GRANT AGREEMENT
Zefat Academic College

GRANT AMOUNT: The Mandell L. and Madeleine H. Berman Foundation (the Foundation) agrees to a grant totaling $50,600 to Zefat Academic College (the Agency), with the understanding and agreement of the points described below.

GRANT PERIOD: The grant period of one year, effective October 1, 2012.

PURPOSE: The purpose of this grant is to provide funding for scholarships for 21 Arab students (18 in nursing and physiotherapy and 3 in medical laboratory sciences @ $1,600 per student or $33,600 total), and student mentors, professional tutors and employment training ($17,000).

STIPULATIONS: This grant is presented on the assumption that the objectives described in the grant proposal can and will be accomplished within the grant period. If delays in accomplishing the objectives are experienced or expected, the Foundation shall be notified immediately.

In addition, the Agency agrees:

1. To ensure that all grant-funded activities are strictly nonpartisan and do not consist of participating in political campaigns or campaigns for public office.

2. To use the grant funds solely for the purposes of the specific project as described above. Any significant changes in the purposes for which grant funds are spent must be approved in writing by the Foundation before implementation.

3. To return any portion of the funds granted which are not used solely for the purpose of the grant stated above.

4. To maintain its books to show these grant funds separately. All expenditures made in furtherance of the purposes of the grant shall be charged off against the grant and shall appear on those books. The Agency shall keep adequate records to substantiate such expenditures. The Agency shall make such books and records available to the Foundation at reasonable times for review and audit, if requested by the Foundation.

5. To acknowledge the Foundation in any public releases, credits or publications that mention the project funded, and to send copies of them to the Foundation. Grantees are asked to clear written statements about the Foundation with the Foundation before publication.

6. To notify the Foundation immediately if the Internal Revenue Service proposes to revoke or alter the grantee's tax exempt status, which under I.R.S. tax classification is currently described under the Tax Code sections 501(c)(3) and/or 509(a)(1),(2), or (3).

PAYMENTS: Financial fulfillment of this grant shall be made in one payment of $50,600 during the month of October 2012, subject to receipt of a signed agreement by the Foundation and an interim report.

REPORTS: The interim report, due November 30, 2012, should list scholarship recipients and discuss how ZAC plans to measure the success of the Berman scholarship initiative over time. The final report, due August 2013, should evaluate the year's projects, based on a methodology defined in the interim report, summarize the achievements of the scholarship recipients, convey information about employment of recipients who have graduated (if available) and state plans and anticipated funding needs for the program for the 2013-14 year.

In the event that the Foundation determines, in its sole discretion, that the Agency has breached or failed to carry out any material provision of this Agreement, the Foundation may, in addition to any other legal

remedies it may have, including the termination of this Agreement, refuse to make any further grant payments to the Agency, and the Foundation may demand in writing return of all or part of the unexpended grant funds, which the Agency shall immediately repay to the Foundation. The amount of such unexpended grant funds to be repaid to the Foundation shall not include funds needed to meet obligations incurred by the Agency to third parties, in good faith, for the purposes of the specific project described above, prior to the Agency's receipt of the Foundation's written demand for repayment.

Finally, this agreement in its entirety between the parties hereto supersedes prior discussion or agreements that may have existed between the parties and may be modified only in writing and signed by both parties.

Mandell L. Berman, Trustee — Date

Sarai Brachman Shoup, Director — Date August 22, 2012

Shmuel Har-Noy — Date 8/8/2012

Signature of Responsible Officer
Tzfat Academic College

Print name and title
Yehuda Oz — 8/8/2012