

THE HEINZ ENDOWMENTS

October 15, 2010

Ms. Ima Theboss
ABC Organization
123 Alpha Street
Pittsburgh, PA 15222

Dear Ms. Theboss,

I am pleased to inform you that the Board of Directors of The Heinz Endowments has approved a grant to ABC Organization for \$35,000 as described in the accompanying Grant Agreement.

The Endowments' mission is to promote progress in economic opportunity, arts and culture; education; children, youth and families; and the environment. We seek to accomplish this goal by supporting organizations and programs that show promise for contributing to one or more of these program areas.

We believe that your project represents an important endeavor, and thank you for bringing it to our attention. On behalf of the Endowments' Board and staff, please accept our congratulations and best wishes for success.

Please sign, date and return the enclosed Grant Agreement that expresses the terms and conditions applicable to this grant. We ask that any correspondence with the Endowments regarding this grant include a reference to Grant Reference Number (ref#).

Sincerely,

Teresa Heinz
Chairman

A1234 / LSB
Enclosures

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PHONE 412 281-5777 – FAX 412 281-5788

**THE HEINZ ENDOWMENTS
GRANT AGREEMENT
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GRANTEE: ABC Organization
PURPOSE: for support of our alphabet project
AMOUNT: \$35,000

REQUIREMENTS:

(Specific requirements could be listed here in order for ABC Organization to receive payments on the grant)

SCHEDULE OF PAYMENTS:

(Payments Table listed here)

NOTE: This schedule of grant payments is subject to change or cancellation, with or without notice, at the sole discretion of the Endowments. The initial grant payment will only be released based on the Endowments' receipt of a duly executed Grant Agreement. As applicable to grants with multiple scheduled payments, release of all such payments is contingent on the satisfactory review of interim progress report(s) submitted to the Endowments no less than 30 days prior to the then scheduled payment date(s). Thus, payments scheduled for dates, which fall beyond your organization's current fiscal year, are to be classified as "temporarily restricted" in your organization's financial statements and audit.

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GRANT AGREEMENT - Page 2**

In addition, the above referenced grant is conditioned on the following terms and representations:

1. Grantee represents that it is exempt from federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"), that it is not a "private foundation" as defined in section 509(a) of the Code, and that it has received a determination letter from the Internal Revenue Service (the "IRS") to such effect. Grantee has not, directly or indirectly, engaged in any transaction or activity that could cause its tax exemption to be revoked in any year, including the current year, and no such transaction or activity, including any activity contemplated in connection with the grant from the Endowments, is currently under consideration. Grantee has fully complied with all applicable statutory and regulatory requirements necessary to retain its status as a tax-exempt organization, including, without limitation, the filing of all returns, reports, and other information. The purpose of the grant is charitable within the meaning of section 501(c)(3) of the Code and is within the scope of, in furtherance of, and does not conflict with Grantee's exempt purposes as set forth in the Application for Recognition of Exemption (United States Treasury Form 1023) filed by Grantee pursuant to which the IRS granted Grantee an exemption from taxation under section 501(c)(3) of the Code.
2. The grant funds and income thereon may not be used for any of the following purposes: (1) to carry on propaganda, or otherwise attempt, to influence legislation within the meaning of section 4945(d)(1) of the Code; (2) to influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive within the meaning of section 4945(d)(2) of the Code; (3) to make any grant to an individual or organization which does not comply with the requirements of section 4945(d)(3) or (4) of the Code, or to fund consulting services provided by an individual who was an employee of The Heinz Endowments within the past twelve months; or (4) to undertake any activity which is not charitable within the meaning of section 501(c)(3) of the Code. Specifically, the Grantee shall not promote or in any manner support terrorism, terrorist activities, the destruction of any state, or violence against the citizens of any state, nor shall the Grantee knowingly transact business with any entity that promotes or in any manner supports such actions.
3. The Grantee shall provide the Endowments with reports on the use of the grant funds in the manner described in the attached materials or as otherwise requested by the Endowments. All reports and inquiries with respect to the grant should include the grant reference number.
4. Although the grant funds need not be physically segregated, the funds and the income thereon should be accounted for separately on the Grantee's books and records. Records of receipts and expenditures under the grant, as well as copies of reports submitted to the Endowments must be kept by the Grantee for at least four years after payment of the last installment of the grant funds. The Grantee's books and records must be available for the Endowments' inspection at reasonable times.
5. Any funds not expended or committed for the purposes of the grant must be returned to the Endowments. The Grantee shall promptly notify the Endowments in advance with respect to any material changes in its charitable purposes. In that event, or in the event that the Grantee fails to keep, fulfill, or perform all of the terms, representations, and conditions of this grant agreement, the Directors of the Endowments may, in their sole and absolute discretion, terminate this agreement by giving written notice of the termination to the Grantee. The Grantee shall then have a period of 60 days in which to provide the Endowments with an accounting of its expenditure of grant funds and reimburse it for any unused portion of the grant paid to that time, provided that the Endowments shall have no responsibility for any commitments made in reliance on the terms of this agreement after the date such notice was received by the Grantee.
6. The Endowments may include information on this grant in its periodic public reports. The Endowments' press release policy applicable to the grant is enclosed.
7. No payment of grant funds will be made unless, at the time of payment, the Grantee either (1) is listed in the most recent edition of the Cumulative List of Organizations (Internal Revenue Service Publication 78) or (2) has received a letter from the IRS dated after the revision date of the most recent edition of the Cumulative List of Organizations to

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the effect that Grantee is a non-private foundation described in section 501(c)(3) of the Code. In addition, grant payments cannot be processed prior to receipt by the Endowments of a signed copy of this agreement.

8. All terms and conditions stated in the grant notification letter announcing the approval of this grant are included herein by reference.
9. The Grantee agrees to indemnify and hold the Endowments and its employees and agents harmless from any and all claims, losses, damages, judgments, expenses, excise taxes, and deficiencies resulting from or in any way connected to the Grant or the actions of the Grantee.

* * * * *

ON BEHALF OF: (org name)

AGREED:

(Head of Organization or Authorized Representative) (Date)

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