Adopt Chapter 2 Cal. Code of Regs. Section 100801 to read:

Chapter 8 – Loan Administration


(a) The following sections of the Intellectual Property and Revenue Sharing Requirements for Non-Profit and For-Profit Grantees shall apply to all recipients of a loan or loans granted pursuant to California Constitution Article XXXV Sec. 2(a) and Health and Safety Code Section 125291.20, subdivision (b) (“Loan Recipients”): Sections 100600, 100601, 100602 (except subdivisions (c)(3) and (c)(5), 100603, 100604, 100605, 100606, 100607, 100609, 100610 and 100611, of Title 17, California Code of Regulations.

(b) In the event that a Loan Recipient is unable or unwilling to repay its loan and the Loan Recipient or its CIRM Funded Invention or CIRM-Funded Technology is not the subject of a repayment-triggering change of control as defined in its loan documents or the CIRM Loan Administration Policy, then said Loan Recipient shall neither abandon nor otherwise compromise the value of the CIRM Funded Invention or Technology without first 1) notifying CIRM at least sixty (60) days in advance of any abandonment or compromise of the value or the inability or unwillingness to repay the loan; 2) making a good faith effort to identify third parties who are both i) interested in acquiring said Invention or Technology and ii) willing to undertake the applicable Loan obligations; and 3) co-operating with CIRM in transferring the Invention or Technology and all related obligations and interests to the identified third party on terms acceptable to CIRM.

Note: Authority cited: Article XXXV, California Constitution; Section 125290.40(j), Health and Safety Code.