

22/2/05

**Grant Agreement
Between
The Partnership for Transparency Fund
and
Grupo Civico Etica y Transparencia Nicaragua**

1. Grupo Civico Etica y Transparencia Nicaragua (ET) has requested financial support of the Partnership for Transparency Fund (PTF) for its proposal to mount a nine months' special Masters level training program in investigative journalism for 25 active journalists.

2. ET has submitted the attached (a) Project Proposal, on 25 January 2005, (b) responses to PTF queries dated 31 January and 8 February 2005.

3. On the basis of this information, PTF has approved a grant of US\$25,300 to be disbursed in three tranches of \$11,000, \$11,000 and \$3,300,000 for the purposes spelled out in the attached documents. The uses of the PTF funds will be for the budget items listed in the attached Project Proposal.

4. The PTF Grant will be made available to ET on the following conditions:

- (a) The grant will be used only for the purposes described in the attached Project Proposal. Any material changes in the use of project funds or project design shall be made only with the agreement of the PTF.
- (b) Any funds remaining at the end of the project shall be returned by ET to the PTF.
- (c) ET shall keep a record of all expenditures incurred under the project and will provide PTF a full certified accounting of these expenditures, with relevant documentation, on completion of the project, or no later than April 30, 2006. These expenditures will also be subject to the regular auditing requirements of ET.
- (d) ET will make brief quarterly reports on the implementation of the project accompanied by a statement of expenditure showing the use of PTF funds and, on project completion, a full detailed final report summarising the implementation of the project and assessing its impact on reducing corruption in Nicaragua and a certified final itemised statement of expenditure.

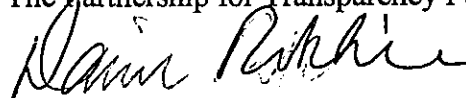
5. ET will be responsible for securing all necessary government approvals of the grant, if any, and any necessary government filings. ET will be responsible for paying any tax liability arising from the grant.

6. The PTF will disburse the first tranche of US\$11,000 on the signature of this grant agreement; the second tranche of US\$11,000 will be disbursed once the course is ongoing and PTF receives from ET a certified statement of expenditure showing the itemised use made of the first tranche funds accompanied by a brief report on progress made in the implementation of the project satisfactory to PTF; the third tranche of US\$3,500 will be disbursed on receipt of a final completion report together with a certified itemised statement of expenditures.

7. The signed copy of the Grant Agreement and the request for the second and third tranche releases may be faxed to the Secretary of the PTF at 1-202-522-2653. The original copy of the Grant Agreement should be mailed to Daniel Ritchie, Secretary, PTF, at 1100 New Hampshire Ave., NW, Washington DC 20037-1501 USA.

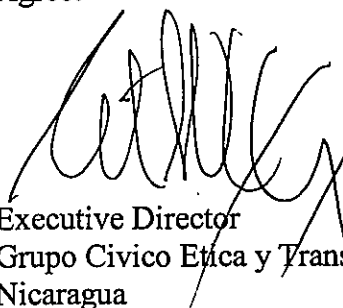
Dated: 3/30/05

For
The Partnership for Transparency Fund

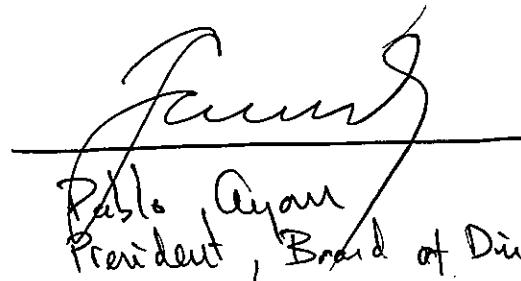


Daniel Ritchie
Secretary

Agreed



Executive Director
Grupo Civico Etica y Transparencia
Nicaragua



Pablo Ayon
President, Board of Directors

Date: 02/22/05

Date 02/10/05

Attachment 1 – Project Proposal and Budget dated 24 January 2005

Attachment 2 – ET Emails to PTF dated 31 January and 8 February 2005