

## Subcontract Flow-Down.

Because UPS and UPS Affiliated Companies perform U.S. government contracts and subcontracts, to the extent they are applicable, the Vendor agrees to comply with the following Federal Acquisition Regulation (FAR) clauses (in effect at the time this Agreement is executed), which are incorporated by reference into this Agreement to implement provisions of United States laws or Executive Orders.

(a) All Subcontracts:

**Combating Trafficking in Persons (FAR 52.222-50 and Alternate I, where appropriate)** *prohibiting the Vendor from engaging in conduct related to human trafficking and requiring, among other things, that the Vendor take certain affirmative steps to prevent trafficking, including developing and maintaining an anti-human trafficking compliance plan.*

**Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (Pub. L. 113-235, FAR 52.203-19)** *prohibiting the Vendor from requiring its employees or subcontractors to sign or comply with internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or subcontractors from lawfully reporting waste, fraud, or abuse related to the performance of a Government contract to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.*

**Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (Pub. L. 115-91, FAR 52.204-23)** *prohibiting the Vendor from providing any hardware, software, or service that is developed by, provided by, or includes or contains hardware, software, or services developed by: Kaspersky Lab, any successor entity to Kaspersky Lab, any entity that controls, is controlled, or is under common control with Kaspersky Lab, or any entity of which Kaspersky Lab has a majority ownership.*

**Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment (Section 889(a)(1)(A) of Pub. L. 115-232, FAR 52.204-25)** *prohibiting the Vendor from providing to the Government any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless exceptions apply.*

(b) For agreements exceeding \$2,500 and subject to the Service Contract Labor Standards statute:

**Service Contract Labor Standards (41 U.S.C. chapter 67, the Fair Labor Standards Act of 1938, 29 U.S.C. 201, et seq., FAR 52.222-41)** *requiring Vendor to pay service employees not less than the wages and fringe benefits determined by the applicable Department of Labor Wage Determination.*

(c) For all agreements, regardless of value, that are subject to the Service Contract Labor Standards statute, and are to be performed in whole or in part in the United States:

**Minimum Wages Under Executive Order 14026 (FAR 52.222-55)** *requiring, among other things, that the Vendor pay covered employees a minimum hourly wage rate, as defined by the Secretary of Labor.*

**Paid Sick Leave Under Executive Order 13706 (Exec. Order. 13706, FAR 52.222-62)** *requiring, among other things, that the Vendor provide paid sick leave to covered employees in accordance with Executive Order 13706.*

(d) For agreements exceeding \$3,500 that include work performed in the United States:

**Employment Eligibility Verification (E-Verify) (FAR 52.222-54)** *requiring the Vendor to enroll in the E-Verify program and process all new employees and certain existing employees through the E-Verify system.*

(e) For agreements exceeding \$10,000:

**Equal Opportunity (Exec. Order 11246, FAR 52.222-26)** *requiring, among other things, that Vendor not discriminate against any employee or applicant because of race, color, religion, sex, sexual orientation, gender identity, or national origin, and to annually submit SF EEO-1.*

**Notification of Employee Rights Under the National Labor Relations Act (Exec. Order 13496, FAR 52.222-40)** *requiring Vendor to conspicuously post the specific notice identified in the clause regarding employees' rights to organize and bargain collectively.*

(f) For all agreements that contain the Equal Opportunity clause:

**Prohibition of Segregated Facilities (FAR 52.222-21)** *requiring the Vendor to agree not to maintain or provide for its employees any segregated facilities at any of its establishments.*

(g) For agreements exceeding \$15,000 unless otherwise exempt:  
**Equal Opportunity for Workers with Disabilities (Rehabilitation Act of 1973, 29 U.S.C. § 793; FAR 52.222-36; 41 CFR part 60-741)** *requiring, among other things, that Vendor not discriminate against any employee or applicant because of physical or mental disability and to have an approved affirmative action plan if applicable.*

(h) For agreements exceeding \$30,000 that involve the provision, service, or sale of food in the United States:  
**Promoting Excess Food Donation to Nonprofit Organizations (Federal Food Donation Act of 2008, 42 U.S.C. 1792, FAR 52.226-6)** *encouraging Vendor, to the maximum extent practicable and safe, to donate excess, apparently wholesome food to nonprofit organizations that provide assistance to food-insecure people.*

(i) For agreements exceeding \$150,000:

**Restrictions on Subcontractor Sales to the Government (FAR 52.203-6, Alternate I)** *requiring Vendor to agree it will not enter into any agreement with an actual or prospective subcontractor to restrict sales directly to the Government.*

**Equal Opportunity for Veterans (Vietnam Era Veterans' Readjustment Assistance Act of 1972, 38 U.S.C. § 4211 and 4212; FAR 52.222-35; 41 CFR part 61-250, part 60-300, and part 61-300)** *requiring, among other things, that Vendor not discriminate against the individual because the individual is a special disabled veteran, a veteran of the Vietnam era, or other eligible veteran regarding any position for which the employee or applicant for employment is qualified, and to have an approved affirmative action plan, if applicable.*

**Employment Reports on Veterans (FAR 52.222-37)** *requiring that the Vendor report, at least annually, the total number of employees by job category that are disabled veterans or certain other protected veterans.*

(j) For agreements covered by the Trade Agreements Act:  
**Trade Agreements (various bilateral and multilateral trade agreements)** *Vendor certifies that the end product delivered under a line item of the agreement is a U.S. made, designated country, Caribbean Basin country, or FTA country end product OR Vendor lists them as other end products along with their country of origin.*

(k) For subcontracts that exceed \$250,000 and that offer further subcontracting opportunities.  
**Utilization of Small Business Concerns (15 U.S.C. 637(d)(2) and (3), FAR 52.219-8)**, *requiring Vendors to agree to award subcontracts to the full extent consistent with efficient contract performance to small, veteran-owned small, service-disabled veteran-owned small, HUBZone small, small disadvantaged, and women-owned small business concerns.*

(l) For agreements exceeding \$6,000,000 and a performance period of more than 120 days:  
**Contractor Code of Business Ethics and Conduct (41 U.S.C. 3509, FAR 52.203-13)**, *requiring, among other things, that the Vendor comply with the requirements of the "Mandatory Disclosure Rule" and prepare a written "Code of Business Ethics and Conduct" within 30 days of contract award and make the Code available to every employee engaged in performance of the contract.*

(m) For agreements that may involve ocean transportation of supplies:  
**Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. App. 1241 and 10 U.S.C. 2631, FAR 52.247-64)** *requiring Vendor to use privately owned U.S.-flag commercial vessels to ship at least 50 percent of the gross tonnage involved under the contract.*

(n) For contracts in the areas of contingency operations outside the United States (Department of Defense Contracts only), combat operations, or other significant military operations:  
**Contractors Performing Private Security Functions Outside the United States (NDAA FY 2008, Section 862, 10 U.S.C. 2302 Note, FAR 52.225-26)** *requiring Vendor to comply with various requirements regarding the use of weapons by personnel, the registration and use of armored vehicles or military vehicles, and the reporting of certain incidents involving the discharge of weapons or the death or injury of personnel.*

- (o) For contracts where the vendor will (1) have access to a system of records; (2) create, collect, use, process, store, maintain, disseminate, disclose, dispose, or otherwise handle personally identifiable information; or (3) design, develop, maintain, or operate a system of records.  
**Privacy Training (5 USC 552a, FAR 52.224-3 and Alternate I, as appropriate)** *requiring, among other things, that the Vendor provide initial and annual privacy training to covered employees.*
- (p) For contracts in which the Vendor may have Federal contract information residing in or transiting through its information system.  
**Basic Safeguarding of Covered Contractor Information Systems (FAR 52.204-21)** *requiring the Vendor to take certain steps to safeguard covered IT systems.*
- (q) **In addition to the above requirements, Vendor and any sub-vendor(s) shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit, among other things, discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take certain affirmative actions to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. Furthermore, contractors and subcontractors may not discharge or discriminate against employees or applicants for inquiring about, discussing, or disclosing their compensation or that of another employee or applicant.**
- (r) To the extent applicable, the employee notice requirements set forth in 29 CFR Part 471, Appendix A to Subpart A, are hereby incorporated by reference into this Agreement.

## Certifications

In addition to the foregoing, the Vendor agrees to the following certifications:

- Vendor certifies that neither it, nor any of its principals, is presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any government agency. Vendor agrees to notify UPS immediately if this changes at any point during the agreement.
- Vendor certifies that, to the best of its knowledge and belief, no 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 on its behalf in connection with the awarding of a UPS prime contract. Vendor agrees to promptly complete and submit OMB Standard Form LLL, Disclosure of Lobbying Activities, if any registrants under the Lobbying Disclosure Act of 1995 have made or make a lobbying contact on behalf of Vendor with respect to a UPS prime contract.
- Vendor certifies that the products delivered under its agreement with UPS are U.S.-made, Designated country, Caribbean Basin country, or FTA country end products, as those terms are defined in 48 C.F.R. Part 25. If the end products delivered under the agreement are not U.S.-made, Designated country, Caribbean Basin country, or FTA country end products, Vendor agrees to identify all such items to UPS as “other” end products and provide their country of origin.