MEMORANDUM OF UNDERSTANDING  
BETWEEN  
FASTRACK INSTITUTE, INC  
AND [\_\_\_\_\_], A COLOMBIAN ENTITY,   
THE NAME OF WHICH SHALL BE CHANGED TO:   
FASTRACK INSTITUTE MEDELLIN

1. **INTRODUCTION**

THIS MEMORANDUM OF UNDERSTANDING (“Memorandum”), dated \_\_\_\_\_\_\_\_\_, 2016 between Fastrack Institute, Inc. (“FTI”) a not for profit corporationestablished under the laws of the State of Florida, United States of America, with its offices in Key Biscayne, State of Florida, United States represented by Rodrigo Arboleda, Director; and [MEDELLIN ENTITY XXXX], a Colombian entity, the name of which shall be changed to Fastrack Institute Medellin (“FTI Medellín”), a Colombian private, non-profit organization with its principal place of business in Medellín, Colombia, represented by [REPRESENTATIVE], [TITLE]; collectively referred to as “the Parties”.

1. **PREAMBLES**

WHEREAS, FTI is a not for profit corporation established with the goals of:

* + - * + establishing an institute and conceptual framework to design future governance approaches and regulatory frameworks for industries, cities and regions,
        + finding solutions to critical problems using technologies of the digital age, such as nanotechnology, robotics, artificial intelligence, augmented or virtual reality technologies and other applied sciences and technologies under development at different research and development institutions,
        + developing and putting into practice different lines of thought related to Exponential Organizations, as outlined in the book of the same name, by Salim Ismail, and
        + in the academic realm, finding ways to encourage young adults in Latin America and other developing countries in the Southern Hemisphere to become more involved with STEM (science, technology, engineering, math) ideas, apps, research and development by innovative means of identifying and promoting emerging talents in those fields of endeavor.

WHEREAS, FTI Medellín is a private, non-profit organization , established with the goal of creating partnerships with public and private entities to realize FTI’s mission in Medellín, Colombia.

WHEREAS, this Memorandum has as its objective the collaboration and participation of both organizations to pick 2-4 complex problems in Medellín (which may be in the areas of healthcare, education, transportation, security urban and/or regional development, low-cost housing, or others) and create a path to resolution; and for this reason this Memorandum facilitates the establishment of channels of communication that permit the creation and interchange of information, as well as technological, conceptual, entrepreneurial and social collaboration to solve complex urban issues.

WHEREAS, the missions of the Parties are complementary;

THEREFORE, the Parties wish to continue working together and in compliance with the following clauses:

1. **GOAL**

**Short Term Goal**: Pick 2-4 critical problems in the Medellín community, and create a path to resolution by applying the methodology and ideas related to exponential organizations, as outlined in the FTI objectives.

**Mid- to Long-Term Goal**: Create a sustainable model to promote, advocate, and inspire young adults to be more involved with applied science and technology issues and practices; identify and promote young talents in these areas, to help them complete a learning cycle and a path to sustainable growth both in their education and in their professional development; make sure the Southern Hemisphere creates this new profile of a citizen that can cope with dramatic transformations related to climate change, new materials, energy production and storage, new medicines and new ways to feed a much larger and much older population. Actions will be guided by the principle that only with a large segment of the population trained and literate in digital and biotechnical-based technologies, local solutions with global implications will be possible.

1. **AREAS OF COLLABORATION**

Pilot Project: The Parties will work together in the technological, conceptual, entrepreneurship/sustainability and social areas to:

* brainstorm and generate ideas;
* evaluate ideas; and
* select 2-3 options for resolution.

1. **RESPONSIBILITIES OF PARTIES**

The Parties agree to create a workplan (the “Workplan”) covering the scope and budget for a pilot project in Medellín (the “Pilot Project”). Said Workplan should include: 1) the desired objectives and general action milestones/phases for the Pilot Project; 2) the Medellín Team budget; 3) the Miami Team budget; 4) the timeline for the Pilot Project and the cash disbursements required for each milestone/phase.

FTI Medellín will assign sufficient subject matter experts and advisors to the Project Team. FTI will assign a team leader, subject matter experts, advisors, a project manager and a coordinator to the Project Team as per the Workplan. Members of the Medellín Project Team shall be remunerated by its local contributing entities) and shall not be considered employees of the combined group by virtue of their membership on the combined FTI Project Team. The founders and founding architects of FTI will not charge any fee or salary for their involvement in the project. The Team Leader, Subject Matter Experts, Project Manager and Coordinator will be remunerated as third party consultants on a per diem or per assignment basis and shall not be considered employees by virtue of their participation as part of the Project Team.

The Parties shall establish a budget committee to determine a budget and monitor expenditures. The budget committee shall be composed of two representatives from FTI Medellín, two representatives from FTI and Salim Ismail, who will act as Chairman. Costs and allocation of reimbursement payments to each party will be a responsibility of the budget committee. Decisions will require a simple majority .

1. **DUE DILIGENCE**

Each Party may request copies of documents to ensure that the other Party meets the criteria of a non-profit organization and that such other Party meets appropriate standards of capacity, competence, and financial accountability. These documents include but are not limited to the following: a certificate of good standing, a list of the names of all of its board members and principal officers, copies of the Party’s bylaws and articles of incorporation. Each Party agrees to notify the other Party immediately of any change in its status or operations, or if any official judicial, legislative, or administrative proceeding is instituted against such Party.

1. **PRINCIPAL CONTACTS**

The Principal Contact for each one of the Parties is:

Fastrack Institute, Inc.

Rodrigo Arboleda

611 North Mashta Drive

Key Biscayne, FL 33149  
 Phone +1 786 223 0145

[MEDELLIN ENTITY XXXX to be named Fastrack Institute Medellín

[NAME OF PRINCIPAL CONTACT]  
 [TITLE]  
 [ADDRESS]  
 [TELEPHONE]

Such Principal Contacts may be changed in writing from time to time by their respective Parties.

1. **USE OF INTELLECTUAL PROPERTY**

The Parties agree that any intellectual property, which is jointly developed through activities covered under this Memorandum, can be used by either Party for non-profit, non-commercial purposes without obtaining consent from the other and without any need to account to the other. Should either Party desire to use such intellectual property for commercial purposes, it should get the other Party’s written reasonable consent, to be granted only if such commercial use will not conflict with the interests of or harm either of the Parties.

Unless otherwise agreed, all other intellectual property used in the implementation of the Memorandum will remain the property of the Party that provided it. This property can be used by either Party for purposes covered by the Memorandum but consent will be obtained from the owner of the property before using it for purposes not covered by the Memorandum. Specifically, each Party agrees not to use the other Party’s name in any advertising or other form of publicity without the prior written consent of that Party. However, the Parties agree in advance that each may use the name of the other in announcing this Memorandum. In addition, FTI intends to transfer specific processes, know-how and other information to FTI Medellín throughout the course of the Pilot Project. FTI will execute a Knowledge Transfer Agreement to effect this transfer, specifying the information to which it is subject and the rights of use by FTI Medellín of the information. In addition, upon the signing of this Memorandum, FTI grants to FTI Medellín the right to use the name, logo, website URL and material, brochures, publications and other materials displaying the “Fastrack Institute” brand.

1. **EFFECTIVE DATES AND AMENDMENTS.**

This Memorandum shall take effect upon signing by both Parties and shall remain in effect for a period of two (2) years from that date unless earlier terminated. Neither Party may assign or transfer all or any portion of this Memorandum without the prior written consent of the other Party.

The Memorandum may be renewed at the end of this period by mutual written agreement by both Parties.

The provisions of this Memorandum may only be amended or waived by mutual written agreement by both Parties.

Any Party may terminate this Memorandum and any related agreement, workplan and budget at any time and for any reason by giving thirty (30) days prior written notice to the other Party; provided, however, that in the event a Party fails to perform any of its obligations under this Memorandum the other Party shall have the right to terminate this Memorandum and any related agreement, workplan and budget immediately upon written notice.

The individuals signing this Memorandum on behalf of their respective entities represent and warrant (without personal liability therefor) that upon the signature of each, this Memorandum shall have been duly executed and authorized by the entity each represents.

1. **TRANSFER OF FUNDS.**

As part of the Workplan, FTI Medellín will contribute the amounts described below to FTI for completion of the Pilot Project. Disbursements will be made subject to the agreed budget in the Workplan. If the deposits are made in Colombian pesos, the amount deposited will be subject to quarterly adjustments to correct for inflation or exchange rate fluctuations. A preliminary budget in the amount of US$500,000 is included with this Memorandum, based on previous experiences of workshops conducted by Salim Ismail, and is the basis for this agreement. Actual amounts could vary, and the budget committee will have the ongoing discretionary capacity to determine those on going amounts. However, at the time of the signature of this Memorandum, the agreed upon amount of US$500,000 is to be deposited into a FTI Medellin bank account. Of those funds, US$175,000 shall be transferred upon signing of this Memorandum to the U.S. account of FTI, and an additional amount in the Colombian peso equivalent of US$75,000 will be available to the Parties immediately for local expenditures for the Pilot Project, including the first and second workshops for the Pilot Project, including but not limited to expenses incurred in travel to Colombia and within Colombia of the FTI team during the first workshop to be conducted in Medellin. Of the US$175,000 deposited into the U.S. account of FTI, US$100,000 shall be in consideration of the transfer of intellectual property from FTI to FTI Medellin described in the last sentence of Section VIII above. Six weeks later and from that moment (the “Six Week Mark”) on, additional funds are to be transferred to FTI bank account, based on the recommendation of the budget committee. At all times from the Six Week Mark until this Memorandum is terminated, FTI Medellin will maintain the Colombian peso equivalent or the USD amount of the remaining US$250,000 in immediately available funds in cash, an escrow account, a Letter of Credit, or in another instrument acceptable to FTI.

The parties acknowledge and agree that the obligations of FTI hereunder are subject to and in consideration of the transfers of funds described in the prior paragraph. The Parties will enter into a subsequent agreement or the Workplan (which shall include a budget) which further delineates the terms and nature of the obligations of the Parties. Such subsequent agreements or workplans, and budgets, will be subject to funding being specifically available for the purposes outlined therein. All funds contributed for the Pilot Project are further subject to the receiving Party’s obligation to expend such funds solely in accordance with the agreed upon budget and the line items contained therein.

1. **NO JOINT VENTURE**

The Parties agree that they are not entering into a legal partnership, joint venture or other such business arrangement, nor is the purpose of the Parties to enter into a commercial undertaking for monetary gain. Neither Party will refer to or treat the arrangements under this Memorandum as a legal partnership or take any action inconsistent with such intention.

1. **DISPUTE RESOLUTION**

This Memorandum shall be construed in accordance with the laws of the State of Florida. The Parties hereby agree that, in the event of any dispute between the Parties relating to this Memorandum, the Parties shall first seek to resolve the dispute through informal discussions. In the event any dispute cannot be resolved informally within sixty (60) calendar and consecutive days, the Parties agree that the dispute will be negotiated between the Parties through mediation, if the Parties can agree on a mediator. The costs of mediation shall be shared equally by the Party. Neither Party waives its legal rights to adjudicate this Memorandum in a legal forum.

1. **ENTIRETY**

This Memorandum, including all Annexes, embodies the entire and complete understanding and agreement between the Parties and no amendment will be effective unless signed by both Parties. Such signature by both Parties may be made by telefacsimile.

FOR FASTRACK INSTITUTE, INC. FOR [\_\_\_\_\_], ALSO KNOWN AS FASTRACK

INSTITUTE MEDELLIN

Rodrigo Arboleda [NAME]  
Director [TITLE]

Date:   
 Attorney Date

To Expire: OR

Approved by   
 Attorney

on   
 Date

by   
 e.g. fax/phone/email

Witness Date Witness Date

Witness Date Witness Date