SUPPLIER DIVERSITY REQUIREMENTS

Prime Supplier Commitment

1. SUPPLIER COMMITMENT

1.1. The Supplier (hereinafter “Prime Supplier”) agrees to provide opportunities for suppliers identified and Certified as a Diverse Supplier, in accordance, at a minimum, with the terms and conditions of this Exhibit and the Diverse Supplier Percent Commitment set out in the Agreement.

1.2. In addition, if the scope of the Agreement includes the provision of products or performance of services for or in conjunction with a Verizon federal government agreement, the then-current Federal Acquisition Regulations (“FAR”) requirements regarding Diverse Supplier subcontracting and reporting shall also apply.

1.3. In the event that a change in ownership results in a change of Supplier’s or Supplier’s subcontractor’s status as a Certified Diverse Supplier, Supplier shall notify Verizon in writing within thirty (30) days of such change.

2. DEFINITIONS

2.1. “Certified” means currently certified as a Diverse Supplier by an authorized certifying body, such as the National Minority Supplier Development Council (NMSDC) or its affiliate regional councils, the Women’s Business Enterprise National Council (WBENC) or its affiliate regional councils, the United States Business Leadership Network, the National Gay Lesbian Chamber of Commerce, the California Public Utility Commission (CPUC) Clearinghouse, and other similar local, state, or federal certifying bodies.

2.2. “Control” means overall fiscal/legal responsibility and exercising the power to make management, daily operational, and policy decisions.

2.3. “Disability-owned Business Enterprise” means a for-profit, US business concern that is Owned and Controlled by individual(s) with a disability, as defined by the Americans with Disabilities Act (ADA), who is a US citizen or lawful permanent resident.

2.4. “Diverse Supplier” means any of the following: (a) Minority-owned Business Enterprise, (b) Woman-owned Business Enterprise, (c) Veteran-owned Business Enterprise, (d) Disabled Person-owned Business Enterprise or (e) LGBT-owned Business Enterprise.

2.5. “LGBT-owned Business Enterprise” means a for-profit, US business concern Owned and Controlled by lesbian, gay, bi-sexual or transgender (LGBT) person or persons, as defined by the US federal government’s Office of Diversity and Inclusion, who are either U.S. citizens or lawful permanent residents, exercise independence from any non-LGBT business enterprise, has its principle place of business (headquarters) in the United States and has been formed as a legal entity in the United States.

2.6. “Minority-owned Business Enterprise (MBE)” means a for-profit, US business concern Owned and Controlled by members of a minority group. Such individuals include, but are not limited to, Black Americans, Hispanic Americans, Asian Pacific Americans, Subcontinent Asian Americans, Native Americans, and members of other groups designated by the U. S. Small Business Administration as minorities.

2.7. “Owned” means ownership of at least fifty-one percent (51%) of the business or, in the case of a publicly owned business, at least fifty-one percent (51%) of the stock.

and Controlled by a woman or by women. Such women’s business enterprise shall further be classified as either minority or non-minority women-owned business, depending upon the greater portion of ownership.

2.9. “Veteran-owned Business Enterprise (VBE)” means a for-profit, US business concern that is Owned and Controlled by (1) veterans of the U.S. military, ground, navel, or air service, who (a) served on active duty for a period of more than one hundred eighty (180) days and were discharged or released with other than a dishonorable discharge, or (b) were discharged or released from active duty because of a service-connected disability.

3. REPORTING


3.2. Such reports shall be submitted by no later than sixty (60) days following the end of each calendar quarter.

3.3. This Spend Report is intended to provide a mechanism to monitor the Prime Supplier’s compliance and progress in achieving its Diverse Supplier Commitments as set forth in this Exhibit.

4. PRIME SUPPLIER COMPLIANCE; STANDARDS AND REMEDIES

4.1. Verizon has the right to determine compliance by the Prime Supplier with the reporting requirements in Section 3 hereof and the Diverse Supplier Percent Commitments (hereinafter collectively the “Diverse Supplier Commitments”) established in the Agreement. Verizon may determine that the Prime Supplier is achieving its Diverse Supplier Commitments by examining the Spend Reports received from the Prime Supplier, performing on-site inspections, conducting progress meetings regarding work required by the Agreement, engaging the Prime Supplier in review meetings, contacting involved Diverse Suppliers, or through other Verizon actions taken in the ordinary course of administering the Agreement.

4.2. If Prime Supplier is not completing and submitting the Spend Reports or achieving the Diverse Supplier Percent Commitment, then Verizon may seek the remedies set forth in the Agreement.

The foregoing rights are in addition to, and not in limitation of, any other remedy Verizon may have at law or in equity.

4.3. In addition, the Primary Supplier’s ability to achieve its Diverse Supplier Commitments shall reflect upon and shall contribute to the Prime Supplier’s overall grade on the Supplier Report Card or other performance measurement(s).