

YADKIN COUNTY, NORTH CAROLINA
NON-PROFIT GRANT AGREEMENT FY2021-2022

This Grant Agreement is made as of the 1st day of July, 2021 between the COUNTY OF YADKIN, a political subdivision of the State of North Carolina ("GRANTOR"), and YADKIN COUNTY ECONOMIC DEVELOPMENT PARTNERSHIP, a North Carolina not-for-profit corporation ("GRANTEE").

W I T N E S S E T H:

WHEREAS, The GRANTOR desires to provide funding to certain non-profit agencies for the provision of public services to Yadkin County residents; and

WHEREAS, GRANTEE has been chosen by the Yadkin County Board of County Commissioners to be a recipient of Yadkin County non-profit funding for fiscal year 2021-2022; and

NOW, THEREFORE, in consideration of the mutual recitals, promises, and covenants set forth herein, the parties hereto agree as follows:

1. Amount and Terms of Grant. The GRANTOR agrees, subject to the terms and conditions of this Agreement, to provide the GRANTEE the sum of One Hundred and One Thousand Five Hundred Dollars (\$101,500) ("Grant Funds") to provide funding for the program as described in the GRANTEE's request for funding (hereinafter the "Grant Application"), which Application is hereby incorporated into this Agreement by reference and made an integral part hereof ("Program"). The GRANTOR does not make any warranty, either express or implied, that the proceeds of the Grant Funds will be sufficient to pay all or any particular portion of the cost of the Program.

The amount of the Grant Funds has been determined by the GRANTOR in reliance upon annual expenditures, revenues and projections of the GRANTEE with respect to the Program as set forth in the Grantee's Grant Application.

2. Unconditional Obligations. The obligations of the GRANTEE to perform and observe this Grant Agreement and any other agreements on its part contained herein shall be absolute and unconditional. Until such time as all obligations of the GRANTEE provided in this Grant Agreement are met, the GRANTEE (i) shall perform and observe all of its other agreements contained in this Grant Agreement and (ii) shall observe any obligation or covenant, whether expressed or implied, or any duty, liability, obligation or covenant arising out of or connected with this Grant Agreement.

3. Program Services. The parties hereto agree that the purpose of this Grant Agreement is to provide Grant Funds to the GRANTEE to enable it to perform a public service. The GRANTEE shall perform the services set forth in the GRANTEE's Grant Application and/or Exhibit A, which are hereby deemed to be public services. Should the services change, GRANTEE shall first seek approval from the Board of County Commissioners through the County Manager. None of the Grant Funds authorized hereby may be used for any purpose not specifically determined to be a public service, and in no circumstances may they be used except in accordance with the requirements of Paragraph 4, below.

4. Use of Grant funds. The GRANTEE shall expend GRANTOR Grant Funds only for the performance of the services or functions as approved by the GRANTOR. For

purposes of this Grant Agreement, allowable expenses shall NOT include the following:

- Bad debts
- Contingencies
- Contributions and donations
- Entertainment costs
- Fines and penalties
- Interest and other financial costs
- Legislative expenses

5. Term of Grant Agreement. The term of this Grant Agreement shall begin on the date first written above and, unless sooner terminated as provided herein, shall expire on June 30, 2022 or upon compliance with all of the provisions of this Grant Agreement, whichever shall occur last.

6. Payment. Unless otherwise first approved in writing by the GRANTOR's Finance Officer, GRANTOR shall make monthly reimbursement payments to the GRANTEE, issuing a check within five (5) business days of the receipt of the report. The GRANTOR, in its sole discretion, may delay or cancel such payments for failure by the GRANTEE to comply with any of the provisions of this Grant Agreement.

7. Payments Do Not Constitute a Waiver. No payment of Grant Funds hereunder shall constitute a waiver of any of the conditions of the GRANTOR's obligation to make further payments nor, in the event the GRANTEE is unable to satisfy any condition required hereunder, shall any such payment have the effect of precluding the GRANTOR from thereafter declaring such inability to satisfy to be a breach of this Grant Agreement.

8. Financial Recordkeeping. The GRANTEE, at GRANTEE's sole expense, shall account to the satisfaction of the GRANTOR's Finance Officer for all Grant Funds received from the GRANTOR under this Grant Agreement and all expenditures made from Grant Funds.

Such accounting shall be in a form prescribed by the Finance Officer, and shall include a report on an audit of all Grant Funds (including the management letter, if issued) performed by a person or firm approved by the Finance Officer (except that any Certified Public Accountant or any Certified Public Accounting firm licensed to operate in North Carolina shall be deemed automatically approved by the Finance Officer). Grantee shall also provide the Finance Officer with semi-annual financial statements on or before August 15 and January 28. The GRANTEE shall provide such other information, records or documentation as the Finance Officer may require. Non-compliance with this section shall be deemed a material breach of this Grant Agreement.

GRANTEE shall submit the audit report, management letter and semi-annual financial statements to:

Yadkin County Finance Officer
PO Box 220
Yadkinville, NC 27055

Additionally, the GRANTEE shall allow the GRANTOR's Finance Officer or their designee access to the records and information required hereunder and shall facilitate a review of the accounting and program operations as may be required. The GRANTOR shall have the right to do site visits within one (1) week of request to do so.

GRANTEE shall retain financial and program records for a minimum period of three (3) years following the expiration or earlier termination of this Grant Agreement.

9. Warranties of GRANTOR. GRANTOR warrants and represents that it is a political subdivision of the State of North Carolina and that it has duly authorized the execution and delivery of this Grant Agreement. The GRANTOR further warrants and covenants the GRANTOR will at all times faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions contained in this Grant Agreement and in all proceedings of the GRANTOR pertaining to this Grant Agreement.

10. Warranties of the GRANTEE: The GRANTEE hereby makes the following warranties and representations to induce the GRANTOR to enter into this Grant Agreement:

- a. GRANTEE is a North Carolina not-for-profit corporation duly organized and existing under and by virtue of the laws of the State of North Carolina ("State"); and
- b. GRANTEE is not in violation of any provision of its articles of incorporation or any laws of the State relevant to the transactions contemplated by this Grant Agreement; and
- c. GRANTEE has full power and authority to execute and deliver this Grant Agreement and to carry out the Programs and obligations provided for herein. The execution and delivery of this Grant Agreement has by proper action been duly authorized by the GRANTEE and all actions necessary have been taken to constitute this Grant Agreement when executed and delivered by the respective parties thereto, valid and binding obligations of the GRANTEE; and
- d. The execution, delivery and performance by the GRANTEE of this Grant Agreement and the consummation of the Programs and obligations contemplated hereby will not violate any provision of law or regulation applicable to the GRANTEE, or of any writ or decree of any court or governmental authority, or of the articles of incorporation and by-laws of the GRANTEE, or of any mortgage, indenture contract, agreement or other undertaking to which the GRANTEE is a party or which purports to be binding upon the GRANTEE or upon any of its assets; and
- e. GRANTEE shall do or cause to be done all things necessary to preserve, maintain and keep in full force and effect its legal existence and comply with all laws applicable to it so long as it remains obligated to the GRANTOR under this Grant Agreement; and
- f. All information in the GRANTEE's Grant Application or otherwise given by the GRANTEE to the GRANTOR, is and shall be true and correct. GRANTEE has not and shall not hereafter neglect to inform the GRANTOR of any material information pertaining to the Program described in GRANTEE's Grant Application; and

15. Repayment of Funds. GRANTEE shall repay to the GRANTOR the **full** amount of any Grant Funds lost, misapplied, or inadequately accounted for in violation of this Grant Agreement.

16. Indemnification. To the fullest extent permitted by laws and regulations, the GRANTEE shall indemnify and hold harmless the GRANTOR and its officials, agents and employees from and against all claims, damages, losses, and expenses, direct, indirect, or consequential (including, but not limited to fees and charges of attorneys and other professionals and costs related to court action or arbitration) arising out of or resulting from the performance of this Grant Agreement or the actions of the GRANTEE or its officials, employees, or contractors under this Grant Agreement or under the contracts entered into by the GRANTEE in connection with this Grant Agreement. This indemnification shall survive the termination of this Grant Agreement.

17. Governing Law. This Grant Agreement shall be governed by and in accordance with the laws of the State of North Carolina. All actions relating in any way to this Grant Agreement shall be brought in the General Court of Justice in the County of Yadkin and the State of North Carolina.

18. Special Conditions. GRANTEE shall meet any special conditions, which are attached hereto and incorporated herein.

19. Equal Employment Opportunity. GRANTEE shall not discriminate against any employee or applicant for employment because of age, sex, race, creed, national origin, or disability. GRANTEE shall take affirmative action to ensure that its employees are treated fairly and legally during employment with regard to their age, sex, race, creed, national origin, or disability. In the event GRANTEE is determined by the final order of an appropriate agency or court to be in violation of any non-discrimination provision of federal, state or local law or this provision, this Grant Agreement may be canceled, terminated or suspended in whole or in part by GRANTOR, and GRANTEE may be declared ineligible for further GRANTOR Grant Funds.

20. Termination. GRANTOR may terminate this Grant Agreement at any time by giving ten (10) days written notice of termination to the GRANTEE. If termination is for convenience and not due to a material breach of this Grant Agreement by the GRANTEE, then the GRANTOR shall pay to the GRANTEE a pro rata share of the Grant Funds for the authorized monthly expenditures incurred, if any, by the GRANTEE in accordance with this Grant Agreement prior to such termination. If termination is due to a material breach of this Grant Agreement by GRANTEE, then no pro rata share of Grant Funds shall be due.

Termination of this Grant Agreement, either with or without cause, shall not form the basis of any claim for loss of anticipated profits by either party.

21. Assignment. GRANTEE may not assign, transfer or delegate any of its duties, obligations or responsibilities under this Grant Agreement without the prior written consent of the GRANTOR.

22. Waiver. No action or failure to act by the GRANTOR or GRANTEE shall constitute an obligation or duty afforded them under this Grant Agreement, nor shall such action or failure to act constitute approval of or acquiescence in a breach hereunder, except as may be specifically agreed to in writing by the non-breaching party.

23. Exercise of Functions. Nothing contained in this Grant Agreement shall in any way stop, limit or impair the GRANTOR from exercising or performing any regulatory, policing or other governmental functions.

24. **No Partnership.** Nothing in this Grant Agreement is intended or shall be considered to create a joint venture or partnership between the GRANTOR and the GRANTEE not be interpreted

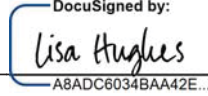
to deem either the agent of the other or to make the GRANTOR in any way responsible for the duties, responsibilities, obligations, liabilities, debts, or losses of the GRANTEE.

25. Whole Agreement. This Grant Agreement, including the GRANTEE'S Grant Application, shall be the whole agreement between the GRANTOR and the GRANTEE with respect to the matters set forth herein and the Grant Funds.

27. Headings. All headings that appear after paragraph numbers in this Grant Agreement are included for convenience only and shall not affect the meaning or interpretation of any of the provisions of the Grant Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives, the day and year first above written.

YADKIN COUNTY, a body politic and
Corporate of the State of North Carolina

By:  _____
Name: Lisa Hughes
Title: County Manager

GRANTEE

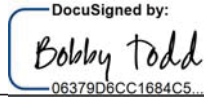
By:  _____
Name: Bobby Todd
Title: President

EXHIBIT A

Yadkin County Government shall provide \$25,000 immediately for funding of current and future economic development projects, and \$76,500 reimbursable operational funding to be disbursed in twelve equal installments of \$6,375 after the receipt of a monthly report of prior month activities. The monthly report shall include budget updates and activity reports. Reimbursement will occur within five (5) business days of the Grantor receiving the report.