

**BETA THETA PI FOUNDATION
EDUCATIONAL GRANT
STANDARD GRANT AGREEMENT**

THIS GRANT AGREEMENT ("Agreement") is made the date noted below, by the Beta Theta Pi Foundation ("the Foundation") and the undersigned chapter of the Beta Theta Pi National Fraternity and the house corporation owning a Beta Theta Pi fraternity house (collectively or individually referred to as the "Chapter").

RECITALS

A. Pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (the "Code"), the Foundation is tax-exempt as an organization operated exclusively for charitable and educational purposes.

B. The Chapter is, or is affiliated with, a local chapter of the Beta Theta Pi Fraternity.

C. The Foundation operates a grant program whereby local fraternity chapters and related organizations are eligible for monetary grants, which may be used to further the Foundation's educational purposes.

D. The Chapter has applied for an educational grant under this program and the Foundation has tentatively approved that application.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises contained herein, the parties agree as follows:

1. Approval of Grant. The Foundation approves the Chapter's application for an educational grant. The amount of the grant, type of the grant, and the schedule for disbursing the grant proceeds are specified in Appendix A, which is incorporated by reference into this Agreement.

2. Acceptance of Terms and Conditions of Grant. The Chapter accepts the grant and all terms and conditions of the grant. More specifically the Chapter shall comply with each of the following.

a. Use of Proceeds. The Chapter shall use the grant proceeds only for educational purposes in designated education areas of a fraternity house or other facility. The Chapter shall not use any of the funds to carry on propaganda, or otherwise attempt to influence legislation, the outcome of any election, or for any other purpose inconsistent with the educational purposes of the grant.

b. Reporting Use of Proceeds. The Chapter shall periodically provide written reports on the use of the grant proceeds. These reports must contain a certification that to the best of the designated Chapter officer's knowledge, the proceeds of the grant have been used for

educational purposes and that all designated education areas of the Chapter house have not been used for any purpose other than educational purposes. In addition, all such reports must include copies of appropriate documentation of all uses of grant proceeds. These reports must be submitted annually, except for reports on construction grants which must be submitted quarterly during construction, and a final report within ninety (90) days of completion of the project.

c. **Inspections.** The Chapter consents to periodic inspections for the purpose of verifying compliance with this Agreement. The Foundation may, with or without advance notice, perform such inspections through its trustees or any other agents.

d. **Segregation of Proceeds.** The Chapter shall at all times keep the unused grant proceeds in a separate account and keep these funds separate on the accounting records of the Chapter.

f. **Due on Sale:** If before ten (10) years from the date of the execution of the DEA Agreement there is a transfer of ownership of the property in anyway, (1) the Beta Theta Pi Foundation must be notified sixty (60) days prior to the transfer and (2) the provision in section 3 regarding repayment of grant proceeds will be enacted.

3. **Repayment of Grant Proceeds.** The Chapter shall repay any portion of the grant proceeds which are not used for educational purposes. The Chapter shall repay such proceeds upon demand and to the extent any such proceeds remain unpaid for ten (10) days after such demand, interest shall accrue on the unpaid balance at an annual rate equal to the prime rate of interest as published in the Wall Street Journal.

4. **Representations.**

a. **Representation by the Foundation.** The Foundation has approved this grant by a majority vote of its Directors, who have authorized the undersigned officer to execute this Agreement on the Foundation's behalf.

b. **Representation by Chapter.** The undersigned representative of the Chapter has been authorized to bind the Chapter to the terms of this Agreement by a resolution adopted by the governing body of the respective organization.

5. **Other Provisions.**

a. **Invalid Provisions.** This agreement shall be governed by and construed in accordance with the laws of Ohio. In addition, this Agreement shall be construed in such a manner that it is consistent with the tax-exempt status of the Foundation as an organization operated for charitable and educational purposes under Section 501 (c)(3) of the Code.

IN WITNESS WHEREOF, the parties have executed this agreement on the dates noted below:

CHAPTER:

Date

By: _____
Signature

Name, Title

HOUSE CORPORATION:

Date

By: _____
Signature

Name, Title

BETA THETA PI FOUNDATION:

Date

By: _____
Signature

Name, Title

BETA THETA PI FOUNDATION

EDUCATIONAL GRANTS

APPENDIX A
TO
STANDARD GRANT AGREEMENT

AMOUNT OF GRANTS

CONSTRUCTION GRANTS

Construction \$ _____

Furnishings and Equipment \$ _____

OPERATING GRANT \$ _____

TOTAL GRANT \$ _____

DISBURSEMENT OF GRANT PROCEEDS

Date

Amount

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____