



GRANT AGREEMENT

June 26, 2012

Receipt

Sudhaar Society ("Grantee") hereby acknowledges that it will receive 1,000,000 PKR (the "Grant") from the Association for the Development of Pakistan Inc. ("ADP") in two equal tranches for the uses described below.

Permissible Uses of the Grant

The Grant may only be used for non-profit purposes as defined by Section 501 of the United States Internal Revenue Code ("IRC"). The Grant is for the sole expressed purpose of funding the list of items identified in the attached budget ("Exhibit A"). All other uses or expenditures are expressly forbidden without ADP's written consent.

Certification Regarding Terrorist Financing

Grantee agrees that release of the Grant by ADP depends upon the execution of the "Certification Regarding Terrorist Financing Implementing Executive Order 13224" ("Exhibit B") by the Grantee.

Representations Made by Grantee

Grantee represents the following to ADP:

1. Grantee is a non-profit entity and functions as a non-profit as defined by Section 501 of the US IRS.
2. Neither Grantee nor any of its officers or directors are or have ever been engaged in funding, preaching, promoting, or in any way facilitating, directly or indirectly, any terrorist activity, violent political activity, or other activity that is illegal under any applicable law.
3. The names of Grantee, its Board members, shareholders, members, officers, senior employees, and any organization through which Grantee conducts business do not appear, as of the effective date of this agreement, on any of the lists referenced in Exhibit C. Grantee does not have any other affiliation, including but not limited to the direct or indirect receipt or contribution of funds, with the persons or organizations named on said lists as of the effective date of this agreement.

ADP Liability

Grantee agrees to indemnify, defend, and hold ADP harmless from and against any losses, claims, liabilities, damages, costs, or expense of any kind (including reasonable attorneys' fees) which arise out of, relate to, or are in any way connected with the Grant, any expenditure therefrom, and any acts of Grantee or any of its personnel.

Grantee Deliverables

Grantee shall deliver the following to ADP at the specified dates:

1. Receipts for all expenditures over Rs. 1,000



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2. Report A: Upon the installation of hand pumps in the first set of 10 schools
3. Report B: Upon the installation of hand pumps in the second set of 10 schools
4. Report C: Recurring (every three months up to one year after completion of the project)

In addition, Grantee will facilitate the visit by an authorized representative of ADP to the project site after receipt of a three-day notice.

ADP is very excited about funding the Grant and is looking forward to working with Sudhaar Society in the future. The date on which Sudhaar Society executes this Agreement shall be recorded as the "Effective Date" of the contract. Grantee shall remit to ADP an executed copy of the Agreement prior to any release of the Funding.

Sincerely,

ASSOCIATION FOR THE DEVELOPMENT
OF PAKISTAN INC.

By: Tarim Wasim
Name: TARIM WASIM
Title: TREASURER
Date: JULY 9, 2012

Acknowledged and agreed:

Sudhaar Society

By: Naeem Jiaz Butt
Name: Naeem Jiaz Butt
Title: CEO
Date: June 26, 2012

ADP



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Exhibit A

Code	No.	Unit Rate	Months	ADP	Sudhaar	Community	Total
Project Staff Cost							
A 1	1	50,000	3	30,000	120,000		150,000
A 2	2	25,000	3	30,000	120,000		150,000
A 3	1	20,000	3		60,000		60,000
	Total			60,000	300,000	0	360,000
Transportation							
B 1	1	35,000	3	105,000			105,000
	Total			105,000	0	0	105,000
Project Support Cost							
C 1	1	20,000	3		60,000		60,000
C 2		10,000	3	15,000	15,000		30,000
C 3	1	8,000	3		24,000		24,000
C 4		12,000	3		36,000		36,000
C 5	2	8,000	3		48,000		48,000
	Total			15,000	183,000	0	198,000
	Sub Total			180,000	483,000	0	663,000
Activity Cost							
1.1.1	20	1,000			20,000		20,000
1.1.2	20	1,000					20,000
1.1.3	20	50,000		780,000		220,000	1,000,000
1.2.1	20	750			15,000		15,000
1.2.2	20	500			10,000		10,000
1.3.1	20	500			10,000		10,000
1.3.2	20	1,500		20,000	10,000		30,000
1.4.1	20	1,000			20,000		20,000
	Total			820,000	85,000	220,000	1,125,000
				PKR 1,000,000	568,000	220,000	1,788,000

Tranches

Consistent with most ADP projects, the funding for this project will be disbursed in tranches. The first tranche (PKR 500,000) will cover the cost of the first set of 10 schools, including the cost for conducting water quality tests at these locations and other costs related to the installation of these pumps that ADP is liable for, as detailed in the budget. Further funding (second tranche of PKR 500,000) will be approved after Report A is received and the installation of the first set of pumps is deemed satisfactory.



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Permission Letters

As a pre-requisite to funding and with respect to the installation of hand pumps in state owned and managed schools, Sudhaar Society shall provide copies of Permission Letter(s) signed and stamped by the relevant Executive District Officers (EDOs) for Health and Education. The Letter(s) shall contain a list of all the schools where permission has been granted for the installation of hand-pumps as well as an undertaking that the maintenance of such installations shall be the responsibility of the School Management Council.

N
F
X



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Exhibit B

**CERTIFICATION REGARDING TERRORIST FINANCING
IMPLEMENTING EXECUTIVE ORDER 13224**

By signing and submitting this application, Sudhaar Society (“Grantee”) provides to the Association for the Development of Pakistan (“ADP”) the certification set out below:

1. Grantee has not provided, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts.
2. Specifically, in order to comply with its obligations under paragraph 1, Grantee will take the following steps:
 - a. Before providing any material support or resources to an individual or entity, Grantee will verify that the individual or entity does not appear:
 - i. on the master list of Specially Designated Nationals maintained by the U.S. Treasury’s Office of Foreign Assets Control, which is available online at <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>;
 - ii. on the United Nations’ Al-Qaida Sanctions List maintained by the UN Security Council Committee established pursuant to resolutions 1267 and 1989, which is available online at http://www.un.org/sc/committees/1267/qa_sanctions_list.shtml;
 - iii. or on any supplementary list of prohibited individuals or entities that may be provided by ADP to Grantee.

Grantee also will verify that the individual or entity has not been designated by the United Nations Security Council (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the “1267 Committee”) [individuals and entities linked to the Taliban, Usama bin Laden, or the Al Qaida Organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, Grantee should refer to the consolidated list available online at the 1267 Committee’s website (<http://www.un.org/sc/committees/1267/consolidatedlist.htm>).

- b. Before providing any material support or resources to an individual or entity, Grantee will consider all information about that individual or entity of which it is aware or that is available to the public.



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- c. Grantee will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.
3. Definitions.
- a. **“Material support and resources”** means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials.
- b. **“Terrorist act”** means:
- i. an act prohibited pursuant to one of the 12 United Nations Conventions and Protocols related to terrorism (see UN terrorism conventions Internet site, http://treaties.un.org/Pages/DB.aspx?path=DB/studies/page2_en.xml&menu=MTDSG); or
 - ii. an act of premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents; or
 - iii. any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.
- c. **“Entity”** means a partnership, association, corporation, or other organization, group or subgroup. This Certification is an express term and condition of any agreement issued as a result of this application, and any violation of it shall be grounds for unilateral termination of the agreement by ADP prior to the end of its term.

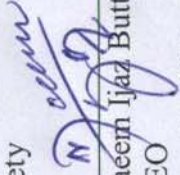


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Acknowledged and agreed:

Sudhaar Society

By: 
Name: Naeem Ijaz Butt
Title: CEO
Date: June 26, 2012





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Exhibit C

Lists of persons or organizations deemed to be or suspected to be associated with terrorist acts.

1. The Specially Designated Nationals list of the United States Department of Treasury's Office of Foreign Assets Control (<http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>).
2. The Terrorist Exclusion List of the United States Department of Justice (www.state.gov/j/ct/rls/other/des/123086.htm).
3. The Foreign Terrorist Organizations maintained by the United States Secretary of State (www.state.gov/j/ct/rls/other/des/123085.htm).
4. Lists annexed to Executive Orders of the United States President (e.g., www.state.gov/j/ct/rls/other/des/122570.htm).
5. The United Nations' Al-Qaida Sanctions List (http://www.un.org/sc/committees/1267/qa_sanctions_list.shtml).



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Report A

Report A is due immediately upon the completion of the first set of 10 schools and no later than five weeks after the first tranche of funding is received.

Report A shall contain the following items:

1. A comprehensive report on the installation and operation of the hand pumps which should include, but not be limited to, the following items:
 - a. Location of each hand pump (name of the school, village and district as well as coordinates to be obtained via GPS)
 - b. Results of water testing by PCRWR
 - c. Depth of borehole reached during drilling
 - d. Pictures of installation in progress
 - e. Final pictures of the hand pumps
 - f. Any issues and concerns that arose during the installation process
2. Receipts for the amount of Rs. 1,000 or higher
3. Details on any hand pump maintenance training provided to community members
4. Details of communications with school councils

Report B

Report B is due immediately upon the completion of the second set of 10 schools and no later than five weeks after the second tranche of funding is received.

Report B shall contain the following items:

1. A comprehensive report on the installation and operation of the hand pumps which should include, but not be limited to, the following items:
 - a. Location of each hand pump (name of the school, village and district as well as coordinates to be obtained via GPS)
 - b. Results of initial water testing by PCRWR
 - c. Depth of borehole reached during drilling
 - d. Pictures of installation in progress
 - e. Final pictures of the hand pumps
 - f. Any issues and concerns that arose during the installation process
2. Receipts for the amount of Rs. 1,000 or higher
3. Details on any hand pump maintenance training provided to community members



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4. Details of communications with school councils



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Report C

Up to one year after the completion of the project, Report C is due on a quarterly basis and shall contain details on the following items:

1. Condition of all 20 pumps
2. Records of any maintenance or repairs conducted on the pumps. This shall include the cost of the repairs and details on whether a technician or a community member implemented the repairs
3. Any important updates on the Children and Health & Hygiene clubs in the 20 schools
4. Estimated number of community members utilizing the facilities
5. Any other important information regarding the usage of the pumps deemed important by Sudhaar Society
6. The first of these reports shall also include:
 - a. Details of the Hygiene kits distributed to students
 - b. The progress on establishing Children and Health & Hygiene clubs in the 20 schools