

**ARMY & AIR FORCE EXCHANGE SERVICE  
SOLICITATION/PROPOSAL/AWARD  
(MERCHANDISE, SUPPLIES, EQUIPMENT, AND/OR SERVICES)**

ISSUING OFFICE Army & Air Force Exchange Service ATTN: PL-K-MD (Cheryl A. McCoy) 3911 South Walton Walker Blvd Dallas, TX 75236-1598	CONTRACTING OFFICER Loyd G Childs	
	TELEPHONE NO. 214-312-2648	CONTRACT CONTROL NO. (If Applicable)
	ITEMS/SERVICE Janitorial Services/Hickam Schofield	

**SOLICITATION FOR PROPOSALS**

DATE ISSUED 11 Mar 2016	SOLICITATION NUMBER SOL-PL-K-MD-14-012-15-029
Proposals are solicited for merchandise, supplies, equipment or services described in this solicitation. Written proposals must be received at the issuing office by <u>2:00</u> o'clock <u>p</u> m, local time <u>11 Apr 2016</u>	

**PROPOSAL (To Be Completed By Offeror)**

The offeror agrees, if awarded all or part of the items and/or services solicited, to furnish them according to the price(s)/fee(s), terms and conditions contained in the solicitation and proposal. This proposal will be valid for 60 calendar days (60 calendar days unless a different period is entered by offeror) after the date for receipt of proposals established above.

**OFFEROR REPRESENTS (Check appropriate boxes)**

- That it  is  is not a manufacturer or producer of;  is  is not a regular dealer in; the items provided or (Commodity contracts only).
- That it  is  is not engaged in furnishing of services of the type called for herein (Service contracts only).
- That it operates as an  Individual  Partnership  Corporation, incorporated in the States or Country of Hawaii, USA
- That it  is  is not a small business.
- That it  is  is not a minority business enterprise. (See definition of page 2)\*
- That it  is  is not a woman-owned business. (See definition of page 2)\*
- That an owner or officer of the firm or the firm or a related firm  has  has not been convicted of a felony related to a business transaction.
- That an owner or officer of the firm or the firm or a related firm  has  has not been suspended or debarred.
- That the information provided is full, accurate and complete. For breach of this warranty. The Exchange may terminate for default any contract resulting from this solicitation and all other Exchange contracts.

*\*Check a block for all contracts to be performed in the United States, its possessions and Puerto Rico.*

FULL NAME AND BUSINESS ADDRESS OF OFFEROR (STREET, CITY, STATE & ZIP CODE OR COUNTRY)  Stratus Buidling Solutions of Hawaii PO Box 236020 Honolulu, HI 96823	TELEPHONE NUMBER/FAX NUMBER/EMAIL ADDRESS 808-282-7678 aaron.kahaloo@stratushawaii.com	
	SIGNATURE OF PERSON AUTHORIZED TO SIGN PROPOSAL <i>Aaron Kahaloo</i>	DATE 04/08/2016
TIN: 26-4034913	DUNS: 006323234	TYPED OR PRINTED NAME AND TITLE Aaron Kahaloo, President

**ACCEPTANCE AND AWARD (To Be Completed By the Exchange)**

CONTRACT AWARDED FOR FOLLOWING:  
"This contract is awarded subject to Amendment 03 dated 2 June 2016 which supersedes Amendment 01, dated 6 April 2016 and Amendment 02, dated 14 April 2016 and the contractor's Final Proposal Revision, (Exhibit D, Price Schedule) dated 1 August 2016, which is attached hereto and made a part of the contract."

CONTRACT NO PL-K-MD-14-012-15-029	AMOUNT: <input checked="" type="checkbox"/> ESTIMATED \$269,400.00 <input type="checkbox"/> ACTUAL	DATE OF AWARD <i>6 Dec 2016</i>
SIGNATURE <i>Marvin T. Roberts</i>	(TYPED NAME) Marvin T. Roberts CONTRACTING OFFICER ARMY & AIR FORCE EXCHANGE SERVICE	

INSTRUCTIONS TO OFFERORS AND  
CONDITIONS OF PROPOSAL/AWARDS  
(Merchandise, Supplies, Equipment and/or Services)

1. CONTENTS OF SOLICITATION/CONTRACT:

This solicitation and any resulting contract consists of EXCHANGE FORM 4450-2, Solicitation/Proposal/Award Merchandise, Supplies, Equipment and/or Services), pages 1 thru 4, and the following listed Schedule and Exhibits.

<input checked="" type="checkbox"/> Schedule, Solicitation No. PL-K-MD-14-012-15-029	,page(s) 1	through 1
<input checked="" type="checkbox"/> Exhibit A, General Provisions, (Jul 2016)	,page(s) 1	through 12
<input checked="" type="checkbox"/> Exhibit B, Labor Provisions w/SCA (Dec 2014)	,page(s) 1	through 8
<input checked="" type="checkbox"/> Exhibit C, Special Provisions	,page(s) 1	through 5
<input checked="" type="checkbox"/> Exhibit D, Price Schedule	,page(s) 1	through 4
<input checked="" type="checkbox"/> Exhibit E, Specifications	,page(s) 1	through 8
<input checked="" type="checkbox"/> Exhibit F, Insurance Requirements	,page(s) 1	through 1
<input checked="" type="checkbox"/> Exhibit G, Wage Determination	,page(s) 1	through 10
<input type="checkbox"/> Exhibit	,page(s)	through
<input type="checkbox"/> Exhibit	,page(s)	through
<input type="checkbox"/> Exhibit	,page(s)	through
<input type="checkbox"/> Exhibit	,page(s)	through
<input type="checkbox"/> Exhibit	,page(s)	through
<input type="checkbox"/> Exhibit	,page(s)	through

2. SUBMISSION OF PROPOSALS:

a. Offerors have been provided one complete copy of the solicitation as identified above, and two proposal packages. Each proposal package consists of EXCHANGE FORM 4450-2, Solicitation/Proposal/Award pages 1 thru 4, and the schedule or exhibits listed below. Also, for service contracts, a Financial and Technical Capability Data Sheet and a Projected Operation Statement are included if checked below.

- Financial and Technical Capability Data sheet, if checked.       Operating Statement, if checked.
- Quality Control Plan, W-9
- Exhibit D      ,page(s) 1      through 4
- Exhibit      ,page(s)      through
- Exhibit      ,page(s)      through

b. To make a proposal, complete, sign and return two proposal packages.

3. DEFINITIONS:

a. The term "minority business" means a business concern (1) which is at least 51 percent owned by minority group members; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more minority group members, and (2) whose management and daily business operations are controlled by one or more such minority group members. For purposes of this definition, minority group members include Black Americans, Hispanic Americans, Asian-Pacific Americans, Asian-Indian Americans, and Native Americans (such as American Indians, Eskimos, Aleuts and Native Hawaiians).

b. The term "women-owned business" means that is at least 51 percent owned by a woman or women who also control and operate it. "Control" in this context means exercising the power to make policy decisions. "Operate" in this context means being actively involved in the day-to-day management.

**4. PROPOSAL PREPARATION:**

- a. You are encouraged to contact the contracting officer if you have a question concerning this solicitation. Information about the solicitation furnished any prospective offeror will be furnished all prospective offerors.
- b. Furnish all information required by the solicitation on the forms provided. Failure to do so may result in the proposal being considered non-responsive and excluded from consideration for award.
- c. Erasures or changes must be initialed by the person signing the proposal.
- d. The person signing the proposal must have authority to obligate the firm contractually.
- e. Unless otherwise authorized by the solicitation, any alteration to the terms and conditions contained in the solicitation may render offeror's proposal non-responsive.

5. **SUBMISSION** - Proposals and modifications, if any, must be sent in a sealed envelope addressed to the issuing office with the offeror's name (for identification only) and the solicitation number on the front. Telegraphic proposals will NOT be considered unless authorized in the solicitation; however, proposals may be modified by telegraphic notice provided it is received before the time and date set for receipt of proposals.

6. **LATE PROPOSALS** - The Exchange reserves the right to consider proposals or modifications received late, but before award is made, should such action be to the Exchange's advantage.

7. **WITHDRAWAL** - Proposals may be withdrawn by written notice or telegram received at any time prior to award.

8. **NO PROPOSAL** - If you don't submit a proposal, DO NOT return the solicitation or proposal packages unless instructed to elsewhere in the solicitation. However, please send us a letter or postcard telling us if you're interested in receiving future solicitations for this type of items or services.

**9. ELIGIBILITY OF PROPOSED CONTRACTOR (S):**

**a. Proposals for merchandise, supplies or equipment will not be considered for award unless submitted by manufacturers or producers of, prime sources, or regular dealers, in the items required.**

b. Proposals for services will not be considered unless submitted by persons or firms who, currently or within the preceding six (6) years, have successfully owned, operated, or managed in a full time capacity, for over twelve consecutive months, a business identical or having similar technical and operational characteristics as the service solicited. The phrase operated or managed means the offeror has/had a direct involvement in the day-to-day operation of the business to include responsibility for employment, supervision, scheduling production/services, payroll, and purchasing. The monthly sales volume of the offeror's business must equal or exceed the estimated monthly sales of the proposed concession activity. The Exchange reserves the right to waive all or part of the qualification requirements in the event it is determined to be in the Exchange's best interests.

c. Proposals will not be considered if submitted by brokers, active duty military personnel or U.S. Government employees. This prohibition includes immediate family members of these personnel residing in the same household, unless approved before award of contract.

d. The offeror must have adequate resources to perform the resulting contract and, upon request, furnish proof of same to the contracting officer. The contracting officer may request a financial statement, a cost breakdown, a projected operating statement, or other data from any offeror. Failure to furnish the data requested within the time specified may cause a firm to be determined non-responsible. The Exchange further reserves the right to determine the responsibility of the offerors based on factors including but not limited to the offeror's financial resources, business capacity, performance record, integrity, management/business acumen, technical ability and facilities/equipment.

10. **DISCOUNTS** (Not applicable to procurements of edible meat, meat food products, dairy products, edible fats or oils, or concession services.) - Prompt payment discounts will be included in the evaluation of proposals provided the period of the offered discount is 20 days or more. Even if not evaluated for award, all discount terms offered will become a part of any resulting contract.

**11. ACCEPTANCE AND AWARD**

**a. The Exchange reserves the right to reject any or all proposals, to waive or correct informalities and minor irregularities in proposals received, and to conduct further negotiations with any or all offerors.**

b. Unless otherwise stated in the solicitation (and in the absence of any express limitation made by the offeror), the Exchange may accept all or any part of any proposal, without further negotiations. Proposals should therefore contain the offeror's most favorable terms. Any further negotiations undertaken will not constitute a rejection or counteroffer on the part of the Exchange.

c. When quantities for merchandise, supplies or equipment stated in the solicitation are estimated, the Exchange reserves the right to make an award on any item for the quantity less than the quantity proposed at the unit price offered unless the offeror's proposal specifies otherwise.

d. The Exchange plans to award a contract to the responsive, responsible offeror whose proposal is best for the Exchange, price/fee and other factors set out in the solicitation considered. The Exchange reserves the right to accept other than the lowest price/highest fee proposal, and to make multiple awards unless otherwise provided in the Schedule.

e. Contracting Officer will award the contract by completing the "ACCEPTANCE AND AWARD" block on page 1, signing the contract, obtaining any approvals required by the Exchange directives, and mailing or otherwise furnishing the successful offeror a copy of the completed contract within the time allowed for acceptance of the offeror.

12. INCONSISTENCIES - In the event of an inconsistency between the provisions of this solicitation, the inconsistency will be resolved by giving precedence in the following order: (a) the Schedule; (b) Instructions to Offerors and Conditions of Proposals/Awards; (c) General Provisions; (d) Other provisions of the contract whether incorporated by reference or otherwise; (e) the Specifications; and (f) the Drawings.

13. CERTIFICATE OF INDEPENDENT PROPOSAL DETERMINATION - Offeror certifies that this proposal or any change thereto is made without consultation, communication, or agreement, for the purpose of restricting competition or manipulating awards, and this proposal has not been disclosed and will not be disclosed prior to award.

14. PROPRIETARY INFORMATION - The Exchange will not be bound by any language in any offer purporting to limit the Exchange's right to use or disclose any offer or any part of an offer because of proprietary information in it, unless the contracting officer specifically agrees in writing to such limitations.

15. TAXPAYER IDENTIFYING NUMBER (TIN) - The 9-digit TIN is an identifier required of all individuals and businesses that file tax returns in the United States. For individuals eligible for a social security number (SSN), the SSN assigned by the Social Security Administration serves as the TIN. For resident or non-resident aliens ineligible for a SSN, the individual taxpayer identification number (ITIN) assigned by the IRS serves as the TIN. The Employer Identification Number (EIN) assigned by the IRS serves as the TIN for businesses and entities other than individuals. Failure to provide the TIN may result in a proposal being found non-responsive and not further considered for award.



## SECTION I

Instructions to Offerors -- Amendment of Solicitation. The following instructions apply unless specified otherwise in an Exchange letter accompanying this amendment.

a. Offerors must acknowledge receipt of this amendment prior to the hour and date specified for receipt of proposals in the original solicitation, or the hour and date specified in this amendment if such has been amended. Offeror must acknowledge by one of the following means:

- (1) By signing and returning all except one copy of this amendment.
- (2) By acknowledging receipt of this amendment on each copy of the proposal submitted;
- (3) By separate letter or telegram which includes a reference to the solicitation and amendment number.

b. Proposals must be based upon and refer to the solicitation as amended. Unless an acknowledgment of this amendment is received by the contracting officer before the hour and date specified for receipt of proposals, offeror's proposal may be considered nonresponsive.

c. If you desire to revise a proposal previously submitted, such revision must be received prior to the hour and date specified for receipt of proposals enclosed in a sealed envelope addressed to the issuing office, with the name and address of the offeror and the solicitation number on the face of the envelope. Telegraphic proposals will not be considered unless authorized by the solicitation; however, proposals may be modified by telegraphic notice provided such notice is received prior to the time set for receipt of proposals. Telegraphic modifications should not reveal the amount of the original or of the revised proposal.

## SECTION II

Instructions to Contractor -- Amendment of Contract.

Unless otherwise instructed, all except one copy of this amendment are to be executed by the person authorized to bind the firm contractually and returned to the contracting officer. The effective date will be the date the amendment is signed in block 6 by the contracting officer or the date(s) indicated in block 4, whichever is later.



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b. Proposals must be based upon and refer to the solicitation as amended. Unless an acknowledgment of this amendment is received by the contracting officer before the hour and date specified for receipt of proposals, offeror's proposal may be considered nonresponsive.

c. If you desire to revise a proposal previously submitted, such revision must be received prior to the hour and date specified for receipt of proposals enclosed in a sealed envelope addressed to the issuing office, with the name and address of the offeror and the solicitation number on the face of the envelope. Telegraphic proposals will not be considered unless authorized by the solicitation; however, proposals may be modified by telegraphic notice provided such notice is received prior to the time set for receipt of proposals. Telegraphic modifications should not reveal the amount of the original or of the revised proposal.

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- (2) By acknowledging receipt of this amendment on each copy of the proposal submitted;
- (3) By separate letter or telegram which includes a reference to the solicitation and amendment number.

b. Proposals must be based upon and refer to the solicitation as amended. Unless an acknowledgment of this amendment is received by the contracting officer before the hour and date specified for receipt of proposals, offeror's proposal may be considered nonresponsive.

c. If you desire to revise a proposal previously submitted, such revision must be received prior to the hour and date specified for receipt of proposals enclosed in a sealed envelope addressed to the issuing office, with the name and address of the offeror and the solicitation number on the face of the envelope. Telegraphic proposals will not be considered unless authorized by the solicitation; however, proposals may be modified by telegraphic notice provided such notice is received prior to the time set for receipt of proposals. Telegraphic modifications should not reveal the amount of the original or of the revised proposal.

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## SCHEDULE

1. **General:** Proposals are solicited to establish a contract for custodial services for the Exchange Service with services to be performed at **Hickam/Schoefield, HI**.
2. **Contract Period:** Performance will start on **2 January 2017** or **30** days after date of contract award, whichever is later. The contract will be for a base period of two (2) base years with three 1-year options, unless sooner terminated according to the contract General Provisions. There is a reasonable likelihood that all of the options will be exercised. No representation that this contract will be extended beyond its original period is binding on the Exchange unless in writing signed by the contractor and contracting officer. In no event will the contract be extended beyond an accumulated period of five (5) years from the date established for commencement of service.
3. **Prices:** Offerors will enter prices in the space provided in **Exhibit D, Price Schedule**, for listed services.
4. **Award of Contract:** Award of contract will be according to the Acceptance and Award paragraph eleven (11) of the Instructions to Offerors and Conditions of Proposals/Awards, Exchange Form 4450-002. The responsive, responsible offeror offering the lowest total annual cost for custodial service, will be awarded the contract. All discounts offered will become a part of the contract but will not be considered in the evaluation.
  - a. If you are a franchiser, the Exchange will not award a contract to you unless you intend to operate the facility under this contract directly. If you intend to operate the facility through a franchise agreement, you are not eligible for award of this contract. The franchisee must submit a proposal in response to this solicitation.
  - b. If you are a franchisee, you must submit a copy of your franchise agreement with your proposal. In the event of a conflict between the franchise agreement and Exchange contractual terms, Exchange terms take precedence. If you cannot agree to Exchange contract terms based on a conflict with your franchise agreement, your proposal may be determined non-responsive.
5. **Mandatory Facility Visit:** The offeror, or a representative of the offeror's management staff, must visit the facility to be serviced to assure familiarity with existing conditions prior to proposal submission. A "walk-thru" of facilities will be conducted on the date(s)/time(s) set out in the solicitation cover letter, and only thereafter as may be permitted at the convenience of the facility manager. Failure to attend the "walk-thru" or otherwise visit the facility (with the prior approval of the facility manager) may result in the offeror being determined non-responsible. A copy of the Exchange's Operating Procedures (EOP) 36-2, entitled: "*Repair and Maintenance Guide for Activity Managers*", will be given to all offerors when attending this facility visit. **The publication will be acknowledged by the offeror with a signed statement written on the cover sheet that the publication has been read and understood. The signed cover sheet will be returned with offers.**

**EXHIBIT A**  
**GENERAL PROVISIONS - SERVICES**  
**(JUL 16)**

1. Legal Status (AUG 08)
2. Authority to Bind (NOV 95)
3. Procurement Integrity (NOV 95)
4. Oral Representations (JAN 94)
5. Modifications and Additions (MAY 04)
6. Subcontracting (APR 16)
7. Assignment - Services (DEC 07)
8. Termination (OCT 13)
9. Permits, Licenses and Applicable Laws (SEP 15)
10. Indemnify and Hold Harmless (FEB 16)
11. Disputes (DEC 07)
12. Nonwaiver of Defaults (SEP 91)
13. Advertisements (AUG 08)
14. Examination of Records (AUG 08)
15. Contractor Personnel and Representatives (AUG 08)
16. Environmental Protection (AUG 09)
17. Contractor Liability - Services (MAY 04)
18. Drug-free Workplace (AUG 92)
19. Restrictions on Purchases of Foreign Goods (MAY 04)
20. Date Compliant (DEC 07)
21. Payment by Electronic Funds Transfer (OCT 98)
22. Choice of Law and Forum (DEC 07)
23. Privacy Act (DEC 07)
24. Payment Card Industry (PCI) Compliance (OCT 10)
25. Green Clause (AUG 09)
26. Performance (FEB 16)
27. Combating Trafficking in Persons (JUL 16)
28. Personal Identity Verification of Contractor Personnel (MAY 11)
29. UNSPSC Item Category Identifiers (AUG 09)
30. Army and Air Force Exchange Service Rights (Unlimited) (AUG 09)
31. Notification of Debarment/Suspension Status (MAY 2013)
32. Use of Contract by Other Federal Entities (MAY 12)

## GENERAL PROVISIONS

### 1. LEGAL STATUS (AUG 08).

The Army and Air Force Exchange Service (hereinafter and as known in commerce, the "Exchange"), including its activities, offices, and individual exchanges, is an integral part of the Departments of the Army and Air Force and an instrumentality of the United States Government. Exchange contracts are United States contracts; however, they do not obligate appropriated funds of the United States except for a judgment or compromise settlement in suits brought under the provisions of the Contract Disputes Act of 1978, as amended, in which event the Exchange will reimburse the U.S. Government. Exchange procurement policy is established by applicable directives and instructions promulgated by the Department of Defense. The Federal Acquisition Regulation (FAR) does not apply to the Exchange.

### 2. AUTHORITY TO BIND (NOV 95).

a. "Contracting Officer" means a person authorized by the Director/CEO, Army and Air Force Exchange Service to execute and administer contracts, purchase orders, or other agreements on behalf of the Exchange. Only contracting officers may waive or change contract terms; impose additional contract requirements; issue cure, show-cause and termination notices; issue claims against contractors, and issue final decisions on contractor claims.

b. The contracting officer may authorize other Exchange and government officials to perform actions of an administrative nature, such as conducting inspections and audits; placing orders against existing contracts; forwarding requests for contract changes to the contracting officer; collecting contract payments, and processing routine documents. These officials are not contracting officers, as defined in a. above.

c. The Exchange has no obligation to recognize or accept waivers or changes to this contract that result from the actions of officials other than the contracting officer. The contracting officer may deny claims based on such actions. Contractors' should refer questions concerning the authority of other Exchange or government officials to the contracting officer.

### 3. PROCUREMENT INTEGRITY (NOV 95).

a. By submission of an offer or performance of this contract, the offeror or contractor certifies with respect to this Exchange purchase action:

(1) that no discussion, offer or promise of future employment or business opportunity has been or will be made to the Exchange civilian or military personnel who participated personally and substantially in the purchase action;

(2) that no offer, promise or gift of any gratuity, entertainment, money, or other thing of value has been or will be made to any Exchange civilian or military personnel or any other employee of the United States Government or member of their family or household;

(3) that no information proprietary to other offerors or other purchasing information (offeror list, prices offered, technical evaluations or rankings, etc.) is sought or obtained until it is available to the public under the Exchange procedures.

(4) that no person or selling agency has been employed or retained to secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee except bona fide employees or bona fide established commercial selling agencies retained by the contractor for the purpose of securing business.

b. Contractor certifies that no gratuities (entertainment, gifts, money, kickbacks or other things of value) were or will be solicited or accepted by the contractor, or any person representing the contractor, from any subcontractor or person representing the subcontractor, for the purpose of obtaining or rewarding favorable treatment in connection with this contract or any subcontract under it.

c. Contractor will report in writing to the Director, Loss Prevention Directorate, any possible violation of this clause when the contractor has reasonable grounds to believe a violation may have occurred. The contractor shall cooperate fully with any federal agency investigation of a possible violation of this clause.

d. For breach of any of these certifications, the Exchange may terminate this contract for default and/or deduct from amounts due under this or other contracts, or charge contractor for, the total value of any contingent fee, gratuity or kickback or other loss to the Exchange arising out of the breach.

### 4. ORAL REPRESENTATIONS (JAN 94).

This contract represents the entire agreement of the parties. Any changes or amendments thereto may not be recognized by the Exchange unless committed to writing and incorporated by reference into the contract by the contracting officer.

## **5. MODIFICATIONS AND ADDITIONS (MAY 04).**

a. Except as otherwise specifically provided in this contract, all changes, modifications, additions or deletions to this contract must be prepared in writing as formal amendments signed by both parties and approved in accordance with provisions of applicable regulations.

b. Unilateral Amendments: The contracting officer may make unilateral amendments to the contract to incorporate administrative changes, provided such changes are within the general scope of the contract.

## **6. SUBCONTRACTING (APR 16).**

In the performance of this contract, Contractor shall not subcontract any part of the work without the prior written consent of the contracting officer. Any subcontractor used in connection with this contract is the agent of the contractor and not the agent of the Exchange.

## **7. ASSIGNMENT - SERVICES (DEC 97).**

The Assignment of Claims Acts, 31 U.S.C. 3727 and 41 U.S.C. 6305, are not applicable to amounts due under the Exchange contracts. Contractor may not assign its rights or delegate its obligations under this contract, and the Exchange will neither consent to, nor recognize, any purported assignment. Contractor may request permission from the contracting officer to have contract payments forwarded to a third party.

## **8. TERMINATION (OCT 13).**

Relative to termination of this contract, it is mutually agreed:

a. This contract may be terminated in whole or in part by either party immediately upon written notice to the other party in the event of breach of this contract by the other party.

b. This contract may be terminated in whole or in part by either party upon thirty (30) days notice (ninety (90) days for barber, beauty, beauty with nails, Paul Mitchell, and vending contracts) in writing to the other party.

c. This contract is automatically terminated upon the dispatch of written notice to contractor in the event the exchange is inactivated or the installation at which the exchange is located is inactivated. If this contract covers services to be performed at various exchanges or installations and only one or more of the exchanges or installations is inactivated, then only that portion of the contract being performed at the inactivated exchange or installation is terminated.

## **9. PERMITS, LICENSES AND APPLICABLE LAWS (SEP 15).**

Contractor warrants that all necessary permits and licenses have been obtained and that the merchandise, services, supplies, and/or equipment provided under this contract are in compliance with applicable laws. Contractor agrees to comply with all federal and state security and breach laws, privacy laws and regulations that cover the collection and use of personal information or data.

## **10. INDEMNIFY AND HOLD HARMLESS (FEB 16).**

a. Contractor will indemnify, hold harmless and defend the Exchange and all other agencies and Instrumentalities of the United States, their agents, representatives, employees and customers from any and all suits, judgments and claims, including those established by or pursuant to court decisions, to international agreements, or duly promulgated regulations of the United States Government, and all charges and expenses incident thereto which arise out of any of the following:

(1) The alleged or established violation or infringement of any patent, copyright or trademark rights asserted by any third party with regard to items or services provided by contractor;

(2) Any loss, damage, or injury alleged or established to have arisen out of or in connection with items or services provided by contractor, unless such loss, damage, or injury was caused by or resulted solely from the acts or omissions of the Exchange, its agents, representatives, or employees;

(3) Any loss, damage, or injury alleged or established to have arisen out of or in connection with any other acts or omissions of the contractor.

b. The Exchange will give contractor notice and an opportunity to defend.

c. Notwithstanding anything else contrary herein, if contractor experiences a loss of individual customer personal information or data covered by any federal or state law, contractor shall indemnify and hold harmless the Exchange from and against any and all liability, loss, claim, injury, damage, penalty, fine, settlement or expense, including, without limitation, costs of remediation efforts and reasonable attorneys' fees and costs arising from or relating to any action, claim or allegation of or with respect to that loss of customer personal information or data.

## **11. DISPUTES (DEC 07).**

a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Except as provided

in the Act, all disputes arising under or relating to this contract shall be resolved under this clause.

b. "Claim" as used in this clause means a written demand or written assertion by one of the contracting parties seeking the payment of money in a sum certain or other relief arising under or relating to this contract. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Contract Disputes Act.

c. A claim by the contractor shall be made in writing and submitted to the contracting officer for a written decision. A claim by the Exchange against the contractor shall be made by a written decision by the contracting officer.

d. For contractor claims exceeding \$100,000, the contractor shall submit with the claim a signed certification that:

(1) The claim is made in good faith;

(2) Supporting data are accurate and complete to the best of the contractor's knowledge and belief, and

(3) The amount requested accurately reflects the contract adjustment for which the contractor believes the

Exchange is liable.

e. The claim must be executed by an individual with authority to bind the contractor.

f. The contracting officer will mail or otherwise furnish a written decision in response to a contractor claim, within the time periods specified by law. Such decision will be final and conclusive unless:

(1) Within 90 calendar days from the date of contractor's receipt of the final decision the contractor appeals the decision to the Armed Services Board of Contract appeals (ASBCA), or

(2) Within 12 months from the date of contractor's receipt of the final decision the contractor brings an action in the United States Court of Federal Claims.

g. Pending final resolution on any request for relief, claim, appeal, or action arising under or relating to this contract, contractor will proceed diligently with the performance of this contract and will comply with the contracting officer's decisions.

h. Submission of false claims to the Exchange is a violation of federal law and may result in civil and/or criminal penalties. If contractor cannot support all or part of its claim as a result of fraud or misrepresentation of fact, then in addition to other remedies or penalties provided for by law, contractor will pay the Exchange an amount equal to the unsupported part of the claim and all the Exchange's costs attributable to reviewing that part of the claim.

## 12. NONWAIVER OF DEFAULTS (SEP 91).

Any failure by the Exchange at any time to enforce or require strict performance of any terms or conditions shall not constitute waiver thereof, and shall not affect or impair such terms or conditions in any way or the Exchange's right at any time to avail itself of such remedies as it may have for any breach or breaches of such terms or conditions.

## 13. ADVERTISEMENTS (AUG 08).

Contractor will not represent in any manner, expressly or by implication, that products purchased under this contract are approved or endorsed by any element of the United States, including the Exchange. All contractor advertisements that refer to the Exchange or military exchanges will contain a statement that the advertisement was neither paid for nor sponsored, in whole, or in part, by the Exchange, the military exchange system, or the United States Government.

## 14. EXAMINATION OF RECORDS (AUG 08).

a. This clause applies if the amount of the contract exceeds \$10,000 and the contract was entered into by means of negotiation. The contractor agrees that the contracting officer or his duly authorized representative will have the right to examine and audit the books and records of the contractor directly pertaining to the contract during the period of the contract and until the expiration of three years after the final payment under the contract. The contractor agrees to include this clause in all subcontracts that exceed \$10,000.

b. "General Accountability Office" may be substituted for "contracting officer or his duly authorized representative" when the prospective contractor does not accept the standard wording of the examination clause.

c. Contracts awarded to foreign contractors may exclude the examination clause when its use is precluded by the laws of the country involved, subject to the approval of the servicing Exchange General Counsel (Exchange HQ and Exchange Europe). Contract files will be in such circumstances be documented to show the basis for exclusion of the clause.

## 15. CONTRACTOR PERSONNEL AND REPRESENTATIVES (AUG 08).

a. The contractor will discontinue using any individual in Exchange facilities upon contracting officer's written notice that the individual is not acceptable for performance under this contract. Contractor will not use any such person to perform other Exchange contracts without the prior written consent of the contracting officer.

b. The contractor will not employ any individual to work in Exchange facilities whom an Exchange contracting officer has determined unacceptable under any other Exchange contract without the prior written consent of the contracting officer.

c. Contractor personnel will abide by applicable regulations and directives and conduct themselves so as not to reflect discredit on the Exchange.

d. Contractor will not represent himself/herself to be an agent or representative of the Exchange, another instrumentality, or an agency of the United States.

#### **16. ENVIRONMENTAL PROTECTION (AUG 09).**

a. This clause shall apply to any contract in excess of \$100,000, and indefinite quantity contracts estimated to exceed \$100,000 in one year; however, it shall not apply to use of facilities located outside the United States.

b. Unless this contract is exempt, by acceptance of this contract, contractor (and, where appropriate, subcontractor) stipulates:

(1) that any facility to be utilized in the performance of any nonexempt contract or subcontract is not listed on the EPA List of Violating Facilities as of the date of contract award;

(2) its agreement to comply with all requirements of Section 114 of the Air Act and Section 308 of the Water Act relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in sections 114 and 308 of the Air Act and the Water Act, respectively, and all regulations and guidelines issued thereunder;

(3) that as a condition of award of contract, contractor shall promptly notify the contracting officer of the receipt of any communication from the Director, Office of Federal Activities, U.S. Environmental Protection Agency, or delegatee, indicating that a facility to be utilized for the contract is under consideration to be listed on the EPA List of Violating Facilities;

(4) its agreement to include the criteria and requirements in subparagraphs (1) through (4) in every nonexempt subcontract, and to take such actions the Government may direct as a means of enforcing such provisions.

#### **17. CONTRACTOR LIABILITY - SERVICES (MAY 04).**

a. Except as set out specifically elsewhere in the contract, contractor will be liable for costs to the Exchange and/or other agencies of the United States associated with termination for default as follows:

(1) Incidental damages, including expenses reasonably incurred in connection with repurchase of the service and any other reasonable expense incident to the breach.

(2) Consequential damages including, but not limited to, lost fees resulting from lapses in service, unscheduled facility closures, sales declines, lower fees received on repurchase, and injury to person or property proximately resulting from any breach of warranty.

b. Contractor will not be liable for incidental or consequential damages if the failure to perform arises out of causes beyond the control and without the fault or negligence of the contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the contractor. In such case contractor must provide prompt written notice to the contracting officer; the contracting officer, at his option may accept late, partial or substituted performance, or may terminate the contract in whole or in part effective immediately upon receipt of written notice by contractor.

#### **18. DRUG-FREE WORKPLACE (AUG 92).**

Contractor agrees to make a good faith effort to establish and maintain a drug-free workplace in connection with the performance of this contract. Consistent with the size and organization of its work force, contractor may wish to consider taking the following or other appropriate actions in establishing a drug-free workplace: publicizing a drug-free workplace policy, initiating an employee drug awareness program or encouraging participation in existing community/installation programs and informing employees of the general availability of drug counseling programs.

#### **19. RESTRICTIONS ON PURCHASES OF FOREIGN GOODS (MAR 12).**

a. Contractor will not acquire for use in the performance of this contract any merchandise, equipment, supplies or services originating from, processed in, or transported from or through, the countries prohibited from commerce by the United States Government. A current list of prohibited countries is available at <http://www.ustreas.gov/>. This restriction includes merchandise, equipment, supplies or services from any other country that is restricted by law, regulation or executive order at any time during performance of the contract.

b. Contractor agrees to insert the provisions of this clause, including this paragraph, in its subcontracts.

#### **20. DATE COMPLIANT (DEC 07).**

a. Contractor warrants that all information technology (software, hardware, micro-code, firmware, etc.) supplied under

the contract are able to accurately and efficiently process date and time data including, but not limited to, calculating, comparing, and sequencing date and time data from, into, and between the twentieth and twenty-first centuries, and leap year calculations through at least 31 December 2101. The supplied information technology when used in combination with other information technology will accurately and efficiently process date and time data if the other information technology properly exchanges date and time data. No human intervention is needed to invoke the date compliance (i.e. rebooting the hardware or restarting the software). The information technology methods to be date compliant must run fault free (no abnormal exiting applications and error free results) and be transparent to the user.

b. If the Information Technology supplied under this contract relies on other Information Technology to accurately and efficiently process date and time data then the contractor must disclose this reliance before entering into any agreement or allowing any contract addition or substitution (as may be authorized by the contracting officer).

## **21. PAYMENT BY ELECTRONIC FUNDS TRANSFER (OCT 98).**

The following will apply for all payments made by the Exchange to the Contractor under the terms of this contract.

### **a. Method of payment:**

(1) All payments by the Exchange under this contract shall be made by electronic funds transfer (EFT). The term "EFT" refers to the funds transfer and may also include the payment information transfer.

(2) If the Exchange is unable to release payment by EFT, the Contractor agrees to either

(i) accept payment by check or some other mutually agreeable method of payment, or

(ii) request the Exchange to extend the payment due date until such time as the Exchange can make payment by EFT.

b. The Exchange shall make payment to the Contractor using the EFT information provided by the Contractor to the Exchange. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the Exchange not less than thirty days prior to the effective date.

c. If the Contractor's EFT information in the Exchange database is incorrect the Exchange need not make payment to the Contractor under this contract until correct EFT information is entered into the Exchange database; and any invoice shall be deemed not to be a proper invoice for the purpose of prompt payment under this contract.

d. If the Contractor has identified multiple payment receiving points in the Exchange database, and the Contractor has not notified the Exchange of the payment receiving point applicable to this contract, the Exchange shall make payment to the first payment receiving point listed in the Exchange database.

e. The payment or disbursing office shall forward to the Contractor available payment information. The Exchange shall send the payment information to the remittance address contained in the Exchange database.

## **22. CHOICE OF LAW AND FORUM (DEC 07).**

This contract shall be construed and interpreted in accordance with the laws of the United States of America as applied by, among others, the Armed Services Board of Contract Appeals and the United States Court of Federal Claims. By execution of this contract, the Contractor expressly agrees to waive any rights to invoke the jurisdiction of the national or state courts where this contract is performed and agrees to accept the exclusive jurisdiction of an appropriate US Federal administrative body or court.

## **23. PRIVACY ACT (DEC 07).**

### **a. The Contractor agrees to –**

(1) Comply with the Privacy Act of 1974 (the Act) and Department of Defense rules and regulations issued under the Act in the design, development, or operation of any system of records on individuals to accomplish an agency function when the contract specifically identifies --

a. The systems of records; and

b. The design, development, or operation work that the contractor is to perform;

(2) Include the Privacy Act notification contained in this contract in every solicitation and resulting subcontract and in every subcontract awarded without a solicitation, when the work statement in the proposed subcontract requires the redesign, development, or operation of a system of records on individuals that is subject to the Act; and

(3) Include this clause, including this subparagraph (3), in all subcontracts awarded under this contract which requires the design, development, or operation of such a system of records.

b. In the event of violations of the Act, a civil action may be brought against the Exchange when the violation concerns the design, development, or operation of a system of records on individuals to accomplish an Exchange function, and criminal penalties may be imposed upon the officers or employees of the Exchange when the violation concerns the operation of a system of records on individuals to accomplish an Exchange function. For purposes of the Act, when the contract is for the operation of a system of records on individuals to accomplish an Exchange function, the Contractor is

considered to be an employee of the Exchange.

c. "Operation of a system of records," as used in this clause, means performance of any of the activities associated with maintaining the system of records, including the collection, use, and dissemination of records

d. "Record," as used in this clause, means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, education, financial transactions, medical history, and criminal or employment history and that contains the person's name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a fingerprint or voiceprint or a photograph.

e. "System of records on individuals," as used in this clause, means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.

f. The system or systems of records identified for this contract is/are:

The system of records refers to information collected, compiled, and/or utilized to build a customer database for potential and/or current/follow-on services. Instruments used to collect information in written or electronic formats include, but are not limited to, application for services, verification of credit rating, customer inquiries/comments, data for invoicing current customers, change of address notifications, information used for marketing purposes, etc.

g. Subcontracting/outsourcing customer data outside CONUS is not acceptable for DoD Operational Security (OPSEC) purposes.

#### **24. PAYMENT CARD INDUSTRY (PCI) COMPLIANCE (OCT 10).**

a. If payment cardholder data is processed via a contractor's processor or via an Exchange point of sale terminal or if card data is shared with contractors, subcontractors, merchants or service providers under the terms and conditions of this contract, the contractors, subcontractors, merchants and service providers must adhere to the most current version of the Payment Card Industry Data Security Standards (PCI DSS) requirements. These requirements are available at <https://www.pcisecuritystandards.org>.

b. The contractor acknowledges that each contractor, subcontractor, merchant and service provider with access to payment cardholder data is responsible for the security of the cardholder data the provider possesses. The contractor will also include this clause in any subcontract that provides access to cardholder data.

c. The contractor will control any duplicate or store copies of payment card receipts in a locked cabinet or in a locked register or locked drawer. The contractor will use equipment that masks the card number on the customer's receipt per the PCI DSS. The contractor will develop and implement procedures for destruction of receipts based on PCI standards and applicable state law.

#### **25. GREEN CLAUSE (AUG 09).**

The Exchange encourages contractors/vendors to embrace, establish and promote environmentally "Green Initiatives". We look to the contractor to accomplish this by :

a. Where possible utilize environmentally friendly products

b. Where possible promote energy-efficiency and water conservation

c. Where possible eliminate/reduce the production or generation of hazardous waste and the need for special material processing (including special handling, storage, treatment and disposal)

#### **26. PERFORMANCE (FEB 16).**

Contractor will perform in accordance with all contract provisions. The Exchange will make payments only for performance as promised including supplies delivered and accepted per product specification and free of defects, or services rendered that satisfy the contractual specifications and are accepted. Payments for milestones will be paid when the milestones have been achieved and accepted. Additional periods of performance (if any) will only be granted for performance at or above the contractual level. The contracting officer may exercise remedies in accordance with the provisions of this contract for poor performance, non-performance, or failure to meet the service level agreement established. If the contractor elects to terminate this contract, then the Exchange may or may not choose to solicit them for any similar follow on requirement.

## 27. COMBATING TRAFFICKING IN PERSONS (JUL 16).

**a. Definitions.** As used in this clause—

“Coercion” means:

- (1) Threats of serious harm to or physical restraint against any person;
- (2) Any scheme, plan, or pattern intended to cause a person to believe that failure to perform an act would result in serious harm to or physical restraint against any person; or
- (3) The abuse or threatened abuse of the legal process.
- (4) Withholding any documents (e.g. passports, visas, IDs, etc.) that prevents or restricts the person to move freely.

“Commercial sex act” means any sex act on account of which anything of value is given to or received by any person.

“Debt bondage” means the status or condition of a debtor arising from a pledge by the debtor of his or her personal services or of those of a person under his or her control as a security for debt, if the value of those services as reasonably assessed is not applied toward the liquidation of the debt or the length and nature of those services are not respectively limited and defined.

“Employee” means an employee of the Contractor directly engaged in the performance of work under the contract who has other than a minimal impact or involvement in contract performance.

“Forced labor” means knowingly providing or obtaining the labor or services of a person:

- (1) By threats of serious harm to, or physical restraint against, that person or another person;
- (2) By means of any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint; or
- (3) By means of the abuse or threatened abuse of law or the legal process.

“Involuntary servitude” includes a condition of servitude induced by means of:

- (1) Any scheme, plan, or pattern intended to cause a person to believe that, if the person did not enter into or continue in such conditions, that person or another person would suffer serious harm or physical restraint; or
- (2) The abuse or threatened abuse of the legal process.

“Severe forms of trafficking in persons” means:

- (1) Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or
- (2) The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

“Sex trafficking” means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act.

**b. Policy.** The United States Government and the Army and Air Force Exchange Service has adopted a zero tolerance policy regarding trafficking in persons. Contractors and contractor employees shall not:

- (1) Engage in severe forms of trafficking in persons during the period of performance of the contract;
- (2) Procure commercial sex acts during the period of performance of the contract; or
- (3) Use forced labor in the performance of the contract.

**c. Contractor requirements.** The Contractor shall:

- (1) Notify its employees of:
  - (i) The United States Government's and the Army and Air Force Exchange Services' zero tolerance policy described in paragraph (b) of this clause; and
  - (ii) The actions that will be taken against employees for violations of this policy. Such actions may include, but are not limited to, removal from the contract, reduction in benefits, or termination of employment; and
- (2) Take appropriate action, up to and including termination, against employees or subcontractors that violate the policy in paragraph (b) of this clause.

**d. Notification.** The Contractor shall inform the Contracting Officer immediately of:

- (1) Any information it receives from any source (including host country law enforcement) that alleges a Contractor employee, subcontractor, or subcontractor employee has engaged in conduct that violates this policy; and
- (2) Any actions taken against Contractor employees, subcontractors, or subcontractor employees pursuant to this clause.

**e. Remedies.** In addition to other remedies available to the Army and Air Force Exchange Service, the Contractor's failure to comply with the requirements of paragraphs (c), (d), or (f) of this clause may result in:

- (1) Requiring the Contractor to remove a Contractor employee or employees from the performance of the contract;
- (2) Requiring the Contractor to terminate a subcontract;
- (3) Suspension of contract or fee payments;
- (4) Loss of award fee, consistent with the award fee plan, for the performance period in which the Army and Air Force Exchange Service determined Contractor non-compliance;
- (5) Termination of the contract for default or cause, in accordance with the termination clause of this contract; or
- (6) Suspension or debarment.

**f. Subcontracts.** The Contractor shall include the substance of this clause, including this paragraph (f), in all subcontracts.

**g. Mitigating Factor.** The Contracting Officer may consider whether the Contractor had a Trafficking in Persons awareness program at the time of the violation as a mitigating factor when determining remedies. Additional information about Trafficking in Persons and examples of awareness programs can be found at the website for the Department of State's Office to Monitor and Combat Trafficking in Persons at <http://www.state.gov/g/tip>.

## **28. PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (MAY 11).**

This clause is to provide guidance concerning compliance with Homeland Security Presidential Directive (HSPD) 12 and Policy for Common Identification Standard for Contractors and Subcontractors when contract performance requires routine physical access to a Federally controlled facility and/or routine access to a Federally controlled information system. As processes and procedures could change over time, go to <http://www.shopmyexchange.com>, click on, "Doing Business", click on "Authorization to Enter Military Installations" for the most up-to-date instructions. Questions should be directed to the Exchange HQ Chief of Staff, Force Protection (CS-FP) or your Contracting Officer.

**a.** After contract award and prior to performance on any Federal installation, the contractor shall comply with the local installation's personal identity verification procedures identified by that installation which implements HSPD-12 policy for a Common Identification Standard for Federal Employees and Contractors.

(1) If the contractor employee is to work at only one site, the Exchange's contractors must follow local installation guidelines and directives concerning identification, access, and security requirements. These guidelines may vary from one installation to another and it is the contractor's responsibility to seek guidance concerning these issues from the Exchange Service Business Manager or General Manager.

(2) If the contractor or their employees will access sensitive data or go to multiple DoD or access to multiple non-DoD facilities on a recurring basis for a period of 6 months or more (CONUS or OCONUS), they must obtain a Common Access Card (CAC) and will be required to submit a clearance package to CS-FP, no less than 30 days in advance of needed access. Authorization must be received from CS-FP before contractors can be issued a CAC card. CAC card will be issued after a thorough background check which includes the completion of a FBI fingerprint check with favorable results and submission of a National Agency Check with inquiries to the Office of Personnel Management (OPM) or a DoD determined equivalent investigation, you will then be directed to the nearest military installation where the card can be obtained.

**b.** The contractor shall insert this clause in all subcontracts when the subcontractor is required to have routine physical access to a Federally controlled facility and/or routine access to a Federally-controlled information system.

**c.** The contractor is responsible for securing and returning to the issuing office all identification cards issued under these procedures

(1) for all employees at the end of the contract; and

(2) for individual employees no longer employed or no longer assigned to perform the Exchange contract.

**d.** As a reminder, any costs associated with the clearance process are the responsibility of the contractor.

## **29. UNSPSC ITEM CATEGORY IDENTIFIERS (AUG 09).**

The vendor shall identify the contractor's items by utilizing the United Nations Standard Products and Services Code (UNSPSC) system for categorizing products and services. UNSPSC code guidance can be found at: [www.unspsc.org](http://www.unspsc.org).

The UNSPSC product or service identifiers will be part of the originally proposed item descriptions along with subsequent replacement and or substitution items. The identifiers will be provided in a format which shall indicate the appropriate item category identifier along with sales transaction information required by the report.

The UNSPSC code has five levels, with each successive level supplying greater detail. These levels are identified as follows:

- Level 1: SEGMENT
- Level 2: FAMILY
- Level 3: CLASS
- Level 4: COMMODITY
- Level 5: BUSINESS FUNCTION

For Example:

*IT Items – UNSPSC Segment Identifier Number 43*

*All reported items should be coded following the guidance contained on the UNSPSC website. Each line item number can be code identified by the first four levels of the UNSPSC structure. The fifth level coding can be completed utilizing either '00' or a business function code. Example: Notebook Computer – 42.17.18.01.00*

*For Exchange purposes, UNSPSC reporting of servers shall contain an additional identifier at the fifth level (Business Function) as follows:*

*Low-end (32-bit) 43.17.18.06.01  
High-end (64-bit) 43.17.18.06.02*

*In situations where more than one UNSPSC code applies to a CLIN, the predominant item's UNSPSC will be reported. The code reported should be at least to level 3 (Class), and by the digits '00'. Example: Network Hardware (assorted) – 43.17.27.00.00.*

UNSPSC Implementation – The Exchange will assist vendors in assigning UNSPSC codes when required. The UNSPSC codes assigned to transacted items should coincide with any such items incorporated where possible. The Exchange reserves the right to change or add item identifier format reporting as required.

### **30. ARMY AND AIR FORCE EXCHANGE SERVICE RIGHTS (UNLIMITED) (AUG 09).**

If there are any deliverables under this contract or this contract is for consulting services, the following applies: The Exchange shall have unlimited rights, in all works (including drawings, designs, specifications, notes, data, information, reports, analysis, recommendations, or other products) developed in the performance of this contract. These Exchange rights include the right to use these works on any other Exchange contract or agreement or other efforts without additional compensation to the Contractor. The Contractor hereby grants to the Exchange a paid-up license throughout the world to all Exchange works to which he may assert or establish any claim for intellectual property derived from this Exchange contracted effort or products developed under this contract. The Contractor for a period of three years after completion of the project agrees to furnish the original or copies of all such works on the request of the Contracting Officer.

Contractor shall have no rights to use Exchange furnished data or information supplied to Contractor by the Exchange for other than this Exchange contract; it will be deemed Exchange Confidential Information and shall remain the Exchange sole property. All reports, analysis, and recommendations provided by Contractor pursuant to this contract will be and remain the sole property of the Exchange and the United States Government and may not be used on any other work by Contractor without Contracting Officer approval (e.g. including consideration or additional costs to the Exchange) and with respect thereto, the contractor agrees not to assert any proprietary or confidential rights and not to establish any claim for intellectual property.

The contractor agrees that duly authorized representatives of the Exchange will have access at all reasonable times to inspect and review all notes or other data pertaining to the work to be performed under this contract.

**31. NOTIFICATION OF DEBARMENT/SUSPENSION STATUS (MAY 13).**

The Contractor shall provide immediate notice to the Contracting Officer in the event of being suspended, debarred or declared ineligible by any other Federal Department or agency, or upon receipt of a notice of proposed debarment from another Federal Department or agency during the performance of this contract.

**32. USE OF CONTRACT BY OTHER FEDERAL ENTITIES (MAY 12)**

- a. Federal Statute and Department of Defense (DoD) Procurement Policy encourage DoD Non-appropriated Fund Instrumentalities (NAFIs) to enter into contracts or other agreements with other Federal Government entities, where it is advantageous to do so. It is solely within the discretion of each entity to decide whether or not to participate.
- b. This is a Non-appropriated Fund (NAF) Contract.
- c. The prices, costs, rates, commissions/fees, terms and conditions and any other contract provision are non-negotiable absent modification, change or amendment by an authorized contracting officer of the NAFI that issued this Contract.
- d. Any dispute and/or claim shall be submitted to the NAF contracting office that issued this Contract for any required adjudication. Any issue between an ordering entity (other than the NAFI that issued this Contract) and the Contractor, which cannot be resolved without formal action by the Contracting Officer (e.g., delivery/task order, modification, final decision letter, termination action, etc.) will be referred to the Contracting Officer of the NAFI that issued this Contract for action. Any issue that appears to require formal contract action, and/or that is a potential dispute or claim will be brought to the attention of the Contracting Officer of the NAFI that issued this Contract.
- e. The Contractor shall perform the Contract requirements in accordance with this Contract regardless of which entity places an order against this Contract. The terms and conditions of this Contract shall apply to all performance under this Contract, without regard to ordering entity, delivery or performance site, location or facility.
- f. If the Contractor cannot fulfill a delivery/task order, regardless of reason, the Contractor shall immediately advise the ordering entity. Generally, such notice shall be provided within one (1) business day of the date and time the Contractor is aware (or should have been aware) that the order could not be fulfilled.
- g. The sites, locations, or facilities identified herein as being required in this Contract are not all inclusive of the number of sites, locations, or facilities that may be added in the future; however, this Contract does not create a right of first refusal and does not require, guarantee, or imply the addition of any sites, locations, or facilities to this Contract. Additional sites, locations, or facilities identified in a delivery/task order that are not listed in the Contract, will be added to the Contract by Contract Modification by an authorized Contracting Officer of the NAFI that issued this Contract.
- h. No additional quantities are guaranteed or implied as a result of this clause.
- i. Other Federal entities authorized to place delivery/task orders against this contract include:
  - 1) IMCOM G9 Family and MWR Programs,
  - 2) Air Force Non-appropriated Fund Purchasing Office (AFNAFPO),
  - 3) U. S. Marine Corps Personal and Family Readiness Division (MR) and Marine Corps Community Services (MCCS),
  - 4) Navy Exchange Command (NEXCOM) and Navy Exchange System (NES),
  - 5) Commander, Navy Installations Command (CNIC), Fleet and Family Readiness (F&FR)
  - 6) Coast Guard Exchange System (CGES); and
  - 7) Other Federal activities not specifically named in this Contract.
- j. More favorable prices, costs, rates, commissions, fees, terms and conditions than reflected in this Contract may be offered by the Contractor to the various ordering entities and/or negotiated by the ordering entities based upon economic factors that support such mutually agreed to arrangements, provided that:

- 1) any such agreement is made in writing; and
- 2) a complete copy of any such agreement is given to the Contracting Officer of the NAFI that issued the Contract, prior to performance.

k. The NAFI that issued this Contract is not responsible or liable for payment related to delivery/task orders issued by another entity. The entity that issues a delivery/task order is solely responsible for payment in accordance with applicable Federal laws. Each delivery/task order issued will include:

- 1) Contract number against which order is placed;
- 2) Location where delivery/performance will take place and required delivery / performance date(s);
- 3) Complete contact information for both the ordering entity and any other point of contact that the Contractor may need to complete the order;
- 4) Invoicing and payment instructions and/or procedures for remitting commission/license fee payments to the ordering entity.

i. On a quarterly basis (15 Jan, 15 Apr, 15 Jul, 15 Oct), unless a different reporting requirement is specified elsewhere in this Contract, the Contractor shall provide the Contracting Officer with a written report recapping all expenditures by item or service including a total for all entities that have placed orders during the preceding quarter. The report will include a quarterly recap that the Contractor will send to the specified POC, for each entity that participated in or that placed orders against this contract.

//////////////////////////////////////LAST ITEM//////////////////////////////////////

**EXHIBIT B**  
**LABOR PROVISIONS**  
**Contract for Services (with SCA) – DEC 14**

**1. EQUAL EMPLOYMENT OPPORTUNITY.**

a. The contractor agrees to comply with regulations of the Department of Labor contained in 41, Code of Federal Regulations, 60, which are incorporated herein by reference.

b. A contract award in the amount of \$10,000,000 or more will not be made unless the contractor, and each first-tier subcontractor which will receive a subcontract of \$10,000,000 or more, are found on the basis of a review to be in compliance with the Equal Employment Opportunity regulations of the Department of Labor.

**2. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT.**

(Applicable to contracts for services performed in the United States, any U.S. territory, or the District of Columbia.) The following clause is applicable to concession, agency, and vending machine contracts where the total gross receipts from sales or services under the contract will exceed \$2,500 and to management and direct service contracts where total payments to the contractor will exceed \$2,500. This contract to the extent that it is of the character to which the Contract Work Hours and Safety Standards Act, 40 USC 327, applies, is subject to all applicable provisions of the Act and the regulations of the Secretary of Labor thereunder (29 CFR 5).

a. Overtime Requirements: No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic in any workweek to work in excess of 40 hours in such workweek on work subject to the provisions of the Contract Work Hours and Safety Standards Act unless such laborer or mechanic receives such compensation at a rate not less than one and one-half times his basic rate of pay for all such hours worked in excess of 40 hours in such workweek.

b. Violation; liability for unpaid wages; liquidated damages: In the event of any violations of provisions of paragraph a., the contractor and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be completed with respect to each individual laborer or mechanic employed in violation of the provisions of paragraph a. in the sum of \$10 for each calendar day on which such employee was required or permitted to be employed on such work in excess of his standard workweek of 40 hours without payment of the overtime wages required by paragraph a.

c. Withholding for unpaid wages and liquidated damages: The contracting officer may withhold from the contractor from any monies payable on account of work performed by the contractor or subcontractor such sums as may administratively be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions of paragraph b.

d. Subcontracts: The contractor shall insert paragraphs a. through d. of this clause in all subcontracts and shall require their inclusion in all subcontracts of any tier.

e. Records: The contractor shall maintain payroll records containing the information specified in 29 CFR 516.2(a). Such records shall be preserved for 3 years from the completion of the contract.

**3. AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (AUG 10).**

If this contract equals or exceeds \$25,000, and is not otherwise exempt, the contractor agrees to comply with the regulations of the Department of Labor and the Office of Federal Contract Compliance Program, and the Affirmative Action clause as set out in 41 CFR Part 60-250, which are incorporated herein by reference

**4. AFFIRMATIVE ACTION FOR INDIVIDUALS WITH DISABILITIES.**

If the contract or the total of all orders issued during a calendar year equals or exceeds \$10,000 and is not otherwise exempt, the contractor agrees to comply with the regulations of the Department of Labor and the Affirmative Action clause as set forth in Title 41, Code of Federal Regulation, Part 60-741, which are incorporated herein by reference.

**5. CONVICT LABOR (MAY 1989).**

In connection with the performance of work under this contract, the contractor agrees not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 USC 4082(c)(2)) and Executive Order 11755, December 29, 1973, as amended by Executive Order 12608, September 9, 1987.

**6. SERVICE CONTRACT ACT.**

(Applicable to Contracts of \$2,500 or more.) Except to the extent that an exemption, variation or tolerance would apply if this were a contract in excess of \$2,500, the contractor and any subcontractor hereunder shall pay all of his employees engaged in performing work on the contract not less than the minimum wage specified under Section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended. Regulations and interpretations of the Service Contract Act of 1965, as amended, are contained in 29 CFR Part 4

**7. SERVICE CONTRACT ACT OF 1965 AS AMENDED.**

a. This contract is subject to the Service Contract Act of 1965, as amended (41 U.S.C. 351 et seq.) and is subject to the following

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provisions and to all other applicable provisions of the Act and regulations of the Secretary of Labor issued thereunder (29 CFR Part 4).

b.

(1) Each service employee employed in the performance of this contract by the contractor or any subcontractor shall be paid not less than the minimum monetary wages and shall be furnished fringe benefits in accordance with the wages and fringe benefits determined by the Secretary of Labor or authorized representative, as specified in any wage determination attached to this contract.

(2)

(a) If there is such a wage determination attached to this contract, the contracting officer shall require that any class of service employee which is not listed therein and which is to be employed under the contract (i.e., the work to be performed is not performed by any classification listed in the wage determination), be classified by the contractor so as to provide a reasonable relationship (i.e., appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination. Such conformed class of employees shall be paid the monetary wages and furnished the fringe benefits as are determined pursuant to the procedures in this section. (The information collection requirements contained in the following paragraphs of this section have been approved by the Office of Management and Budget under OMB control number 1215-0150.)

(b) Such conforming procedure shall be initiated by the contractor prior to the performance of contract work by such unlisted class of employee. A written report of the proposed conforming action, including information regarding the agreement or disagreement of the authorized representative of the employees involved or, where there is no authorized representative, the employees themselves, shall be submitted by the contractor to the contracting officer no later than 30 days after such unlisted class of employees performs any contract work. The contracting officer shall review the proposed action and promptly submit a report of the action, together with the agency's recommendation and all pertinent information including the position of the contractor and the employees, to the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, for review. The Wage and Hour Division will approve, modify, or disapprove the action or render a final determination in the event of disagreement within 30 days of receipt or will notify the contracting officer within 30 days of receipt that additional time is necessary.

(c) The final determination of the conformance action by the Wage and Hour Division shall be transmitted to the contracting officer who shall promptly notify the contractor of the action taken. Each affected employee shall be furnished by the contractor with a written copy of such determination or it shall be posted as a part of the wage determination

(d)

((1)) The process of establishing wage and fringe benefit rates that bear a reasonable relationship to those listed in a wage determination cannot be reduced to any single formula. The approach used may vary from wage determination to wage determination depending on the circumstances. Standard wage and salary administration practices which rank various job classifications by pay grade pursuant to point schemes or other job factors may, for example, be relied upon. Guidance may also be obtained from the way different jobs are rated under Federal pay systems (Federal Wage Board Pay System and the General Schedule) or from other wage determinations issued in the same locality. Basic to the establishment of any conformable wage rate(s) is the concept that a pay relationship should be maintained between job classifications based on the skill required and the duties performed.

((2)) In the case of a contract modification, an exercise of an option or extension of an existing contract, or in any other case where a contractor succeeds a contract under which the classification in question was previously conformed pursuant to this section, a new conformed wage rate and fringe benefits may be assigned to such conformed classification by indexing (i.e., adjusting) the previous conformed rate and fringe benefits by an amount equal to the average (mean) percentage increase (or decrease, where appropriate) between the wages and fringe benefits specified for all classifications to be used on the contract which are listed in the current wage determination, and those specified for the corresponding classifications in the previously applicable wage determination. Where conforming actions are accomplished in accordance with this paragraph prior to the performance of contract work by the unlisted class of employees, the contractor shall advise the contracting officer of the action taken but the other procedures in paragraph b(2)(b) of this section need not be followed.

((3)) No employee engaged in performing work on this contract shall in any event be paid less than the currently applicable minimum wage specified under section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.

(e) The wage rate and fringe benefits finally determined pursuant to paragraphs b(2)(a) and (b) of this section shall be paid to all employees performing in the classification from the first day on which contract work is performed by them in the classification. Failure to pay such unlisted employees the compensation agreed upon by the interested parties and/or finally determined by the Wage and Hour Division retroactive to the date such class of employees commenced contract work shall be a violation of the Act and this contract.

(f) Upon discovery of failure to comply with paragraphs b(2)(a) through (e) of this section, the Wage and Hour Division shall make a final determination of conformed classification, wage rate, and/or fringe benefits which shall be retroactive to the date such class of employees commenced contract work.

(3) If, as authorized pursuant to section 4(d) of the Service Contract Act of 1965 as amended, the term of this contract is more than 1 year, the minimum monetary wages and fringe benefits required to be paid or furnished thereunder to service employees shall be subject to adjustment not less often than once every 2 years, pursuant to wage determinations to be issued by the Wage and Hour Division, Employment Standards Administration of the Department of Labor as provided in such Act.

(a) Service Contract act Price Adjustment. This applies to both contracts subject to area prevailing wage determinations and contracts subject to Contractor collective bargaining agreements.

((1)) The Contractor warrants that the prices in this contract do not include any allowance for any contingency to cover increased costs for which adjustment is provided under this clause.

**((2))** The contract price, contract unit price labor rates, or fixed hourly labor rates will be adjusted to reflect increases or decreases by the Contractor in wages and fringe benefits to the extent that these increases or decreases are made to comply with—

**((a))** An increased or decreased wage determination applied to this contract by operation of law; or

**((b))** An amendment to the Fair Labor Standards Act of 1938 that is enacted subsequent to award of this contract, affects the minimum wage, and becomes applicable to this contract under law.

**((c))** Any such adjustment will be limited to increases or decreases in wages and fringe benefits as described in paragraph **((1))** of this clause, and to the accompanying increases or decreases in social security and unemployment taxes and workers' compensation insurance; it shall not otherwise include any amount for general and administrative costs, overhead, or profit.

**((d))** The Contractor shall notify the Contracting Officer of any increase claimed under this clause within 30 days after the effective date of the wage change, unless this period is extended by the Contracting Officer in writing. The Contractor shall promptly notify the Contracting Officer of any decrease under this clause, but nothing in the clause shall preclude the Exchange from asserting a claim within the period permitted by law. The notice shall contain a statement of the amount and the change in fixed hourly rates (if this is a time-and-materials or labor-hour contract) claimed and any relevant supporting data that the Contracting Officer may reasonably require. Upon agreement of the parties, the contract price, contract unit price labor rates, or fixed hourly rates shall be modified in writing. The Contractor shall continue performance pending agreement on or determination of any such adjustment and its effective date.

**((e))** The Contracting Officer or an authorized representative shall, until the expiration of 3 years after final payment under the contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor.

c. The contractor or subcontractor may discharge the obligation to furnish fringe benefits specified in the attachment or determined conformably thereto by furnishing any equivalent combinations of bona fide fringe benefits, or by making equivalent or differential payments in cash in accordance with the applicable rules set forth in Subpart D of 29 CFR Part 4, and not otherwise.

d.

**(1)** In the absence of a minimum wage attachment for this contract, neither the contractor nor any subcontractor under this contract shall pay any person performing work under the contract (regardless of whether they are service employees) less than the minimum wage specified by section 6(a)(1) of the Fair Labor Standards Act of 1938. Nothing in this provision shall relieve the contractor or any subcontractor of any other obligation under law or contract for the payment of a higher wage to any employee.

**(2)** If this contract succeeds a contract, subject to the Service Contract Act of 1965 as amended, under which substantially the same services were furnished in the same locality and service employees were paid wage and fringe benefits provided for in a collective bargaining agreement, in the absence of the minimum wage attachment for this contract setting forth such collectively bargained wages rates and fringe benefits, neither the contractor nor any subcontractor under this contract shall pay any service employee performing any of the contract work (regardless of whether or not such employee was employed under the predecessor contract), less than the wages and fringe benefits provided for in such collective bargaining agreements, to which such employee would have been entitled if employed under the predecessor contract, including accrued wages and fringe benefits and any prospective increases in wages and fringe benefits provided for under such agreement. No contractor or subcontractor under this contract may be relieved of the foregoing obligation unless the limitations of Section 4.1b(b) of 29 CFR Part 4 apply or unless the Secretary of Labor or his authorized representative finds, after a hearing as provided in Section 4.10 of 29 CFR Part 4 that the wages and/or fringe benefits provided for in such agreement are substantially at variance with those which prevail for services of a character similar in the locality, or determines, as provided in Section 4.11 of 29 CFR Part 4, that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's-length negotiations. Where it is found in accordance with the review procedures provided in 29 CFR 4.10 and/or 4.11 and Parts 6 and 8 that some or all of the wages and/or fringe benefits contained in a predecessor contractor's collective bargaining agreement are substantially at variance with those which prevail for services of a character similar in the locality, and/or that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's-length negotiations, the Department will issue a new or revised wage determination setting forth the applicable wage rates and fringe benefits. Such determination shall be made part of the contract or subcontract, in accordance with the decision of the Administrator, the Administrative Law Judge, or the Board of Service Contract Appeals, as the case may be, irrespective of whether such issuance occurs prior to or after the award of a contract or subcontract. 53 Comp. Gen. 401 (1973). In the case of a wage determination issued solely as a result of a finding of substantial variance, such determination shall be effective as a date of the final administrative decision.

e. The contractor and any subcontractor under this contract shall notify each service employee commencing work on this contract of the minimum monetary wage and any fringe benefits required to be paid pursuant to this contract, or shall post the wage determination attached to this contract. The poster provided by the Department of Labor (Publication WH1313) shall be posted in a prominent and accessible place at the worksite. Failure to comply with this requirement is a violation of section 2(a)(4) of the Act and of this contract. (Approved by the Office of Management and Budget under OMB control number 1215-0150.)

f. The contractor or subcontractor shall not permit any part of the services called for by this contract to be performed in buildings or

surroundings or under working conditions provided by or under the control or supervision of the contractor or subcontractor which are unsanitary or hazardous or dangerous to the health or safety of service employees engaged to furnish these services, and the contractor or subcontractor shall comply with the safety and health standards applied under 29 CFR Part 1925.

g.

(1) The contractor and each subcontractor performing work subject to the Act shall make and maintain for 3 years from the completion of the work records containing the information specified in paragraphs g.(1)(a) through (f) of this section for each employee subject to the Act and shall make them available for inspection and transcription by authorized representatives of the Wage and Hour Division, Employment Standards Administration of the U.S. Department of Labor. (Sections 7.g.(1)(a) through (d) approved by the Office of Management and Budget under OMB control number 1215-0017 and sections 7.g.(1)(e) and (f) approved under OMB control number 1215-0150):

(a) Name and address and social security number of each employee.

(b) The correct work classification or classifications, rate or rates of monetary wages paid and fringe benefits provided, rate or rates of fringe benefit payments in lieu thereof, and total daily and weekly compensation of each employee.

(c) The number of daily and weekly hours so worked by each employee.

(d) Any deductions, rebates, or refunds from the total daily and weekly compensation of each employee.

(e) A list of monetary wages and fringe benefits for those classes of service employees not included in the wage determination attached to this contract but for which such wage rates or fringe benefits have been determined by the interested parties or by the Administrator or authorized representative pursuant to the labor standards clause in paragraph b of this section. A copy of the report required by the clause in paragraph b.(2)(b) of this section shall be deemed to be such a list.

(f) Any list of the predecessor contractor's employees which had been furnished to the contractor pursuant to Section 4.6(1)(2).

(2) The contractor shall also make available a copy of this contract for inspection or transcription by authorized representatives of the Wage and Hour Division.

(3) Failure to make and maintain or to make available such records for inspection and transcription shall be a violation of the regulations and this contract, and in the case of failure to produce such records, the contracting officer, upon direction of the Department of Labor and notification of the contractor, shall take action to cause suspension of any further payment or advance of funds until such violation ceases.

(4) The contractor shall permit authorized representatives of the Wage and Hour Division to conduct interviews with employees at the worksite during normal working hours.

h. The contractor shall unconditionally pay to each employee subject to the Act all wages due free and clear and without subsequent deduction (except as otherwise provided by law or Regulations, 29 CFR Part 4), rebate, or kickback on any account. Such payments shall be made no later than one pay period following the end of the regular pay period in which such wages were earned or accrued. A pay period under this Act may not be of any duration longer than semi-monthly.

i. The contracting officer shall withhold or cause to be withheld from the Exchange prime contractor under this or any other Government contract with the contractor such sums as an appropriate official of the Department of Labor requests or such sums as the contracting officer decides may be necessary to pay underpaid employees employed by the contractor or subcontractor. In the event of failure to pay any employees subject to the Act all or part of the wages or fringe benefits due under the Act, the agency may, after authorization or by direction of the Department of Labor and written notification to the contractor, take action to cause suspension of any further payment or advance of funds until such violations have ceased. Additionally, any failure to comply with the requirements of these clauses relating to the Service Contract Act of 1965, may be grounds for termination of the right to proceed with the contract work. In such event, the Exchange may enter into other contracts or agreements for completion of the work, charging the contractor in default with any additional cost.

j. The contractor agrees to insert these clauses in this section relating to the Service Contract Act of 1965 in all subcontracts subject to the Act. The term "contractor" as used in these clauses in any subcontract, shall be deemed to refer to the subcontractor, except in the term "Exchange prime contractor."

k.

(1) As used in these clauses, the term "service employee" means any person engaged in the performance of this contract other than any person employed in a bona fide executive, administrative, or professional capacity, as those terms are defined in Part 541 of Title 29, Code of Federal Regulations, as of July 30, 1976, and any subsequent revision of those regulations. The term "service employee" includes all such persons regardless of any contractual relationship that may be alleged to exist between a contractor or subcontractor and such persons.

(2) The classes of service employees expected to be employed under this contract with the Exchange are identified on an attachment to these Labor Provisions. Such employees would be subject, if employed by the Exchange, to the pay scales established by the Exchange and would be paid not less than the wage rates and fringe benefits shown on the attachment.

l.

(1) If wages to be paid or fringe benefits to be furnished any service employees employed by the Exchange prime contractor or any subcontractor under the contract are provided for in a collective bargaining agreement which is or will be effective during any period in which the contract is being performed, the Exchange prime contractor shall report such fact to the contracting officer, together with full information as to the applicable and accrual of such wages and fringe benefits, including any prospective increases, to service employees engaged in work on the contract, and a copy of the collective bargaining agreement. Such report shall be made upon commencing performance of the contract, in the case of collective bargaining agreements effective at such time, and in the case of such agreements or provisions or amendments thereof effective at a later time during the period of contract performance, such

agreements shall be reported promptly after negotiation thereof. (Approved by the Office of Management and Budget under OMB control number 1215-0150.)

(2) Not less than 10 days prior to completion of any contract being performed at a Federal facility where service employees may be retained in the performance of the succeeding contract and subject to a wage determination which contains vacations or other benefit provisions based upon length of service with a contractor (predecessor) or successor (Section 4.173 of Regulations, 29 CFR Part 4), the incumbent prime contractor shall furnish to the contracting officer a certified list of the names of all service employees on the contractor's or subcontractor's payroll during the last month of contract performance. Such list shall also contain anniversary dates of employment on the contract either with the current or predecessor contractors of each such service employee. The contracting officer shall turn over such list to the successor contractor at the commencement of the succeeding contract. (Approved by the Office of Management and Budget under OMB control number 1215-0150.)

m. Rulings and interpretations of the Service Contract Act of 1965, as amended, are contained in Regulations, 29 CFR Part 4.

n.

(1) By entering into this contract, the contractor (and officials thereof) certifies that neither it (nor he or she) nor any person or firm who has a substantial interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of the sanctions imposed pursuant to section 5 of the Act.

(2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract pursuant to section 5 of the Act.

(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

o. Notwithstanding any of the clauses in paragraphs b. through m. of this section relating to the Service Contract Act of 1965, the following employees may be employed in accordance with the following variations, tolerances, and exemptions, which the Secretary of Labor, pursuant to section 4(b) of the Act prior to its amendment by Pub. L. 92-473, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business:

(1) Apprentices, student-learners, and workers whose earning capacity is impaired by age, physical, or mental deficiency or injury may be employed at wages lower than the minimum wages otherwise required by section 2(a)(1) or 2(b)(1) of the Service Contract Act without diminishing any fringe benefits or cash payments in lieu thereof required under section 2(a)(2) of that Act, in accordance with the conditions and procedures prescribed for the employment of apprentices, student-learners, handicapped persons, and handicapped clients of sheltered workshops under section 14 of the Fair Labor Standards Act of 1938, in the regulations issued by the Administrator (29 CFR Parts 520, 521, 524, and 525).

(2) The Administrator will issue certificates under the Service Contract Act for the employment of apprentices, student-learners, handicapped persons, or handicapped clients of sheltered workshops not subject to the Fair Labor Standards Act of 1938, or subject to different minimum rates of pay under the two acts, authorizing appropriate rates of minimum wages (but without changing requirements concerning fringe benefits or supplementary cash payments in lieu thereof), applying procedures prescribed by the applicable regulations issued under the Fair Labor Standards Act of 1938 (29 CFR Parts 520, 521, 524, and 525).

(3) The Administrator will also withdraw, annul, or cancel such certificates in accordance with the regulations in Parts 525 and 528 of Title 29 of the Code of Federal Regulations.

p. Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed and individually registered in a bona fide apprenticeship program registered with a State Apprenticeship Agency which is recognized by the U.S. Department of Labor, or if no such recognized agency exists in a State, under a program registered with the Bureau of Apprenticeship and Training, Employment and Training Administration, U.S. Department of Labor. Any employee who is not registered as an apprentice in an approved program shall be paid the wage rate and fringe benefits contained in the applicable wage determination for the journeyman classification of work actually performed. The wage rates paid apprentices shall not be less than the wage rate for their level of progress set forth in the registered program, expressed as the appropriate percentage of the journeyman's rate contained in the applicable wage determination. The allowable ratio of apprentices to journeymen employed on the contract work in any craft classification shall not be greater than the ratio permitted to the contractor as to his entire work force under the registered program.

q. An employee engaged in an occupation in which he or she customarily and regularly receives more than \$30 a month in tips may have the amount of tips credited by the employer against the minimum wage required by section 2(a)(1) or section 2(b)(1) of the Act in accordance with section 3(m) of the Fair Labor Standards Act and Regulations, 29 CFR Part 531: Provided, however, that the amount of such credit may not exceed \$2.13 per hour. To utilize this provision:

(1) The employer must inform tipped employees about this tip credit allowance before the credit is utilized;

(2) The employees must be allowed to retain all tips (individually or through a pooling arrangement and regardless of whether the employer elects to take a credit for tips received);

(3) The employer must be able to show by records that the employee receives at least the applicable Service Contract Act minimum wage through the combination of direct wages and tip credit (approved by the Office of Management and Budget under OMB control number 1215-0017);

(4) The use of such tip credit must have been permitted under any predecessor collective bargaining agreement applicable by virtue of section 4(c) of the Act.

r. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 4, 6, and 8. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

**8. Establishing a Minimum Wage for Contractors (DEC 14)**

(a) *Executive Order 13658*. This contract is subject to Executive Order 13658, the regulations issued by the Secretary of Labor in 29 CFR part 10 pursuant to the Executive Order, and the following provisions.

(b) *Minimum Wages*.

(1) Each worker (as defined in 29 CFR 10.2) engaged in the performance of this contract by the prime contractor or any subcontractor, regardless of any contractual relationship which may be alleged to exist between the contractor and worker, shall be paid not less than the applicable minimum wage under Executive Order 13658.

(2) The minimum wage required to be paid to each worker performing work on or in connection with this contract between January 1, 2015 and December 31, 2015 shall be \$10.10 per hour. The minimum wage shall be adjusted each time the Secretary of Labor's annual determination of the applicable minimum wage under section 2(a)(ii) of Executive Order 13658 results in a higher minimum wage. Adjustments to the Executive Order minimum wage under section 2(a)(ii) of Executive Order 13658 will be effective for all workers subject to the Executive Order beginning January 1 of the following year. If appropriate, the contracting officer, or other agency official overseeing this contract shall ensure the contractor is compensated only for the increase in labor costs resulting from the annual inflation increases in the Executive Order 13658 minimum wage beginning on January 1, 2016. The Secretary of Labor will publish annual determinations in the **Federal Register** no later than 90 days before such new wage is to take effect. The Secretary will also publish the applicable minimum wage on *www.wdol.gov* (or any successor Web site). The applicable published minimum wage is incorporated by reference into this contract.

(3) The contractor shall pay unconditionally to each worker all wages due free and clear and without subsequent deduction (except as otherwise provided by 29 CFR 10.23), rebate, or kickback on any account. Such payments shall be made no later than one pay period following the end of the regular pay period in which such wages were earned or accrued. A pay period under this Executive Order may not be of any duration longer than semimonthly.

(4) The prime contractor and any upper-tier subcontractor shall be responsible for the compliance by any subcontractor or lower-tier subcontractor with the Executive Order minimum wage requirements. In the event of any violation of the minimum wage obligation of this clause, the contractor and any subcontractor(s) responsible therefore shall be liable for the unpaid wages.

(5) If the commensurate wage rate paid to a worker on a covered contract whose wages are calculated pursuant to a special certificate issued under 29 U.S.C. 214(c), whether hourly or piece rate, is less than the Executive Order minimum wage, the contractor must pay the Executive Order minimum wage rate to achieve compliance with the Order. If the commensurate wage due under the certificate is greater than the Executive Order minimum wage, the contractor must pay the 14(c) worker the greater commensurate wage.

(c) *Withholding*. The agency head shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the prime contractor under this or any other Federal contract with the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay workers the full amount of wages required by Executive Order 13658.

(d) *Contract Suspension/Contract Termination/Contractor Debarment*. In the event of a failure to pay any worker all or part of the wages due under Executive Order 13658 or 29 CFR part 10, or a failure to comply with any other term or condition of Executive Order 13658 or 29 CFR part 10, the contracting agency may on its own action or after authorization or by direction of the Department of Labor and written notification to the contractor, take action to cause suspension of any further payment, advance or guarantee of funds until such violations have ceased. Additionally, any failure to comply with the requirements of this clause may be grounds for termination of the right to proceed with the contract work. In such event, the Government may enter into other contracts or arrangements for completion of the work, charging the contractor in default with any additional cost. A breach of the contract clause may be grounds for debarment as a contractor and subcontractor as provided in 29 CFR 10.52.

(e) The contractor may not discharge any part of its minimum wage obligation under Executive Order 13658 by furnishing fringe benefits or, with respect to workers whose wages are governed by the Service Contract Act, the cash equivalent thereof.

(f) Nothing herein shall relieve the contractor of any other obligation under Federal, State or local law, or under contract, for the payment of a higher wage to any worker, nor shall a lower prevailing wage under any such Federal, State, or local law, or under contract, entitle a contractor to pay less than \$10.10 (or the minimum wage as established each January thereafter) to any worker.

(g) *Payroll Records*. (1) The contractor shall make and maintain for three years records containing the information specified in paragraphs (g)(1) (i) through (vi) of this section for each worker and shall make the records available for inspection and transcription by authorized representatives of the Wage and Hour Division of the U.S. Department of Labor:

- (i) Name, address, and social security number.
- (ii) The worker's occupation(s) or classification(s)
- (iii) The rate or rates of wages paid.
- (iv) The number of daily and weekly hours worked by each worker.
- (v) Any deductions made; and
- (vi) Total wages paid.

(2) The contractor shall also make available a copy of the contract, as applicable, for inspection or transcription by authorized representatives of the Wage and Hour Division.

(3) Failure to make and maintain or to make available such records for inspection and transcription shall be a violation of 29 CFR part 10 and this contract, and in the case of failure to produce such records, the contracting officer, upon direction of an authorized representative of the Department of Labor, or under its own action, shall take such action as may be necessary to cause suspension of any further payment or advance of funds until such time as the violations are discontinued.

(4) The contractor shall permit authorized representatives of the Wage and Hour Division to conduct investigations, including interviewing workers at the worksite during normal working hours.

(5) Nothing in this clause limits or otherwise modifies the contractor's payroll and recordkeeping obligations, if any, under the Davis-Bacon Act, as amended, and its implementing regulations; the Service Contract Act, as amended, and its implementing regulations; the Fair Labor Standards Act, as amended, and its implementing regulations; or any other applicable law.

(h) The contractor (as defined in 29 CFR 10.2) shall insert this clause in all of its covered subcontracts and shall require its subcontractors to include this clause in any covered lower-tier subcontracts. The prime contractor and any upper-tier subcontractor shall be responsible for the compliance by any subcontractor or lower-tier subcontractor with this contract clause.

(i) *Certification of Eligibility.*

(1) By entering into this contract, the contractor (and officials thereof) certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of the sanctions imposed pursuant to section 5 of the Service Contract Act, section 3(a) of the Davis-Bacon Act, or 29 CFR 5.12(a)(1).

(2) No part of this contract shall be subcontracted to any person or firm whose name appears on the list of persons or firms ineligible to receive Federal contracts.

(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(j) *Tipped employees.* In paying wages to a tipped employee as defined in section 3(t) of the Fair Labor Standards Act, 29 U.S.C. 203(t), the contractor may take a partial credit against the wage payment obligation (tip credit) to the extent permitted under section 3(a) of Executive Order 13658. In order to take such a tip credit, the employee must receive an amount of tips at least equal to the amount of the credit taken; where the tipped employee does not receive sufficient tips to equal the amount of the tip credit the contractor must increase the cash wage paid for the workweek so that the amount of cash wage paid and the tips received by the employee equal the applicable minimum wage under Executive Order 13658. To utilize this proviso:

(1) The employer must inform the tipped employee in advance of the use of the tip credit;

(2) The employer must inform the tipped employee of the amount of cash wage that will be paid and the additional amount by which the employee's wages will be considered increased on account of the tip credit;

(3) The employees must be allowed to retain all tips (individually or through a pooling arrangement and regardless of whether the employer elects to take a credit for tips received); and (4) The employer must be able to show by records that the tipped employee receives at least the applicable Executive Order minimum wage through the combination of direct wages and tip credit.

(k) *Antiretaliation.* It shall be unlawful for any person to discharge or in any other manner discriminate against any worker because such worker has filed any complaint or instituted or caused to be instituted any proceeding under or related to Executive Order 13658 or 29 CFR part 10, or has testified or is about to testify in any such proceeding.

(l) *Disputes concerning labor standards.* Disputes related to the application of Executive Order 13658 to this contract shall not be subject to the general disputes clause of the contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR part 10. Disputes within the meaning of this contract clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the workers or their representatives.

(m) *Notice.* The contractor must notify all workers performing work on or in connection with a covered contract of the applicable minimum wage rate under the Executive Order. With respect to service employees on contracts covered by the Service Contract Act and laborers and mechanics on contracts covered by the Davis-Bacon Act, the contractor may meet this requirement by posting, in a prominent and accessible place at the worksite, the applicable wage determination under those statutes. With respect to workers performing work on or in connection with a covered contract whose wages are governed by the FLSA, the contractor must post a notice provided by the Department of Labor in a prominent and accessible place at the worksite so it may be readily seen by workers. Contractors that customarily post notices to workers electronically may post the notice electronically provided such electronic posting is displayed prominently on any Web site that is maintained by the contractor, whether external or internal, and customarily used for notices to workers about terms and conditions of employment.

**ARMY AND AIR FORCE EXCHANGE SERVICE**

**EMPLOYEE CLASSIFICATIONS**

This statement of equivalent the Exchange rates is required to be made by the Exchange in accordance with Section 2(a)(5) of the Service Contract Act, but a successful offeror under this solicitation is not required to pay the rates set forth on this page. The contractor is required to pay rates in accordance with any applicable currently effective wage determination from the Department of Labor made part of this contract. The following classes of service employees would be utilized by the Exchange if the activity were a direct operation of the Exchange.

**INFORMATION ONLY**

<u>Job Classification</u>	<u>Hourly Wages</u>
Custodial Worker	10.83
Custodial Worker Supervisor	11.96

**FRINGE BENEFITS**

Life, accident and health insurance, sick leave programs, and retirement are 29.09 percent of basic hourly rates.

Holidays: New Year's Day, Martin Luther King's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Christmas Day.

Paid Vacation: 2 hours of annual leave each week for an employee of less than 3 years of service; 3 hours of annual leave each week for an employee with 3 but less than 15 years of service; 4 hours of annual leave each week for an employee with 15 or more years of service.

//////////////////////////////////////LAST ITEM//////////////////////////////////////

## EXHIBIT C

### SPECIAL PROVISIONS

1. **Scope of Service:** Contractor will furnish custodial service as outlined under Specifications, Exhibit E.

2. **Risk of Loss:** Contractor will be liable for any loss or damage to the Exchange owned property, including expenses incidental to any loss or damage, which results from misconduct, omission or negligence on the part of the contractor or contractor's employees or agents.

3. **Management and Personnel:**

a. Responsible management will be provided during all hours of contractor performance. The manager or designated representative will be knowledgeable of contract terms and conditions and will have authority to conduct business as required by this contract. Authority will include, but will not be limited to, maintaining quality of services provided, purchase of operating supplies, maintenance and repair of equipment, training of employees, assuring compliance with contract specifications, supervision of contractor employees, and resolution of the Exchange facility manager complaints. The contractor will provide written notice, to the contracting officer and to the facility manager, naming the person appointed manager or representative.

b. Contractor will furnish at his expense a sufficient number of qualified employees for the efficient performance of this contract. New contractors will give consideration for employment to employees of the previous contractor. Prior to contract commencement, contractor will provide a full list of employees performing this contract to the Exchange facility manager at each location. List will include name, job title, and brief description of job duties. Contractor will promptly notify the Exchange facility manager of additions to or deletions from the employee list.

c. Contractor and his employees must meet the health and security standards prescribed by the contract and applicable regulations and must obtain installation passes and permits, as required by installation regulations. The employee identification will be in accordance with the requirements of the installation whereupon the work is being performed.

d. Contractor personnel will be neat and clean, will abide by applicable regulations and conduct themselves so as not to reflect discredit on the Exchange. Contractor's employees will wear uniforms that have the contractor's name and the employee's name clearly shown. The uniforms will be typical of a reputable custodial company and are subject to the approval of the contracting officer.

e. Also see the General Provision entitled: "CONTRACTOR PERSONNEL AND REPRESENTATIVES" with regard to removal of unacceptable individuals from performance in exchange facilities under this contract.

4. **Indebtedness:** Contractor will pay promptly and according to the terms thereof, all indebtedness incurred in connection with the performance of the contract.

5. **Price Revisions:** The prices established in this contract and in any subsequent renewal will remain firm for the period of contract or period of renewal unless the parties hereto mutually agree to a price adjustment in which event the adjustment will become effective only on the

effective date specified in a written amendment to the contract. Any request by contractor for adjustment must be made in writing to the contracting officer. Such request must provide sufficient factual information and data to substantiate the proposed revision, including clear and definite identification of existing cost factors which could not be identified at time of entering into contract or renewal. Any price adjustment under this provision is subject to negotiation and mutual agreement of the parties and the accomplishment of a finalized written amendment to the contract. Contractor has no unilateral right to a price adjustment.

## 6. Invoicing and Payment

### a. Invoicing Instructions

(1) In order to be considered proper invoices for purposes of the Prompt Payment Act, invoices must be submitted as follows:

(a) Contractor must prepare a separate numbered invoice for each service period as established in the Price Schedule exhibit. **DO NOT CONSOLIDATE BILLING FOR MORE THAN ONE SERVICE PERIOD ON ONE INVOICE.** Do not duplicate an invoice number used in prior billings.

(b) Except as specifically set out in the contract or purchase order the invoice must be submitted to:

Please mail Schofield MS, HC & Class Six invoice to:

Schofield Main Exchange  
Building 694  
Schofield Barracks, Hawaii 96857-7200  
Attn: Yvette Fabia & Chandra Thomas

For the concession Mall the invoices need to be mail to:

AAFES-HAWAII EXCHANGE  
265 MCCLELLAND STREET, BLDG 2171  
SUITE 101  
JBPH-HICKAM, HI 96853-5297  
Attn: Liz Pasese

Mailing address for Hickam is:

Army & Air Force Exchange Service  
Hickam Main Exchange  
Bldg 1235  
Hickam AFB, HI 96853-001  
Attn: Asia Gilchrist

(2) Invoices must be issued by the company whose name is on the contract/order (unless

otherwise authorized by contracting officer) and must contain the following minimum information to enable timely payment:

(a) Name of contractor.

(b) Invoice date. This cannot be a date prior to completion of service(s) required by the contract or purchase/delivery order. In the event that the invoice date is a date prior to completion of service(s) required, the Exchange retains the right either to return the improper invoice to the contractor for correction or to change the invoice date to be the date after completion of the required service(s). In the event that an improper invoice is returned to a contractor because the date on the invoice is prior to completion of required service(s) or because the invoice is improper for any other reason, the invoice date, for purposes of prompt payment discounts, will be considered to be the date of receipt of the corrected, proper invoice.

(c) Contract/order number.

(d) Military installation location(s)/building numbers.

(e) Service description and date(s) of service.

(f) Contract services line item cost and total.

(g) Discount terms, including prompt payment discount, and special allowance(s) if included in the contract. Prompt payment discounts, and special allowances must be shown on the invoice using percentage figures only. **DO NOT DEDUCT ANY OF THESE FROM THE SERVICE COST OR FROM THE INVOICE TOTAL.**

(h) Name, title and phone number of contractor's contact person.

(i) Complete "remit to" mailing address on the invoice to indicate where contractor's payment is to be sent. This address must be the same address as on the contract unless changed in accordance with paragraph b. (8) below.

(3) Correcting invoices and credit memos must be marked as such and must cross-reference the corrected invoice.

#### b. Payment

(1) A proper invoice is an invoice which contains all of the information/documentation specified in paragraph a.(2) above, and is sent to the address specified in the contract or purchase/delivery order for the designated Exchange paying office. Improper invoices may be returned without payment to the contractor.

(2) The net payment date for Exchange contracts is established at 30 days after receipt of a proper invoice. Discounts for prompt payment, if included in the contract, will be applied as follows:

(a) If the contract or purchase order specifies a prompt payment discount period of less than 30 days, the discount will be taken if payment can be made within the stated period otherwise the net payment will be due 30 days after receipt of a proper invoice.

(b) If the contract or purchase order specifies a prompt payment discount period of 30 days or more, the discount will be taken if payment can be made within the stated period otherwise the net payment will be due 30 days after the prompt payment discount period ends.

(c) If the contract fails to specify any prompt payment discount, then net payment will be due 30 days after receipt of a proper invoice.

(3) An invoice is considered to be received on the later of the following dates:

EITHER the date a proper invoice is actually received by the designated Exchange receiving office if the Exchange annotates the invoice with the date of receipt at the time of receipt OR the date of the invoice if the designated Exchange receiving office receives a proper invoice but fails to annotate the invoice with the date of receipt at the time of receipt.

(4) In the event that a prompt payment discount, or other special discounts or allowances specified on contractor's invoice are better than that specified in the contract or purchase order, the Exchange may take the more favorable discounts and/or allowances.

(5) For the purpose of determining whether payment is timely made by the Exchange, a "day" is counted for each calendar day. When payments fall due on Saturday, Sunday or legal Federal holidays, payments made the following business day will not incur late payment interest penalties.

(6) A discount for prompt payment can be taken by the Exchange if the discounted payment is made within the discount period specified. The prompt payment discount period begins to run on the date of the invoice. Computation of the period for prompt payment discounts begins with the date of invoice; computation for net payment begins with receipt of a proper invoice.

(7) Payment is made:

(a) The date a check for payment is dated.

(b) The date an electronic fund transfer is received, regardless of the date the financial institution posts the transfer.

(c) The date a withholding authorized by the contract is initiated by Exchange.

(8) Payment will be made by mailing a check to the address shown on the contract, unless the contractor provided a different "remit to" address to the contracting officer at the time the terms were negotiated or the contract was issued.

(a) If a contractor wishes to change the address (e.g., street, P.O. Box, city/state) to which payment should be sent or wishes its payments to also reflect a factor's name and be sent to the factor's address the request must be in writing, signed by a responsible official of the contractor, and submitted to the contracting officer. All such requests must clearly establish which division or subsidiary of a corporation such changes apply to and the address which is superseded by the changes. These changes will become effective on the date determined by the Exchange, normally 30 days after approval. Changes will be done on an accommodation basis only, with the understanding that no legal obligation is imposed on the Exchange for failure to make payment to the new payee/address.

(b) Any request by the contractor to change the name shown on the contract or to delegate its obligation under the contract must be sent to the contracting officer.

(9) Any questions or inquiries concerning invoice payments should be directed to the Exchange paying office designated on the contract or purchase/delivery order. The Exchange does not maintain separate ledger balances for each contractor. Consequently, any inquiry concerning unpaid invoices or other payment discrepancies must include the following data:

	<u>Unpaid Invoice</u>	<u>Other Payment Discrepancies</u>
	Exchange Contract No.	Exchange Contract No.
	Invoice No.	Invoice No.
	Date of Invoice	Exchange Charge/Credit Voucher
No.	Invoice Amount	Exchange Check No.
	Date of Service	

(10) Any interest penalties due to contractors will be computed in accordance with the Prompt Payment Act, 31 U.S.C. 3901-3906, as amended.

**7. Inspection of Work:**

a. Services provided under this contract are subject to inspection at any time during or after performance of work.

b. If services provided do not conform to the contract specifications, the contracting officer, at his option, may take any of the following actions:

(1) Require contractor to accomplish the work according to contract specifications.

(2) Accomplish the work by contract with another firm or with the Exchange employees and charge the cost of the work to contractor.

(3) Accept the work with an equitable price reduction. If the parties fail to agree, the price adjustment will be determined by the contracting officer and the basis for it will be furnished to contractor in writing.

**8. Exchange Facility Manager:** If no other Contracting Officer Representative (COR) is specifically appointed, the manager of the Exchange facility where contract performance takes place is responsible for routine or daily contract surveillance and administration. Contract surveillance and administration activities include: (1) assisting the contractor in gaining installation IDs for his/her employees, etc., (2) monitoring contractor's performance and ensuring contract compliance, (3) approving the initial and revised contractor work schedules, (4) inspecting and determining acceptability of the work performed, and (5) resolving daily or routine operational problems that arise. If the facility manager and the contractor (or the contractor's designated representative) are unable to reach agreement on specific issues, the contracting officer will be promptly advised. The contracting officer will investigate and review the facts and render a decision in accordance with the terms of the contract.

//////////////////////////////////////LAST ITEM//////////////////////////////////////

Exhibit D  
Price Schedule

1. The offeror must enter below the unit price per service per facility (building) for the services to be performed in accordance with Exhibit E, Specification. The prices entered will include all charges for labor, materials and supplies, and will exclude restroom dispensable items (hand soap/paper products) and trash can liners provided by the Exchange.

BASE BID CLINS 1000-1013

CLIN 1000				
Facility Name	Hickam Main Store	104,000 SF	Building	1232/1235

<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>Total</u>
General Cleaning	156	Days	\$ 0.00145	\$ 23,654.59
		(3x Week)		

CLIN 1001				
Facility Name	Hickam Main Store	52,085 SF	Building	1232/1235

<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>As Needed Total</u>
Strip, Seal and Finish Floors (Additional refinishing may be authorized by facility manager)	1	As Needed	\$ 0.35000	\$ 18,229.75

CLIN 1002				
Facility Name	Hickam Main Store	68,198 SF	Building	1232/1235

<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>As Needed Total</u>
Carpet Cleaning (in accordance with Exhibit E, para A5) (Additional carpet cleaning may be authorized by facility manager)	1	As Needed	\$ 0.20000	\$ 13,639.60

CLIN 1003				
Facility Name	Hickam Main Store	1,968 SF	Building	1232/1235

<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>As Needed Total</u>
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Exhibit D  
Price Schedule

Polish Concrete (In accordance with Exhibit E, para A5) (Additional refinishing may be authorized by facility manager)

1 As Needed \$ 0.5000000 \$ 984.00

CLIN 1004	Facility Name	Schofield Main Store	89,770 SF	Building	694
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<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>Total</u>
General Cleaning	208	Days	\$ 0.00168	\$ 31,425.25
	(2x Week)			

CLIN 1005	Facility Name	Schofield Main Store	60,000 SF	Building	694
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<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>As Needed Total</u>
Strip, Seal and Finish Floors (Additional refinishing may be authorized by facility manager)	1	As Needed	\$ 0.25000	\$ 21,000.00

CLIN 1006	Facility Name	Schofield Main Store	39,770 SF	Building	694
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<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>As Needed Total</u>
Carpet Cleaning (In accordance with Exhibit E, para A5) (additional carpet cleaning may be authorized by facility manager)	1	As Needed	\$ 0.20000	\$ 7,594.00

CLIN 1007	Facility Name	Schofield Home Center	19,000 SF	Building	3320
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<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>Total</u>
General Cleaning	208	Days	\$ 0.00468	\$ 18,495.36
	(2x Week)			

CLIN 1008	Facility Name	Schofield Home Center	11,000 SF	Building	3320
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Exhibit D  
Price Schedule

<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>As Needed Total</u>
Strip, Seal and Finish Floors (Additional refinishing may be authorized by facility manager)	1	As Needed	\$ 0.35000	\$ 3,850.00

CLIN 1009	Facility Name	Schofield Home Center	8,000 SF	Building	3320
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<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>As Needed Total</u>
Carpet Cleaning (In accordance with Exhibit E, para A5)	1	As Needed	\$ 0.20000	\$ 16,000.00

CLIN 1010	Facility Name	Schofield Class 6	2,350 SF	Building	3322
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<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>Total</u>
General Cleaning	208	Days	\$ 0.03220	\$ 15,749.14
		(2x Week)		

CLIN 1011	Facility Name	Schofield Class 6	2,350 SF	Building	3322
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<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>As Needed Total</u>
Strip, Seal and Finish Floors (Additional refinishing may be authorized by facility manager)	1	As Needed	\$ 0.50000	\$ 1,175.00

CLIN 1012	Facility Name	Schofield Concession Mall	12,521 SF	Building	694
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<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>Total</u>
General Cleaning	363	Days	\$ 0.00804	\$ 36,570.66
		(7x Week)		

CLIN 1013	Facility Name	Schofield Concession Mall	12,521 SF	Building	694
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<u>Description</u>	<u>Service Frequency</u>	<u>Unit of Issue</u>	<u>Unit Price per SF</u>	<u>Total</u>
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Exhibit D  
Price Schedule

Strip, Seal and Finish  
Floors (Additional  
refinishing may be  
authorized by facility  
manager)

2 Year \$ 0.35000 \$ 8,764.70  
(2x Year)



TOTAL FOR YEAR 1 \$ 134,659.70

TOTAL FOR YEAR 2 \$ 134,659.70

GRAND TOTAL COST FOR ALL FACILITIES BOTH YEARS

\$ 269,319.40

There is a reasonable likelihood that all of the options will be exercised. No representation that this contract will be extended beyond its original period is binding on the Exchange unless in writing signed by the contractor and contracting officer. In no event will the contract be extended beyond an accumulated period of five (5) years from the date established for commencement of service.

OPTION YEAR 1

OPTION YEAR 2

OPTION YEAR 3

2. Calculations: Calculations of "Grand Total Annual Cost For All Facilities" will be made as follows: Multiplying the SF "Quantity" times the "Unit Price" times the "Service Frequency" to determine the "Cost/Year" for each service. Then the "Cost/Year" for all required services are added together to determine the "Total Annual Cost" for each facility. Then the "Total Annual Cost" for each facility is added together to determine the "Grand Total Annual Cost" for all facilities.

3. Invoicing: The service period for invoicing (see Paragraph 6 of Exhibit C) is established as each calendar month. Contractor will invoice for the actual number of days the general cleaning service is provided and will invoice remaining services as separate line items on the monthly invoice if such services are provided.

4. Discount: Offeror enter prompt payment discount: \_\_\_\_\_, (Refer to paragraph 6, Invoicing and Payment, of Exhibit C, Special Provisions).

//////////////////////////////////////LAST ITEM//////////////////////////////////////

**EXHIBIT E**

**SPECIFICATIONS**

**I. Description of Service:** Custodial services accomplished in accordance with the following specifications, at the facility location(s) and at the minimum frequency stated herein.

a. **Facilities:** The facilities to be cleaned are as follows. Square footage shown is a best estimate and includes surfaces covered by fixtures, tables, chairs, benches, vending machines, etc. The time of performance shown is for the facility in general; individual-task cleaning-frequencies are set out in paragraph I.B., below.

1) Facility Name: Hickam Main Store  
Facility Number: 6081-1001-00  
Building No: 1232-1235  
Total Square Footage: 122,000  
Time Of Performance:  
Mon: \_\_\_\_\_ hours  
Tue \_\_\_\_\_ hours  
Wed: \_\_\_\_\_ hours  
Thur: 1700 - 1900 hours  
Fri: 1700 - 1900 hours  
Sat: \_\_\_\_\_ hours  
Sun: 1700 - 1900 hours

2) Facility Name: Schofield Main Store  
Facility Number: 6082-1005-00  
Building No: 694  
Total Square Footage: 89,770  
Time Of Performance:  
Mon: \_\_\_\_\_ hours  
Tue \_\_\_\_\_ hours  
Wed: \_\_\_\_\_ hours  
Thur: 1800 - 2230 hours  
Fri: 1800 - 2230 hours  
Sat: 1800 - 2230 hours  
Sun: 1800 - 2230 hours

3) Facility Name: Schofield Home Center  
Facility Number: 6082-1005-03  
Building No: 3320  
Total Square Footage: 19,000  
Time Of Performance:  
Mon: \_\_\_\_\_ hours  
Tue \_\_\_\_\_ hours  
Wed: \_\_\_\_\_ hours  
Thur: 1800 - 2230 hours  
Fri: 1800 - 2230 hours  
Sat: 1800 - 2230 hours  
Sun: 1800 - 2230 hours

4) Facility Name: Schofield Class 6  
Facility Number: 6082-1005-03  
Building No: 3322  
Total Square Footage: 2,350  
Time Of Performance:

Mon: \_\_\_\_\_ hours  
 Tue \_\_\_\_\_ hours  
 Wed: \_\_\_\_\_ hours  
 Thur: 1800 - 2230 hours  
 Fri: 1800 - 2230 hours  
 Sat: 1800 - 2230 hours  
 Sun: 1800 - 2230 hours

5) Facility Name: Schofield Concession Mall  
 Facility Number: 6082-9999-00  
 Building No: 694  
 Total Square Footage: 12,251  
 Time Of Performance:

Mon: 1900 - 2300 hours  
 Tue 1900 - 2330 hours  
 Wed: 1900 - 2300 hours  
 Thur: 1900 - 2300 hours  
 Fri: 1900 - 2300 hours  
 Sat: 1800 - 2230 hours  
 Sun: 1900 - 2300 hours

b. **Frequency of Cleaning by Facility:** Contractor will provide, within ten (10) calendar days after receipt of notice of award or at the pre-performance conference, whichever is later, a work schedule stipulating the completion dates for all periodic services (that are less frequent than weekly) to the facility manager for approval.

**MINIMUM FREQUENCY OF CLEANING**

<b>CLEANING TASK</b>	<b><u>Hickam Main Store</u></b>	<b><u>Schofield Main Store</u></b>	<b><u>Schofield Home Center</u></b>	<b><u>Schofield Class 6</u></b>	<b><u>Schofield Concession Mall</u></b>
<b>SWEEPING FLS</b>	3x weekly (Thurs/Fri/Sun)	4x weekly	4x weekly	4x weekly	7 X weekly
<b>DUST MOP FLS</b>	3x weekly (Thurs/Fri/Sun)	4x weekly	4x weekly	4x weekly	7 X weekly
<b>WET MOP FLS</b>	3x weekly (Thurs/Fri/Sun)	4x weekly	4x weekly	4x weekly	
<b>STRIP, SEAL &amp; FINISH FLS</b>	As Requested	1X a year	1X a year	1X a year	2x Year
<b>SPRAY BUFF</b>	4x weekly (Thurs-Sun)	4x weekly	4x weekly	4x weekly	N/A
<b>DEGREE OF FLOOR GLOSS TO BE ACHIEVED</b>	High gloss	High gloss	High gloss	High gloss	High gloss

<b>VACUUM CARPETED FLOORS</b>	4x weekly (Thurs-Sun)	4x weekly	4x weekly	4x weekly	N/A
<b>SPOT CLEAN CARPET</b>	As Requested	4x weekly	4x weekly	4x weekly	N/A
<b>STEAM CLEAN CARPET</b>	As Requested	1X a year	1X a year	1X a year	N/A
<b>RESTROOMS</b>	4x weekly (Thurs-Sun)	4x weekly	4x weekly	4x weekly	7 x weekly
<b>CLEAN GLASS</b>	4x weekly (Thurs-Sun)	4x weekly	4x weekly	4x weekly	
<b>EMPTY WASTE RECEPTACLES</b>	4x weekly (Thurs-Sun)	4x weekly	4x weekly	4x weekly	7 x weekly
<b>SCRUB TILE</b>	4x weekly (Thurs-Sun)	4x weekly	4x weekly	4x weekly	7x weekly
<b>METAL SURFACES WALL &amp; COLUMNS</b>	4x weekly (Thurs-Sun)	4x weekly	4x weekly	4x weekly	1 x weekly
<b>CLEAN ALL GLASS (INCL GLASS DOORS – EXCEL WINDOWS)</b>	4x weekly (Thurs-Sun)	4x weekly	4x weekly	4x weekly	N/A
<b>REMOVE GUM, CANDY &amp; OTHER STICKY SUBARANCES FROM FLOORS &amp; WALLS</b>	4x weekly (Thurs-Sun)	4x weekly	4x weekly	4x weekly	N/A
<b>CEILING FANS &amp; VENTED FANS</b>	3x weekly (Thurs/Fri/Sun)	4x weekly	4x weekly	4x weekly	N/A
<b>CLEAN, DISINFECT &amp; POLISH DRINKING FOUNTAINS</b>	3x weekly (Thurs/Fri/Sun)	4x weekly	4x weekly	4x weekly	N/A
<b>CLEAN &amp;</b>	3x weekly	4x weekly	4x weekly	4x weekly	N/A

<b>DUST SECURITY GATES/DOORWAYS</b>	(Thurs/Fri/Sun)				
<b>CLEAN FRONT WINDOW &amp; DOORS AT MAIN SECONDARY</b>	3x weekly (Thurs/Fri/Sun)	NA	NA	NA	7 x weekly
<b>IN ALL RESTROOMS; CLEAN SINKS, COMMODOES, GLASS, MIRRORS &amp; METAL TRIM, REPLISH TOWELS, TISSUE &amp; SOAP, SEEP &amp; REMOVE STICKY SUBSTANCES FROM FLOORS, MOP &amp; DISINFECT FLOORS</b>	4x weekly (Thurs-Sun)	4x weekly	4x weekly	4x weekly	7 x weekly
<b>PLACE CHAIRS ON TABLE &amp; FLOOR BEFORE &amp; AFTER CLEANING</b>	4x weekly (Thurs-Sun)	4x weekly	4x weekly	4x weekly	N/A
<b>POLISH CONCRETE FLOORS</b>	As requested	NA	NA	NA	NA
<b>WINDON CLEANING (14 STORE FRONT)</b>	4x weekly (Thurs-Sun)	NA	NA	NA	N/A

**c. Supervision, Inspection, Incomplete/Defective Work and Damages to Premises:**

(1) It is the contractor's responsibility to perform the work as set out in the specifications at an acceptable level of quality and on a timely basis, and to ensure the work does not damage the Exchange premises.

(2) Building finishes, pictures, furniture, or appurtenances damaged by contractor's performance shall be repaired or replaced to a condition not less than that existing immediately prior to the damage and without cost to the Exchange.

(3) Contractor (or contractor's representative) is responsible for supervising the performance of the work and inspecting it to ensure contract compliance. A daily record will be maintained at the exchange facility by the contractor of such inspections and will be available for review and comment annotation by the exchange facility manager. Additionally, a copy of any complaints or inspections conducted by the Exchange shall also be maintained by the contractor and annotated as to reflect action taken to resolve the complaints or correct any discrepancies.

(4) The Exchange may monitor the contractor's performance and bring to the contractor's attention, observations of incomplete or defective work, poor quality workmanship or damages so as to require immediate correction. Failure of the contractor to promptly complete, correct or accomplish the work at an acceptable level of quality will result in the contracting officer being notified to initiate contract remedial action and may result in the work being accomplished by others with the cost of the work or the lack thereof being deducted from the contractor's account.

**d. Porter Service:** Contractor will provide porter services, at the option of the facility manager. Porter services are performed by an on-site contractor daily employee. More than one daily employee may be required based on the number of hours the service is required. The facility manager will give the contractor two (2) weeks advance notice of the actual hours and days of service or any changes thereto. Porter service, if required, will normally be provided during the facility's operating hours (+/- 1 hour), seven (7) days per week. Contractor's supervisory employee need not be present during the performance of porter services. Porter services include all cleaning tasks set out in the contract in general, but are specifically intended for immediate day time cleaning needs; i.e., (1) cleaning of restrooms and replenishment of restroom dispensable supplies, (2) cleaning of employee break rooms, and (3) cleaning (policing) interior and exterior areas (to include: cleaning of door windows, sweeping, removing litter, and emptying trash containers/cigarette urns). Porter service is in addition to Minimum Frequency of Cleaning table in paragraph 1.b of this exhibit. The contractor may not use porter man hours for completion of cleaning required by that table.

**e. Equipment, Supplies and Storage Space:**

(1) The contractor is required to furnish all equipment necessary for satisfactory performance of the work, including floor scrubbers, high speed buffers, buffer pads, brooms, mops, buckets, wringers, etc. All contractor furnished equipment is subject to approval of the contracting officer. All electrical equipment will carry the Underwriters' Laboratories (UL) Seal of Approval. Contractor will maintain and repair or replace, as necessary, all contractor furnished equipment. Title to contractor furnished equipment remains with the contractor. Contractor investment in equipment for this contract is a business risk of the contractor. It is expressly understood and agreed that neither the Exchange nor any other agency or instrumentality of the United States is or will be liable to contractor for costs of contractor's investing in equipment in the event of termination of this contract without extension.

(2) The contractor will furnish all supplies necessary for satisfactory performance of the work, except for trash can liners to be used in the restroom which will be provided by the Exchange.

(3) A listing of acceptable floor care products, to include equipment, is contained in EOP 36-2. **If Stratic/amtico tile is being use at this facility, the contractor must contact the Contracting Officer for tile maintenance instructions.** Use of products other than those specified require the advance written approval of the contracting officer. Contractor requests for deviation will explain the necessity for use of a different product

comparing its features, characteristics and environmental attributes to the product specified.

(4) The Exchange will furnish secure space, without cost, for use by the contractor for the storage of equipment and supplies. Smoking is not permitted in the Exchange facilities. The Exchange is not responsible in any way for the contractor's equipment and supplies, or losses thereof or the personal belongings of contractor or contractor's employees, occasioned by fire, theft, accidents or otherwise.

**f. Utilities:**

(1) The Exchange will furnish a source of electricity and water necessary for the accomplishment of the work at no cost to the contractor.

(2) Contractor will avoid practices that tend to waste utilities. In this regard, contractor will instruct all his employees to conserve utilities and to report utility problems; i.e., all water leaks to include any dripping faucets or water mains, to the facility manager. Contractor employees are to turn off all unnecessary lights and all lights in areas after the work has been completed, except those lights specifically required to be on for security reasons or as required by the facility manager.

**g. Safety:**

(1) Contractor shall instruct his employees in appropriate safety measures to safe guard them, others and the premises from hazard. Safety instructions should include appropriate attendance to and awareness of operating equipment and supplies used in the performance of the work. Contractor personnel permitted to operate electrical equipment, for example, are expected to be trained as to the equipment's operation prior to using it in an Exchange facility. Additionally, contractor personnel will not leave supplies or mops, brooms, vacuum cleaners or any other equipment in store aisles or elsewhere in such a manner as to create safety hazards. Areas that are wet, being wet mopped or that have just been completed and not dried should be clearly and obviously marked with bright orange safety cones or signage to indicate possible hazard.

(2) All equipment and supplies when not in use shall be neatly stored in the contractor's designated storage area. Cloths, mops, or brushes containing a residue of wax or other combustible material subject to spontaneous ignition shall be properly cleaned or disposed of each day upon completion of the work. See instructions in EOP 36-2, Chapter 3, entitled: Caring for Floor Pads, Mops and Buckets.

**h. Security:** Access to the premises is strictly controlled by facility management. Only contractor personnel whose names appear on the current contractor-personnel roster and having access badges are permitted entry. Occasionally, a "visitor" pass may be granted at the discretion of the facility manager. The facility manager may reject access to any contractor employee.

**II. Cleaning Procedures:** Cleaning procedures are contained in EOP 36-2, entitled: Repair and Maintenance Guide For Activity Managers. Specific cleaning procedures and identification of acceptable cleaning products/equipment are shown. The contractor will use the "How to" procedures in Chapters 2 through 4 of the EOP as a guide to produce the performance standards (results) specified by the Exchange. EOP 36-2 is incorporated herein by reference and made an integral part of the contract.

**a. General :**

**1. Dusting:** The dusting of the vents, paneling and walls, light fixtures, and high and low ledges must be performed with a product or equipment that captures the dust in a vacuum or cloth and cleaner as opposed to a feather duster or dust mop.

**2. Sweeping:** The cleaning of smooth, sealed and/or waxed covering will be accomplished with treated sweep mops, or a good quality bristle floor brush. Floors shall be swept clean so that no dust streaks are left and no dust is left where dirt is picked up. No dirt shall be left in corners, behind or under radiators, under furniture particularly desks, bookcases and cabinets etc. The use of oil treated sweeping compounds on waxed

floors is not permitted. Gum and dirt stuck to floors will be removed during sweeping.

**3. Polymer Finish Method:** This method of floor care provides a durable high-gloss finish requiring minimum upkeep. Maintenance care consists of daily dust mopping, removal of gum, sticky materials and stains, regular buffing and occasional damp mopping. The frequency of this operation depends on the volume and type of traffic as well as the kind and amount of dirt accumulated. For example, during inclement weather, areas near main entry doors will require more frequent damp mopping and buffing than will other areas of a facility.

**4. Strip, Seal & Finish ("Strip & Wax"):** Provided the floors are properly maintained there should be very little, if any, need to strip, seal and finish the floors. Accordingly, the procedure will be used only when specifically authorized by the facility manager. Additionally, the actual square footage to be "striped & waxed" will be measured and mutually agreed to between the facility manager and the contractor prior to commencement of work. The work will be performed at a mutually agreed time and date between the facility manager and the contractor.

**5. Carpet Cleaning:** In addition to routine vacuuming, carpets will be thoroughly cleaned at least twice a year depending on condition and manufacturer instructions. Two methods are permitted: (1) Dry Absorbent Compound Method and (2) Hot-Water Extraction ("Steam-Cleaning") Method. **(NOTE: The "Bonnet/Spin" method IS NOT PERMITTED.)** The dry method is primarily intended for intermediate cleaning applications, as necessary, between periodic cleaning via the steam-cleaning method. However, the dry method may be used as the principal cleaning method in locations where the water isn't suitable for the hot-water extraction method. The hot-water extraction or steam cleaning is the preferred method of carpet cleaning, but requires that only experienced workman thoroughly familiar with the process perform this task. Accordingly, this service will be performed only when specifically authorized by the facility manager. Additionally, the actual square footage to be cleaned will be measured and mutually agreed to between the facility manager and the contractor prior to commencement of the work. The work will be performed at a mutually agreed time and date between the facility manager and the contractor.

**6. Trash Receptacles and Cigarette/Cigar Urns:** Plastic trash can liners will be used in all trash cans, if required and provided by the Exchange facility manager. Cigarette/Cigar Urns content will be checked for any smoldering items, extinguished, and emptied accordingly. Urns filled with sand will be sifted clean and returned to a "unused" fresh appearance.

**7. Restrooms:** Restrooms will be entered and cleaned when empty of users. In the event the restroom is otherwise available to users, an appropriate sign indicating the restroom is closed temporarily for cleaning will be placed in the doorway. The contractor should be mindful of the fact that restroom cleanliness and readiness is especially important to the Exchange and its customers, and is the subject of routine inspections. Accordingly, contractor will maintain a high standard of restroom cleanliness. A properly cleaned and maintained restroom shouldn't have odors and will have a reduced need for disinfectants and deodorants. Cleaning procedures are contained below.

**8. Metal Surfaces:** Most metals become dark or discolored when exposed to air. This tarnish is a very thin coat of metal oxide. Procedures to be followed for care of metal surfaces:

a. Unplated Metal. Polish stainless steel and other unplated fixtures with metal polish repeatedly without fear of wearing through the metal. Remove the metal oxide with a fine abrasive before polishing. Do not use coarse abrasives as they may damage metal surfaces.

b. Plated Metal. Metal fixtures are usually made of iron or steel and electrically plated with a thin finish of chromium, nickel, copper or brass. Wipe chromium with a damp cloth since chromium won't tarnish. Polish nickel with a mild liquid cleaner since nickel tarnishes slightly. Do not polish copper or brass-coated metal surfaces as they're usually lacquered to prevent tarnishing.

**9. Ceilings:** Light fixtures, ventilating grills, sprinkler system heads, and ceiling surfaces will be

inspected daily and cleaned annually or more often as required by local conditions.

**10. Walls and Columns:** Painted or covered walls/columns (vinyl and washable wallpaper) and grilles should be cleaned the same way as painted/plaster ceiling surfaces.

a. Apply a detergent solution, with a spray bottle and wipe clean. Soil is more common around wall electrically switches, door jambs and doors and may require a stronger detergent solution. Use safety precautions when cleaning around electrical switches.

b. Grilles and Pipes. Wash when necessary. Periodically vacuum clean between washings.

//////////////////////////////////////LAST ITEM//////////////////////////////////////

**EXHIBIT F**

**INSURANCE REQUIREMENTS**

The contractor will maintain, during any contract period, insurance coverage listed below, with insurance company(ies) acceptable to the Exchange. All liability insurance coverage will name the United States and the Exchange as additional insureds for claims, demands, suits, judgments, costs, charges, and expenses arising out of or in connection with any loss, damage, or injury resulting from the negligence or other fault of contractor, or contractor's agents, representatives, or employees. The insurance coverages to be maintained are:

a. The following coverage in amounts complying with state or military installation requirements, whichever is greater, where this contract is performed:

(1) Worker's Compensation and Employer's Liability Insurance.

(2) Automobile Bodily Injury and Property Damage Liability for vehicles operated in performance of this contract by the contractor or contractor's agents or employees on the military installation, whether or not owned by contractor.

b. The contractor will maintain the coverages listed below and will furnish a current Certificate of Insurance, ACORD Form 25-S, showing the insurance is in effect. The Certificate of Insurance must show the United States and the Exchange as additional insureds for all liability coverages. The "INSURED" block of the Certificate of Insurance must list both the contractor's name and the Exchange contract number.

(1) Commercial General Liability in minimum limits for Bodily Injury and Property Damage combined of:

\$1,000,000 Each Occurrence Limit  
\$2,000,000 General Aggregate Limit

This insurance policy will be written on an "occurrence" basis. A policy written on a "claims made" basis is not acceptable.

c. The contractor shall mail or deliver the Certificate of Insurance using the following address format:

Army and Air Force Exchange Service  
Attention: Cheryl A McCoy  
**(PL-K-MD/PL-K-MD-14-012-15-029)**  
3911 South Walton Walker Blvd  
Dallas, Texas 75236-1598

//////////////////////////////////////LAST ITEM//////////////////////////////////////

EXHIBIT G

U S DEPARTMENT OF LABOR WAGE DETERMINATION

WD 15-2153 (Rev.-2) was first posted on www.wdol.gov on 08/16/2016

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REGISTER OF WAGE DETERMINATIONS UNDER  
 THE SERVICE CONTRACT ACT  
 By direction of the Secretary of Labor

U.S. DEPARTMENT OF LABOR  
 EMPLOYMENT STANDARDS ADMINISTRATION  
 WAGE AND HOUR DIVISION  
 WASHINGTON D.C. 20210

Daniel W. Simms                      Division of  
 Director                              Wage Determinations

Wage Determination No.: 2015-2153  
 Revision No.: 2  
 Date Of Revision: 08/11/2016

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.15 for calendar year 2016 applies to all contracts subject to the Service Contract Act for which the solicitation was issued on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.15 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2016. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

States: American Samoa, Hawaii

Area: American Samoa Statewide

Hawaii Statewide

OCCUPATION NOTE:

STEVEDORING AND LONGSHOREMEN: Wage rates and fringe benefits can be found on Wage Determination 2000-0085

\*\*Fringe Benefits Required Follow the Occupational Listing\*\*

OCCUPATION CODE - TITLE	FOOTNOTE	RATE
01000 - Administrative Support And Clerical Occupations		
01011 - Accounting Clerk I		14.20
01012 - Accounting Clerk II		15.93
01013 - Accounting Clerk III		17.40
01020 - Administrative Assistant		26.48
01035 - Court Reporter		18.59
01051 - Data Entry Operator I		13.16
01052 - Data Entry Operator II		14.36
01060 - Dispatcher, Motor Vehicle		17.10
01070 - Document Preparation Clerk		13.15
01090 - Duplicating Machine Operator		13.79
01111 - General Clerk I		12.53
01112 - General Clerk II		13.67
01113 - General Clerk III		15.45
01120 - Housing Referral Assistant		23.77
01141 - Messenger Courier		12.47
01191 - Order Clerk I		13.18
01192 - Order Clerk II		14.38

01261 - Personnel Assistant (Employment) I	15.79
01262 - Personnel Assistant (Employment) II	17.88
01263 - Personnel Assistant (Employment) III	19.68
01270 - Production Control Clerk	18.86
01290 - Rental Clerk	15.79
01300 - Scheduler, Maintenance	19.05
01311 - Secretary I	19.05
01312 - Secretary II	21.31
01313 - Secretary III	23.77
01320 - Service Order Dispatcher	14.05
01410 - Supply Technician	25.82
01420 - Survey Worker	17.10
01460 - Switchboard Operator/Receptionist	15.40
01531 - Travel Clerk I	14.78
01532 - Travel Clerk II	15.97
01533 - Travel Clerk III	17.12
01611 - Word Processor I	14.36
01612 - Word Processor II	16.11
01613 - Word Processor III	18.03
05000 - Automotive Service Occupations	
05005 - Automobile Body Repairer, Fiberglass	22.19
05010 - Automotive Electrician	22.43
05040 - Automotive Glass Installer	22.00
05070 - Automotive Worker	22.00
05110 - Mobile Equipment Servicer	18.99
05130 - Motor Equipment Metal Mechanic	24.41
05160 - Motor Equipment Metal Worker	22.00
05190 - Motor Vehicle Mechanic	25.65
05220 - Motor Vehicle Mechanic Helper	17.39
05250 - Motor Vehicle Upholstery Worker	20.80
05280 - Motor Vehicle Wrecker	22.00
05310 - Painter, Automotive	23.19
05340 - Radiator Repair Specialist	22.00
05370 - Tire Repairer	13.78
05400 - Transmission Repair Specialist	24.37
07000 - Food Preparation And Service Occupations	
07010 - Baker	14.87
07041 - Cook I	13.17
07042 - Cook II	15.29
07070 - Dishwasher	12.05
07130 - Food Service Worker	11.14
07210 - Meat Cutter	18.70
07260 - Waiter/Waitress	12.01
09000 - Furniture Maintenance And Repair Occupations	
09010 - Electrostatic Spray Painter	17.41
09040 - Furniture Handler	11.71
09080 - Furniture Refinisher	19.15
09090 - Furniture Refinisher Helper	14.19
09110 - Furniture Repairer, Minor	16.63
09130 - Upholsterer	17.41
11000 - General Services And Support Occupations	
11030 - Cleaner, Vehicles	10.89
11060 - Elevator Operator	12.89
11090 - Gardener	16.40
11122 - Housekeeping Aide	14.00
11150 - Janitor	14.00
11210 - Laborer, Grounds Maintenance	13.55
11240 - Maid or Houseman	14.49
11260 - Pruner	12.13
11270 - Tractor Operator	16.43

11330 - Trail Maintenance Worker	13.55
11360 - Window Cleaner	15.25
12000 - Health Occupations	
12010 - Ambulance Driver	20.70
12011 - Breath Alcohol Technician	20.70
12012 - Certified Occupational Therapist Assistant	19.67
12015 - Certified Physical Therapist Assistant	18.41
12020 - Dental Assistant	14.80
12025 - Dental Hygienist	30.34
12030 - EKG Technician	26.02
12035 - Electroneurodiagnostic Technologist	26.02
12040 - Emergency Medical Technician	22.19
12071 - Licensed Practical Nurse I	18.51
12072 - Licensed Practical Nurse II	20.70
12073 - Licensed Practical Nurse III	23.09
12100 - Medical Assistant	14.83
12130 - Medical Laboratory Technician	19.74
12160 - Medical Record Clerk	17.82
12190 - Medical Record Technician	19.93
12195 - Medical Transcriptionist	19.74
12210 - Nuclear Medicine Technologist	31.72
12221 - Nursing Assistant I	11.39
12222 - Nursing Assistant II	12.81
12223 - Nursing Assistant III	13.98
12224 - Nursing Assistant IV	15.69
12235 - Optical Dispenser	20.03
12236 - Optical Technician	14.91
12250 - Pharmacy Technician	17.19
12280 - Phlebotomist	15.69
12305 - Radiologic Technologist	29.04
12311 - Registered Nurse I	29.29
12312 - Registered Nurse II	35.82
12313 - Registered Nurse II, Specialist	35.82
12314 - Registered Nurse III	43.34
12315 - Registered Nurse III, Anesthetist	43.34
12316 - Registered Nurse IV	51.94
12317 - Scheduler (Drug and Alcohol Testing)	25.66
13000 - Information And Arts Occupations	
13011 - Exhibits Specialist I	19.61
13012 - Exhibits Specialist II	23.29
13013 - Exhibits Specialist III	28.49
13041 - Illustrator I	20.71
13042 - Illustrator II	25.67
13043 - Illustrator III	31.40
13047 - Librarian	28.71
13050 - Library Aide/Clerk	14.17
13054 - Library Information Technology Systems Administrator	21.89
13058 - Library Technician	17.36
13061 - Media Specialist I	15.86
13062 - Media Specialist II	17.74
13063 - Media Specialist III	19.78
13071 - Photographer I	14.00
13072 - Photographer II	16.54
13073 - Photographer III	19.61
13074 - Photographer IV	23.99
13075 - Photographer V	28.99
13110 - Video Teleconference Technician	20.30
14000 - Information Technology Occupations	
14041 - Computer Operator I	17.54

14042 - Computer Operator II	19.62
14043 - Computer Operator III	22.80
14044 - Computer Operator IV	24.81
14045 - Computer Operator V	27.45
14071 - Computer Programmer I	(see 1) 27.62
14072 - Computer Programmer II	(see 1)
14073 - Computer Programmer III	(see 1)
14074 - Computer Programmer IV	(see 1)
14101 - Computer Systems Analyst I	(see 1)
14102 - Computer Systems Analyst II	(see 1)
14103 - Computer Systems Analyst III	(see 1)
14150 - Peripheral Equipment Operator	17.54
14160 - Personal Computer Support Technician	24.81
15000 - Instructional Occupations	
15010 - Aircrew Training Devices Instructor (Non-Rated)	30.83
15020 - Aircrew Training Devices Instructor (Rated)	37.30
15030 - Air Crew Training Devices Instructor (Pilot)	43.09
15050 - Computer Based Training Specialist / Instructor	30.83
15060 - Educational Technologist	25.80
15070 - Flight Instructor (Pilot)	43.09
15080 - Graphic Artist	22.97
15090 - Technical Instructor	19.66
15095 - Technical Instructor/Course Developer	24.05
15110 - Test Proctor	19.47
15120 - Tutor	19.47
16000 - Laundry, Dry-Cleaning, Pressing And Related Occupations	
16010 - Assembler	11.72
16030 - Counter Attendant	11.72
16040 - Dry Cleaner	14.51
16070 - Finisher, Flatwork, Machine	11.72
16090 - Presser, Hand	11.72
16110 - Presser, Machine, Drycleaning	11.72
16130 - Presser, Machine, Shirts	11.72
16160 - Presser, Machine, Wearing Apparel, Laundry	11.72
16190 - Sewing Machine Operator	15.45
16220 - Tailor	16.27
16250 - Washer, Machine	12.67
19000 - Machine Tool Operation And Repair Occupations	
19010 - Machine-Tool Operator (Tool Room)	24.08
19040 - Tool And Die Maker	30.25
21000 - Materials Handling And Packing Occupations	
21020 - Forklift Operator	20.84
21030 - Material Coordinator	21.89
21040 - Material Expediter	21.89
21050 - Material Handling Laborer	16.89
21071 - Order Filler	13.51
21080 - Production Line Worker (Food Processing)	20.84
21110 - Shipping Packer	15.22
21130 - Shipping/Receiving Clerk	14.69
21140 - Store Worker I	13.23
21150 - Stock Clerk	18.58
21210 - Tools And Parts Attendant	20.84
21410 - Warehouse Specialist	20.84
23000 - Mechanics And Maintenance And Repair Occupations	
23010 - Aerospace Structural Welder	28.74
23021 - Aircraft Mechanic I	27.03
23022 - Aircraft Mechanic II	28.74
23023 - Aircraft Mechanic III	30.43
23040 - Aircraft Mechanic Helper	19.51
23050 - Aircraft, Painter	25.27

23060 - Aircraft Servicer	22.63
23080 - Aircraft Worker	24.16
23110 - Appliance Mechanic	21.94
23120 - Bicycle Repairer	15.16
23125 - Cable Splicer	28.39
23130 - Carpenter, Maintenance	30.99
23140 - Carpet Layer	24.86
23160 - Electrician, Maintenance	28.25
23181 - Electronics Technician Maintenance I	26.83
23182 - Electronics Technician Maintenance II	28.69
23183 - Electronics Technician Maintenance III	30.56
23260 - Fabric Worker	20.95
23290 - Fire Alarm System Mechanic	23.46
23310 - Fire Extinguisher Repairer	19.40
23311 - Fuel Distribution System Mechanic	27.68
23312 - Fuel Distribution System Operator	21.58
23370 - General Maintenance Worker	18.45
23380 - Ground Support Equipment Mechanic	27.03
23381 - Ground Support Equipment Servicer	22.63
23382 - Ground Support Equipment Worker	24.16
23391 - Gunsmith I	19.40
23392 - Gunsmith II	22.51
23393 - Gunsmith III	25.64
23410 - Heating, Ventilation And Air-Conditioning Mechanic	24.07
23411 - Heating, Ventilation And Air Contditioning Mechanic (Research Facility)	25.52
23430 - Heavy Equipment Mechanic	28.29
23440 - Heavy Equipment Operator	34.11
23460 - Instrument Mechanic	29.96
23465 - Laboratory/Shelter Mechanic	24.07
23470 - Laborer	16.49
23510 - Locksmith	23.45
23530 - Machinery Maintenance Mechanic	24.70
23550 - Machinist, Maintenance	24.58
23580 - Maintenance Trades Helper	14.93
23591 - Metrology Technician I	29.96
23592 - Metrology Technician II	31.76
23593 - Metrology Technician III	33.49
23640 - Millwright	25.64
23710 - Office Appliance Repairer	21.56
23760 - Painter, Maintenance	25.29
23790 - Pipefitter, Maintenance	27.69
23810 - Plumber, Maintenance	25.71
23820 - Pneudraulic Systems Mechanic	25.64
23850 - Rigger	25.64
23870 - Scale Mechanic	22.51
23890 - Sheet-Metal Worker, Maintenance	28.46
23910 - Small Engine Mechanic	20.91
23931 - Telecommunications Mechanic I	27.52
23932 - Telecommunications Mechanic II	28.05
23950 - Telephone Lineman	24.18
23960 - Welder, Combination, Maintenance	25.04
23965 - Well Driller	25.14
23970 - Woodcraft Worker	25.64
23980 - Woodworker	17.67
24000 - Personal Needs Occupations	
24570 - Child Care Attendant	11.62
24580 - Child Care Center Clerk	15.14
24610 - Chore Aide	11.40

24620 - Family Readiness And Support Services Coordinator	16.19
24630 - Homemaker	20.11
25000 - Plant And System Operations Occupations	
25010 - Boiler Tender	26.42
25040 - Sewage Plant Operator	21.94
25070 - Stationary Engineer	26.42
25190 - Ventilation Equipment Tender	19.25
25210 - Water Treatment Plant Operator	21.94
27000 - Protective Service Occupations	
27004 - Alarm Monitor	18.69
27007 - Baggage Inspector	12.13
27008 - Corrections Officer	21.67
27010 - Court Security Officer	23.28
27030 - Detection Dog Handler	15.35
27040 - Detention Officer	21.67
27070 - Firefighter	23.69
27101 - Guard I	12.13
27102 - Guard II	15.35
27131 - Police Officer I	23.97
27132 - Police Officer II	26.64
28000 - Recreation Occupations	
28041 - Carnival Equipment Operator	12.47
28042 - Carnival Equipment Repairer	13.26
28043 - Carnival Worker	9.93
28210 - Gate Attendant/Gate Tender	15.40
28310 - Lifeguard	15.84
28350 - Park Attendant (Aide)	17.23
28510 - Recreation Aide/Health Facility Attendant	13.19
28515 - Recreation Specialist	21.44
28630 - Sports Official	13.72
28690 - Swimming Pool Operator	17.14
30000 - Technical Occupations	
30010 - Air Traffic Control Specialist, Center (HFO) (see 2)	35.77
30011 - Air Traffic Control Specialist, Station (HFO) (see 2)	24.66
30012 - Air Traffic Control Specialist, Terminal (HFO) (see 2)	27.16
30021 - Archeological Technician I	16.98
30022 - Archeological Technician II	19.43
30023 - Archeological Technician III	24.08
30030 - Cartographic Technician	24.08
30040 - Civil Engineering Technician	21.55
30061 - Drafter/CAD Operator I	16.86
30062 - Drafter/CAD Operator II	19.43
30063 - Drafter/CAD Operator III	21.67
30064 - Drafter/CAD Operator IV	26.66
30081 - Engineering Technician I	15.91
30082 - Engineering Technician II	18.64
30083 - Engineering Technician III	22.50
30084 - Engineering Technician IV	29.74
30085 - Engineering Technician V	32.60
30086 - Engineering Technician VI	39.41
30090 - Environmental Technician	22.21
30210 - Laboratory Technician	23.01
30240 - Mathematical Technician	25.78
30361 - Paralegal/Legal Assistant I	18.66
30362 - Paralegal/Legal Assistant II	23.13
30363 - Paralegal/Legal Assistant III	28.30
30364 - Paralegal/Legal Assistant IV	34.23
30390 - Photo-Optics Technician	25.78
30461 - Technical Writer I	22.86

30462 - Technical Writer II	27.96
30463 - Technical Writer III	33.84
30491 - Unexploded Ordnance (UXO) Technician I	22.74
30492 - Unexploded Ordnance (UXO) Technician II	27.51
30493 - Unexploded Ordnance (UXO) Technician III	32.97
30494 - Unexploded (UXO) Safety Escort	22.74
30495 - Unexploded (UXO) Sweep Personnel	22.74
30620 - Weather Observer, Combined Upper Air Or	(see 2) 21.67
Surface Programs	
30621 - Weather Observer, Senior	(see 2) 24.08
31000 - Transportation/Mobile Equipment Operation Occupations	
31020 - Bus Aide	12.94
31030 - Bus Driver	18.43
31043 - Driver Courier	14.10
31260 - Parking and Lot Attendant	9.16
31290 - Shuttle Bus Driver	14.98
31310 - Taxi Driver	11.77
31361 - Truckdriver, Light	14.98
31362 - Truckdriver, Medium	17.26
31363 - Truckdriver, Heavy	18.27
31364 - Truckdriver, Tractor-Trailer	18.27
99000 - Miscellaneous Occupations	
99030 - Cashier	10.93
99050 - Desk Clerk	18.46
99095 - Embalmer	22.34
99251 - Laboratory Animal Caretaker I	12.41
99252 - Laboratory Animal Caretaker II	17.67
99310 - Mortician	24.57
99410 - Pest Controller	17.33
99510 - Photofinishing Worker	13.86
99710 - Recycling Laborer	19.19
99711 - Recycling Specialist	23.10
99730 - Refuse Collector	17.18
99810 - Sales Clerk	14.39
99820 - School Crossing Guard	15.03
99830 - Survey Party Chief	24.01
99831 - Surveying Aide	13.13
99832 - Surveying Technician	17.99
99840 - Vending Machine Attendant	12.64
99841 - Vending Machine Repairer	15.06
99842 - Vending Machine Repairer Helper	12.64

ALL OCCUPATIONS LISTED ABOVE RECEIVE THE FOLLOWING BENEFITS:

HEALTH & WELFARE: \$1.78 per hour, or \$71.02 per week, or \$308.53 per month for all employees on whose behalf the contractor provides health care benefits pursuant to the Hawaii prepaid Health Care Act. For those employees not receiving mandated health care benefits mandated by the Hawaii prepaid Health Care Act, the new health and welfare amount will remain at \$4.27 per hour.

VACATION: 2 weeks paid vacation after 1 year of service with a contractor or successor, 3 weeks after 10 years, and 4 weeks after 15 years. Length of service includes the whole span of continuous service with the present contractor or successor, wherever employed, and with the predecessor contractors in the performance of similar work at the same Federal facility. (See 29 CFR 4.173)

HOLIDAYS: A minimum of ten paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.) (See 29 CFR 4.174)

THE OCCUPATIONS WHICH HAVE NUMBERED FOOTNOTES IN PARENTHESES RECEIVE THE FOLLOWING:

1) COMPUTER EMPLOYEES: Under the SCA at section 8(b), this wage determination does not apply to any employee who individually qualifies as a bona fide executive, administrative, or professional employee as defined in 29 C.F.R. Part 541. Because most Computer System Analysts and Computer Programmers who are compensated at a rate not less than \$27.63 (or on a salary or fee basis at a rate not less than \$455 per week) an hour would likely qualify as exempt computer professionals, (29 C.F.R. 541.400) wage rates may not be listed on this wage determination for all occupations within those job families. In addition, because this wage determination may not list a wage rate for some or all occupations within those job families if the survey data indicates that the prevailing wage rate for the occupation equals or exceeds \$27.63 per hour conformances may be necessary for certain nonexempt employees. For example, if an individual employee is nonexempt but nevertheless performs duties within the scope of one of the Computer Systems Analyst or Computer Programmer occupations for which this wage determination does not specify an SCA wage rate, then the wage rate for that employee must be conformed in accordance with the conformance procedures described in the conformance note included on this wage determination.

Additionally, because job titles vary widely and change quickly in the computer industry, job titles are not determinative of the application of the computer professional exemption. Therefore, the exemption applies only to computer employees who satisfy the compensation requirements and whose primary duty consists of:

(1) The application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software or system functional specifications;

(2) The design, development, documentation, analysis, creation, testing or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications;

(3) The design, documentation, testing, creation or modification of computer programs related to machine operating systems; or

(4) A combination of the aforementioned duties, the performance of which requires the same level of skills. (29 C.F.R. 541.400).

2) AIR TRAFFIC CONTROLLERS AND WEATHER OBSERVERS - NIGHT PAY & SUNDAY PAY: If you work at night as part of a regular tour of duty, you will earn a night differential and receive an additional 10% of basic pay for any hours worked between 6pm and 6am. If you are a full-time employed (40 hours a week) and Sunday is part of your regularly scheduled workweek, you are paid at your rate of basic pay plus a Sunday premium of 25% of your basic rate for each hour of Sunday work which is not overtime (i.e. occasional work on Sunday outside the normal tour of duty is considered overtime work).

**\*\* HAZARDOUS PAY DIFFERENTIAL \*\***

An 8 percent differential is applicable to employees employed in a position that represents a high degree of hazard when working with or in close proximity to ordnance, explosives, and incendiary materials. This includes work such as screening, blending, dying, mixing, and pressing of sensitive ordnance, explosives,

and pyrotechnic compositions such as lead azide, black powder and photoflash powder. All dry-house activities involving propellants or explosives. Demilitarization, modification, renovation, demolition, and maintenance operations on sensitive ordnance, explosives and incendiary materials. All operations involving re-grading and cleaning of artillery ranges.

A 4 percent differential is applicable to employees employed in a position that represents a low degree of hazard when working with, or in close proximity to ordnance, (or employees possibly adjacent to) explosives and incendiary materials which involves potential injury such as laceration of hands, face, or arms of the employee engaged in the operation, irritation of the skin, minor burns and the like; minimal damage to immediate or adjacent work area or equipment being used. All operations involving, unloading, storage, and hauling of ordnance, explosive, and incendiary ordnance material other than small arms ammunition. These differentials are only applicable to work that has been specifically designated by the agency for ordnance, explosives, and incendiary material differential pay.

**\*\* UNIFORM ALLOWANCE \*\***

If employees are required to wear uniforms in the performance of this contract (either by the terms of the Government contract, by the employer, by the state or local law, etc.), the cost of furnishing such uniforms and maintaining (by laundering or dry cleaning) such uniforms is an expense that may not be borne by an employee where such cost reduces the hourly rate below that required by the wage determination. The Department of Labor will accept payment in accordance with the following standards as compliance:

The contractor or subcontractor is required to furnish all employees with an adequate number of uniforms without cost or to reimburse employees for the actual cost of the uniforms. In addition, where uniform cleaning and maintenance is made the responsibility of the employee, all contractors and subcontractors subject to this wage determination shall (in the absence of a bona fide collective bargaining agreement providing for a different amount, or the furnishing of contrary affirmative proof as to the actual cost), reimburse all employees for such cleaning and maintenance at a rate of \$3.35 per week (or \$.67 cents per day). However, in those instances where the uniforms furnished are made of "wash and wear" materials, may be routinely washed and dried with other personal garments, and do not require any special treatment such as dry cleaning, daily washing, or commercial laundering in order to meet the cleanliness or appearance standards set by the terms of the Government contract, by the contractor, by law, or by the nature of the work, there is no requirement that employees be reimbursed for uniform maintenance costs.

**\*\* SERVICE CONTRACT ACT DIRECTORY OF OCCUPATIONS \*\***

The duties of employees under job titles listed are those described in the "Service Contract Act Directory of Occupations", Fifth Edition (Revision 1), dated September 2015, unless otherwise indicated.

**\*\* REQUEST FOR AUTHORIZATION OF ADDITIONAL CLASSIFICATION AND WAGE RATE, Standard Form 1444 (SF-1444) \*\***

**Conformance Process:**

The contracting officer shall require that any class of service employee which is not listed herein and which is to be employed under the contract (i.e., the work to be performed is not performed by any classification listed in the wage determination), be classified by the contractor so as to provide a reasonable relationship (i.e., appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination (See 29 CFR 4.6(b)(2)(i)). Such conforming procedures shall be initiated by the contractor

prior to the performance of contract work by such unlisted class(es) of employees (See 29 CFR 4.6(b)(2)(ii)). The Wage and Hour Division shall make a final determination of conformed classification, wage rate, and/or fringe benefits which shall be paid to all employees performing in the classification from the first day of work on which contract work is performed by them in the classification. Failure to pay such unlisted employees the compensation agreed upon by the interested parties and/or fully determined by the Wage and Hour Division retroactive to the date such class of employees commenced contract work shall be a violation of the Act and this contract. (See 29 CFR 4.6(b)(2)(v)). When multiple wage determinations are included in a contract, a separate SF-1444 should be prepared for each wage determination to which a class(es) is to be conformed.

The process for preparing a conformance request is as follows:

- 1) When preparing the bid, the contractor identifies the need for a conformed occupation(s) and computes a proposed rate(s).
- 2) After contract award, the contractor prepares a written report listing in order the proposed classification title(s), a Federal grade equivalency (FGE) for each proposed classification(s), job description(s), and rationale for proposed wage rate(s), including information regarding the agreement or disagreement of the authorized representative of the employees involved, or where there is no authorized representative, the employees themselves. This report should be submitted to the contracting officer no later than 30 days after such unlisted class(es) of employees performs any contract work.
- 3) The contracting officer reviews the proposed action and promptly submits a report of the action, together with the agency's recommendations and pertinent information including the position of the contractor and the employees, to the U.S. Department of Labor, Wage and Hour Division, for review (See 29 CFR 4.6(b)(2)(ii)).
- 4) Within 30 days of receipt, the Wage and Hour Division approves, modifies, or disapproves the action via transmittal to the agency contracting officer, or notifies the contracting officer that additional time will be required to process the request.
- 5) The contracting officer transmits the Wage and Hour Division's decision to the contractor.
- 6) Each affected employee shall be furnished by the contractor with a written copy of such determination or it shall be posted as a part of the wage determination (See 29 CFR 4.6(b)(2)(iii)).

Information required by the Regulations must be submitted on SF-1444 or bond paper.

When preparing a conformance request, the "Service Contract Act Directory of Occupations" should be used to compare job definitions to ensure that duties requested are not performed by a classification already listed in the wage determination. Remember, it is not the job title, but the required tasks that determine whether a class is included in an established wage determination. Conformances may not be used to artificially split, combine, or subdivide classifications listed in the wage determination (See 29 CFR 4.152(c)(1)).

////////////////////////////////////LAST ITEM////////////////////////////////////