

Blue Shield of California Foundation

GRANT TERMS AND CONDITIONS

1. **Use of Funds.** Grantee shall use the grant funds only for its general charitable purposes as described in the organizational materials provided by Grantee to the Foundation. Grantee shall repay to the Foundation any portion of the grant funds which is not spent for Grantee's charitable purposes. Any significant changes in the purposes for which grant funds are spent must be approved in writing by the Foundation before the funds are spent.

2. **Reporting.** If applicable, report(s) are to be furnished to the Foundation according to timeframe communicated in the grant announcement email.

These report(s) are to be accessed, completed and submitted to the Foundation via our online application and reporting system and will be made available one month prior to their due date.

To login and access the report(s), you will need to utilize the grant contact's credentials registered with the online application.

The purpose of these report(s) is to permit the Foundation to learn from its experience as a grantmaker and to meet its obligations under federal and state regulations. Failure to submit these report(s) may disqualify Grantee from receiving future funding from the Foundation.

3. **Evaluation and Monitoring.** The Foundation may monitor and conduct an evaluation of operations under this grant. This may include a visit from Foundation staff, Trustees, and/or Foundation advisors, to observe Grantee's programs, discuss the programs with Grantee's personnel, and review financial and other records and materials connected with the activities financed by this grant. In addition, Grantee shall provide to the Foundation copies of any publications or other materials produced, in full or in part, with Foundation funds.
4. **Recordkeeping.** Grantee shall keep adequate records to substantiate expenditures from grant funds. Grantee shall make its books and records pertaining to the grant funds available to the Foundation at reasonable times for review and audit, and shall comply with all reasonable requests of the Foundation for information and interviews regarding use of grant funds. Grantee shall keep copies of all books and records related to this grant and all reports to the Foundation for at least four years after Grantee has expended the last of the grant funds.
5. **Sub-grantees.** Grantee shall retain full discretion and control over the selection of any sub-grantees or sub-contractors to carry out Grantee's charitable purposes and shall act completely independently of the Foundation. The Foundation and Grantee acknowledge that there is no agreement, written or oral, by which the Foundation may cause Grantee to choose any particular sub-grantee or sub-contractor. Grantee shall require that any sub-grantee or sub-contractor be subject to the requirements of Paragraphs 1, 2, 3, 4, 7, 10, 11, 12 and 13 of this Agreement, substituting Grantee for the Foundation and the sub-grantee for Grantee, as applicable. All obligations of Grantee under these Paragraphs shall remain in full force and effect.
6. **Funds Not Earmarked; Reliance.** The Foundation is making this grant to support Grantee's charitable purposes generally. This grant is not earmarked for any specific purpose or activity, including but not limited to: any attempt to influence legislation within the meaning of Section 4945(d)(1) of the Internal Revenue Code ("IRC"); any attempt to influence the outcome of any specific public election; the carrying on, directly or indirectly, of any voter registration drive within the meaning of IRC Section 4945(d)(2) and its accompanying regulations; any grant to an individual that does not meet the requirements of IRC Section 4945(g); any grant to an organization that is not qualified as a public charity under IRC Section 501(c)(3) or as an exempt operating foundation under IRC Section 4940(d)(2); or any purpose other than Grantee's general charitable purposes. The Foundation and Grantee acknowledge that they have not made any agreement, oral or written, earmarking any of the grant funds for any of the purposes stated in this paragraph.

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- 7. Prohibited Uses.** Grantee represents warrants and covenants that it shall not use any portion of the funds granted:
- a. To influence the outcome of any specific election for candidates to public office;
 - b. To induce or encourage violations of law or public policy, or to cause any private inurement or improper private benefit to occur; or
 - c. To take any other action inconsistent with IRC Section 501(c)(3).
- 8. Grant Announcements.** Grantee shall submit in advance to the Foundation, for review and revision at the sole discretion of the Foundation, any announcements Grantee intends to make regarding the grant, and any publications referring to the Foundation's grant Grantee intends to publish other than in its annual reports or tax returns. The Foundation may include information on the grant in its periodic public reports and may also refer to the grant in a press release. If there are special considerations concerning the public announcement of this grant, or if Grantee would like to coordinate a public announcement of the grant with the Foundation, Grantee may contact the Foundation to discuss Grantee's plans.
- 9. Representation and Warranty Regarding Tax Status.** By entering into this Agreement, Grantee represents and warrants that Grantee is exempt from federal income tax under IRC Section 501(c)(3) or in the absence of such a determination, that Grantee is a state or any political subdivision thereof within the meaning of Code Section 170(c)(1), or a state college or university within the meaning of Code Section 511(a)(2)(B) (referred to hereafter as a "Public Charity") and that it is not a private foundation as defined in IRC Section 509(a) (i.e., that it is a "Public Charity"). Such representation and warranty shall continue through the completion date of this grant.
- 10. Publications; License;** Any information contained in publications, studies, or research funded by this grant shall be made available to the public following such reasonable requirements or procedures as the Foundation may establish from time to time. Grantee grants to the Foundation an irrevocable, nonexclusive license to publish any publications, studies, or research funded by this grant at its sole discretion.

Grantee recognizes The Foundation is an exempt public charity under the Internal Revenue Service IRC sections 509 (a)(1) and 170(b)(1)(A)(vi) and classified as a private foundation who has by definition a charitable purpose. Accordingly, notwithstanding any confidentiality obligations and other terms and conditions that may exist under this agreement, Grantee acknowledges that the Foundation may at any time publish and otherwise disclose methods, information received, findings, and analyses and other results of Foundation research in any format including, without limitation, books, articles, speeches and presentations at conference, forums, symposia, seminars and meetings and/or other publications; provided that such methods, information, findings, analyses, and other results are presented in an aggregate form along with other information and data not specific to Grantee.

- 10a. Audited Financial Statements Exception.** Grantee audited financial statements shall be provided to Foundation partners by the Foundation in Grantee-identified, non-aggregate form, for the specific purpose of producing individualized financial analyses and reports to be shared only with Grantee and the Foundation. Aggregate analyses and reports based on audited financial statements are subject to paragraph 10 above.
- 10b. United States Department of Health and Human Services Health Resources and Services Administration's Uniform Data System (UDS) Data Exception.** Grantee UDS data shall be analyzed by Foundation partner Capital Link in Grantee-identified, non-aggregate form, for the specific purpose of producing individualized analyses and reports to be shared only with the

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Foundation. Aggregate analyses and reports based on UDS data are subject to paragraph 10 above.

11. **Violation of Terms; Change of Status.** In the case of any violation by Grantee of the terms and conditions of the grant, or in the event of any change in or challenge by the Internal Revenue Service of Grantee's status as a Public Charity, the Foundation reserves the right in its absolute discretion to terminate the grant as provided in Section 17. The Foundation's determination will be final and will be binding and conclusive upon Grantee. Grantee shall give the Foundation immediate written notice of any change in Grantee's tax exempt or Public Charity status or intent to merge with another entity. In the event of a planned merger, the Foundation will review provided documentation and inform Grantee of the appropriate course of action including, but not limited to whether, the grant may be transferred to the new entity.
12. **Third-party Logo Use.** A one-time use of the Blue Shield of California Foundation logo (the "Logo") may be granted to funded organizations. Requests should be sent in advance to bscfpublicaffairs@blueshieldcafoundation.org with a description of the proposed use of the Logo. Grantee shall not cause or permit the Logo to appear on any web site unless such web site qualifies for liability limitations pursuant to Section 512 of the Digital Millennium Copyright Act ("DMCA"), including but not limited to the designation and registration with the United States Copyright Office of a "designated agent" as defined for purposes of the DMCA. Please forward a copy of the final printed piece or the web address where the logo is used to:

Blue Shield of California Foundation
Attn: Public Affairs
50 Beale Street
San Francisco, CA 94105
Email: bscfpublicaffairs@blueshieldcafoundation.org
13. **No Agency.** Grantee is solely responsible for all activities supported by the grant funds, the content of any product created with the grant funds, and the manner in which such products may be disseminated. This Agreement shall not create any agency relationship, partnership, or joint venture between the parties, and Grantee shall make no such representation to anyone.
14. **Terrorist Activity.** Grantee agrees that the grant funds will be used in compliance with all applicable anti-terrorist financing and asset control laws, regulations, rules and executive orders.
15. **Further Assurances.** Grantee acknowledges that it understands its obligations imposed by this Agreement, including but not limited to those obligations imposed by reference to the IRC. Grantee agrees that if Grantee has any doubts about its obligations under this Agreement, including those incorporated by reference to the IRC, Grantee will promptly contact the Foundation or legal counsel.
16. **Indemnification.** Grantee irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless the Foundation, its officers, directors, employees, and agents, from and against any and all claims, liabilities, losses, and expenses (including reasonable attorneys' fees) directly, indirectly, wholly, or partially arising from or in connection with any breach of this Agreement, or act or omission of Grantee, its employees, or agents, in applying for or accepting the grant, or in expending or applying the grant funds or carrying out any project or program to be supported by the grant, except to the extent that such claims, liabilities, losses, or expenses arise from or in connection with any act or omission of the Foundation, its officers, directors, employees, or agents.
17. **Remedies.** If the Foundation determines, in its sole discretion, that Grantee has substantially violated or failed to carry out any provision of this Agreement, including but not limited to failure to submit reports when due, the Foundation may, in addition to any other legal remedies it may have, refuse to make any further grant payments to Grantee under this or any other grant agreement, and the Foundation may demand the return of all or part of the grant funds not

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properly spent or committed to third parties, which Grantee shall immediately repay to the Foundation. The Foundation may also avail itself of any other remedies available by law.

18. **Captions.** All captions and headings in this Agreement are for the purposes of reference and convenience only. They shall not limit or expand the provisions of this Agreement.
19. **No Waivers.** The failure of the Foundation to exercise any of its rights under this Agreement shall not be deemed to be a waiver of such rights.
20. **Entire Agreement.** This Agreement supersedes any prior or contemporaneous oral or written understandings or communications between the parties and constitutes the entire agreement of the parties with respect to its subject matter. This Agreement may not be amended or modified, except by written mutual agreement by both parties. For the avoidance of doubt, an amendment approved by the Foundation through its electronic grants management system shall satisfy this requirement.
21. **Governing Law; Venue.** This Agreement shall be governed by the laws of the State of California applicable to contracts to be performed entirely within the State. For the purpose of any action or proceeding arising out of or relating to this Agreement, each of the parties hereto irrevocably (a) submits to the exclusive jurisdiction of the state courts of California and to the jurisdiction of the United States District Court for the District of Northern California and (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in any California state or U.S. federal court sitting in the City and County of San Francisco, California.