

SOCIO-ECONOMIC PROGRAM REQUIREMENTS

I. EQUAL OPPORTUNITY

A. NONSEGREGATED FACILITIES REQUIREMENTS

1. The bidder, offeror, applicant, or seller must ensure that he or it does not maintain or provide for his or its employees any segregated facilities at any establishments, and that he or it does not permit employees to perform their services at any location, under the contractor's control, where the facilities are segregated.

B. EQUAL OPPORTUNITY CLAUSE

DURING THE PERFORMANCE OF THIS ORDER, SELLER AGREES AS FOLLOWS:

1. Seller will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or protected veteran status. Seller 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, national origin, disability, or protected veteran status. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment, advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Seller agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

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

3. Seller 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 by the agency Contracting Officer, advising the labor union or workers' representative of Seller's commitments under Section 202 of Executive Order 11246, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. Seller will comply with all provisions of Executive Order 11246, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

5. Seller will furnish all information and reports required by Executive Order 11246, as amended, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

6. In the event of Seller's noncompliance with the nondiscrimination clause of this order or with any of such rules, regulations, or orders, this order may be cancelled, terminated or suspended in whole or in part and Seller may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, as amended, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7. Seller will include the provisions of paragraphs 1 through 7, in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246, as amended, so that such provisions will be binding upon each subcontractor or vendor. Seller will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing, such provisions including sanctions for noncompliance. Provided, however, that in the

event Seller becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency. Seller may request the United States to enter into such litigation to protect the interests of the United States.

C. AFFIRMATIVE ACTION COMPLIANCE PROGRAMS (APPLICABLE TO ORDER AMOUNTING TO \$50,000 OR MORE IF SELLER HAS 50 OR MORE EMPLOYEES)

1. Paragraph 60-1.40 of 41 CFR, Part 60-1, stipulates that each prime contractor and subcontractor shall require each subcontractor who has 50 or more employees and a subcontract of \$50,000 or more to develop a written affirmative action compliance program for each of its establishments. Within 120 days from the commencement of the contract, each subcontractor shall maintain a copy of separate affirmative action compliance programs for each establishment, including evaluations of utilization of minority group personnel and the job classification tables, at each local office responsible for the personnel matters of such establishment. An affirmative action compliance program shall be part of the manpower and training plans for each new establishment and shall be developed and made available prior to the staffing of such establishment. A report of the results of such program shall be compiled annually and the program shall be updated at that time. This information shall be made available to representatives of the agency or Director upon request and the subcontractor's affirmative action program and the result it produces shall be evaluated as part of compliance review activities.

D. EQUAL OPPORTUNITY REPORTING REQUIREMENTS (APPLICABLE TO ORDERS AMOUNTING TO \$100,000 OR MORE IF SELLER HAS 100 OF MORE EMPLOYEES)

1. Seller will complete and file Government Standard Form 100, Equal Employment Opportunity Employer Information Report EEO-1, in accordance with the instructions contained therein.

II. SMALL BUSINESS, LABOR SURPLUS AREA AND MINORITY BUSINESS ENTERPRISE REQUIREMENTS

A. UTILIZATION OF MINORITY BUSINESS ENTERPRISES: It is the policy of the Government that Minority Business Enterprises shall have the maximum practicable opportunity, to participate in the performance of Government contracts. Seller agrees to use his best efforts to carry out this policy in the award of his subcontracts to the fullest extent consistent with the efficient performance of this Order. As used in this Order the term "minority business enterprise" means a business, at least 50 percent of which is owned by minority group members or, in case of publicly-owned business, at least 51 percent of the stock of which is owned by minority group members. For the purpose of this definition, minority group members of Negroes, Puerto Ricans, Spanish-speaking American persons, American-Orientals, American-Indians, American-Eskimos, and American-Aleuts. Seller may rely on written representations by subcontractors regarding their status as minority business enterprises in lieu of an independent investigation.

B. Small Business, Labor Surplus Area and Minority Business Enterprise Subcontracting: If this order offers subcontracting opportunities and amounts to or is expected to amount to \$100,000 or more, but less than \$500,000, Seller is urged to establish small business enterprise subcontracting programs as described in the appropriate related Government agency regulations (see paragraph C below).

C. If this order amounts to or is expected to amount to \$500,000 or more. Seller agrees to establish small business, labor surplus area and minority business enterprise programs in accordance with the appropriate clauses referenced below which are hereby incorporated in this order by reference.

Regulations governing small business, labor surplus area and minority business enterprise subcontracting programs are as reflective in FAR 52.220-4 and FAR 52.219-5 or 52.219-9 and the applicable DOD/NASA FAR supplements.

As used in the above regulations the words "Prime Contractor" and "Contractor" shall be deemed to mean "Subcontractor" or "Seller", the word "Contracts" shall be deemed to mean "Subcontracts" or "Orders", and the words "Contracting Officer" Shall be deemed to mean "The Government Agency Contracting Officer" having cognizance over the Subcontractor.

III. GEOGRAPHIC PARTICIPATION IN THE AEROSPACE PROGRAM

If this order is in support of a National Aeronautics and Space Administration prime contract, the following clauses are applicable.

A. EFFECTIVE ON ORDERS AMOUNTING TO \$50,000 OR MORE:

Seller agrees to complete and submit NASA Form 667, in accordance with the instructions contained therein, on its purchase orders and subcontracts, and modifications thereto, which exceed \$10,000 and which are released in the interest of this order.

Seller further agrees to submit negative reports annually on each order subject to this requirement not later than July 31 for the 12 month period ending June 30th of each year. The negative reporting will be continued until such order has been physically completed and NASA (Code KD) Washington, D.C. so notified by Seller.

A. EFFECTIVE ON ORDERS AMOUNTING TO OR EXPECTED TO AMOUNT TO \$100,000 OR MORE:

1. It is the policy of the National Aeronautics and Space Administration to advance a broad participation by all geographic regions in filling the scientific, technical, research and development, and other needs of the Aerospace program.
2. Seller agrees to use his best efforts to solicit subcontract sources on the broadest feasible geographic basis, consistent with efficient contract performance, and without impairment of program effectiveness or increase in program cost.
3. Seller further agrees to insert paragraphs 1 through 3 in all subcontracts of \$100,000 and over.

IV. EMPLOYMENT FOR VETERANS: [41 CFR § 60-300.4 (APPLICABLE TO ORDERS THAT AMOUNT TO \$100,000 OR MORE)]:

(APPLICABLE TO ORDERS THAT AMOUNT TO \$100,000 OR MORE.)

A. The seller will not discriminate against any employee or applicant for employment because he or she is a protected veteran, that is, a disabled veteran; a recently separated veteran (separated within the past three years); a veteran who received an Armed Forces service medal; or a veteran who served in active duty during a war or campaign or expedition for which a campaign badge was authorized. The seller agrees to take affirmative action to employ and advance in employment qualified individuals based on their status as a protected veteran.

B. Seller agrees that all employment openings of Seller which exists at the time of the execution of this order and those which occur during the performance of this order, including those not generated by this order and including those occurring at an establishment of Seller other than the one wherein the order is being performed but excluding those of independently operated corporate affiliates, shall, to the maximum extent feasible, be offered for listing at an appropriate local office of the State employment service system wherein the opening occurs and to provide such periodic reports to such local office regarding employment openings and hires as may be required.

C. Listing of employment openings with the employment service system pursuant to this clause shall be made at least concurrently with the use of any other recruitment source of effort and shall involve only the normal obligations which attach to the placing of a bonafide job order but does not require the hiring of any job applicant referred by the employment service system.

D. The periodic reports required by paragraph (A) above shall be filed at least quarterly with the appropriate local office or, where Seller has more than one establishment in a state, with the central office of that State employment service. Such reports shall indicate for each establishment the number of individuals who were

hired during the reporting period and the number of hires who were veterans who served in the Armed Forces, on or after August 5, 1964, and who received other than a dishonorable discharge. Seller shall maintain copies of the reports submitted until the expiration of one year after final payment under the order, during which time they shall be made available, upon request, for examination by any authorized representatives of Buyer's Contracting Officer or of the Secretary of Labor.

E. Whenever Seller becomes contractually bound to the listing provisions of this clause, it shall advise the employment service system in each State wherein it has establishments of the name and location of each such establishment in the State. As long as Seller is contractually bound to these provisions and has so advised the State employment service system, there is no need to advise the State system of subsequent contracts. Seller may advise the State systems when it is no longer bound by this clause.

F. This clause does not apply (1) to the listing of employment openings which occur outside of the 50 states, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands; and (2) contracts with state and local governments.

G. This clause does not apply to openings which Seller proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of his own organization or employer-union arrangement for that opening.

H. AS USED IN THIS CLAUSE:

1. All employment openings include all positions except executive and top management, those positions that will be filled from within the organization, and positions lasting three days or less. This term included full-time employment, temporary employment of more than three days duration, and part-time employment.

2. "Appropriate office of the State employment service system" means the local office of the Federal-State national system of public employment offices with assigned responsibility for serving the area of the establishment where the employment opening is to be filled, including the District of Columbia, Guam, Puerto Rico, and the Virgin Islands.

3. "Openings which Seller proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring agreement", means employment openings for which no consideration will be given to persons outside Seller's organization (including any affiliates, subsidiaries, and parent companies) or outside of a special hiring agreement which is part of the customary and traditional employment relationship which exists between Seller and representative of its employees and includes any openings which Seller proposes to fill from regularly established "recall" lists or from union hiring halls.

V. Employment of Disabled Workers [41 CFR 60-741.5 (Applicable to orders that amount to \$10,000 or more)]

It is agreed that the following provision set forth in Section 503 of the Rehabilitation Act of 1973, is made a part of any existing or future contract between the contractor and Arrowhead Products. The contractor certifies that, in employing persons to carry out contracts entered into with Arrowhead Products, it will take affirmative action to employ and advance in employment qualified individuals with a disability, as defined by the Americans with Disabilities Act, as amended. Contractor further certifies that it will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$2,500 covering the procurement of personal property and non-personal services (including construction).

VI. Notification to Employees

1. During the term of this contract, the contractor agrees to post a notice, of such size and in such form, and containing such content as the Secretary of Labor shall prescribe, in conspicuous places in and about its plants and offices where employees covered by the National Labor Relations Act engage in activities relating to the

performance of the contract, including all places where notices to employees are customarily posted both physically and electronically. The “Secretary’s notice” shall consist of the following:

Employee Rights Under The National Labor Relations Act

The NLRA guarantees the right of employees to organize and bargain collectively with their employers, and to engage in other protected concerted activity. Employees covered by the NLRA* are protected from certain types of employer and union misconduct. This Notice gives you general information about your rights, and about the obligations of employers and unions under the NLRA. Contact the National Labor Relations Board, the Federal agency that investigates and resolves complaints under the NLRA, using the contact information supplied below, if you have any questions about specific rights that may apply in your particular workplace.

Under the NLRA, you have the right to:

- Organize a union to negotiate with your employer concerning your wages, hours, and other terms and conditions of employment.
- Form, join or assist a union.
- Bargain collectively through representatives of employees’ own choosing for a contract with your employer setting your wages, benefits, hours, and other working conditions.
- Discuss your terms and conditions of employment or union organizing with your co-workers or a union.
- Take action with one or more co-workers to improve your working conditions by, among other means, raising work-related complaints directly with your employer or with a government agency, and seeking help from a union.
- Strike and picket, depending on the purpose or means of the strike or the picketing.
- Choose not to do any of these activities, including joining or remaining a member of a union.

Under the NLRA, it is illegal for your employer to:

- Prohibit you from soliciting for a union during non-work time, such as before or after work or during break times; or from distributing union literature during non-work time, in non-work areas, such as parking lots or break rooms.
- Question you about your union support or activities in a manner that discourages you from engaging in that activity.
- Fire, demote, or transfer you, or reduce your hours or change your shift, or otherwise take adverse action against you, or threaten to take any of these actions, because you join or support a union, or because you engage in concerted activity for mutual aid and protection, or because you choose not to engage in any such activity.
- Threaten to close your workplace if workers choose a union to represent them.
- Promise or grant promotions, pay raises, or other benefits to discourage or encourage union support.
- Prohibit you from wearing union hats, buttons, t-shirts, and pins in the workplace except under special circumstances.
- Spy on or videotape peaceful union activities and gatherings or pretend to do so.

Under the NLRA, it is illegal for a union or for the union that represents you in bargaining with your employer to:

- Threaten you that you will lose your job unless you support the union.
- Refuse to process a grievance because you have criticized union officials or because you are not a member of the union.
- Use or maintain discriminatory standards or procedures in making job referrals from a hiring hall.
- Cause or attempt to cause an employer to discriminate against you because of your union-related activity.
- Take other adverse action against you based on whether you have joined or support the union.

If you and your coworkers select a union to act as your collective bargaining representative, your employer and the union are required to bargain in good faith in a genuine effort to reach a written, binding agreement setting your terms and conditions of employment. The union is required to fairly represent you in bargaining and enforcing the agreement.

Illegal conduct will not be permitted. If you believe your rights or the rights of others have been violated, you should contact the NLRB promptly to protect your rights, generally within six months of the unlawful activity. You may inquire about possible violations without your employer or anyone else being informed of the inquiry. Charges may be filed by any person and need not be filed by the employee directly affected by the violation. The NLRB may order an employer to rehire a worker fired in violation of the law and to pay lost wages and benefits, and may order an employer or union to cease violating the law. Employees should seek assistance from the nearest regional NLRB office, which can be found on the Agency's Web site: <http://www.nlr.gov>. "Click on the NLRB's page titled "About Us," which contains a link, "Locating Our Offices." You can also contact the NLRB by calling toll-free: 1-866-667-NLRB (6572) or (TTY) 1-866-315-NLRB (6572) for hearing impaired.

* The National Labor Relations Act covers most private-sector employers. Excluded from coverage under the NLRA are public-sector employees, agricultural and domestic workers, independent contractors, workers employed by a parent or spouse, employees of air and rail carriers covered by the Railway Labor Act, and supervisors (although supervisors that have been discriminated against for refusing to violate the NLRA may be covered).

This is an official Government Notice and must not be defaced by anyone.

2. The contractor will comply with all provisions of the Secretary's notice, and related rules, regulations, and orders of the Secretary of Labor.

3. In the event that the contractor does not comply with any of the requirements set forth in paragraphs (1) or (2) above, this contract may be cancelled, terminated, or suspended in whole or in part, and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in or adopted pursuant to Executive Order 13496 of January 30, 2009. Such other sanctions or remedies may be imposed as are provided in Executive Order 13496 of January 30, 2009, or by rule, regulation, or order of the Secretary of Labor, or as are otherwise provided by law.

4. The contractor will include the provisions of paragraphs (1) through (4) herein in every subcontract or purchase order entered into in connection with this contract (unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 3 of Executive Order 13496 of January 30, 2009), so that such provisions will be binding upon each subcontractor. The contractor will take such action with respect to any such subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including the imposition of sanctions for non-compliance: Provided, however, if the contractor becomes involved in litigation with a subcontractor, or is threatened with such involvement, as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

ARPRO 817 REV 88