

**EL POMAR FOUNDATION
GENERAL GRANT TERMS AND CONDITIONS**

This grant is contingent upon the following terms and conditions:

STATUS AS A GOVERNMENTAL ENTITY. You do hereby certify that you are a governmental entity as defined under Section 170(c)(1) of the Internal Revenue Code of 1986, as amended (the "Code") which includes a State, a possession of the United States, or any political subdivision of the foregoing, or the United States or the District of Columbia. In cases where your governmental connection may not be obvious, you agree to provide the Foundation with adequate documentation verifying your association as a governmental entity.

You acknowledge that your organization is not controlled directly or indirectly by the Foundation.

USE OF GRANT FUNDS. This grant (together with any income earned upon investment of the grant proceeds) is restricted to the purpose specified in the grant award letter and is to be spent in accordance with your proposed budget. Any part of the grant funds not so used must be returned promptly to the Foundation.

You agree that the activities funded by this grant are charitable, educational, scientific or literary (as those terms are defined in Section 170(c)(2)(B) of the Code) and, more specifically, that all expenditures will be for exclusively public purposes.

You acknowledge that the Foundation has not earmarked the use of the grant funds or any portion thereof for another organization, an individual or for any lobbying activity.

You affirm that the charitable purpose of this grant will be fulfilled within the State of Colorado.

You agree that no member of the Foundation's staff or Trustees (or a related party) will receive a financial benefit as a result of this grant.

You agree not to pledge or otherwise encumber any real property acquired as a result of this grant.

FINAL REPORT. The Foundation will require that you submit a final report on the use of the grant by the date specified in the grant award letter. This report should give an accounting of how the grant was spent as compared to the budget submitted in your grant proposal, the progress made in accomplishing the objectives of the grant, and any other information you feel would be relevant in allowing the Foundation to evaluate the grant.

PAYMENT OF GRANT. The payment of this grant will be as specified in the grant award letter, unless the foundation approves a written request for a different schedule. If payments are conditioned upon receipt of progress reports or other required documentation, delays may occur if these documents are not submitted timely or if the Foundation determines there is a lack of reasonable progress in the funded activity.

RELIANCE ON FUTURE FUNDING. You acknowledge that the representatives of the Foundation have made no any actual or implied promise of funding beyond the amounts specified in the grant award letter. This includes any obligation to provide continued support for this or any other project. Continued funding can only be obtained through submission of additional proposals in accordance with the Foundation's policies and guidelines.

REQUIRED NOTIFICATION. You are required to provide the Foundation with immediate written notification in the event of: (a) an inability to expend the grant for the intended purposes; or (b) any expenditure made from this grant for any purpose other than those for which the grant was intended.

GRANT EVALUATION. You will exercise full control over your project's administration, management and any subsequent disbursement of funds. The Foundation's role will consist of reasonable oversight to allow for the proper evaluation of this grant. You agree to permit the Foundation, at its request, to have reasonable access to all files, records, and personnel necessary to make such financial audits, verifications or program evaluations as may be necessary or appropriate. In addition, you agree to maintain such records as will permit the Foundation to easily check the use of grant funds and to keep these records for at least four years after the final report is submitted.

PUBLICITY. Please clear with us any public announcement of this grant. If this grant provides the majority funding for the acquisition of real or personal property, we would request that appropriate identification be placed on the item showing that it was a gift of El Pomar Foundation.

MODIFICATION. This grant agreement sets forth all of the terms of this grant and replaces all prior understandings and agreements. The purposes, terms and conditions of this grant award may not be changed or modified without the express written consent of the Foundation.

DISCONTINUANCE. The Foundation may discontinue, modify or withhold any payment under this grant award or terminate the grant and require a total or partial refund of any of the grant funds if, in the Foundation's sole judgment, such action is necessary: (a) because of a violation of the terms and conditions of this grant; (b) to protect the purposes and objectives of this grant or any other charitable interest of the Foundation; or (c) to comply with the requirements of any law or regulation affecting the Foundation's responsibilities with respect to this grant; or (d) to protect the Foundation's financial ability to carry out its programs.

In the event funds are returned or the grant is terminated, you acknowledge that the Foundation will have no further obligation to you in connection with this grant.

GOVERNING LAW. All questions of law which may arise in the administration of this grant shall be determined in accordance with the laws of the State of Colorado.

AUTHORITY. The undersigned represents that he/she is the duly authorized chief executive officer of the Grantee and as such is empowered to accept this grant on behalf of the Grantee and to obligate the Grantee to observe all the terms and condition of the grant.