MF will be willing to make payment of portions of the Grant, subject to your fulfillment of the terms of this letter and the implementation of the Project in accordance with the above proposal and budget, according to the following schedule:

|  |  |  |
| --- | --- | --- |
| Schedule Date | Amount | Status |
| June 1, 2019 | NIS 432,000 ($120,000) | Contingent on signed letter |
| September 1, 2019 | NIS 432,000 ($120,000) | **Contingent** on interim report and **a review of the grantee’s corporate governance to the satisfaction of MF** |
| January 30, 2020 | NIS 144,000 ($40,000) | Contingent on final report |

The Grantee agrees:

1. to use any funds received from MF solely for the Project, in accordance with the proposal and budget previously submitted;
2. to maintain adequate financial records consistent with generally accepted accounting practices and to retain such records for at least four years after the conclusion of the Grant period;
3. to allow MF staff or representatives to conduct evaluations and audits of the Project, which may involve visits to observe, review, and discuss the Grantee’s operations, financial records, and other materials connected with the Project;
4. to allow MF, at its discretion, to publish information regarding the Grant and the Grantee:
5. that all written materials mentioning the specific terms of the Grant or that mention MF shall be subject to the prior written approval of MF:
6. that the Grant will not be expended for any purpose other than that specified in the grant proposal or this Agreement:
7. that any deviation of more than 10% in any budgeted expense line will be subject to the written approval of MF in its sole discretion:
8. to notify MF if any part of the Grant is not expended or committed for the purpose outlined in this Grant Agreement, whereupon MF will have the right to change the terms or cancel the Agreement. If the Agreement is cancelled, the Grantee agrees to return any unexpended portion of the Grant immediately to MF and to provide an accounting as to the use of any expended funds;
9. to notify MF if the Project’s actual budget is less than the budgeted Grant amount, in which case MF shall have the right to lower the Grant to the actual amount expended, and, in MF’s sole discretion, to require the Grantee to return any amounts advanced and not expended or to use such funds as an advance on a future grant;
10. that if MF determines in its sole discretion that there has been a material change in the leadership of the Grantee or the Project, MF reserves the right to cancel the Agreement and demand remittance of remaining funds to MF:
11. that if the Grant is used for purposes not in compliance with this Grant, MF may demand remittance of all funds distributed to the Grantee;
12. that all disputes, contests, or claims arising out of or relating to this Agreement, or the breach thereof, shall be resolved via arbitration administered by an arbitrator appointed by mutual agreement, and in absence of agreement, appointed by the head of the Bar Association in Jerusalem. The arbitrator will not be bound by procedural law or by the laws of evidence, but will be bound by substantive Israeli law, and will be required to provide written reasoning for his or her judgment. This Agreement constitutes an arbitration agreement as per the Israeli Law of Arbitration.; and
13. that beyond the rights and obligations specifically stated in this letter, MF disclaims any legal right to control or otherwise influence the Grantee’s use of any funds recommended pursuant to this Agreement. Furthermore, it is expressly understood that by making this recommendation MF has no obligation to make any additional grant to the Grantee.

**Reporting Requirements**

Any future recommendations shall take into consideration, among other things, the timeliness, and completeness of reports as well as the substantive information included therein.

Reports will:

1. Briefly summarize the overall Project:

ul. Detail progress toward achieving the goals and desired outcomes of the Project, including achievements, challenges, changes, and lessons learned:

iii, Include a financial report with the following columns: a. Projected budget submitted prior to the signing of this letter, as above, and actual expenditures to date for current fiscal year or Grant period; b. Projected budget submitted prior to the signing of this letter, as above, and actual expenditures for previous fiscal year or Grant period (if applicable); and c. Explanations of the variances by line item.

1. Include a statement of the Grantee’s and Project’s revenue sources (including the names and amounts of all major sources of income) for the current fiscal year, as well as the previous fiscal year (if applicable);
2. Include updated audited financials and the accompanying management letter for the term of this Grant and previous year (if applicable).

Reports should be submitted via email in Excel (for budget information) or Word format (for text).