То	≜ Person ≜ Person
Cc	≗ Person
Bcc	≗ Person
Subject	[Copy for Grantee to update and send directly to Grant Project Officer]

Dear X -

We received your termination notice on [Date], [if applicable - which was rescinded several hours later, making our grant still active]. The termination provision in our grant agreement generally states that termination is only permitted ["when the noncompliance with the terms and conditions is substantial such that effective performance of the Assistance Agreement is materially impaired" or when "there is adequate evidence of waste, fraud, or abuse, prompting adverse action by [federal agency]." As of now, neither situation is applicable. Indeed, EPA has not identified any non-compliance or requested that [organization] take action to cure any deficiencies in its agreement performance.]

The termination letter states that the EPA [or other federal agency] has proposed terminating our grant because it provides funding for programs that promote or take part in DEI initiatives or environmental justice initiatives," pursuant to the termination provision in Executive Order 14151 which directs "each agency, department, or commission head. . . terminate, to the maximum extent allowed by law, all . . . "equity-related" grants or contracts." (Exec. Order No. 14151, Ending Radical and Wasteful Government DEI Programs and Preferencing, January 20, 2025, 90 Fed. Reg. 8339, 8339, Section 2(b)(i). ("Exec Order J20 DEI Termination Provision.")

On Friday, February 21, 2025, Judge Abelson issued a Preliminary Injunction preventing the federal government from terminating grants based on DEI policy grounds and found that the Exec Order J20 DEI was likely unconstitutional. The court said: "Plaintiffs have shown that the specific Challenged Provisions infringe on core constitutional protections, and that the status quo must be maintained while Plaintiffs and the government litigate the claims asserted in this case." (National Association of Diversity Officers in Higher Education, et.al v Donald J. Trump, <u>Memorandum & Preliminary Injunction</u>, February 21, 2025). This preliminary injunction holds despite the Government's appeal, as no ruling has been made on that appeal. This Preliminary Injunction has been <u>expanded by the judge</u> to apply to **all federal agencies** during the pendency of this litigation, including [reference federal agency]

Terminating the grant without proper basis and in a manner inconsistent with the termination provisions in the agreement amounts to a breach of contract. [If applicable - Because our grant is structured on a reimbursement basis, a delay of more than 30 days when we are in compliance with the terms and conditions of our grant agreement violates 2 CFR 200.305(b).] As well, the actions taken to terminate our contract constitute a violation of the Impoundment Control Act, since the Executive Branch does not have unilateral authority to withhold legally obligated funds for policy reasons. [If you feel comfortable, add: Accordingly, we respectfully request that [name federal agency] promptly rescind the termination notice and reinstate our grant, to provide X and X (pull from agreement language). To the extent that [federal agency] is unwilling to take such action, we intend to pursue all legal and administrative remedies available to us, including but not limited to use of [federal agency's] dispute resolution provisions and/or pursuing a breach-of-contract action in the Court of Federal Claims for monetary damages.]

We want to continue to make progress towards achievement of key policy goals associated with the Trump Administration and the Unleashing American Energy Executive Order, including the following: [List what is appropriate: the "leading producer and processor of non-fuel minerals, including rare earth minerals"; "ensuring that an abundant supply of reliable energy is readily accessible in every State and territory"; prioritizing "cost-effectiveness"; reducing energy costs; and creating "jobs and prosperity at home." In addition, our grant would further support the Trump-Vance Stated Priorities by helping to reduce the cost of living for low income Americans and building critical infrastructure. As such, we hope and expect that our grant will be reinstated as soon as possible.

If you are unable to rescind the termination letter, we would request that you respond back explaining clearly how [the agency's] actions do not violate Judge Abelson's order.

Best,

X

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