

EXHIBIT C— GENERAL CONDITIONS FOR UNIVERSITY OF CALIFORNIA (UC), 2014/2015 GRANT

AMENDMENT: No amendment or variation of the terms of this Grant shall be valid unless made in writing, signed by the parties, and approved as required.

APPROVAL: The Grantee will not proceed with any work on the Project until authorized in writing by the Department. Such authorization will be transmitted via U.S. Certified Return Receipt Mail, Federal Express Overnight delivery, or equivalent.

ASSIGNMENT: This grant is not assignable by the Grantee, either in whole or in part, without the written consent of the Grant Manager. The Department contemplated awarding this Grant in part by ascertaining the expertise of the person(s)/entity(ies) awarded this grant; hence, assignment of the Grantee's research shall not be allowed without such written consent by the Grant Manager.

AUDIT: The Grantee agrees that the Department, the Bureau of State Audits, or their designated representative shall have the right to review and copy any financial records and supporting documentation pertaining to the performance of this Grant. The Grantee agrees to maintain such records for a possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. The Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Grantee agrees to include a similar right of the Department to audit records and interview staff in any context related to performance of this Grant.

BRAND OR TRADE NAME USAGE: The Grantee agrees not to use any brand or trade name on any printed material, unless and until the grantee receives written approval to do so by the Department. A brand is a name, term, design, symbol, or any other feature that identifies one seller's product distinct from those of other sellers.

COMPLIANCE WITH LAWS AND REGULATIONS: The Grantee agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements.

COMPUTER SOFTWARE: The Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant for the acquisition, operation or maintenance of computer software in violation of copyright laws.

CONFLICT OF INTEREST: The Grantee certifies that it is in compliance with applicable state and/or federal conflict of interest laws.

DATA MANAGEMENT: This Project includes appropriate data management activities so that Project data can be incorporated into appropriate Department data systems.

DISPUTES: The Grantee shall continue with the responsibilities under this Grant during any dispute. Any dispute arising under this Grant which is not otherwise disposed of by agreement shall be decided by the Chief Deputy Director of the Department, or his authorized representative. The decision shall be reduced to writing and a copy thereof furnished to the Grantee and to the Department's Director. The decision of the Chief Deputy Director shall be final and conclusive unless, within thirty (30) calendar days after mailing of the decision to the Grantee, the Grantee mails or otherwise furnishes a written appeal of the decision to the Director. The decision of the Director shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, so grossly erroneous as necessarily to

imply bad faith and supported by substantial evidence. In connection with any appeal under this clause, the Grantee shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute, the Grantee shall continue to fulfill and comply with all the terms, provisions, commitments, and requirements of this Grant.

FISCAL MANAGEMENT SYSTEMS AND ACCOUNTING STANDARDS: The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of all grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Grant. The Grantee further agrees that it will maintain separate Project accounts in accordance with generally accepted accounting principles.

GOVERNING LAW: This grant is governed by the laws of the State of California.

GRANT MODIFICATIONS: The Department may, at any time, by written "grant modification," make any change to Exhibit A, Scope of Work, including changes in the specifications or in the method, manner, or time of performance of work. Department modification requests shall not include material changes to the Grantee's researchers' scientific or technical method or manner. If the Grantee intends to dispute the change, the Grantee must, within ten (10) days after receipt of a written "grant modification," submit to the Department a written statement setting forth the disagreement with the change. After reviewing the proposed modification and the Grantees written disagreement, the Chief Deputy Director, or his/her designee, shall be the final arbiter of the disagreement. In no case shall the Department materially alter the scope of work set forth in Exhibit A.

INCOME RESTRICTIONS: The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest) accruing to or received by the Grantee under this Grant shall be paid by the Grantee to the Department, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the Department under this Grant.

INDEPENDENT ACTOR: The Grantee, and its agents and employees, if any, in the performance of this Grant, shall act in an independent capacity and not as officers, employees or agents of the Department.

INSPECTION: Throughout the life of the Project, the Department shall have the right to inspect the facility(ies) (e.g., fields, orchards, offices, laboratories) to ascertain compliance with this Grant. The Grantee acknowledges that the Project records and location(s) are public records.

INSURANCE: Any non-UC subcontractors shall, throughout the life of the Project, provide and maintain auto insurance with the limits set at a minimum of \$100,000/\$300,000/\$100,000, property damage and liability. This insurance shall be issued by a company or companies admitted to transact business in the State of California. It is noted that the University of California system is self-insured; hence, the Grantee will provide the Grant Manager or the Grant Administrator its letter from the Department of General Services, Office of Risk and Insurance Management showing the Grantee's self-insured status before beginning work on the project.

MEDIA EVENTS: The Grantee shall notify the Department's Grant Manager in writing at least twenty (20) working days before any public or media event publicizing the accomplishments and/or results of this Grant and provide the opportunity for attendance and participation by Department's representatives.

NONDISCRIMINATION: During the performance of the scope of work listed in this Grant, the Grantee and its employees/agents/subcontractors shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of sex, race, religion, color, national origin, ancestry, disability, sexual orientation, medical condition, marital status, age (over 40) or denial of family-

care leave, medical-care leave, or pregnancy-disability leave. The Grantee and its employees/agents/subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment.

NO THIRD-PARTY RIGHTS: The parties to this Grant do not create rights in, or grant remedies to, any third-party as a beneficiary of this Grant, or of any duty, covenant, obligation or undertaking established herein.

NOTICE: The Grantee shall promptly notify the Department's Grant Managers in writing of events or proposed changes that could affect the scope or budget of the project proposed under this Grant. The Grantee agrees that no material change in the scope of the Project will be undertaken until written notice of the proposed change has been provided to the Department, and the Department has given written approval for such change. "Material" is defined as "More or less necessary; having influence or effect; going to the merits."

PERMITS, CONTRACTING, WAIVER, REMEDIES AND DEBARMENT: The Grantee shall procure all permits and licenses necessary to accomplish the work contemplated in this Grant, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Any contractors, outside associates, or consultants required by the Grantee in connection with the scope of work covered by this Grant shall be limited to such individuals or firms as were specifically identified and agreed to during negotiations for this Grant, or as are specifically authorized by the Department's Grant Managers during the performance of the scope of work detailed in this Grant. Any substitutions in, or additions to, such contractors, associates, or consultants, shall be subject to the prior written approval of the Department's Grant Managers. Any waiver of rights with respect to a default or other matter arising under the Grant at any time by either party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the Department provided for in this Grant are in addition to any other rights and remedies provided by law. The Grantee shall not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension." The Grantee shall not contract with any individual or organization on U.S. EPA's List of Violating Facilities. (40 C.F.R. § 31.35, Gov. Code § 4477, <http://www.epls.gov/>). The Grantee certifies to the best of its knowledge and belief, that it and its principals:

- Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or the Grantee;
- Have not, within a three-year period preceding the execution of this Grant, been convicted of or had a civil judgment rendered against them for: fraud or other offense in connection with a public (federal, state, or local) transaction or contract; a violation of federal or state antitrust statutes; or embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and
- Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses listed above.

PROFESSIONALS: The Grantee agrees that only licensed professionals will be used to perform services under this Grant where such services are called for.

RECORDS: The Grantee agrees to maintain Project accounts in accordance with generally accepted accounting principles, and:

- Establish an official file for the Project which shall adequately document all significant actions relative to the Project;

- Establish separate accounts which will adequately and accurately depict all amounts received and expended on this Project, including all grant funds received under this Grant;
- Establish separate accounts which will adequately depict all income received which is attributable to the Project, especially including any income attributable to grant funds disbursed under this Grant;
- Establish an accounting system which will adequately depict final total costs of the Project, including both direct and indirect costs; and
- Establish such accounts and maintain such records as may be necessary for the state to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations.

RELATED LITIGATION: Under no circumstances may a Grantee use funds from any disbursement under this Grant to pay costs associated with any litigation against the Department.

RIGHTS IN DATA: The Grantee and the Department agree that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work submitted under Exhibit A in the performance of this Agreement shall be public domain. The Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgment of credit to the Department for financial support. The Grantee shall not utilize the materials submitted to the Department (except data) for any profit making venture or sell or grant rights to a third-party who intends to do so. The Department has the right to use submitted data for all governmental purposes.

DEPARTMENT REVIEWS AND INDEMNIFICATION: The parties agree that review or approval of Project applications, documents, permits, plans, and specifications, or other Project information by the Department is for administrative purposes only and does not relieve the Grantee of its responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the Project. To the extent permitted by law, the Regents of the University of California shall defend, indemnify, and hold the State of California and its agencies, their respective officers, employees, and agents harmless from and against any and all liability, loss, expense, attorneys' fees, or claims for injury or damages arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of the Regents of the University of California, its officers, agents, or employees. The provisions of this section shall survive the term of this Grant.

DEPARTMENT ACTION, COSTS, AND ATTORNEY FEES: The Grantee agrees that any remedy provided in this Grant is in addition to and not in derogation of any other legal or equitable remedy available to the Department as a result of breach of this Grant by the Grantee, whether such breach occurs before or after completion of the Project. Exercise of any remedy provided by this Grant by the Department shall not preclude the Department from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties arising from this Grant, it is agreed that both parties shall be entitled to such reasonable costs and/or attorney fees as may be ordered by the court entertaining such litigation.

TERMINATION: This Grant may be terminated by written notice at any time before completion of the Project, at the option of the Department, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Grant within a reasonable time as established by the Department. Absent a showing of bad faith on the part of the Grantee, the Department shall reimburse the Grantee for all

costs incurred up to the date of termination, including all uncancellable obligations. Both parties reserve the right to terminate this Grant for any reason subject to thirty (30) days written notice to the other.

TIMELINESS: Time is of the essence in this Grant. The Grantee shall proceed with and complete the Project in an expeditious manner.

TRAVEL AND PER DIEM: Any reimbursement for necessary travel and per diem shall be at University of California (UC) rates per State Contracting Manual (SCM) Section 3.18. No travel whatsoever outside the State of California shall be permitted.

UNENFORCEABLE PROVISION: In the event that any provision of this Grant is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Grant shall continue to have full force and effect.

VENUE: The Department and the Grantee hereby agree that any action arising out of this Grant shall be filed and maintained in the Superior Court, County of Sacramento, California, or in the United States District Court, Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Grant, if applicable.

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