

DISADVANTAGED BUSINESS ENTERPRISE PROGRAM FOR PROGRESS RAIL LOCOMOTIVE INC

POLICY STATEMENT

Sections 26.1, 26.13(a) 26.23 – Objectives / Policy Statement / Assurance

Progress Rail Locomotive Inc. (PRL) has established a Disadvantaged Business Enterprise (DBE) Program plan in accordance with regulations of the U.S. Department of Transportation (DOT), 49 Code of Federal Regulation (CFR) Part 26. PRL anticipates receiving Federal Transit Administration (FTA) assistance through the award of locomotive related Transit Vehicle Manufacturer (TVM) procurements. As a condition of being awarded TVM procurements, PRL is required to obtain and maintain a TVM certification. PRL has signed an assurance to FTA that as a TVM, PRL shall not discriminate based on race, color, national origin, or sex in the award and performance of any FTA assisted contract or in the administration of PRL's DBE Program or the requirements of 49 CFR Part 26. PRL understands its legal obligations to comply with the DBE regulations. Upon notification from FTA to PRL of its failure to carry out its approved DBE Program, FTA may impose a sanction as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S. C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S. C. 3801 *et seq.*).

It is our policy to ensure that DBEs as defined in 49 CFR Part 26, have an equal opportunity to participate with PRL in FTA funded TVM procurements. Our policy is to:

1. Ensure nondiscrimination in the sub-supply of components for TVM contracts;
2. Create a level playing field on which DBEs can compete fairly with PRL for FTA funded TVM contracts;
3. Administer our DBE Program plan in accordance with applicable laws;
4. Ensure that only firms that fully meet 49 CFR Part 26 certification eligibility standards are permitted to be counted as DBEs on PRL's contracts;
5. Provide DBEs and small business concerns with referrals to business development services so they can compete successfully in the TVM market place outside the DBE Program;
6. Monitor and enforce the requirements of the DBE Program on sub-supply procurements issued by PRL to suppliers and DBEs;
7. Provide timely DBE participation reports to FTA on our TVM sub-awarded contracts; and
8. Address DBE Program issues and concerns through the DBE Liaison Officer.

Susan Lash, Vice-President of Compliance, serves as the DBE Liaison Officer (DBELO). In this capacity, Ms. Lash is responsible for implementing the DBE Program plan and ensuring PRL is compliant with its TVM certification obligations. Ms. Lash may be reached at 256-505-6479 or by email at: supplier_diversity@progressrail.com.

The policy statement is available on the website at www.progressrail.com. The policy statement was disseminated to our executive leadership and made available to all employees of our

organization via our internal company website raildivision.com. The policy statement will be shared with major transit vehicle suppliers, national Minority and Women business organizations, non-minority business organizations and Chambers of Commerce in the normal course of our interactive exchanges.

By signature of the DBE Policy Statement, PRL provides its assurance to FTA to comply with 49 CFR Part 26.



William P. Ainsworth
Chief Executive Officer



Date