Co-Collaboration

Some fundraising opportunities require collaboration between MBC and the campaign company.

For example, if a major donor or foundation expresses interest in supporting a campaign, MBC may work with the company to facilitate the contribution and ensure an appropriate, coordinated process.

Campaign companies may be invited to participate in MBC-hosted educational events and programs designed to inform philanthropic and community audiences about advances in cancer research and innovation. These events are intended solely for educational purposes, providing a forum for sharing scientific developments and unmet needs in cancer care. Participation does not constitute an endorsement by MBC, and no direct solicitation or commercial promotion is permitted. All presentations and materials are subject to MBC review to ensure compliance with our educational mission.

BUILDING YOUR FUNDRAISING CAMPAIGN

Music Beats Cancer provides support to approved campaigns throughout the campaign-building process.

MBC collaborates with each company to develop compelling written and video content that explains, in accessible language:

- The cancer problem being addressed
- The unmet need
- The company's technology
- Why the approach is promising
- The specific product-development milestone being pursued
- How philanthropic funding will help achieve that milestone
- Why the milestone matters to patients

Our goal is to make complex biotechnology understandable, compelling, and accessible to a broader public audience.

CAMPAIGN AWARENESS

During the campaign term, Music Beats Cancer may assist with awareness campaigns through:

- Social media

- Monthly newsletters
- Search engine and digital advertising
- Media and public relations
- MBC events and programs
- Events targeting high-net-worth communities
- Musical artist and influencer networks
- Other MBC outreach channels

Campaign companies are expected to participate in awareness opportunities with MBC when requested.

FUNDRAISING GOAL & CAMPAIGN TERM

Each campaign must establish a **realistic, milestone-driven fundraising goal** aligned with the next key stage of product development.

Examples may include:

- Preclinical testing that advances a scientific purpose in the public interest
- Animal oncology studies for research with public benefit
- Manufacturing material for a clinical trial, if tied to a specific, charitable research milestone
- Diagnostic validation for scientific and medical advancements with public benefit
- Regulatory preparation if advancing public health and charitable goals
- Clinical development activities that are milestone-driven
- Other defined product-development milestones that are clearly defined and tied to public benefit

Goals may also reflect the amount needed to unlock additional funding from other sources.

There is no required minimum or maximum fundraising goal. Goals should be realistic and tied to a clearly defined milestone.

90-Day Fundraising Term

Each campaign has a **90-day fundraising period**.

Music Beats Cancer operates a flexible crowdfunding model in which all funds raised during the campaign term are eligible for disbursement, regardless of whether the fundraising goal is met. Disbursements of funds are subject to applicable fees, completion of required agreements, and a final determination by the board of directors of MBC that the use of the funds aligns with its charitable mission and compliance standards. As with all contributions, Music Beats Cancer retains variance power and exclusive legal control over the funds, ensuring they are used to advance its charitable mission.

- If a campaign does not reach its fundraising goal, the funds raised during the campaign period will still be eligible for disbursement to the designated campaign, subject to applicable fees, required agreements, and MBC's determination that the use of the funds

aligns with its charitable mission and compliance standards. All donations are subject to the exclusive legal control of MBC, which retains the authority to redirect funds to further its charitable purposes if, in its sole discretion, the original campaign purpose cannot be accomplished. **Donations will not be refunded solely because a campaign does not reach its fundraising goal.**
- If a campaign meets or exceeds its fundraising goal, all funds raised - including amounts above the stated goal - will likewise be eligible for disbursement, subject to applicable fees, completion of required agreements, and MBC's determination that the use of the funds aligns with its charitable mission and compliance standards MBC retains the right to redirect funds to further its charitable purposes, if, in its sole discretion, the funds raised for a campaign exceed the budget needed for accomplishing that campaign’s charitable purposes.

Once the 90-day campaign term ends, no further contributions will be accepted for that campaign.

FUNDRAISING BEST PRACTICES

Campaign companies accepted onto the Music Beats Cancer platform are expected to mobilize their close networks before the official campaign launch.

A strong launch is critical to successful crowdfunding and should include advance commitments from the company's immediate network.

Campaign companies should:

Assemble a Fundraising Team

Identify individuals responsible for activating their personal and professional networks and securing advance commitments at defined gift levels.

Develop a Donor Chart

Create a donor chart identifying prospective donors and anticipated contribution levels. An example of a $500,000 fundraising chart is included as Exhibit 1.

Conduct Personalized Outreach

Reach out personally to prospective donors with a clear explanation of the campaign, a specific charitable contribution request, and a direct link to the campaign.

Best practice is to:

1. **Text or contact** the individual and request a conversation.
2. **Explain** that the company is launching a charitable fundraising campaign through Music Beats Cancer, a 501(c)(3) public charity.

3. **Ask** whether the individual would consider making a charitable contribution at a specific amount.
4. If they are interested, **provide the campaign link** so the individual can make the contribution directly to Music Beats Cancer.

ADMINISTRATIVE FEE

Music Beats Cancer retains a **10% administrative fee on contributions raised through its online platform**.

The administrative fee helps support the costs associated with operating and administering the MBC fundraising platform, including payment processing, campaign administration, donor communications, technology, and related fundraising and charitable program activities.

Exhibit 1

Standard gift-range methodology generally puts the lead gift around 10–25% of the goal and increases the number of gifts as the dollar amount decreases.

Gift Level	# of Gifts	Amount	Cumulative
$100,000	1	$100,000	$100,000
$50,000	2	$100,000	$200,000
$25,000	4	$100,000	$300,000
$10,000	10	$100,000	$400,000
$5,000	10	$50,000	$450,000
$2,500	10	$25,000	$475,000
$1,000	15	$15,000	$490,000
$500	20	$10,000	**$500,000**
TOTAL	**72 gifts**	**$500,000**	**100%**

Exhibit 2

MUSIC BEATS CANCER
EXPENDITURE RESPONSIBILITY GRANT AGREEMENT

This Expenditure Responsibility Grant Agreement (the "Agreement") is entered into between Music Beats Cancer (the "Organization") and [Grantee Name] ("[Name]" or the "Grantee") and shall be effective as of ___________ ______, 202__ (the "Effective Date").

RECITALS

WHEREAS, the Organization is a Washington, D.C. nonprofit corporation and recognized as a tax-exempt public charity under Section 501(c)(3) of the Internal Revenue Code (the "Code"); and

WHEREAS, the Grantee is a [summarize organization, legal status]; and

WHEREAS, the Organization wishes to provide an expenditure responsibility grant, as described in Section 4945 of the Code and the regulations thereunder, in support of the charitable, educational, and scientific purposes, within the meaning of Sections 501(c)(3) and 170(c)(2)(B) of the Code, that are specified in this Agreement; and

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Grant and Use of Grant Funds.

a. The Grant. The Organization shall make a grant of $___________ (the "Grant") to the Grantee for purposes of [   ] (the "Grant Purposes").

b. Grant Purposes and Restrictions. The Grant Purposes shall be carried out in accordance with the Statement of Work and Budget prepared by the Grantee, a copy of which is attached hereto as **Appendix A** and incorporated herein. The Grantee shall actively consult with the Organization and shall utilize the Organization's expertise and counsel in furthering the Grant Purposes. All activities funded by this Grant must further a recognized charitable purpose under Section 501(c)(3) and provide a public benefit. Any results, data, or products developed with grant funds will be made available to the public in a manner consistent with the charitable purposes of the Organization.

Under United States law, grant funds from a U.S. charitable organization, and income earned on those funds, may be spent only for charitable, religious, scientific, literary or educational purposes within the meaning of Section 501(c)(3) of the Code. This Grant is made only for the purposes stated in this Agreement, and it is agreed that the Grant funds shall be used only for such purposes. It is also understood that no substantial changes shall be made to the Statement of Work and Budget without the Organization's prior approval in writing.

c. Allowable Expenditures and Timing. Grant expenditures may be made for costs associated with carrying out the Grant Purposes as specified in the Statement of Work and Budget attached hereto as **Appendix A** and incorporated herein.

2. Grant Payments.

[Option 1: single payment.]

The Organization will make the Grant in a single lump-sum payment within [thirty (30)] days of the Effective Date.

[Option 2: two or more installment payments.]

a. Initial Payment. The Organization will make a payment of ________ dollars ($__) to the Grantee within [thirty (30)] days of the Effective Date.

b. Additional Payments. The Organization will make an additional payment of __________ dollars ($_____) [on ____________ ___, 20__] // [upon successful completion of ____________ as described in the Statement of Work and Budget in **Appendix A**].

3. Separate Fund. All Grant funds received by the Grantee shall be maintained in a separate fund dedicated to the Grant Purposes as described in this Agreement. Such a separate fund may be either a separate bank account or a separate bookkeeping account maintained as part of the Grantee's financial records.

4. Reporting. Within three (3) months after the close of each fiscal year of the Grantee during which the Grantee either receives or spends any portion of the Grant funds and until the Grant funds are spent in full or the Grant is otherwise terminated, the Grantee shall submit a written report, signed by a duly authorized representative of the Grantee, to the Organization. The report shall contain two parts, a financial accounting and a narrative description, as follows:

a. Financial Accounting. The financial accounting shall provide a financial statement reporting on all expenditures of Grant funds and any income earned on those funds. Only expenditures made in support of the Grant Purposes shall be charged against the Grant funds, and records shall be maintained of such expenditures adequate to enable confirmation of usage.

Expenditures are to be reported in whole United States Dollars (USD) converted using the exchange rate used when funds were initially converted by the Grantee's bank. The Grantee shall provide, at the Organization's request, backup documentation for the exchange rate used for expenditure reports. The Organization will not reimburse the Grantee for any costs or losses of funds that are the result of exchange rate fluctuations

If financial accountings are not submitted on a timely basis, United States law requires that the Organization withhold further payments, if any, to the Grantee and to any affiliate organization and prohibits the Organization from awarding any new grants to the Grantee or any affiliate organization.

<u>Narrative Description</u>. The narrative description shall provide a detailed statement of what has been accomplished by the Grant, including a description of progress made toward achieving the Grant purposes and an assurance that activities funded by the Grant have been conducted in conformity with the terms of this Agreement.

5. <u>Additional Reporting and Record Keeping</u>.

a. <u>Fundraising, Marketing, and Promotion for the Grantee</u>. The parties agree that the Organization shall have no responsibility or obligation with respect to fundraising, marketing, or promotion for the Grantee and that the Organization does not require the Grantee to engage in any such fundraising, marketing, or promotion.

b. <u>Other Reports and Evaluations</u>. In addition to the report referenced in Section 4 above, the Grantee agrees to submit such other reports and information as the Organization may reasonably request from time to time. At its own expense, the Organization may monitor and evaluate the operations and expenditures of the Grantee in connection with the Grant Purposes, which may include visits to the Grantee by representatives of the Organization, at reasonable times, to observe, discuss, and review the financial and/or other records connected with the Grant.

c. <u>Post-Award Deficiencies</u>. The Grantee hereby commits to remedy any deficiency in the Grantee which arises or is discovered within one (1) year after the final payment under this Agreement has been made. This provision shall survive the termination of this Agreement.

d. <u>Records</u>. The Grantee shall maintain appropriate records of its performance under this Agreement and shall retain such records for not less than three (3) years following the Effective Date. Such records shall be made available for audit and inspection, on reasonable advance notice, by the Organization.

6. <u>Conduct of Activities</u>.

a. The Grantee shall be solely responsible for the governance, conduct, and management of its activities under this Agreement and shall ensure that such activities are in compliance with all applicable laws and standards. The Grantee shall be solely responsible for the acts and omissions of its employees and agents, including for any negligence or willful misconduct in the performance of its activities under this Agreement.

b. The Grantee represents and warrants that it has valid rights in any and all intellectual property to be utilized in developing the Grantee and in otherwise performing under this Agreement, and it shall be solely responsible for any infringement or misappropriation resulting from such utilization.

c. The Organization shall make available its network of collaborators, experts, and partners to provide input and general guidance to the Grantee as appropriate.

d. The Grantee certifies that it has disclosed any actual or potential conflicts of interest and will promptly notify the Organization of any that arise during the grant term.

7. Term and Termination.

a. Termination upon Breach. The Organization may terminate this Agreement at any time if the Grantee fails to satisfy any material term or condition of this Agreement and fails to remedy such failure within thirty (30) days of receiving notice of such failure from the Organization.

b. Remedies upon Termination. Upon termination of the Grant pursuant to Section 8a, the Organization may: (i) require the immediate return of any unexpended Grant funds; (ii) require the return of the full amount of the Grant funds, whether expended or unexpended; and/or (iii) exercise any other rights and remedies available under this Agreement or by law. Upon termination, the Organization shall have no further obligation to advance any additional funds to the Grantee.

8. Confidentiality. Unless it has obtained advance approval in writing from the Organization, the Grantee shall not disclose any specific terms or conditions of this Agreement or use the Organization's name in any press release or other promotional material. [Notwithstanding the foregoing, the Grantee shall include an acknowledgement of the Organization's support in all written materials relating to the Grantee in the following format: "[Grantee Name] was supported by _______________."] The Organization reserves the right to reference the Grant and the Grantee on the Organization's website or in print materials without consent.

9. Prohibited Uses of Grant.

a. No part of the Grant shall be used (i) for other than charitable, educational, and scientific purposes (within the meaning of Sections 501(c)(3) and 170(c)(2)(B) of the Code), (ii) to carry on propaganda or otherwise attempt to influence legislation (within the meaning of Section 4945(d)(1) of the Code), (iii) to attempt to influence the outcome of any public election or to carry on, directly or indirectly, any voter registration drive (within the meaning of Section 4945(d)(2) of the Code), or to participate or intervene in (including the publishing or distributing of any statements) any political campaign on behalf of or in opposition to any candidate for public office, in any country, state, province, city, municipality, or other political subdivision worldwide. The Grantee certifies that no grant funds will be used for lobbying or political activity, and that the grant will not be claimed as a lobbying or political expenditure.

b. No part of the Grant shall be used to make a distribution to any organization or entity, whether or not formed by the Grantee, or to any individual, unless such distribution is specifically set forth in **Appendix A**, or has been approved, in writing, by the Organization.

c. The Grantee certifies that it is in compliance with all applicable laws restricting U.S. persons from knowingly dealing with any individuals, entities, states, or groups subject to sanctions by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), and that it does not deal with any individuals, entities, states, or groups subject to sanctions by OFAC or with any other persons known to the Grantee to support terrorism or to have violated OFAC sanctions. Additionally, the Grantee agrees that it will take all reasonable steps to ensure that the Grant is not used to support terrorist activity.

d. Any portion of the Grant funds not used for the Grant Purposes or used for any prohibited purpose shall be repaid to the Organization, unless prior written approval has been obtained from the Organization.

10. **<u>Indemnification</u>.** To the extent permitted by law, the Grantee shall indemnify and hold the Organization and its trustees, officers, directors, employees, and agents harmless from and against any and all actions, suits, proceedings, demands, assessments, judgments, losses, liabilities, damages, and costs (including, without limitation, reasonable attorneys' fees and expenses) resulting from (a) any material breach of this Agreement by the Grantee; (b) any infringement or misappropriation of the intellectual property rights of any third party by the Grantee in carrying out the Grant purposes; and (c) any negligent or willful act or omission by the Grantee or its employees or agents.

11. **<u>Waiver</u>.** The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver and shall not deprive that party of the right thereafter to enforce that term or any other term of this Agreement.

12. **<u>Amendment</u>.** This Agreement may only be amended by an agreement in writing signed by the parties.

13. **<u>Partial Invalidity</u>.** In the event that any term or provision of this Agreement is declared illegal, void or unenforceable, it shall not affect or impair the other terms and provisions of this Agreement. The doctrine of severability shall be applied.

14. **<u>Notices</u>.** All reports, notices, requests and other communications from any party hereto to the other party shall be in writing, in English or in another language as mutually agreed upon by the parties, and, except as may be otherwise provided herein, will be considered to have been duly given or served if sent by certified or registered United States mail postage prepaid and return receipt requested, or by hand delivery, or by nationally or internationally recognized overnight courier with proof of delivery, or via electronic communication with confirmation of delivery, to the other party at its address set forth immediately below, or to such other address as such party may hereafter designate by notice to the other party.

Notices to the Organization:	Music Beats Cancer Attn: Mona S. Jhaveri, Ph.D., Founder & Executive Director Franklin Square 1300 Street NW, Suite 400E Washington, D.C., 20005
Notices to the Grantee:	[Name of Grantee] Attn: [ ] [Address] [Address]

15. **Relationship of the Parties.** The parties intend to act and perform as independent entities, and the provisions hereof are not intended to create any partnership, joint venture, agency or employment relationship between the parties.

16. **Entire Agreement.** This Agreement, together with any Appendices hereto, constitutes the final and entire agreement between the parties with respect to the subject matter hereof.

17. **Governing Law.** This Agreement is governed by Massachusetts law, without regard to its conflicts of law principles. Venue for all proceedings under this Agreement shall be in the state and federal courts located in the Commonwealth of Massachusetts, and the Organization and the Grantee consent to the exclusive jurisdiction of such courts in connection with any legal action or proceeding arising out of or related to this Agreement or to any agreements or transactions contemplated hereby.

18. **Assignment and Subcontracting.** No obligation of, or benefit inuring to, the Grantee under this Agreement may be assigned or subcontracted without the prior written consent of the Organization.

19. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which will be taken together and deemed to be one instrument. Transmission by electronic signature, PDF, or fax of executed counterparts will constitute effective delivery.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized representatives as of the Effective Date.

Music Beats Cancer

______________________________ __________________

Mona S. Jhaveri, Ph. D. Date

Founder & Executive Director

[Grantee Name]

______________________________ __________________

[Name] Date

[Title]

Appendix A
Statement of Work and Budget