

VEHICLE DONATION AND USE AGREEMENT

This Vehicle Donation and Use Agreement (the “Agreement”) is entered into and effective this ___ day of June, 2023 (the “Effective Date”), by and between _____ a California “Employer,” and CalVans, a public transportation provider sponsored by the California Vanpool Authority, a public transit agency (“CalVans”).

RECITALS

This Agreement is made and entered into with respect to the following facts:

1. Employer is a grower, packer, shipper of fresh-market onions, organic leafy greens, and other vegetables that operates and conducts farming operations in the State of California.
2. CalVans operates transportation programs in the State of California, pursuant to which it, among other things, provides agricultural employers and qualified agricultural workers with vehicles that can be used to transport agricultural employees to and from work in accordance with applicable state and federal laws and regulations governing farm labor transportation.
3. Employer provides its workers with certain work-related transportation and utilizes CalVans’ program to provide work-related transportation.
4. Employer wishes to donate vehicles it currently owns to CalVans, and then have the right to use those vehicles as part of CalVans’ farmworker transportation program. CalVans wishes to accept such donation from Employer on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Donation of Vehicles. Employer is the owner of the vehicles (the “Vehicles”) identified and listed in **Schedule 1** hereto and incorporated herein by this reference. Employer agrees to irrevocably donate the Vehicles to CalVans by executing such documents, including a bill of sale, as may be necessary to transfer title and ownership of the Vehicles from Employer to CalVans. CalVans agrees to accept, as a donation from Employer, ownership of and title to the Vehicles in accordance with the terms and conditions of this Agreement. CalVans agrees to execute such additional documents, including a bill of sale, as may be necessary to transfer title of the Vehicles from Employer to CalVans.
2. Representations and Warranties of Employer. Employer hereby represents and warrants to CalVans that Employer owns and has good title to the Vehicles free and clear of any and all liens, encumbrances, pledges, security interests, claims, and liabilities, and that Employer has full power and authority to enter into this Agreement and to donate the Vehicles to CalVans. Employer hereby further represents and warrants to CalVans that there are no rental contracts, leases, or any other type of agreements of any kind with respect to or concerning the Vehicles that would preclude their donation to CalVans.

3. Representation and Warrant of CalVans. CalVans hereby represents and warrants to Employer that it has full power and authority to enter into this Agreement and to accept ownership of the Vehicles on the terms and conditions set forth herein. CalVans further represents and warrants to Employer that it will, so long as reasonably practicable, include the Vehicles in its inventory of vehicles used for its farmworker transportation program and make the Vehicles available to Employer as set forth in this Agreement.

4. Donation of Vehicles “As-Is” “Where Is” Condition. THIS AGREEMENT IS AN ARMS-LENGTH AGREEMENT BETWEEN THE PARTIES. THE DONATION OF THE VEHICLES WAS BARGAINED FOR ON THE BASIS OF THE TERMS AND CONDITIONS OF THIS AGREEMENT, AN “AS IS, WHERE IS” TRANSACTION, AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT FOR THOSE STATED HEREIN. THE VEHICLES WILL BE DONATED, TRANSFERRED, AND CONVEYED TO CALVANS ON AN “AS IS, WHERE IS” CONDITION, WITH ALL FAULTS. ALL WARRANTIES ARE DISCLAIMED AND EMPLOYER DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY AS TO THE CONDITION OF THE PURCHASED ASSETS, THEIR FITNESS FOR ANY PARTICULAR PURPOSE, OR MERCHANTABILITY.

5. First Right to Use Vehicles. In consideration of the donation of the Vehicles that Employer is making to CalVans pursuant to the terms and conditions of this Agreement, Employer shall have that first right to use the Vehicles as part of CalVans’ farmworker transportation program; provided, however, that Employer’ right to use the vehicles shall be on the same terms and conditions as those provided by CalVans to other third parties who utilize CalVans’ farmworker transportation program. Employer agrees that it will execute such documents and/or agreements necessary for the use of the Vehicles following their donation to CalVans. Employer may decline to use the Vehicles or terminate this Agreement following the transfer of the Vehicles to CalVans; provided, however, that the donation of the Vehicles shall not be revocable, and ownership of the Vehicles shall remain with CalVans in the event Employer terminates this Agreement or declines to use the Vehicles following their donation.

6. Operation of Vehicles. CalVans agrees that the Vehicles, following their donation and transfer to CalVans, will be operated, insured, and maintained in accordance with CalVans’ standard operating policies and procedures. CalVans shall accordingly provide routine repairs and maintenance for the Vehicles following their donation. Employer agrees, however, that so long as Employer is using the vehicles under the terms of this Agreement, Employer will be responsible for repairing the Vehicles in the event of an actual breakdown that takes any one of the Vehicles out of service.

7. Additional Donation of Vehicles. Employer may donate additional vehicles to CalVans in the future and such vehicles will be subject to the terms and conditions of this Agreement, including, but not limited to, Employer’ first right to use donated vehicles set forth in Paragraph 5 above.

8. No Partnership or Joint Venture. Employer and CalVans hereby acknowledge and agree that they are not affiliated with each other, do not share common ownership, and are independent entities that operate independently from each other. Furthermore, by entering into

this Agreement, the parties do not intend to create and are not creating any partnership or joint venture, and this Agreement shall not be considered or construed as evidence of any partnership or joint venture between the parties.

9. Further Assurances. The Parties to this Agreement agree, from time to time upon the reasonable request from another party to this Agreement, to execute any and all additional documents or to take such additional actions as shall be reasonably necessary or appropriate to carry out the terms of this Agreement.

10. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective heirs, successors, executors, administrators, and assigns; provided that neither party may assign its rights or delegate its obligations under this Agreement without the prior written approval of the other party. Any attempted assignment or delegation without such written approval shall be void and of no effect.

11. Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

12. Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

13. Amendment and Waiver. No amendment or waiver of any provision or condition in this Agreement shall be effective unless in writing signed by all of the Parties to this Agreement. Failure of either Party to insist in any strict conformance to any term herein or failure by either Party to act in the event of breach or default shall not be construed as a consent to or waiver of that breach or default or any subsequent breach or default of the same or any other term contained herein.

14. Severability. If for any reason whatsoever, any one or more of the provisions of this Agreement shall be held or deemed unenforceable or invalid, the remaining provisions of this Agreement shall remain valid and binding on the Parties hereto.

15. Entire Agreement. This Agreement, together with the Schedules and Exhibits, constitutes the final written expression of all of the agreements between the Parties, and is a complete and exclusive statement of the terms thereof. There are no representations, warranties, covenants, promises, or undertakings except those expressly provided herein.

[SIGNATURE PAGE TO FOLLOW]

[SIGNATURE PAGE TO VEHICLE DONATION AND USE AGREEMENT]

IN WITNESS HEREOF, the parties hereto have executed this Agreement as of the Effective Date.

EMPLOYER FARMS OF CALIFORNIA, LLC

By: Stephani L. Johnston
Its: Manager

CalVans

By: Georgina Landecho
Its: Executive Director