FEDERAL FUNDING SOURCE REQUIREMENTS: CDBG

Harris County Housing Finance Corporation ("**HFC**") and its subrecipient(s) (collectively referred to hereafter as "**Obligated Party**") must comply and cause its contractors and subcontractors to comply, to the extent applicable, with the requirements of the U.S. Department of Housing and Urban Development's ("**HUD**") Community Development Block Grant program ("**CDBG**"), established by Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. § 5301 *et seq*.). Applicable CDBG program regulations include Title 24 of the Code of Federal Regulations ("CFR"), Part 570.[1] Obligated Party must also comply with all other applicable federal statutes, regulations, and executive orders, and the terms of the contract to which this exhibit is attached (the "**Contract**") and the requirements of this Exhibit, including without limitation, the requirements, incorporated herein by reference, of the Unique Entity Identifier and System for Award Management (SAM), 2 CFR Part 25 (including the Award Term set forth in 2 CFR Part 25, Appendix A); Recipient Integrity and Performance Matters (including the Award Term and Condition for Recipient Integrity and Performance Matters set forth in 2 CFR Part 200, Appendix XII); and Reporting Subaward and Executive Compensation Information in 2 CFR Part 170 (including the Award Term set forth in 2 CFR Part 170, Appendix A).

CDBG requirements generally include, without limitation, the following, as applicable:

- National Objectives under 24 CFR 570.208;
- Eligible activities and costs under 24 CFR 570.201-.207[2];
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards under 2 CFR 200 (as modified by 24 CFR 570.502), including the requirements of the Single Audit Act Amendments of 1996 (31 U.S.C. § 7501-7507) under 2 CFR Part 200, Subpart F;
- Grant administration requirements[3] under 24 CFR 570 Subpart J, including, without limitation, requirements for:
    - Records submission and maintenance;
    - Program Income reporting;
    - Reversion of assets;
    - Debarment, suspension, and remedies;

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[1] CDBG regulations applicable to all CDBG programs include 24 CFR Part 570, Subparts A, C, J, K, and O. 24 CFR Subparts D, E, F, G, and I are applicable to activities funded under entitlement grants, special purpose grants, Small Cities and Insular Areas programs, Urban Development Action Grants, and State CDBG programs. 24 CFR Subparts M and N are applicable to certain loan guarantees and Urban Renewal provisions.

[2] Ineligible activities are listed under 24 CFR 570.207. 24 CFR 570.209-.210 may be applicable to economic development projects and employment relocation activities.

[3] Additional state law requirements may also apply. See Uniform Grant and Contract Management Act (Texas Government Code Chapter 783) and the Uniform Grant Management Standards, issued by Governor's Office of Budget and Planning.

- Other federal program requirements under 24 CFR 570 Subpart K, including, without limitation, the following;
    - Fair Housing Act and title VI of the Civil Rights Act under 24 CFR 570.601;
    - Equal Employment Opportunity and Section 3 under 24 CFR 570.607;
    - Non-discrimination under 24 CFR 570.602[4];
    - Labor standards under 24 CFR 570.603[5];
    - Environmental Standards under 24 CFR Part 58 under 24 CFR 570.604[6];
    - National Flood Insurance Program under 24 CFR 570.605;
    - Relocation assistance under 24 CFR 570.606[7];
    - Lead-based paint under 24 CFR 570.608[8];
    - Prohibition on use of debarred, suspended, or ineligible contractors or subrecipients under 24 CFR 570.609;
    - Conflicts of interest under 24 CR 570.611;
    - Architectural Barriers Act of 1968 and Americans with Disabilities Act of 1990 (28 CFR Parts 35-36) under 24 CFR 570.614; and
- Closeout procedures under 2 CFR 200.344 and as established by HUD for the applicable funding program(s).

Terms not otherwise defined in this Exhibit shall have the meaning assigned to them in the Contract unless context requires otherwise. To the extent the provisions in this Exhibit conflict with the Contract, the stricter of the provisions shall apply, unless and to the extent specifically set forth in the Contract; provided, however, that the parties intend this Exhibit to be interpreted consistently with all applicable federal laws, rules, regulations, interpretive guidance and other materials of the federal agency providing funding to the Pass-Through Entity (as defined in the Subaward Information table above) for the Contract.

National Objectives. Obligated Party covenants and agrees the purpose of the Project is to meet one or more of the "National Objectives" and other requirements set forth in 24 CFR 570.208 and certifies all activities carried out under the Contract shall be in furtherance of at least one such National Objective.

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[4] Includes requirements of the Housing and Community Development Act of 1974, as amended, particularly Section 109, and Section 504 of the Rehabilitation Act of 1973. Eligibility restrictions for certain resident aliens may apply to beneficiaries under 24 CFR 570.613.

[5] Includes section 110(a) of the Housing and Community Development Act of 1974, as amended; the Davis-Bacon Act, as amended (40 U.S.C. 3141-3148); the Copeland "Anti-Kickback" Act (40 U.S.C. 3145); and the Contract Work Hours and Safety Standards Act, as supplemented by Department of Labor Regulations under 29 CFR Parts 1, 3, 5, 6 and 7 and under 24 CFR Part 70 for volunteers.

[6] Initiating the environmental review process under 24 CFR Part 58 is the responsibility of the Pass-Through Entity. However, other environmental requirements may apply to the Contract as described in 24 CFR Part 58. Subject to 24 CFR 570.503, 570.509, and 570.604, as applicable.

[7] Includes requirements under 49 CFR Part 24, as applicable.

[8] Includes requirements of the Lead–Based Paint Poisoning Prevention Ac (42 U.S.C. § 4801 *et seq*.); the Residential Lead–Based Paint Hazard Reduction Act of 1992; and 24 CFR Part 35, as applicable.

General Procurement Standards (2 CFR 200.318-.327). Obligated Party, when applicable, must procure property or services in connection with the Project in accordance with the requirements of 2 CFR 200, including the procurement standards set forth in 2 CFR 200.318-.327. Obligated Party must maintain oversight to ensure its contractors perform in accordance with the terms, conditions, and specifications of their contracts.

Internal Controls (2 CFR 200.303). Obligated Party must establish and maintain effective internal control over the federal funds that provides reasonable assurance that federal funds are managed in compliance with all applicable Federal, State, and local laws, regulations, and the terms and conditions of the Federal award. Obligated Party must take reasonable measures to safeguard protected personally identifiable information and other information considered to be sensitive consistent with applicable Federal, State, and local laws regarding privacy and responsibility over confidentiality.

Labor Standards (24 CFR 570.603). Obligated Party must comply with section 110(a) of the Housing and Community Development Act of 1974, the Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 *et seq*.), and the Contract Work Hours and Safety Standard Act (40 U.S.C. 327 *et seq*.), as now or hereafter amended, and the supplementing regulations under 29 CFR Parts 1, 3, 5, 6, and 7 (and under 24 CFR Part 70 for volunteers), which regulate wage, hour, and other employment practices that govern the use of funds provided and the employment of personnel under the Contract. Obligated Party will pay all its workers all monies earned by its workers including, but not limited to, regular wages, any overtime compensation, or any additional payments pursuant to the Fair Labor Standards Act; the Contract Work Hours and Safety Standard Act; 24 CFR Part 70; the Equal Pay Act; and Title VII of the Civil Rights Act of 1964.

National Flood Insurance Program (24 CFR 570.605). If applicable, Obligated Party shall comply with the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234; 42 U.S.C. § 4001 et seq.) (44 CFR Parts 59 through 79) for areas identified by HUD as having special flood hazards. The use of any funds provided for acquisition or construction in identified areas shall be subject to the Mandatory Purchase of Flood Insurance requirements of section 102(a) of said act.

Displacement, Relocation, Acquisition, and Replacement of Housing (24 CFR 570.606). If the Project or any work provided in accordance with the Contract will result in the displacement of persons, Obligated Party covenants and agrees to comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations at 49 CFR Part 24 and 24 CFR Part 42.

Equal Protection of the Laws for Faith-Based Community Organizations (24 CFR 570.607). Obligated Party shall comply with the requirements of Executive Order 13279 and 24 CFR 5.109 to ensure the equal participation of faith-based organizations in all activities under this Contract.

Lead-Based Paint (24 CFR 570.608). Obligated Party shall comply, as applicable, with the requirements of the Lead-Based Paint Poisoning Prevention Act (43 U.S.C. 4821–4846) and implementing regulations at 24 CFR Part 35, the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. §§ 4851-4856), and the implementing regulations at 24 CFR Part 35, Subparts A, B, J, K and R and 40 CFR part 745, including, without limitation, taking appropriate

actions to protect occupants of residential dwellings from the hazards associated with lead-based paint abatement procedures.

Eligibility Restrictions for Certain Resident Aliens and Noncitizens (24 CFR 570.613 and 24 CFR Part 5, Subpart E). Obligated Party shall comply with the applicable restrictions on the provision of benefits to newly legalized aliens under 24 CFR 570.613 and to noncitizens under 24 CFR Part 5, Subpart E.

Housing Counseling (24 CFR 570.615). If Obligated Party provides housing counseling, as defined in 24 CFR 5.100, under the Contract, the housing counseling must be carried out in accordance with 24 CFR 5.111.

Whistleblower Protections (2 CFR 200.217). In accordance with 41 U.S.C. § 4712, Obligated Party may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.

The list of persons and entities referenced in the paragraph above includes the following:

i. A member of Congress or a representative of a committee of Congress;

ii. An Inspector General;

iii. The Government Accountability Office;

iv. A Federal employee responsible for contract or grant oversight or management;

v. An authorized official of the Department of Justice or other law enforcement agency; A court or grand jury; or

vi. A management official or other employee of Obligated Party, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.

Obligated Party shall inform its employees in writing of the rights and remedies provided under this provision in the predominant native language of the workforce.

Conflicts of Interest (2 CFR 200.318(c) and 24 CFR 570.611). In accordance with 2 CFR 200.318(c), Obligated Party must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts, as well as for disciplinary actions to be applied for violations of such standards. Such standards shall, at a minimum, provide that no employee, officer, or agent of Obligated Party may participate in the selection, award, or administration of the Contract or any other contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or

her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the Obligated Party may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. Obligated Party and its parent, affiliate, or subsidiary organizations must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

In accordance with 24 CFR 570.611, in all cases other than the procurement of supplies, equipment, construction, and services, no employee, agent, consultant, officer, or elected official or appointed official of the Obligated Party who exercises or has exercised any functions or responsibilities with respect to or in connection with the Contract and related activities, or who are in a position to participate in a decision making process or gain inside information with regard to the Contract and related activities, may obtain a financial interest or benefit from the Contract or related activities, or have a financial interest in any contract, subcontract, or agreement with respect to the Contract or related activities, or with respect to the proceeds of the Contract or related activities, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. HUD may grant an exception to this exclusion as provided in 24 CFR 570.611(d).

REQUIRED CONTRACT PROVISIONS

Obligated Party shall comply with all of the following contract provisions. Obligated Party shall further insert in any contracts and subcontracts the provisions set forth in this exhibit, to the extent applicable, and a clause requiring contractors (and subcontractors when indicated) to include these provisions in any lower tier contracts or subcontracts. Failure to comply by Obligated Party or by any contractor or subcontractor may be grounds for termination of the Contract and for debarment as a contractor or subcontractor.

NO OBLIGATION OF THE FEDERAL GOVERNMENT

The Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to the non- Federal entity, Obligated Party, or any other party pertaining to any matter resulting from the Contract.

SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968

Obligated Party acknowledges that any work to be performed under the Contract is on a project[9] assisted all or in part under a HUD program providing more than $200,000 in federal financial assistance and, pursuant to 24 CFR 570.607, is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, (12 U.S.C. § 1701u) and implementing

[9] Defined under 24 CFR 75.3(a)(2) as "the site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing."

regulations under 24 CFR Part 75 ("Section 3"). Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given to lower income residents located in the area of the project and that contracts for work in connection with the project be awarded to business concerns that are owned in substantial part by lower income persons and provide economic opportunities to lower income residents located in the area of the project in accordance with 24 CFR 75.19. Obligated Party shall comply with the requirements of Section 3 and all applicable rules and orders of HUD issued thereunder as of or prior to the Contract.

Obligated Party shall include a Section 3 clause in every contract and subcontract in connection with the Contract. At the direction of the Pass-Through Entity, Obligated Party shall take appropriate action pursuant to the contract or subcontract upon a finding that the contractor or subcontractor is in violation of any Section 3 requirements. Obligated Party shall not contract or subcontract with any party where Obligated Party has notice or knowledge that such party has been found in violation of any Section 3 requirements and shall not let any contract or subcontract unless the contractor or subcontractor has first provided Obligated Party with a preliminary statement of ability to comply with the requirements of said regulations.

DISCRIMINATION

Obligated Party must comply with the statutes and regulations prohibiting excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, religion, national origin, sex, disability, or age, including, but not limited to, Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) (24 CFR Part 1); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) (24 CFR Part 8); The Fair Housing Act, as amended (42 U.S.C. 3601 et seq.) (24 CFR Parts 100 and 107); Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.); Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.); the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.) (24 CFR Part 146); Executive Order 11063, as amended by Executive Order 12259 ("Nondiscrimination and Equal Opportunity in Housing under Executive Order 11063") (24 CFR Part 107); Section 109 of Title I of the Housing and Community Development Act of 1974 (42 USC § 5309) (24 CFR Part 6); and 24 CFR 5.105 and 24 CFR 570.601-602. Obligated Party must include a provision prohibiting such discrimination in any contracts or subcontracts for activities to which these requirements apply or could apply, and all contractors and subcontractors must comply with the applicable provision.

DISABILITIES

Obligated Party acknowledges the Contract is subject to all laws and regulations that prohibit recipients of federal funding from discriminating against individuals with disabilities, including, but not limited to, the following: Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) (24 CFR Part 8); The Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12101 et seq.) (28 CFR Parts 35-36); the Architectural Barriers Act of 1968 (42 U.S.C. 4151 et seq.); the Uniform Federal Accessibility Standards in Title 24, U.S.C. and associated regulations (24 CFR Part 40); and 24 CFR 5.105 and 24 CFR 570.614. Obligated Party must include a provision prohibiting such discrimination in any contracts or subcontracts for activities to which these requirements apply or could apply, and all contractors and subcontractors must comply with the applicable provision.

BUY AMERICA PREFERENCES FOR INFRASTRUCTURE PROJECTS (2 CFR Part 184)

For any contracts involving construction, alteration, maintenance, or repair of any "infrastructure" as described in 2 CFR 184.4.4(d),[10, 11] Obligated Party must comply with the "Buy America Preference" of the Build America, Buy America Act, included in the Infrastructure Investment and Jobs Act at division G, title IX, subtitle A, part I, sections 70911 through 70917 (Pub. L. 117-58), and implementing regulations at 2 CFR Part 184.[12] Further, Obligated Party must include the following Buy America Preference all contracts and subcontracts under or in connection with the Contract:

> "Pursuant to the Build America, Buy America Act (BABA), enacted as part of the Infrastructure Investment and Jobs Act (IIJA). Pub. L. 117-58, 41 U.S.C. § 8301 note, the Federal Financial Assistance used to fund this infrastructure project is required to apply a domestic content procurement preference (the "Buy America Preference" or "BAP") for all construction, alteration, maintenance, or repair of infrastructure, including buildings and real property, unless application of the BAP has been waived by HUD. Additional details on fulfilling the BABA requirements can be found at https://www.hud.gov/baba."

ENVIRONMENTAL LAWS

Obligated Party must comply with all applicable environmental standards that may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order ("EO") 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.), and U.S. Environmental Protection City regulations pursuant to 40 CFR Part 50, as amended; (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); (h) protection of endangered species under the

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[10] Pursuant to *HUD Notice CPD-25-01: CPD Implementation Guidance for the Build America, Buy America Act's Buy America Preference*, Pg.1 (https://www.hud.gov/sites/dfiles/OCHCO/documents/cpd-25-01.pdf), housing projects with five or more units will generally be considered "public" infrastructure projects that are subject to the Buy America Preference unless a waiver (general or project/product specific) or exemption (such as for disaster assistance described in 2 CFR 184.8) applies. Land acquisition, demolition, planning, capacity building, program administration, public services, training, counseling, and short-term rental assistance projects generally will not be subject to the Buy America Preference unless materials or supplies are acquired and used for or incorporated into an infrastructure project.

[11] HUD considers a "project" to include all related activities consistent with 24 CFR Part 58. See HUD FAQ ID 4255 (https://www.hudexchange.info/faqs/4255/what-is-a-project).

[12] The Buy America Preference will apply to (i) any construction materials listed in 2 CFR 184.3 for HUD awards made beginning in fiscal year 2024 and (ii) construction materials not listed in 2 CFR 184.3 and manufactured products for HUD awards made beginning in fiscal year 2025.

Endangered Species Act of 1973, as amended (P.L. 93-205); (j) Sole Source Aquifers (Environmental Protection Agency-40 CFR part 149; (k) Farmland Protection Policy Act of 1981 (7 U.S.C. § 4201, et seq.); (l) Farmland Protection Policy (Department of Agriculture-7 CFR part 658); (m) applicable criteria and standards specified in HUD environmental regulations (24 CFR Part 51) (other than the runway clear zone and clear zone notification requirement in 24 CFR 51.303(a)(3); and (n) HUD Notice 79-33, Policy Guidance to Address the Problems Posed by Toxic Chemicals and Radioactive Materials, September 10, 1979. See also 24 CFR 570.604 and 24 CFR Part 58. Obligated Party shall include this requirement in all contracts and subcontracts under the Contract.

UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS (2 CFR PART 200, INCLUDING ALL APPENDICES; 24 CFR 570.502, 570.610)

Obligated Party must comply with all requirements of 2 CFR Part 200, including Appendix II, as modified by 24 CFR 570.502, and include the applicable provisions in any contracts executed with contractors or subcontractors in connection with the Contract. All contractors and subcontractors must comply with the applicable provisions of 2 CFR Part 200, including, but not limited to, the following:

REMEDIES (2 CFR PART 200, APPENDIX II(A))

The administrative, contractual, or legal remedies in the Contract and CDBG regulations apply when the Obligated Party defaults, violates, or breaches the Contract.

TERMINATION FOR CAUSE/CONVENIENCE (2 CFR PART 200, APPENDIX II(B))

Federal law requires the parties to the Contract to address termination for cause and convenience, and the parties shall comply with these provisions of the Contract.

EQUAL EMPLOYMENT OPPORTUNITY (2 CFR 200, APPENDIX II(C); 41 CFR PART 60)

For any contracts entered into in connection with the Contract for construction work that meet the definition of a "federally assisted construction contract" in 41 CFR 60-1.3, Obligated Party shall comply with the requirements of 2 CFR 200, Appendix II(C) and insert the equal opportunity clause provided under 41 CFR 60-1.4(b) into all applicable construction contracts, which is as follows:

During the performance of this contract, the contractor (or subcontractor, as applicable) agrees as follows:

1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5) The contractor will comply with all of the rules, regulations, and relevant orders of the Secretary of Labor.

6) The contractor will furnish all information and reports required by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts, and such other sanctions may be imposed and remedies invoked by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

8) The contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: *Provided,* however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Obligated Party further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: *Provided,* that if Obligated Party so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the Contract.

Obligated Party agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

Obligated Party further agrees that it will refrain from entering into any contract or contract modification with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, Obligated Party agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the Obligated Party under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from the Obligated Party; and refer the case to the Department of Justice for appropriate legal proceedings.

DAVIS-BACON ACT (2 CFR Part 200, Appendix II(D))

Obligated Party shall comply with the applicable requirements of the Davis-Bacon Act (40 U.S.C. 3141-3148) and the regulations at 29 CFR Parts 1, 3, 5, and 7.

Obligated Party agrees that, except with respect to the rehabilitation or construction of residential property containing fewer than eight (8) units pursuant to 24 CFR 570.603, all contractors and subcontractors engaged under contracts in excess of $2,000.00 for construction, renovation, or repair work financed in whole or in part with federal assistance provided under the Contract shall comply with the applicable requirements of the Davis-Bacon Act and regulations at 29 CFR Parts

1, 3, 5, and 7 requiring payment of wages to laborers and mechanics not less than once a week and at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.

Obligated Party shall insert, or cause or require to be inserted, in full in all applicable contracts a provision requiring compliance with the Davis-Bacon Act meeting the requirements of 2 CFR Part 200, Appendix II(D). Obligated Party shall notify the Pass-Through Entity of any suspected or reported violations of these requirements. Obligated Party shall be responsible for the compliance by any contractor or subcontractor with these requirements. A breach of the contract clauses above may be grounds for termination of the Contract, and for debarment as a contractor or subcontractor as provided in 29 U.S.C. § 5.12.

COPELAND "ANTI-KICKBACK" ACT (2 CFR Part 200, Appendix II (D))

Obligated Party shall comply with the applicable requirements of the Copeland "Anti-Kickback" Act (40 U.S.C. 3145) and the requirements of 29 CFR Part 3, which prohibits Obligated Party from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

Obligated Party shall insert, or cause or require to be inserted, in full in all applicable contracts a provision requiring compliance with the Copeland "Anti-Kickback" Act meeting the requirements of 2 CFR Part 200, Appendix II(D). Obligated Party shall notify the Pass-Through Entity of any suspected or reported violations of these requirements. Obligated Party shall be responsible for the compliance by any contractor or subcontractor with these requirements. A breach of the contract clauses above may be grounds for termination of the Contract, and for debarment as a contractor or subcontractor as provided in 29 U.S.C. § 5.12.

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (2 CFR Part 200, Appendix II(E))

For any contract entered into for construction work when the contract amount exceeds $100,000 and such contract involves the employment of mechanics or laborers, Obligated Party must comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708), including particularly 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5).

Obligated Party shall insert, or cause or require to be inserted, in full in all applicable contracts a provision requiring compliance with the Contract Work Hours and Safety Standards Act meeting the requirements of 2 CFR Part 200, Appendix II(E). Obligated Party, or contractor, as applicable, must compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to contracts described in this paragraph and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous.

RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT (2 CFR Part 200, Appendix II(F))

If the Federal award funding all or part of the Contract meets the definition of a "funding agreement" under 37 CFR 401.2(a) and the Obligated Party wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment, or performance of experimental, developmental, or research work under that "funding agreement," the Obligated Party must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

CLEAN AIR ACT and the FEDERAL WATER POLLUTION CONTROL ACT (2 CFR Part 200, Appendix II (G))

For contracts in an amount exceeding $150,000, Obligated Party must comply with all applicable provisions of the Clean Air Act (42 U.S.C. § 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended. Obligated Party agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act, as amended.

Obligated Party agrees to report each violation of the Clean Air Act or Federal Water Pollution Control Act to the Pass-Through Entity and understands and agrees that the Pass-Through Entity will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency and the appropriate Environmental Protection Agency Regional Office.

DEBARMENT / SUSPENSION AND VOLUNTARY EXCLUSION (2 CFR Part 200, Appendix II (H); 2 CFR Part 180; 2 CFR Part 2424; 24 CFR Part 5; 24 CFR 570.609)

Obligated Party, for itself and its principals, warrants it is eligible or otherwise not disqualified or prohibited from participation in federal or state assistance programs. Obligated Party must verify that all contractors and subcontractors performing work under the Contract are not debarred, disqualified, or otherwise prohibited from participation in accordance with the requirements above. Obligated Party further must notify the Pass-Through Entity in writing immediately if Obligated Party or its contractors or subcontractors are not in compliance with this paragraph during the term of the Contract. If it is later determined that Obligated Party did not comply with this paragraph, the Pass-Through Entity or the Federal Government may pursue any and all available remedies (which shall be cumulative and not exclusive), including, but not limited to, suspension and/or debarment of Obligated Party or its contractors or subcontractors.

BYRD ANTI-LOBBYING AMENDMENT (31 U.S.C. § 1352; 2 CFR 200.450; 2 CFR PART 200, APPENDIX II(I); 24 CFR PART 87, APPENDIX A)

Obligated Party must comply with the applicable requirements of the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352), 2 CFR 200.450, and 24 CFR Part 87.

Pursuant to 31 U.S.C. § 1352, if at any time during the Contract term funding to such contract exceeds $100,000.00, Obligated Party shall file with the Pass-Through Entity the Federal Standard Form LLL titled "Disclosure Form to Report Lobbying" as laid out in a form available from the Pass-Through Entity upon request, which provides that Obligated Party certifies it will not and has not used Federal funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or

an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other covered award.

Each contractor or subcontractor of any tier must certify to the tier above that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant or any other award covered by 31 U.S.C. § 1352. Each tier must also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures shall be forwarded from tier to tier up to the Pass-Through Entity who in turn will forward the certification(s) to the awarding agency.

PROCUREMENT OF RECOVERED MATERIALS (2 CFR PART 200, APPENDIX II(J); 2 CFR 200.323)

Obligated Party and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 as amended, 42 U.S.C. 6962. The requirements of Section 6002 include procuring only items designated in the guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Obligated Party should, to the greatest extent practicable and consistent with law, purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products. See Executive Order 14057, section 101, Policy.

PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT (2 CFR PART 200, APPENDIX II(K); 2 CFR 200.216)

Obligated Party shall not contract (or extend or renew a contract) to procure or obtain equipment, services, or systems 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 funded under the Contract. As described in Public Law 115–232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(1) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(2) Telecommunications or video surveillance services provided by such entities or using such equipment.

(3) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

Obligated Party shall include the substance of this section, including this paragraph, in all contracts and subcontracts.

DOMESTIC PREFERENCES FOR PROCUREMENT (2 CFR PART 200, APPENDIX II(L); 2 CFR 200.322)

Obligated Party shall, to the greatest extent practicable and consistent with law, provide a preference for the purchase, acquisition, or use goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all contracts and subcontracts.

For purposes of this section:

(1) "Produced in the United States'' means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) ''Manufactured products'' means items and construction materials composed in whole or in part of nonferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

To the extent the Contract is an infrastructure project, Obligated Party must implement the Buy America preferences set forth in 2 CFR Part 184.

MANDATORY DISCLOSURES (2 CFR 200.113; 41 U.S.C. § 2313)

Obligated Party must disclose, and require its contractors and subcontractors to disclose, in a timely manner, in writing to the Federal awarding agency or the Pass-Through Entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations found in the civil False Claims Act (31 U.S.C 3729-3733) potentially affecting the Federal award funding all or part of the Contract. Obligated Party is also required to report matters related to recipient integrity and performance in accordance with Appendix II of 2 CFR Part 200. Failure to make required disclosures can result in any of the remedies described in 2 CFR 200.339.

CONTRACTING WITH SMALL BUSINESSES, MINORITY BUSINESSES, WOMEN'S BUSINESS ENTERPRISES, VETERAN-OWNED BUSINESSES, AND LABOR SURPLUS AREA FIRMS (2 CFR 200.321)

Obligated Party must comply with the Small Businesses, Minority Businesses, Women's Business Enterprises, Veteran-Owned Businesses, and Labor Surplus Area Firms requirements under 2 CFR 200.321. Obligated Party should ensure that small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms are considered, as set forth below:

A. These business types are included on solicitation lists;

B. These business types are solicited whenever they are deemed eligible as potential sources;

C. Dividing procurement transactions into separate procurements to permit maximum participation by these business types;

D. Establishing delivery schedules (for example, the percentage of an order to be delivered by a given date of each month) that encourage participation by these business types;

E. Utilizing organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

F. Requiring a contractor under a Federal award to apply this section to subcontracts.

MINIMUM BONDING REQUIREMENTS (2 CFR 200.326)

If the Contract involves construction or facility improvements in excess of the simplified acquisition threshold, as that term is defined in 2 CFR Part 200, Subpart A, Obligated Party shall maintain or cause to be maintained a performance bond for one hundred percent (100%) of the contract price to secure fulfillment of all the Contract requirements, and a payment bond for one hundred percent (100%) of the contract price to assure payments as required by law of all persons supplying labor and material in the execution of the Contract.

Record Retention and Access; Reports (2 CFR 200.332(b)(5) and 200.334-.338; 24 CFR 570.502 and 570.506-.507). Obligated Party shall maintain records and financial documents sufficient to evidence and meet, and permit the Pass-Through Entity to meet, the reporting, recordkeeping, and retention requirements of 2 CFR 200.332(b)(5) and 200.334-.338 and 24 CFR 570.502 and 570.506-507. Obligated Party agrees to prepare and submit financial, progress, monitoring, evaluation, personnel, property, and financial records and other reports as required by the Pass-Through Entity (as directed by and in the format acceptable to the Pass-Through Entity) to assure proper accounting of all Federal funds. Obligated Party shall furnish such information that, in the judgment of the Pass-Through Entity, may be relevant to questions of compliance with contractual conditions hereunder or granting agency directives, or with the effectiveness, legality, and goals of the Contract.

Obligated Party agrees to provide the Pass-Through Entity, any Federal Agency, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and other records of Obligated Party that are pertinent to the Contract for the purposes of making audits, examinations, excerpts, and transcriptions and to allow such parties to reproduce same by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. Obligated Party agrees to provide Pass-Through Entity, any Federal Agency, the

Comptroller General of the United States, or any of their authorized representatives access to construction or other work sites pertaining to work being completed under the Contract. Obligated Party acknowledges and agrees that no language in the Contract is intended to prohibit audits or internal reviews by the Federal Agency or its authorized representatives or the Comptroller General of the United States.

In accordance with 24 CFR 570.502, records shall be maintained by Obligated Party for a period of three (3) years after expiration of the Contract or submission of the final annual performance and evaluation report, whichever is later; provided, however, if any litigation, claim, negotiation, audit, monitoring, inspection, or other action or event commences before the expiration of the required record retention period, all records must be retained until completion of the action or event and full and final resolution of all issues that arise from it.

Obligated Party shall include the substance of this section in all contracts and subcontracts