THE ANDREW W. MELLON FOUNDATION

140 EAST 621 STREET

NEW YORK, N.Y. 10021

(212) 838-8400

OFFICE OF THE GENERAL COUNSEL AND SECRETARY

April 9, 2007

David Naylor, President University of Toronto Simcoe Hall, Room 206 27 King's College Circle Toronto, Ontario M5S 1A1 Canada

Dear President Naylor:

In response to your acceptance of the terms of the Foundation's grant to the University of Toronto to support the Flexible User Interface Design project (FLUID), as set forth in Don M. Randel's letter of March 23, 2007 and the intellectual property agreement executed on April 2, 2007, I am pleased to forward the Foundation's initial payment in the amount of \$1,213,900, which, in combination with interest earned on the declining balance, is intended to be used for costs of the project.

We expect to make an additional payment of \$1,286,100 in April 2008 upon receipt of reports showing satisfactory progress toward the stated objectives at the conclusion of the first year of the project.

With best wishes,

M. dul 1. War

Michele S. Warman

Enclosure Check - \$1,213,900

cc: Vivek Goel Jutta Treviranus Pekka Sinervo Safwat Zaky

IHF/hjp