

## GRANTEE AGREEMENT

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ (“Grantee”) to induce Carrell Clinic Foundation, a Texas nonprofit and nonstock corporation (“the Grantor”) to make a grant in the amount of \$[\_\_\_\_\_] to Grantee to further the Grantor’s purposes as described in Section 1 below. Grantee acknowledges that the Grantor is subject to certain requirements and restrictions imposed by the United States Internal Revenue Code (the “Code”) on public charities and that the Grantor requires, as a condition of making the grant, that Grantee provide the representations, warranties and covenants contained in this agreement. Accordingly, Grantee represents to and agrees with the Grantor, its successors and assigns, as follows:

1. Use of Funds. Grantee shall use the grant funds received from the Grantor, and income thereon, only for the purposes and in the manner provided herein and shall repay any amounts not so used. Specifically, grant funds shall be used only for purposes that fall within the mission of the Carrell Clinic Foundation, which is to support charity care, research, education and patient advocacy in the field of musculoskeletal medicine. (Complete and attach **Exhibit A.**) Pending such use, the grant funds shall be maintained in a separate fund dedicated to the purposes of the grant. This grant is designated for the project identified above. It is not earmarked for transmittal to any other entity or person, even if Grantee’s proposal or other correspondence expresses expenditure intentions. Rather, Grantee accepts and will discharge full control of the grant and its disposition and responsibility for complying with this agreement’s terms and conditions. Any changes to the project will require prior written approval of the Grantor.
2. Annual Reports. Grantee shall submit full and complete annual reports on the manner in which grant funds, and any income thereon, are used (specifically indicating amounts used for salaries, travel or supplies), on both a current and a cumulative basis, and the progress made in accomplishing the purpose for which the Grantor’s grant is made. Such reports shall be made as of the end of each of Grantee’s annual accounting periods within which the grant or any portion thereof is received and all such subsequent periods until the grant funds are expended in full. Such reports shall be furnished to the Grantor within sixty (60) days after the close of the accounting periods to which they relate. Such reports shall include a certification by Grantee of compliance with these representations. Following the close of its annual accounting period during which the use of all grant funds (and income thereon) is completed, Grantee shall make a final report with respect to all expenditures made from grant funds (including specific information concerning amounts used for salaries, travel, and supplies), and indicating the progress made toward achieving the purpose of the Grantor’s grant.
3. Books and Records. Grantee shall maintain complete records of receipts and expenditures and shall account separately for funds received from the Grantor, and income thereon. Records of expenditures, as well as copies of the reports submitted to the Grantor, shall be kept for at least four years after completion of the use of all grant funds. Grantee’s books

and records shall be available to the Grantor and its representatives for inspection and copying at all reasonable times.

4. USA Patriot Act Executive Order 13224 Certification. Grantee certifies that it does not employ or deal with any entities or individuals who appear on any list of the U.S. Government, the United Nations, or the European Union identifying it as having links to terrorism or money laundering. These lists include United States Department of the Treasury's Office of Foreign Assets Control Specially Designated Nationals List<sup>1</sup> which will identify entities designated by the U.S. Government as Foreign Terrorist Organizations or as supporters of terrorism, U.S. Government's Terrorist Exclusion List maintained by the Department of State,<sup>2</sup> the list promulgated by the United Nations pursuant to U.N. Security Council Resolutions 1267 and 1390,<sup>3</sup> the list promulgated by the European Union pursuant to EU Regulation 2580,<sup>4</sup> and any other official list available, or with any entities or individuals known to support terrorism. Grantee also agrees to undertake reasonable steps to ensure that funds provided by the Grantor are not ultimately distributed to terrorist organizations and to periodically apprise the Grantor of the steps Grantee has taken to meet this goal.
5. Remedies. In addition to any other remedies that the Grantor may have, Grantee agrees that the Grantor may withhold grant funds or terminate any grant commitment that the Grantor may have made to Grantee if Grantee fails to comply with the terms of these representations.
6. Reversion of Funds. In addition to the remedy in paragraph 5, Grantee agrees to repay grant funds under the following conditions and time periods:
  - (a) Immediately, in the event of Grantee's dissolution, any unspent portion of the amount granted as required under applicable law.
  - (b) Within sixty (60) days of written request by Grantor, in the event any portion of the amount granted is used for any purpose other than for the expressed purpose for which the grant was requested and approved by Grantor.
  - (c) Within sixty (60) days of written request by Grantor, in the event this grant was made for a specific grant period, any amount not expended for the project, unless Grantor agrees in writing to Grantee's written request for carryover of the funds for a new grant period.
7. Grantee agrees that it will not issue any press release with respect to the grant or the activities funded by the grant, or otherwise make any oral or written statements or disclosures with respect to the grant or such activities, without the prior written consent of the Grantor, except to those of Grantee's employees and representatives as may need to

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<sup>1</sup> <https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>

<sup>2</sup> <https://www.state.gov/j/ct/rls/other/des/123086.htm>

<sup>3</sup> [https://www.un.org/sc/suborg/en/sanctions/1267/aq\\_sanctions\\_list](https://www.un.org/sc/suborg/en/sanctions/1267/aq_sanctions_list)

<sup>4</sup> <http://www.consilium.europa.eu/en/policies/fight-against-terrorism/terrorist-list/>

know such information for purposes of such activities, and except as may be required by applicable law or by obligations pursuant to any listing agreement with or rules of any national or international securities exchange. In the event of any such required disclosure, Grantee will provide the Grantor with written notice of the required disclosure at least 48 hours in advance of such disclosure, and will limit such disclosure to the minimum required under the applicable law or obligations.

IN WITNESS WHEREOF, Grantee has caused these representations to be made as of the day and year first written above.

**[NAME OF GRANTEE]**

By \_\_\_\_\_

Its \_\_\_\_\_

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carrellclinicfoundation.org

214-712-4200

## **Exhibit A**

Grantee represents that funds shall be used exclusively for the following purpose(s) within the mission of Carrell Clinic Foundation as detailed:

1. Charity Care:

2. Research:

3. Education:

4. Patient Advocacy: