

## CGI FEDERAL POLICY STATEMENT FOR SUBCONTRACTORS

General. The FAR prohibits contractors who are suspended, debarred, proposed for debarment, or are voluntarily excluded from receiving Federal contracts or conducting business with the Government on behalf of other contractors. Further, a contractor may not enter into a subcontract in excess of \$35,000 with a suspended, debarred, proposed for debarment, or voluntarily excluded entity without a compelling reason and notification to the contracting officer. It is CGI Federal's policy not to do business in the Government marketplace with persons or companies who are sanctioned, restricted, suspended, debarred, proposed for debarment, or voluntarily excluded.

CGI Federal's policy is to retain only those subcontractors who demonstrate business integrity and compliance with applicable laws and regulations (including the Service Contract Act, when applicable). This Policy Statement describes the terms and conditions which Subcontractor will adhere to in support of CGI Federal's contracts. As a condition of performing as a subcontractor to CGI Federal, Subcontractor agrees that it will comply with the following policies and procedures with respect to the services and/or products furnished to CGI Federal and its interactions with CGI Federal's clients.

Code of Business Ethics and Conduct (FAR 52.203-13). *(Applicable if Subcontract exceeds 120 days and \$6M)* Subcontractor shall maintain a written code of business ethics and conduct and make a copy of the code available to each Subcontractor employee engaged in performance of Work under this Subcontract. Subcontractor shall exercise due diligence to prevent and detect criminal conduct and promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law. Subcontractor shall timely disclose, in writing, to the Customer agency Office of the Inspector General (OIG), with a copy to the Customer Contracting Officer, whenever, in connection with the award, performance, or closeout of this Subcontract, Subcontractor has credible evidence that a principal, employee, agent, or subcontractor of Subcontractor has committed either a violation of US Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code; or a violation of the civil False Claims Act (31 USC 3729-3733). If the violation relates to an order against a Governmentwide acquisition contract, a multi-agency contract, a multiple-award schedule contract such as the Federal Supply Schedule, or any other procurement instrument intended for use by multiple agencies, the prime contractor shall notify the OIG of the ordering agency and the OIG of the agency responsible for the basic contract.

Business Ethics Awareness and Compliance Program and Internal Control System (FAR 52.203-13). *(Applicable if Subcontract exceeds 120 days \$6M; does not apply if Subcontractor has represented itself as a small business concern pursuant to the award of this Subcontract, or if this Subcontract is for the acquisition of a commercial product or commercial service as defined at FAR 2.101.)* Subcontractor shall maintain an ongoing business ethics awareness and compliance program. This program shall include reasonable steps to communicate periodically and in a practical manner Subcontractor's standards and procedures and other aspects of the Subcontractor's business ethics awareness and compliance program and internal control system, by conducting effective training programs and otherwise disseminating information appropriate to an individual's respective roles and responsibilities. The training conducted under this program shall be provided to Subcontractor's principals and employees, and as appropriate, Subcontractor's agents and subcontractors. Subcontractor shall maintain an internal control system. Subcontractor's internal control system shall (a) establish standards and procedures to facilitate timely discovery of improper conduct in connection with US Federal Government contracts; and (b) ensure corrective measures are promptly instituted and carried out. When required, Subcontractor's internal control system shall meet the minimum requirements established in FAR 52.203-13(c)(2)(ii).

Non-Discrimination. If applicable, Subcontractor shall abide by the requirements of 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a). 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, or national origin. As applicable, CGI Federal incorporates into this Subcontract the obligations regarding the notice of employee rights under federal labor laws found at 29 CFR 471, Appendix A to Subpart A, and will likewise incorporate those obligations into all applicable Task Orders as required by 29 CFR 471.

Independent Pricing (FAR 52.203-2). Subcontractor shall offer prices to CGI Federal that are arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. In addition, Subcontractor must not knowingly disclose the

prices it has offered to CGI Federal, directly or indirectly, to any other offeror or competitor before subcontract award unless required by law or attempt to induce any other concern to submit or not to submit an offer to CGI Federal for the purpose of restricting competition. CGI Federal may reject any offer by Subcontractor if CGI Federal suspects that the offered price or prices have not been arrived at independently.

Procurement Integrity (FAR 3.104). Prior to the award of a federal agency procurement for which Subcontractor is supporting CGI Federal, Subcontractor agrees to strictly refrain from any prohibited conduct as defined in FAR 3.104, which includes, (1) employment discussions with and hiring certain government officials or former government officials, and (2) obtaining contractor bid or proposal information or source selection information.

Gratuities (FAR 52.203-3). Subcontractor agrees to strictly refrain from offering or giving a gratuity to an officer, official, or employee of the federal government with the intention of obtaining a contract for CGI Federal or a subcontract for itself under that contract, or favorable treatment for CGI Federal or Subcontractor under the contract or subcontract.

Subcontractor Kickbacks (FAR 3.502). The Anti-Kickback Act of 1986 was passed to deter subcontractors from making payments and contractors from accepting payments for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract or a subcontract relating to a prime contract. A "kickback" means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to CGI Federal, a CGI Federal employee, or a higher-tier contractor for the purpose of improperly obtaining or rewarding favorable treatment in connection with a CGI Federal contract. Therefore, Subcontractor agrees to strictly refrain from (i) providing, attempting to provide, or offering to provide any kickback, and (ii) including, directly or indirectly, the amount of any kickback in the price charged by Subcontractor to CGI Federal related to any CGI Federal contract. In addition, Subcontractor agrees to immediately report to CGI Federal's internal audit department (telephone number 703-227-6645) any solicitation made by a CGI Federal employee for a "kickback" as described above. Such a report may be made in confidence if desired by Subcontractor.

Subcontracts with Government Employees or Organizations Owned or Controlled by Them (FAR 3.601). It is CGI Federal's policy to refrain from knowingly awarding a subcontract to a government employee or to an organization owned or controlled by government employees. Therefore, Subcontractor represents that he/she is not a government employee or that it is not owned or controlled by government employees. In addition, Subcontractor agrees to notify CGI Federal in advance, if Subcontractor intends to become a government employee or intends to become owned or controlled by government employees.

Security Requirements (FAR 52.204-2). In the event Subcontractor requires access to information classified as "Confidential," "Secret," or "Top Secret", Subcontractor shall comply with (i) the pertinent Contract Security Classification Specification (DD Form 254), including the Department of Defense National Industrial Security Program Operating Manual (NIPSOM) (DOD 5220.22-M), and (ii) any revisions to that manual, notice of which has been furnished to Subcontractor.

Records Retention (FAR Subpart 4.7). Subcontractor shall retain records, which includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form, and other supporting evidence to satisfy negotiation, administration, and audit requirements of the government agencies and the Comptroller General for those periods as specified in FAR Subpart 4.7.

Organizational Conflicts of Interest (FAR Subpart 9.5). An organizational conflict of interest means that because of other activities or relationships with other individuals or firms, an individual or firm is unable or potentially unable to render impartial assistance or advice to the Government, or the individual's or firm's objectivity in performing the contract work is or might be otherwise impaired, or an individual or firm has an unfair competitive advantage. It is CGI Federal's policy to avoid and mitigate actual and potential conflicts of interest when establishing subcontracting relationships with individuals and firms under its contracts. Subcontractor shall notify CGI Federal as soon as possible regarding any actual, potential, or perceived organizational conflict of interest as described above which may exist owing to the subcontracting relationship. Subcontractor shall use the guidance provided in FAR 9.5 for identifying, avoiding, and mitigating conflicts of interest.

Prohibition of Personal Services (FAR 37.104). Subcontractor shall strictly refrain from providing personal services, as defined in FAR 37.104, to CGI Federal's clients. As part of a proper invoice, Subcontractor must certify that all

services for which CGI Federal is invoiced were for non-personal services as specified in the Subcontract. Subcontractor will perform services under CGI Federal's supervision. This supervision will apply to all technical and management performance requirements under CGI Federal's contract. In addition, those subcontractors who are individuals must notify CGI Federal regarding any of his/her pending employment applications to any federal agency. These subcontractors will not be permitted to perform services under contracts for federal agencies for which they have submitted active employment applications.

Restrictions in Lobbying (FAR 31.205-22). Subcontractor costs which influence Federal, State, or local legislation are strictly prohibited. In accordance with PL 101-121, for awards greater than \$150,000, Subcontractor shall certify and disclose any payments to influence certain Federal transactions on SF-L111.

Former Government Officials. Subcontractor shall ensure that its employees who are former government employees only participate in this Subcontract to the extent allowed by law, including the Ethics Reform Act of 1989, and the Federal Acquisition Reform Act of 1996 (FARA).

Accounting Regulations (FAR Parts 30 & 31). Subcontractor must maintain adequate accounting practices, procedures, and systems to ensure compliance with FAR Parts 30—Cost Accounting Standards and FAR 30 and 31—Contract Cost Principles and Procedures, as applicable. For time and materials, labor hour and cost-reimbursable subcontracts, Subcontractor must ensure that only actual hours rendered within the scope of the Subcontract and the associated allowable and allocable costs as defined in FAR Part 30 (as applicable) and FAR Part 31 are invoiced to CGI Federal.

Progress Reports. Subcontractor may be required to submit timely and accurate progress reports. The format, content and frequency of the reports will be specified in the Subcontract or a Task Order. In the absence of timely progress reports, CGI Federal may choose to reject corresponding invoices if it cannot independently verify that the requisite work has been completed.

Ethics and Integrity. Subcontractor acknowledges and agrees that, from time to time as CGI Federal in its sole discretion deems appropriate, CGI Federal may require employees of Subcontractor involved in the performance of subcontracted services to participate in ethics training programs conducted by CGI Federal. Subcontractor agrees to make its employees available to participate in such ethics training programs, to the extent directed by CGI Federal, at no additional cost to CGI Federal.

Training. Subcontractor acknowledges and agrees that, from time to time as CGI Federal in its sole discretion deems appropriate, CGI Federal may require employees of Subcontractor involved in the performance of subcontracted services to participate in applicable training programs conducted by CGI Federal. Subcontractor agrees to make its employees available to participate in such applicable training programs, to the extent directed by CGI Federal, at no additional cost to CGI Federal.

Drug-Free Workplace (FAR 52.223-6). Subcontractor agrees that all Subcontractor personnel provided to perform Work under this Subcontract will abide by CGI Federal's US Drug-Free Workplace compliance program ("Drug Free Workplace Program"), which prohibits the possession, use, sale, attempted sale, conveyance, distribution, manufacture, purchase, attempted purchase, cultivation, and/or transfer of illegal drugs or other intoxicants at any time in the workplace. CGI Federal prohibits all workers covered by this Drug Free Workplace Program from being impaired by illegal drugs at the workplace or while on company business. Subcontractor agrees that Subcontractor personnel found to be in violation of this Drug Free Workplace Program and not otherwise excused, as determined in CGI Federal's sole discretion, will be subject to immediate removal from performance under this Subcontract. "Illegal drugs" includes all drugs, narcotics, and intoxicants for which possession or misuse is made illegal under federal, state, or local law, and includes prescription medication for which the individual does not have a valid prescription. Prescription medication and over-the-counter drugs used in a manner inconsistent with prescription or dosing directions also are considered illegal drugs, as are other chemical intoxicants used in a manner inconsistent with their intended purpose. This Drug Free Workplace Program is not intended to supersede or otherwise infringe upon any rights conveyed under applicable state or local laws; accordingly, CGI Federal will consider accommodation of limited exceptions. For purpose of this Drug Free Workplace Program, the "workplace" is defined as all buildings, facilities, parking areas owned or leased by CGI Federal, and all places where CGI Federal conducts business or where Subcontractor's personnel are working on behalf of CGI Federal.