Amended Grant Agreement for Grant Issues May 25th, 2012

June 7th, 2013

Ms. Lora VanRenselaar
Gunnison Valley Animal Welfare League
P. O. Box 1834
Gunnison, CO 81230

Dear Ms. VanRenselaar,

Thank you for taking to time to come and meet with Katie and myself at our offices. In regard to your request for an extension to the $50,000 capital grant which was awarded to you on May 25th, 2012 (Appendix A), it is my pleasure to inform you that the Board of Directors of the Animal Assistance Foundation (the "Foundation") has approved your request for an extension along with the modified scope of the project. However, the grant is conditional upon meeting the following terms and conditions:

1. Extension will be until September 30th, 2013
2. 80% ($360,000) of the total project costs ($450,000) have been raised
3. The County has contributed at least $100,000, additional from the land, to the project
4. Any lease payments associated with land can not exceed $1 annually
5. All service contracts and agreements between GVAWL and the city and county are documented in writing and are deemed fair and reasonable by AAF
6. Construction will start by no later than January 31st, 2014

Payment will be made following confirmation that the above terms and conditions have been met.

The grant extension to Gunnison Valley Animal Welfare League ("Grantee") is summarized as follows:

Date the Foundation Approved Funding:	June 7th, 2013
For the Foundation's Fiscal Year:	2014
Purpose of Grant:	Capital Campaign for New Shelter
Amount:	$50,000
Extension Deadline:	September 30th, 2013

Because your organization is described in section 170(b)(1)(A)(vi); 501(c)(3) of the Internal Revenue Code and dependent upon continual support from the general public for classification as a public charity, the Foundation has been advised by counsel to submit to you a grant agreement to assure compliance with the Internal Revenue Code.

This letter serves as our grant agreement and assures compliance with the Internal Revenue Code. Its approval by an authorized agent of the Gunnison Valley Animal Welfare League is necessary for the grant transactions. Please confirm the following:

(1) All of the grant funds are to be used for, and only for, general support of this restricted grant program. Use of any portion of the grant funds, including any interest earned thereon, for any other purpose must have the prior written approval of the Foundation.

(2) Grantee agrees to furnish scheduled written reports on the use of the grant which must include an update on the baseline measurements identified in grant application (whether measurements have improved, worsened or remained static). Reports must be provided on the following basis:

- Successful completion of each of the listed requirements for this extension
- Update at the time of ground breaking
- Final report upon the completion of the project

(3) Grantee agrees to keep its financial and other records so that they adequately show the use of the grant funds exclusively for the grant's purpose.

(4) Grantee assures the Foundation it is not classified by the IRS as a Type III Supporting Organization, that the grant will not cause Grantee to lose its status as a public charity as described in section 170(b)(1)(A)(vi); 501(c)(3) of the Internal Revenue Code, that its determination letters from the Internal Revenue Service that Grantee is a public charity are still valid and have not been revoked, and that Grantee will maintain copies of its annual information returns, Form 990, as required by the IRS Code.

(5) Grantee agrees to recognize AAF for this contribution in written and broadcast media in ways appropriate for this level of contribution and general acknowledgment with other funders.

(6) Grantee agrees to utilize the highest standard in analgesia anesthesia and surgical protocols. By signing this letter you confirm that you endeavor to adhere to the standards of care for anesthesia as outlined in the AAHA Anesthesia Guidelines for Dogs and Cats and for pain management as outlined in the AAHA/AAFP Pain Management Guidelines for Dogs & Cats. If your protocol for analgesia anesthesia or pain management varies from these guidelines, please provide a response outlining any alternative protocol employed by your clinic.

(7) Please note that AAF ascribes to the Asilomar Accords preferring terminology that is clear, positive in tone, and builds understanding between shelters and with the public such as "open" and "limited admission" (as opposed to "no kill"). We strongly encourage our grantees to also ascribe to these accords and do have an expectation that the organization can show demonstrated progress toward these principles.

(8) Grantee agrees that the use of choke, prong or shock collars will be strictly prohibited within the facility and that any behavior programs will adhere to a positive reinforcement philosophy.

We are pleased to have this opportunity to support your work. Your organization is doing a wonderful job of helping animals and their families. Thank you for all you are accomplishing.

Sincerely,

Roger Haston
Executive Director

Gunnison Valley Animal Welfare League hereby agrees to the terms and conditions of the grant as recited above.

By:_____ Date:_____
Authorized Signature

_____
Title

APPENDIX A: ORIGINAL GRANT AGREEMENT:

Grant Agreement With Publicly Supported Organization

May 25, 2012

Ms. Lora VanRenselaar
Gunnison Valley Animal Welfare League
P. O. Box 1834
Gunnison, CO 81230

Dear Ms. VanRenselaar,

Congratulations. It is my pleasure to inform you that the Board of Directors of the Animal Assistance Foundation (the "Foundation") has approved your request for capital funding to build a new animal shelter. The grant is conditional upon reaching the two goals outlined below. Payment will be made following confirmation that these goals have been reached:

1. 80% ($1,200,000) of total project costs ($1,500,000) have been raised
2. Construction of shelter has begun

The grant to Gunnison Valley Animal Welfare League ("Grantee") is summarized as follows:

Date the Foundation Approved Funding:	May 19, 2012
For the Foundation's Fiscal Year:	2012
Purpose of Grant:	Capital Campaign for New Shelter
Amount:	$50,000
Funding Period:	June 2012 to May 2013

New this year, is the Board's interest in increased impact as a result of the Foundation's funding. All grant awards were affected by this criteria and identification of baseline measurements. Preference was given to applications where the grant will be used to make improvements to baseline measurements.

Because your organization is described in section 170(b)(1)(A)(vi); 501(c)(3) of the Internal Revenue Code and dependent upon continual support from the general public for classification as a public charity, the Foundation has been advised by counsel to submit to you a grant agreement to assure compliance with the Internal Revenue Code.

(1) All of the grant funds are to be used for, and only for, general support of this restricted grant program. Use of any portion of the grant funds, including any interest earned thereon, for any other purpose must have the prior written approval of the Foundation.

(2) Grantee agrees to furnish scheduled written reports on the use of the grant which must include an update on the baseline measurements identified in grant application (whether

measurements have improved, worsened or remained static). Reports must be provided on the following basis:

- A six (6) month accounting of expenditures: June 2012 through November 2012, due no later than January 31 2013
- A year end accounting of expenditures: December 2012 through May 2013, due no later than June 30, 2013.

(3) Grantee agrees to keep its financial and other records so that they adequately show the use of the grant funds exclusively for the grant's purpose.

(4) Grantee assures the Foundation it is not classified by the IRS as a Type III Supporting Organization, that the grant will not cause Grantee to lose its status as a public charity as described in section 170(b)(1)(A)(vi); 501(c)(3) of the Internal Revenue Code, that its determination letters from the Internal Revenue Service that Grantee is a public charity are still valid and have not been revoked, and that Grantee will maintain copies of its annual information returns {Form 990} as required by the IRS Code.

(5) Grantee agrees to recognize AAF for this contribution in written and broadcast media in ways appropriate for this level of contribution and general acknowledgment with other funders.

Payment of the grant funds will be made after receipt of this agreement signed and dated by an appropriate officer of the organization. If you have any questions regarding the conditions of this restricted grant, please contact myself or Sarah Timms at 303-744-8396.

We are pleased to have this opportunity to support your work. Your organization is doing a wonderful job of helping animals and their families. Thank you for all you are accomplishing.

Sincerely,

David L. Gies
Executive Director

Gunnison Valley Animal Welfare League hereby agrees to the terms and conditions of the grant as recited above.

By:_____ Date:_____
Authorized Signature

_____
Title

ANIMAL ASSISTANCE
FOUNDATION