

Am I Obligated In Any Way If I Receive An Award?

No. The recipient of a scholarship may select any accredited college or school and pursue any full-time course of study. The scholarships will run for a customary four years covering the undergraduate level, provided the recipient maintains satisfactory academic and personal standards.

What Are My Responsibilities?

You are solely responsible for applying for admission to a school or college, meeting the entrance requirements, and gaining admission to the school or college. You are also responsible for gathering and submitting to Scholarship America the information necessary for selecting Donaldson Company, Inc. scholarship recipients.

If you receive a scholarship, you must enter school or college no later than the fall term of the year of the award.

Exceptions to these conditions must be requested in writing to Scholarship America for review.

The preceding is a brief statement of the general conditions and procedures under which the scholarships are awarded. All conditions and procedures, however, including suspension or discontinuance of this scholarship program, will be determined from time to time by Donaldson Company, Inc.

To Donaldson Employees:

We are particularly pleased to provide this Scholarship Program for your children.

It is a very special program in that it covers any form of accredited post-secondary education. Your children may study nursing, auto mechanics, or any other trade or profession, as well as the more commonly covered university careers.

Under the U.S. Internal Revenue Service regulations covering sponsored scholarship programs such as this, scholarship recipients must be selected impartially. This means that not every applicant will or can be a recipient. There will, however, be a number of awards making it most worthwhile for your eligible children to apply.

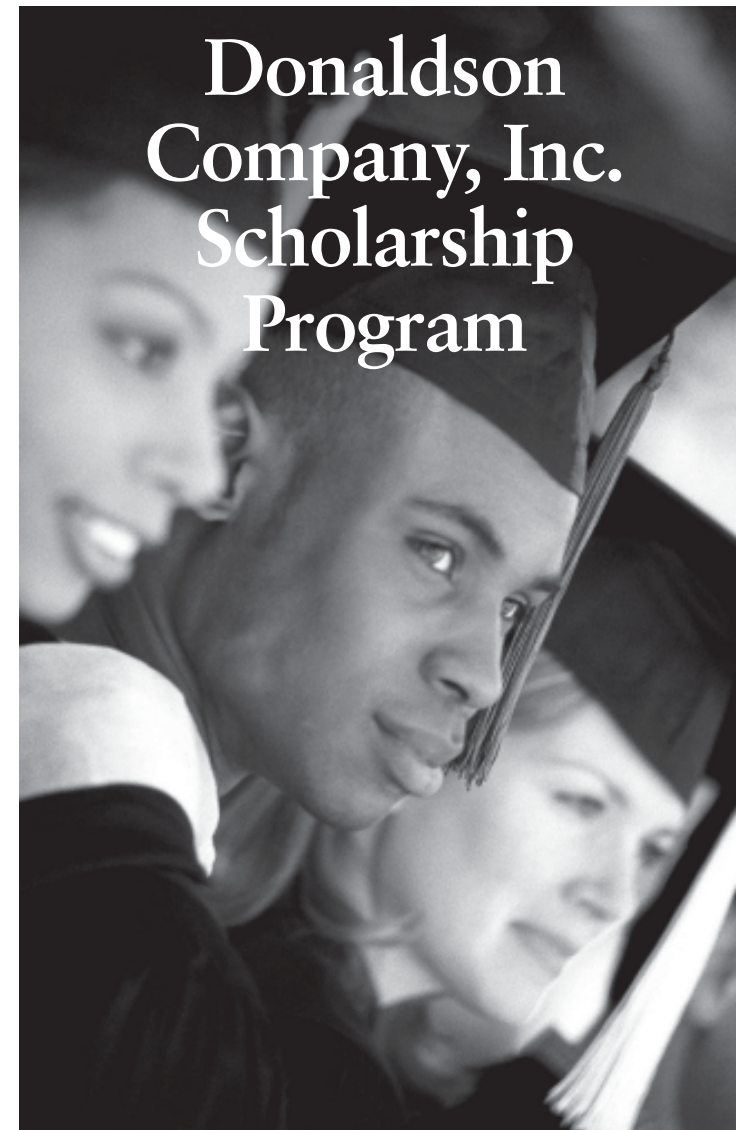
It is a pleasure to make this scholarship program available to you.

Sincerely,



Bill Cook
Chairman

Donaldson Company, Inc.
Minneapolis, MN 55440-1299



Scholarship Program

Donaldson Company, Inc. scholarships are awarded without reference to race, creed, color, age, gender, religion, disability, or national origin.

Donaldson Company, Inc. established its scholarship program in the fall of 1977. The program is administered by Scholarship Management Services, a department of Scholarship America, One Scholarship Way, P.O. Box 297, Saint Peter, MN 56082, telephone (507) 931-1682. Questions should be addressed to the Donaldson Company, Inc. Scholarship Program at the address listed above.

Who Is Eligible?

To be eligible to compete for an award, you must be:

- a dependent child (including an adopted or stepchild) of an active, U.S. employee who has at least one year of continuous and active service with Donaldson Company, Inc. prior to the date of the scholarship application or a dependent child (including an adopted or stepchild) of a retired (normal retirement as determined by the Committee and someone over the age of 55) U.S. employee with 10 or more years of continuous and active service with Donaldson Company, Inc. prior to the date of the scholarship application, and
- a high school senior or graduate who plans to enroll, or who is already enrolled, in a full-time undergraduate course of study at an accredited two- or four-year college, university or vocational/technical school.

How May I Apply?

You must complete and submit the attached scholarship application and mail it along with a current complete transcript of grades to Scholarship America postmarked no later than March 15.

How Are Recipients Selected?

The Donaldson Company, Inc. Scholarship Program is administered by Scholarship America. Scholarship recipients are selected on the basis of academic record, potential to succeed, leadership and participation in school and community activities, honors, work experience, a statement of educational and career goals, and an outside appraisal. Financial need is assessed to determine the award amount. Recipients who do not meet the financial need criteria or that choose not to supply the requested financial information will be eligible to receive a scholarship at the minimum award amount.

Applications for the next scholastic year will be accepted until postmark March 15 of the same calendar year. All applicants will be notified by May.

Final selection of the scholarship recipients will be made by Scholarship America. No employee of Donaldson Company, Inc. is involved in the selection of the recipients.

The number of scholarships awarded will be based on Scholarship America selection procedure and the funds made available by Donaldson Company, Inc.



How Much Is the Award?

Under the Donaldson Company, Inc. Scholarship Program, the amount of an award is based on the financial need of the applicant and can range from \$1,000 to \$3,000 for tuition and academic fees for each year of full-time study in any post-secondary education program.

Awards may be renewed for up to three additional years or until a bachelor's degree is earned, whichever occurs first. Renewal is contingent upon satisfactory academic performance in a full-time course of study and continuation of the program by Donaldson Company, Inc. Awards will be granted for undergraduate study only.

How Are Awards Paid?

The Donaldson Company, Inc. scholarship payments are processed by Scholarship America in two equal installments on August 15 and December 30. Checks will be mailed to each recipient's home address and will be made payable to the school for the student's account.

What Are the Requirements For the Continuation of the Award?

You will receive a short renewal form from Scholarship America with your December check. You must complete and submit the form to Scholarship America postmarked no later than February 1.