

ATTACHMENT C

STANDARD PROVISIONS AND APPENDICES

The standard provisions below and the [Appendices A-F](#) at the end of this document are incorporated by reference into this Grant Agreement. Certain of the requirements from the appendices are summarized in the provisions. The exclusion of any requirement in the summary is not intended to suggest that the excluded requirement does not apply.

<u>Provision No.</u>	<u>Title</u>	<u>Version</u>
1.	Controlling Language	January 2019
2.	Payment	January 2012
3.	Monitoring and Reporting Requirements	January 2017
4.	Amendments	March 2012
5.	Refunds	January 2021
6.	Financial Management	January 2019
7.	Allowable Costs	January 2017
8.	Travel	January 2021
9.	Unallowable Costs	January 2012
10.	Prohibited Activities	January 2019
11.	Executive Order 13224	January 2012
12.	Trafficking in Persons	January 2012
13.	Audit Requirements	January 2016
14.	Procurement Standards	January 2019
15.	Property Standards	January 2015
16.	Program Income	January 2016
17.	Subgrants	January 2021
18.	Suspension and Termination	January 2014
19.	Disputes	January 2012
20.	Lobbying Prohibition & Disclosure	January 2018
21.	Indemnity	January 2012
22.	Ineligibility	January 2015
23.	Other Laws	January 2021

For explanations of the provisions, including helpful hints and examples, please see the *Grantee Guide*.

1. CONTROLLING LANGUAGE

A. Language

Should this Grant Agreement or any of the attachments or appendices be translated into a language other than English for signature, the English language version will govern in the event of differences between the two versions.

B. Privity/Relationship

This Grant Agreement is executed between the National Endowment for Democracy (NED) and the Grantee (indicated in Box 6 of the Grant Agreement) and they are the only parties thereto. NED and the Grantee are independent parties and neither is an agent, joint venture, or partner of the other.

C. Assignment

The Grantee shall not assign or otherwise transfer any of its responsibilities under this Agreement to any other party without the written permission of the NED. Unless authorized by a provision of this agreement or an amendment thereto, the Grantee is prohibited from further subgranting funds made available under this Grant Agreement.

D. Order of Precedence

In the event of any inconsistency between the provisions of the Agreement, the inconsistency will be resolved by giving precedence in the following order:

1. Applicable laws and statutes of the United States including the NED Act
2. The Grant Agreement, including Attachments A and B
3. Appendix B, Code of Federal Regulations

2. PAYMENT

Grantees are authorized to request funds from NED before incurring costs in support of the project activities. Each advance of Grant funds will be paid only upon submission of a completed "Request for Payment", which should generally be in accordance with the suggested Payment Schedule shown in Box 12 of the Grant Agreement. The Grantee, however, may not request funds in excess of anticipated expenditures to carry out the purpose of the approved project.

Each Request for Payment is subject to review and approval by NED staff. Approval will be contingent upon satisfactory completion of Grant reporting requirements as of the date of request. NED may suspend payment if reporting and other requirements for this Grant or other related NED Grants are not met in a satisfactory and timely fashion. All payments are subject to audit. The Grantee agrees to refund to NED advanced funds remaining unspent at the end of the project and funds paid for expenditures subsequently determined to be unallowable. (See Grant Provision 5. Refunds.)

3. MONITORING AND REPORTING REQUIREMENTS

The Grantee and NED each have responsibilities related to monitoring the progress of the project and appropriate use of Grant funds in support of the approved project.

A. NED's Monitoring of the Grantee

1. NED will establish the reporting that is required for the Grant Agreement as shown in Box 11 of the Grant Agreement. NED staff will review all reports and materials submitted by the Grantee.
2. NED staff or representatives may make on-site visits to observe project implementation, measure Grantee's capacity to implement the grant objectives and activities, as shown in Attachment A, Project Description, assess Grantee's capacity and performance related to proper administration of Grant funds, and/or verify information provided in materials submitted by the Grantee.
3. NED staff or representatives may make on-site visits or request documentation in the performance of independent evaluations or audits (see also Provision 13, Audit Requirements).

B. Grantee's Monitoring of the Project

1. The Grantee shall monitor the progress of the project throughout its duration to ensure that planned activities are being implemented, progress is being made towards objectives, and that funds are being used properly. **The Grantee must consult with NED and notify NED promptly of any significant problems or changes that could affect the successful implementation of project activities and achievement of objectives as stated in Attachment A, Program Description.**
2. The Grantee shall submit reports according to the schedule in Box 11 of the Grant Agreement.
3. The Grantee shall conduct a self-evaluation of the completed project to determine the extent to which project objectives were achieved. The evaluation should be conducted in accordance with the evaluation plan developed before the project began, as documented in Attachment A, and included in the Grantee's final narrative report.

C. Types of Reports

1. **Financial Reports.** Financial reports must show expenses in U.S. dollars for the period specified in the schedule in Box 11 of the Grant Agreement. An authorized representative of the Grantee organization must provide certification of the final financial report, as well as at each 12-month increment for grants longer than 12 months. The certification requirement is indicated on the Financial Report Form.
2. **Narrative Reports.** Narrative reports should describe activities that took place within the period specified in Box 11 of the Grant Agreement.

3. **Grantee Products.** The Grantee must submit a copy of any major product produced with Grant funds (such as books, journals, manuals, periodicals, videos, posters, etc.), as indicated in Box 11 of the Grant Agreement.
4. **Cumulative Assessment.** In the case of renewed funding, NED may periodically include as a grant requirement a more detailed self-evaluation called the Cumulative Assessment Report covering prior grants, as shown in Box 11 of the Grant Agreement.

D. Mandatory Disclosure

The Grantee must disclose to NED, in a timely manner, all violations of criminal law involving fraud, bribery, or illegal gratuities potentially affecting the award. Failure to make required disclosures may result in suspension or termination of the award. (see 2CFR200.113)

4. AMENDMENTS

No amendment of this Grant Agreement and all Grant Attachments shall have any force or effect unless in writing and signed by an authorized representative of NED.

- A. Instances in which an amendment is required include, but are not limited to, the following:
1. The Grant Period is insufficient for satisfactory completion of the project objectives.
 2. The Grant Budget (Attachment B) needs adjustments among budget categories in excess of the flexibility limits stated in Grant Provision 7A.
 3. The approved objective(s) in Attachment A, Program Description, needs to be changed.
 4. The designated subgrantee(s) in Box 7 of the Grant Agreement needs to be changed.
- B. If the Grant Agreement and/or Grant Budget need to be amended, the Grantee must:
1. Request the revision in writing prior to the expiration date as shown in Box 5 of the Grant Agreement.
 2. Provide a written explanation of the circumstances that justify the revision.
 3. Receive prior written approval from NED before proceeding with the intended changes.

5. REFUNDS

- A. **Unspent Grant Funds.** If any of the funds made available to the Grantee are unspent upon the expiration date of the Grant, a wire transfer to NED's bank account or a check payable to the National Endowment for Democracy for any amount equal to or greater than US\$500 of unspent advanced funds shall be forwarded at the time of the submission of the final Financial Report.
- B. **Subsequent Refunds.** If additional adjustments to the last Financial Report (including refunds, rebates, or credits received after the submission of the final Financial Report) indicate unexpended funds, these funds must be refunded to NED, in accordance with Grant Provision 5.A., above.

- C. **Unallowable Costs.** The grantee must refund any costs charged to the Grant that are subsequently disallowed, either by NED or as a result of an audit (see Grant Provision 13). The refund of disallowed costs must be from non-federal funds. If costs are disallowed during the period of performance, the grantee may credit the amount back to the project budget in lieu of submitting refund.

6. FINANCIAL MANAGEMENT

The Grantee shall comply with all laws, rules, procedures, and regulations concerning grants involving funds appropriated by the United States Government, as they may relate to administration of this Grant, especially pursuant to the NED Act (Public Law 98-164) and 2CFR200 Subpart D Post Federal Award Requirements, which are incorporated into this Agreement in the Appendices.

The Grantee's financial management system must ensure effective control over and accountability for all funds, property, and other assets, in accordance with principles described in 2CFR200 Subpart D 302-326. The Grantee shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes. The Grantee shall use documented procedures to determine the reasonableness, allocability, and allowability of costs in accordance with the Grant terms and conditions and the applicable cost principles (2CFR200 Subpart E).

A. Bank Account

The Grantee must deposit and maintain funds in an insured bank account, whenever possible, registered in the name of the Grantee organization.

If the Grantee maintains advances of Grant funds in an interest-bearing bank account, interest earned must be retained by the Grantee to be used for program objectives as stated in Attachment A (see also Provision 16).

B. Record Keeping

The Grantee must maintain a separate ledger account with respect to Grant funds and shall keep such records as necessary to fully disclose:

1. The amount received by the Grantee and the disposition of the Grant funds;
2. The total cost of the project for which the Grant was provided;
3. The amount and nature of that portion of the costs of the project supplied by other sources or through program income; and
4. Such other records as will facilitate an effective audit.

The Grantee shall maintain documentation to support all expenditures charged to the Grant, including financial records, currency exchange, supporting documents, statistical records, and all other records pertinent to the Grant. Expenditures not adequately supported by proper documentation may be disallowed. Such records shall be retained for at least three (3) years following submission of the final report, unless a litigation, claim, or audit is started before the expiration of the three-year period, in which case the records shall be retained until all litigations, claims, or audit findings involving the records have been resolved and final action taken. Records for equipment purchased with Grant funds must be maintained for three (3) years following final disposition (see Grant Provision 15.A.4).

C. Conflicts of Interest

1. The grantee must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in any procurement activities.
2. Employees, officers, consultants, or agents must not use their positions for purposes that are, or give the appearance of being, motivated by a desire for private financial gain for themselves or others such as those with whom they have family, business, or other ties.
3. Potential conflicts of interest must be disclosed to NED prior to the first payment of funds under the grant or, if not known prior to the first payment, as soon as a potential conflict is identified. (See 2CFR200.112)

7. ALLOWABLE COSTS

Allowability of costs incurred under this Grant will be determined in accordance with Appendix B, 2CFR200 Subpart E, Cost Principles, including any revisions thereto that become effective during the Grant Period.

A. Spending Flexibility

The Grantee is permitted only to incur costs related to activities in support of the objectives as detailed in the Program Description (Attachment A).

The Grantee is permitted some flexibility with regard to the cost categories in the Budget (Attachment B); specifically, the Grantee may incur costs which would increase expenditures in a particular budget category by up to 15 percent *or* US\$5,000 (whichever amount is larger). Any increases above this limit require prior written approval from NED.

Adjustments among budget categories shall not result in an increase in the total amount of the Grant, as indicated in Box 2. NED will not fund costs in excess of the Grant amount.

B. Expenditures Requiring Prior Written Approval

There are some expenditures which require prior approval in order to be allowable. **Items included in Attachment B, Program Budget, are considered to have prior approval.**

The following items are allowable under this Grant only if authorized in advance in writing by NED:

1. **Expenditures related to activities outside those approved in Attachment A, Program Description, and Attachment B, Program Budget.**
2. Expenditures in excess of the budgeted cost categories, as detailed in Provision 7.A.
3. Purchase of equipment as defined in Grant Provision 15.
4. Purchase of real property (land and land improvements such as buildings and structures) (see Grant Provision 15.C).
5. Airfare in excess of coach-class travel. The terms *tourist*, *economy-class*, or *single class* are sometimes used for this class of accommodations.

6. Per Diem in excess of the applicable maximum daily rates (see Grant Provision 8.B).
7. Indirect costs.
8. Participant support costs. This includes stipends, travel allowances, and registration fees paid to or on behalf of participants or trainees in connection with conferences or training projects. (See 2CFR200.456 and 2CFR200.1)

8. TRAVEL

A. International Travel

The Grantee should provide advance notification to NED of any international travel not shown in Attachment A, Program Description, and Attachment B, Program Budget. Notification should be submitted as early as possible before travel commences and include the reason for the change, how the travel will support the stated program objectives, and any budget adjustments needed to fund unbudgeted travel.

B. Per Diem Rates

All per diem costs covered with grant funds must be within the U.S. Government federal allowances in effect at the time of travel, as shown in the federal per diem rates (see Appendix C).

C. International Travel - Fly America Act and Open Skies Agreements

In accordance with the Fly America Act (49 U.S.C. 40118), all international air transportation covered with grant funds must be accomplished by U.S. Flag air carriers or U.S. code sharing to the extent that service by those carriers is available, except in certain circumstances as designated in the “open skies” agreements referenced below.

The entire Fly America Act is available on the following website:

<http://uscode.house.gov/view.xhtml?hl=false&edition=prelim&req=granuleid%3AUSC-prelim-title49-section40118&num=0&saved=%7CNDaxMTg%3D%7CdHJlZXNvcnQ%3D%7CdHJlZQ%3D%3D%7C3%7Ctrue%7Cprelim>

The “open skies” agreement is a U.S. – Europe bilateral agreement that allows for the use of EU carriers. Information on “open skies” agreements in which the United States has entered is available on GSA’s website at: <http://www.gsa.gov/portal/content/103191>.

9. UNALLOWABLE COSTS

Costs that are not allowable under this Grant are those mentioned as such in 2CFR200 Subpart E Cost Principles and those listed below:

1. Costs incurred before or after the official Grant Period (unless permitted by a Special Condition in Box 13 of the Grant Agreement form or otherwise noted in official Grant correspondence) (see Boxes 4 & 5 and 2CFR200.458).
2. Expenditures in excess of the Grant amount (see Box 2).

3. Advances or loans of Grant funds outside a binding contractual agreement to any entity other than one designated as a subrecipient in Box 7 of the Grant Agreement (except travel advances).
4. Advances of Grant funds to a subrecipient prior to execution of a satisfactory written subagreement (see Grant Provision 17).
5. Costs related to activities prohibited under this Grant (see Grant Provision 10).
6. Entertainment; amusement; social activities; ceremonials and related costs including meals, lodging, rentals, transportation, and gratuities (see 2CFR200.438).
7. Contributions, donations, or gifts to individuals or organizations (see 2CFR200.434).
8. Compensation to individual employees that is not reasonable for the services rendered or that does not conform to the established policy of the organization consistently applied to both U.S. Government funded and non-U.S. government funded activities (see 2CFR200.430).
9. Alcoholic beverages (see 2CFR200.423).
10. Bad debts and related collection and legal costs (see 2CFR200.426).
11. Fines or penalties resulting from violations of, or failure to comply with U.S. Government Federal, State, and local laws and regulations (see 2CFR200.441 and 435).
12. Advertising and public relations expenses solely to promote the organization (see 2CFR200.421).
13. Goods and services for personal use of employees (see 2CFR200.445).
14. Interest on borrowed funds; costs of fund raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses (see 2CFR200.442 and 449).
15. Depreciation or use allowance on equipment or facilities purchased with funds provided under this or a previous Endowment Grant (see 2CFR200.443).
16. Retainer fees, unless supported by documentation of actual services rendered (see 2CFR200.459(c)).
17. Contributions to a contingency reserve or similar fund, except under the limited circumstances described in 2CFR200.433.
18. Estimated costs of services or goods donated by others for Grant-related activities (see 2CFR200.434).
19. Any excess of costs on other awards or activities (see 2CFR200.451).
20. Lobbying (see Grant Provisions 10A and 20 and 2CFR200.450).

10. PROHIBITED ACTIVITIES

- A. The Grantee agrees that none of the funds provided by this Agreement shall be used by the Grantee organization or any subrecipient for lobbying or propaganda directed at influencing public policy decisions of the Government of the United States or any State or locality thereof (see Grant Provision 20 and 2CFR200.450). This provision shall not be construed as abridging the right of any Grantee organization to exercise the same freedom of speech as is protected by the first article of amendment of the United States Constitution, so long as the organization does not use funds provided under this Grant in exercising such right.
- B. The Grantee agrees that no expenditures shall be made for the purpose of educating, training, or informing U.S. audiences of any partisan policy or practice, or candidate for office. This does not exclude making subgrants or expenditures for the purpose of educating, training, or informing audiences from other countries on the values of democracy that may incidentally educate, train, or inform U.S. participants.
- C. The Grantee agrees not to engage in activities unlawful under the laws of the United States, its states, and any subdivisions thereof.

- D. No Grant funds shall be used for the purpose of supporting or advocating physical violence by individuals, groups, or governments.
- E. No person engaged in intelligence activity on behalf of the United States government shall be employed by the Grantee.
- F. No Grant funds shall be used to finance the campaigns of candidates for public office in any country.
- G. No Grant funds shall be used to finance activities of the Republican National Committee or the Democratic National Committee; nor for partisan activities on behalf of either the Republican National Committee or the Democratic National Committee, nor on behalf of any candidate for public office.

11. EXECUTIVE ORDER 13224

(Prohibition of Transactions with Those Associated with Terrorism)

It is the legal responsibility of the Grantee and any subrecipient(s) to ensure compliance with Executive Order 13224, which is incorporated into this Grant Agreement as Appendix D, and related laws.

- A. The Grantee shall not conduct any transactions with or provide resources or support to individuals and organizations associated with terrorism.
- B. This provision must be included in all subcontracts and subawards issued under this agreement.
- C. The Grantee should be aware of Executive Order 13224 and the names of the individuals and entities designated thereunder. A list of these names can be found at the web site of the Office of Foreign Assets Control (OFAC) within the Department of Treasury at this address: <http://sdnsearch.ofac.treas.gov> and <https://www.sam.gov/SAM/pages/public/searchRecords/search.jsf>

12. TRAFFICKING IN PERSONS

U.S. law prohibits recipients of U.S. Government funds from engaging in activities noted in the Trafficking in Victims Protection Act of 2000. This agreement may be terminated, without penalty, if the Grantee or any subrecipients or any contractors is found to engage in these activities. The full text of the law may be found here: <http://www.state.gov/j/tip/laws/61124.htm>

- A. The Grantee, its employees, subrecipients under this award, and subrecipients' employees may not:
 1. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
 2. Procure a commercial sex act during the period of time that the award is in effect; or
 3. Use forced labor in the performance of the award or subawards under the award.

- B. NED may unilaterally terminate this award, without penalty, if the Grantee or a subrecipient that is a private entity:
1. Is determined to have violated a prohibition in Grant Provision 12.A of this award; or
 2. Has an employee who is determined to have violated a prohibition in Grant Provision 12.A of this award through conduct that is either:
 - a. Associated with performance under this award; or
 - b. Imputed to the Grantee or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization which are provided in 2CFR601

The Grantee agrees to inform NED immediately of any information it receives from any source alleging a violation of a prohibition of this provision.

13. AUDIT REQUIREMENTS

Any Grantee may be selected by NED to undergo an audit performed by NED staff or external auditors, based upon an assessment of Grantee risk. Grantee records must be available for review as described in Section C below.

- A. Each Grantee will be included in one of the three categories described below for purposes of determining the audit requirements under the terms of this Grant. It is also possible that the Grantee will be required to provide copies of supporting documentation of expenditures as part of NED's procedures of financial monitoring of Grantees.
1. Any Grantee that is a U.S. organization expending US\$750,000 or more during its fiscal year through one or more U.S. Federal awards must have a single or program-specific audit conducted for that year in accordance with 2CFR200 Subpart F Audit Requirements (see Appendix B.i).
 2. Any Grantee that is a non-U.S. organization expending US\$750,000 or more during its fiscal year through one or more U.S. federal awards from the Department of State and/or NED must have a single or program specific audit conducted for that year in accordance with 2CFR600 and Department of State Standard Terms and Conditions. However, audits consistent with International Standards for Auditing or other auditing standards are acceptable with approval.
 3. Any Grantee organization expending less than US\$750,000 a year in U.S. federal awards is exempt from single audit requirements for that year under 2CFR200 Subpart F.
- B. In the event that a single or program-specific audit is required, the Grantee shall identify potential independent auditors and ensure that the independent auditor it engages is qualified to perform audits in accordance with Government Auditing Standards and/or 2CFR200 Subpart F Audit Requirements, as well as generally accepted auditing standards, and that the written audit report states that the audit was conducted in accordance with such standards. The audit report

must be submitted to the Federal Audit Clearinghouse the earlier of 30 calendar days after receipt of the auditor's report or nine months after the end of the audit period.

C. It is the responsibility of the Grantee to provide access to each of the entities listed below, or any of their duly authorized representatives, for the purpose of an audit or the examination of any books, documents, papers, and personnel records of the Grantee and its subgrantees that are pertinent to the assistance provided through NED:

1. The National Endowment for Democracy;
2. The Inspector General, United States Department of State; and
3. The Comptroller General of the United States.

Any such audit shall be conducted at the place or places where the accounts of the Grantee are normally kept. The representatives of NED, United States Department of State, and the Government Accountability Office shall have access to all books, documents, papers, and records, whether written, printed, recorded, produced or reproduced by any mechanical, magnetic, or other process or medium, belonging to or in use by the Grantee pertaining to its financial transactions and necessary to facilitate the audit; and they shall be afforded full access to facilities to verify transactions and assets held by depositories, fiscal agents and/or custodians. All such books, documents, papers, and records of the Grantee shall remain in the possession and custody of the Grantee.

14. PROCUREMENT STANDARDS

Procurement is the purchase of goods and/or services. The Grantee must have a written procurement policy in compliance with the standards specified in Appendix B, 2CFR200 Subpart D Post Federal Award Requirements Standards for Financial and Program Management. The Grantee must follow written procedures to determine the reasonableness, allocability, and allowability of costs in accordance with the Grant Agreement and cost principles in 2CFR200 Subpart E. Full procurement requirements are detailed in 2CFR200.318-326.

The Grantee's procurement policy and procedures must include the following minimum requirements:

1. Written standards of conduct covering conflict of interest.
2. Procedures to avoid purchasing unnecessary or duplicative items.
3. Procedures to require contracts only with responsible parties who have the ability to successfully perform under the terms and conditions of the contract.
4. Maintenance of records sufficient to detail the history of procurement.
5. Responsibility for settlement of all contractual and administrative issues arising out of procurements.
6. Procedures to assure that each procurement transaction is conducted in a manner to provide, to the maximum extent practical, open and free competition.
7. Procedures to assure that the procurement method used is appropriate for the type and amount of procurement:
 - a) Procurement by micro-purchases for procurements under \$10,000.
 - b) Procurement by small purchase procedures for procurements up to the Simplified Acquisition Threshold (currently \$250,000).

- c) Procurement by noncompetitive proposals, when only one source is considered under circumstances described in 2CFR200.320(c).
8. Procedures to assure compliance with Executive Order 13224 (Prohibition of Transactions with Those Associated with Terrorism), as referenced in Grant Provision 11.
9. Procedures to prohibit transactions with any party that is presently or proposed to be excluded by the U.S. Government, as referenced in Grant Provision 22 (see 2CFR180 and 2CFR601).

15. PROPERTY STANDARDS

Definitions: Property includes **equipment** (tangible items that have a useful life of more than 1 (one) year and an acquisition cost of US\$5,000 or more per unit), **intangible property** (such as trademarks, copyrights, patents, patent applications, debt instruments, lease agreements, and other instruments of property ownership), and **real property** (land and structures).

Standards for managing property acquired with funds provided under this Grant are specified in Appendix B.i, 2CFR200.310-316.

- A. Equipment (see 2CFR200.313)
 1. **Title.** Generally, title to equipment purchased with Grant funds is vested immediately in the Grantee, subject to the conditions described below.
 2. **Use and Disposition.** The Grantee may continue to use the equipment for the activity for which it was acquired as long the equipment is needed. When no longer needed for the original activity, equipment may be used for other NED or U.S. Government-supported activities. If equipment is no longer needed for NED or other U.S. Government-supported activity, the Grantee shall request disposition instructions from NED, which will be determined in accordance with 2CFR200.313(e).
 3. **Record Keeping and Property Management.** The Grantee must establish written policies and procedures for inventory and management of equipment. The Grantee must, at a minimum, provide equivalent insurance coverage for any equipment purchased with NED funds as is provided for other equipment owned.
 4. **Closeout Requirements.** At the end of the Grant Period, the Grantee must submit to NED a list of all equipment purchased with Grant funds (including any equipment purchased by or on behalf of designated subgrantees), indicating the type of item, date of purchase, cost per unit, serial number, and current use or disposition.
- B. Intangible Property (see 2CFR200.315)
 1. **Copyright.** The Grantee may copyright any work developed under this Grant that is subject to copyright. However, the U.S. Department of State reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.
 2. **Title, Use, and Disposition.** Generally, title to intangible property acquired with Grant funds is vested immediately in the Grantee. The Grantee shall use the property for the

originally-authorized purpose. When intangible property is no longer needed for the originally-authorized purpose, the Grantee shall request disposition instructions from NED. Disposition will be determined in accordance with 2CFR200.313(e).

C. Real Property

The Grantee may not acquire real property under the award without the prior written approval of NED.

16. PROGRAM INCOME

Definition: Program income is the gross income earned by the Grantee that is directly generated by a supported activity or earned as a result of the award during the program period. These earnings may include, but are not limited to, income from service fees, sale of commodities (including publications), usage or rental fees, and royalties on patents and copyrights.

Program income earned by the Grantee shall be retained by the Grantee and used to further authorized project objectives.

17. SUBGRANTS

This provision applies when the Grantee will implement project objectives through one or more subgrantees, as indicated in Box 7 of the Grant Agreement Form.

- A. A complete written subgrant agreement signed by responsible officials of both organizations must be executed between the Grantee and each designated subgrantee. The subgrant agreement must be signed by both parties prior to advancing any funds to the subgrantee.
- B. The written subgrant agreement shall contain all paragraphs and provisions in Appendix E, "Model Subgrant Agreement" and other special conditions which may be specified in Box 13 of the Grant Agreement. The Grantee shall not waive any requirement contained in the "Model Subgrant Agreement" nor add additional requirements without prior approval of NED. The Grantee may, with NED approval, incorporate additional requirements that do not conflict with those in the "Model Subgrant Agreement."
- C. For any subgrant agreement with an award amount of US\$25,000 or greater, the Grantee must submit a full copy of the signed subgrant agreement to NED prior to advancing any funds to the subgrantee. NED may request a signed copy of any subgrant agreement regardless of amount as part of its monitoring.
- D. The Grantee is responsible for ensuring that the subrecipient(s) complies with all provisions of the subgrant agreement.

18. SUSPENSION AND TERMINATION

- A. Suspension

1. If the Grantee materially fails to comply with the terms and conditions of this or other NED Grants, NED may take one or more of the following actions, as appropriate:
 - a. Temporarily withhold payments of Grant funds pending correction of the deficiency;
 - b. Disallow all or part of the cost of the activity or action not in compliance;
 - c. Wholly or partly suspend the Grant;
 - d. Decline to consider further funding requests (proposals) for new awards from the Grantee; or
 - e. Take other remedies that may be legally available.
2. NED shall provide the Grantee an opportunity to correct the deficiency. However, nothing in this Provision shall prevent NED from taking any of the actions outlined in Grant Provision 18.A, above, prior to the correction of the deficiency.
3. Costs resulting from obligations incurred by the Grantee during a suspension or after termination of the Grant are not allowable unless expressly authorized by NED in the notice of suspension or termination, or subsequently.

B. Termination

1. If the Department of State terminates its agreement with NED, NED may terminate this Grant by giving the Grantee thirty (30) days' notice in writing. The Grantee may terminate the agreement for any reason by giving NED thirty (30) days' notice in writing. In the event this agreement is terminated under this provision, the Grantee shall immediately terminate any subgrant agreements or other obligations that it may have entered into involving funds provided under this agreement and shall settle all outstanding liabilities and all claims resulting from the termination of subgrant agreements and other obligations. Any balance of cash received from NED that is unused and found to be unnecessary to liquidate outstanding obligations shall be returned to NED.
2. NED may terminate this Grant in whole or in part if it is determined that:
 - a. The Grantee materially fails to comply with the terms and conditions of the Agreement, including the performance and the expenditures of its subgrantees;
 - b. The Grant was approved by NED based on material misrepresentation or omission of fact by either the Grantee or a subgrantee; or
 - c. Circumstances upon which the Grant was premised have materially changed, including but not limited to significant changes in the governance or management of the Grantee.

In the event NED believes any of the above conditions have occurred, it shall so inform the Grantee in writing. Within ten (10) working days after receipt of notification, the Grantee may respond to NED either to indicate steps taken to remedy its noncompliance or to inform NED of additional facts it believes are pertinent to the issues addressed in the notice sent by NED. Should NED determine that any such response is insufficient, it reserves the right to terminate the Grant. Such termination

must be in writing and must set forth the reasons for termination. In the event of any such termination, any unexpended balance of funds received from NED and found to be unnecessary to liquidate outstanding obligations shall be returned to NED.

3. The Grant may be terminated by NED with the consent of the Grantee, in which case NED and the Grantee shall agree upon the termination conditions, including the effective date, and, in the case of partial termination, the portion to be terminated. If NED determines in the case of partial termination that the reduced or modified portion of the grant will not accomplish the purpose for which the award was made, it may terminate the award in its entirety.

19. DISPUTES

The Grant Agreement is governed by U.S. Federal Government law and, to the extent not inconsistent therewith, the laws of the District of Columbia. If any dispute under or relating to this agreement cannot be resolved through informal negotiation or arbitration by a neutral third party, it shall be resolved in accordance with the laws of the District of Columbia.

20. LOBBYING PROHIBITION AND DISCLOSURE

The Grantee agrees that none of the funds provided by this agreement shall be used for lobbying or propaganda which is directed at influencing public policy decisions of the Government of the United States or any State or locality thereof.

The following applies to all grants over US\$100,000:

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 22 CFR Part 138, for persons entering into a grant over US\$100,000, the Grantee signatory certifies with signature of the Grant Agreement, to the best of their knowledge and belief, that:

- A. No federal appropriated funds have been paid or will be paid, by or on behalf of the Grantee to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. The form may be accessed here: <https://www.gsa.gov/forms-library/disclosure-lobbying-activities>

The Grantee signatory shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than US\$10,000 and not more than US\$100,000 for each such failure.

21. INDEMNITY

The Grantee agrees to indemnify NED and its officers, directors, and employees for all loss, including attorneys' fees and costs, incurred by them in connection with any claim made against them arising out of the Grantee's performance of this Grant Agreement. This indemnity shall be in excess of NED's insurance policies, but is not limited by the scope of such policies.

22. INELIGIBILITY

In accepting this Grant, the Grantee certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this agreement by any U.S. Government department or agency. Further, the Grantee promises not to do business, going forward through the lifetime of the Grant, with any party that is presently or proposed to be excluded by the U.S. Government (see 2CFR180 and 2CFR601).

The Grantee must notify NED in writing and in a timely matter of any violation of U.S. criminal law involving fraud, bribery, or gratuity that may potentially affect this award (see 2CFR200.113).

23. OTHER LAWS

The Grantee agrees to comply with:

- A. No Grant funds should be used to purchase telecommunications equipment or services from Huawei Technologies Company or ZTE (or any subsidiary or affiliate of such entities) unless no other alternatives are available and to the extent practicable. (Section 889(b) of the NDAA of Fiscal year 2019, Pub. L. No 115-232 and 2 CFR 200.216)

The following terms apply to Grantees located in the United States and U.S. citizens regardless of their location:

- B. Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d et. seq., which prohibits discrimination in the United States on the basis of race, color, religion or national origin in programs and activities receiving Federal financial assistance.
- C. Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, which prohibits discrimination in the United States on the basis of handicap in programs and activities receiving Federal financial assistance.

- D. Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681 et. seq., which prohibits discrimination in the United States on the basis of sex in education programs and activities receiving Federal financial assistance.
- E. The Age Discrimination Act of 1975, as amended, 42 U.S.C. 6101 et. seq., which prohibits discrimination in the United States on the basis of age in programs or activities receiving Federal financial assistance.
- F. In performance of the activities funded by this Grant, the Grantee agrees to comply with all applicable Federal and state laws, rules, and regulations related to employment of personnel necessary for such performance.

APPENDICES

- A. **Public Law 98-164, The National Endowment for Democracy Act**
<http://uscode.house.gov>
- B. **Code of Federal Regulations**
<http://www.ecfr.gov>
 - i. **2CFR200** (found in Title 2 Grants and Agreements, Subtitle A, Office of Management and Budget Guidance for Grants and Agreements)
Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
 - ii. **2CFR600** (found in Title 2 Grants and Agreements, Subtitle B, Federal Agency Regulations for Grants and Agreements, Chapter VI-Department of State)
Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
 - iii. **2CFR601** (found in Title 2 Grants and Agreements, Subtitle B, Federal Agency Regulations for Grants and Agreements, Chapter VI-Department of State)
Nonprocurement Debarment and Suspension
- C. **Federal Maximum Travel Per Diem Allowances**
 - i. For travel within the United States
<http://www.gsa.gov/portal/category/21287>
 - ii. For travel outside the United States
https://aoprals.state.gov/web920/per_diem.asp
- D. **Executive Order 13224**
<http://www.state.gov/j/ct/rls/other/des/122570.htm>
- E. **Model Subgrant Agreement** (included when subrecipient is indicated in the Grant Agreement Box 7)
- F. **Data Transfer Agreement** (included when grantee is located in an EU or EEA country)