



March 20, 2013

Mr. Jorge Chediek, Resident Representative
UNDP/PNUD Brasil
Setor de Embaixadas Norte, Qd. 802, Cj. C, Lt. 17
70800-400 - Brasilia, DF - Brazil

0130-0235
Grant Number

Dear Mr. Chediek:

I am pleased to inform you that The Ford Foundation has approved a grant of \$462,500 to the United Nations Development Programme ("UNDP") for support to implement the Brazilian National Sustainable Quilombo policy. This grant is being made in response to the proposal submitted with your January 23, 2013 letter to Nilcéa Freire, the Foundation's Representative in Rio de Janeiro.

These terms apply to your organization's use of the Foundation's grant:

Grant funds are available over a one-year period beginning February 1, 2013.

Payment of grant funds will be made in periodic installments by electronic transfer after receipt by the Foundation's Representative in Rio de Janeiro of the countersigned version of this letter.

Under United States law, Ford Foundation grant funds may be expended only for charitable, scientific, literary, or educational purposes. This grant is made only for the purposes stated in this letter and the documents referenced above, and it is understood that these grant funds will be used for such purposes substantially in accordance with the attached approved budget. It is also understood that no substantial variances will be made from the budget without the Foundation's prior approval in writing. Any grant funds not expended or committed for the purposes of the grant, or within the period stated above, will be returned to the Foundation.

UNDP shall carry out all activities under this Agreement in accordance with UNDP regulations, rules, policies and procedures. Consistent with numerous United Nations Security Council resolutions, including S/RES/1269 (1999), S/RES/1368 (2001), and S/RES/1373 (2001), UNDP is firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. By countersigning this grant letter, UNDP agrees that it will not promote or engage in violence, terrorism, bigotry or the destruction of any State, nor will it make subgrants to any entity that engages in these activities.

A final written report is to be furnished at the end of the grant period. This report should be sent to the Foundation's Representative in Rio de Janeiro via l.souza@fordfoundation.org and should contain: (1) a narrative account of what was accomplished by the expenditure of funds including a description of progress made toward achieving the goals of the grant; and (2) a financial



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accounting, in U.S. dollars, according to the line-item categories of the attached approved budget, including from UNDP Bureau of Management/Comptroller's Division on completion of the project, a certified financial statement to be submitted no later than 30 June of the year following the financial closing of the project. In all cases, UNDP will own any intellectual property created under the project and the Foundation can request UNDP for use of such publications and films, etc., for non-commercial purposes.

Ownership of equipment, supplies and other properties financed from the grant shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

Under United States tax law, the grant funds received by your organization for activities conducted in the United States, including travel to or from the United States for such activities, under this grant are exempt from U.S. income tax withholding requirements.

Each March 15, the Foundation reports to the Internal Revenue Service ("IRS") any amounts paid to your organization for grant-related activities conducted in the United States, including travel to or from the United States for such activities, during the previous calendar year. These amounts are reported to the IRS on Form 1042-S; two copies of which are sent to your organization.

By countersigning this letter you certify that the maximum amount of grant funds to be used for travel to or from the United States or for activities conducted in the United States is \$462,500.

In the application of its resources to serve the public interest, the Foundation gives high priority to the realization of equality of opportunity for all members of society. The Foundation works to implement this policy in a variety of ways, internationally as well as in the United States, with due respect for the great diversity of situations in different countries and cultural contexts. It is the Foundation's expectation that serious attention will be given to the needs and well-being of women and underrepresented groups in your society and to their participation in this Foundation-supported program.

The Foundation may monitor and conduct a review of operations under this grant, which may include a visit from Foundation personnel to observe your program, discuss the program and finances with your personnel connected with the activities financed by the grant.

The grant shall be subject exclusively to the internal and external auditing procedures provided for the financial regulations, rules and directives of UNDP. Should the biennial Audit Report of the Board of Auditors of UNDP to its governing body contain observations relevant to the grant, such information shall be made available to the foundation.

In accordance with the decisions and directives of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Sources, the Contribution shall be subject to cost recovery by UNDP for Indirect costs incurred by UNDP headquarters and country office structures in



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providing General Management Support (GMS) services. To cover these GMS costs, the Contribution shall be charged a fee equal to 7%, which is already reflected in the attached approved budget. All direct costs related to program execution shall be recorded as such in the project budget and borne by the project accordingly.

The Foundation shall not use UNDP name or emblem, or any abbreviation thereof, in connection with its business or otherwise without the express prior written approval of UNDP in each case. In no event will authorization be granted for commercial purposes, or for use in any manner that suggests an endorsement by UNDP of the Foundation.

The Foundation acknowledges that it is familiar with UNDP's ideal and objectives and recognizes that its name and emblem may not be associated with any political or sectarian cause or otherwise used in a manner inconsistent with the status, reputation and neutrality of UNDP.

The Foundation may make representations to its internal budget officials as required about the fact of the grant of UNDP. Any other use of the UNDP name or emblem, and any other form of recognition or acknowledgement of the grant from the Foundation are subject to consultations between the parties, and the prior written agreement of UNDP.

UNDP will report on the grant to its Executive Board in accordance with its regular procedures regarding grants from foundations. Other forms of recognition and acknowledgement of the grant are subject to consultations between the parties, but the manner of such recognition and acknowledgement shall be determined at the sole discretion of UNDP.

The Foundation will include information on this grant in its periodic public reports.

Failure to comply with the terms of this letter may result in immediate cessation of funding and/or support from the Foundation. In such case, UNDP may reduce, suspend or terminate the project activities. In addition, if your organization expends or commits any part of the grant funds for purposes or activities other than the purposes and activities for which this grant is made, your organization must repay the Foundation an amount equal to the amount of grant funds so expended for other purposes or activities.

If this letter and the attached budget correctly set forth your understanding of the terms of this grant, will you please indicate your organization's agreement to such terms by having the letter countersigned by an appropriate officer of your organization and returned in its entirety to the Foundation's Representative in Rio de Janeiro via l.souza@fordfoundation.org.

Communication regarding current administrative arrangements for this grant should be directed to the Grants Manager in Rio de Janeiro, Luiza Souza, by telephone at +55-21-3235-2121 or via e-mail at l.souza@fordfoundation.org.

In all correspondence concerning this grant, reference should be made to the grant number designated on the first page of this letter.



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This agreement may be amended through an exchange of letters between the Foundation and UNDP. The letters exchanged to this effect shall become an integral part of this agreement.

The parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this agreement or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with UNCITRAL Conciliation Rules then obtaining, or according to such procedure as may be agreed between the parties.

Any dispute, controversy or claim between the Parties arising out of or relating to this agreement or the breach, termination or invalidity thereof, unless settled amicably under the preceding paragraph within (60) sixty days after receipt by one Party of the other Party's request for such amicable settlement, shall be referred by either party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitral tribunal shall have no authority to award punitive damages. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

Nothing in this agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UNDP.

On behalf of the Foundation, may I extend every good wish for the success of this endeavor.

Sincerely,

Elaine Kranich
Director, Office of the Secretary

Attachment

ACCEPTED AND AGREED:

United Nations Development Programme

By: JORGE CHEDIK
(Printed Name)

[Signature]
(Signature)

Title: Resident Representative

Date: March 25, 2013



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0130-0235
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APPROVED BUDGET

Consultants	\$261,035
Travel	70,242
Meetings and conferences	75,937
Publications	39,921
Overhead	<u>15,365</u>
Total	<u>\$462,500</u>