

ADDENDUM B

Additional Provisions for Direct Federal and Federally-Assisted Projects

This is a federal public works project. The federal contracting provisions set forth and/or referenced in the prime contract apply to, and are incorporated by reference into, this Subcontract. Without in any way limiting the foregoing, Subcontractor's attention is drawn to the additional federal contracting provisions identified below, which are also incorporated by reference into this Subcontract.

Subcontractor shall comply with all federal and contracting provisions applicable to its performance on the project including, without limitation, those identified in this addendum. Subcontractor acknowledges that the referenced laws and regulations are publicly available and warrants that it has reviewed them, or had the opportunity to do so, prior to executing this Subcontract prior to entering this Subcontract. If the regulatory language should change from that which is referenced in this addendum, the version currently approved and in effect will take precedence. Subcontractor understands and agrees that it is solely responsible for reviewing each provision to determine applicability based on the stated threshold criteria, if any, and ensure compliance. Subcontractor's obligation to comply with these incorporated provisions is material, and failure to do so shall constitute a material breach of contract.

To the fullest extent permitted by law, Subcontractor shall indemnify, defend, and hold harmless Contractor from and against any and all fines, forfeitures, damages, liabilities, penalties, assessments, attorneys' fees, costs, and/or any other expenses arising out of, or connected in any way to, subcontractor's and/or its lower-tier subcontractors' alleged or actual failure to comply with the federal contracting provisions referenced in this addendum, including Code of Federal Regulations (CFR), Title 29 Part 5, or any other regulations or statutes.

Accordingly, the following is a summary of key federal contracting requirements that may apply to Subcontractor's performance on this Project. This summary is provided for convenience only and is not a substitute for reviewing the full text of the applicable laws, regulations, and contract clauses. Subcontractor remains solely responsible for determining the applicability of each provision based on the scope and dollar value of its work, and for ensuring full compliance.

Summary of Applicable Federal Requirements

Davis-Bacon Act (40 U.S.C. §§ 3141–3148) and Payroll Record Submission (8 CCR §16000):

Subcontractor shall pay all laborers and mechanics not less than the prevailing wage rates and fringe benefits as determined by the U.S. Department of Labor. Subcontractor is required to submit certified payroll reports on a weekly basis to demonstrate full compliance. In addition, Subcontractor shall submit to the Contractor, within three (3) working days of a written request, all payroll records as defined by Title 8 of the California Code of Regulations, Section 16000, "Payroll Records." These records must be complete, accurate, and maintained in accordance with both federal and state requirements.

Subcontractor acknowledges that any updates to the U.S. Department of Labor's prevailing wage determinations and related regulations apply to this contract, and it is Subcontractor's responsibility to comply with the current wage determinations as issued. If a wage determination is revised after the contract is executed, Subcontractor shall implement any required adjustments to wage rates and associated certified payrolls in accordance with revised determinations.

Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701–3708):

Subcontractor must pay workers one and one-half times their regular hourly rate for all hours worked over 40 hours per week on federal contracts exceeding \$100,000. Compliance with this overtime requirement is mandatory.

Copeland "Anti-Kickback" Act (40 U.S.C. § 3145; 29 CFR Part 3):

Subcontractor shall not make unlawful deductions from employee wages and must submit a weekly statement of compliance with each payroll report. Strict adherence to this requirement is mandatory.

Equal Employment Opportunity Requirements (Executive Order 14173; 41 CFR Part 60):

This contractor and subcontractor shall abide by the requirements of 41 CFR § 60-1.4(a), 41 CFR §60-300.5(a), 41 CFR §60-741.5(a), 48 CFR §52.222-26, and 48 CFR §52.222-37. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, national origin, and for inquiring about, discussing or disclosing compensation. Moreover, these regulations required that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or veteran status.

Subcontractor acknowledges that Executive Order 11246 has been rescinded and that Executive Order 14173, "Ending Illegal Discrimination and Restoring Merit-Based Opportunity," now governs federal equal employment opportunity policy. Notwithstanding the withdrawal of EO 11246, Subcontractor shall continue to comply with all applicable non-discrimination and equal opportunity laws under both federal and California law, including but not limited to Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000e et seq.), the Age Discrimination in Employment Act (29 U.S.C. §§ 621–634), the Americans with Disabilities Act (42 U.S.C. §§ 12101–12213), Section 503 of the Rehabilitation Act of 1973 (29 U.S.C. § 793), the Vietnam Era Veterans' Readjustment Assistance Act (38 U.S.C. § 4212), and Executive Order 13496 (requiring notice of employee rights under the National Labor Relations Act). Subcontractor shall ensure that its employment practices comply with these laws and any related implementing regulations, to the extent they are consistent with Executive Order 14173. Any previously applicable obligations under EO 11246 shall be interpreted in light of the revised federal policy reflected in EO 14173. Required notices must be posted, and all hiring practices must align with these obligations.

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Additionally, Subcontractor shall comply with all applicable California non-discrimination and equal employment opportunity requirements, including but not limited to the California Fair Employment and Housing Act (FEHA) (Gov't Code §§ 12900–12996), the California Equal Pay Act (Labor Code § 1197.5), the California Family Rights Act (CFRA) (Gov't Code §§ 12945.1–12945.2), the Pregnancy Disability Leave Law (Gov't Code § 12945), Labor Code §§ 1101–1102 (prohibiting discrimination based on political activities), California Public Contract Code §§ 10295.3 and 12990 (mandating non-discrimination clauses in public contracts), Government Code § 11135 (prohibiting discrimination in state-funded programs), and applicable regulations under California Code of Regulations, Title 2, Division 4.1. Subcontractor shall ensure full compliance with these laws and any related implementing regulations, to the extent they are consistent with Executive Order 14173. Any previously applicable obligations under EO 11246 shall be interpreted in light of the revised federal policy reflected in EO 14173.

Federal Contractor Minimum Wage (Executive Orders 13658 and 14026; 29 CFR Part 10 & 23):

Subcontractor is required to pay all workers no less than the current applicable federal minimum wage for any work performed under or in connection with a covered federal contract.

E-Verify Requirement (Executive Order 13465; FAR 52.222-54):

Subcontractor shall use the E-Verify system to confirm the employment eligibility of all new hires who will perform work on the project. Compliance with this requirement is mandatory.

Buy American Act (41 U.S.C. §§ 8301–8305):

Subcontractor shall use construction materials manufactured in the United States, unless a specific and approved exemption applies. Documentation of compliance must be maintained and available for review.

False Claims Act (31 U.S.C. §§ 3729–3733):

Strict compliance with the False Claims Act is required. Subcontractor shall not submit false or fraudulent claims, records, or certifications in connection with federal contract work. Violations will be subject to prosecution and penalties under the False Claims Act.

Federal Acquisition Regulation (FAR) Compliance (48 CFR Chapter 1):

Subcontractor shall comply with all applicable FAR clauses incorporated into the prime contract, including those related to labor standards, wage protections, reporting, and compliance certifications.

This Addendum is intended to supplement the Subcontract and, in the event of a conflict, shall control with respect to matters governed by federal law or federally funded requirements.