

The A. D. Henderson Foundation, Inc.

May 1, 2013

Re: Confidentiality Agreement

Dear Trustees, Fellows, and Staff:

After several years, we have recognized that the existing confidentiality policy should be updated and clarified. We want a clear statement of the need for, and expectation of, confidentiality surrounding the activities of the Foundation and its Trustees, Fellows, and Staff. There are, of course, certain information disclosures mandated by the federal tax laws, and there is other information that we want our grantee communities to have, both to promote better grant applications and to discourage irrelevant grant applications. But the "inner workings" of the Foundation are best kept confidential, in order that we can function without external interference or unwarranted criticism.

Therefore, the Board of Trustees has adopted the following policies for application to all Trustees, Fellows, and Staff of the Foundation:

1. Public Disclosure Requirements. The Foundation will comply with the public information disclosure requirements imposed by the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future federal internal revenue laws), the Treasury Regulations, and the corresponding laws of any state in which the Foundation is required to file annual reports, as directed by legal counsel and as supervised by the President.

2. General Information. The Foundation makes available, through its website, general information about its mission, objectives, and grant procedures. Any staff member, Fellow, or Trustee may otherwise convey this general information about the Foundation.

3. Grant Application and Agreement. Upon request, the Foundation will furnish copies of its grant application and/or grant agreement to any potentially appropriate grant applicant. If a party making a request for these documents is from the media, from a research organization, or from some organization other than a legitimate potential grant applicant, that person will be referred to the President for discussion of that person's need for the materials, and the President can make a judgment as to the benefit or detriment to the Foundation of providing these materials. Only the President, with the advice of outside counsel and/or the Trustees, may respond to such a request for information.

4. Financial Data. Specific financial information regarding the Foundation, including details regarding its investment assets, its financial analyses, and the grants it has made, that is otherwise not publicly available (such as through the IRS Form 990-PF or on the Foundation's website) will not be furnished to any outside party, including family members, friends or associates of a Trustee, Member, Fellow, or staff member. Specific financial information, however, may be provided to (i) the Foundation's lawyers, accountants, investment advisors or other advisors who have reason to use the information, (ii) duly-authorized governmental officials who make a demand for the materials (but with documents to be provided only after consultation with legal counsel for the Foundation), and (iii) governmental or non-

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governmental organizations which compile information concerning philanthropic support of public needs and which request compilations or analyses of the Foundation's historical grant-making activities. All such requests for specific financial information should be forwarded to the Secretary of the Foundation so that he or she can supervise all responses.

5. Internal Deliberations. Except for those situations described in clauses (a) through (f) below, no Trustee, Fellow, or staff member, other than the President, Secretary, or Program Director of the Foundation, will discuss or communicate in writing, by e-mail, or otherwise, with any media representative, governmental official, representative of another foundation or charity, grantee, potential grantee, or other outside party, including family members, friends, or associates of Trustees, Fellows, or staff members, regarding any internal Foundation deliberations, discussions, or decisions about its operations, investments, policies, or procedures, or about grants it has made, or reviewed and denied. The exceptions are:

(a) Trustees, Fellows, or staff members may communicate with the Foundation's lawyers, accountants, investment advisors, or other advisors who have reason to use the information;

(b) To aid in their analysis of a grant proposal, Trustees, Fellows, or staff members may communicate in general terms with colleagues, friends, or family about a grant request, provided no disparaging comments are made about the grant request or the potential grantee that would have the potential to harm the reputation of the potential grantee, and provided further that internal Foundation deliberations, in which the attitude, integrity, capability, effectiveness, creativity, or similar performance indicators of any grantee or potential grantee are questioned, are not shared;

(c) Trustees, Fellows, or staff members may communicate in general terms with grant applicants about the criteria considered by the Foundation and the types of grant requests favored by the Foundation, provided no specific details about internal Foundation deliberations, discussions, or decisions are shared;

(d) Trustees, Fellows, or staff members may discuss the mission, interests, and funding priorities of the Foundation with grantees or potential grantees, as well as issues of concern the Foundation has regarding the specific grant application of a potential grantee, in order to improve the grant process, so long as no specific details about internal Foundation deliberations, discussions, or decisions are shared;

(e) After the approval or denial of a grant, Trustees, Fellows, or staff members may communicate in general terms with representatives of the grantee or grant applicant concerning the reasons the grant was made to, or denied for, that organization, provided specifics of the internal Foundation deliberations, discussions, or decisions are not provided, and no specific comments, whether disparaging or complimentary, are made about any Trustees, Fellows, or staff members involved in such deliberations. By way of illustration, when a grant is denied, it may be communicated to the grant applicant that (i) the Foundation's resources are limited and it does not have the ability to fund all proposals, or (ii) the program or project for which the grant was requested is not a current priority of the Foundation.

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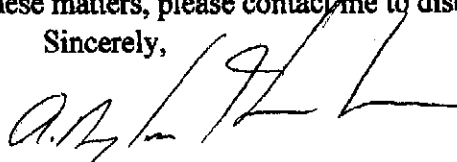
(f) After the approval or denial of a grant, Trustees, Fellows, or staff members may discuss with colleagues, friends, or family the fact that the grant was approved or denied. Such discussions must remain general, however, and no disparaging comments about the grant request or the potential grantee that would have the potential to harm the reputation of the potential grantee may be made. In addition, Trustees, Fellows, or staff members must not discuss any internal Foundation deliberations, in which the attitude, integrity, capability, effectiveness, creativity or similar performance indicators of any grantee or potential grantee were questioned. By way of illustration, when a grant is denied, it may be communicated that (i) the program or project for which the grant was requested is not a current priority of the Foundation, or (ii) the Trustees were not convinced that the proposed program or project was the best solution for the identified problem.

(g) Those Trustees, Fellows, or staff members who are asked by the President to do so, may discuss such matters with various organizations helpful or potentially helpful to the Foundation, such as the Southeastern Council of Foundations or donors' organizations in Florida or Vermont.

Although the Foundation is not a business organization, the information and materials described above are considered business records of the Foundation and, as such, are to be kept confidential, even after one ceases to be a Trustee, Fellow, or staff member of the Foundation. A violation of these policies constitutes grounds for demotion or termination of employment for staff members or for removal as a Trustee or Fellow of the Foundation.

If you have any questions about these matters, please contact me to discuss them further.

Sincerely,



A. Douglas Henderson
President

IN WITNESS WHEREOF, the undersigned hereby agrees to comply with the Foundation's confidentiality policy as stated above:

Signature

Title

Date

The A.D. Henderson Foundation, Inc.

REVISION HISTORY:

Revision	Discussion	Meeting Type	Date
3	Added Program Director to Internal Deliberations	Board Meeting	05/2013
2	Reviewed Revisions & Executed	Annual Meeting	10/2011
1	Resolutions & Amendments – Remove B. Oberfest	Trustee Exec. Session	01/2008
Created	Creation of Confidentiality Agreement	Board of Trustees	01/2005