

**ARMY AND AIR FORCE EXCHANGE SERVICE  
NEGOTIATED CONTRACT**

ISSUED BY Army & Air Force Exchange Service ATTN: PZ-PS (b)(6) 3911 S. Walton Walker Blvd., Dallas, TX 75236 TELEPHONE NO. (214) 312-(b)(6)	CONTRACT NO. LWD 19-137	CONTRACT CONTROL NO. (if applicable) N/A
	AMOUNT <input type="checkbox"/> Actual \$ (b)(4) <input checked="" type="checkbox"/> Estimated	TYPE OF ITEM/SERVICE Specialty Shop Service at Fort Leonard Wood, MO

1. Contractor agrees to provide the items/services at the prices set out and in accordance with the terms of this contract.

2. A copy of this contract, consisting of the provisions identified in the Contents paragraph of the attached Schedule, signed by the contracting officer and approved when required in accordance with applicable Exchange regulations, mailed or otherwise furnished to the contractor will constitute award of the binding contract.

3. In the event of an inconsistency between the provisions of this contract, as identified in the Contents paragraph of the attached Schedule, the inconsistency shall be resolved by giving precedence in the following order: (a) the Schedule; (b) General Provisions; (c) other provisions of the contract, whether incorporated by reference or otherwise; (d) the Specifications; and (e) the Drawings.

**CONTRACTOR**

**CONTRACTOR REPRESENTS:** (Check appropriate boxes)

1. a. That it  is  is not a manufacturer or producer of; it  is  is not a regular dealer in; the items provided (Commodity contracts only).  
**OR**  
b. That it  is  is not principally engaged in furnishing of services of the type called for herein (Service contracts only).

2. That it operates as an  Individual  Partnership  Corporation, incorporated in the State (Country if outside US) of MISSOURI

3. That it  is  is not a minority business enterprise (see definition below).\*

4. That it  is  is not a women-owned business (see definition below).

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

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 purpose 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).

The term "women-owned business" means a business 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.

6. 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.

7. That an owner or officer of the firm or the firm or a related firm  has  has not been suspended or debarred.

8. That the person signing this contract is an individual having the authority to obligate the firm contractually.

9. That the information provided is full, accurate and complete. For breach of this warranty, the Exchange may terminate this contract and all other Exchange contracts for default.

FULL NAME AND BUSINESS ADDRESS OF CONTRACTOR (Street, City & Zip Code or Country) <b>FAST BREAK SPORTSWEAR LLC 3029 TERMINAL DRIVE FLOWER MOUND TX 75022</b>	TELEPHONE NO. (b)(6)	DATE
	E-MAIL ADDRESS <b>FBSsportswearel@yahoo.com</b>	DATE <b>4/29/19</b>
TIN NO. <b>26-3678940</b>	DUNS NO. <b>135959489</b>	TYPED OR PRINTED NAME AND TITLE <b>(b)(6) President</b>

<b>CONTRACTING OFFICER</b>		DATE OF AWARD <b>MAY 08 2019</b>
<b>(b)(6)</b>		<b>(b)(6)</b>

**SCHEDULE**

1. **General:** This is a negotiated contract for concession operation of a sales activity providing a variety of customer services and merchandise to include engraving, embroidery, heat transfers, name tags and custom designs at **Fort Leonard Wood** near St Robert, MO.

2. **Contents:** The contract consists of Exchange Form 4450-32, Negotiated Contract, this Schedule, (consisting of 2 pages) and the exhibits listed below:

Exhibit A, General Provisions, Concession Contracts, pages 1 through 11.  
 Exhibit B, Labor Provisions with SCA, 1 page.  
 Exhibit C, Special Provisions, Concession Contracts, pages 1 through 16.  
 Exhibit D, Price Schedule, pages 1 through 3.  
 Exhibit E, Fee Schedule, 1 page.  
 Exhibit F, Insurance Requirements, 1 page.  
 Exhibit G-1, Concessionaire Furnished Equipment, pages 1 through 2.  
 Exhibit G-2, Exchange Furnished Equipment, 1 page.  
 Exhibit H, Equipment Specifications, pages 1 through 3.  
 Exhibit I, U.S. Department of Labor Wage Determination Listing, pages 1 through 12.

3. **Sales Data:** The gross sales have averaged **\$124,168** per month for the 12 month period shown below. The actual sales for each month of this period are:

<u>MONTH/YEAR</u>	<u>SALES</u>	<u>MONTH/YEAR</u>	<u>SALES</u>
JAN/2019	\$135,276	JUL/2018	\$103,978
DEC/2018	\$182,947	JUN/2018	\$52,731
NOV/2018	\$191,737	MAY/2018	\$116,916
OCT/2018	\$142,219	APR/2018	\$109,758
SEP/2018	\$168,406	MAR/2018	\$117,619
AUG/2018	\$124,479	FEB/2018	\$43,947

Gross sales of the operation resulting from this contract are estimated to average approximately **\$124,168** per month. The Exchange makes no warranty, express or implied, of the gross sales to be realized.

4. **Prices:** The prices to be charged for the services and merchandise categories to be sold are fixed in Exhibit D, Price Schedule.

5. **Fee:** Offeror must enter fee proposal in Exhibit E, Fee Schedule.

6. **Contract Period:** The contract period will be for five (5) base years with services starting on **August 1, 2019** and ending on **July 31, 2024**, unless sooner terminated according to the General Provisions. No representation that this contract will be extended beyond its original period is binding on the Exchange unless in writing and signed by the contractor and the Contracting Officer. In no event will the contract period exceed five (5) years from the date established above for commencement of service.

7. **Facility**: The location(s) and POSTED operating hours for the concession are listed below.

<b>LOCATION</b>	<b>MON - SAT</b>	<b>SUN</b>
Bldg. #487	0900-1900	0900-1800

8. **Award**: The Exchange intends to award a contract to the responsive, responsible source whose proposal is in the best interest of the Exchange considering fee and other factors set out in this negotiated contract. The Exchange reserves the right not to award a contract to the offeror in the event it is determined to be in the Exchange's best interest.

9. **Promotional Events**:

a. Concessionaire will conduct a sales promotion program featuring six (6) promotional events per calendar year, one of which will be the Exchange Anniversary Sale. Refer to paragraph 25, Promotional Events, Exhibit C, Special Provisions (Concession Contracts).

b. Concessionaire will promote sales to military activities and provide special items to respond to customer uses at local activities, i.e., dances, awards, holidays, anniversaries, etc.

**EXHIBIT A**  
**GENERAL PROVISIONS CONCESSIONS**  
**(MAR 19)**

1. Legal Status (APR 12)
2. Authority to Bind (NOV 95)
3. Procurement Integrity (APR 12)
4. Oral Representations (JAN 94)
5. Modifications and Additions (MAY 04)
6. Subcontracting (APR 16)
7. Assignment - Services (APR 12)
8. Termination (NOV 15)
9. Permits, Licenses and Applicable Laws (NOV 15)
10. Indemnify and Hold Harmless (FEB 16)
11. Disputes (APR 12)
12. Nonwaiver of Defaults (SEP 91)
13. Advertisements (AUG 08)
14. Examination of Records (NOV 15)
15. Contractor Personnel and Representatives (JAN 17)
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. Payment by Electronic Funds Transfer (OCT 98)
21. Choice of Law and Forum (MAR 19)
22. Privacy Act (NOV 15)
23. Payment Card Industry (PCI) Compliance (OCT 10)
24. Green Clause (AUG 08)
25. Performance (FEB16)
26. Combating Trafficking in Persons
27. Personal Identity Verification of Contractor Personnel (MAY 11)
28. Army and Air Force Exchange Service Rights and Customer Information (Unlimited) (SEP 17)
29. Notice of Debarment/Suspension Status (MAY 13)

## GENERAL PROVISIONS CONCESSIONS

### 1. LEGAL STATUS (APR 12).

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. 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 (APR 12).

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) no proprietary information of 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 (APR 12).**

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. Contractor may request that the contract be novated.

**8. TERMINATION (NOV 15).**

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 a minimum of ninety (90) days' notice for barber, beauty, beauty with nails, Paul Mitchell, and vending contracts in writing to the other party. All other concession contracts may be terminated in whole or in part by either party upon a minimum of thirty (30) days' notice, 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 (NOV 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 (APR 12).**

a. 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 this paragraph.

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 60 days. If more time is necessary to investigate and process the claim, the Exchange will notify the contractor. For contractor claims that do not exceed \$100,000, no answer by the contracting officer within the designated timeframe is a denial of the claim. Such decision by the contracting officer shall be final and conclusive unless within 30 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).

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 decision.

h. Submission of false claims to the Exchange is a violation of federal law and may result in civil and/or criminal penalties. If the 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, the contractor will pay the Exchange an amount equal to the unsupported part of the claim and all Exchange 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 (NOV 15).**

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.

**15. CONTRACTOR PERSONNEL AND REPRESENTATIVES (JAN 17).**

a. This agreement does not create an employment or joint employer relationship between an employee of the Contractor and the Exchange. Contractor is the sole employer of its employees. Personnel employed by Contractor under this contract are not employees of the Exchange. The Exchange affirmatively disclaims control over the terms and working conditions of the Contractor's employees, including but not limited to the ability to hire, fire, discipline, train, set work hours, taxes, determine compensation and benefits, and exercising day-to-day supervision.

b. Contractor is responsible for compliance with labor, employment and tax laws, and will accept liability for breach of applicable labor, employment and tax laws and terms of this contract. In the event of a breach by Contractor related to this provision, Contractor agrees to indemnify the Exchange.

c. 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 or work in other Exchange facilities without the prior written consent of the contracting officer. These requirements are not requests by the Exchange for the termination of the individual's employment with Contractor, but a requirement only under the Contract not to use any such individual under this contract, other Exchange contracts or work in Exchange facilities without prior written consent.

d. Contractor personnel will abide by applicable laws, regulations and military command directives and conduct themselves so as not to reflect discredit on the Exchange.

e. 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 (MAY 04).**

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. 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. A current list of prohibited countries is available at <http://www.ustreas.gov/offices/enforcement/ofac/>.

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

#### **20. 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.

## **21. CHOICE OF LAW AND FORUM (MAR 19).**

This Contract will be interpreted in accordance with the applicable federal laws of the United States. 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.

## **22. PRIVACY ACT (NOV 15).**

a. The contractor agrees to –

i. Comply with the Privacy Act of 1974 (the Act) and Department of Defense rules and regulations issued pursuant to the Act in the design, development, or operation of any system of records on individuals that accomplish an agency function.

ii. Include this clause in all subcontracts which require the design, development, or operation of a system of records.

b. In the event of violations of the Act, a civil action may be brought against the concession activity when the violation concerned the design, development, or operation of a system of records on individuals that accomplish an Exchange function. Criminal penalties also apply to the concession activity if it is accomplishing an Exchange function. For the purposes of applying the criminal penalties section of the Act, 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 his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print 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 of records under this contract is the system of records that is the result of information collected, compiled, and/or utilized to build a customer database. Instrument used to collect information in written or electronic formats include, but are not limited to, application for services, verification of credit rating, customer inquiries or comments, data for invoicing current customers, change of address notification, information used for marketing purposes, etc.

g. Subcontracting and outsourcing customer data outside the Continental United States is not allowed.

h. The Contractor will ensure that all personnel, to include the contractor, prior to handling Personally Identifiable Information (PII), receive Privacy Act training. Contractor may be asked to provide verification. Contractor shall not retain, use, memorize or otherwise collect information on the customer for use other than authorized by the Exchange. The Department of Defense provides Privacy Act training and a certificate free of charge at <http://iatraining.disa.mil/eta/piiv2/launchPage.htm>.

### **23. 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.

### **24. GREEN CLAUSE (AUG 08).**

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)

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

Contractor will perform in accordance with all contract provisions. 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.

### **26. COMBATING TRAFFICKING IN PERSONS.**

- 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>.

## 27. 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.

**28. ARMY AND AIR FORCE EXCHANGE SERVICE RIGHTS AND CUSTOMER INFORMATION (UNLIMITED) (SEP 17).**

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.

Customer information collected on behalf of the Exchange shall remain the sole property of the Exchange. The concessionaire shall not copy or otherwise reproduce customer information, or create any derivative works. Any violation would be a breach of the contract and may violate Federal law.

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.

**29. 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.

**EXHIBIT B**  
**LABOR PROVISIONS**  
**CONCESSIONS with SCA (DEC 16)**

**1. EQUAL EMPLOYMENT OPPORTUNITY.**

The Contractor will be required to comply with applicable EEO Laws.

**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. 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.

**4. FAIR LABOR STANDARDS ACT OF 1938, AS AMENDED (DEC 16).**

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.

**5. SERVICE CONTRACT ACT (DEC 16).**

The contract clause set forth at 29 CFR § 4.6 is incorporated by reference in all contracts exceeding \$2,500, if the principal purpose of the contract is to furnish services through the use of service employees. Unless otherwise provided, service contracts that are indefinite in amount are deemed to exceed \$2,500.

**6. ESTABLISHING A MINIMUM WAGE FOR CONTRACTORS (DEC 16)**

(Applicable to Contracts of \$2,500 or more.) Executive Order 13658 - Establishing a Minimum Wage for Contractors, and its implementing regulations, including the applicable contract clause, are incorporated by reference into this contract as if fully set forth in this contract. The full text of the contract clause in Appendix A to 29 CFR Part 10 is located at <https://www.gpo.gov/fdsys/pkg/FR-2014-10-07/pdf/2014-23533.pdf#page=98> .

**7. ESTABLISHING PAID SICK LEAVE FOR CONTRACTORS (DEC 16)**

Executive Order 13706 - Establishing Paid Sick Leave for Federal Contractors, and its implementing regulations, including the applicable contract clause, are incorporated by reference into this contract as if fully set forth in this contract. The full text of the contract clause in Appendix A to 29 CFR Part 13 is published at <https://www.gpo.gov/fdsys/pkg/FR-2016-09-30/pdf/2016-22964.pdf#page=126>.

**EXHIBIT C**  
**SPECIAL PROVISIONS**  
**Concession Contracts**

**FEB 18**

1. Activity (MAR 90)
2. Facilities/Maintenance/Operating Hours (APR 05)
3. Equipment, Furniture, and Movable Trade Fixtures (NOV 15)
4. Tools and Supplies (DEC 88)
5. Prohibited Activities (FEB 89)
6. Scope of Service/Minimum Quality (DEC 88)
7. License for the Exchange Trademarks (JAN 05)
8. Prices (MAY 99)
9. Authorized Customers (NOV 15)
10. Customer Complaints and Claims (DEC 88)
11. Signs, Identity and Décor Standards (JAN 05)
12. Utilities (APR 05)
13. Internal Controls (FEB 18)
14. Concessionaire Settlement Report (NOV 15)
15. Fee Deposit and Payment (OCT 17)
16. Taxes (NOV 15)
17. Concessionaire and Concessionaire Employees (Concession Personnel) (JAN 00)
18. Actions to be Taken Upon Termination (Including Expiration) (JAN 05)
19. Uncalled-for Customer Property (DEC 88)
20. Lost, Abandoned, and Unclaimed Property (DEC 88)
21. Inventory Transfer (FEB 89)
22. Indebtedness (FEB 89)
23. Price/Fee Revisions (FEB 18)
24. Insurance (FEB 89)
25. Promotional Events (APR 05)
26. Exchange Tabloid/Special Sales Coupons, Exchange Gift Card Redemption (NOV 15)
27. Refunds (DEC 88)
28. Customer Checks (MAY 05)
29. Safeguarding of Concessionaire Funds on Army and Air Force Installations (DEC 88)
30. Charge Card/Military Star Card Sales (NOV 15)
31. Inspections (JAN 18)
32. Surveillance (JAN 18)
33. Smoking Policy (DEC 86)
34. Heavy Metal leaching (DEC 07)
35. Exchange/Vendor Partnership Marketing Program (JUL 94)
36. Organizational Sales (NOV 00)



**SPECIAL PROVISIONS**  
**Concession Contracts**

**1. ACTIVITY (MAR 90).**

**a.** The Exchange grants concessionaire a nonexclusive concession to operate the activity described in the Schedule. The assignment of space for concession is a revocable license, not a tenancy.

**b.** The Exchange makes no warranty or representation, express or implied, that merchandise or services sold in the concession are free of competition. During the contract period, other activities may sell the same or similar merchandise or services. Such activities are: the Exchange, other Exchange concessionaires, military affiliated activities, firms selling without authorization or others. Any concessionaire complaint of competition from these activities must be written and must be provided to the military installation commander and the contracting officer. The Exchange may assist concessionaire in resolving its complaint. The Exchange will not be liable for any income, sales, profit or other losses of concessionaires attributed to competition.

**c.** If premises furnished by or through the Exchange are destroyed either in whole or in substantial part, so as to significantly hinder or prevent normal operations by concessionaire, by acts of God (such as, but not limited to, fire, flood, hurricane, unusually severe weather conditions) or unusual occurrence (unless solely and directly caused by the Exchange negligence), the Exchange will not be responsible to concessionaire for repair/restoration of the premises, lost income, sales, or lost profits, damage to concessionaire property, employee salaries, or any consequential costs incurred, or be obligated to relocate concessionaire. Concessionaire should consider obtaining business insurance to cover risks to its property and concession activity.

**d.** During the contract period, the contracting officer may require the concession to relocate to better meet the Exchange needs or those of the installation, as determined by the contracting officer. Concessionaire will be given advance notice. The Exchange will pay for moving and installing the Exchange furnished equipment and fixtures and hooking up utility lines. The Exchange will reimburse the reasonable cost of moving and installing concessionaire furnished equipment and fixtures. The Exchange will not be liable for lost income, profit and/or salaries associated with relocating.

**2. FACILITIES/MAINTENANCE/OPERATING HOURS (APR 05).**

**a.** Concessionaire investment for buildings and installed property or fixtures will not be required, unless otherwise specified in this contract. The Exchange will maintain Exchange furnished premises including ordinary running repairs and interior decorating. Concessionaire will be liable for damage to the premises resulting from acts or omissions of concessionaire, concessionaire's employees, or agents. The Exchange may inspect the premises at any time.

**b.** Concessionaire will keep the premises clean, orderly, secure, and sanitary. Concessionaire will comply with the installation/exchange fire, safety and security regulations and applicable health and sanitation and environmental protection regulations.

**c.** Concessionaire will do custodial maintenance on the exterior of the facility and grounds if a building is assigned for concessionaire's use. If the facility is shared with other concessionaires, exterior custodial maintenance will be assigned by exchange management. If the concession is located in an exchange complex and predominant tenancy is by the Exchange direct-operated activities, the Exchange will perform exterior custodial maintenance, except those tasks described in "d" below. The equipment and labor to perform exterior custodial maintenance assigned to the concessionaire will be at concessionaire's expense. Assigned exterior maintenance may include:

**(1)** Pick up all refuse daily within the assigned exterior areas.

**(2)** During the season, cut and trim the grass weekly within the assigned exterior areas.

**(3)** During the season, clear the snow, ice, slush and mud deposits from the sidewalks and walkways within the assigned exterior areas.

**d.** Concessionaire will, as needed, but at least daily, clean the entrance door, exterior of storefront windows, entranceway and customer walkways; empty and thoroughly clean all waste and smoking receptacles; and check exterior lighting. Exterior lighting failures will be promptly reported to the Exchange. In automotive activities, the service bay floors, equipment, and work benches will be cleaned daily.

**e.** Posted operating hours are those that will be displayed at the facility. However, each facility will be open for business at least 5 minutes before posted opening, and will remain open at least 5 minutes past posted closing, as in the following example:

POSTED Hours of Operation 1000 – 1800

ACTUAL Hours of Operation 0955 - 1805

The term open for business means ready to serve the customer. Activities such as preparing cash registers and sales forms will be accomplished prior to actual opening. Facilities will be open for business at all times during scheduled operating hours. Hours of operation will generally conform to those of nearby exchange activities, and may be changed by written mutual agreement between the concessionaire and the general manager. If concessionaire and general manager cannot agree on changes to the hours of operation, the issue will be submitted to the contracting officer for resolution. Hours of operation for facilities not located near exchange activities are fixed and may only be changed by written amendment to the contract. If the nearby exchange is open on a holiday, the concession must also be open during the same hours. If the nearby exchange is closed on a holiday, the concession may also choose to remain closed.

### **3. EQUIPMENT, FURNITURE, AND MOVABLE TRADE FIXTURES (NOV 15).**

**a.** The Exchange Furnished: When there is Exchange Furnished Equipment, the following will apply. The item list, agreed value, and condition of equipment, furniture and trade fixtures furnished by the Exchange are stated in this contract. Concessionaire will sign a custody receipt for the items furnished. Repairs of and replacement parts for the Exchange furnished equipment, furniture, and fixtures will be provided by the Exchange, or at the Exchange's option, by concessionaire at the Exchange's cost.

**(i)** Concessionaire will perform routine preventive maintenance and keep the equipment, furniture, and fixtures clean, sanitary, and secure. Broken or malfunctioning equipment must be reported, in writing, to the Exchange General Manager or Services Business Manager immediately upon discovery. The Exchange will not be liable for concessionaire losses caused by malfunction of equipment. Exchange property will not be removed from the premises without the prior written approval of the contracting officer. Exchange property will only be used for this contract. The Exchange may inspect the Exchange furnished equipment, furniture, and fixtures at any time.

**(ii)** Concession Point-Of-Sale (CPOS) Tablet:

**(1)** Periodic Commodity Concessions: Concessionaire will sign out/in the CPOS tablet and accessories daily at the Exchange-designated location.

**(2)** Full-time Concessions: Concessionaire will sign for a CPOS tablet that will remain in the facility for the length of the contract.

**(3)** Concessionaire will be responsible for the Exchange-furnished CPOS tablet and accessories while in possession. Concessionaire will be liable for any damage to or loss of the items resulting from acts or omissions of concessionaire, his employees, or agents. Concessionaire will reimburse the Exchange for any repair or replacement of the CPOS tablet and/or accessories as stated in this contract.

**b.** Concessionaire Furnished: Concessionaire will provide and install all the equipment, furniture and movable trade fixtures required by this contract. All concessionaire furnished property is subject to approval of the contracting officer. All electrical equipment will carry the Underwriters' Laboratories (UL) Seal of Approval. At the request of the contracting officer, and prior to the commencement date of services under this contract, concessionaire will give the contracting officer a typed list of all equipment, furniture and movable trade fixtures to be used for this contract. Each item will be identified by manufacturer, model name/number, serial number or concessionaire's fixed asset number, as appropriate. Concessionaire will not sell or remove any equipment, furniture, or fixtures from the concession premises without the prior written approval of the contracting officer. Concessionaire will maintain and repair or replace, as necessary, all concessionaire furnished equipment, furniture and fixtures. Title to concessionaire furnished equipment, furniture, and fixtures remains with the concessionaire. If Concessionaire uses leased equipment in the performance of the contract, concessionaire must notify the contracting officer of the name and address of the lessor. Concessionaire investment in equipment, inventory, furniture and fixtures for this contract is a business risk of the concessionaire. 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 concessionaire for costs of concessionaire's investing in equipment, inventory, furniture or movable trade fixtures in the event of termination or expiration of this contract without extension.

### **4. TOOLS AND SUPPLIES (DEC 88).**

Concessionaire will furnish tools of the trade and supplies required for this contract.

### **5. PROHIBITED ACTIVITIES (FEB 89).**

**a.** Concessionaire will not, in or about the premises of the military installation, engage in or permit gambling or the use of any device which savors gambling (such as punch cards or slot machines), engage in loan operations, or sell merchandise or services on credit unless otherwise provided for in the contract. Contractor is responsible for all deferred charges. Concessionaire will take no actions counter to the purpose of the contract or which have the effect of diverting sales from the concession activity to concessionaire's commercial business activities. Facilities will not be used for

performance or support of other the Exchange contracts or commercial business activities.

**b.** Concessionaire will not provide free merchandise or services except in conjunction with promotional programs approved by the contracting officer.

#### **6. SCOPE OF SERVICE/MINIMUM QUALITY (DEC 88).**

Concessionaire will only sell merchandise and services specifically set out in the Price Schedule exhibit of this contract. Items sold under this contract will be in good taste. Merchandise and services provided under this contract will be equal to those provided by first quality commercial establishments.

#### **7. LICENSE FOR EXCHANGE TRADEMARKS (JAN 05).**

**a.** Should the concessionaire be granted permission to use an Exchange trademark, concessionaire agrees that it becomes a temporary licensee of such mark and warrants that it shall use the licensed mark only for the purposes of and pursuant to this Agreement. Concessionaire agrees that it has no claim, option, or other right whatsoever, direct or implied, to any like license for any geographic area or location other than the licensed location(s) in this Agreement.

**b.** Upon cancellation, termination or expiration of this Agreement, concessionaire shall immediately discontinue all use of the licensed mark and will be deemed to have automatically and irrevocably assigned any rights, equities, good will, titles or other rights in the mark which concessionaire may have obtained or had vested in pursuance of any endeavors under this Agreement. Any such assignment shall be without other consideration than the mutual covenants of this Agreement.

#### **8. PRICES (MAY 99).**

**a.** Articles stocked for sale will be individually price marked.

**b.** Concessionaire will only charge the prices established in the Price Schedule exhibit of this contract.

**c.** Where a state law imposes a sales tax on the sale of the item and/or service, the sales tax will be stated separately from the sales price, added to the price in the Price Schedule exhibit, and collected from the customer.

#### **9. AUTHORIZED CUSTOMERS (NOV 15).**

Concessionaire will sell service or merchandise only to personnel authorized to use the Exchange facilities.

Concessionaire will comply with the Exchange patron identification procedures.

#### **10. CUSTOMER COMPLAINTS AND CLAIMS (DEC 88).**

Concessionaire will adhere to the Exchange' policy of customer satisfaction guaranteed. All customer complaints and claims will be resolved at concessionaire's expense. Any disagreement that cannot be resolved between concessionaire and the customer will be decided by the contracting officer, whose decision will be final and not subject to the Disputes clause. If concessionaire fails to process complaints and claims timely, the Exchange may, in addition to other rights and remedies available under this contract, settle customer complaints and claims and charge them to concessionaire's account. Customer complaints or claims based on merchandise or services sold by a predecessor concessionaire will be referred to the contracting officer.

#### **11. SIGNS, IDENTITY AND DÉCOR STANDARDS (JAN 05).**

Concessionaire will post only those signs and décor items approved by the contracting officer.

**a.** The concessionaire will post all signs and décor items furnished by the Exchange, including, but not limited to, those that provide customer information and those that set identity and décor standards.

**b.** In the event the concessionaire owns and operates an existing business under a commercially recognized brand, they may request approval from the Exchange to use the recognized brand image, signing and store décor.

**(1)** All requests for approval of concessionaire furnished commercially recognized brand image, signing and store décor must be made in writing to the contracting officer and include sufficient detail to fully identify the proposed brand or image.

**(2)** Concessionaire will not take any action to implement or install the brand image until they receive written approval from the contracting officer.

**(3)** The decision of the contracting officer to accept or reject the concessionaire's proposed brand image is final and not subject to the disputes clause.

#### **12. UTILITIES (APR 05).**

**a.** The Exchange will pay for all utilities, to include heat, power, water, sewage service, and trash removal unless

otherwise provided in the contract. The Exchange will not be liable for losses caused by interruptions of utility service.

**b.** Concessionaire will pay for connecting and disconnecting utilities to concessionaire furnished equipment.

**c.** Concessionaire will pay all costs for telephone service used in performance of this contract. The concessionaire will publish the phone number in all listings by identifying the type of business or the Exchange Corporate Identity, as applicable, followed by the installation name (i.e., Barber Shop, Hill AFB, or Stripes the Alterations Place, Hill AFB).

**d.** Concessionaire and concessionaire employees will comply with the Exchange energy conservation programs. Concessionaire furnished equipment requiring utilities hookup will comply with the Exchange energy conservation policy. Concessionaire furnished equipment determined by the contracting officer to be energy inefficient will be replaced with acceptable equipment at concessionaire's expense.

### **13. INTERNAL CONTROLS (FEB 18).**

Concessionaire will keep a complete and accurate accounting of all transactions including, but not limited to, facility sales, route sales, organization sales, etc.

**a.** Cash Registers. The concessionaire will provide and maintain cash registers, either Electronic Cash Registers (ECR) or an Electronic POS System as required in the exhibit titled Concessionaire Furnished Equipment and as described below. Cash register procedures follow:

**(1)** Concessionaire will obtain the written approval of the Exchange Representative on Exchange Form 6550-27, Contractor's Cash Register Record, before a cash register is placed into or removed from service. The approval will document the information listed on Exchange Form 6550-27 and be signed by the exchange representative and the concessionaire. The concessionaire will immediately notify the Exchange Representative if a cash register becomes inoperative. Sales will be recorded on Exchange Form 6550-9, Customer Daily Sales Register, until the inoperative register is repaired or replaced. An Exchange Form 6550-27 must be completed when the inoperative register is removed from service and again before it is returned to service or replaced.

**(2)** All sales (cash, charge card or deposit) will be recorded on the cash register when the transaction is made. Service and merchandise sales will be recorded separately on the designated keys of the cash register. The customer will be given a cash register receipt for the sale.

**(3)** Refunds, over-rings, void transactions and readings before and after test rings made for other than recording sales (e.g., repair) will be documented using the Concessionaire Cash Register Adjustment Voucher, Exchange Form 6550-24. If the contract requires a cash register with a sales form validation feature, the concessionaire will validate the adjustment vouchers. Attach one copy of completed vouchers, signed by the customer or repairman and concessionaire or concessionaire's designee, to the Z reading receipt tape submitted with the Concessionaire's Settlement Report, Exchange Form 6550-10. All other deductions from sales must be supported as required by the contracting officer.

**(4)** The concessionaire will X read cash registers daily at close of business. At the monthly cut-off, concessionaire will Z read the register and remove the register tape. Write the activity/branch number on the tape, Z read, then X read the register again to put the opening readings on the next month's tape. Submit Z reading receipt tapes for each settlement period with the Concessionaire Settlement Report, Exchange Form 6550-10, to the supporting exchange accounting office. Cash register journal tapes will be retained by the concessionaire for six (6) months.

**(5)** Only cash, checks, and other cash instruments received from sales, and established change and petty cash funds will be placed in cash registers. All cash register disbursements such as customer refunds or petty cash purchases must be supported by an appropriate refund or petty cash voucher. Over-rings must be reported on the Exchange form 6650-10, Concessionaire Settlement Report in accordance paragraph 14.a., below.

**b.** Electronic Cash Register (ECR) - The ECR will be a general purpose unit for use in a small business environment. General Specifications:

**(1)** Key functions: The following key functions are required:

**(a)** Department Keys: A sufficient number of department keys to accommodate the number of services and/or different fee percentages is required by this contract.

**(b)** Numeric Keys: Includes 0-9 keys that are used in entering quantity, price and other values as required. Decimal point will be automatic where required.

**(c)** No Sale Key: Other than the emergency release feature, the no sale key must be the only key that opens the cash drawer when the machine is outside of a transaction. No other keys may be used in conjunction with the no sale key. The no sales feature must produce a transactional counter printout on the X and Z readout tapes.

**(d)** Refund Key: Used to refund a completed transaction. Must have separate resettable totalizer which will not subtract nor add to the non-resettable grand totalizer.

**(e)** Tax Key: A tax key programmable for various tax rates in accordance with the particular state law.

Taxes must totalize on the X and Z readout tape. The register should provide for manual entry of tax amounts different

than the programmed amount.

**(f) Item Correct/Void Key:** Used to void item operations within a transaction. Must have a separate resettable totalizer which will not subtract nor add to the non-resettable grand totalizer.

**(g) Validation Key:** A validation key and slip printer capability. Validation print will be on an item basis, not a transaction basis, printing only a single line of data on a single or multiple copy form.

**(h) Exchange Coupons:** Use for coupon redemption. Coupons must totalize on the X and Z readout tape.

**(i) Cash:** Used to document tender type. Cash must totalize on the X and Z readout tape.

**(j) Checks:** Used to document tender type. Checks must totalize on the X and Z readout tape.

**(k) Charge:** Used to document tender type. Charges must totalize on the X and Z readout tape.

**(l) Exchange Gift Cards (Optional):** Used to document gift card redemption and is an option key, however, total amount of gift cards redeemed must be reported on the Exchange Form 6650-10, Concessionaire Settlement Report in accordance with paragraph 14.a., below.

**(m) Other Keys:** Other keys may be used as determined by the concessionaire. Registers with received-on-account, paid out, or other features that subtract from the department total and non-resettable grand totalizer must have those features blocked for non-use. Charge: Used to document tender type.

**(2) Physical:** The ECR may be unified or modular in design with overall uniform dimensions not to exceed 21" deep x 20" wide x 18" high. The cabinet will be made of durable molded plastic type material or other heavy duty construction that is stain resistant and easy to clean with general purpose household cleaners. All hinges, locks, latches, mounting brackets and other cabinet hardware will be constructed of metal or other equally durable material that is rust resistant and designed for heavy daily use. The register will be designed to insure that miscellaneous items such as paper clips, metal staples, coins and etc. cannot accidentally enter or fall into the register.

**(3) Cash Drawer:** The cash drawer will be of heavy duty construction designed for constant daily use. It will have an emergency release mechanism preferably located under the drawer. The ECR must have a closed drawer feature to prevent register operation unless the drawer is closed and fully latched.

**(4) Keyboard:** The keyboard shall be the basic mode of information entry. It shall consist of 10-numeric value keys arranged in standard adding machine configuration, functional keys as required to perform all cash register functions and transaction keys to perform all required cash register transactions. An audible tone will sound when a key is depressed or an error is made.

**(5) Displays:** Operator and customer displays are required. Both will be large, easy to read panels having a minimum character height of 1/2 inch. It will display a minimum of 8 numeric values and required transaction indicators. The customer display must be viewable by customers at all times.

**(6) Printer Tapes:** Must print a Customer Receipt Tape and a Journal Tape.

**(a) Customer Receipt Tape** will print header, proper descriptors (including department number) next to amounts and the date. Receipt print shall be legible and self-explanatory and be identified with a cash register number and a transaction number.

**(b) Journal Tape** will contain the date, each transaction total, no sales, voids, refunds, overrings, coupons, tender type, X and Z readings and a non-resettable customer or transaction counter printed on it. It shall be legible and self-explanatory. Changing of receipt and journal tape will not require removal of any part of the print mechanism or electroplate.

**(c) ECRs** will have a Customer Receipt and Journal Tape (two station) alpha/numeric dot matrix printer units. Unified ECRs will have a "fixed" self-contained, 2-station printer unit with either a drum or alpha/numeric, dot matrix print element.

**(d) The 2-station printer receipt and journal paper** will be single-ply rolls having identical dimensions to allow one size roll to fit both printers. Paper will be either 38MM or 44MM wide. The receipt and journal will space and feed paper independent of the other.

**(e) The journal tape** will be automatically rolled and stored in a compartment

**(7) Grand Totalizer:** Must have a non-resettable grand totalizer, non-resettable Z reset counter and non-resettable transaction counter. It must produce an X and Z readout tape totaling each/all functions of the register. The non-resettable grand totalizer and Z reset counter need not print on the X tape. The Z readout, after initial printing, must clear all totals except the three non-resettable totalizers.

**(8) Electronic Memory Unit:** Will identify by letter abbreviation or numerical identification department numbers, total, change, amount tendered, X and Z operations and any other salient features of the ECR.

**(9) Totals and Counters:**

**(a)** The register shall have the capability to total all departments with each having a separate total that accumulates net sales, i.e., sales minus refunds and voids.

**(b) Grand Totals:** The grand total shall be the result of accumulating gross sales data unaffected by refund and void key entries, i.e., it shall not be decreased by refund and void key transactions. The grand total will be non-resettable, nine-digit capacity and will print on the receipt and journal when read (X read operation).

**(c) Counters:** All counters will be four-digit capacity and non-resettable providing a continuous count for customers or transactions.

**(10) Power Requirements:** The equipment will have a factory installed, internal power supply that is designed to operate using the commercially available power within the Exchange facility.

**(11) Memory Protection:** The register will be fully operational after power interruptions or outages without any loss of programming parameters or accumulated totals for a minimum of 125 hours. Register with operating memory on/off switch is not acceptable.

**c. Electronic POS System.** When a Contractor elects to provide their own Electronic POS System, the Exchange reserves the right to request Electronic File Transfer (EFT) of data in a format and methodology acceptable to the Exchange. Offerors who have not previously obtained the Exchange approval of their Electronic POS System must send a request to the Exchange Representative with adequate information demonstrating the capabilities of the system and its compatibility with paragraph 13, Internal Controls, of Exhibit C, Special Provisions. If the request is not approved, offerors must provide the Electronic Cash Register as identified in paragraph 13.b. above. When an Electronic POS System is approved in writing by the Exchange Representative, the requirements of 13.a.(3) and 13.a.(4) above are not waived. However, in lieu of Exchange Form 6650-24, Concessionaire Cash Register Adjustment Voucher, the concessionaire may use a printed POS form completed in accordance with paragraph 13.a.(3). The requirements of paragraph 13.a.(4) are waived only if the POS system has an electronic journal tape. All other requirements of this Special Provision still apply. Concessionaire must supply all documents described in their approved system procedures with each settlement report. Modifications of the approved procedures and reports will require written approval of the Contracting Officer prior to implementation.

**d. Forms.** The following procedures apply if customer property is accepted for servicing, a deposit is collected, an item is rented, an item is sold on layaway, an item is purchased to be delivered, or an item is ordered for customers.

**(1)** Concessionaire will provide prenumbered claim tickets, work orders, sales forms, or order forms as appropriate, acceptable to the contracting officer. Forms will list concessionaire's name, followed by the phrase "Exchange Service Concessionaire." Where the contract specifies that the concessionaire will perform under an Exchange Corporate Identity, the phrase "Exchange Service Concessionaire" will be replaced with the name and logo of the Exchange Corporate Identity. A separate number series will be used for each outlet and forms will be numbered to preclude repetition of numbers during the contract. Concessionaire will submit a list of forms assigned for use by each outlet or route to the supporting exchange office. Distribution of copies will be prescribed by the contracting officer.

**(2)** Concession activities accepting customer property for servicing or processing will use claim tickets providing spaces for the following information as applicable: (a) date of order, (b) customer's name, rank, organization or address, and telephone number, (c) description of customer property, (d) list of each service performed, (e) charge(s) for each service, (f) sales tax if applicable, and (g) the following: "If the property identified on this order is not picked up within 90 days after the item is ready, the customer donates and transfers all right, title, and interest in the property to the Army and Air Force Exchange Service." (In case of privately-owned vehicles left for servicing, the customer will be required to sign adjacent to the clause on the concessionaire copy of the order.)

**(3)** Forms will be used in numerical sequence. Voided forms will be annotated with the number of the form used to replace it and processed as a completed transaction. Customer identification and a full description of each product sold, or service performed, will be listed on the form and the charge for each item listed separately. Parts and/or products will not be included with service as a single charge. If the contract requires a cash register with a sales form validation feature, the concessionaire will validate each form for every sales transaction.

**(4)** The customer will be furnished a copy of completed form. If a customer calls for property without a claim ticket, require identification, obtain the customer's signature on the control copy, countersign, and indicate the date of pickup.

**(5)** Route sales will be shown separately on the settlement report.

**(6)** If a customer picks up a portion of the items listed on a claim ticket, the unclaimed items will be listed on a new claim ticket, and the customer furnished a copy.

**(7)** Completed forms will be retained in the originating activity for 90 days (1 year for automotive activities) after the applicable settlement report date. After this period, concessionaire will remove forms from the concession activity

and maintain at concessionaire's records storage area for three (3) years after final payment under the contract.

**e. Customer Daily Sales Register.** If a cash register is not required, concessionaire must use Exchange Form 6550-9, Customer Daily Sales Register. The register will be prepared in duplicate, showing the applicable sales data and signed by the customer. Each sale will be recorded on the sales register at the time payment is made. Customers will be given a receipt showing the name of the concessionaire, item purchased, purchase price, and date of sale. Customer refunds will also be recorded on the sales register. Refund amount will be enclosed in brackets and deducted from register totals. Each refund entry must contain the customer's name, address, telephone number, and signature. Attach a copy of all completed register pages to the settlement report.

**f. CPOS Tablet**

**(1) Periodic Commodity Concessions:**

**(a)** When used by periodic commodity concessions, all sales transactions will be recorded on an Exchange-furnished CPOS tablet.

**(b)** Concessionaire or authorized concession personnel shall review the sales event data displayed on the tablet for accuracy and completeness prior to confirmation. Concessionaire will inform the Services Business Manager of any discrepancies or inaccuracies which need correction prior to confirmation. By clicking the Confirmation box on the tablet, Concessionaire agrees to be solely responsible for the accuracy and completeness of the sales event data, and will pay any and all fees or costs associated with or arising from any inaccuracy or incompleteness of data that the concessionaire or concession authorized personnel confirms.

**(c) Privacy Act Training:** The concessionaire and authorized concession personnel who are working an Exchange sales event must complete the DoD Privacy Act Training in accordance with General Provisions, paragraph 22h, Privacy Act prior to the commencement of the contract, annually at the anniversary date of the contract, and anytime new concession personnel is hired. The concessionaire must print and keep all Privacy Act training certificates of completion on file for review upon Exchange request. During the CPOS tablet login process, the concessionaire will confirm the completion of the Privacy Act training.

**(d)** During downtime, sales transactions will be recorded on a Customer Daily Sales Register (CDSR) Exchange Form 6550-009. When the system is back online, the concessionaire will enter the transactions into the CPOS tablet from the CDSR, void the CDSR and return it to the Services Business Manager.

**(e) Concessionaire will be responsible for the following:**

**(i)** Concessionaire will record all sales transactions including refunds at the time of the transaction on the Exchange-furnished CPOS tablet.

**(ii)** Concessionaire will document refunds, over-rings, void transactions and readings before and after test rings made for other than recording sales (e.g., repair) using the Concessionaire Cash Register Adjustment Voucher, Exchange Form 6550-24.

**(iii)** Concessionaire will offer customers electronic (e-) sales receipts; when customers decline an e-receipt, the concessionaire will provide a sales receipt showing the name of the concessionaire, item(s) purchased, purchase price, and date of sale.

**(iv)** Concessionaire will provide a cash drawer in lieu of a cash register.

**(v)** Concessionaire will post the Privacy Act statement in the proximity of the CPOS tablet for customers to review.

**(2) Full-time Concessions:**

**(a)** The Exchange will provide a CPOS tablet, docking station, cash drawer, magnetic strip reader, and a receipt printer. Concessionaire or authorized concession personnel shall review the contract data displayed on the tablet for accuracy and completeness prior to confirmation. Concessionaire or authorized concession personnel will inform the Services Business Manager of any discrepancies or inaccuracies which need correction prior to confirmation. By clicking the Confirmation box on the tablet, Concessionaire agrees to be solely responsible for the accuracy and completeness of the contract data, and will pay any and all fees or costs associated with or arising from any inaccuracy or incompleteness of data that the concessionaire or authorized concession personnel confirms.

**(b) Privacy Act Training:** The concessionaire and authorized concession personnel must complete the DoD Privacy Act Training in accordance with General Provisions, Clause 22, Privacy Act prior to the commencement of the contract, annually at the anniversary date of the contract, and anytime new concession personnel is hired. During the CPOS tablet login process, the concessionaire will confirm the completion of the Privacy Act training. The concessionaire must print and keep all Privacy Act training certificates of completion on file for review upon Exchange request.

**(c) Concessionaire will be responsible for the following:**

(i) The concessionaire will record all sales transactions including refunds at the time of the transaction on the Exchange-furnished CPOS tablet.

(ii) The concessionaire will document refunds, over-rings, void transactions and readings before and after test rings made for other than recording sales (e.g., repair) using the Concessionaire Cash Register Adjustment Voucher, Exchange Form 6550-24.

(iii) An e-sales receipt will be offered to customers. When the customer declines an e-sales receipt, the concessionaire will print the receipt.

(iv) Concessionaire and authorized concession personnel will have access to the following Admin Menu items and enter the information as follows:

(1) Contract Details: to review and confirm the accuracy of Exchange fee, equipment rental fee, Mil Star processing fee and other contract details.

(2) Associate Maintenance: to set up associate information and reset employee personal identification number (PIN).

(3) Key and Tax Setup: to enter the item description, item price, and tax in accordance with Clause 16, Taxes. Concessionaire or authorized concession personnel will immediately enter price changes into the CPOS tablet in accordance with Clause 23, Price Revisions.

(4) Cash Drawer: to calculate the variance between cash and check transactions entered into the tablet and the actual amount in the cash drawer.

(5) Receipt Setup: Add receipt header information.

(6) Reports. Review reports.

(v) Concessionaire will post the Privacy Act statement in the proximity of the CPOS tablet for customers to read.

(vi) Concessionaire will furnish the supplies (paper and ink) required for the CPOS tablet receipt printer.

#### **14. CONCESSIONAIRE SETTLEMENT REPORT (NOV 15).**

a. For concessionaires using an approved Cash Register, Electronic Cash Register, Electronic POS System or a Customer Daily Sales Register, the following shall apply:

(i) Concessionaire will prepare Exchange Form 6550-10, Concessionaire Settlement Report, or other reporting format approved by the contracting officer, in duplicate, for each reporting period, listing each facility separately on the report. Copies of the Z reading receipt tapes (originals only), Concessionaire Cash Register Adjustment Vouchers, Exchange Form 6550-24, and Customer Daily Sales Register, Exchange Form 6550-9 (if authorized for use), for the reporting period will be attached.

(ii) The reporting period will be by calendar month.

(iii) An original Concessionaire Settlement Report must be forwarded to arrive in the supporting exchange accounting office or Exchange Headquarters/FA and one copy of the original to the Exchange Representative no later than the 15th calendar day of the month following the reporting period.

b. CPOS tablet:

(i) Periodic Commodity Concessions: Concessionaire may obtain end-of-day and end-of-sales event summary reports at the conclusion of the sales event via email or from the Exchange-designated location. Concessionaire will pay the fee income due the Exchange at the end of the sales event at the Exchange-designated location. At the conclusion of the sales event or as specified in the contract, concessionaire will submit the fee payment, Concessionaire Cash Register Adjustment Vouchers, Exchange form 6550-024, and Exchange sponsored coupons to the designated Exchange office.

(ii) Full time Concessions: The monthly Settlement report will be available on the 1st day of the following month. Concessionaire or authorized concession personnel will review the monthly settlement report without undue delay. Concessionaire will pay the fee income due the Exchange as calculated on the report. Concessionaire will submit all supporting documents, such as the Concessionaire Cash Register Adjustment Vouchers, Exchange form 6550-024, and Exchange sponsored coupons to the designated Exchange office by the payment due date.

#### **15. FEE DEPOSIT AND PAYMENT (OCT 17).**

This contract will require the submission of both a fee deposit and monthly fee payments to the Exchange for the performance of this service.



- a. Concessionaire must deposit with the exchange accounting office (or Exchange Contracting Officer when directed) a fee deposit as directed by the Contracting officer upon award of the contract. No interest will accrue to the concessionaire on the deposit while held by the Exchange.
- b. The fee payment for the monthly reporting period must arrive in the supporting exchange accounting office no later than the 15th calendar day of the following month. When the 15th day of the month falls on Saturday, Sunday, or a national holiday, payment will be due the next working day.
- c. A late fee charge of five percent (5%) of the fee payment amount due or \$150, whichever is greater, will be assessed on all fee payments not received at the designated payment office by close of business on the due date. This charge will be in addition to other remedies provided by this contract.
- d. Fee (and settlement report) for less than a full reporting period upon termination or expiration of the contract will be forwarded to arrive no later than 10 calendar days after termination or expiration of the contract. Payment of flat fees will be prorated.
- e. Upon verification of the completed close out of a terminated/expired contract, the fee deposit will be refunded to the concessionaire within 45 calendar days of the expiration/termination of the contract, less any amount due the Exchange.

## **16. TAXES (NOV 15).**

- a. Concessionaire is responsible for determining the applicability of and for payment of all federal, state, host country, and local taxes applicable to the property, income, and transactions of concessionaire. If required by applicable laws and regulations, concessionaire will collect and remit sales taxes to the state. Sales taxes which have been collected as required by Clause 8, Prices, will be excluded from the computation of gross receipts. The amount excluded will be listed on the Concessionaire Settlement Report. The amount of taxes excluded will not exceed the actual sum payable to the state. If required by state law or regulation, concessionaire will obtain and conspicuously display the state sales tax permit.
- b. Concessionaire warrants that the contract prices or other consideration do not include any tax or duty from which concessionaire is exempt under the laws or agreements of the United States Government, state or host country where this contract is performed. If any such tax or duty has been included in the pricing or consideration through error or otherwise, the contract pricing or consideration will be correspondingly reduced or adjusted. If for any reason after the contract date, concessionaire is relieved, in whole or in part, from the payment or the burden of any tax or duty included in the contract pricing or other consideration, the contract pricing and/or other consideration will be correspondingly reduced or adjusted.
- c. If this contract covers an activity involving a Federal Occupational Tax, concessionaire agrees as a condition precedent to engaging in or operating such activity, to tender to the Exchange the amount of any Federal Occupational Tax applicable thereto if payment has not been accomplished by concessionaire, or to reimburse the Exchange the amount of any such tax the Exchange has paid as a result of the operation of such activity by concessionaire. As between the parties of this contract, notice or demand for payment from an office of the U.S. Internal Revenue Service will be conclusive that the Federal Occupational Tax is payable and in the amount so specified to be due.
- d. CPOS Tablet:
  - (i) Periodic Commodity Concessions: Concessionaire is solely responsible for the proper collection and payment of all applicable taxes regardless of the functionality of the POS application.
  - (ii) Full-time Concessions: Concessionaire is solely responsible for entering the tax rate, tax exemption, and other tax information into the CPOS tablet and proper collection and payment of all applicable taxes regardless of the functionality of the POS application.

## **17. CONCESSIONAIRE AND CONCESSIONAIRE EMPLOYEES (CONCESSION PERSONNEL) (Jan 00).**

- a. Responsible management will be provided during all hours of operation at the concession activity. 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, purchase of operating supplies, maintenance and repair of equipment, training of employees, maintaining prescribed hours of operation, supervision of concessionaire employees, and settlement of customer complaints and claims. The concessionaire will provide written notice to the contracting officer naming the person appointed manager or representative.
- b. Concessionaire will furnish a sufficient number of trained, qualified employees to ensure the efficient performance of this contract. New concessionaires will give first consideration for employment to employees of the previous concessionaire, or if direct operated, Exchange employees.
- c. All concessionaire employees having customer contact must be able to read, write, and speak English at a fluency level sufficient for efficient performance of the contract.
- d. The concessionaire will, at concessionaire's expense, make employees available for any applicable training

according to training dates determined by exchange management.

e. Concession personnel must meet the health and security standards prescribed by the contract and applicable regulations, and must obtain installation passes, permits, and security clearances when applicable.

f. Concession personnel will be neat and clean. Customer contact personnel will wear attire typical of styles commonly used by the better local commercial facilities of the same trade and as approved by the contracting officer. Nameplates will be worn by all customer contact personnel. For branded facilities the logo nameplate will be provided by the concessionaire. For non-branded facilities, the standard Exchange nameplate will be worn in the manner prescribed by current directives. Standard Exchange Nameplates will be furnished by the Exchange to the concessionaire at a nominal cost.

g. Concession personnel will give prompt and courteous treatment to authorized customers.

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

i. Concessionaire will discontinue the use of any employee for performance of this contract upon written notice from the contracting officer that the individual is not (or no longer) acceptable for performance under this contract. Concessionaire will not use any such employee to perform other Exchange contracts without the prior written consent of the applicable contracting officer.

j. Concessionaire will not employ any individual for this contract who has been determined unacceptable for performance under any other Exchange contract or has been separated for cause by the Exchange.

#### **18. ACTIONS TO BE TAKEN UPON TERMINATION (INCLUDING EXPIRATION) (JAN 05).**

a. If contractor desires to sell, and the Exchange desires to purchase, any or all of the concessionaire furnished property including equipment, furniture and movable trade fixtures, etc., used in the facility by concessionaire for this contract, the value of the property will be jointly agreed upon by both parties. Contractor must show clear title to all items transferred.

b. Concessionaire will promptly settle concessionaire's account with the Exchange including payment in full of all amounts due; yield up the premises, installed property and fixtures, and all the Exchange furnished property, clean and in as good order and condition as when received (damage due to acts of God or the U.S. Government, and ordinary wear and tear excepted); surrender all installation passes, decals, etc., for all concession personnel; and complete satisfactory settlement of all customer complaints and claims. Termination of this contract does not release concessionaire from the obligation to satisfactorily settle customer complaints and claims.

c. Concessionaire will promptly remove all concessionaire furnished property not purchased by the Exchange including equipment, furniture and movable trade fixtures, tools of the trade and supplies. Property will be removed after the close of business on the final day of the contract unless other arrangements have been approved by the local exchange. Upon failure to yield up the premises or remove concessionaire's property as required, the contracting officer may enter the premises, have concessionaire's property removed and stored in a warehouse at concessionaire's expense, and have the premises cleaned and restored at concessionaire's expense. In this event the Exchange will exercise due care in the removal and storage of contractor's property, however the Exchange assumes no liability for any loss or damage to concessionaire property under these circumstances. If concessionaire is indebted to the Exchange, or does not promptly remove concessionaire property, concessionaire authorizes and empowers the contracting officer or their representative to take possession of concessionaire's property and dispose of same by public or private sale without notice, and out of proceeds of sale, satisfy all costs to the Exchange including the costs of sale, handling, storage, etc., and any other indebtedness to the Exchange.

d. If concessionaire is not awarded a follow-on contract, concessionaire will arrange transfer of the activity's telephone number to the new concessionaire unless prohibited by the servicing telephone company.

e. Where concessionaire performed the contract under an Exchange Corporate Identity, concessionaire will cease use of all the Exchange names and identity standards upon the termination or expiration of the contract.

#### **19. UNCALLED-FOR CUSTOMER PROPERTY (DEC 88).**

Customer property not picked up within 90 days from the ready date is uncalled-for customer property and will be handled as follows:

a. Concessionaire will contact the customer if the property is not picked up within a reasonable time after it's ready and will keep a record of contacts. If required by the contracting officer, concessionaire will provide a list of uncalled-for customer property indicating the order/ticket number, customer name, description of item(s), and amount due.

b. The contracting officer will determine disposition of uncalled-for customer property. Uncalled-for customer property valued at more than \$100.00 released to concessionaire must be accounted for. Items sold will be handled as a

sale. Fees will be paid on these transactions.

c. Customer vehicles will be turned over to the exchange with copies of the customer order, the work order, the notification to the customer, and all other available documentation.

## **20. LOST, ABANDONED, AND UNCLAIMED PROPERTY (DEC 88).**

Personal property left in the concession area will be promptly returned if the owner can be identified. If prompt return is not possible, the items will be turned over to the appropriate military office for lost, abandoned or unclaimed items. (Example: a customer leaves an umbrella in the concession.)

## **21. INVENTORY TRANSFER (FEB 89).**

a. If this contract is not awarded to the incumbent concessionaire or is for converting an Exchange direct operated service activity to concession operation, the new concessionaire will purchase all unclaimed finished customer orders-which involve processing or repair of customer-owned property-from the previous concessionaire or the Exchange. This does not include uncalled-for customer property, as defined in Clause 19 of this exhibit. The unclaimed finished customer orders are to be purchased by the commencement date of service under this contract, and the purchase price will be the full charge(s) in effect at time customer(s) turned the item(s) in for processing or repair, less any cash deposit(s) and less the Exchange's fee under any previous contract. The outgoing concessionaire will deliver at no charge all unprocessed orders to the new concessionaire. The new concessionaire assumes full responsibility for servicing unprocessed orders and delivering the finished orders to customers at the original price. Payment of fee to the Exchange will be at the rate in either the previous contract or, if previously an Exchange direct operation, this contract. Before starting service under this contract, a listing of transferred inventory-by finished and unfinished work-signed by both the outgoing and incoming concessionaires will be given the contracting officer.

b. Upon expiration or termination of this contract, concessionaire will transfer all undelivered customer orders to any new concessionaire or to the Exchange, as determined by the contracting officer. Payment to concessionaire will be on the basis of the full charge(s) under this contract, less any cash deposit(s) and less the Exchange's fee. Contracting officer will determine appropriate disposal for uncalled-for customer orders. Any monies received from the sale of uncalled-for customer property will be remitted by the Exchange to concessionaire, to the extent of concessionaire's share of the customer charges for services rendered.

## **22. INDEBTEDNESS (FEB 89).**

a. Concessionaire will pay promptly according to the terms of this contract all indebtedness incurred in connection with performing the contract. If a due date is not specified, payments due the Exchange must be received no later than 15 days after receipt of notice of amounts due. If all amounts due under this or other contracts are not received, at any time thereafter the contracting office may direct by written order that daily receipts be turned over to the Exchange until all amounts owing the Exchange are paid.

b. The Exchange may charge concessionaire for a dishonored check received from concessionaire, except when (1) the bank acknowledges the dishonor to be a bank error or (2) the return is the result of an Exchange error. The charge will not exceed the administrative amount the Exchange normally charges its customers for dishonored checks. The contracting officer may require payment to be made in cash, certified check, or cashier's check.

## **23. PRICE/FEE REVISIONS (FEB 18).**

The fees established in this Contract will remain firm throughout the term of the contract. The prices will be established on the Exchange Contract Price Schedule Change Form (Exchange Form 6650-039), and agreed to by the General Manager and Contractor. The prices may be updated on an annual basis.

## **24. INSURANCE (FEB 89).**

a. Concessionaire will maintain in full force and effect, during the contract, at least the insurance coverage in the Insurance Requirements exhibit.

b. Concessionaire will be liable for damage, loss or injury to property or persons resulting from acts or omissions of concessionaire, concessionaire's employees or agents, whether or not covered by required insurance.

## **25. PROMOTIONAL EVENTS (APR 05).**

Concessionaire will conduct promotional events as specified below:

a. Concessionaire Sponsored (Paid-For) Promotions:

(1) Concessionaire must pursue an active sales promotion program featuring, at a minimum, the number of events

specified in the Promotional Events clause of the Schedule. The concessionaire promotion program will be equal to or better than programs offered in the commercial sector by similar businesses. The period for each promotional event will coincide with the Exchange promotional event schedule. Fee to the Exchange will be calculated on the discounted price.

(a) The specific promotional items/services, discounts, and promotion dates will be coordinated by written agreement between the concessionaire and the Exchange. The agreement need not be in the form of an amendment to the contract.

(b) The concessionaire will provide the exchange a proposed promotional program for the balance of the calendar year within 30 days of contract award. The concessionaire will provide a proposed promotional program during the month of November each year for the subsequent calendar year. The promotional program will describe the items/services to be promoted, the dates of the promotion, and the discounts proposed.

(2) If concessionaire operates as a branded business, they will participate in the promotion programs developed by the brand.

(3) Other promotional price reductions for limited time periods may be provided upon written agreement between concessionaire and the Exchange. Such written agreement may provide for temporarily reducing fee in conjunction with the promotional price reduction. The agreement need not be in the form of an amendment to the contract.

**b. Exchange Directed Promotions:**

(1) Concessionaire will participate in all Exchange Special Coupon Booklets/Programs. Periodically, the Exchange will provide customers with special coupons in recognition of events or achievements (i.e. reenlistments, birth of a child, newcomers, educational achievements, deployments, etc.) for use in purchasing merchandise or services that may be provided under this contract at reduced prices. The coupon will show the specific amount of discount customers will be entitled to receive. The Exchange will fund the full cost of the face value of these coupons and the cost of marketing and advertising materials.

(2) Concessionaire will participate in all Exchange promotions identified in the Promotional Events clause of the Schedule. Cost of these promotions will be as stated in the Schedule and may either be Exchange funded, concessionaire funded, or shared between the Exchange and the concessionaire.

(3) Concessionaire will participate in any other Exchange directed promotions. These promotions may include, but are not limited to, percentage or dollar off coupons, temporary price reductions, reduced prices for service or merchandise with purchase of regular priced service or merchandise, frequent purchase/loyalty card program, gift with purchase, etc. The Exchange will fund the full cost of these promotions.

(4) When Exchange directed promotions require the redemption of an Exchange coupon, the concessionaire must comply with the following guidelines:

(a) Concessionaire will honor and redeem all Exchange coupons presented by exchange customers. The coupons are redeemable at face value only towards purchase of specific item/service indicated, subject to compliance with any time limit and/or other restrictions that may be specified. Coupons will not be redeemed for cash.

(b) The regular sell price (price before discount) will be rung on the cash register. The amount of money collected from the customer will equal the regular sell price discounted by the coupon's face value. Concessionaire will calculate fee to the Exchange based on the regular sell price, before considering the discount customers are entitled to resulting from redeeming the special coupons.

(c) If directed by the Exchange, concessionaire will have the customer print and sign their name and print their telephone number and the date on each coupon redeemed.

c. Concessionaire is encouraged to advertise in media produced primarily for distribution on military reservations to authorized customers. Advertising in commercial media not specifically directed towards the military market, when not otherwise prohibited by the contract, requires prior approval of the contracting officer.

**26. EXCHANGE TABLOID/SPECIAL SALES COUPONS, EXCHANGE GIFT CARD REDEMPTION (NOV 15).**

**a. Exchange Tabloid/Special Sales Coupons:**

(1) Concessionaire will enter the total face value amount of the Exchange Tabloid and Special coupons redeemed during a reporting period on the Concessionaire Settlement Report, Exchange Form 6550-10. The coupons received and redeemed will be submitted to the supporting exchange accounting office with the settlement report. The supporting exchange accounting office will verify the coupon amount.

(2) Concessionaire will deduct the total face value of the coupons redeemed from fee payment unless otherwise specified by the contract.

**b. Exchange Gift Cards:**

(1) Concessionaires will follow all current the Exchange policies and procedures regarding acceptance and processing of gift cards, as set out in Exchange EOP 40-11 (Special Retail Programs).

(2) Concessionaire will honor Exchange Gift Cards and redeem for merchandise. Cash back from the gift card is not authorized in concession activities nor can they be redeemed for cash only at concession activities.

(3) Ring the merchandise selected and total the sale in the cash register or POS system.

(4) Enter the dollar amount of sale in the verifone, swipe gift card on the verifone or manually enter number from back of card.

(5) If the amount of the sale is greater than the face value of the card(s), collect additional amount due from customer.

(6) The Exchange will reimburse concessionaire for amount of the Exchange Gift Card(s) redeemed by exchange customers as follows:

(a) For Verifone: The concessionaire must use ONLY the assigned Verifone to process Gift Cards to eliminate the possibility of not being reimbursed for Gift Cards redeemed. Gift Cards will not be accepted during periods of downtime, or if Verifone is not active or available. The Exchange Gift Card(s) need to be listed on a transaction log, Exchange Form 4200-007, which will be submitted weekly to the Exchange HQs FA office. The Exchange HQs FA office will reimburse the concessionaire the amount on a weekly basis.

(b) For CPOS Tablet: Concessionaire will process the Exchange Gift Card tender through the CPOS tablet and either swipe the Exchange Gift Card or manually enter the card number when the tender type is Exchange Gift Card. The Exchange will reimburse the concessionaire for Exchange Gift Card transactions when using the Exchange-furnished CPOS tablet.

## **27. REFUNDS (DEC 88).**

a. Concessionaire will be responsible for refunds to customers for customer dissatisfaction with an item or service or for any overcharges to customers. Should concessionaire refuse or fail to promptly make any refund of overcharges to a customer, the Exchange may make the refund and charge the amount to concessionaire's account. If a customer cannot be located or if refund to a customer is otherwise not practicable as determined by the contracting officer, concessionaire will pay the amount of the overcharge to the Exchange within 15 calendar days from date of demand by the Exchange.

b. Requests for refunds not promptly honored are considered complaints or claims subject to the provisions of the Customer Complaints and Claims clause.

## **28. CUSTOMER CHECKS (MAY 05).**

a. Concessionaires are strongly encouraged to accept both local and out-of-town checks in payment for merchandise and services.

b. Concessionaire may charge the customer for a dishonored check except when (1) the bank acknowledges the dishonor to be a bank error or (2) the return is the result of a concessionaire error. Concessionaire may not charge more than the administrative amount charged by the Exchange for dishonored checks. Losses from dishonored checks are concessionaire's responsibility.

c. Under no circumstances will the concessionaire record the customer Social Security Number (SSN) on the check.

## **29. SAFEGUARDING OF CONCESSIONAIRE FUNDS ON ARMY AND AIR FORCE INSTALLATIONS (DEC 88).**

a. When more than \$100 are kept in the concessionaire facility during non-operational hours, funds will be secured in a steel safe equipped with a three-position combination tumbler locking device.

b. When more than \$500 are held in the concessionaire facility during non-operational hours, the safe must:

(1) be secured to the premises by being encased in a concrete bed; or

(2) be bolted or steel-strapped to a floor beam or an internal wall support beam with the bolts or straps concealed to prevent cutting or prying; or

(3) weigh in excess of 1,000 pounds.

## **30. CHARGE CARD AND MILITARY STAR CARD SALES (NOV 15).**

a. Charge Cards:

(1) Concessionaire will accept Visa and MasterCard. Concessionaire may also accept other recognized U.S. commercial charge cards.

(2) Concessionaire will accept the GSA Smart Pay Card and Government Purchase Card (GPC) from authorized customers and DoD civilians for official purchases upon presentation of the charge card and a Government Identification Card.

**(3)** Concessionaire is responsible for the payment of any fees, charge backs, and other arranged costs levied by the charge card issuing companies.

**b. Military Star Card:**

**(1)** Concessionaire will accept the Military Star card for products/services as authorized in this contract. Primary responsibilities are as follows:

**(a)** Concessionaire will report such sales on the Concessionaire Settlement Report in the same manner as other credit card sales.

**(b)** The Exchange will provide procedures and forms required to process the Military Star card credit transactions.

**(c)** Concessionaire will be charged a processing fee of 2.0% of all Military Star card transactions, to include sales tax, less merchandise refunds or adjustments, which will be deducted from the Exchange reimbursement to the concessionaire. The fee percentage may be administratively reduced by the Exchange without contract amendment.

**(d)** The Exchange will pay the contractor in accordance with the Payments clause shown below.

**(e)** The Exchange will be responsible for collection of Military Star card account balances from customers.

**(f)** Concessionaire will handle refunds and adjustments under the Military Star card program in the same manner as other credit card sales.

**(g)** The term "daily sales receipts" in Special Provision 22, "Indebtedness", is expanded to include any funds payable to the concessionaire under the Military Star card program.

**(h)** CPOS Tablet: Concessionaire will process the MILITARY STAR® Card tender through the CPOS tablet and either swipe the MILITARY STAR® Card or manually enter the card number when the tender type is MILITARY STAR®.

**(2) Payment:**

**(a)** Payment will be made weekly based on concessionaire's weekly summary of Military Star card transactions as verified and reported by the local exchange. A check will be issued weekly covering the prior Monday through Sunday time period. The check will be sent out approximately one week after the Monday through Sunday transaction period.

**(b)** Date of payment is determined to be the earliest of the following:

**((1))** Date of the check issued to the concessionaire, or

**((2))** Date an electronic fund transfer is received by the concessionaire regardless of the date the financial institution posts the transfer, or

**((3))** Date a withholding authorized by the contract is initiated by the Exchange.

**(c)** Payment will be made by mailing a check to the address shown on the contract, unless the concessionaire provides a different "remit to" address to the contracting officer.

**((1))** 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 financial institution or a factor's name and be sent to a factor's address, the request must be in writing, signed by a responsible official of the contractor, and submitted to the contracting officer. Any such request must clearly establish which division or subsidiary of a corporation such changes apply to and the address that is superseded by the changes. These changes will become effective when approved by the contracting officer and on the date determined by the Exchange. This will normally be 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. The contractor may in similar manner, revoke such changes.

**((2))** Any request by the contractor to change the name shown on the contract or to assign payment must be sent to the contracting officer.

**(d)** Any questions or inquiries concerning payments should be directed to the contracting officer. Unidentified and duplicate payments must be brought to the attention of the contracting officer immediately upon discovery. The contractor is required to mail a copy of the Exchange check voucher received with unidentified or duplicate payment highlighted. Under no circumstances should unidentified payments be applied against other amounts due.

**(e)** Contractors are to wait at least 30 days past the due date of the payment before writing the contracting officer. Any interest penalties due to contractor will be computed in accordance with the Prompt Payment Act, 31 U.S.C. 3901-3906 as amended.

**31. INSPECTION (JAN 18).**

The Exchange contracting officer, or any person designated by the contracting officer, may conduct inspections to ensure compliance by the concessionaire with all provisions of this contract.

**32. SURVEILLANCE (JAN 18).**

The Exchange may perform electronic or other types of surveillance in Exchange facilities. Contractor will inform its employees in accordance with applicable laws that such surveillance may be conducted, and individuals implicated in improprieties may be found unacceptable for employment at any Exchange facility and prosecuted for violations of law. Contractor is liable and shall reimburse the Exchange for losses under this Contract detected by surveillance or otherwise discovered.

**33. SMOKING POLICY (DEC 86).**

The smoking policy for concession operations will be as directed by the general manager.

**34. HEAVY METAL LEACHING (DEC 07).**

If there are products furnished under this contract that can reasonably be used to carry food or liquid for human consumption and made of a substance prone to heavy metal leaching such as, and to include, pewterware, earthenware, ceramicware, chinaware, ironware, lacquerware, bronzeware, brassware, leaded crystalware, and coated/plated items with a heavy metal base, Concessionaire warrants that any such product contains no leachable levels of metals dangerous to users. Maximum leachable levels and test methods are established by the U.S. Food and Drug Administration. The Exchange reserves the right to test concessionaire products on an unannounced basis. If a heavy metal leaching failure is found, concessionaire agrees to reimburse the Exchange for all followup costs to sample test the remainder of his items for the duration of the contract. This provision does not supersede, replace, or cancel other remedial provisions allowed by the contract. Concessionaire further warrants that products have been tested by either the U.S. Food and Drug Administration or a nationally recognized independent test laboratory and found to be in compliance with the current U.S. Food and Drug Administration action levels and test methods. Test data will be furnished to the Exchange upon request by the contracting officer.

**35. EXCHANGE/VENDOR PARTNERSHIP MARKETING PROGRAM (JUL 94).**

The Exchange Marketing Program consists of numerous elements to enhance the sale of consumer products and services. At the contractor's request, the Exchange will give the contractor the opportunity to participate in selected elements of the Program. All participation will be in conjunction with the sale of authorized products and services to authorized customers. The Exchange reserves the right to limit the degree of participation based on availability, designated themes of special events, and the overall goals of the program.

**36. ORGANIZATIONAL SALES (NOV 00).**

Concessionaire may sell items to authorized official organizations and activities of the U.S. Armed Forces. Sales will be recorded on the cash register at the time the sales transaction is made. Any losses incurred as a result of organizational sales are concessionaire's responsibility.

**EXHIBIT D****PRICE SCHEDULE**

1. The concessionaire will provide services and stock merchandise in the concession, that is consistent with similar shops in the local market area. Concessionaire will survey the local shops to determine service and item selections and customer prices. Concessionaire will merchandise the specialty items to conform to local custom and meet the requirements of the military community.

2. The concessionaire's stock assortment will not duplicate any items sold in an Exchange retail store on the same installation. Prior to the commencement date of services under this contract, the successful offeror will submit to the local exchange management a list of services to be provided and a stock assortment which includes stock/style number, cost price and/or suggested retail price and the proposed Exchange sell price computed in accordance with the pricing method outlined in paragraph 4 of this exhibit. The service offered and stock assortment are subject to acceptance by local exchange management. The concessionaire will provide any proposed changes to the local exchange management at least 10 days prior to the requested implementation date of such changes. The actual services to be provided and items to be stocked will be mutually agreed upon between the concessionaire and local exchange management.

3. **Services To Be Provided:**

a. Services:

Engraving  
Embroidery  
Heat transfers  
Name tags  
Custom designs

b. The concessionaire may offer items for sale from the categories of merchandise listed below. Merchandise cost price limitations applicable to the Exchange direct operations apply equally to concession operations. Guidance on specific item limitations (if any) will be provided for use in developing the stock assortment subsequent to contract award. Merchandise for sale in the concession will be priced in accordance with paragraph 4 of this exhibit.

Silver Cups & Bowls	Personalized Stationery
Personalized Mugs	Trophies/Plaques
Uniformed Teddy Bears	Plush Animals
Musical Gift Items	Posters
Patches/Logos/Pins	Wooden gift items
Desk Plates	Banners
Silver Pitchers	Silver Trays
Sporting Ribbons/Medals	Pen & Pencil Sets
Plated Military Insignia with	Military Crests or Emblems



Unit Numerals or Designations

T-shirts

Jerseys

Sleep Shirts

Printable Sportswear

Lettered Caps and Uniforms

Sweaters

Aprons

Sweat Clothing

Unisex Shirts

Tank Tops

T-Dresses

Tote Bags

Visors

Towels

Custom Designs, Transfers, Embroidery and Self Screen Prints

Windbreakers

4. Concessionaire merchandise will be priced as follows:

a. For those items included in a published Manufacturer's Suggested Price List, the price will be 20% below the suggested retail price. (Example: Suggested Retail Price \$19.95 - 20% = \$15.96 calculated sell price.) Price may be rounded to the nearest 5 cents. (Same example: \$15.96 calculated sell price is rounded to \$15.95 actual sell price.)

b. For those items for which no Suggested Retail Price has been published, but for which an invoice is available, the price will be 175% of concessionaire's landed cost. (Example: Landed cost \$27.85 X 175% = \$48.73 calculated sell price.) Price may be rounded to the nearest 5 cents. (Same example: \$48.73 calculated sell price is rounded to \$48.75 actual sell price.)

c. For those items for which no Suggested Retail Price has been published, and for which no invoice is available (e.g.: cottage industry items, items that are manufactured in whole or in part by the contractor), the price will be as mutually agreed by the concessionaire and the local exchange management. The concessionaire will submit a listing of those items and the method used to determine the price to the local exchange management for approval.

d. Regardless which of the above three pricing methods are used, the price must reflect an overall customer savings of at least 20% in comparison to local community pricing for comparable items.

e. Merchandise may be sold at a lesser price to clear obsolete or excess merchandise, to meet the competition of the local economy, or to provide special promotional events.

f. Merchandise that becomes shopworn or damaged may be offered for clearance sale except where an item's performance or serviceability is affected. Prices will be reduced sufficiently to insure early clearance from inventory.

5. Supplier invoices and published commercial resale activity sell price lists will be available on the premises of the concession activity at all times for inspection by the contracting officer or his representative. Available documentation must be sufficient to provide a clear audit trail

to determine compliance with the pricing procedures established in this contract.

6. **Deposits:** Customers placing special orders may be required to make a deposit of 50% of the value of the order, and to pay the balance due at least 7 working days prior to the delivery or pickup date. If the order is canceled 7 or more working days prior to the scheduled delivery or pickup date the deposit should be refunded. Otherwise, cancellation may result in forfeiture of all payments.

7. **Unlisted and Other Services:**

a. Other services (for example logo design services) not specified above, may be performed upon agreement between customer and concessionaire. This agreement must take place prior to the concessionaire's acceptance of the item(s). On the reverse side of the sales ticket, concessionaire will enter the service(s)/price(s) and customer will indicate acceptance by signing.

b. Prices for services in paragraph a and b above will be established by one of the three pricing methods in paragraph 4. above.

8. Applicable state taxes for concessionaire owned merchandise will be treated in accordance with the Prices and Taxes Clause, Exhibit C, Special Provisions (Concession Contracts).

9. Additional authorized services and merchandise appropriate to this contract may be added upon approval of the contracting officer by contract amendment.

**EXHIBIT E**

**FEE SCHEDULE**

1. Offeror must enter below a guaranteed monthly income **and** a single fee percentage offered to the Exchange. The monthly fee payment to the Exchange will be either the guaranteed monthly income amount **or** the fee percentage times the total adjusted gross sales of all locations, whichever is greater.

**CONTRACT PERIOD**

Five (5) Years

a. **Guaranteed Monthly Income:**

\$ **(b)(4)** \_\_\_\_\_

b. **Single Fee Percentage:**

**(Estimated monthly sales of \$124,168)**

2. **Fee Deposit and Payment:** Pursuant to paragraph 15, Fee Deposit and Payment, of Exhibit C, Special Provisions, and the offeror's proposal, fee deposit will be specified at time of award. The fee deposit must be made prior to the commencement of services.

3. Settlement reports (in duplicate) and fee payment must arrive on the date specified at:

Army & Air Force Exchange Service (Exchange)  
ATTN: GM Assistant  
233 Illinois Ave., Ste. 2, Bldg. 498  
Ft. Leonard Wood, MO 65473

**EXHIBIT F**

**INSURANCE REQUIREMENTS**

1. The concessionaire will maintain, during any contract period, insurance coverage listed below, with insurance company(ies) acceptable to the Exchange. The insurance company(ies) providing coverage must meet the minimum AM Best rating of B++ unless otherwise acceptable to the Exchange. Upon the Contracting Officer's request, the concessionaire will furnish the Contracting Officer, a current ACORD Form 25, Certificate of Insurance, showing the insurance is in effect. 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 concessionaire, or concessionaire's agents, representatives, or employees. The "INSURED" block for the Certificate of Insurance must list both the concessionaire's name and the Exchange and the Exchange Contract Number. Additionally, the concessionaire must ensure each subcontractor obtains the same insurance coverage.
2. The concessionaire will maintain 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 concessionaire or concessionaire's agents or employees on the military installation, whether or not owned by concessionaire.
3. The concessionaire will maintain the coverages listed below and will furnish a current Certificate of Insurance, ACORD Form 25 in accordance with the paragraph one above.

Commercial General Liability in minimum limits for Bodily Injury and Property Damage:

\$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.

4. If requested by the Contracting Officer, the concessionaire will deliver the Certificate of Insurance to the contracting officer by email or mail to:

Army and Air Force Exchange Service  
Attention: (PZ-PS/LWD 19-137)  
3911 South Walton Walker Blvd  
Dallas, Texas 75236-1598

**EXHIBIT G-1**

**CONCESSIONAIRE FURNISHED EQUIPMENT**

1. The concessionaire must furnish the following equipment which meets the stated specifications in the quantities indicated. Equipment will be new or in "like new" condition, acceptable to the contracting officer. If additional services not listed herein require special equipment, those items will be added to this exhibit at a later date. Refer to the clause entitled "Equipment, Furniture, and Movable Trade Fixtures," in Exhibit C, Special Provisions.

**Heat Transfer Machine** (Qty 1) Industry standard.

**Transfer Machine** (Qty 1) Industry standard.

**Embroidery Machine** (Qty 3) Industry standard.

**Name tape Machine** (Qty 1) Industry standard.

**Vinyl Machine** (Qty 1) Industry standard.

**Sewing Machine** (Qty 1) Industry standard.

**Display Cases/Merchandisers** (Qty 5) Glass top, glass front with display shelves, Gray Formica or high pressure laminate finish.

**Round Clothing Display Rack** (Qty 2)

**Fixture Accessory** (Qty 3) Fixture accessories for slat walls such as brackets, shelves, slant arms, etc.

**Reception Counter** (Qty 6) Gray Formica or high pressure laminate finish.

**Cash Register Stand** (Qty 1) With cash drawer compartment and lock. Gray Formica or equivalent finish.

**Credit Card Machine** (Qty 1) - Industry Standard, capable of accepting a minimum of two (2) major credit cards.

**Department Keys** - Electronic POS system will have the following required department keys available in addition to Exhibit C, paragraph 13 b, Internal Controls.

Department 1 - T-shirt sales  
Department 2 - Embroidery/heat transfer  
Department 3 - Nametape services  
Department 4 - Retail products-Concessionaire owned

Tender Keys

Cash/Check

Credit Card

Military Star

Exchange Gift Card

2. **Decor**: Concessionaire is required to provide a reasonable amount of decor treatment to interior sales area of the facility. Wall decorations, artificial or live plants, removable decorative shelving, curios, trinkets, figurines, mirrors and wall clocks are normal approaches to area treatment. Care must be exercised to insure against potential safety and health hazards which is the responsibility of the concessionaire. A decor plan must be submitted to the exchange manager for approval prior to commencement of services.

**EXHIBIT G-2**

**EXCHANGE-FURNISHED EQUIPMENT**

1. The Exchange shall furnish the following equipment at charge below. Reference clause entitled Equipment, Furniture, and Movable Trade Fixtures, Exhibit C, Special Provision.

<u>QTY</u>	<u>DESCRIPTION</u>	<u>ACQUISITION DATE/COST</u>	<u>MONTHLY RENTAL FEE</u>
1	Veriphone		\$0
6	Generic Conc Counter w/1 drawer Oracle #01018557	New/\$8598.90	\$143.31
1	Generic Counter w/2/3 glass Oracle #1018293	New/\$1188.15	\$19.80
1	Generic Counter/cash reg stand Oracle #1018291	New/\$1424.85	\$23.74
<b>TOTAL MONTHLY RENTAL FEE</b>			<b>\$186.85</b>

2. **Equipment Inventory:** Concessionaire and the Exchange shall conduct an inventory of Exchange Furnished Equipment prior to the commencement date and at the time of expiration/termination of the contract. Quantity, item description, and condition shall be agreed upon between concessionaire and the Exchange, noted on a custodial receipt, and signed by both parties. A copy of the inventory shall be provided to the contractor by the Exchange.

**EXHIBIT H**

**SPECIFICATIONS**

1. **Clothing Merchandise**: Concessionaire will provide clothing merchandise to Exchange customers equal to the highest quality service available in comparable commercial facilities. All clothing will be sold in conjunction with regular or custom designs with appliquéing, embossing, embroidering, monogramming, silk screen and/or heat transfers or bonding.

a. Heat pressed items will be offered on a while-you-wait-basis.

b. Concessionaire will assist customers in selecting clothing merchandise suitable for the use intended by the customer.

c. All services must be performed in a first class workmanship manner. All materials must be first-quality and acceptable to the customer.

d. Items from the concessionaire's regular inventory determined to be shopworn or damaged may be offered for clearance sale, except where the performance or serviceability of an item is affected.

2. **Related Merchandise**: Concessionaire will provide related merchandise to Exchange customers equal to the highest quality service available in comparable commercial facilities.

3. **Authorized Products**: On a direct sell basis, concessionaire will offer shirt transfers applied to T-shirts and other items authorized in Exhibit D, by methods common to the state-of-the-art, including, but not limited to, any of the following methods:

a. Rubber based heat transfer

b. Sublistatic ink transfer

c. Custom printing, transfers and embroidery

d. Concessionaire may use their own or customer owned merchandise for design application.

4. Designs may be applied on any other type of customer owned garments (piece work such as linens, tote bags, shirts, jackets, pants, etc.).

5. Concessionaire will at all times maintain a wide variety of merchandise within the categories authorized in Exhibit D. A full range of sizes for men, women and children in sufficient quantities to satisfy customer demand will be maintained during the operation. Merchandise will be displayed in a manner similar to that found in high quality commercial stores and the exchange retail facilities.



6. All merchandise offered for sale will be saleable, fit and sufficient for the use intended and will not be "seconds" as the term is normally understood in the trade.
7. Concessionaire warrants that all merchandise offered for sale which displays copyrighted (trademark) logos or designs will be properly licensed in accordance with applicable laws and regulations. Counterfeit or "bootleg" items will not be sold in the concession operation.
8. All merchandise displayed for sale will be price-marked for ready identification by the customer. Price tags/labels will be prepared to project a professional image.
9. Concessionaire will offer for sale only merchandise of good taste and will not offer any item(s) which:
  - a. Depicts the flag of the United States or any other country in a manner other than authorized by applicable laws.
  - b. Promote, condone, or otherwise acclaim the use, benefits or accessibility of drugs or alcohol.
  - c. Contain racial/ethnic slurs or advocate racial/ethnic supremacy.
  - d. Include words, symbols or scenes, which are lewd, profane or vulgar.
10. Label requirements for clothing items:
  - a. All wearing apparel furnished under the contract will have a permanent care label attached to the garment in accordance with Federal Trade Commission (FTC) regulations of trade rule, "Care Labeling of Textile Wearing Apparel."
  - b. Pins and metal parts on all garments (to include size and/or price tags) shall be non-tarnishable and rustproof.
  - c. All clothing shall bear the brand name of the manufacturer's label.
11. All equipment shall meet industry safety and fire standards as prescribed by the industry, to include UL, etc.
12. Items offered for sale under this contract are subject to inspection and/or quality analysis, at the option of the contracting officer or designated representative. Quantities sufficient for such inspection and/or quality analysis may be removed at the option of the contracting officer, if deemed necessary for this purpose.

13. Concessionaire will not provide items failing to meet the above cited specifications.

14. **LOSS/DAMAGE/DEFECTS**: Notwithstanding any other provisions of this contract, the concessionaire agrees that at the time of delivery to the customer all articles and services provided pursuant to the terms of this contract will be free from any defect in material or workmanship. Notice of any defect or nonconformance may be given the concessionaire by the customer or the Exchange. Concessionaire will be liable for loss or damage to the customer's property in the amount of the value established by the customer on the customer order form, provided such value does not exceed \$500 per item.

**EXHIBIT I**

\*\*\*\*\*

REGISTER OF WAGE DETERMINATIONS UNDER		U.S. DEPARTMENT OF LABOR
THE SERVICE CONTRACT ACT		EMPLOYMENT STANDARDS ADMINISTRATION
By direction of the Secretary of Labor		WAGE AND HOUR DIVISION
		WASHINGTON D.C. 20210

Daniel W. Simms	Division of		Wage Determination No.: 2015-5075
Director	Wage Determinations		Revision No.: 11
			Date Of Revision: 12/26/2018

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.60 for calendar year 2019 applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any 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 \$10.60 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 2019. 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](http://www.dol.gov/whd/govcontracts).

States: Illinois, Missouri

Area: Illinois Counties of Bond, Calhoun, Clinton, Jersey, Madison, Monroe, St Clair  
 Missouri Counties of Franklin, Jefferson, Lincoln, St Charles, St Louis, St Louis City, Warren

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

OCCUPATION CODE - TITLE	FOOTNOTE	RATE
01000 - Administrative Support And Clerical Occupations		
01011 - Accounting Clerk I		14.89
01012 - Accounting Clerk II		16.72
01013 - Accounting Clerk III		18.70
01020 - Administrative Assistant		27.81
01035 - Court Reporter		27.91
01041 - Customer Service Representative I		13.41
01042 - Customer Service Representative II		15.09
01043 - Customer Service Representative III		16.46
01051 - Data Entry Operator I		13.45
01052 - Data Entry Operator II		14.67
01060 - Dispatcher, Motor Vehicle		19.41
01070 - Document Preparation Clerk		14.53
01090 - Duplicating Machine Operator		14.53
01111 - General Clerk I		12.33
01112 - General Clerk II		15.00
01113 - General Clerk III		17.07
01120 - Housing Referral Assistant		20.96
01141 - Messenger Courier		13.87
01191 - Order Clerk I		15.72
01192 - Order Clerk II		17.16
01261 - Personnel Assistant (Employment) I		16.88
01262 - Personnel Assistant (Employment) II		19.05

01263 - Personnel Assistant (Employment) III	21.05
01270 - Production Control Clerk	25.31
01290 - Rental Clerk	16.06
01300 - Scheduler, Maintenance	15.96
01311 - Secretary I	15.96
01312 - Secretary II	17.85
01313 - Secretary III	20.96
01320 - Service Order Dispatcher	18.12
01410 - Supply Technician	27.81
01420 - Survey Worker	19.05
01460 - Switchboard Operator/Receptionist	15.10
01531 - Travel Clerk I	13.29
01532 - Travel Clerk II	14.31
01533 - Travel Clerk III	15.27
01611 - Word Processor I	14.06
01612 - Word Processor II	16.06
01613 - Word Processor III	19.05
05000 - Automotive Service Occupations	
05005 - Automobile Body Repairer, Fiberglass	22.80
05010 - Automotive Electrician	20.82
05040 - Automotive Glass Installer	19.84
05070 - Automotive Worker	19.84
05110 - Mobile Equipment Servicer	18.01
05130 - Motor Equipment Metal Mechanic	21.74
05160 - Motor Equipment Metal Worker	19.84
05190 - Motor Vehicle Mechanic	21.74
05220 - Motor Vehicle Mechanic Helper	16.72
05250 - Motor Vehicle Upholstery Worker	18.88
05280 - Motor Vehicle Wrecker	19.84
05310 - Painter, Automotive	20.82
05340 - Radiator Repair Specialist	19.84
05370 - Tire Repairer	15.80
05400 - Transmission Repair Specialist	21.74
07000 - Food Preparation And Service Occupations	
07010 - Baker	12.77
07041 - Cook I	12.28
07042 - Cook II	14.24
07070 - Dishwasher	9.95
07130 - Food Service Worker	10.05
07210 - Meat Cutter	16.34
07260 - Waiter/Waitress	9.21
09000 - Furniture Maintenance And Repair Occupations	
09010 - Electrostatic Spray Painter	20.56
09040 - Furniture Handler	14.00
09080 - Furniture Refinisher	20.56
09090 - Furniture Refinisher Helper	16.55
09110 - Furniture Repairer, Minor	18.84
09130 - Upholsterer	22.61
11000 - General Services And Support Occupations	
11030 - Cleaner, Vehicles	11.74
11060 - Elevator Operator	11.72
11090 - Gardener	18.94
11122 - Housekeeping Aide	11.72
11150 - Janitor	11.72
11210 - Laborer, Grounds Maintenance	13.94
11240 - Maid or Houseman	10.85

11260 - Pruner	12.25
11270 - Tractor Operator	17.27
11330 - Trail Maintenance Worker	13.94
11360 - Window Cleaner	13.34
12000 - Health Occupations	
12010 - Ambulance Driver	19.90
12011 - Breath Alcohol Technician	19.35
12012 - Certified Occupational Therapist Assistant	25.94
12015 - Certified Physical Therapist Assistant	25.07
12020 - Dental Assistant	16.99
12025 - Dental Hygienist	32.78
12030 - EKG Technician	25.17
12035 - Electroneurodiagnostic Technologist	25.17
12040 - Emergency Medical Technician	19.90
12071 - Licensed Practical Nurse I	17.30
12072 - Licensed Practical Nurse II	19.35
12073 - Licensed Practical Nurse III	21.58
12100 - Medical Assistant	15.77
12130 - Medical Laboratory Technician	19.02
12160 - Medical Record Clerk	18.03
12190 - Medical Record Technician	20.17
12195 - Medical Transcriptionist	19.67
12210 - Nuclear Medicine Technologist	35.57
12221 - Nursing Assistant I	11.38
12222 - Nursing Assistant II	12.80
12223 - Nursing Assistant III	13.96
12224 - Nursing Assistant IV	15.68
12235 - Optical Dispenser	16.07
12236 - Optical Technician	15.99
12250 - Pharmacy Technician	15.52
12280 - Phlebotomist	15.92
12305 - Radiologic Technologist	25.38
12311 - Registered Nurse I	26.36
12312 - Registered Nurse II	29.18
12313 - Registered Nurse II, Specialist	29.18
12314 - Registered Nurse III	35.30
12315 - Registered Nurse III, Anesthetist	35.30
12316 - Registered Nurse IV	42.33
12317 - Scheduler (Drug and Alcohol Testing)	23.98
12320 - Substance Abuse Treatment Counselor	18.51
13000 - Information And Arts Occupations	
13011 - Exhibits Specialist I	20.14
13012 - Exhibits Specialist II	24.96
13013 - Exhibits Specialist III	30.54
13041 - Illustrator I	20.80
13042 - Illustrator II	25.56
13043 - Illustrator III	30.15
13047 - Librarian	28.44
13050 - Library Aide/Clerk	12.34
13054 - Library Information Technology Systems Administrator	25.68
13058 - Library Technician	18.87
13061 - Media Specialist I	18.53
13062 - Media Specialist II	20.73
13063 - Media Specialist III	23.11
13071 - Photographer I	16.71

13072 - Photographer II	18.69
13073 - Photographer III	23.16
13074 - Photographer IV	27.91
13075 - Photographer V	33.77
13090 - Technical Order Library Clerk	15.84
13110 - Video Teleconference Technician	19.55
14000 - Information Technology Occupations	
14041 - Computer Operator I	17.04
14042 - Computer Operator II	19.06
14043 - Computer Operator III	21.26
14044 - Computer Operator IV	23.61
14045 - Computer Operator V	26.16
14071 - Computer Programmer I	(see 1) 24.21
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	18.26
14160 - Personal Computer Support Technician	26.16
14170 - System Support Specialist	31.59
15000 - Instructional Occupations	
15010 - Aircrew Training Devices Instructor (Non-Rated)	34.92
15020 - Aircrew Training Devices Instructor (Rated)	42.25
15030 - Air Crew Training Devices Instructor (Pilot)	50.64
15050 - Computer Based Training Specialist / Instructor	34.92
15060 - Educational Technologist	28.74
15070 - Flight Instructor (Pilot)	50.64
15080 - Graphic Artist	23.84
15085 - Maintenance Test Pilot, Fixed, Jet/Prop	43.64
15086 - Maintenance Test Pilot, Rotary Wing	43.64
15088 - Non-Maintenance Test/Co-Pilot	43.64
15090 - Technical Instructor	24.33
15095 - Technical Instructor/Course Developer	29.76
15110 - Test Proctor	19.63
15120 - Tutor	19.63
16000 - Laundry, Dry-Cleaning, Pressing And Related Occupations	
16010 - Assembler	11.11
16030 - Counter Attendant	11.11
16040 - Dry Cleaner	12.78
16070 - Finisher, Flatwork, Machine	11.11
16090 - Presser, Hand	11.11
16110 - Presser, Machine, Drycleaning	11.11
16130 - Presser, Machine, Shirts	11.11
16160 - Presser, Machine, Wearing Apparel, Laundry	11.11
16190 - Sewing Machine Operator	13.31
16220 - Tailor	13.84
16250 - Washer, Machine	11.71
19000 - Machine Tool Operation And Repair Occupations	
19010 - Machine-Tool Operator (Tool Room)	25.27
19040 - Tool And Die Maker	29.47
21000 - Materials Handling And Packing Occupations	
21020 - Forklift Operator	19.14
21030 - Material Coordinator	25.31
21040 - Material Expediter	25.31

21050 - Material Handling Laborer	19.18
21071 - Order Filler	12.91
21080 - Production Line Worker (Food Processing)	19.14
21110 - Shipping Packer	16.58
21130 - Shipping/Receiving Clerk	16.58
21140 - Store Worker I	12.47
21150 - Stock Clerk	18.43
21210 - Tools And Parts Attendant	19.14
21410 - Warehouse Specialist	19.14
23000 - Mechanics And Maintenance And Repair Occupations	
23010 - Aerospace Structural Welder	32.27
23019 - Aircraft Logs and Records Technician	26.42
23021 - Aircraft Mechanic I	31.09
23022 - Aircraft Mechanic II	32.27
23023 - Aircraft Mechanic III	33.50
23040 - Aircraft Mechanic Helper	22.31
23050 - Aircraft, Painter	29.78
23060 - Aircraft Servicer	26.42
23070 - Aircraft Survival Flight Equipment Technician	29.78
23080 - Aircraft Worker	28.37
23091 - Aircrew Life Support Equipment (ALSE) Mechanic I	28.37
23092 - Aircrew Life Support Equipment (ALSE) Mechanic II	31.09
23110 - Appliance Mechanic	24.85
23120 - Bicycle Repairer	19.12
23125 - Cable Splicer	34.60
23130 - Carpenter, Maintenance	29.99
23140 - Carpet Layer	31.06
23160 - Electrician, Maintenance	34.39
23181 - Electronics Technician Maintenance I	26.70
23182 - Electronics Technician Maintenance II	28.02
23183 - Electronics Technician Maintenance III	29.26
23260 - Fabric Worker	22.14
23290 - Fire Alarm System Mechanic	25.45
23310 - Fire Extinguisher Repairer	21.37
23311 - Fuel Distribution System Mechanic	27.30
23312 - Fuel Distribution System Operator	21.67
23370 - General Maintenance Worker	20.67
23380 - Ground Support Equipment Mechanic	31.09
23381 - Ground Support Equipment Servicer	26.42
23382 - Ground Support Equipment Worker	28.37
23391 - Gunsmith I	21.37
23392 - Gunsmith II	24.77
23393 - Gunsmith III	27.15
23410 - Heating, Ventilation And Air-Conditioning Mechanic	26.15
23411 - Heating, Ventilation And Air Contidioning Mechanic (Research Facility)	27.15
23430 - Heavy Equipment Mechanic	25.35
23440 - Heavy Equipment Operator	30.72
23460 - Instrument Mechanic	27.11
23465 - Laboratory/Shelter Mechanic	26.01
23470 - Laborer	17.17
23510 - Locksmith	22.23
23530 - Machinery Maintenance Mechanic	27.80

23550 - Machinist, Maintenance	24.17
23580 - Maintenance Trades Helper	18.37
23591 - Metrology Technician I	27.11
23592 - Metrology Technician II	28.14
23593 - Metrology Technician III	29.21
23640 - Millwright	29.78
23710 - Office Appliance Repairer	22.23
23760 - Painter, Maintenance	27.39
23790 - Pipefitter, Maintenance	37.03
23810 - Plumber, Maintenance	35.47
23820 - Pneudraulic Systems Mechanic	27.15
23850 - Rigger	27.15
23870 - Scale Mechanic	24.77
23890 - Sheet-Metal Worker, Maintenance	36.06
23910 - Small Engine Mechanic	21.36
23931 - Telecommunications Mechanic I	26.40
23932 - Telecommunications Mechanic II	27.41
23950 - Telephone Lineman	31.35
23960 - Welder, Combination, Maintenance	23.21
23965 - Well Driller	23.29
23970 - Woodcraft Worker	27.15
23980 - Woodworker	21.37
24000 - Personal Needs Occupations	
24550 - Case Manager	14.52
24570 - Child Care Attendant	10.63
24580 - Child Care Center Clerk	13.54
24610 - Chore Aide	10.68
24620 - Family Readiness And Support Services Coordinator	14.52
24630 - Homemaker	14.52
25000 - Plant And System Operations Occupations	
25010 - Boiler Tender	31.10
25040 - Sewage Plant Operator	25.31
25070 - Stationary Engineer	31.10
25190 - Ventilation Equipment Tender	22.16
25210 - Water Treatment Plant Operator	25.31
27000 - Protective Service Occupations	
27004 - Alarm Monitor	19.54
27007 - Baggage Inspector	12.71
27008 - Corrections Officer	18.94
27010 - Court Security Officer	23.52
27030 - Detection Dog Handler	16.66
27040 - Detention Officer	18.94
27070 - Firefighter	28.37
27101 - Guard I	12.71
27102 - Guard II	16.66
27131 - Police Officer I	23.56
27132 - Police Officer II	26.18
28000 - Recreation Occupations	
28041 - Carnival Equipment Operator	13.03
28042 - Carnival Equipment Repairer	14.29
28043 - Carnival Worker	9.24
28210 - Gate Attendant/Gate Tender	13.47
28310 - Lifeguard	11.59
28350 - Park Attendant (Aide)	15.07
28510 - Recreation Aide/Health Facility Attendant	11.00



28515 - Recreation Specialist	18.28
28630 - Sports Official	12.00
28690 - Swimming Pool Operator	16.57
29000 - Stevedoring/Longshoremen Occupational Services	
29010 - Blocker And Bracer	27.15
29020 - Hatch Tender	27.15
29030 - Line Handler	27.15
29041 - Stevedore I	25.29
29042 - Stevedore II	28.51
30000 - Technical Occupations	
30010 - Air Traffic Control Specialist, Center (HFO) (see 2)	38.51
30011 - Air Traffic Control Specialist, Station (HFO) (see 2)	26.55
30012 - Air Traffic Control Specialist, Terminal (HFO) (see 2)	29.24
30021 - Archeological Technician I	19.36
30022 - Archeological Technician II	21.56
30023 - Archeological Technician III	25.04
30030 - Cartographic Technician	27.52
30040 - Civil Engineering Technician	23.94
30051 - Cryogenic Technician I	23.10
30052 - Cryogenic Technician II	25.51
30061 - Drafter/CAD Operator I	19.36
30062 - Drafter/CAD Operator II	21.56
30063 - Drafter/CAD Operator III	24.15
30064 - Drafter/CAD Operator IV	29.71
30081 - Engineering Technician I	17.67
30082 - Engineering Technician II	19.83
30083 - Engineering Technician III	22.18
30084 - Engineering Technician IV	27.48
30085 - Engineering Technician V	33.62
30086 - Engineering Technician VI	40.68
30090 - Environmental Technician	22.06
30095 - Evidence Control Specialist	20.71
30210 - Laboratory Technician	24.16
30221 - Latent Fingerprint Technician I	24.92
30222 - Latent Fingerprint Technician II	27.52
30240 - Mathematical Technician	26.82
30361 - Paralegal/Legal Assistant I	20.04
30362 - Paralegal/Legal Assistant II	24.86
30363 - Paralegal/Legal Assistant III	30.37
30364 - Paralegal/Legal Assistant IV	36.75
30375 - Petroleum Supply Specialist	25.51
30390 - Photo-Optics Technician	26.82
30395 - Radiation Control Technician	25.51
30461 - Technical Writer I	23.51
30462 - Technical Writer II	28.76
30463 - Technical Writer III	34.79
30491 - Unexploded Ordnance (UXO) Technician I	24.48
30492 - Unexploded Ordnance (UXO) Technician II	29.61
30493 - Unexploded Ordnance (UXO) Technician III	35.49
30494 - Unexploded (UXO) Safety Escort	24.48
30495 - Unexploded (UXO) Sweep Personnel	24.48
30501 - Weather Forecaster I	27.25
30502 - Weather Forecaster II	28.10
30620 - Weather Observer, Combined Upper Air Or Surface Programs	(see 2) 24.15
30621 - Weather Observer, Senior	(see 2) 26.82

31000 - Transportation/Mobile Equipment Operation Occupations	
31010 - Airplane Pilot	29.61
31020 - Bus Aide	13.99
31030 - Bus Driver	20.52
31043 - Driver Courier	15.43
31260 - Parking and Lot Attendant	9.85
31290 - Shuttle Bus Driver	16.94
31310 - Taxi Driver	11.46
31361 - Truckdriver, Light	16.94
31362 - Truckdriver, Medium	17.97
31363 - Truckdriver, Heavy	22.98
31364 - Truckdriver, Tractor-Trailer	22.98
99000 - Miscellaneous Occupations	
99020 - Cabin Safety Specialist	14.44
99030 - Cashier	9.80
99050 - Desk Clerk	10.56
99095 - Embalmer	29.90
99130 - Flight Follower	24.48
99251 - Laboratory Animal Caretaker I	11.69
99252 - Laboratory Animal Caretaker II	12.82
99260 - Marketing Analyst	31.18
99310 - Mortician	30.54
99410 - Pest Controller	17.61
99510 - Photofinishing Worker	14.72
99710 - Recycling Laborer	18.91
99711 - Recycling Specialist	23.43
99730 - Refuse Collector	16.61
99810 - Sales Clerk	12.95
99820 - School Crossing Guard	13.43
99830 - Survey Party Chief	22.47
99831 - Surveying Aide	14.91
99832 - Surveying Technician	20.43
99840 - Vending Machine Attendant	14.15
99841 - Vending Machine Repairer	18.00
99842 - Vending Machine Repairer Helper	14.15

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors, applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is the victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

ALL OCCUPATIONS LISTED ABOVE RECEIVE THE FOLLOWING BENEFITS:

HEALTH & WELFARE: \$4.48 per hour or \$179.20 per week or \$776.53 per month

HEALTH & WELFARE EO 13706: \$4.18 per hour, or \$167.20 per week, or \$724.53 per month\*

\*This rate is to be used only when compensating employees for performance on an SCA-covered contract also covered by EO 13706, Establishing Paid Sick Leave for Federal Contractors. A contractor may not receive credit toward its SCA obligations for any paid sick leave provided pursuant to EO 13706.

VACATION: 2 weeks paid vacation after 1 year of service with a contractor or successor, 3 weeks after 8 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)).

# AMENDMENT OF SOLICITATION/CONTRACT (AGREEMENT)

1. AMENDMENT OF:  SOLICITATION  CONTRACT (AGREEMENT)

SOLICITATION/CONTRACT NUMBER LWD 19-137	AMENDMENT NUMBER One (1)	CONTRACT CONTROL NO. (If Applicable)
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2. IF A SOLICITATION AMENDMENT

Refer to Section I "Instructions to Offerors" on reverse of this form and the following as indicated:

a. The time and date specified for receipt of proposals is:

Not extended

Extended until (local time at place of receipt of proposals)

Hour \_\_\_\_\_ Date \_\_\_\_\_

M, \_\_\_\_\_

b. The above solicitation is modified as set forth in Block 4 below.

3. IF A CONTRACT AMENDMENT

Refer to Section II "Instructions to Contractors" on reverse of this form and the following as indicated:

a. The expiration date of the above CONTRACT is changed:

FROM \_\_\_\_\_ TO \_\_\_\_\_

b. The above CONTRACT is:

Not further modified.

Modified as set forth in Block 4 below.

4. DESCRIPTION OF AMENDMENT.

This amendment is being issued in accordance with Exhibit A, General Provisions, paragraph 5, Modifications and Additions (May 04).

Exhibit E, Fee Schedule is revised as follows: EFFECTIVE DATE: 01 April 2020 to 01 June 2020 (60 day review).

Fee will change from (b)(4) flat fee per month (b)(4)

NOTE: (b)(4)

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

IN ALL OTHER RESPECTS, THE TERMS AND CONDITIONS OF THE SOLICITATION/CONTRACT, AS AMENDED, REMAIN IN FULL FORCE AND EFFECT.

### SIGNATURES

5. NAME AND ADDRESS OF OFFEROR/CONTRACTOR  
(Street, City, County, State, and Zip Code)

Fast Break Sportswear, LLC  
ATTN: (b)(6)  
3029 Termaine Drive  
Flower Mound, TX 75022

6. ISSUED BY

Army & Air Force Exchange Service  
Attn: PZ-PO((b)(6))  
3911 S. Walton Walker Blvd.  
Dallas, TX 75236

SIGNATURE OF PERSON AUTHORIZED TO SIGN  
(b)(6)

DATE  
5/11/2020

TYPED OR  
President

SIGNATURE OF CONTRACTING OFFICER  
(b)(6)

DATE  
12 May 2020

OF CONTRACTING OFFICER

## 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.