



**HERBALIFE FAMILY FOUNDATION**  
**CASA HERBALIFE PROGRAM**  
**SPECIFIC PROJECT GRANT AWARD AGREEMENT**  
**FOR CHARITABLE ORGANIZATIONS**

This Specific Project Grant Award Agreement ("Agreement") describes the terms and conditions pertaining to grant number **1104** as described on Schedule A ("grant") and is made effective as of 9/1/2017 (the "Effective Date") by and between:

"HFF": **Herbalife Family Foundation**, a California nonprofit public benefit corporation  
800 West Olympic Boulevard, Suite 406  
Los Angeles, CA 90015  
Attention: Jenny Perez

"Grantee": **Dětské centrum Zlín, příspěvková organizace**, a charitable organization as recognized by Czech Republic  
Burešov 3675  
Zlín, 76001  
Czech Republic  
Attention: Mr. Marek Mikláš

Upon execution on behalf of Grantee, in the spaces provide for signature, this Agreement will evidence Grantee's agreement with and commitment to HFF as follows:

1. **GRANT.** HFF hereby awards Grantee a one time, conditional, revocable **US\$10,000.00** grant for the purpose(s) as more particularly described on Schedule A (the "Grant"), which is attached to and made a part of this Agreement. If paid in non-US currency, the value of the grant in local currency will be determined at the time the grant is paid, dependent on current applicable exchange rates. All Grant funds are to be applied in accordance with the Grant project listed in Schedule A. In the event of an ambiguity, conflict or inconsistency between the terms and conditions of this Agreement and those of any attached Schedule or other documents, the terms and conditions of this Agreement shall control in all instances.
2. **GRANT DISBURSEMENT.** Upon receipt of a copy of the signed Agreement from the Grantee, HFF will begin processing payment. Grantee should receive the Grant funds within two to four weeks thereafter.
3. **TERM.**
  - a. The term of this Agreement shall commence on the Effective Date and terminate thirty (30) days after the Grant Period, as defined below (the "Term") except for obligations enumerated in paragraph 23 of this Agreement.
  - b. Use of Grant funds.
    - i. All Grant funds must be used in the period beginning on **9/1/2017** and ending on **4/30/2018** (the "Grant Period"). Any Grant funds, or earnings on such funds, not expended during the Grant Period must be returned to HFF within thirty (30) days after the end of the Grant Period.
    - ii. Grantor may upon request of Grantee made during the Grant Period, extend the Grant Period or approve an alternate use of funds, at the sole discretion and judgment of Grantor. Nothing in this Agreement shall constitute a right or claim in Grantee upon any Grant Funds beyond the Grant Period stated in this Agreement.
  - c. HFF has no obligation to provide other or additional support to Grantee outside of the Grant.

**4. CONDITIONS.** Grantee agrees that it must, at all times, comply with the following conditions (the "Grant Conditions"):

a. The Grant, and any interest earned on the Grant, must only be used for purposes of the project as outlined in Schedule A unless agreed to, in writing, by HFF;

b. The Grantee maintains its status or standing with local or federal government, or applicable agencies, related to its ability to operate and its standing as a nonprofit, charitable, NGO or similarly situated organization. This includes being properly registered with the appropriate local and federal authorities;

c. Grantee shall clearly identify HFF as a "Funding Organization" in all published material, whether online or in print, including Grantee's annual report;

d. Grantee shall obtain HFF's written approval on all communications related to HFF or Herbalife Ltd., its subsidiaries and affiliates, prior to distribution;

e. The Grantee will not use any portion of the grant funds to purchase any products or services marketed or sold by Herbalife Ltd., Herbalife International of America, Inc., their subsidiary and affiliated entities worldwide, or any independent Herbalife Member

f. Grantee and its directors, officers, employees and agents shall refrain from engaging in acts or omissions that may damage the reputation of HFF. Such acts include, but are not limited to, fraud, bribery, embezzlement, violent acts, human trafficking, anything related to the mistreatment of minors, and other crimes of moral turpitude or unethical behavior;

g. Grantee and its officers, directors, employees, and agents shall comply with all applicable laws, regulations and rules, including, but not limited to, the Foreign Corrupt Practices Act, the Patriot Act, the U.K. Bribery Act, the Voluntary Anti-Terrorism Guidelines and maintaining, in full force and effect, all required licenses and credentials for itself, its facilities, its employees and any other people or facilities related to the Grant;

h. Grantee must immediately notify HFF if significant changes or events, including, but not limited to, a change in Grantee's management, personnel or outside funding, occur during the Term of this award which could potentially impact the progress or outcome of the Grant;

i. Grantee must not cease operations or file for bankruptcy or similar relief from a court or government; and

j. Grantee must comply with the terms, conditions and obligations set forth in this Agreement.

**5. TERMINATION.** HFF may immediately terminate this Agreement, without penalty, if Grantee violates any of the Grant Conditions. If HFF terminates this Agreement for such a violation, all Grant funds shall be returned to HFF within seven (7) days.

**6. REPRESENTATIONS AND WARRANTIES.** Grantee hereby represents and warrants that:

a. Grantee is a validly existing charitable organization in good standing under the laws of Czech Republic; and

b. Grantee has the unrestricted right and authority to enter into this Agreement, to receive the Grant, and to carry out the purpose(s) of the Grant.

## **7. RECORDS; AUDITS; REPORTS.**

a. Grantee shall maintain detailed financial records of all receipts and disbursements of Grant funds and shall in its accounts and reports identify Grant Funds and disbursements from Grant funds through a separate account or separate ledger code. Grantee shall retain original substantiating documents related to specific project grant expenditures and make these records available for HFF's review upon request. HFF, or its designated representative or agent, reserves the right, upon written notice, to audit Grantee's books and records relating to the expenditure of any Grant funds.

b. Grantee shall make a minimum of two (2) written reports to HFF each year during the Grant Period, as detailed in Schedule A. Such written report shall describe in detail the use of the granted funds, compliance with the terms of the grant, and the progress made by Grantee toward achieving the purposes for which the grant was made. Within thirty (30) days after the end of the Grant Period, Grantee shall make a final written report with respect to all expenditures made from the Grant (including salaries, travel and supplies), and shall include the progress made toward the goals of the grant. All such reports must be approved by an officer of Grantee, as verified by the required signature form included in the Report requirements. Reports must be submitted through the online system and a link to each report will be sent via e-mail to the Grantee prior to the due date.

**8. INDEMNIFICATION.** HFF does not assume any liability for any act or omission of Grantee, its officers, agents, employees, or directors. Grantee agrees to indemnify, defend and hold harmless HFF, Herbalife Ltd., Herbalife International of America, Inc. and their affiliates, respective agents, officers, employees and directors from any and all claims against them, of any kind or nature whatsoever, to the extent attributable to (i) any breach or violation of any of the terms, conditions or provisions of this Agreement; (ii) the negligence or willful misconduct of Grantee, its officers, agents, servants or employees; (iii) damage to personal property caused by Grantee, its officers, agents, servants, or employees; or (iv) personal injury or death caused by Grantee, its officers, agents, servants, or employees, including, but not limited to, any and all expenses, liabilities, damages, costs and attorneys' fees which HFF may incur in connection with any such claims.

## **9. PUBLICITY AND PRESS.**

a. Grantee hereby authorizes HFF, through its officers, directors, and agents, or through employees of Herbalife International of America, Inc., or its subsidiary and affiliated entities worldwide, to enter upon the Grantee's premises at agreed times, or to attend events staged by Grantee, for the purpose of interviewing Grantee or other individuals and taking still photographs or video image.

b. In the event that HFF, in its judgment, requires consent from individuals on Grantee's premises or at charitable events staged by Grantee to be involved in still images or videos, Grantee agrees to make reasonable efforts to assist HFF in identifying the individuals and obtaining their consent.

c. Grantee hereby grants to HFF a non-exclusive, irrevocable, perpetual, royalty-free, worldwide license, in all copyright or other intellectual property, including moral rights, inhering in any images or videos obtained by HFF on the premises of Grantee or at charitable events staged by Grantee. Grantee acknowledges that HFF is not obligated to provide any separate compensation for such still images or video, and that HFF is not obliged to make any use of any still images or video.

d. Grantee agrees to disseminate to interested publics, by using established channels of communication, pertinent information relating to the results, findings, or methods developed through the Grant.

**10. USE OF FOUNDATION MARKS AND GRAPHICS.** HFF as licensee of Herbalife International, Inc., hereby grants to Grantee a limited, non-exclusive, sub-license in the HERBALIFE mark, the Herbalife Tri-Leaf device mark, the Herbalife Family Foundation logo, and the Casa Herbalife logo (together, the "Herbalife Marks"), on these conditions:

- a. Grantee may use the Herbalife Marks only for the purpose of promoting Grantee's charitable activities or describing the grant relationship;
- b. Grantee may use the marks only in the form and style authorized by HFF;
- c. HFF will supply to Grantee, upon request, high-resolution graphics of the Herbalife Marks;
- d. Grantee may use the marks only in a manner consistent with its charitable purpose and for no other purpose; and
- e. The license herein granted does not survive the termination of this agreement.

**11. CONFIDENTIALITY.** Grantee recognizes that providing the Services may involve contact with information of substantial value to HFF which is not old and not generally known in the trade and which gives HFF an advantage over its competitors who do not know or use it ("Confidential Information"). Grantee will not during the period of this Agreement or thereafter, publish or disclose any part of such Confidential Information, without HFF's prior written consent. HFF shall have the right to apply to any court of competent jurisdiction for an order restraining any breach or threatened breach of this Section of this Agreement and for any other relief HFF deems appropriate in connection therewith, without the necessity of posting any bond or security.

**12. NO AGENCY RELATIONSHIP.** Grantee recognizes that it is not as an agent or employee of HFF. As such, this Agreement shall not create the relationship of agent, servant, employee, partnership, joint venture or association as between HFF and Grantee. Accordingly, Grantee is solely liable and responsible for paying its own employees, if any, and for paying all taxes imposed, levied or assessed on the compensation it receives from HFF under this Agreement. HFF will not make state or federal unemployment insurance or disability insurance contributions on behalf of Grantee or its agents, employees, workers or servants, nor will HFF withhold state or federal income tax or administer FICA (Social Security and Medicare) from Grantee's Fees. Grantee shall not participate in HFF's employee health, vacation, sickness, pension or profit sharing plans.

**13. NO DELEGATION OR ASSIGNMENT.** This Agreement shall bind and benefit the parties and their respective heirs, representatives, successors and assigns. Grantee shall not assign or otherwise transfer its rights or obligations hereunder without HFF's prior written consent and any purported assignment, transfer or delegation shall be null and void.

**14. GOVERNING LAW.** This Agreement shall be enforced and interpreted in accordance with the laws of the State of California without giving effect to any conflicts of laws principles and the parties agree that any and all disputes arising under this Agreement shall be adjudicated in the appropriate state or federal court within the county of Los Angeles, California. Should either party commence any legal action or proceeding in order to enforce or interpret any term or provision of this Agreement, the prevailing party shall recover its reasonable costs and attorney's fees.

**15. SEVERABILITY.** Should any part, term or provision of this Agreement be held void, illegal, unenforceable or in conflict with any law, the validity of the remaining parts or provisions shall not be affected thereby.

**16. NO WAIVER OF RIGHTS.** Failure to enforce any provision of this Agreement shall not constitute a waiver thereof.

17. **INTERPRETATION.** Section headings contained herein are solely for the purpose of aiding in the speedy location of subject matter and do not represent material terms or conditions of this Agreement. Accordingly, in the case of any question with respect to the construction of this Agreement, it is to be construed as if such section headings had been omitted. This Agreement has been negotiated at arm's length between the parties hereto, both of which are sophisticated and knowledgeable in the matters dealt with in this Agreement. Accordingly, any rule of law or legal decision that would require any ambiguities in this Agreement to be interpreted against the party that drafted it, is not applicable and is hereby waived. The provisions of this Agreement shall be interpreted in a reasonable manner to give effect to the purpose and intent of the parties.

18. **MODIFICATION AND AMENDMENT.** This Agreement may be amended only in writing, signed by persons authorized to bind the parties thereto.

19. **INTEGRATION.** This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and replaces any and all previous agreements or understandings, whether written or oral, relating thereto.

20. **COUNTERPARTS.** This Agreement may be executed in two or more counterparts, including by electronic or e-mail copy, each of which shall be deemed an original instrument, but all of which shall constitute one and the same instrument.

21. **NON-EXCLUSIVE.** This Agreement is non-exclusive. HFF may contract with other entities to support similar projects or services as being provided by Grantee hereunder, and Grantee may receive funding for similar projects and services from third parties.

22. **NOTICES.** Any notice or other communication given hereunder or in connection herewith shall be sufficiently given if in writing and (a) effected by personal delivery; (b) sent by mail, registered or certified, postage prepaid with return receipt requested; or (c) sent by electronic mail or facsimile transmission, with confirmation of receipt, to the addresses above or to such addresses as the parties may provide from time to time, in writing hereunder. Such notice shall be deemed given on the date on which personally served, or if by mail, on the fifth (5<sup>th</sup>) day after being posted, or if by electronic mail or facsimile transmission, one (1) business day after being sent.

23. **SURVIVAL.** The following provisions will remain in full force and effect, even after the termination or expiration of this Agreement: 8, 9, 10.c, 10.d, 12, 15, 16, 17, and 23.

**IN WITNESS WHEREOF,** the parties hereto have caused this instrument to be executed by their authorized representatives.

**HERBALIFE:**

**GRANTEE:**

HERBALIFE FAMILY FOUNDATION  
a California nonprofit public benefit corporation

Dětské centrum Zlín, příspěvková organizace,  
a charitable organization as recognized by Czech Republic

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

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

Name: Jenny Perez

Name: \_\_\_\_\_

Title: Director, HFF

Title: \_\_\_\_\_

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

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

Schedule A

- 1) **Grantee Organization** ..... : Dětské centrum Zlín, příspěvková organizace
- 2) **Grant Number** ..... : 1104
- 3) **Grant Amount** ..... : US\$10,000.00
- 4) **Grant Period** ..... : 9/1/2017 to 4/30/2018
- 5) **Grant Type** ..... : Casa Herbalife
- 6) **Annual or Supplemental** ..... : Annual Funding
- 7) **Mid-Year Report Due Date** ..... : *(No Mid-Year Report Due)*
- 8) **Final Report Due Date** ..... : 5/31/2018
- 9) **Composition of Grant Funds** ..... : HFF Regional (100%)
- 10) **Project Title** ..... : Nutrition for Children
- 11) **Project Description** ..... : Grantee shall use funds consistent with providing nutrition to children.
- 12) **Project Budget** ..... :

<b>Type of Support</b>	<b>%</b>	<b>US \$</b>
Food Subsidy	95%	\$ 9,500.00
General Operating	5%	\$ 500.00
<b>Total, Approved Amount</b>	<b>100%</b>	<b>\$ 10,000.00</b>

HFF only covers budget items related to children's nutrition. Part of this request is for Sports Activities, Clothes and Equipment. HFF agrees to fund Food Subsidy, and General Operating. HFF does not agree to fund Other items.

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Updated Type of Support, based on the Project Description and Project Budget, to the following before & after percentages: Food Subsidy (70 to 95%), Kitchen Renovations (10 to 0%), General Operating (0 to 5%), and Other (20 to 0%).