

VALERO SUPPLEMENT 2, GOVERNMENT CONTRACT REPRESENTATIONS AND CERTIFICATIONS

This Valero Supplement 2, Government Contract Representations and Certifications (“Valero Supplement 2”), applies to the purchase of materials and/or services by Valero and/or its affiliates (collectively or singularly, as the context requires, “Valero”) from the company (“Company” or “Subcontractor”) providing such materials and/or services to Valero under the subject contract/agreement (“Agreement” or “Subcontract”) that incorporates this Valero Supplement 2 by reference for use under a United States government prime contract (“Prime Contract”).

By entering into the Agreement, Company represents and certifies that at all times during the term of the Agreement the representations and certifications set forth herein are current, accurate, and complete or, alternatively, represents and certifies that it has submitted to Valero a signed certification of this Valero Supplement 2 with supplemental information detailing the circumstances that prevent Company from making any of the specific representations or certifications set forth herein. If, at any time during the term of the Agreement, any representations or certifications become inaccurate or incomplete or, to the extent applicable, any previously provided supplemental information becomes inaccurate or incomplete, then Company shall promptly submit to Valero a signed certification of this Valero Supplement 2 with supplemental information detailing the circumstances that prevent Company from making any of the specific representations or certifications set forth herein. To the extent applicable, upon completion of this Valero Supplement 2 (whether initially or as an update) with any supplemental information, an authorized representative of Company shall sign this Valero Supplement 2 with such supplemental information and return the entire document to Valero in the manner directed by Valero. Without limiting any other right or remedy set forth herein, the failure of Company to comply with any provision in this paragraph shall be a material breach of the Agreement and Valero may terminate the Agreement and/or exercise any other remedy under the Agreement, at law, or in equity, as a result of such material breach.

Except as otherwise noted below, the following changes to the Federal Acquisition Regulation (“FAR”), Defense Federal Acquisition Regulation Supplement (“DFARS”), Defense Logistics Agency (“DLA”), and other provisions are made for incorporation of Company’s representations and certifications for the Agreement: “Contractor” or “Prime Contractor” shall mean “Company”; “Government” shall mean “Valero”; “Contracting Officer” shall mean “Valero’s Purchasing Representative”; and “Contract” or “Schedule” shall mean the “Agreement”.

- 1) **FAR 52.219-9. Small Business Subcontracting Plan (August 2018).** Where the provisions of FAR 52.219-8, Utilization of Small Business Concerns, and FAR 52.219-9, Small Business Subcontracting Plan, are included in the Agreement, Company shall provide its subcontracting plan, certifications, and required reports using the Electronic Subcontracting Reporting System at <http://esrs.gov> (“eSRS”) in accordance with such provisions. Company shall flow down such provisions, including the requirements to flow down such provisions, to its contractors and subcontractors, as applicable.

- 2) **DFARS 252.203-7005. Representation Relating to Compensation of Former Department of Defense (“DoD”) Officials (November 2011).** Company represents, to the best of its knowledge and belief, that all Covered DoD Officials employed by or otherwise receiving compensation from Valero, and who are expected to undertake activities on behalf of Valero for any resulting United States government contract, are presently in compliance with all post-employment restrictions covered by 18 U.S.C. 207, 41 U.S.C. 2101-2107, and 5 C.F.R. parts 2637 and 2641, including FAR 3.104-2. The term “Covered DoD Official” is defined in DFARS 252.203-7000, Requirements Relating to Compensation of Former DoD Officials.
- 3) **FAR 52.222-41. Service Contract Labor Standards (August 2018) (41 U.S.C. chapter 67).** Company certifies that neither it nor any person or firm who has a substantial interest in Company is a person or firm ineligible to be awarded a United States government contract by virtue of the sanctions imposed under 41 U.S.C. 6706. No part of the Agreement shall be subcontracted to any person or firm ineligible for award of a United States government contract under 41 U.S.C. 6706.
- 4) **DFARS 252.209-7002. Disclosure of Ownership or Control by the Government of a Terrorist Country (June 2010).** Company certifies that the government of a terrorist country does not have a significant interest in Company or a subsidiary of Company. In the event such certification is untrue or becomes untrue, the Agreement may be canceled immediately by Valero.
- 5) **FAR 52.222-50. Combating Trafficking in Persons (January 2019) (22 U.S.C. chapter 78 and Executive Order 13627).** Company certifies that (a) it has implemented a compliance plan to prevent any prohibited activities identified at paragraph (b) of FAR 52.222-50 and to monitor, detect, and terminate any agent, subcontract, or subcontractor employee engaging in prohibited activities; and (b) after having conducted due diligence, either: (i) to the best of Company’s knowledge and belief, neither it nor any of its agents, subcontractors, or their agents is engaged in any such activities; or (ii) if abuses relating to any of the prohibited activities identified in paragraph (b) of FAR 52.222- 50 have been found, Company or subcontractor has taken the appropriate remedial and referral actions.
- 6) **DFARS 252.209-7002. Disclosure of Ownership or Control by a Foreign Government (June 2010).** No contract under a national security program may be awarded to an entity controlled by a foreign government if that entity requires access to proscribed information to perform the contract, unless the United States Secretary of Defense or a designee has waived application of 10 U.S.C. 2536(a). Company certifies that it is not a company controlled by a foreign government, as defined below, requiring access to proscribed information to perform the Agreement. For purposes of this certification, (a) “effectively owned or controlled” means that a foreign government or any entity controlled by a foreign government has the power, either directly or indirectly, whether exercised or exercisable, to control the election, appointment, or tenure of Company’s officers or a majority of Company’s board of directors by any means, e.g., ownership, contract, or operation of law (or equivalent power for unincorporated organizations); (b) “entity controlled by a foreign government” means any domestic or foreign organization or corporation that is effectively owned or controlled by a foreign government; or any individual acting on behalf of a foreign government; and does not include an organization or corporation that is owned, but is not controlled, either directly or indirectly, by a

foreign government if the ownership of that organization or corporation by that foreign government was effective before October 23, 1992; (c) “foreign government” includes the state and the government of any country (other than the United States and its outlying areas) as well as any political subdivision, agency, or instrumentality thereof; and (d) “proscribed information” means Top Secret information; Communications Security (COMSEC) material, excluding controlled cryptographic items when unkeyed or utilized with unclassified keys; Restricted Data as defined by the U.S. Atomic Energy Act of 1954, as amended; Special Access Program (SAP) information; or Sensitive Compartmented Information (SCI).

- 7) **FAR 52.222-37, Employment Reports on Veterans (February 2016).** Company represents that, if it is subject to the reporting requirements of 38 U.S.C. 4212(d) (i.e., if it has any contract containing FAR 52.222-37, Employment Reports on Veterans), it has submitted the most recent VETS-100A Report required by that provision.
- 8) **Government Contract Termination for Default.** Company represents that it has not, within a three (3) year period preceding, or any time during the Agreement, had one or more contracts terminated for default by any United States government agency.
- 9) **Representations Required to Implement Provisions of Executive Order 11246.** Company represents that to the extent that it has participated in a previous contract or subcontract subject to the Equal Opportunity clauses in Valero Supplement 1 (latest edition available at www.valero.com), it has filed all required compliance reports. Company further represents that, to the extent applicable, it has developed and has on file affirmative action programs required by rules and regulations of the United States Secretary of Labor (41 C.F.R. parts 60-1 and 60-2); or it has not previously had contracts subject to the written affirmative action program requirements of the rules and regulations of the United States Secretary of Labor.
- 10) **Certification Regarding Payments to Influence Federal Transactions (31 U.S.C. 1352).** Applies if the Agreement is expected to exceed \$150,000. Company certifies to the best of its knowledge and belief that no federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress on his or her behalf in connection with the award of any resultant contract. If any registrants under the Lobbying Disclosure Act of 1995 have made a lobbying contact on behalf of Company with respect to this Agreement or a Prime Contract of Valero at any time prior to or during the term of the Agreement, Company shall complete and submit OMB Standard Form LLL, Disclosure of Lobbying Activities, to provide the name of the registrants. Company need not report regularly employed officers or employees of Company to whom payments of reasonable compensation were made. If Company did not submit United States Office of Management and Budget (“OMB”) Standard Form LLL, Disclosure of Lobbying Activities, prior to entering into the Agreement but registrants under the Lobbying Disclosure Act of 1995 have subsequently made a lobbying contact with respect to the Agreement or Prime Contract, Company

shall complete and submit OMB Standard Form LLL to provide the name of the lobbying registrants, including the individuals performing the services. If Company did submit OMB Standard Form LLL disclosure pursuant to paragraph (d) of the provision at FAR 52.203-11, Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions, or the paragraphs immediately above, and a change occurs that affects Block 10 of the OMB Standard Form LLL (name and address of lobbying registrant or individuals performing services), Company shall, at the end of the calendar quarter in which the change occurs, submit to Valero's Purchasing Representative within thirty (30) days an updated disclosure using OMB Standard Form LLL, in addition to any required submission to the United States government.

11) **Certification Regarding Responsibility Matters (Executive Order 12689).** Company certifies, to the best of its knowledge and belief, that Company and/or any of its principals

- a) are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any United States government agency;
- b) have not within a three (3) year period preceding the Agreement, been convicted of, or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal criminal tax laws, or receiving stolen property;
- c) are not presently indicted for, or otherwise criminally or civilly charged by a government entity with, commission of any of these offenses enumerated above; and
- d) have not within a three (3) year period preceding this offer, been notified of any delinquent federal taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if both of the following criteria apply:
 - i) the tax liability is finally determined (The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.); and
 - ii) the taxpayer is delinquent in making payment (A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.).

12) Certification Regarding Knowledge of Child Labor for Listed End Products (Executive Order 13126). Company certifies, to the best of its knowledge and belief, that there are no manufactured end products being acquired under the Agreement that are included in the List of Products Requiring Contractor Certification as to Forced or Indentured Child Labor, unless excluded at FAR 22.1503(b). “Forced or indentured child labor” means all work or service (a) exacted from any person under the age of eighteen (18) under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or (b) performed by any person under the age of eighteen (18) pursuant to a contract the enforcement of which can be accomplished by process or penalties. “Manufactured end product” means any end product in product and service codes (“PSC”) 1000- 9999, except: PSC 5510, Lumber and Related Basic Wood Materials; Product or Service Group (“PSG”) 87, Agricultural Supplies; PSG 88, Live Animals; PSG 89, Subsistence; PSC 9410, Crude Grades of Plant Materials; PSC 9430, Miscellaneous Crude Animal Products, Inedible; PSC 9440, Miscellaneous Crude Agricultural and Forestry Products; PSC 9610, Ores; PSC 9620, Minerals, Natural and Synthetic; and PSC 9630, Additive Metal Materials.

13) Certificates Regarding Exemptions from the Application of the Service Contract Labor Standards.

- a) If the Agreement is for maintenance, calibration, or repair of certain equipment as described in FAR 22.1003-4(c)(1), Company certifies that (i) the items of equipment to be serviced under the Agreement are used regularly for other than United States governmental purposes and are sold or traded by Company (or subcontractor in the case of an exempt subcontract) in substantial quantities to the general public in the course of normal business operations; (ii) the services will be furnished at prices which are, or are based on, established catalog or market prices (see FAR 22.1003-4(c)(2)(ii)) for the maintenance, calibration, or repair of such equipment; and (iii) the compensation (wage and fringe benefits) plan for all service employees performing work under the Agreement will be the same as that used for these employees and equivalent employees servicing the same equipment of commercial customers.
- b) If the Agreement is for certain services as described in FAR 22.1003-4(d)(1), Company certifies that (i) the services under the Agreement are offered and sold regularly to non-United States governmental customers, and are provided by Company (or subcontractor in the case of an exempt subcontract) to the general public in substantial quantities in the course of normal business operations; (ii) the Agreement services will be furnished at prices that are, or are based on, established catalog or market prices (see FAR 22.1003-4(d)(2)(iii)); (iii) each service employee who will perform the services under the Agreement will spend only a small portion of his or her time (a monthly average of less than twenty percent (20%) of the available hours on an annualized basis, or less than twenty percent (20%) of available hours during the contract period if the Agreement period is less than a month) servicing the Agreement; and (iv) the compensation (wage and fringe benefits) plan for all service employees performing work under the Agreement is the same as that used for these employees and equivalent employees servicing commercial customers.

- 14) **Restricted Business Operations in the Country of Sudan.** Company certifies that Company does not conduct any restricted business operations in the country of Sudan. For purposes of this certification, “restricted business operations” means business operations in the country of Sudan that include power production activities, mineral extraction activities, oil-related activities, or the production of military equipment, as those terms are defined in the Sudan Accountability and Divestment Act of 2007 (Pub.L. 110-174); provided, however, “restricted business operations” do not include business operations that the person (as that term is defined in Section 2 of the Sudan Accountability and Divestment Act of 2007) conducting the business can demonstrate: (a) are conducted under contract directly and exclusively with the regional government of southern Sudan; (b) are conducted pursuant to specific authorization from the Office of Foreign Assets Control in the Department of the Treasury, or are expressly exempted under federal law from the requirement to be conducted under such authorization; (c) consist of providing goods or services to marginalized populations of the country of Sudan; (d) consist of providing good or services to an internationally recognized peacekeeping force or humanitarian organization; (e) consist of providing goods or services that are used only to promote health or education; or (f) have been voluntarily suspended.
- 15) **Prohibition on Contracting with Inverted Domestic Corporations.** United States government agencies are not permitted to use appropriated (or otherwise make available) funds for contracts with either an inverted domestic corporation, or a subsidiary of an inverted domestic corporation, unless the exception at FAR 9.108-2(b) applies or the requirement is waived in accordance with the procedures at FAR 9.108-4. Company represents that (a) it is not an inverted domestic corporation, and (b) it is not a subsidiary of an inverted domestic corporation. As used in this representation, “inverted domestic corporation” means a foreign incorporated entity that meets the definition of an inverted domestic corporation under 6 U.S.C. 395(b), applied in accordance with the rules and definitions of 6 U.S.C. 395(c); and “subsidiary” means an entity in which more than fifty percent (50%) of the entity is owned (1) directly by a parent corporation, or (2) through another subsidiary of a parent corporation.
- 16) **Prohibition on Contracting with Entities Engaging in Certain Activities or Transactions Relating to the Government of Iran.**
- a) Unless a waiver is granted or an exception applies, Company (i) represents, to the best of its knowledge and belief, that Company does not export any sensitive technology to the government of Iran or any entities or individuals owned or controlled by, or acting on behalf or at the direction of, the government of Iran; (ii) certifies that Company, or any person owned or controlled by Company, does not engage in any activities for which sanctions may be imposed under section 5 of the Iran Sanctions Act; and (iii) certifies that Company, and any person owned or controlled by Company, does not knowingly engage in any transaction that exceeds \$3,000 with Iran’s Revolutionary Guard Corps or any of its officials, agents, or affiliates, the property and interests in property of which are blocked pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701, et seq.) (see Office of Foreign Assets Control’s Specially Designated Nationals and Blocked Persons List at <http://www.treasury.gov/ofac/downloads/t11sdn.pdf>).

- b) The representation and certification requirements of paragraph (2) above do not apply if (i) this solicitation includes a trade agreements certification (e.g., FAR 52.212-3(g) or a comparable agency provision); and (ii) Company has certified that all the offered products to be supplied are designated country end products.

For purposes of this representation and certification, “sensitive technology” (a) means hardware, software, telecommunications equipment, or any other technology that is to be used specifically: (i) to restrict the free flow of unbiased information in the country of Iran; or (ii) to disrupt, monitor, or otherwise restrict speech of the people of Iran; and (b) does not include information or informational materials the export of which the President of the United States does not have the authority to regulate or prohibit pursuant to section 203(b)(3) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)(3)).

**COMPANY'S EXECUTION PAGE – VALERO SUPPLEMENT 2, GOVERNMENT
CONTRACTS REPRESENTATIONS AND CERTIFICATIONS**

Company's signature below applies to all provisions above in this Valero Supplement 2 subject to the Company's Supplemental Information set forth in Attachment 1.

Company: _____

Date: _____

Address: _____

Phone: _____

Email: _____

Fax: _____

By: _____

Name: _____

Title: _____

ATTACHMENT 1

Company's Supplemental Information
(see attached)