

**SHAMROCK FOODS COMPANY
SUPPLEMENTAL PURCHASING TERMS AND CONDITIONS
FLOWDOWN CLAUSES FOR ORDERS ISSUED IN SUPPORT OF
U.S. GOVERNMENT CONTRACTS**

1. INCORPORATION BY REFERENCE. These Supplemental Purchasing Terms and Conditions are incorporated in their entirety into any purchase order, service order, supply agreement, vendor agreement, or other agreement (“Order”) issued by Shamrock Foods Company (“Shamrock”) to its supplier, vendor, manufacturer, distributor, or seller (“Supplier”) for products, goods, materials, ingredients, parts, items, or equipment (“Products”) that will be supplied to the U.S. Government or a federal nonappropriated fund instrumentality (“NAFI”) (collectively referred to herein as a “Government Contract”). In the event of a conflict between these Supplemental Purchasing Terms and Conditions and the Shamrock’s Terms and Conditions of Purchase or other terms and conditions in the Order, these Supplemental Purchasing Terms and Conditions shall prevail.

2. REPRESENTATIONS AND CERTIFICATIONS. By providing Products to Shamrock under an Order, Supplier certifies that:

a. Neither Supplier nor any of its Principals are presently debarred, suspended, proposed for debarment, or voluntarily excluded for the award of contracts by the Federal Government. “Principal” means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division or business segment; and similar positions).

b. Neither Supplier nor any of its affiliates are owned or controlled by the government of a country that is a state sponsor of terrorism.

c. If Supplier is registered in the System for Award Management (“SAM”), Supplier certifies that its representations and certifications in SAM are current, accurate and complete as of the date of Supplier’s offer for a given Order, including, but not limited to, Supplier’s representations and certifications regarding Supplier’s size or socioeconomic status. By accepting an Order, Supplier certifies that its representations and certifications in Supplier’s most recently executed Vendor Status Certification are current, accurate and complete as of the date of Supplier’s offer for a given Order including, without limitation, Supplier’s representations and certifications regarding Supplier’s size or socioeconomic status. Supplier shall promptly provide notice to Shamrock following any change in its representations and certifications, whether in SAM or in Supplier’s most recently executed Vendor Status Certification, including, but not limited to, any changes to Supplier’s representations and certifications regarding Supplier’s size or socioeconomic status. Supplier’s representations and certifications in SAM, if any, and Supplier’s representations and certifications in its most recently executed Vendor Status Certification are incorporated herein by reference.

d. To the best of its knowledge and belief, that 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, or an employee of a Member

of Congress on its behalf in connection with the awarding of this Order. If any registrants under the Lobbying Disclosure Act of 1995 have made a lobbying contact on behalf of Supplier with respect to an Order, Supplier shall complete and submit, with its offer, OMB Standard Form LLL, Disclosure of Lobbying Activities, to provide the name of the registrants. Supplier need not report regularly employed officers or employees of Supplier to whom payments of reasonable compensation were made. Submission of this certification and disclosure is a prerequisite for making or entering into this Order imposed by 31 U.S.C. 1352. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure required to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure. As used in this Certification, "Lobbying contact" has the meaning provided at 2 U.S.C. 1602(8) and the remaining terms are defined in FAR clause 52.203-12, "Limitation on Payments to Influence Certain Federal Transactions."

e. Supplier will not provide to Shamrock "covered telecommunications equipment or services," as defined in FAR 52.204-25, "Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment" or FAR 52.240-91, "Security Prohibitions and Exclusions," as applicable, in the performance of an Order.

3. RATED ORDER. If this is a "rated order" certified for national defense use, Supplier shall follow all the requirements of the Defense Priorities and Allocation System Regulations (15 C.F.R. § 700).

4. EQUAL EMPLOYMENT OPPORTUNITY. Shamrock and Supplier shall abide by the requirements of 41 CFR §§ 60-300.5(a) and 60-741.5(a) and 29 CFR Part 471, Appendix A to Subpart A. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment qualified protected veterans and qualified individuals with disabilities. Supplier shall include this Paragraph 4 in each lower-tier subcontract it issues.

5. COMPTROLLER GENERAL EXAMINATION OF RECORD. The Comptroller General of the United States, an appropriate Inspector General appointed under section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.), or an authorized representative of either of the foregoing officials shall have access to and right to examine any of Supplier's or any subcontractors' records that pertain to, and involve transactions relating to, this Order. Supplier shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this Order or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this Order. If this Order is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals or to litigation or the settlement of claims arising under or relating to this Order shall be made available until such appeals, litigation, or claims are finally resolved. As used in this Paragraph 5, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form.

This does not require Supplier to create or maintain any record that Supplier does not maintain in the ordinary course of business or pursuant to a provision of law.

6. DISPUTES. If Shamrock elects to prosecute any dispute involving this Order under the disputes procedure applicable to the Government Contract, Supplier shall cooperate fully with Shamrock in prosecuting the dispute. Supplier shall be bound by the final outcome of the disputes procedure if Shamrock has afforded Supplier an opportunity to participate in Shamrock’s prosecution of the dispute. Pending the final resolution of any dispute arising out of or relating to this Order, Supplier shall proceed diligently with performance of this Order, including the delivery of goods, in accordance with Shamrock’s direction.

7. FAR/DFARS AND OTHER FLOWDOWN CLAUSES.

The following clauses set forth in the Federal Acquisition Regulation (“FAR” available at <https://www.acquisition.gov/browse/index/far>) and the Department of Defense FAR Supplement (“DFARS” available at <https://www.acquisition.gov/dfars>), in effect as of the date of the Order, are incorporated herein by reference with the same force and effect as if they were given in full text. For purposes of the Order, the following clauses shall operate, impose the obligations and responsibilities of the parties, and be interpreted as if: “Contract” means Order; “Contracting Officer” means an authorized representative of Shamrock; “Contractor” means Supplier; “Government” means Shamrock, and “Subcontractor” means Supplier’s lower-tier subcontractors and suppliers. References to the “Disputes clause” shall mean Paragraph 6 of these Supplemental Purchasing Terms and Conditions.

Shamrock may modify this list of clauses to add any clauses that are reflected in an applicable prime contract or higher-tier subcontract or in subsequent modifications to an applicable prime contract or higher-tier subcontract. Accordingly, Supplier agrees that upon the request of Shamrock, Supplier will negotiate in good faith with Shamrock relative to modifications to this Order to incorporate additional provisions herein or to change provisions hereof, as Shamrock may reasonably deem necessary in order to comply with the provisions of an applicable prime contract or higher-tier subcontract, or with the provisions of modifications to an applicable prime contract or higher-tier subcontract.

Supplier shall include these clauses in each lower-tier subcontract it issues, as applicable. If a FAR, or DFARS clause does not apply to Supplier or the Order based on the applicability conditions in the “Limitations on Applicability” column, then the clause shall be considered self-deleting.

1. The following FAR clauses apply to all Orders in accordance with the applicability conditions outlined below.

FAR Clause	Title	Limitations on Applicability (if blank, the clause applies to all Orders)
52.202-1	Definitions	
52.203-6	Restrictions on Subcontractor Sales to the Government, Alt. I	Applies if the Order value exceeds the simplified acquisition threshold, as defined in FAR 2.101 on the date

FAR Clause	Title	Limitations on Applicability (if blank, the clause applies to all Orders)
		of Order award
52.203-7	Anti-Kickback Procedures	Applies if the Order value exceeds the threshold specified in FAR 3.502-2(i) on the date of Order award; except paragraph (c)(1)
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	Applies if the Order value exceeds the threshold specified in FAR 3.808 on the date of Order award
52.203-13	Contractor Code of Business Ethics and Conduct	Applies if the Order value exceeds the threshold specified in FAR 3.1004(a) on the date of Order award and has a period of performance of more than 120 days. All disclosures of violations of the civil False Claims Act or of Federal criminal law shall be directed to the agency Office of the Inspector General, with a copy to the Contracting Officer
52.203-17	Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights	
52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements	
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards	Supplier is only required to provide Shamrock with the information required for Shamrock to comply with its obligations under the clause if applicable to the Order; Supplier is not required to issue reports on its first-tier subcontractors; the information provided by Supplier will be made publicly available
52.204-23	Prohibition on Contracting for Hardware, Software, Services Developed or Provided by Kaspersky Lab and other Covered Entities	
52.204-25	Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment	Except paragraph (b)(2)
52.204-27	Prohibition on a ByteDance Covered Application	

FAR Clause	Title	Limitations on Applicability (if blank, the clause applies to all Orders)
52.204-30	Federal Acquisition Supply Chain Security Orders - Prohibition	Except paragraph (c)(1)
52.211-15	Defense Priority and Allocation Requirements	Applies to rated Orders
52.219-8	Utilization of Small Business Concerns	Applies if the Order offers further subcontracting opportunities
52.219-28	Post-Award Small Business Program Representation	
52.222-19	Child Labor – Cooperation with Authorities and Remedies	
52.222-35	Equal Opportunity for Veterans	Applies if the Order is valued at or above the threshold specified in FAR 22.1303(a) or 22.1302-1(a)(2) of the FAR Overhaul, as applicable, on the date of Order award
52.222-36	Equal Opportunity for Workers with Disabilities	Applies if the Order has a value exceeding the threshold specified in FAR 22.1408(a) or 22.1401-2(a)(1) of the FAR Overhaul, as applicable, on the date of Order award
52.222-37	Employment Reports on Veterans	Applies if the Order is valued at or above the threshold specified in FAR 22.1303(a) or 22.1302-1(b) of the FAR Overhaul, as applicable, on the date of Order award
52.222-40	Notification of Employee Rights Under the National Labor Relations Act	Applies if the Order has a value exceeding \$10,000 and will be performed wholly or partially in the United States
52.222-50	Combating Trafficking in Persons	
52.222-90	Addressing DEI Discrimination by Federal Contractors	Not applicable to Orders for which the place of delivery or performance is outside the United States
52.223-3	Hazardous Material Identification and Material Safety Data	Applies to Orders that involve the delivery of hazardous materials as defined in FAR 23.301
52.225-1	Buy American - Supplies	Applies when the Order is for end products that will be delivered to the Government as-is
52.225-3	Buy American Act – Free Trade Agreements – Israeli Trade Act	Applies when the Order is for end products that will be delivered to

FAR Clause	Title	Limitations on Applicability (if blank, the clause applies to all Orders)
		the Government as-is
52.225-5	Trade Agreements	Applies when the Order is for end products that will be delivered to the Government as-is
52.225-8	Duty-Free Entry	Applies to the Order if: (i) supplies identified in the schedule to be accorded duty-free entry will be imported into the customs territory of the United States; or (ii) other foreign supplies in excess of \$20,000 may be imported into the customs territory of the United States
52.225-13	Restrictions on Certain Foreign Purchases	
52.226-6	Promoting Excess Food Donation to Nonprofit Organizations	Applies to Orders that exceed the threshold specified in FAR 26.404 on the date of Order award with Suppliers who will perform under the Order the provision, service, or sale of food in the United States
52.226-8	Encouraging Contractor Policies to Ban Text Messaging while Driving	
52.227-1	Authorization and Consent	Applies to Orders that exceed the simplified acquisition threshold, as defined by FAR 2.101, on the date of Order award; references to the “Government” shall remain the U.S. Government
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	Applies to Orders that exceed 000the simplified acquisition threshold, as defined by FAR 2.101, on the date of Order award; references to the “Government” shall remain “the U.S. Government and Shamrock”
52.232-39	Unenforceability of Unauthorized Obligations	
52.232-40	Providing Accelerated Payments to Small Business Subcontractors	Applies if Supplier is a small business concern
52.240-1	Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-	

FAR Clause	Title	Limitations on Applicability (if blank, the clause applies to all Orders)
	Covered Foreign Entities	
52.240-91	Security Prohibitions and Exclusions	Applies in lieu of FAR clauses 52.204-23, 52.204-25, 52.204-27, 52.204-30, 52.225-13, and 52.240-1, if this clause is in Shamrock's prime contract or higher-tier subcontract
52.244-6	Subcontracts for Commercial Items	
52.247-63	Preference for U.S.-Flag Air Carriers	Applies to Orders that may involve international air transportation
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels	Not applicable to Orders for commercial products or commercial services unless an exception in paragraph (e)(4) of the clause applies

2. *The following DFARS clauses apply to all Orders issued in support of a contract with the U.S. Department of Defense in accordance with the applicability conditions outlined below.*

DFARS Clause	Title	Limitations on Applicability (if blank, the clause applies to all Orders)
252.203-7002	Requirement to Inform Employees of Whistleblower Rights	
252.203-7003	Agency Office of the Inspector General	Applies if FAR 52.203-13 applies
252.204-7000	Disclosure of Information	
252.204-7015	Notice of Authorized Disclosure of Information for Litigation Support	
252.204-7018	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services	
252.223-7001	Hazard Warning Labels	Applies if the Order requires the submission of hazardous material data sheets
252.223-7008	Prohibition of Hexavalent Chromium	
252.225-7001	Buy American and Balance of Payments Program	Applies when the Order is for end products that will be delivered to the Government as-is

DFARS Clause	Title	Limitations on Applicability (if blank, the clause applies to all Orders)
252.225-7004	Report of Intended Performance Outside the United States and Canada – Submission after Award	Supplier shall notify Shamrock and provide Shamrock the information required by the clause if Supplier will perform any part of the Order outside the United States and Canada that exceeds the threshold specified in DFARS 225.7201 and could be performed inside the United States or Canada
252.225-7012	Preference for Certain Domestic Commodities	
252.225-7013	Duty-Free Entry	Applies to Orders for qualifying country components (as defined in the clause) or nonqualifying country components (as defined in the clause) for which Supplier estimates that duty will exceed \$200 per unit
252.225-7021	Trade Agreements	Applies when the Order is for end products that will be delivered to the Government as-is
252.225-7033	Waiver of United Kingdom Levies	Applies to Orders over \$1,000,000 with a U.K. firm
252.225-7036	Buy American – Free Trade Agreements – Balance of Payments Program	Applies when the Order is for end products that will be delivered to the Government as-is
252.225-7048	Export-Controlled Items	
252.225-7056	Prohibition Regarding Business Operations with the Maduro Regime	
252.225-7060	Prohibition on Certain Procurements from the Xinjiang Uyghur Autonomous Region	
252.225-7061	Restriction on the Acquisition of Personal Protective Equipment and Certain Other Items from Non-Allied Foreign Nations	Applies if the Order value exceeds \$150,000 for the acquisition of “covered items” as defined in the clause
252.226-7001	Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	Applies if the Order value exceeds \$500,000
252.244-7000	Subcontracts for Commercial Products or Commercial Services	

DFARS Clause	Title	Limitations on Applicability (if blank, the clause applies to all Orders)
252.244-7999	Subcontracts for Commercial Products or Commercial Services (DEVIATION 2026-O0015)	Applies in lieu of DFARS 252.244-7000, if this clause is in Shamrock’s prime contract or higher-tier subcontract
252.247-7023	Transportation of Supplies by Sea - Basic	Applies to Orders for the types of supplies described in paragraph (c)(2) of the clause; for Orders at or below the simplified acquisition threshold in FAR 2.101, only paragraphs (a) through (e) and paragraph (i) apply
252.249-7002	Notification of Anticipated Contract Termination or Reduction	Applies to Orders that equal or exceed the threshold specified in DFARS 249.7003-(c)(2)(i) at the time of the notice

3. The following Army and Air Force Exchange Service (“AAFES”) clauses apply to all Orders issued in support of contracts with AAFES.

A. EXAMINATION OF RECORDS

- a. This clause applies if the amount of the Order exceeds \$10,000. Supplier agrees that Shamrock and its customer, or their duly authorized representative(s), will have the right to examine and audit the books and records of Supplier, directly pertaining to the Order during the period of the Order and until the expiration of three years after the final payment under the Order. Supplier agrees to include this clause in all subcontracts that exceed \$10,000.
- b. “General Accountability Office” may be substituted for Shamrock or its customer or their “duly authorized representative” when the prospective Supplier does not accept the standard wording of the examination clause.
- c. Orders awarded to foreign Suppliers may exclude the examination clause when its use is precluded by the laws of the country involved, subject to the approval of Shamrock and the servicing AAFES General Counsel (AAFES headquarters [HQ] and AAFES Europe). Order files in such circumstances will be documented to show the basis for exclusion of the clause.

B. ENVIRONMENTAL PROTECTION

- a. This clause will apply to any Order in excess of \$100,000, and indefinite quantity Orders estimated to exceed \$100,000 in one year; however, it will not apply to use of facilities located outside the United States.
- b. Unless this Order is exempt, by acceptance of this Order, Supplier (and, where appropriate, its lower-tier subcontractors) stipulates:

- (1) Any facility to be used in the performance of any nonexempt Order or subcontract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities as of the date of contract award.
- (2) Its agreement to comply with all requirements of Section 114 of the Air Act and Section 308 of the Water Act relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Sections 114 and 308 of the Air Act and the Water Act, respectively, and all regulations and guidelines issued thereunder.
- (3) As a condition of award of the Order, Supplier shall promptly notify Shamrock of the receipt of any communication from the Director, Office of Federal Activities, U.S. EPA, or delegate, indicating a facility to be used for the Order is under consideration to be listed on the EPA List of Violating Facilities.
- (4) Its agreement to include the criteria and requirements in subparagraphs (b)(1) through (b)(4) in every nonexempt subcontract, and to take such actions the government may direct to enforce such provisions.

C. RESTRICTIONS ON PURCHASES OF FOREIGN GOODS

- a. Supplier will not acquire for use in the performance of this Order any merchandise, equipment, supplies, or services originating from, processed in, or transported from or through, the countries prohibited from commerce by the U.S. Government. A current list of prohibited countries is available from the Contracting Officer by submitting a request to Shamrock. This restriction includes merchandise, equipment, supplies, or services from any other country that is restricted by law, regulation, or executive order at any time during performance of the Order.
- b. Supplier agrees to insert the provisions of this clause, including this paragraph, in its subcontracts.

D. CONFORMANCE WITH APPLICABLE LAWS AND REGULATIONS

By contracting with Shamrock, Supplier warrants it has complied with all applicable laws and regulations governing the manufacture, sale, packing, shipment, and delivery of the items provided. Supplier certifies that it, its subcontractors, and its suppliers have complied with applicable labor laws, including but not limited to the Fair Labor Standards Act (FLSA). Supplier will notify the subcontractors that AAFES requires goods to be made in compliance with the FLSA and will provide subcontractors with information regarding FLSA requirements. If requested by the Contracting Officer or Shamrock, Supplier will promptly provide subcontractor names and manufacturing sites. Supplier will have an effective monitoring program for it, its subcontractors, and suppliers and will display Wage and Hour Division posters in workers' language, and other appropriate materials provided by the DOL through AAFES at U.S. work sites, inviting workers to make inquiries about the FLSA.

E. COMBATING TRAFFICKING IN PERSONS

a. **Definitions** - As used in this clause

- (1) Coercion
 - i. Threats of serious harm to or physical restraint against any person.
 - ii. Any scheme, plan, or pattern intended to cause a person to believe that failure to perform an act would result in serious harm to or physical restraint against any person.
 - iii. The abuse or threatened abuse of the legal process.
 - iv. Withholding any document (e.g., passport, visa, identification [ID], etc.) that prevents or restricts the person from moving freely.
- (2) Commercial sex act - any sex act on account of which anything of value is given to or received by any person.
- (3) Debt bondage - the status or condition of a debtor arising from a pledge by the debtor of his/her personal services or of those of a person under his/her control as a security for debt, if the value of those services as reasonably assessed is not applied toward the liquidation of the debt or the length and nature of those services are not respectively limited and defined.
- (4) Employee - an employee of Supplier directly engaged in the performance of work under the Order who has other than a minimal impact or involvement in Order performance.
- (5) Forced labor - knowingly providing or obtaining the labor or services of a person:
 - i. By threats of serious harm to, or physical restraint against, that person or another person.
 - ii. By means of any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint.
 - iii. By means of the abuse or threatened abuse of law or the legal process.
- (6) Involuntary servitude includes a condition of servitude induced by means of:
 - i. Any scheme, plan, or pattern intended to cause a person to believe that, if the person did not enter into or continue in such conditions, that person or another person would suffer serious harm or physical restraint.
 - ii. The abuse or threatened abuse of the legal process.
- (7) Severe forms of trafficking in persons
 - i. Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age.
 - ii. The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

- (8) Sex trafficking - the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act.
- b. **Policy** - The U.S. Government and AAFES have adopted a zero tolerance policy regarding trafficking in persons. Supplier and Supplier employees shall not:
 - (1) Engage in severe forms of trafficking in persons during the period of performance of the Order.
 - (2) Procure commercial sex acts during the period of performance of the Order.
 - (3) Use forced labor in the performance of the Order.
- c. **Supplier requirements** - Supplier shall:
 - (1) Notify its employees of:
 - i. The U.S. Government's and AAFES' zero tolerance policy described in paragraph b of this clause.
 - ii. The actions that will be taken against employees for violations of this policy. Such actions may include, but are not limited to, removal from the Order, reduction in benefits, or termination of employment.
 - (2) Take appropriate action, up to and including termination, against employees or subcontractors that violate the policy in paragraph b of this clause.
- d. **Notification** - Supplier shall inform Shamrock immediately of:
 - (1) Any information it receives from any source (including host country law enforcement) that alleges a Supplier employee, subcontractor, or subcontractor employee has engaged in conduct that violates this policy.
 - (2) Any actions taken against Supplier employees, subcontractors, or Subcontractor employees pursuant to this clause.
- e. **Remedies** - In addition to other remedies available to Shamrock, Supplier's failure to comply with the requirements of paragraphs c, d, or f of this clause may result in:
 - (1) Requiring Supplier to remove a Supplier employee or employees from the performance of the Order.
 - (2) Requiring Supplier to terminate a subcontract.
 - (3) Suspension of Order or fee payments.
 - (4) Loss of award fee, consistent with the award fee plan, for the performance period in which Shamrock or AAFES determined Supplier non-compliance.
 - (5) Termination of the Order for default or cause, in accordance with the termination clause of this Order.
 - (6) Suspension or debarment.
- f. **Subcontracts** - Supplier shall include the substance of this clause, including this paragraph, in all lower-tier subcontracts.
- g. **Mitigating Factor** – AAFES, through Shamrock, may consider whether Supplier had a Trafficking in Persons awareness program at the time of the violation as a mitigating factor when determining remedies. Additional information about Trafficking in Persons and examples of awareness programs can be found at the website for the Department of State's Office to Monitor and Combat Trafficking in Persons at <http://www.state.gov/o/tip>.

4. The following clauses apply to all Orders issued in support of Prime Contracts with the Air Force Nonappropriated Fund Purchasing Office (AFNAFPO) or any Federal Government Nonappropriated Fund Instrumentality (NAFI).

A. EXAMINATION OF RECORDS. Supplier agrees that Shamrock and its customer, or a duly authorized representative(s), shall have the right to examine and audit the books and records of Supplier directly pertaining to the Order during the period of the Order and until expiration of three (3) years after the final payment under the Order. Supplier shall include this clause in all lower-tier subcontracts.

B. SOCIAL RESPONSIBILITY AND LABOR STANDARDS NONRESALE

By performance of this Order, Supplier and any subcontractors shall comply with the Social Responsibility requirements addressed herein:

- a. **Combating Trafficking in Persons (CTIP).** Applicable to all contracts, regardless of location performed.
 - (1) **Definitions.** The meanings of the terms coercion, commercial sex act, debt bondage, forced labor, involuntary servitude, severe forms of trafficking in persons, and sex trafficking are as is defined in the Trafficking Victims Protection Act of 2000, Public Law 106-386, October 28, 2000 <http://www.state.gov/documents/organization/10492.pdf>.
 - (2) **Policy.** DoD NAFIs have adopted the U.S. Government's zero tolerance policy regarding trafficking in persons. During the Order period of performance, Supplier and Supplier employees shall not: (a) Engage in severe forms of trafficking; (b) Procure commercial sex; or (c) Use forced labor.
 - (3) **Supplier Requirements.** Supplier shall: (a) Notify its employees of: Zero tolerance policy described in this clause; and actions that will be taken against employees for violations of this policy. (Such actions may include, but are not limited to, removal from the Order, reduction in benefits, or termination of employment); and (b) Take appropriate action against employees or subcontractors that violate policy in paragraph a.(2) of this clause, up to and including termination.
 - (4) **Notification.** Supplier shall inform Shamrock immediately of: (a) Any information it receives from any source (including host country law enforcement) alleging a Supplier employee, subcontractor, or subcontractor employee has engaged in conduct that violates this policy; and (b) Any actions taken against Supplier employees, subcontractors, or subcontractor employees pursuant to this clause.
 - (5) **Remedies.** In addition to other remedies available to Shamrock, Supplier's failure to comply with the requirements of this clause may result in (a) Requiring the Supplier to remove a Supplier employee or employees from performance under the Order; (b) Requiring the Supplier to terminate a subcontract; (c) Suspension of contract or fee payments; (d) Termination of the Order for default or cause, in

accordance with the termination clause of this Order; and/or (e) Suspension or debarment.

- (6) Mitigating Factors. Shamrock may consider whether Supplier had a Trafficking in Persons awareness program at the time of any violation as a mitigating factor when determining remedies.
- (7) Additional information about Trafficking in Persons and examples of awareness programs can be found on the U.S. Department of State, Office to Monitor and Combat Trafficking in Persons (OMCTP) website < <http://www.state.gov/j/tip/index.htm> >.

b. Labor; Work Hours, Compensation and Benefits; Discipline; Freedom of Association; Discrimination; and Workspaces. Applicable to all Orders regardless of location performed.

- (1) Labor. Supplier shall not employ any person under the age of 14 years, unless local and national laws stipulates a higher age for work or mandatory schooling, in which case the higher age will apply. Supplier shall not use force or other compulsory labor in performance of this Order, nor require employees to lodge "deposits" or identity papers upon commencing employment with Supplier or subcontractor.
- (2) Working Hours, Compensation and Benefits. Supplier shall comply with applicable local and national laws on maximum daily/weekly working hours. Supplier shall ensure that wages paid for a standard workweek are consistent with local and national laws.
- (3) Safe and Healthy Workplace. Supplier shall provide employees with a safe and healthy workplace in compliance with all local and national laws.
- (4) Discipline. Supplier shall not engage in or support the use of corporal punishment, mental or physical coercion, verbal abuse, or withholding passports or travel documents.
- (5) Freedom of Association & Right to Collective Bargaining. Supplier shall respect the right of all employees to form and join trade unions of their choice, consistent with prevailing local and national laws and to bargain collectively without any activity that impedes or suppresses freedom of association. Supplier shall ensure that representatives of such employees are not subject to discrimination and that such representatives have access to their members in the workplace.
- (6) Discrimination. Supplier shall comply consistently with local and national laws with regard to discrimination in hiring, compensation, access to training, promotion, termination, or retirement based on race, caste, national origin, religion, disability, gender, sexual orientation, maternity status, union membership, or political affiliation.

c. U.S. Labor Statutes.

- (1) Applicable to all Orders performed within the United States. Where a statute specifies where within the U.S. it applies, the definition in the statute supersedes definitions in this clause.
- (2) Definitions.
 - (a) "United States" in general means the 50 States, the District of Columbia, Outlying Areas, and Outer Continental Shelf lands as defined in the Outer Continental Shelf Lands Act (43 U.S.C. 1331, et seq.), but does not include any other place subject to U.S.

jurisdiction or any U.S. base or possession in a foreign country (29 CFR 4.112).

(b) "Outlying Areas" means: (1) Commonwealths of Puerto Rico and the Northern Mariana Islands; (2) Territories: American Samoa, Guam, and U.S. Virgin Islands; and (3) Minor outlying islands (Baker Island, Howland Island, Jarvis Island, Johnston Atoll, Kingman Reef, Midway Islands, Navassa Island, Palmyra Atoll and Wake Atoll).

d. **Supplier shall:**

- (1) Comply with all applicable statutes to include, but not limited to the Fair Labor Standards Act (FLSA), Service Contract Labor Standards Statute and Construction Wage Rate Requirements.
- (2) Provide subcontractor names and performance addressees within 24 hours, if requested by Shamrock.
- (3) Have an effective program for monitoring compliance with applicable statutes and as applicable ensure U.S. Department of Labor (DoL) Wage and Hour Division posters in workers' language are posted at U.S. work sites.
- (4) Ensure compliance with all applicable hours, wages, labor relations (including collective bargaining), workmen's compensation, working conditions and other matters pertaining to labor standards of the country, or political matters pertaining to labor standards of the country, or political subdivision thereof, where contract is performed.

e. To ensure full compliance with requirements of this clause, Shamrock or the NAFI (or third party designated by the NAFI) has the right to conduct announced or unannounced inspections of any site utilized by Supplier to perform this Order.

f. **Prohibition on Illicit Substance.** Supplier, its employee(s) or representative(s) working under this Order agree(s) not to possess, or use any illicit substance(s) while performing on the site(s) of this contract whether on military installation(s) or Federal property(s). Any incompliant or finding of violation of this paragraph, render Supplier subject to suspension of contract payments, termination of the Order for default, and suspension or debarment.

g. **Subcontracts.** Supplier shall include this clause in all lower-tier subcontracts.