

Harbor Community Benefit Foundation

February 23, 2012

Tzu Chi Medical Foundation  
Attn: Hui-Ping Wang  
1355 Broad Avenue  
Wilmington, CA 90744

RE: Grant No. 2012.0003.Tzu

Dear Ms. Hui-Ping Wang:

I am pleased to inform you that the Harbor Community Benefit Foundation (“Foundation”) has authorized a grant of \$8,000 (“Grant Funds”) to Tzu Chi Medical Foundation (“Grantee”), to support Grantee in its work to promote holistic living for the residents of Wilmington, CA, including, but not limited to, providing preventative health care services, supplies, education and training for the mitigation of health impacts caused by air pollution (“Grant Purpose”). A summary of the project, with deliverables and a schedule for implementation, is attached (“Exhibit A - Grant Summary”).

This letter and its attachments set forth the terms and conditions of this grant (“Agreement”). This Agreement between the Foundation and Grantee shall be effective as of the date an authorized representative of your organization signs below (“Effective Date”).

**GRANT TERMS AND CONDITIONS**

1. Payment

The Grant Funds shall be payable according to the following schedule:

Single Disbursement: \$8,000, within 30 business days after Foundation’s receipt of this signed Agreement.

First payment is contingent upon timely receipt of this original signed Agreement. Subsequent payments are contingent upon Grantee’s compliance with this Agreement, including timely receipt of required reports.

2. Use of Funds; Term

Grantee shall use the Grant Funds, including all accrued interest or other gains, solely for the Grant Purpose and substantially in accordance with Exhibit A - Grant Summary, and Exhibit B - Budget. Any significant changes to the Grant Purpose must be approved in writing by the Foundation before implementation. Grant Funds are to be applied to expenses incurred for the period from the Effective Date to the one-year (12 months) anniversary of the Effective Date (“Grant Term”), unless otherwise agreed upon in writing by the Foundation. This grant is made with the understanding that the Foundation has no obligation to provide other or additional support or grants to the Grantee.

3. Reporting

Grantee shall submit written reports to Foundation containing (a) a description of the progress that Grantee has made toward achieving the Grant Purpose, (b) a financial accounting of the expenditure of Grant Funds, (c) copies of any significant publications such as reports, policy briefs, evaluations, and summaries or articles containing research or data resulting from the grant, and (d) a report on the Grantee's compliance with the terms of this Agreement.

Reports will be due according to the following schedule:

<b>Reporting Period</b>	<b>Due Date</b>	<b>Type</b>
Six months from Effective Date	15 business days after reporting period	Six Month Progress Report
Twelve months from Effective Date	15 business days after reporting period	Final Report

Please use the grant number above in all reports and correspondence.

4. Tax Status

Grantee has provided the Foundation with a copy of its letter from the Internal Revenue Service recognizing that Grantee is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code ("IRC") and that it is not a private foundation as defined in IRC Section 509(a). Grantee must provide the Foundation immediate written notice if there is any change or potential change in Grantee's tax-exempt or public charity status.

5. Management and Organizational Changes

Grantee shall also provide immediate written notice to the Foundation if significant changes or events occur during the term of this grant which could potentially impact the progress, timing or outcome of the grant, including changes in Grantee's management or key personnel or losses of funding.

6. Recordkeeping

Grantee is responsible for maintaining adequate financial records of this grant. Grant Funds shall be accounted for separately in the Grantee's books and records. All expenditures made in furtherance of the Grant Purpose shall be charged off against the grant and shall appear on those books. Grantee shall keep adequate records to substantiate such expenditures. Grantee shall make such books and records available to Foundation at reasonable times for review and audit. Grantee shall keep copies of all relevant books and records and all reports to the Foundation for at least 4 years after completion of the use of the Grant Funds.

7. Grant Announcements; Promotional Activities

Grantee shall ensure that the Foundation is clearly identified as a funding source for any written, electronic, or other communications materials produced with support from this grant, as well as in all publications and press releases regarding the subject matter of the grant. Grantee may not, however, use the Foundation's logo without the Foundation's prior written consent.

As a courtesy, Grantee will provide a copy of promotional activities to the Foundation, including any external communications regarding this grant or referencing the Foundation.

The Foundation may include information about this grant and the Grantee in its public communications and reports and may also refer to the grant and Grantee in press releases, speeches and public comments. The Foundation may also provide information about the grant and the Grantee on its website, including project descriptions, logos, and links to Grantee's website.

Any tangible or intangible property, including copyrights, obtained or created by Grantee as part of the activity funded by this grant shall remain the property of Grantee; however, Grantee shall grant a royalty-free license to the Foundation to use, reprint, or distribute any such copyrighted materials for informational or promotional purposes. Also, any information and images submitted as part of Grantee's reports may be used by the Foundation for informational or promotional purposes.

#### 8. Return of Unexpended Funds

Grantee shall repay to the Foundation Grant Funds not expended or committed for the Grant Purpose within the Grant Term, unless an extension is approved in writing at Grantee's request and in the Foundation's sole discretion.

#### 9. Remedies on Default

In the event the Foundation determines, in its sole discretion, that Grantee has breached or failed to carry out any material provision of this Agreement, the Foundation may, in addition to any other legal remedies it may have, including the termination of this Agreement, refuse to make any further grant payments to Grantee, and the Foundation may demand in writing the return of all or part of the unexpended Grant Funds, which the Grantee shall immediately repay to the Foundation. The amount of such unexpended Grant Funds to be repaid to the Foundation shall not include funds needed to meet obligations incurred by Grantee to third parties, in good faith, for the Grant Purpose, prior to Grantee's receipt of the Foundation's written demand for repayment. In addition to the rights reserved to the Foundation in the first sentence of this paragraph, the Foundation may also terminate this Agreement and take the actions described above with respect to unexpended Grant Funds if it determines, in the exercise of its reasonable discretion, that circumstances relevant to the Grantee, including, by way of illustration, those respecting its tax-exempt status, or organization or financial condition, are such that the Foundation has reason to conclude that satisfactory completion of the objectives contemplated by this grant are in jeopardy.

#### 10. No Agency

Grantee is solely responsible for the activity supported by the Grant Funds, including the preparation of all plans and specifications, supervision and administrative control, and the operation thereof. All activity shall be operated under Grantee's name. This Agreement shall not be deemed to create any relationship of agency, partnership, or joint venture between the parties hereto, and Grantee shall make no such representation to anyone.

#### 11. Subgrants and Subcontracts

Grantee retains the exclusive right to select any subgrantees and subcontractors; provided, however, that Grantee must ensure that all subgrantees and subcontractors use the Grant Funds in a manner consistent with this Agreement. Neither Grantee nor its subgrantees or subcontractors may make any oral or written statement or otherwise imply to anyone that the Foundation supports the activities of

any subgrantee or subcontractor. Furthermore, Grantee acknowledges that there is no agreement, oral or written, whereby the Foundation has earmarked or otherwise designated any part of the Grant Funds for any specific subgrantee or subcontractor.

#### 12. Prohibited Use of Funds

The Grant Funds are not designated or earmarked for the carrying on of propaganda or attempting to influence legislation. If the Grant Purpose involves public policy issues, the Foundation is relying upon Grantee's representations, made in Grantee's application that the Grant Funds do not exceed the amount budgeted by Grantee for activities that are not attempts to influence legislation.

Use of any of the Grant Funds (a) to influence the outcome of any specific public election of any candidate for public office or to carry on, directly or indirectly, any other activity that is prohibited to a public charity, or (b) to provide material support to any person or entity that engages in violent or terrorist activities, is prohibited.

#### 13. No Liability; Indemnification

By making this grant, the Foundation assumes no liability for any actions or omissions of Grantee, including those of its officers, directors, trustees, employees, agents, subgrantees, or subcontractors.

To the fullest extent permitted by law, Grantee hereby irrevocably and unconditionally agrees to indemnify, defend and hold harmless the Foundation, its subsidiaries, affiliates, parents and their respective successors, assigns, officers, directors, employees and agents from and against any and all losses, liabilities, claims, obligations, damages, costs, expenses (including, without limitation, reasonable attorneys' fees and expenses) which result from, arise in connection with or are related in any way to any claim, demand, cause of action, or proceeding brought by a third party arising out of or in connection with this Agreement, including, without limitation, applying for or accepting the grant, expending the Grant Funds, and carrying out any activities directly or indirectly supported by the grant.

#### 14. Insurance

Grantee shall provide, pay for, and maintain in full force and effect during the Grant Term insurance in such forms and amounts as commercially reasonable and appropriate to cover Grantee's own operations and to enable Grantee to fully indemnify and defend the Foundation there under.

#### 15. No Waiver

The failure of the Foundation to exercise any of its rights under this Agreement shall not be deemed to be a waiver of such rights.

#### 16. Order of Precedence

The order of precedence for interpreting any inconsistencies shall be as follows: (a) this letter, and (b) the Exhibit A - Grant Summary.

#### 17. Entire Agreement; Amendments

This Agreement constitutes the entire agreement of the parties with respect to its subject matter and supersedes any and all prior written or oral agreements or understandings with respect to the subject

matter hereof. This Agreement may not be amended or modified, except in a writing signed by both parties.

18. Governing Law

This Agreement shall be governed by the laws of the State of California.

If this Agreement correctly sets forth your understanding of the terms and conditions of this grant, please have the appropriate officer sign and date the enclosed originals and return one copy (with the attachments) by certified mail, return receipt requested, to the Foundation's offices at 150 W. 6<sup>th</sup> Street, Suite 100B, San Pedro, CA 90731, Attention: Mary Silverstein, Executive Director. Although an original signed copy is required, you are encouraged to return a signed copy to the Foundation via email ([mary@hcbf.org](mailto:mary@hcbf.org)) to expedite processing of your grant payment.

All questions, notices and reports related to this grant should be directed to the signers below.

On behalf of the Harbor Community Benefit Foundation, let me express how delighted we are to offer this support to your organization. We extend every good wish for the success of this grant.

Sincerely,

Mary Silverstein  
Executive Director

Accepted on behalf of Tzu Chi Medical Foundation by:



Authorized Signature

DEBRA BOUDREAUX

Printed Name

4-18-2012

Date

C. E. O.

Title

EXHIBIT A

<b>GRANT SUMMARY</b>	
<b>Grantee:</b>	Tzu Chi Medical Foundation
<b>Primary Contact Name:</b>	Hui-Ping Wang
<b>Primary Contact Address:</b>	1355 Broad Avenue Wilmington, CA 90744
<p><b>Summary of Project (No More than 75 Words):</b>            Tzu Chi Medical Foundation (Tzu Chi) intends to holistically promote healthy living. Tzu Chi will emphasize education and training for the mitigation of the health impacts caused by air pollution. Tzu Chi intends to increase use of preventive health care services, provide (durable) supplies not typically available in clinics such as Asthma breathing inhalers, masks, goggles. Tzu Chi also plans to provide indoor plants to reduce indoor air pollutants and mitigate the effects of manmade pollution. Some houseplants that improve the home environment are: Mums, Aloe Vera, Spider plants, peace lilies, and reed palms.</p> <p>Strategically located next door to the Wilmington Health Center, Tzu Chi will work to increase awareness and reduce the impacts of air pollution in the low-income community of Wilmington.</p>	
<p><b>Deliverables for Tzu Chi:</b></p> <ol style="list-style-type: none"> <li>1) Medical supplies;</li> <li>2) Training, educational and wellness workshops; and</li> <li>3) Exercise and health program to promote healthy living.</li> </ol>	
<p><b>Key Staff:</b>            Hui Ping Wang, Medical Team and Debra Boudreax, CEO</p>	
<p><b>Community Partners:</b>            Tzu Chi will offer clinic space at their center in Wilmington to collaborate with LBACA and The Children’s Clinic to provide a wide array of services in Wilmington.</p>	
<p><b>Schedule for Project Implementation:</b>  <i>(Breakdown for Deliverable Dates, if Applicable)</i></p> <p><b>Quarter 1</b></p> <ol style="list-style-type: none"> <li>1) Outreach</li> <li>2) Purchase and delivery of medical supplies and materials.</li> <li>3) Group exercises and Educational workshops.</li> </ol> <p><b>Quarter 2</b></p> <ol style="list-style-type: none"> <li>1) Preparation of Training Program</li> <li>2) Launch Program</li> <li>3) 6 month report – impact of program</li> </ol> <p><b>Quarter 4</b></p> <ol style="list-style-type: none"> <li>1) Re-evaluation of supplies needed</li> <li>2) Report of Materials purchased</li> <li>3) Educational Workshop</li> <li>4) One year report - participants &amp; impact, by zip code.</li> </ol>	

## Exhibit B - Budget

### Tzu Chi Medical Foundation

	HCBF Funds	Non-HCBF Funds		Totals	
	HCBF	Tzu Chi	Kaiser American Heart Association		
<b>DIRECT COSTS:</b>					
Personnel*	\$0	\$0	\$0		\$0
Salary	\$0	\$4,000	\$0		\$0
Fringe Benefits	\$0	\$1,000	\$0		\$0
<b>Subtotal</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,000</b>
<b>OPERATING EXPENSES:</b>					
Utilities	\$0	\$1,000	\$0		\$0
Supplies	\$7,000	\$10,000	\$1,000		\$500
Printing/Promotion	\$500	\$2,000	\$0		\$500
Travel	\$0	\$0	\$0		\$0
Equipment	\$0	\$1,000	\$1,000		\$0
Subcontracts/Consultants	\$0	\$1,000	\$0		\$0
Other Expenses	\$500	\$0	\$0		\$0
<b>Subtotal</b>	<b>\$8,000</b>	<b>\$15,000</b>	<b>\$2,000</b>	<b>\$1,000</b>	<b>\$26,000</b>
<b>TOTAL:</b>	<b>\$8,000</b>	<b>\$20,000</b>	<b>\$2,000</b>	<b>\$1,000</b>	<b>\$31,000</b>

\* Tzu Chi has a strong and dedicated volunteer base which allows costs for personnel to be minimal.

ADDENDUM TO  
TZU CHI MEDICAL FOUNDATION "GRANTEE"  
HARBOR COMMUNITY BENEFIT FOUNDATION "FOUNDATION OR GRANTOR"  
GRANT NO 2012.0003.TZU

Replace Section 13. of the Grant in its entirety with the following:

13. No Liability; Indemnification

Except for the sole negligence or willful misconduct of the City, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, and of HCBF, Grantee undertakes and agrees to defend, indemnify and hold harmless the City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest and HCBF from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City and HCBF, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Grantee's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Agreement by Grantee or its subcontractors of any tier. Rights and remedies available to the City and HCBF under this provision are cumulative of those provided for elsewhere in this Agreement and those allowed under the laws of the United States, the State of California, and the City.

Add new Section 19.

19. Compliance with Law.

Grantee shall at all times comply with all Federal, State, and local laws. Grantee specifically acknowledges that this Agreement is entered into in furtherance of and as a benefit to the State Tidelands Grant and the trust created thereby. Therefore, this Agreement is at all times subject to the limitations, conditions, restrictions and reservations contained in and prescribed by the Act of the Legislature of the State of California entitled "An Act Granting to the City of Los Angeles the Tidelands and Submerged Lands of the State Within the Boundaries of Said City," approved June 3, 1929 (Stats. 1929, Ch. 651), as amended, and provisions of Article VI of the Charter of the City of Los Angeles relating to such lands. Grantee agrees that any interpretation of this Agreement and the terms contained herein must be consistent with such limitations, conditions, restrictions and reservations.

AGREED:

Tzu Chi Medical Foundation

Harbor Community Benefit Foundation  
(HCBF)

By: \_\_\_\_\_



Debra Boudreaux  
CEO

By: \_\_\_\_\_

Mary Silverstein  
Executive Director

Date: 06/01/2012

Date: \_\_\_\_\_