**PROFIT SHARING AND FINANCIAL FLOW RESTRICTIONS AGREEMENT**  
**BETWEEN**  
**Shinaux NPO**

AND

**Cheep Sleep Inc.**

This Profit Sharing and Financial Flow Restrictions Agreement (the "Agreement") is made and entered into as of [дата] by and between:

1. **Shinaux NPO**, a non-profit organization registered under the laws of **Ontario**, with its principal office located at **[Адрес NPO]** (hereinafter referred to as "NPO").
2. **Cheep Sleep Inc.**, a for-profit corporation registered under the laws of **Ontario**, with its principal office located at **[Адрес Profit Corporation]** (hereinafter referred to as "Profit Corporation").

**1. PURPOSE AND SCOPE**

The purpose of this Agreement is to establish the terms under which revenue generated by the co-living operations at **[указать конкретное помещение/адрес]** is distributed between the NPO and the Profit Corporation, ensuring financial transparency and compliance with both organizations' operational mandates.

**2. PROFIT DISTRIBUTION STRUCTURE**

**2.1 Revenue Collection:**

* The NPO shall collect all revenues generated from co-living operations at **[указать конкретное помещение]**.

**2.2 Allocation of Net Profits:**  
After deducting operational expenses, the net profits shall be distributed as follows:

* **60% to the Profit Corporation** as a management and operational service fee.
* **40% to the NPO**, which will be allocated to social initiatives, reinvestment in co-living infrastructure, and administrative costs.

**2.3 Financial Reporting:**

* The NPO shall maintain detailed financial records and provide the Profit Corporation with **quarterly financial reports**.
* Both parties shall have the right to request an independent audit of the financial records to ensure compliance with this Agreement.

**3. FINANCIAL FLOW RESTRICTIONS**

**3.1 Use of Funds by Profit Corporation:**

* The Profit Corporation shall **not** use its share of revenue to engage in activities that conflict with the objectives of the NPO.
* Funds shall only be used for operational expenses, business development, and reinvestment into co-living management improvements.

**3.2 Use of Funds by NPO:**

* The NPO shall ensure that its share of revenue is allocated toward social causes, housing development, and administrative sustainability.
* The NPO shall **not** transfer or allocate funds to for-profit activities outside the scope of this Agreement.

**3.3 Restricted Financial Transactions:**

* Any major transactions **exceeding 30% of the annual revenue** shall require mutual consent from both parties.
* Loans, equity distributions, and large-scale investments shall be approved by both entities to prevent misuse of funds.

**4. TERM AND TERMINATION**

**4.1 Term of Agreement:**  
This Agreement shall remain in effect indefinitely unless terminated by mutual agreement or under conditions outlined below.

**4.2 Termination Conditions:**

* If either party breaches financial obligations or reporting requirements.
* If legal or regulatory constraints prevent continued cooperation.
* By mutual agreement with at least **120 days' written notice**.

**4.3 Effect of Termination:**

* Upon termination, all outstanding financial obligations shall be settled within **120 days**.
* A final financial report shall be provided by the NPO to the Profit Corporation detailing all pending distributions.

**5. DISPUTE RESOLUTION**

* Any disputes shall first be addressed through **good faith negotiations**.
* If unresolved, disputes shall be referred to **binding arbitration** in **Ontario**.

**6. GENERAL PROVISIONS**

**6.1 Confidentiality:**  
Both parties agree to maintain confidentiality regarding sensitive financial and operational information.

**6.2 Amendments:**  
No amendments to this Agreement shall be valid unless made in writing and signed by both parties.

**6.3 Governing Law:**  
This Agreement shall be governed by and interpreted in accordance with the laws of **Ontario**.

**IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.**

**Signed and Acknowledged by:**

[Authorized Representative]  
Shinaux NPO

[Authorized Representative]  
Cheep Sleep Inc.