

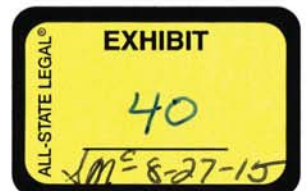
IN THE UNITED STATES COURT OF FEDERAL CLAIMS

NATIONAL AIR CARGO)	
GROUP, INC., ET AL.,)	
)	
)	
)	
Plaintiffs,)	
v.)	Case No.: 1:13-cv-00764-MMS
)	
THE UNITED STATES)	
OF AMERICA,)	
)	
Defendant.)	
_____)	

NOTICE OF DEPOSITION

PLEASE TAKE NOTICE that, pursuant to Rule 30(b) of the Rules of the United States Court of Federal Claims, Plaintiffs National Air Cargo Group, Inc., and Commerce and Industry Insurance Company (collectively, "Plaintiffs") will take the deposition upon oral examination of **Ms. Gail Jorgenson**, Director, Acquisition Directorate, United States Transportation Command, 508 Scott Drive, Scott Air Force Base, Illinois 62225-5375 on **Thursday, August 27, 2015, commencing at 10:00 a.m.**, at the offices of Dentons US LLP, One Metropolitan Square 211 N. Broadway, Suite 3000, St. Louis, MO 63102-2741, and continuing from day to day until completed.

The deposition noticed herein will be taken before a person duly authorized to administer oaths by federal law or by the law in the place of examination; or a person appointed by the court to administer oaths and take testimony. The deposition will be recorded by stenographic means. The deposition will be taken pursuant to, and for all purposes permitted by, the Rules of the United States Court of Federal Claims and federal law.



Dated: August 7, 2015

By: Jessica C. Abrahams / by JAE
Jessica C. Abrahams, Esq.
jessica.abrahams@dentons.com
DENTONS US LLP
1900 K Street, N.W.
Washington, D.C. 20006
Telephone: (202) 496-7204
Facsimile: (202) 496-7756

*Attorneys for Plaintiffs
National Air Cargo Group, Inc.
and Commerce and Industry Insurance Company*

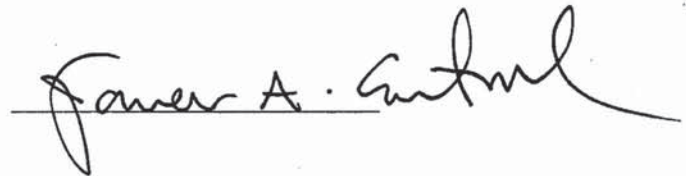
Of Counsel

Mark A. Dombroff, Esq.
James A. Eastwood, Esq.
DENTONS US LLP
1676 International Drive - Penthouse
McLean, VA 22102
Telephone: (703)-336-8800
Facsimile: (703)-336-8750

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Notice of Deposition was deposited in the U.S. Mail, postage prepaid, on this 7th day of August, 2015, addressed to:

Heidi L. Osterhout
Trial Attorney
Commercial Litigation Branch
Civil Division
United States Department of Justice
P.O. Box 480
Ben Franklin Station
Washington, D.C. 20044

A handwritten signature in cursive script, reading "James A. Gutzwiller", is written over a horizontal line.



UNITED STATES TRANSPORTATION COMMAND
508 SCOTT DRIVE
SCOTT AIR FORCE BASE, ILLINOIS 62225-5357

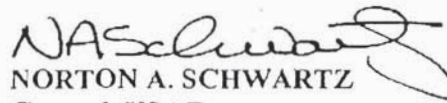
24 June 2008

MEMORANDUM FOR ACTING ADMINISTRATOR
FEDERAL AVIATION ADMINISTRATION
ATTENTION: MR. ROBERT STURGELL

FROM: TCCC

SUBJECT: Request to Continue Non-Premium War Risk Insurance

1. United States Transportation Command (USTRANSCOM) requests the Federal Aviation Administration (FAA) continue to provide aviation war risk insurance for USTRANSCOM-contracted civil air missions supporting the following: Operations ENDURING FREEDOM and IRAQI FREEDOM in the Southwest Asia area of responsibility (AOR), and any mission in the United States Central Command (USCENTCOM) AOR as authorized under 49 USC Section 44305.
2. Due to the security situation in these regions, carriers may incur unusually hazardous risks. In such cases, USTRANSCOM and the concerned airlines will seek approval for such flights from the FAA as may be required by Special Federal Aviation Regulation (SFAR). We request your approval of non-premium hull and liability war risk insurance for cargo, passenger, and aeromedical missions to cover all carriers when flying missions to the USCENTCOM AOR under contract with USTRANSCOM through 30 September 2009, or through expiration of the contracts, if extended.
3. USTRANSCOM Contracting Officers will continue to e-mail the FAA contract information that specifies the purchase of airlift (B pages) to 9-awa-apo-aviation-insurance@faa.gov.
4. USTRANSCOM point of contact is Ms. Gail M. Jorgenson, Acting Director of Acquisition (TCAQ), at (618) 256-4300.


NORTON A. SCHWARTZ
General, USAF
Commander

cc:
Secretary of Transportation
Deputy Secretary of Defense
Vice Chairman Joint Chiefs of Staff
Commander, Air Mobility Command

USTC 00012605



UNITED STATES TRANSPORTATION COMMAND
508 SCOTT DRIVE
SCOTT AIR FORCE BASE, ILLINOIS 62225-5357

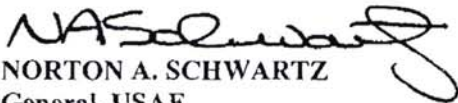
23 August 2007

MEMORANDUM FOR ADMINISTRATOR
FEDERAL AVIATION ADMINISTRATION
ATTENTION: MS MARION C. BLAKEY

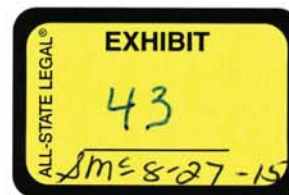
FROM: TCCC

SUBJECT: Request to Continue Non-Premium War Risk Insurance

1. The United States Transportation Command (USTRANSCOM) requests the Federal Aviation Administration (FAA) continue to provide aviation war risk insurance for Air Mobility Command (AMC)-contracted civil air missions supporting the following: Operations ENDURING FREEDOM and IRAQI FREEDOM in the Southwest Asia area of responsibility (AOR), and any mission in the United States Central Command (USCENTCOM) AOR as authorized under 49 USC Section 44305.
2. Due to the security situation in these regions, carriers may incur unusually hazardous risks. In such cases, Air Mobility Command and the concerned airlines will seek approval for such flights from the FAA as required by Special Federal Aviation Regulation (SFAR). We request your approval of non-premium hull and liability war risk insurance for cargo, passenger, and aeromedical missions to cover all carriers when flying missions to the USCENTCOM AOR under contract with USTRANSCOM through 30 September 2008, or through expiration of the contracts, if extended.
3. USTRANSCOM Contracting Officers will continue to e-mail the FAA contract information that specifies the purchase of airlift (B pages) to 9-awa-apo-aviation-insurance@faa.gov.
4. USTRANSCOM point of contact is Ms Gail M. Jorgenson, Acting Director of Acquisition (TCAQ), at (618) 256-4300.


NORTON A. SCHWARTZ
General, USAF
Commander

cc:
Secretary of Transportation
Deputy Secretary of Defense
Vice Chairman Joint Chiefs of Staff
Commander, Air Mobility Command



USTC 00016843

DRAFT

July 18, 2013

Air Operator
Address
Address

Notice of Effective Insurance Under FAA Non-Premium Hull and Liability War Risk Policy
Hull and Liability Policy # NON-PR-H&L-9.28.11.____
Effective Period: July ____ - 2013 – September 30, 2013

FAA non-premium war risk insurance is provided as follows:

- At the request from Gail Jorgenson, Director, Acquisition, USTRANSCOM to FAA Acting Administrator Michael Huerta on September 12, 2012.
- FAA will provide non-premium hull and liability war risk insurance for air operators flying only under an International Airlift Contract (commonly referred to as a CRAF Contract) for missions in support of *Operation ENDURING FREEDOM* and any mission in the United States Central Command (USCENTCOM) that is specifically scheduled under the CRAF Contract. This includes entitlement and expansion operations as specified in the CRAF Contract for FY 2013.
- Copies of correspondence from USTRANSCOM requesting insurance and FAA response are available in FAA Insurance Data Management System under *Notice of Effective Coverage Correspondence*. The list of CRAF operators who have been awarded CRAF Contracts for FY 2013 and for whom FAA non-premium war risk insurance is being provided is also available in the same location. The list includes the name of the air operator and the contract number for which USTRANSCOM has requested insurance.
- Insurance for missions flown under any other DOD Contract is not provided under this notice of effective coverage.

This notice of effective coverage does not provide insurance for airlift services during an activation of the Civil Reserve Air Fleet. If CRAF is activated, non-premium war risk insurance will be provided under a separate notice of effective coverage at the request of USTRANSCOM and the agreement by FAA.

All FAA non-premium war risk insured flights must comply with any active Special Federal Aviation Regulation (SFAR) issued by the FAA or the air carrier must obtain the necessary approvals or exemptions from the SFAR in order to receive insurance coverage.



USTC 00018186



UNITED STATES TRANSPORTATION COMMAND

508 SCOTT DRIVE
SCOTT AIR FORCE BASE, ILLINOIS 62225-5357

MEMORANDUM FOR ADMINISTRATOR
FEDERAL AVIATION ADMINISTRATION
ATTENTION: MR MICHAEL P. HUERTA, FAA
Administrator

FROM: USTRANSCOM/AQ

SUBJECT: Request to Continue Non-Premium War Risk Insurance for FY 13/14 CRAF Contract Missions

1. United States Transportation Command (USTRANSCOM) requests the Federal Aviation Administration (FAA) continue to provide aviation war risk insurance coverage for USTRANSCOM Commercial Charter Airlift Services Contract (otherwise known as the Civil Reserve Air Fleet (CRAF) Contract) ~~contracted~~ civil air missions supporting Operation ENDURING FREEDOM in Southwest Asia area of responsibility (AOR), and any other CRAF mission in the United States of Central Command (USCENTCOM) area of responsibility (AOR) as authorized under 49 USC Section 44305. This request covers only carriers performing charter services under the CRAF contract in support of USTRANSCOM missions awarded pursuant to Solicitation, HTC711-12-R-C004.

2. Due to the security concerns and situation instability in these regions, carriers performing charter services under the CRAF contract may incur unusually hazardous risks. In such cases, USTRANSCOM and the concerned airlines will seek approval for such flights from the FAA as may be when required by Special Federal Aviation Regulation. We request your approval of non-premium hull and liability war risk insurance coverage for contracted cargo and passenger missions. This insurance will to cover all carriers on contracted CRAF flights when flying missions to the USCENTCOM AOR under the Commercial Charter Airlift Services Contracts awarded under Solicitation, HTC711-12-R-C004, with USTRANSCOM from for the period 01 October 2013 through 30 September 2014.

3. USTRANSCOM My point of contact is (b)(6) Chief, Contract Airlift Division at 618-220-7065.

Gail M. Jorgenson
SES, DAF
Director, Acquisition

cc:



USTC 00018188



UNITED STATES TRANSPORTATION COMMAND

508 SCOTT DRIVE
SCOTT AIR FORCE BASE, ILLINOIS 62225-5357

Secretary of Defense
Deputy Secretary of Defense
Vice Chairman Joint Chiefs of Staff
Commander, United States Transportation Command
Commander, Air Mobility Command

USTC 00018189



AG

Acquisition Directorate

Ms Gail Jorgenson

Together, we deliver.

UNCLASSIFIED



Topics of Discussion



- Role of the Executive Working Groups
- Universal Services Contract (06 vs 07)
- Multimodal Program
- Civil Reserve Air Fleet

TCAQ-R

UNCLASSIFIED

Together, we deliver.
Current as of 13 Mar 12



UNCLASSIFIED

Executive Working Groups



- Executive Working Groups (EWG) were created as an advisory body used to strengthen the strategic relationship between DOD, DOT, and our Civil Reserve Air Fleet (CRAF) and Voluntary Intermodal Sealift Agreement (VISA) partners

- EWGs are not a forum for contract negotiations or discussions. The focus is to exchange information about commercial best practices and address issues impacting each industry as a whole

- CRAF and VISA EWGs are held separately since a majority of the topics discussed are specific to each industry

TCAQ

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Current as of 23 Mar 12

UNCLASSIFIED



USC-6 Comparison to USC-7

Top Eight Issues

Together, we deliver.



USC-6 to USC-7



- Performance Measurement
 - More detailed categories; measured on COCOM & NDN basis
- Electronic Data Interchange (EDI)
 - Additional transactions to capture entering/exiting storage areas and authorized delays
- Container Detention Terms
 - Lowered purchase prices; streamlined free-time/detention calculation in exigency areas (Afghanistan, Iraq & Pakistan); can purchase container after 60 days of detention versus 90
- Driver Wait Time in Afghanistan
 - Increased daily wait time charge from \$100 to \$150 per day

Together, we deliver.



USC-6 to USC-7



- **Bunker Adjustment Factor (BAF)**
 - Changed formula (lower tech factors) results in 11% decrease in BAF surcharges payments per container or piece
- **Armed Vessel Security**
 - Changed from “cost-reimbursement” to “firm fixed-price”
- **Service Contract Act (SCA)**
 - Incorporated in USC for the first time
 - Requires carriers to pay Department of Labor mandated minimum wages for designated labor categories
- **Satellite Enabled Tracked & Intrusion Detection (SETID)**
 - Removed from USC; to be procured as a stand-alone contract

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Multimodal Acquisition

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Multimodal Program



- An urgent requirement generated from severe cargo bottlenecks at the border and deteriorating security on roads in Pakistan and Afghanistan ; action was required to expedite cargo by air to avoid physical injury or death to DoD personnel
- Multimodal transportation services to provide door-to-door or port-to-door global movement of DoD and other US Government cargo
- As an interim solution, USC-6 was modified to provide multimodal service

TCAQ-R

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Current as of 13 Mar 12

UNCLASSIFIED

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Major Industry Comment Areas



- NTE Rates/Spot Bid Process
 - Rate structure determined to be in the Government's best interest
- Detention
 - Not included
- Liability
 - All-encompassing
- CRAF/VISA Preferences
 - Ordering procedures revised
- Service Contract Act
 - Required by law

TCAQ-R

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Together, we deliver.
Current as of 13 Mar 12



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Acquisition Milestones



Issue Solicitation	27 Mar 12
Receive Proposals	27 Apr 12
Discussions	9 May – 8 Jun 12
Award Contract	1 Aug 12
Contract Start	15 Aug 12

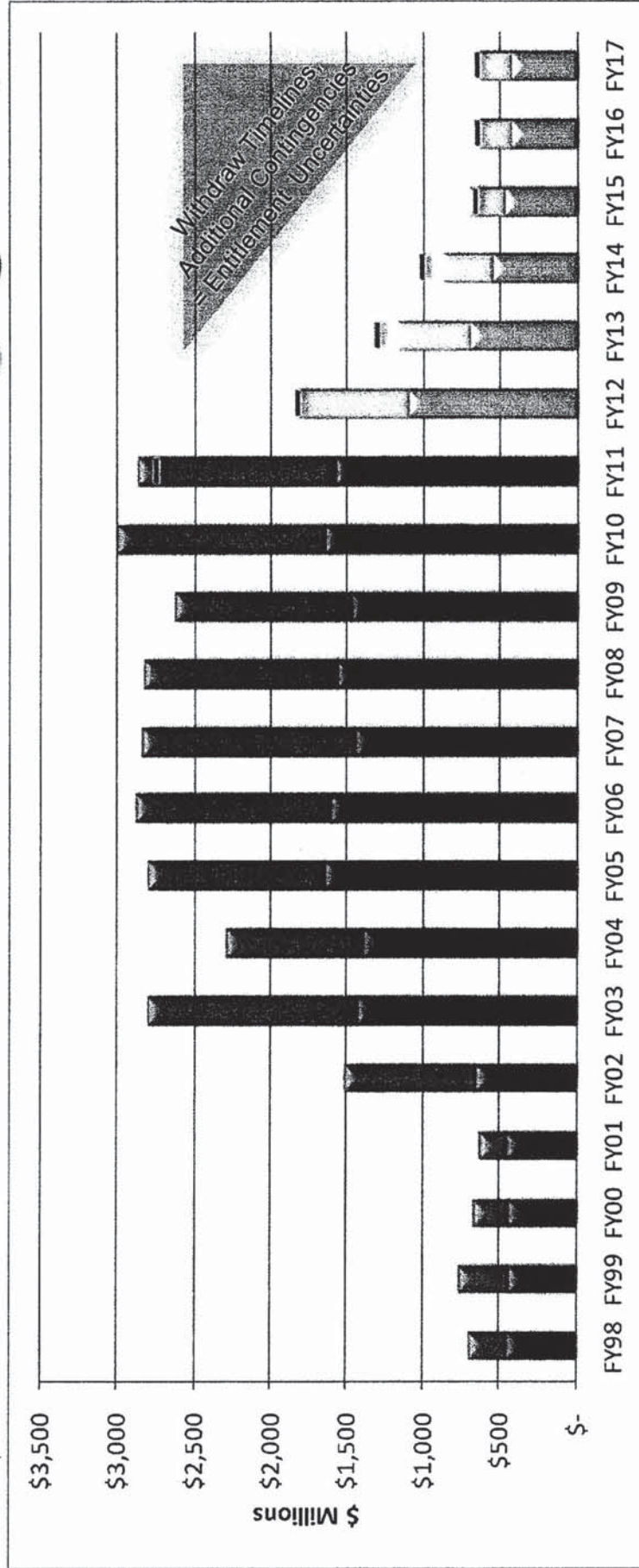


Civil Reserve Air Fleet

Together, we deliver.



CRAF FY12-FY17 Projected Expenditures (Jan 2012)



FY 11 Dollars

■ Cargo ■ PAX ■ Aug 2011 Totals

Projection based on gradual, conditions-based drawdown in OEF; Reductions in projected entitlements important to decision context

TCJ3-G, JDPAC

Together, we deliver.
Current as of 24 JAN 12



CRAF EWG



- Collaborated to:
 - Continued emphasis to provide preference to modern/fuel efficient aircraft through the buying process
 - Increase Reliability
 - Maintain the partnership during the making process and impacts from reduce resources and requirements

Together, we deliver.



CRAF Study



- Focus: Maintaining Viable CRAF Program - Post OEF
- Statement of Work in Coordination
- Balancing Government Interests/Mandates with Industry Dynamics
- Ensuring Modern/Fuel Efficient CRAF Fleet
- Impact of Crew Rest/Fatigue Rule on DOD Mission
- USTC/AMC Experts Part of Study Team
 - Anticipate Carrier Involvement

Together, we deliver.

From: Jorgenson, Gail M SES TRANSCOM (US)
Sent: Friday, July 19, 2013 10:40 AM
To: (b)(6) USARMY TRANSCOM TCJA (US);
(b)(6)@ustranscom.mil; (b)(6); (b)(6) (b)(6) (b)(6)
(b)(6)
(b)(6)
Cc: (b)(6)@ustranscom.mil; (b)(6)@ustranscom.mil
Subject: FW: National Air Cargo Insurance Concerns - Acquisition Sensitive
Importance: High

Team,

(b)(5)

Caution: This message may contain competitive, sensitive or other non-public information not intended for disclosure outside official government channels. Do not disseminate this message outside of official channels without the approval of the U.S. Transportation Command Component Acquisition Executive. If you received this message in error, please notify the sender by reply e-mail and delete all copies of this message.

-----Original Message-----

From: William.Fraser@ustranscom.mil [mailto:William.Fraser@ustranscom.mil]
Sent: Friday, July 19, 2013 9:29 AM
To: Jorgenson, Gail M SES TRANSCOM (US)
Cc: (b)(6)@ustranscom.mil; (b)(6)@ustranscom.mil; (b)(6)@ustranscom.mil;
(b)(6)@ustranscom.mil; (b)(6) USARMY TRANSCOM TCJA (US);
(b)(6)@ustranscom.mil; (b)(6)@ustranscom.mil; (b)(6) (US); Goodwin, Scott P BGEN USAF (US); Zadahs, Timothy M MAJGEN USAF (US); Faulkenberry, Barbara J MAJGEN USAF (US);
(b)(6)@ustranscom.mil; (b)(6)@ustranscom.mil; (b)(6)@ustranscom.mil;
(b)(6)@ustranscom.mil; (b)(6)@ustranscom.mil; (b)(6)@ustranscom.mil; (b)(6)
(b)(6)@ustranscom.mil; (b)(6)@ustranscom.mil; (b)(6) D CIV TRANSCOM (US);
(b)(6)@ustranscom.mil

Subject: RE: National Air Cargo Insurance Concerns - Acquisition Sensitive
Importance: High

(b)(5)

Will

-----Original Message-----

From: Jorgenson, Gail M SES TRANSCOM (US) [mailto:gail.m.jorgenson.civ@mail.mil]
Sent: Friday, July 19, 2013 7:42 AM
To: Fraser, Will Gen USTRANSCOM CC



Cc: Gainey, Kathleen LTG USTRANSCOM DC; Couch, Gregory MG USTRANSCOM CS; Cox, Samuel Maj Gen USTRANSCOM J3; Brown, Andy RADM USTRANSCOM J5J4; (b)(6) JSARMY TRANSCOM (US); (b)(6) USTRANSCOM J3; (b)(6) USTRANSCOM J5; (b)(6) USAF AMC A3/A3B; GOODWIN, SCOTT P BGen USAF AMC AMC/A3; ZADALIS, TIMOTHY M MajGen USAF AETC AETC/A2/3/10; FAULKENBERRY, BARBARA J MajGen USAF AMC 18 AF/CV (b)(6) USTRANSCOM CC; (b)(6) USTRANSCOM DC; (b)(6) USTRANSCOM CS; Bartlev, John SES USTRANSCOM AQ; (b)(6) USTRANSCOM AQ; (b)(6) USTRANSCOM AQ; (b)(6) USTRANSCOM AQ; (b)(6) TRANSCOM (US)

Subject: National Air Cargo Insurance Concerns - Acquisition Sensitive

General Fraser,

(b)(5)



(b)(5) & (b)(6)



Very respectfully,
Gail

Caution: This message may contain competitive, sensitive or other non-public information not intended for disclosure outside official government channels. Do not disseminate this message outside of official channels without the approval of the U.S. Transportation Command Component Acquisition Executive. If you received this message in error, please notify the sender by reply e-mail and delete all copies of this message.

From: Kathleen.Gainey@ustranscom.mil
Sent: Saturday, July 20, 2013 8:05 AM
To: Jorgenson, Gail M SES TRANSCOM (US) (b)(6) JSARMY
TRANSCOM TCJA (US)
Cc: Marshall.Ramsey@ustranscom.mil
Subject: RE: National Air Cargo Insurance Concerns - Acquisition Sensitive

(b)(5)

VR/ Kathy
Kathleen M. Gainey
LTG, US Army
USTRANSCOM Deputy Commander
DSN 779-2478 or 618-229-2478
Cell: (b)(6)
Kathleen.gainey@ustranscom.mil
Kathleen.gainey@ustranscom.smil.mil

-----Original Message-----

From: Jorgenson, Gail M SES TRANSCOM (US)
[mailto:gail.m.jorgenson.civ@mail.mil]
Sent: Friday, July 19, 2013 3:24 PM
To: Fraser, Will Gen USTRANSCOM CC
Cc: Gainey, Kathleen LTG USTRANSCOM DC; Couch, Gregory MG USTRANSCOM CS;
Cox, Samuel Maj Gen USTRANSCOM J3; Brown, Andy RADM USTRANSCOM J5J4;
(b)(6) USARMY TRANSCOM (US); (b)(6) USTRANSCOM
J3; (b)(6) USTRANSCOM J5; (b)(6) USAF AMC
A3/A3B; GOODWIN, SCOTT P BGen USAF AMC AMC/A3; ZADALIS, TIMOTHY M MajGen
USAF AETC AETC/A2/3/10; FAULKENBERRY, BARBARA J MajGen USAF AMC 18 AF/CV;
(b)(6) USTRANSCOM CC; (b)(6) USTRANSCOM
DC; (b)(6) USTRANSCOM CS; Bartley, John SES USTRANSCOM AQ; (b)(6)
(b)(6) USTRANSCOM AQ; (b)(6) USTRANSCOM AQ; (b)(6)
(b)(6) USTRANSCOM AQ; (b)(6) USTRANSCOM AQ; (b)(6)
(b)(6) TRANSCOM (US); Jorgenson, Gail M SES TRANSCOM (US)
Subject: RE: National Air Cargo Insurance Concerns - Acquisition Sensitive

Sir,

(b)(5)

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Acquisition Executive. If you received this message in error, please notify the sender by reply e-mail and delete all copies of this message.

-----Original Message-----

From: Jorgenson, Gail M SES TRANSCOM (US)

Sent: Friday, July 19, 2013 7:42 AM

To: Fraser, Will Gen USTRANSCOM CC

Cc: 'Kathleen.gainey@ustranscom.mil'; Gregory.Couch@ustranscom.mil; Cox,

Samuel.Mai.Gen.USTRANSCOM.J3;(b)(6)@ustranscom.mil'; (b)(6)

(b)(6)@ustranscom.mil'; USARMY TRANSCOM 1CJA (US); Thomas.Murphy@ustranscom.mil;

(b)(6)@ustranscom.mil'; (b)(6)@ustranscom.mil'; US); Goodwin, Scott P

BOGEN USAF (US); Zadalis, Timothy M MAJGEN USAF (US); Faulkenberry, Barbara J

MAJGEN USAF (US); (b)(6)@ustranscom.mil';

(b)(6)@ustranscom.mil'; (b)(6)@ustranscom.mil';

John.Bartley@ustranscom.mil'; (b)(6)@ustranscom.mil'; (b)(6)@ustranscom.mil';

(b)(6)@ustranscom.mil'; (b)(6)@ustranscom.mil';

(b)(6)@ustranscom.mil'; (b)(6)@ustranscom.mil'; TRANSCOM (US)

Subject: National Air Cargo Insurance Concerns - Acquisition Sensitive

General Fraser,

(b)(5)



USTC 00022194

(b)(5)



Very respectfully,
Gail

Caution: This message may contain competitive, sensitive or other non-public information not intended for disclosure outside official government channels. Do not disseminate this message outside of official channels without the approval of the U.S. Transportation Command Component Acquisition Executive. If you received this message in error, please notify the sender by reply e-mail and delete all copies of this message.

From: SELVA, PAUL J Gen USAF AMC AMC/CC <paul.selva@us.af.mil>
Sent: Monday, May 13, 2013 1:46 PM
To: GOODWIN, SCOTT P BGen USAF AMC AMC/A3
Cc: ALLARDICE, ROBERT R LtGen USAF AMC AMC/CV;
'/O=ORGANIZATION/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=AFDS-samuel.d.cox2.mil'; (b)(6)
(b)(6) USAF AFELM US TRANSCOM JT/TCJ3-D; JORGENSEN, GAIL M SES USAF AFELM US TRANSCOM JT/TCAQ; MCDEW, DARREN W LtGen USAF AMC 18 AF/CC; FAULKENBERRY, BARBARA J MajGen USAF AMC 18 AF/CC; MARTIN, LAWRENCE M JR BGen USAF AMC TACC/CV; KIM, MICHAEL D MajGen USAF AMC A3/MA; FAGO, JON F BGen USAF AMC A3/A3; (b)(6) USAF AMC A3/DA3; (b)(6) USAF AMC A3/DA3-1; (b)(6) USAF AMC AMC/A3S; MIDDLETON, RICHARD O II BGen USAF AMC A4; (b)(6) USAF AMC AMC/CCE; (b)(6) USAF AMC AMC/CVE; (b)(6) USAF AMC A3/A3B; Levy, Lee K II BGEN USAF CENTCOM CDDOC (US); (b)(6) @ustranscom.mil; ALLVIN, DAVID W MajGen USAF AMC TACC/CC
Subject: Re: FAA Concerns Over Commercial Cargo Load Procedures

Outstanding. Thanks.

Paul

----- Original Message -----

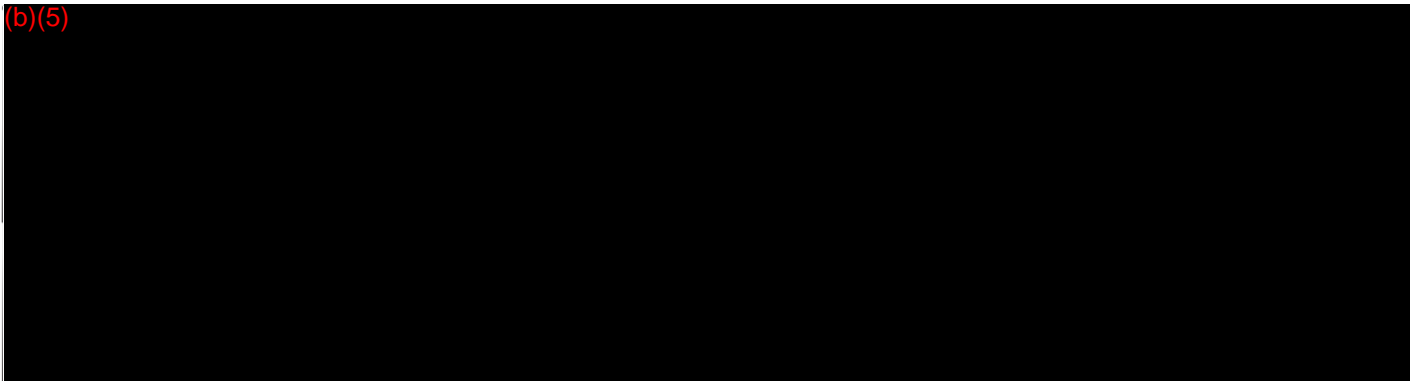
From: GOODWIN, SCOTT P BGen USAF AMC AMC/A3
Sent: Monday, May 13, 2013 12:24 PM
To: SELVA, PAUL J Gen USAF AMC AMC/CC
Cc: ALLARDICE, ROBERT R LtGen USAF AMC AMC/CV; Cox, Samuel D MAJGEN USAF (US); (b)(6) USAF AFELM US TRANSCOM JT/TCJ3-D; JORGENSEN, GAIL M SES USAF AFELM US TRANSCOM JT/TCAQ; MCDEW, DARREN W LtGen USAF AMC 18 AF/CC; FAULKENBERRY, BARBARA J MajGen USAF AMC 18 AF/CC; MARTIN, LAWRENCE M JR BGen USAF AMC TACC/CV; KIM, MICHAEL D MajGen USAF AMC A3/MA; FAGO, JON F BGen USAF AMC A3/A3; (b)(6) USAF AMC A3/DA3; (b)(6) USAF AMC A3/DA3-1; (b)(6) USAF AMC AMC/A3S; MIDDLETON, RICHARD O II BGen USAF AMC A4; (b)(6) USAF AMC AMC/CCE; (b)(6) USAF AMC AMC/CVE; (b)(6) USAF AMC A3/A3B; Levy, Lee K II BGEN USAF CENTCOM CDDOC (US); (b)(6) @ustranscom.mil; (b)(6) @ustranscom.mil; ALLVIN, DAVID W BGen USAF AMC TACC/CC
Subject: RE: FAA Concerns Over Commercial Cargo Load Procedures

Sir,

(b)(5)



(b)(5)



V/R

Scott

-----Original Message-----

From: SELVA, PAUL J Gen USAF AMC AMC/CC

Sent: Saturday, May 11, 2013 10:38 AM

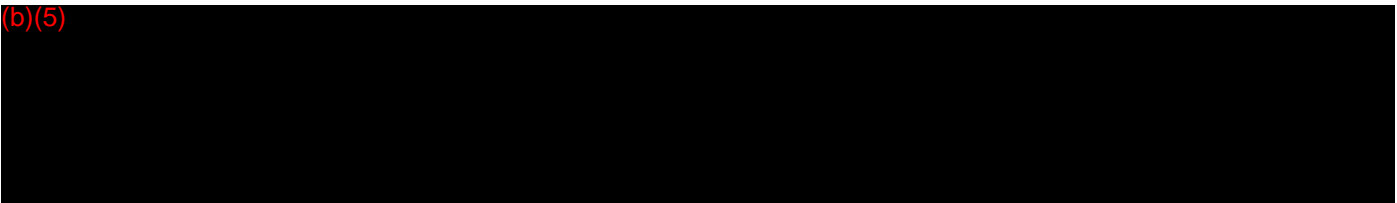
To: ALLVIN, DAVID W MajGen USAF AMC TACC/CC; GOODWIN, SCOTT P BGen USAF AMC AMC/A3

Cc: ALLARDICE, ROBERT R LtGen USAF AMC AMC/CV; Cox, Samuel D MAJGEN USAF (US); (b)(6) USAF AFELM US TRANSCOM JT/TCJ3-D; JORGENSON, GAIL M SES USAF AFELM US TRANSCOM JT/TCAQ; MCDEW, DARREN W LtGen USAF AMC 18 AF/CC; FAULKENBERRY, BARBARA J MajGen USAF AMC 18 AF/CV; MARTIN, LAWRENCE M JR BGen USAF AMC TACC/CV; KIM, MICHAEL D MajGen USAF AMC A3/MA; FAGO, JON F BGen USAF AMC A3/A3; (b)(6) USAF AMC A3/DA3; (b)(6) USAF AMC A3/DA3-1; (b)(6) USAF AMC AMC/A3S; MIDDLETON, RICHARD O II BGen USAF AMC A4; (b)(6) USAF AMC AMC/CCE; (b)(6) USAF AMC AMC/CVE; (b)(6) USAF AMC A3/A3B

Subject: Re: FAA Concerns Over Commercial Cargo Load Procedures

Dave,

(b)(5)



Paul

----- Original Message -----

From: ALLVIN, DAVID W MajGen USAF AMC TACC/CC

Sent: Saturday, May 11, 2013 10:25 AM

To: GOODWIN, SCOTT P BGen USAF AMC AMC/A3; SELVA, PAUL J Gen USAF AMC AMC/CC

Cc: ALLARDICE, ROBERT R LtGen USAF AMC AMC/CV; Cox, Samuel D MAJGEN USAF (US); (b)(6) USAF AFELM US TRANSCOM JT/TCJ3-D; JORGENSON, GAIL M SES USAF AFELM US TRANSCOM JT/TCAQ; MCDEW, DARREN W LtGen USAF AMC 18 AF/CC; FAULKENBERRY, BARBARA J MajGen USAF AMC 18 AF/CV; MARTIN, LAWRENCE M JR BGen USAF AMC TACC/CV; KIM, MICHAEL D MajGen USAF AMC A3/MA; FAGO, JON F BGen USAF AMC A3/A3; (b)(6) USAF AMC A3/DA3; (b)(6) USAF AMC A3/DA3-1; (b)(6) USAF AMC AMC/A3S; MIDDLETON, RICHARD O II BGen USAF AMC A4; (b)(6) USAF AMC AMC/CCE; (b)(6) USAF AMC AMC/CVE; (b)(6) USAF AMC A3/A3B

Subject: Re: FAA Concerns Over Commercial Cargo Load Procedures

Sir--
(b)(5)

Vr
Dave

----- Original Message -----

From: GOODWIN, SCOTT P BGen USAF AMC AMC/A3

Sent: Friday, May 10, 2013 06:38 PM

To: SELVA, PAUL J Gen USAF AMC AMC/CC

Cc: ALLARDICE, ROBERT R LtGen USAF AMC AMC/CV; Cox, Samuel D MAJGEN USAF (US); (b)(6)
USAF AFELM US TRANSCOM JT/TCJ3-D; JORGENSEN, GAIL M SES USAF AFELM US TRANSCOM JT/TCAQ; MCDEW,
DARREN W LtGen USAF AMC 18 AF/CC; FAULKENBERRY, BARBARA J MajGen USAF AMC 18 AF/CV; ALLVIN, DAVID W
MajGen USAF AMC TACC/CC; MARTIN, LAWRENCE M JR BGen USAF AMC TACC/CV; KIM, MICHAEL D MajGen USAF AMC
A3/MA; FAGO, JON F BGen USAF AMC A3/A3; (b)(6) USAF AMC A3/DA3; (b)(6) USAF AMC
A3/DA3-1; (b)(6) USAF AMC AMC/A3S; MIDDLETON, RICHARD O II BGen USAF AMC A4; (b)(6)
(b)(6) USAF AMC AMC/CCE; (b)(6) USAF AMC AMC/CVE; (b)(6) USAF
AMC A3/A3B

Subject: FAA Concerns Over Commercial Cargo Load Procedures

Sir,

(b)(5)

V/R

Scott

-----Original Message-----

From: (b)(6) USAF AMC A3/A3B

Sent: Friday, May 10, 2013 6:15 PM

To: GOODWIN, SCOTT P BGen USAF AMC AMC/A3

Cc: (b)(6) USAF AMC A3/DA3; (b)(6) USAF AMC A3/DA3-1; (b)(6) USAF
AMC AMC/A3S; (b)(6) USAF AMC A3/A3B; (b)(6) USAF AMC A3/A3BS;
(b)(6) USAF AMC A3/A3B; (b)(6) USAF AMC A3/A3BC

Subject: B-747 Update - FAA Call

Sir,

(b)(5)



V/R

Merle

(b)(6)

Chief, DOD Commercial Airlift Division
HQ AMC/A3B
402 Scott Drive, Unit 3A1
Scott AFB, IL 62225-5302
Comm: 618-229-4801

DSN: 779-4801



U.S. Department of Transportation
Federal Aviation Administration

800 Independence Ave., SW
Washington, DC 20591

Effective Date: June 1, 2011

Berry Aviation, Inc.
1807 Airport Drive
San Marcos, TX 78666

Notice of Effective Insurance Under FAA Non-Premium Hull and Liability War Risk Policies
Berry Aviation, Inc. - HTC711-10-D-R018 Fixed Wing
Hull Policy: NON-PR-HWR-BYA-10.13.95
Liability Policy: NON-PR-LWR-BYA-10.13.95
Effective Period: June 1, 2011 – May 31, 2012

Pursuant to the United States Transportation Command (USTRANSCOM) request of May 17, 2011 from Gail J. Jorgenson, Director, Acquisition to Richard Rankin, Manager, FAA Aviation Insurance Program Office, to provide non-premium war risk insurance to Berry Aviation, Inc. for Fixed Wing Contract HTC711-10-D-R018, the FAA will provide non-premium hull and liability war risk insurance for fixed wing missions within the United States Central Command AOR, flown under the above mentioned contract for the period June 1, 2011 – May 31, 2012.

FAA non-premium war risk insurance for hull and liability coverage as defined in your FAA non-premium insurance policies is provided under 49 USC 44305 and authorized under the Indemnification Agreement between the Department of Transportation and the Department of Defense, 10 USC 9514.

All FAA non-premium war risk insured flights must comply with any active Special Federal Aviation Regulation (SFAR) issued by the FAA, or the air carrier must obtain the necessary approvals or exemptions from the SFAR.

Liability coverage will be provided at the same limits specified in the Insured's commercial all risk insurance policy. Your airline should take notice that FAA war risk insurance covers both the airframe and engine value, but only for aircraft that are listed in the FAA Non-Premium Insurance Schedule of Aircraft. You should verify and/or amend this schedule as appropriate prior to the initiation of any chartered missions to ensure coverage for such operations.

Richard E. Rankin, Manager
Aviation Insurance Program Office, APL-20



File accessed on 2/16/2012 12:04

USTC 00003908

**VISIT OF MR WAYNE HEIBECK (DOT BAND L)
FEDERAL AVIATION ADMINISTRATION
MANAGER, MANAGEMENT STAFF APL-10/20
OFFICE OF POLICY, INTERNATIONAL AFFAIRS, AND
ENVIRONMENT
20 MARCH 2013**

**Tuesday: 19 March 2013
United States Transportation Command (USTRANSCOM)**

1. 1745 Flight arrives Lambert Aprt, St Louis MO (AA Flight #1392) TCJA
Drive to Fairview Inn, Fairview Heights, IL, by rental car

Check-in, Fairview Inn

Mr WAYNE Heibeck Mr SCOTT Hubbard

**Wednesday: 20 March 2013
United States Transportation Command (USTRANSCOM)**

2. 0730 Proceed from Fairfield Inn, Fairview Heights, to Scott AFB, USTRANSCOM by rental car TCJA

Mr Heibeck Mr Hubbard
3. 0815 Escorted to Stanford Conference Room by Mr Moore TCJA
4. 0830 USTRANSCOM 101 Brief, Stanford Conference Room TCCC-X

Mr Heibeck Mr CRAIG Koontz (Briefer)
Mr DWIGHT Moore
Mr Hubbard
Mr PAUL Garvin
Mr MIKE O'Malley
5. 0930 Break
6. 0945 Escorted to 618 TACC, Air Mobility Command, Bldg 1600 TCJA
by Mr Moore



- | | | | |
|-----|-------------|---|-------------|
| 7. | 1000 | Tour of Air Mobility Command's 618 TACC/Global Patient Movement Requirements Center (GPMRC) | TACC |
| | Mr Heibeck | MSgt JASON Schaub (Briefer)
Mr Moore
Mr Hubbard | |
| 8. | 1100 | Lunch – Scott Club, transported by Mr Moore | TCJA |
| | Mr Heibeck | Mr Moore
Mr Hubbard
Mr Garvin | |
| 9. | 1230 | Meet with TCJA Staff, Bldg 1961 | TCJA |
| | Mr Heibeck | Mr Hubbard
Mr Moore
Mr Garvin | |
| 10. | 1315 | Escorted to TCAQ Suite by Mr Moore, Bldg 1900-W | TCJA |
| | Mr Heibeck | Mr Hubbard | |
| 11. | 1330 | DOD-FAA Non-Premium Insurance Issues, TCAQ Director CR | TCJA |
| | Mr Heibeck | Ms GAIL Jorgenson
Ms SANDY Halama
Ms GINA Lee
Ms PAM Hall
Ms ELLEN Green
Ms TAMMY Thouvenot
Mr Moore
Mr Hubbard
Mr Garvin | |
| 12. | 1430 | Depart USTRANSCOM for Lambert Airport by rental car | TCJA |
| | Mr Heibeck | Mr Hubbard | |
| 13. | 1804 | Flight departs Lambert Aprt, Saint Louis, MO (AA flight #3362) | TCJA |
| | Mr Heibeck | Mr Hubbard | |

MISCELLANEOUS:

1. Visit OPR - Mr Paul Garvin, TCJA, 220-4125 or DSN 770-4125.
2. Visit Escort - Mr Dwight Moore, TCJA, 220-3982 or DSN 770-3982
3. Uniform of the Day for all participants
4. Lodging – Mr Heibeck and Mr Hubbard are staying at the Fairfield Inn, Fairview Heights, IL

From: (b)(6) USTRANSCOM AQ
Sent: Wednesday, May 29, 2013 12:22 PM
To: Jorgenson, Gail M SES TRANSCOM (US); (b)(6) USTRANSCOM AQ
Cc: Bartley, John SES USTRANSCOM AQ; (b)(6) USTRANSCOM AQ; (b)(6) USTRANSCOM AQ; (b)(6) USTRANSCOM AQ
Subject: RE: NAC War Risk Insurance Issue

(b)(5)

-----Original Message-----

From: Jorgenson, Gail M SES TRANSCOM (US)
[mailto:gail.m.jorgenson.civ@mail.mil]
Sent: Wednesday, May 29, 2013 10:35 AM
To: (b)(6) USTRANSCOM AQ; (b)(6) USTRANSCOM AQ
Cc: Bartley, John SES USTRANSCOM AQ; (b)(6) USTRANSCOM AQ; (b)(6) USTRANSCOM AQ; (b)(6) USTRANSCOM AQ
Subject: RE: NAC War Risk Insurance Issue

(b)(5)

-----Original Message-----

From: (b)(6)@ustranscom.mil [mailto:(b)(6)@ustranscom.mil]
Sent: Wednesday, May 29, 2013 8:16 AM
To: Jorgenson, Gail M SES TRANSCOM (US); (b)(6)@ustranscom.mil
Cc: John.Bartley@ustranscom.mil; (b)(6)@ustranscom.mil;
(b)(6)@ustranscom.mil; (b)(6)@ustranscom.mil
Subject: RE: NAC War Risk Insurance Issue

Ma'am

(b)(5)



USTC 00022514

(b)(5)

Vr

(b)(6)

-----Original Message-----

From: Jorgenson, Gail M SES TRANSCOM (US)

[mailto:gail.m.jorgenson.civ@mail.mil]

Sent: Wednesday, May 29, 2013 6:35 AM

To: (b)(6) USTRANSCOM AQ; (b)(6) USTRANSCOM AQ

Cc: Bartley, John SES USTRANSCOM AQ; (b)(6) USTRANSCOM AQ; (b)(6)

(b)(6) USTRANSCOM AQ; (b)(6) USARMY TRANSCOM (US)

Subject: FW: NAC War Risk Insurance Issue

(b)(5)

(b)(5)

-----Original Message-----

From: Benjamin, Michael J COL USARMY TRANSCOM TCJA (US)

Sent: Tuesday, May 28, 2013 6:15 PM

To: Jorgenson, Gail M SES TRANSCOM (US)

Subject: NAC War Risk Insurance Issue

Ms. J -- I wanted to give you a heads up before I forwarded to the Third Deck. Can you please review and provide me any feedback. I want to send up before NAC makes contact or Third Deck is made aware thru other channels.

Many thanks,

Michael

Sir,

As you know, National Airlines (NAC), experienced the loss of a B-747 cargo aircraft at Bagram AB, Afghanistan on 29 Apr 2013. FAA was recently notified by the all risk insurance broker (Marsh Aviation) that they believe there may have been war risks involved in the loss of that aircraft. That does not match preliminary indications from the NTSB's investigation. However, Marsh Aviation may have new information or is just setting the stage for litigation. The aircraft hull was insured for \$40M and third party liability coverage (may include the claims for the 7 crew members lost) is up to \$500M. If war-risk insurance is involved, NAC may seek

(b)(5)



v/r,

(b)(6)

(b)(6)

US Army

Staff Judge Advocate
Office of the Staff Judge Advocate
United States Transportation Command
DSN 770-3982/(618)220-3982

FOR OFFICIAL USE ONLY. This electronic transmission may contain work-product or information protected under the attorney-client privilege, both of which are protected from disclosure under the Freedom of Information Act, 5 U.S.C 552. Do not release outside of DOD channels without the consent of the originator's office. If you received this message in error, please notify the sender by reply e-mail and delete all copies of this message.

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

NON PREMIUM HULL & LIABILITY WAR RISK
NON-PR-H&L-9.28.11-MUA

SECTION I: HULL POLICY

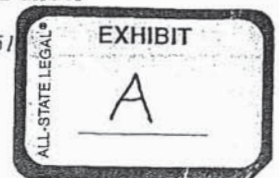
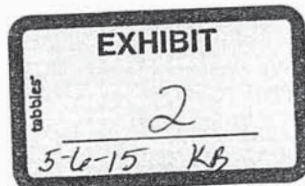
I. COVERAGE

The United States of America (hereinafter referred to as the Insurer), represented by the Administrator of the Federal Aviation Administration (FAA), hereinafter referred to as the Administrator, acting for the Secretary of Transportation, without premium shall provide by this Policy of Insurance, in accordance with applicable provisions of law and subject to all limitations thereof, and in consideration of the agreement of the Secretary of Defense to indemnify the Secretary of Transportation against all losses covered by insurance provided for United States or foreign air carriers having air transportation contracts with the Department of Defense (DOD) and the payment of binding fees, pursuant to 49 U.S.C. 44301-44310 (hereinafter Chapter 443), aircraft physical damage insurance for the aircraft described in the attached "Schedule of Aircraft Limits of Liability" (hereinafter the Schedule) for the account of **National Air Cargo Group, Inc. d/b/a National Airlines** (hereinafter referred to as the Insured) for risks associated with the operation of such aircraft by the Insured under a DOD contract.

II. AGREED AMOUNTS

A. The aircraft hull values set forth in the attached Schedule represent the amount of war risk physical damage insurance desired for each of such aircraft and shall be deemed to be the Sum Insured; provided, however, the Sum Insured for each aircraft shall be determined by the Administrator, in the exercise of his discretion pursuant to 49 USC 44302 and 44306, to be; (i) the amount that represents the fair and reasonable value of the aircraft, or (ii) the amount in effect on the commercial policy immediately prior to the activation of this insurance as set forth in the Schedule and/or FAA pre-approved self-insurance, or (iii) the cost to replace the aircraft with aircraft of like kind and quality, as determined by the Administrator. Loss, if any, payable to other than the Insured shall be as indicated on the Schedule attached to this Policy. It is the Insured's responsibility to review and confirm the accuracy of the Schedule. Confirmation will be assumed by all parties upon lack of dispute notification after the passage of ten (10) business days from receipt of the Schedule from the FAA.

B. The Insured agrees that, if the stipulated value of hull insurance carried against loss or damage from risks other than war risks is voluntarily reduced by the Insured on its commercial policy to an amount less than the Sum Insured value under this Policy, the Sum Insured under



this Policy shall be considered to have been automatically reduced to the new amounts at the time of such reduction on the commercial Policy. In the event that the Insured significantly increases the value of the specified aircraft through enhanced maintenance, noise prevention efforts, or the like, the value of the insured aircraft may be increased to reflect such improvements if the Insured can present satisfactory evidence of the value of the improvements to the FAA.

C. The Schedule may be revised from time to time by agreement of the Administrator and the Insured to add or delete aircraft, or to change aircraft registration numbers. The Insured shall inform the FAA of any changes to the loss payees or additional insureds, provided, however, any such changes of loss payees on the Insured's commercial policy will automatically be assumed and accepted by this Policy. Additionally, any loss payee or additional insured that the Insured is contractually obligated to name as a loss payee or an additional insured in its lease or mortgage agreements with respect to an insured aircraft will automatically be assumed and accepted by this Policy.

III. CONDITIONS

A. Subject to the terms, conditions, and exclusions of this Policy, this insurance covers all physical loss or damage to the aircraft described and set forth in the Schedule, including engines, navigational instruments, parts and equipment installed on said aircraft while being operated by the Insured anywhere in the world under a DOD contract including while the Insured's aircraft have been activated for the Civil Reserve Air Fleet (CRAF), provided such loss or damage results from a War Risk Occurrence.

1. War Risk Occurrences are defined as any loss or damage directly or indirectly arising from, or occasioned by, or happening through or in consequences of:

(1) War (whether declared or not) (including war between Great Powers), invasion, acts of foreign enemies, warlike hostilities, civil war, rebellion, revolution, insurrection, martial law, exercise of military or usurped power, or any attempt at usurpation of power.

(2) Any hostile detonation of any weapon of war, including any employing atomic or nuclear fission and/or fusion or other like reaction of radioactive force or matter.

(3) Strikes, riots, civil commotions, or labor disturbances.

(4) Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional, except for ransom or extortion payments.

(5) Any malicious act or act of sabotage, vandalism or other act intended to cause loss or damage.

(6) Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any foreign government (whether civil or

military or de facto) or foreign public or local authority.

(7) Hijacking or any unlawful seizure or wrongful exercise of control of the aircraft or crew (including any attempt at such seizure or control) made by any person or persons onboard the aircraft or otherwise, acting without the consent of the Insured.

(8) The discharge or detonation of a weapon or hazardous material while on the aircraft as cargo or in the personal baggage of any passenger, provided, however, that the cargo or passenger is on board the aircraft pursuant to the DOD contract.

Furthermore, this Policy, subject to the exclusions contained herein, covers claims arising while the aircraft is outside the control of the Insured by reason of any of the above perils. The aircraft shall be deemed to have been restored to the control of the Named Insured on the safe return of the aircraft to the Insured at an airfield not excluded by either the geographical limits of this Policy or the Insured's commercial Policy, and entirely suitable for the operation of the aircraft (such safe return shall require that the aircraft be parked with engines shut down with the crew under no duress). The Insurer waives no rights of subrogation or indemnification by virtue of this clause.

2. The Insurer will pay, subject to the terms, conditions, and exclusions of this Policy: (1) in respect to total loss, the Sum Insured; and (2) in respect to partial loss:

(a) If repairs are made by other than the Insured, the actual cost, as evidenced by bills rendered to the Insured less any discounts granted to the Insured, excluding the cost of overtime and its related overhead unless previously agreed to by the Insurer, to repair the damaged property with material or parts of like kind and quality, plus the reasonable cost of transporting new and/or damaged parts and/or the damaged aircraft to place of repair and the return of the repaired aircraft to the control of the Insured, plus the reasonable and necessary costs incurred by the Insured in association with these repairs.

(b) If repairs are made by the Insured, the total of the following items:

(i) Actual cost of material or parts of like kind and quality.

(ii) Actual wages paid for direct labor, excluding extra charges for overtime, unless such overtime is consistent with sound business practices and Insured's obligation to expeditiously and economically repair the damaged aircraft or property.

(iii) Overhead costs incurred by the Insured which shall be determined by the Administrator as 1) A reasonable percentage of Item (ii) in lieu of all overhead, including supervisory services, 2) actual overhead costs, or 3) the relevant percentage provided in the Insured's previously effective commercial hull Policy.

(iv) The reasonable cost of transporting new and/or the damaged parts and/or the damaged aircraft to place of repair and return of the repaired aircraft to place of accident or home airport, whichever is nearer.

(c) If repairs are not made and the aircraft is subsequently disposed of, then the estimated cost by the Administrator of making such repairs to the damaged property with material of like kind and quality or the difference between the fair and reasonable value of the aircraft before it was damaged and the value of the aircraft in its damaged state, whichever is less, as determined by the Administrator.

B. The amount due under this Policy in respect to a partial loss shall not exceed the Sum Insured should the loss payable be for a total loss. When the amount paid hereunder is equal to the Sum Insured, any salvage value remaining shall inure to the benefit of the Insurer. There shall, however, be no abandonment without the consent of the Insurer.

C. The Sum Insured, remaining after loss or damage from a War Risk Occurrence, shall be reduced by the amount of any loss or damage, whether or not covered by this Policy, until repairs have been completed and the value automatically restored in kind.

IV. PROMPT NOTICE OF LOSS

A. In the event of any War Risk Occurrence which may result in loss, damage, or expense for which the Insurer may become liable, prompt notice thereof, on being known to the Insured, shall be given by the Insured to the Administrator, provided, however, that failure to give such prompt notice because of the occasion of War Risk Occurrences or intervening regulations shall not prejudice this insurance.

B. Within 60 days after loss or damage, or expense for which the Insurer may become liable (unless such time is extended in writing by the Insurer), the Insured shall render to the Administrator a proof of loss claim signed and sworn to by the Insured stating the place, time, and cause of the loss or damage, the interest of the Insured and of all others in the aircraft, the fair and reasonable value at the time of the loss thereof, the amount and nature of the loss or damage, all encumbrances on the aircraft, all changes in title, and all other insurance covering said aircraft whether valid and collectible or not.

V. SUBROGATION RIGHTS

The Insurer shall be subrogated to all the rights which the Insured may have against any other person or entity, in respect of any payment made under this Policy, to the extent of such payment, and the Insured shall, upon the request of the Insurer, execute all documents necessary to secure to the Insurer such rights. The Insured shall do nothing after a loss covered by this Policy to the prejudice of such rights of the Insurer. The Insurer and Insured will cooperate fully in the investigation of any loss.

VI. INSURED AIRCRAFT AND PROPERTY

The insurance provided hereunder covers only loss or damage to the aircraft described in the Schedule while the aircraft is being operated by the Insured under a DOD contract and in compliance with said contract or during the entire period of activation and operation of the

aircraft for the Civil Reserve Air Fleet (CRAF) provided commercial insurance is not available on reasonable terms and conditions. Such operations under a DOD contract shall be deemed to include stop-overs, ground time, and ferry flights to position or de-position the aircraft.

VII. ACTIVATION/DEACTIVATION AND TERMINATION

A. This policy shall remain in effect until amended or terminated by the parties. Insurance coverage shall commence upon activation by FAA for specified contingencies in response to a request from DOD to provide Chapter 443 insurance.

B. This Policy shall terminate:

1. Upon effective expiration of the authority of the Secretary of Transportation, subject to retroactive reauthorization, to provide insurance pursuant to 49 USC 44310; or

2. Five (5) days after notice of termination has been directly communicated to the Insured by the Administrator. A confirmation copy of this notice will be sent thereafter by facsimile or other additional means of communication or delivery to the Insured, or

3. As to any aircraft or contract upon the date specified in a notice from the Insured to the Administrator requesting such termination.

C. The Insured warrants this Policy of Insurance is free from any claim for loss, damage, or expense covered under any commercial policy in effect for the benefit of the Insured. This Policy may be deactivated or terminated, in whole or in part, by the Administrator if comparable insurance becomes obtainable on reasonable terms and conditions from the Insured's regular commercial insurance company or companies authorized to do an insurance business in a State of the United States. The Insured agrees that it will promptly notify the Administrator of any significant change in the terms and conditions under which insurance of the type provided by this Policy is obtainable from such commercial sources.

VIII. AMERICAN AIRCRAFT

Unless specifically excepted by signed endorsement attached hereto, the Insured warrants that during the term of this insurance the aircraft insured hereunder are American aircraft as defined at 49 USC 44301(1): "the term 'American Aircraft' means any civil aircraft of the United States and any aircraft owned or chartered by, or made available to, the United States or any department or agency thereof, the government of any State, territory, or possession of the United States, or any political subdivision thereof, or the District of Columbia", and, if at any time during such term an aircraft shall cease to be an American aircraft as so defined, the insurance provided hereunder shall automatically terminate at the time of such change with respect to such aircraft without the return of the binding fee unless the Administrator of the FAA agrees otherwise.

IX. PAYMENT OF CLAIMS

A. The FAA shall make prompt payment in full of any claim covered under this policy after confirmation of loss. Any subsequent post-incident losses, directly related to the incident shall be covered by this Policy as a loss directly related to the original subject loss incident.

B. The FAA, may at its discretion, and at any time prior to the final settlement of any claim by the Insured, elect to make a partial payment to the Insured for any loss, damage, or expense covered by this Policy.

End of Section I: Hull Policy

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

NON-PREMIUM HULL & LIABILITY WAR RISK
NON-PR-H&L-9.28.11-MUA

SECTION II: LIABILITY POLICY

I. **COVERAGE:** The limits of liability contained in this policy are deemed to be those in effect in the policy holder's current commercial all risk insurance policy.

A. The United States of America (hereinafter referred to as the Insurer), represented by the Administrator of the Federal Aviation Administration (FAA), hereinafter referred to as the Administrator, acting for the Secretary of Transportation, without premium shall provide by this Policy of Insurance, in accordance with applicable provisions of law and subject to all limitations thereof, and in consideration of the agreement of the Secretary of Defense to indemnify the Secretary of Transportation against all losses covered by insurance provided for United States or foreign air carriers having air transportation contracts with the Department of Defense (DOD) and the payment of binding fees, pursuant to 49 U.S.C. 44301-44310 (hereinafter Chapter 443), comprehensive liability insurance of the type indicated and in the limits shown in respect to each of the aircraft listed in the "Schedule of Aircraft Limits of Liability" (hereinafter the Schedule) attached hereto and made a part hereof, for direct War Risks and other associated liabilities arising from the operation of such aircraft, and the provision of goods or services directly related to and necessary for the operation of such aircraft by **National Air Cargo Group, Inc. d/b/a National Airlines** hereinafter referred to as the Insured) anywhere in the world as specified by DOD contracts.

B. The Schedule may be revised from time-to-time by agreement of the Administrator and the Insured to add or delete aircraft, change aircraft registration numbers or additional insureds, or to adjust limits of liability.

C. Subject to the limits of liability, exclusions, conditions, and other terms of this Policy, the Insurer hereby agrees to pay: (1) on behalf of the Insured, all sums which the Insured shall be legally liable to pay, or by final judgment be adjudged to pay, to any person or persons, including damages for personal injuries sustained, including death at any time resulting therefrom, damages for care and loss of services, or by reason of loss or damage to or destruction of property, including the loss of use thereof, resulting from the occurrence of loss; and (2) to the Insured, the fair and reasonable value of the damaged or destroyed spare parts and related equipment, whether carried on board the aircraft or positioned outside the United States and directly related to and necessary for the operation under the air transportation contract with the DOD; in respect to the aircraft listed and described in the Schedule(s), while such aircraft are being provided by the Insured under a DOD contract, for losses resulting from War Risk Occurrences.

II. AGREED AMOUNTS

A. The amount shown on the Schedule may not exceed the corresponding limits of liability in effect on the Insured's All Risk commercial policy and FAA pre-approved self-insurance immediately prior to the activation of this insurance.

B. The Insured agrees that, if the limits of liability on the Insured's commercial insurance policy carried against liabilities arising from risks other than war risks are voluntarily reduced to amounts of insurance less than the limits of liability stated in the Schedule provided by this Policy, the insurance under this Policy shall be considered to have been automatically reduced to the new limits of liability on the Insured's commercial policies at the time of such reduction.

III. CONDITIONS

War Risk Occurrences are defined as any loss or damage directly or indirectly arising from, or occasioned by, or happening through, or in consequences of:

1. War (including war between Great Powers) (whether declared or not), invasion, acts of foreign enemies, warlike hostilities, civil war, rebellion, revolution, insurrection, martial law, exercise of military or usurped power, or any attempt at usurpation of power..
2. Any hostile detonation of any weapon of war, including any employing atomic or nuclear fission and/or fusion or other like reaction of radioactive force or matter.
3. Strikes, riots, civil commotions, or labor disturbances.
4. Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional, except for ransom or extortion payments.
5. Any malicious act or act of sabotage, vandalism or other act intended to cause loss or damage.
6. Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any foreign government (whether civil or military or de facto) or foreign public or local authority.
7. Hijacking or any unlawful seizure or wrongful exercise of control of the aircraft or crew (including any attempt at such seizure or control) made by any person or persons onboard the aircraft or otherwise, acting without the consent of the insured.

8. The discharge or detonation of a weapon or hazardous material while on the aircraft as cargo or in the personal baggage of any passenger, provided, however, that the cargo or passenger is on board the aircraft pursuant to the DOD contract.

IV. DEFENSE AND SETTLEMENT OF CLAIMS

A. The Insurer shall have the duty to defend any suit or claim against the Insured seeking damages on account of any bodily injury, personal injury, or property damage covered under this policy, even if such suit is groundless, false or fraudulent and may make such investigation, negotiation, and settlement of any claim or suit as it deems proper and expedient, but the Insurer shall not be obligated to pay any claim or judgment or to defend any suit or claim after the applicable limit of the Insurer's liability has been exhausted by payment of judgments or settlements.

B. During such time as the Insurer is obligated to defend a claim or claims under the provisions of the preceding paragraph, the Insurer shall pay with respect to such claims, in addition to the applicable Limit of Liability:

1. All expenses incurred by the Insured, all costs taxed against the Insured in any suit or claim defended by the Insurer and all interest on the entire amount of any judgment thereon which accrues after entry of the judgment and before the Insurer has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the Insurer's liability thereon under this Policy; and
2. All reasonable expenses incurred by the Insured at the Insurer's request, other than for loss of earnings or for wages or salaries of employees of the Insured.

V. PROMPT NOTICE OF LOSS

A. In the event of any War Risk Occurrence which may result in loss, damage, or expense for which the Insurer may become liable, prompt notice thereof, on being known to the Insured, shall be given by the Insured to the Administrator, provided, however, that failure to give such prompt notice because of the occasion of War Risk Occurrences or intervening regulations shall not prejudice this insurance.

B. If a claim is made or suit is brought against the Insured, the Insured shall immediately notify the Insurer and timely provide a copy of every demand, notice, summons, pleading, motion, document filed with a court, settlement offer, and other process received by the Insured or its representatives.

VI. ASSISTANCE AND COOPERATION OF THE INSURED

A. The Insured shall not interfere in any negotiations of the Insurer for settlement of

any legal proceedings in respect to any War Risk Occurrence for which the Insurer may be liable under this Policy. In respect to any War Risk Occurrence likely to give rise to a claim under this Policy, the Insured is obligated to, and shall take such steps to, protect its and the Insurer's interests as would reasonably be taken in the absence of this or similar insurance. The Insurer shall consult in good faith, and adequately in advance, with the Insured regarding its proceeding and settlement strategy and proposed settlements, and ensure that it develops in good faith with the Insured a litigation defense or settlement strategy. The Insured shall do nothing after a loss covered by this Policy to the prejudice of such rights of the Insurer. The Insurer and Insured will cooperate fully in the investigation of any loss.

B. Whenever required by the Insurer, the Insured shall aid in securing information and evidence and in obtaining witnesses and shall cooperate with the Insurer in the defense of any claim or suit or in the appeal from any judgment, in respect of any War Risk Occurrence as herein provided.

VII. ACTION AGAINST THE INSURER

No action shall lie against the Insurer unless, as a condition precedent thereto, the Insured shall have fully complied with all of the terms of this Policy and until the amount of the Insured's obligations to pay, with respect to the specific legal action or claim in question, shall have been finally determined either by judgment against the Insured after actual trial or by written agreement of the Claimant and the Insurer. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent such judgment or written agreement is not in excess of the remaining insurance afforded by this Policy. Nothing contained in this Policy shall give any person or organization any right to join the Insurer as a codefendant in any action against the Insured to determine the Insured's liability. Neither the filing nor the adjudication of bankruptcy or insolvency of the Insured or Insured's Estate shall relieve the Insurer of any of its obligations hereunder.

VIII. SUBROGATION RIGHTS

The Insurer shall be subrogated to all the rights which the Insured may have against any other person or entity, in respect of any payment made under this Policy, to the extent of such payment, and the Insured shall, upon the request of the Insurer, execute all documents necessary to secure to the Insurer such rights. The Insured shall do nothing after a loss covered by this Policy to the prejudice of such rights of the Insurer

IX. SUPPLEMENTAL COVERAGES

The insurance provided hereunder applies only to the liability associated with, or caused by, an aircraft described in the attached Schedule while the aircraft involved is being operated under, or subject to, a DOD contract by the Insured, during the Policy period or the Insured's other property located outside the United States directly related to and necessary for the operation of an aircraft which is utilized in direct support of a DOD contract, provided that commercial insurance is not available on reasonable terms and conditions. Such covered

operations shall be deemed to include stopovers, ground time, and ferry flights to position or deposition the aircraft, provided, however, that if commercial insurance is not available for such operations, and provided, further, that on such ferry flights the aircraft does not carry any passengers, cargo, or mail for compensation or hire. The insurance provided hereunder also applies to any liability associated with, or caused by, spare engines or other rotatable parts, line maintenance equipment or inventory, or ramp and ground handling equipment directly related to and necessary for the operation of the covered aircraft in the performance of the DOD contract. The coverage afforded by this policy shall apply with respect to reasonable expense incurred by the Insured for the covered perils for the purpose of:

- A. search and rescue operations for an aircraft insured hereunder determined to be missing and unreported after the computed maximum endurance of the flight has been exceeded; or
- B. removal of wreckage of an aircraft insured hereunder; or
- C. the foaming of a runway to prevent or mitigate possible loss or damage because of a malfunction of the aircraft.

X. ACTIVATION/DEACTIVATION AND TERMINATION

A. This policy shall remain in effect until amended or terminated by the parties. Insurance coverage shall commence upon activation by FAA for specified contingencies in response to a request from DOD to provide Chapter 443 insurance.

B. This Policy shall terminate:

- 1. Upon effective expiration of the authority of the Secretary of Transportation, subject to retroactive reauthorization, to provide insurance pursuant to 49 USC 44310, or
- 2. Five (5) days after notice of termination has been directly communicated to the Insured by the Administrator. A confirmation copy of this notice shall be sent thereafter by facsimile or other additional means of communication or delivery to the Insured, or
- 3. As to any aircraft or contract upon the date specified in a notice from the Insured to the Administrator requesting such termination.

C. The Insured warrants this Policy of Insurance is free from any claim for loss, damage, or expenses covered under any commercial policy in effect for the benefit of the Insured. This Policy may be deactivated or terminated, in whole or in part, by the Administrator if comparable insurance becomes obtainable on reasonable terms and conditions from the Insured's regular commercial insurance company or companies authorized to do an insurance business in a State of the United States. The Insured agrees that it will promptly notify the Administrator of any significant change in the terms and conditions under

which insurance of the type provided by this Policy is obtainable from such commercial sources.

XI. AMERICAN AIRCRAFT

Unless specifically excepted by signed endorsement attached hereto, the Insured warrants that during the terms of this insurance the aircraft insured hereunder are American aircraft as defined in 49 USC 44301(1). "the term 'American Aircraft' means any civil aircraft of the United States and any aircraft owned or chartered by, or made available to, the United States or any department or agency thereof, the government of any State, territory, or possession of the United States, or any political subdivision thereof, or the District of Columbia", and, if at any time during such term an aircraft shall cease to be an American aircraft as so defined, the insurance provided hereunder shall automatically terminate at the time of such change with respect to such aircraft without the return of binding fee unless the Administrator agrees otherwise.

XII. PAYMENT OF CLAIMS

A. The FAA shall make prompt payment in full, on behalf of the Insured, of any claim covered under this Policy after the Insured shall become legally liable to pay, or by final judgment be adjudged to pay. Any subsequent post-incident losses, directly related to the incident, incurred shall be covered by this Policy as a loss directly related to the original subject loss incident.

B. The FAA may at its discretion, and at any time prior to the final settlement of any claim by the Insured, elect to make a partial payment to the Insured for any loss, damage, or expense covered by this Policy.

XIII. AIR CREW PERSONAL INSURANCE POLICIES

Subject to the terms, limitations, and conditions in this Policy, the United States, acting through the FAA, shall provide insurance on the same terms and conditions (except a war risk exclusion) in any insurance policy purchased by a crewmember employed by the Insured or an associated contractor personnel of the Insured when such insurance is lost as a result of war risks associated with the duties of that crewmember or contractor personnel while on or performing a DOD contract mission insured under this Policy. Only full-time commercial policies for life insurance, accidental death and dismemberment, and business travel accident insurance purchased by the individual and in effect for at least three (3) months prior to the activation of this Policy shall be covered by this section. The amounts payable under this section for one individual shall be limited to the face value of all such insurance policies or one (1) million U.S. dollars, whichever is less.

End of Section II: Liability Policy

SECTION: III POLICY ISSUE DATE, NOTICE OF EFFECTIVE COVERAGE, AND AUTHORIZING SIGNATURE

This policy is issued on 28th day of September, 2011 and the terms remain in effect until canceled or terminated in accordance with Section I: Hull Policy, Article VII and Section II: Liability Policy, Article X.

This policy becomes effective when a Notice of Effective Coverage is issued to the policy holder and will remain in effect from the start date to the end date in that notice.

For the **UNITED STATES OF AMERICA**



Phyllis Preston, Manager, Management Staff
Office of Policy, International Affairs, & Environment
Federal Aviation Administration

Date: 9/28/2011



U.S. Department of Transportation
Federal Aviation Administration

800 Independence Avenue, S.W.
Washington, D.C., 20591

Fleet Schedule Report - Non-Premium Insurance Program

Re: National Air Cargo Group, Inc. d/b/a
National Airlines

Type of Report: Fleet Schedule

Date of Report: 4/19/2012 09:51 ET

As of: 4/19/2012 09:51 ET

Aircraft Type	Registration Number	Serial Number	Value (Whole Dollars)	Limit of Liability (Whole Dollars)
B 747-400	N952CA	25238	\$40,000,000	\$500,000,000
B 747-400	N919CA	25302	\$40,000,000	\$500,000,000
B 747-400	N949CA	25630	\$40,000,000	\$500,000,000
B 757-200	N169CA	25592	\$5,000,000	\$500,000,000
DC-8-63	N865F	46088	\$5,000,000	\$500,000,000
DC-8-71F	N872CA	46040	\$5,000,000	\$500,000,000
DC-8-73F	N155CA	46073	\$5,000,000	\$500,000,000
A total of 7 aircraft			\$140,000,000	



U.S. Department of Transportation
Federal Aviation Administration

800 Independence Avenue, S.W.
Washington, D.C. 20591

Fleet Schedule Report - Non-Premium Insurance Program

Re: National Air Cargo Group, Inc. d/b/a
National Airlines

Type of Report: Fleet Schedule

Date of Report: 6/21/2012 14:50 ET

As of: 6/21/2012 14:50 ET

Aircraft Type	Registration Number	Serial Number	Value (Whole Dollars)	Limit of Liability (Whole Dollars)
B 747-400	N952CA	25238	\$40,000,000	\$500,000,000
B 747-400	N919CA	25302	\$40,000,000	\$500,000,000
B 747-400	N949CA	25830	\$40,000,000	\$500,000,000
B 757-200	N176CA	24543	\$5,000,000	\$500,000,000
B 757-200	N169CA	25592	\$5,000,000	\$500,000,000
A total of 5 aircraft			\$130,000,000	



U.S. Department of Transportation
Federal Aviation Administration

800 Independence Ave., SW
Washington, DC 20591

National Air Cargo Group, Inc. d/b/a National Airlines
835 Willow Run Airport
Ypsilanti, MI 48198

Notice of Effective Insurance Under FAA Non-Premium Hull & Liability War Risk Policy
Hull & Liability Policy: NON-PR-H&L-9.28.11-MUA
Effective Period: October 1, 2012 – September 30, 2013

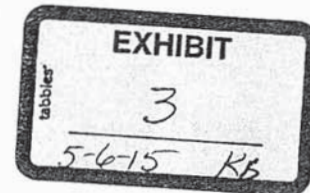
Pursuant to the United States Transportation Command's (USTRANSCOM) request from Gail Jorgenson, Director, Acquisition, USTRANSCOM to FAA Acting Administrator Michael Huerta to provide non-premium war risk insurance for USTRANSCOM-contracted civil air missions supporting *Operation ENDURING FREEDOM* in the Southwest Asia area of responsibility (AOR), and any mission in the United States Central Command (USCENTCOM) AOR, the FAA hereby provides notice of effective coverage for non-premium hull and liability war risks for such flights that occur from October 1, 2012 through September 30, 2013.

All FAA non-premium war risk insured flights must comply with any active Special Federal Aviation Regulation (SFAR) issued by the FAA or the air carrier must obtain the necessary approvals or exemptions from the SFAR in order to receive insurance coverage.

War risk insurance for hull and liability coverage is defined in your non-premium insurance policy. This non-premium insurance is authorized by 49 USC 44305 under the Indemnification Agreement between the Department of Transportation and the Department of Defense and the indemnification provisions of 10 USC 9514.

Your airline should take notice that FAA war risk insurance covers both the airframe and engine value but only for aircraft that are listed in the FAA Non-Premium Insurance Schedule of Aircraft. You should verify and/or amend this schedule as appropriate prior to the initiation of any chartered missions to ensure coverage for such operations.

Wayne Heibeck
Manager, Management Staff
Aviation Policy, International Affairs, and Environment
Federal Aviation Administration



File accessed on 9/25/2014 14:29

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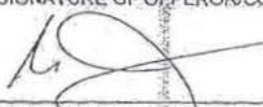
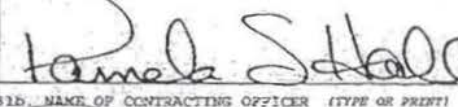
SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS <i>OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, AND 30</i>				3. REQUISITION NUMBER		PAGE 1 OF 53							
7. CONTRACT NO. HTC711-12-D-R010		3. AWARD EFFECTIVE DATE 01 Aug 2012		4. ORDER NUMBER		5. SOLICITATION NUMBER HTC711-12-R-R003		6. SOLICITATION ISSUE DATE 27 Mar 2012					
7. FOR SOLICITATION INFORMATION CALL		2. NAME KRISTINA R. SCHNEIDER		8. TELEPHONE NUMBER (No Collect Call) 618-220-7063		8. OFFER DUE DATE (LOCAL TIME) 12:00 PM 14 May 2012							
9. ISSUED BY USTRANSCOM-AC- HTC711 508 SCOTT DR SCOTT AFB IL 62225-5357 TEL: CONTACT BUYER FAX: CONTACT BUYER		CODE HTC711		10. THIS ACQUISITION IS <input checked="" type="checkbox"/> UNRESTRICTED <input type="checkbox"/> SET ASIDE % FOR <input type="checkbox"/> SB <input type="checkbox"/> HUBZONE SB <input type="checkbox"/> (A) <input type="checkbox"/> SVC DISABLED VET-OWNED SB <input type="checkbox"/> EMERGING SB SIZE STD: 1500 NAICS: 481112		11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE <input type="checkbox"/> 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) 13b. RATING 14. METHOD OF SOLICITATION <input type="checkbox"/> RFO <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP		12. DISCOUNT TERMS Net 30 Days					
15. DELIVER TO SEE SCHEDULE		CODE		16. ADMINISTERED BY SEE ITEM 9		CODE							
17a. CONTRACTOR/OFFEROR NATIONAL AIR CARGO GROUP, INC. TED PENDLETON 835 WILLOW RUN AIRPORT YPSILANTI MI 48198-0899 TEL (571) 265-5588		CODE 33ZB6		18a. PAYMENT WILL BE MADE BY DFAS-RO-FPT- HQ0302 325 BROOK ROAD ROME NY 13441-4527		CODE HQ0302							
17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER		FACILITY CODE		18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCKS BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM									
19. ITEM NO.		20. SCHEDULE OF SUPPLIES/SERVICES		21. QUANTITY		22. UNIT		23. UNIT PRICE		24. AMOUNT			
		SEE SCHEDULE											
25. ACCOUNTING AND APPROPRIATION DATA						26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$365,700,000.00							
<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3, 52.212-5 ARE ATTACHED. ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED						<input checked="" type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA <input checked="" type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED							
28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN <input type="checkbox"/> COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.						29. AWARD OF CONTRACT: REFERENCE NATIONAL AIR CARGO'S OFFER DATED 11 Jul 2012 YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS SEE SCHEDULE							
30a. SIGNATURE OF OFFEROR/CONTRACTOR 				30b. NAME AND TITLE OF SIGNER (TYPE OR PRINT) GLEN G. JOERGER PRESIDENT				30c. DATE SIGNED 8/11/12		31a. UNITED STATES OF AMERICA SIGNATURE OF CONTRACTING OFFICER 		31c. DATE SIGNED 10 Aug 12	
				31b. NAME OF CONTRACTING OFFICER (TYPE OR PRINT) Pamela S Hall		31d. EMAIL:							

EXHIBIT
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SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS (CONTINUED)				PAGE 2 OF 53	
19. ITEM NO.	20. SCHEDULE OF SUPPLIES/ SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	SEE SCHEDULE				
32a. QUANTITY IN COLUMN 21 HAS BEEN <input type="checkbox"/> RECEIVED <input type="checkbox"/> INSPECTED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____					
32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE			32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
			32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
33. SHIP NUMBER	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR	36. PAYMENT		37. CHECK NUMBER
<input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL			<input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL		
38. S/R ACCOUNT NUMBER	39. S/R VOUCHER NUMBER	40. PAID BY			
41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT		42a. RECEIVED BY <i>(Print)</i>			
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER		41c. DATE			
		42b. RECEIVED AT <i>(Location)</i>			
		42c. DATE REC'D <i>(YY/MM/DD)</i>	42d. TOTAL CONTAINERS		

Section SF 1449 - CONTINUATION SHEET

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
0001	Base Period FFP Applicable routes and rates are located in Attachment 4. The minimum guarantee for this contract is (b)(4) Base Period, 1 Aug 12 - 31 July 13. FOB: Destination SIGNAL CODE: A	1	Lot	(b)(4)	(b)

MAX NET AMT (b)(4)

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
1001 OPTION	Option Period 1 FFP Applicable routes and rates are located in Attachment 4. Option Period 1, 1 Aug 13 - 31 July 14. FOB: Destination SIGNAL CODE: A	1	Lot	(b)(4)	(b)

MAX NET AMT (b)(4)

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
2001 OPTION	Option Period 2 FFP Applicable routes and rates are located in Attachment 4. Option Period 2, 1 Aug 14 - 31 July 15. FOB: Destination SIGNAL CODE: A	1	Lot	(b)(4)	(b)(4)
				MAX NET AMT	(b)(4)

CONTRACT MINIMUM/MAXIMUM QUANTITY AND CONTRACT VALUE

The minimum quantity and contract value for all orders issued against this contract shall not be less than the minimum quantity and contract value stated in the following table. The maximum quantity and contract value for all orders issued against this contract shall not exceed the maximum quantity and contract value stated in the following table.

MINIMUM QUANTITY	MINIMUM AMOUNT	MAXIMUM QUANTITY	MAXIMUM AMOUNT
	(b)(4)		(b)(4)

INSPECTION AND ACCEPTANCE TERMS

Supplies/services will be inspected/accepted at:

CLIN	INSPECT AT	INSPECT BY	ACCEPT AT	ACCEPT BY
0001	Destination	Government	Destination	Government
1001	Destination	Government	Destination	Government
2001	Destination	Government	Destination	Government

DELIVERY INFORMATION

CLIN	DELIVERY DATE	QUANTITY	SHIP TO ADDRESS	UIC
0001	POP 01-AUG-2012 TO 31-JUL-2013	N/A	SEE SCHEDULE SEE SCHEDULE SEE SCHEDULE SEE SCHEDULE IL SEE SCHEDULE SEE SCHEDULE FOB: Destination	SEE SCHEDU
1001	POP 01-AUG-2013 TO 31-JUL-2014	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	SEE SCHEDU
2001	POP 01-AUG-2014 TO 31-JUL-2015	N/A	(SAME AS PREVIOUS LOCATION) FOB: Destination	SEE SCHEDU

DELIVERY INFO IN BOOKING

Delivery information will be provided to and agreed upon by, the contractor at time of booking as this information will be different from one movement to the next.

CLAUSES INCORPORATED BY REFERENCE

52.203-3	Gratuities	APR 1984
52.203-6	Restrictions On Subcontractor Sales To The Government	SEP 2006
52.203-6 Alt I	Restrictions On Subcontractor Sales To The Government (Sep 2006) -- Alternate I	OCT 1995
52.203-13	Contractor Code of Business Ethics and Conduct	APR 2010
52.204-9	Personal Identity Verification of Contractor Personnel	JAN 2011
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards	FEB 2012
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	DEC 2010
52.209-9	Updates of Publicly Available Information Regarding Responsibility Matters	FEB 2012

52.209-10	Prohibition on Contracting With Inverted Domestic Corporations	MAY 2011
52.212-4	Contract Terms and Conditions--Commercial Items	FEB 2012
52.222-3	Convict Labor	JUN 2003
52.222-21	Prohibition Of Segregated Facilities	FEB 1999
52.222-26	Equal Opportunity	MAR 2007
52.222-35	Equal Opportunity for Veterans	SEP 2010
52.222-36	Affirmative Action For Workers With Disabilities	OCT 2010
52.222-37	Employment Reports on Veterans	SEP 2010
52.222-40	Notification of Employee Rights Under the National Labor Relations Act	DEC 2010
52.222-41	Service Contract Act Of 1965	NOV 2007
52.222-43	Fair Labor Standards Act And Service Contract Act - Price Adjustment (Multiple Year And Option)	SEP 2009
52.222-50	Combating Trafficking in Persons	FEB 2009
52.222-50 Alt I	Combating Trafficking in Persons (Aug 2007) Alternate I	AUG 2007
52.222-54	Employment Eligibility Verification	JAN 2009
52.223-18	Encouraging Contractor Policies To Ban Text Messaging While Driving	AUG 2011
52.225-13	Restrictions on Certain Foreign Purchases	JUN 2008
52.228-3	Worker's Compensation Insurance (Defense Base Act)	APR 1984
52.233-3	Protest After Award	AUG 1996
52.233-4	Applicable Law for Breach of Contract Claim	OCT 2004
52.247-64	Preference for Privately Owned U.S. - Flag Commercial Vessels	FEB 2006
252.201-7000	Contracting Officer's Representative	DEC 1991
252.203-7000	Requirements Relating to Compensation of Former DoD Officials	SEP 2011
252.203-7003	Agency Office of the Inspector General	APR 2012
252.205-7000	Provision Of Information To Cooperative Agreement Holders	DEC 1991
252.222-7002	Compliance With Local Labor Laws (Overseas)	JUN 1997
252.225-7012	Preference For Certain Domestic Commodities	JUN 2010
252.226-7001	Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	SEP 2004
252.228-7003	Capture and Detention	DEC 1991
252.232-7003	Electronic Submission of Payment Requests and Receiving Reports	MAR 2008
252.237-7010	Prohibition on Interrogation of Detainees by Contractor Personnel	NOV 2010
252.247-7003	Pass-Through of Motor Carrier Fuel Surcharge Adjustment To The Cost Bearer	SEP 2010
252.247-7023	Transportation of Supplies by Sea	MAY 2002
252.247-7024	Notification Of Transportation Of Supplies By Sea	MAR 2000
252.247-7027	Riding Gang Member Requirements	OCT 2011

CLAUSES INCORPORATED BY FULL TEXT

52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS--COMMERCIAL ITEMS (MAR 2012) (DEVIATION)

(a) Comptroller General Examination of Record. The Contractor shall comply with the provisions of this paragraph (a) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records-Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times, the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(b)(1) Notwithstanding the requirements of any other clause in this contract, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (b)(i) in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause-

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (APR 2010) (Pub. L. 110-252, Title VI, Chapter I (41 U.S.C. 251 note).

(ii) 52.219-8, Utilization of Small Business Concerns (DEC 2010) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$650,000 (\$1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(iii) Reserved.

(iv) 52.222-26, Equal Opportunity (MAR 2007) (E.O. 11246).

(v) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006) (38 U.S.C. 4212).

(vi) 52.222-36, Affirmative Action for Workers with Disabilities (JUN 1998) (29 U.S.C. 793).

(vii) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(viii) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, et seq.).

(ix) 52.222-50, Combating Trafficking in Persons (FEB 2009) (22 U.S.C. 7104(g)).

___ Alternate I (AUG 2007) of 52.222-50 (22 U.S.C. 7104(g)).

(x) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment--Requirements (Nov 2007) (41 U.S.C. 351, et seq.).

(xi) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services-- Requirements (FEB 2009) (41 U.S.C. 351, et seq.).

(xii) 52.222-54, Employment Eligibility Verification (JAN 2009).

(xiii) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations. (MAR 2009) (Pub. L. 110-247). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(xiv) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. Appx 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(End of clause)

52.216-18 ORDERING. (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from 1 Aug 12 through 31 July 13.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

(End of clause)

52.216-19 ORDER LIMITATIONS. (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than 1 PCFN, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor:

(1) Any order for a single item in excess of 50 PCFNs;

(2) Any order for a combination of items in excess of 50 PCFNs; or

(3) A series of orders from the same ordering office within 7 days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within 24 hours after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

(End of clause)

52.216-22 INDEFINITE QUANTITY. (OCT 1995)

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum". The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum".

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after 31 July 2015.

(End of clause)

52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor NLT 30 calendar days of contract expiration.

(End of clause)

52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor no later than 30 days before the contract expires; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 3 years and 6 months.

(End of clause)

52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

THIS STATEMENT IS FOR INFORMATION ONLY: IT IS NOT A WAGE DETERMINATION

Employee Class Monetary Wage-Fringe Benefits

Forklift Operator	WG-5 + 36.25% Fringe Benefits
Truck Driver, Light	WG-5 + 36.25% Fringe Benefits
Truck Driver, Medium	WG-6 + 36.25% Fringe Benefits
Truck Driver, Heavy	WG-7 + 36.25% Fringe Benefits
Truck Driver, Tractor-Trailer	WG-8 + 36.25% Fringe Benefits

PORTS

Anchorage, Alaska

Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits

Baltimore, Maryland

Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits

Beaumont, Texas

Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits

Boston, Massachusetts

Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits

Brunswick, Georgia

Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
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Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Charleston, South Carolina	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Corpus Christi Nas, Texas	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Galveston Bay, Texas	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Gulfport, Mississippi	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Houston, Texas	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Jacksonville, Florida	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Long Beach, California	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Los Angeles, California	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits

Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Miami Ports, Florida	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Mobile, Alabama	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
New Orleans, Louisiana	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
New York, New York	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Newport News, Virginia	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Norfolk, Virginia	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Orange, Texas	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Philadelphia, Pennsylvania	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits

Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Port Canaveral, Florida	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Port Hueneme, California	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Portland, Oregon	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Puget Sound, Washington	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Richmond, California	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
San Diego, California	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
San Francisco Bay Area, California	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Savannah, Georgia	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits

Stevedore II	WG-9 + 36.25% Fringe Benefits
Seattle, Washington	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Tacoma, Washington	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Wilmington, Delaware	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits
Yorktown, Virginia	
Blocker & Bracer	WG-8 + 36.25% Fringe Benefits
Hatch Tender	WG-8 + 36.25% Fringe Benefits
Line Handler	WG-8 + 36.25% Fringe Benefits
Stevedore I	WG-7 + 36.25% Fringe Benefits
Stevedore II	WG-9 + 36.25% Fringe Benefits

Employee Class	Monetary Wage – Fringe Benefits
General Schedule: First Pilot	GS-11 Step 1/\$27.51 per hour
General Schedule: Co-Pilot	GS-10 Step 1/\$25.04 per hour
General Schedule: Flight Dispatcher	GS-07 Step 1/\$18.59 per hour
General Schedule: Second Officer/ Flight Engineer	GS-09 Step 1/\$22.74 per hour

(End of clause)

52.232-29 Terms for Financing of Purchases of Commercial Items. (FEB 2002)

(a) Contractor entitlement to financing payments. The Contractor may request, and the Government shall pay, a contract financing payment as specified elsewhere in this contract when: the payment requested is properly due in accordance with this contract; the supplies deliverable or services due under the contract will be delivered or performed in accordance with the contract; and there has been no impairment or diminution of the Government's security under this contract.

(b) Special terms regarding termination for cause. If this contract is terminated for cause, the Contractor shall, on demand, repay to the Government the amount of unliquidated contract financing payments. The Government shall be liable for no payment except as provided by the Termination for Cause paragraph of the clause at 52.212-4, Contract Terms and Conditions--Commercial Items.

(c) Security for Government financing. In the event the Contractor fails to provide adequate security, as required in this contract, no financing payment shall be made under this contract. Upon receipt of adequate security, financing

payments shall be made, including all previous payments to which the Contractor is entitled, in accordance with the terms of the provisions for contract financing. If at any time the Contracting Officer determines that the security provided by the Contractor is insufficient, the Contractor shall promptly provide such additional security as the Contracting Officer determines necessary. In the event the Contractor fails to provide such additional security, the Contracting Officer may collect or liquidate such security that has been provided and suspend further payments to the Contractor; and the Contractor shall repay to the Government the amount of unliquidated financing payments as the Contracting Officer at his sole discretion deems repayable.

(d) Reservation of rights.

(1) No payment or other action by the Government under this clause shall (i) excuse the Contractor from performance of obligations under this contract, or (ii) constitute a waiver of any of the rights or remedies of the parties under the contract.

(2) The Government's rights and remedies under this clause (i) shall not be exclusive, but rather shall be in addition to any other rights and remedies provided by law or this contract; and (ii) shall not be affected by delayed, partial, or omitted exercise of any right, remedy, power, or privilege, nor shall such exercise or any single exercise preclude or impair any further exercise under this clause or the exercise of any other right, power, or privilege of the Government.

(e) Content of Contractor's request for financing payment. The Contractor's request for financing payment shall contain the following:

(1) The name and address of the Contractor;

(2) The date of the request for financing payment;

(3) The contract number and/or other identifier of the contract or order under which the request is made; and

(4) An appropriately itemized and totaled statement of the financing payments requested and such other information as is necessary for computation of the payment, prepared in accordance with the direction of the Contracting Officer.

(f) Limitation on frequency of financing payments. Contractor financing payments shall be provided no more frequently than monthly. -

(g) Dates for payment. A payment under this clause is a contract financing payment and not subject to the interest penalty provisions of the Prompt Payment Act. The designated payment office will pay approved payment requests within 30 days of submittal of a proper request for payment.

(h) Conflict between terms of offeror and clause. In the event of any conflict between the terms proposed by the offeror in response to an invitation to propose financing terms (52.232-31) and the terms in this clause, the terms of this clause shall govern.

(End of clause)

252.212-7001 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO DEFENSE ACQUISITIONS OF COMMERCIAL ITEMS (DEC 2010) (DEVIATION)

(a) In addition to the clauses listed in paragraph (b) of the Contract Terms and Conditions Required to Implement Statutes or Executive Orders--Commercial Items clause of this contract (FAR 52.212-5) (OCT 2010)

(DEVIATION), the Contractor shall include the terms of the following clause, if applicable, in subcontracts for commercial items or commercial components, awarded at any tier under this contract:

252.237-7010	Prohibition on Interrogation of Detainees by Contractor Personnel (NOV 2010) (Section 1038 of Pub. L. 111-84).
252.237-7019	Training for Contractor Personnel Interacting with Detainees (SEP 2006) (Section 1092 of Pub. L. 108-375).
252.247-7003	Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer (JUL 2009) (Section 884 of Public Law 110-417)
252.247-7023	Transportation of Supplies by Sea (MAY 2002) (10 U.S.C. 2631)
252.247-7024	Notification of Transportation of Supplies by Sea (MAR 2000) (10 U.S.C. 2631)

(End of clause)

252.225-7039 CONTRACTORS PERFORMING PRIVATE SECURITY FUNCTIONS (AUG 2011)

(a) Definition.

Private security functions means activities engaged in by a contractor, including--

(i) Guarding of personnel, facilities, designated sites, or property of a Federal agency, the contractor or subcontractor, or a third party; or

(ii) Any other activity for which personnel are required to carry weapons in the performance of their duties.

(b) Requirements. The Contractor is required to--

(1) Ensure that all employees of the Contractor who are responsible for performing private security functions under this contract comply with any orders, directives, and instructions to Contractors performing private security functions that are identified in the contract for--

(i) Registering, processing, accounting for, managing, overseeing, and keeping appropriate records of personnel performing private security functions. This includes ensuring the issuance, maintenance, and return of Personal Identity Verification credentials in accordance with FAR 52.204-19, Personnel Identity Verification of Contractor Personnel, and DoD procedures, including revocation of any physical and/or logistical access (as defined by Homeland Security Presidential Directive (HSPD-12)) granted to such personnel;

(ii) Authorizing and accounting for weapons to be carried by or available to be used by personnel performing private security functions;

(A) All weapons must be registered in the Synchronized Predeployment Operational Tracker (SPOT) materiel tracking system.

(B) In addition, all weapons that are Government-furnished property must be assigned a unique identifier in accordance with the clauses at DFARS 252.211-7003, Item Identification and Valuation, and DFARS 252.245.7001, Tagging, Labeling, and Marking of Government-Furnished Property, and physically marked in accordance with MIL-STD 130 (current version) and DoD directives and instructions. The items must be registered in the DoD Item Unique Identification (IUID) Registry (<https://www.bpn.gov/iuid/>);

(iii) Registering and identifying armored vehicles, helicopters, and other military vehicles operated by Contractors performing private security functions;

(A) All armored vehicles, helicopters, and other military vehicles must be registered in SPOT.

(B) In addition, all armored vehicles, helicopters, and other military vehicles that are Government-furnished property must be assigned a unique identifier in accordance with the clauses at DFARS 252.211-7003 and DFARS 252.245.7001 and physically marked in accordance with MIL-STD 130 (current version) and DoD directives and instructions. The items must be registered in the DoD IUID Registry (<https://www.bpn.gov/iuid/>); and

(iv) Reporting incidents in which--

(A) A weapon is discharged by personnel performing private security functions;

(B) Personnel performing private security functions are attacked, killed, or injured;

(C) Persons are killed or injured or property is destroyed as a result of conduct by contractor personnel;

(D) A weapon is discharged against personnel performing private security functions or personnel performing such functions believe a weapon was so discharged; or

(E) Active, non-lethal countermeasures (other than the discharge of a weapon) are employed by personnel performing private security functions in response to a perceived immediate threat;

(2) Ensure that all employees of the Contractor who are responsible for personnel performing private security functions under this contract are briefed on and understand their obligation to comply with--

(i) Qualification, training, screening (including, if applicable, thorough background checks), and security requirements established by DoDI 3020.50, Private Security Contractors Operating in Areas of Contingency Operations, Combat Operations, or Other Significant Operations, at <http://www.dtic.mil/whs/directives/corres/pdf>;

(ii) Applicable laws and regulations of the United States and the host country and applicable treaties and international agreements regarding performance of private security functions;

(iii) Orders, directives, and instructions issued by the applicable commander of a combatant command relating to weapons, equipment, force protection, security, health, safety, or relations and interaction with locals; and

(iv) Rules on the use of force issued by the applicable commander of a combatant command for personnel performing private security functions; and

(3) Cooperate with any Government-authorized investigation by providing access to employees performing private security functions and relevant information in the possession of the Contractor regarding the incident concerned.

(c) Remedies. In addition to other remedies available to the Government--

(1) The Contracting Officer may direct the Contractor, at its own expense, to remove and replace any Contractor personnel who fail to comply with or violate applicable requirements of this contract. Such action may be taken at the Government's discretion without prejudice to its rights under any other provision of this contract, including termination for default. Required Contractor actions include--

(i) Ensuring the return of personal identity verification credentials;

(ii) Ensuring the return of other equipment issued to the employee under the contract; and

(iii) Revocation of any physical and/or logistical access granted to such personnel;

(2) The Contractor's failure to comply with the requirements of this clause will be included in appropriate databases of past performance and may be considered in any responsibility determination or evaluation of past performance;

(3) If this is an award-fee contract, the Contractor's failure to comply with the requirements of this clause shall be considered in the evaluation of the Contractor's performance during the relevant evaluation period, and the Contracting Officer may treat such failure to comply as a basis for reducing or denying award fees for such period or for recovering all or part of award fees previously paid for such period; and

(4) This contract may be terminated for default if the Contractor fails to comply with the requirements of paragraph (b) of this clause or, if directed by the Contracting Officer, fails to remove or replace, at its own expense, any of its personnel who violate the requirements of paragraph (b) of this clause.

(d) Rule of construction. The duty of the Contractor to comply with the requirements of this clause shall not be reduced or diminished by the failure of a higher- or lower-tier Contractor to comply with the clause requirements or by a failure of the contracting activity to provide required oversight.

(e) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts that will be performed in areas of contingency operations, complex contingency operations, or other military operations or exercises designated by the Combatant Commander.

(End of clause)

252.225-7040 CONTRACTOR PERSONNEL AUTHORIZED TO ACCOMPANY U.S. ARMED FORCES DEPLOYED OUTSIDE THE UNITED STATES (JUN 2011)

(a) Definitions. As used in this clause--Combatant Commander means the commander of a unified or specified combatant command established in accordance with 10 U.S.C. 161.

Designated operational area means a geographic area designated by the combatant commander or subordinate joint force commander for the conduct or support of specified military operations.

Law of war means that part of international law that regulates the conduct of armed hostilities. The law of war encompasses all international law for the conduct of hostilities binding on the United States or its individual citizens, including treaties and international agreements to which the United States is a party, and applicable customary international law.

Subordinate joint force commander means a sub-unified commander or joint task force commander.

(b) General.

(1) This clause applies when Contractor personnel are authorized to accompany U.S. Armed Forces deployed outside the United States in--

(i) Contingency operations;

(ii) Humanitarian or peacekeeping operations; or

(iii) Other military operations or military exercises, when designated by the Combatant Commander.

(2) Contract performance in support of U.S. Armed Forces deployed outside the United States may require work in dangerous or austere conditions. Except as otherwise provided in the contract, the Contractor accepts the risks associated with required contract performance in such operations.

(3) Contractor personnel are civilians accompanying the U.S. Armed Forces.

(i) Except as provided in paragraph (b)(3)(ii) of this clause, Contractor personnel are only authorized to use deadly force in self-defense.

(ii) Contractor personnel performing security functions are also authorized to use deadly force when such force reasonably appears necessary to execute their security mission to protect assets/persons, consistent with the terms and conditions contained in their contract or with their job description and terms of employment.

(iii) Unless immune from host nation jurisdiction by virtue of an international agreement or international law, inappropriate use of force by contractor personnel authorized to accompany the U.S. Armed Forces can subject such personnel to United States or host nation prosecution and civil liability (see paragraphs (d) and (j)(3) of this clause).

(4) Service performed by Contractor personnel subject to this clause is not active duty or service under 38 U.S.C. 106 note.

(c) Support. (1)(i) The Combatant Commander will develop a security plan for protection of Contractor personnel in locations where there is not sufficient or legitimate civil authority, when the Combatant Commander decides it is in the interests of the Government to provide security because--

(A) The Contractor cannot obtain effective security services;

(B) Effective security services are unavailable at a reasonable cost; or

(C) Threat conditions necessitate security through military means.

(ii) The Contracting Officer shall include in the contract the level of protection to be provided to Contractor personnel.

(iii) In appropriate cases, the Combatant Commander may provide security through military means, commensurate with the level of security provided DoD civilians.

(2)(i) Generally, all Contractor personnel authorized to accompany the U.S. Armed Forces in the designated operational area are authorized to receive resuscitative care, stabilization, hospitalization at level III military treatment facilities, and assistance with patient movement in emergencies where loss of life, limb, or eyesight could occur. Hospitalization will be limited to stabilization and short-term medical treatment with an emphasis on return to duty or placement in the patient movement system.

(ii) When the Government provides medical treatment or transportation of Contractor personnel to a selected civilian facility, the Contractor shall ensure that the Government is reimbursed for any costs associated with such treatment or transportation.

(iii) Medical or dental care beyond this standard is not authorized unless specified elsewhere in this contract.

(3) Unless specified elsewhere in this contract, the Contractor is responsible for all other support required for its personnel engaged in the designated operational area under this contract.

(4) Contractor personnel must have a Synchronized Predeployment and Operational Tracker (SPOT)-generated letter of authorization signed by the Contracting Officer in order to process through a deployment center or to travel

to, from, or within the designated operational area. The letter of authorization also will identify any additional authorizations, privileges, or Government support that Contractor personnel are entitled to under this contract.

(d) Compliance with laws and regulations. (1) The Contractor shall comply with, and shall ensure that its personnel authorized to accompany U.S. Armed Forces deployed outside the United States as specified in paragraph (b)(1) of this clause are familiar with and comply with, all applicable--

(i) United States, host country, and third country national laws;

(ii) Provisions of the law of war, as well as any other applicable treaties and international agreements;

(iii) United States regulations, directives, instructions, policies, and procedures; and

(iv) Orders, directives, and instructions issued by the Combatant Commander, including those relating to force protection, security, health, safety, or relations and interaction with local nationals.

(2) The Contractor shall institute and implement an effective program to prevent violations of the law of war by its employees and subcontractors, including law of war training in accordance with paragraph (e)(1)(vii) of this clause.

(3) The Contractor shall ensure that contractor employees accompanying U.S. Armed Forces are aware--

(i) Of the DoD definition of "sexual assault" in DoDD 6495.01, Sexual Assault Prevention and Response Program;

(ii) That many of the offenses addressed by the definition are covered under the Uniform Code of Military Justice (see paragraph (e)(2)(iv) of this clause); and

(iii) That the offenses not covered by the Uniform Code of Military Justice may nevertheless have consequences to the contractor employees (see paragraph (h)(1) of this clause).

(e) Pre-deployment requirements.

(1) The Contractor shall ensure that the following requirements are met prior to deploying personnel authorized to accompany U.S. Armed Forces. Specific requirements for each category may be specified in the statement of work or elsewhere in the contract.

(i) All required security and background checks are complete and acceptable.

(ii) All deploying personnel meet the minimum medical screening requirements and have received all required immunizations as specified in the contract. The Government will provide, at no cost to the Contractor, any theater-specific immunizations and/or medications not available to the general public.

(iii) Deploying personnel have all necessary passports, visas, and other documents required to enter and exit a designated operational area and have a Geneva Conventions identification card, or other appropriate DoD identity credential, from the deployment center. Any Common Access Card issued to deploying personnel shall contain the access permissions allowed by the letter of authorization issued in accordance with paragraph (c)(4) of this clause.

(iv) Special area, country, and theater clearance is obtained for personnel. Clearance requirements are in DoD Directive 4500.54, Official Temporary Duty Abroad, and DoD 4500.54-G, DoD Foreign Clearance Guide. Contractor personnel are considered non-DoD personnel traveling under DoD sponsorship.

(v) All personnel have received personal security training. At a minimum, the training shall--

(A) Cover safety and security issues facing employees overseas;

(B) Identify safety and security contingency planning activities; and

(C) Identify ways to utilize safety and security personnel and other resources appropriately.

(vi) All personnel have received isolated personnel training, if specified in the contract, in accordance with DoD Instruction 1300.23, Isolated Personnel Training for DoD Civilian and Contractors.

(vii) Personnel have received law of war training as follows:

(A) Basic training is required for all Contractor personnel authorized to accompany U.S. Armed Forces deployed outside the United States. The basic training will be provided through--

(1) A military-run training center; or

(2) A Web-based source, if specified in the contract or approved by the Contracting Officer.

(B) Advanced training, commensurate with their duties and responsibilities, may be required for some Contractor personnel as specified in the contract.

(2) The Contractor shall notify all personnel who are not a host country national, or who are not ordinarily resident in the host country, that--

(i) Such employees, and dependents residing with such employees, who engage in conduct outside the United States that would constitute an offense punishable by imprisonment for more than one year if the conduct had been engaged in within the special maritime and territorial jurisdiction of the United States, may potentially be subject to the criminal jurisdiction of the United States in accordance with the Military Extraterritorial Jurisdiction Act of 2000 (18 U.S.C. 3621, et seq.);

(ii) Pursuant to the War Crimes Act (18 U.S.C. 2441), Federal criminal jurisdiction also extends to conduct that is determined to constitute a war crime when committed by a civilian national of the United States;

(iii) Other laws may provide for prosecution of U.S. nationals who commit offenses on the premises of U.S. diplomatic, consular, military or other U.S. Government missions outside the United States (18 U.S.C. 7(9)); and

(iv) In time of declared war or a contingency operation, Contractor personnel authorized to accompany U.S. Armed Forces in the field are subject to the jurisdiction of the Uniform Code of Military Justice under 10 U.S.C. 802(a)(10).

(f) Processing and departure points. Deployed Contractor personnel shall--

(1) Process through the deployment center designated in the contract, or as otherwise directed by the Contracting Officer, prior to deploying. The deployment center will conduct deployment processing to ensure visibility and accountability of Contractor personnel and to ensure that all deployment requirements are met, including the requirements specified in paragraph (e)(1) of this clause;

(2) Use the point of departure and transportation mode directed by the Contracting Officer; and

(3) Process through a Joint Reception Center (JRC) upon arrival at the deployed location. The JRC will validate personnel accountability, ensure that specific designated operational area entrance requirements are met, and brief Contractor personnel on theater-specific policies and procedures.

(g) Personnel data.

(1) The Contractor shall enter before deployment and maintain data for all Contractor personnel that are authorized to accompany U.S. Armed Forces deployed outside the United States as specified in paragraph (b)(1) of this clause. The Contractor shall use the Synchronized Predeployment and Operational Tracker (SPOT) web-based system, at <http://www.dod.mil/bta/products/spot.html>, to enter and maintain the data.

(2) The Contractor shall ensure that all employees in the database have a current DD Form 93, Record of Emergency Data Card, on file with both the Contractor and the designated Government official. The Contracting Officer will inform the Contractor of the Government official designated to receive this data card.

(h) Contractor personnel.

(1) The Contracting Officer may direct the Contractor, at its own expense, to remove and replace any Contractor personnel who jeopardize or interfere with mission accomplishment or who fail to comply with or violate applicable requirements of this contract. Such action may be taken at the Government's discretion without prejudice to its rights under any other provision of this contract, including the Termination for Default clause.

(2) The Contractor shall have a plan on file showing how the Contractor would replace employees who are unavailable for deployment or who need to be replaced during deployment. The Contractor shall keep this plan current and shall provide a copy to the Contracting Officer upon request. The plan shall--

(i) Identify all personnel who are subject to military mobilization;

(ii) Detail how the position would be filled if the individual were mobilized; and

(iii) Identify all personnel who occupy a position that the Contracting Officer has designated as mission essential.

(3) Contractor personnel shall report to the Combatant Commander or a designee, or through other channels such as the military police, a judge advocate, or an inspector general, any suspected or alleged conduct for which there is credible information that such conduct--

(i) Constitutes violation of the law of war; or

(ii) Occurred during any other military operations and would constitute a violation of the law of war if it occurred during an armed conflict.

(i) Military clothing and protective equipment.

(1) Contractor personnel are prohibited from wearing military clothing unless specifically authorized in writing by the Combatant Commander. If authorized to wear military clothing, Contractor personnel must--

(i) Wear distinctive patches, arm bands, nametags, or headgear, in order to be distinguishable from military personnel, consistent with force protection measures; and

(ii) Carry the written authorization with them at all times.

(2) Contractor personnel may wear military-unique organizational clothing and individual equipment (OCIE) required for safety and security, such as ballistic, nuclear, biological, or chemical protective equipment.

(3) The deployment center, or the Combatant Commander, shall issue OCIE and shall provide training, if necessary, to ensure the safety and security of Contractor personnel.

(4) The Contractor shall ensure that all issued OCIE is returned to the point of issue, unless otherwise directed by the Contracting Officer.

(j) Weapons.

(1) If the Contractor requests that its personnel performing in the designated operational area be authorized to carry weapons, the request shall be made through the Contracting Officer to the Combatant Commander, in accordance with DoD Instruction 3020.41, paragraph 6.3.4.1 or, if the contract is for security services, paragraph 6.3.5.3. The Combatant Commander will determine whether to authorize in-theater Contractor personnel to carry weapons and what weapons and ammunition will be allowed.

(2) If the Contracting Officer, subject to the approval of the Combatant Commander, authorizes the carrying of weapons--

(i) The Contracting Officer may authorize the Contractor to issue Contractor-owned weapons and ammunition to specified employees; or

(ii) The COR may issue Government-furnished weapons and ammunition to the Contractor for issuance to specified Contractor employees.

(3) The Contractor shall ensure that its personnel who are authorized to carry weapons--

(i) Are adequately trained to carry and use them--

(A) Safely;

(B) With full understanding of, and adherence to, the rules of the use of force issued by the Combatant Commander; and

(C) In compliance with applicable agency policies, agreements, rules, regulations, and other applicable law;

(ii) Are not barred from possession of a firearm by 18 U.S.C. 922; and

(iii) Adhere to all guidance and orders issued by the Combatant Commander regarding possession, use, safety, and accountability of weapons and ammunition.

(4) Whether or not weapons are Government-furnished, all liability for the use of any weapon by Contractor personnel rests solely with the Contractor and the Contractor employee using such weapon.

(5) Upon redeployment or revocation by the Combatant Commander of the Contractor's authorization to issue firearms, the Contractor shall ensure that all Government-issued weapons and unexpended ammunition are returned as directed by the Contracting Officer.

(k) Vehicle or equipment licenses. Contractor personnel shall possess the required licenses to operate all vehicles or equipment necessary to perform the contract in the designated operational area.

(l) Purchase of scarce goods and services. If the Combatant Commander has established an organization for the designated operational area whose function is to determine that certain items are scarce goods or services, the Contractor shall coordinate with that organization local purchases of goods and services designated as scarce, in accordance with instructions provided by the Contracting Officer.

(m) Evacuation.

(1) If the Combatant Commander orders a mandatory evacuation of some or all personnel, the Government will provide assistance, to the extent available, to United States and third country national Contractor personnel.

(2) In the event of a non-mandatory evacuation order, unless authorized in writing by the Contracting Officer, the Contractor shall maintain personnel on location sufficient to meet obligations under this contract.

(n) Next of kin notification and personnel recovery.

(1) The Contractor shall be responsible for notification of the employee-designated next of kin in the event an employee dies, requires evacuation due to an injury, or is isolated, missing, detained, captured, or abducted.

(2) In the case of isolated, missing, detained, captured, or abducted Contractor personnel, the Government will assist in personnel recovery actions in accordance with DoD Directive 3002.01E, Personnel Recovery in the Department of Defense.

(o) Mortuary affairs. Mortuary affairs for Contractor personnel who die while accompanying the U.S. Armed Forces will be handled in accordance with DoD Directive 1300.22, Mortuary Affairs Policy.

(p) Changes. In addition to the changes otherwise authorized by the Changes clause of this contract, the Contracting Officer may, at any time, by written order identified as a change order, make changes in the place of performance or Government-furnished facilities, equipment, material, services, or site. Any change order issued in accordance with this paragraph (p) shall be subject to the provisions of the Changes clause of this contract.

(q) Subcontracts. The Contractor shall incorporate the substance of this clause, including this paragraph (q), in all subcontracts when subcontractor personnel are authorized to accompany U.S. Armed Forces deployed outside the United States in--

(1) Contingency operations;

(2) Humanitarian or peacekeeping operations; or

(3) Other military operations or military exercises, when designated by the Combatant Commander.

(End of clause)

252.225-7043 ANTITERRORISM/FORCE PROTECTION POLICY FOR DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES (MAR 2006)

(a) Definition. United States, as used in this clause, means, the 50 States, the District of Columbia, and outlying areas.

(b) Except as provided in paragraph (c) of this clause, the Contractor and its subcontractors, if performing or traveling outside the United States under this contract, shall--

(1) Affiliate with the Overseas Security Advisory Council, if the Contractor or subcontractor is a U.S. entity;

(2) Ensure that Contractor and subcontractor personnel who are U.S. nationals and are in-country on a non-transitory basis, register with the U.S. Embassy, and that Contractor and subcontractor personnel who are third country nationals comply with any security related requirements of the Embassy of their nationality;

(3) Provide, to Contractor and subcontractor personnel, antiterrorism/force protection awareness information commensurate with that which the Department of Defense (DoD) provides to its military and civilian personnel and their families, to the extent such information can be made available prior to travel outside the United States; and

(4) Obtain and comply with the most current antiterrorism/force protection guidance for Contractor and subcontractor personnel.

(c) The requirements of this clause do not apply to any subcontractor that is--

- (1) A foreign government;
- (2) A representative of a foreign government; or
- (3) A foreign corporation wholly owned by a foreign government.

(d) Information and guidance pertaining to DoD antiterrorism/force protection can be obtained from the appropriate Antiterrorism Force Protection Office at the Command Headquarters. Also see <https://atep.dtic.mil>.

(End of clause)

252.225-7993 PROHIBITION ON CONTRACTING WITH THE ENEMY IN THE UNITED STATES CENTRAL COMMAND THEATER OF OPERATIONS (DEVIATION 2012-O0005)(JAN 2012)

(a) The Contractor is required to exercise due diligence to ensure that none of the funds received under this contract are provided, directly or indirectly, to a person or entity who is actively supporting an insurgency or otherwise actively opposing U.S. or coalition forces in a contingency operation.

(b) The Head of the Contracting Activity (HCA) has the authority to—

- (1) Terminate this contract for default, in whole or in part, if the HCA determines in writing that the Contractor failed to exercise due diligence as required by paragraph (a) of this clause; or
- (2) Void this contract, in whole or in part, if the HCA determines in writing that any funds received under this Contract have been provided, directly or indirectly, to a person or entity who is actively supporting an insurgency or otherwise actively opposing U.S. or coalition forces in a contingency operation.

(End of clause)

252.225-7994 ADDITIONAL ACCESS TO CONTRACTOR AND SUBCONTRACTOR RECORDS IN THE UNITED STATES CENTRAL COMMAND THEATER OF OPERATIONS (DEVIATION 2012-O0005)(JAN 2012)

(a) In addition to any other existing examination-of-records authority, the Department of Defense is authorized to examine any records of the Contractor to the extent necessary to ensure that funds available under this Contract are not—

- (1) Subject to extortion or corruption; or
- (2) Provided, directly or indirectly, to persons or entities that are actively supporting an insurgency or otherwise actively opposing United States or coalition forces in a contingency operation.

(b) The substance of this clause, including this paragraph (b), is required to be included in subcontracts under this Contract that have an estimated value over \$100,000.

(End of clause)

252.225-7997 ADDITIONAL REQUIREMENTS AND RESPONSIBILITIES RELATING TO ALLEGED CRIMES BY OR AGAINST CONTRACTOR PERSONNEL IN IRAQ AND AFGHANISTAN (DEVIATION 2010-O0014)(AUGUST 2010)

(a) The Contractor shall report to the appropriate investigative authorities, identified in paragraph (c) below, any alleged offenses under—

(1) The Uniform Code of Military Justice (chapter 47 of title 10, United States code) (applicable to contractors serving with or accompanying an armed force in the field during a declared war or a contingency operation); or

(2) The Military Extraterritorial Jurisdiction Act (chapter 212 of title 18, United States Code).

(b) The Contractor shall provide to all contractor personnel who will perform work on a contract in Iraq or Afghanistan, before beginning such work, information on the following:

(1) How and where to report an alleged crime described in paragraph (a) of this clause.

(2) Where to seek victim and witness protection and assistance available to contractor personnel in connection with an alleged offense described in paragraph (a) of this clause.

(c) The appropriate investigative authorities to which suspected crimes shall be reported include the following officials--

(i) US Army Criminal Investigative Division at <http://www.cid.army.mil/reportacrime.html>;

(ii) Air Force Office of Special Investigations at <http://www.osi.andrews.af.mil/library/factsheets/factsheet.asp?id=14522>;

(iii) Navy Criminal Investigative Service at <http://www.ncis.navy.mil/Pages/publicdefault.aspx>;
or

(iv) To the command of any supported military element or the command of any base.

(d) Personnel seeking whistleblower protection from reprisals for reporting criminal acts shall seek guidance through the DoD Inspector General hotline at (800) 424-9098 or www.dodig.mil/HOTLINE/index.html. Personnel seeking other forms of victim or witness protections should contact the nearest military law enforcement office.

(End of clause)

252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT (MAR 1998)

(a) The amount of any request for equitable adjustment to contract terms shall accurately reflect the contract adjustment for which the Contractor believes the Government is liable. The request shall include only costs for performing the change, and shall not include any costs that already have been reimbursed or that have been separately claimed. All indirect costs included in the request shall be properly allocable to the change in accordance with applicable acquisition regulations.

(b) In accordance with 10 U.S.C. 2410(a), any request for equitable adjustment to contract terms that exceeds the simplified acquisition threshold shall bear, at the time of submission, the following certificate executed by an individual authorized to certify the request on behalf of the Contractor:

I certify that the request is made in good faith, and that the supporting data are accurate and complete to the best of my knowledge and belief.

(Official's Name)

(Title)

(c) The certification in paragraph (b) of this clause requires full disclosure of all relevant facts, including--

(1) Cost or pricing data if required in accordance with subsection 15.403-4 of the Federal Acquisition Regulation (FAR); and

(2) Information other than cost or pricing data, in accordance with subsection 15.403-3 of the FAR, including actual cost data and data to support any estimated costs, even if cost or pricing data are not required.

(d) The certification requirement in paragraph (b) of this clause does not apply to---

(1) Requests for routine contract payments; for example, requests for payment for accepted supplies and services, routine vouchers under a cost-reimbursement type contract, or progress payment invoices; or

(2) Final adjustment under an incentive provision of the contract.

952.222-0001 PROHIBITION AGAINST HUMAN TRAFFICKING, INHUMANE LIVING CONDITIONS, AND WITHHOLDING OF EMPLOYEE PASSPORTS (AUG 2011)

(a) All contractors ("contractors" refers to both prime contractors and all subcontractors at all tiers) are reminded of the prohibition contained in Title 18, United States Code, Section 1592, against knowingly destroying, concealing, removing, confiscating, or possessing any actual or purported passport or other immigration document, or any other actual or purported government identification document, of another person, to prevent or restrict or to attempt to prevent or restrict, without lawful authority, the person's liberty to move or travel, in order to maintain the labor or services of that person.

(b) Contractors are also required to comply with the following provisions:

(1) Contractors shall only hold employee passports and other identification documents discussed above for the shortest period of time reasonable for administrative processing purposes.

(2) Contractors shall provide all employees with a signed copy of their employment contract, in English as well as the employee's native language, that defines the terms of their employment/compensation.

(3) Contractors shall not utilize unlicensed recruiting firms or firms that charge illegal recruiting fees.

(4) Contractors shall be required to provide adequate living conditions (sanitation, health, safety, living space) for their employees. Fifty square feet is the minimum acceptable square footage of personal living space per employee. Upon contractor's written request, Contracting Officers may grant a waiver in writing in cases where the existing square footage is within 20% of the minimum, and the overall conditions are determined by the Contracting Officer to be acceptable. A copy of the waiver approval shall be maintained at the respective life support area.

(5) Contractors shall incorporate checks of life support areas to ensure compliance with the requirements of this Trafficking in Persons Prohibition into their Quality Control program, which will be reviewed within the Government's Quality Assurance process.

(6) Contractors shall comply with International and Host Nation laws regarding transit/exit/entry procedures and the requirements for visas and work permits.

(c) Contractors have an affirmative duty to advise the Contracting Officer if they learn of their employees violating the human trafficking and inhumane living conditions provisions contained herein. Contractors are advised that Contracting Officers and/or their representatives will conduct random checks to ensure contractors and subcontractors at all tiers are adhering to the law on human trafficking, humane living conditions and withholding of passports.

(d) The contractor agrees to incorporate the substance of this clause, including this paragraph, in all subcontracts under his contract.

(End of Clause)

952.223-0001 REPORTING KIDNAPPINGS, SERIOUS INJURIES AND DEATHS (JUL 2010)

Contractors shall notify the Contracting Officer, as soon as practicable, whenever employee kidnappings, serious injuries or deaths occur.

Report the following information:

Contract Number

Contract Description & Location

Company Name

Reporting party:

Name

Phone number

e-mail address

Victim:

Name

Gender (Male/Female)

Age

Nationality

Country of permanent residence

Incident:

Description

Location

Date and time

Other Pertinent Information

(End of Clause)

952.225-0003 FITNESS FOR DUTY AND MEDICAL/DENTAL CARE LIMITATIONS (AFGHANISTAN) (DEC 2011)

(a) The contractor shall perform the requirements of this contract notwithstanding the fitness for duty of deployed employees, the provisions for care offered under this section, and redeployment of individuals determined to be unfit. Contractor personnel who deploy for multiple tours, for more than 12 months total must be re-evaluated for fitness to deploy. An examination will remain valid for 15 months from the date of the physical. The contractor bears the responsibility for ensuring all employees are aware of the conditions and medical treatment available at the performance location. The contractor shall include this information and requirement in all subcontracts with performance in the theater of operations.

(b) The contractor shall not deploy an individual with any of the following conditions unless approved by the appropriate CENTCOM Service Component (i.e. ARCENT, AFCENT, etc.) Surgeon: Conditions which prevent the wear of personal protective equipment, including protective mask, ballistic helmet, body armor, and chemical/biological protective garments; conditions which prohibit required theater immunizations or medications; conditions or current medical treatment or medications that contraindicate or preclude the use of chemical and

biological protective's and antidotes; diabetes mellitus, Type I or II, on pharmacological therapy; symptomatic coronary artery disease, or with myocardial infarction within one year prior to deployment, or within six months of coronary artery bypass graft, coronary artery angioplasty, or stenting; morbid obesity (BMI \geq 40%); dysrhythmias or arrhythmias, either symptomatic or requiring medical or electrophysiological control; uncontrolled hypertension, current heart failure, or automatic implantable defibrillator; therapeutic anticoagulation; malignancy, newly diagnosed or under current treatment, or recently diagnosed/treated and requiring frequent subspecialist surveillance, examination, and/or laboratory testing; dental or oral conditions requiring or likely to require urgent dental care within six months' time, active orthodontic care, conditions requiring prosthodontic care, conditions with immediate restorative dentistry needs, conditions with a current requirement for oral-maxillofacial surgery; new onset (< 1 year) seizure disorder, or seizure within one year prior to deployment; history of heat stroke; Meniere's Disease or other vertiginous/motion sickness disorder, unless well controlled on medications available in theater; recurrent syncope, ataxias, new diagnosis (< 1 year) of mood disorder, thought disorder, anxiety, somatoform, or dissociative disorder, or personality disorder with mood or thought manifestations; unrepaired hernia; tracheostomy or aphonia; renalithiasis, current; active tuberculosis; pregnancy; unclosed surgical defect, such as external fixator placement; requirement for medical devices using AC power; HIV antibody positivity; psychotic and bipolar disorders. (Reference: Mod 10 to USCENTCOM Individual Protection and Individual/Unit Deployment Policy, Tab A: Amplification of the Minimal Standards of Fitness for Deployment to the CENTCOM AOR).

(c) In accordance with military directives (DoDI 3020.41, DoDI 6000.11, CFC FRAGO 09-1038, DoD Federal Acquisition Regulation Supplement (DFARS) PGI 225.74), resuscitative care, stabilization, hospitalization at Level III (emergency) military treatment facilities and assistance with patient movement in emergencies where loss of life, limb or eyesight could occur will be provided. Hospitalization will be limited to emergency stabilization and short-term medical treatment with an emphasis on return to duty or placement in the patient movement system. Subject to availability at the time of need, a medical treatment facility may provide reimbursable treatment for emergency medical or dental care such as broken bones, lacerations, broken teeth or lost fillings.

(d) Routine and primary medical care is not authorized. Pharmaceutical services are not authorized for routine or known, routine prescription drug needs of the individual. Routine dental care, examinations and cleanings are not authorized.

(e) Notwithstanding any other provision of the contract, the contractor shall be liable for any and all medically-related services or transportation rendered. To view reimbursement rates that will be charged for services at all DoD deployed medical facilities please go to the following website: <http://comptroller.defense.gov/rates/fy2012.html> (change fiscal year as applicable).

(End of Clause)

952.225-0004 COMPLIANCE WITH LAWS AND REGULATIONS (DEC 2011)

(a) The Contractor shall comply with, and shall ensure that its employees and its subcontractors and their employees, at all tiers, are aware of and obey all U.S. and Host Nation laws, Federal or DoD regulations, and US Central Command orders and directives as applicable to personnel in Iraq and Afghanistan, including but not limited to USCENTCOM, Multi-National Force and Multi-National Corps or Chief of Mission operations and fragmentary orders, instructions, policies and directives.

(b) Contractor employees shall particularly note all laws, regulations, policies, and orders restricting authority to carry firearms, rules for the use of force, and prohibiting sexual or aggravated assault.

(1) Afghanistan – Contractor employees are subject to General Orders Number 1, as modified from time to time, including without limitation, their prohibition on privately owned firearms, alcohol, drugs, war souvenirs, pornography and photographing detainees, human casualties or military security measures.

(2) Iraq – Contractor employees are not subject to General Order 1. Contractor employees will follow the policies or directives of the Office of Security Cooperation-Iraq (OSC-I) Installation Managers or Chief of Mission policies and directives regarding consumption of alcohol or any prohibited items for sites that they are assigned.

(c) Contractor employees may be ordered removed from the US Embassy, Chief of Mission sites, OSC-I sites, secure military installations or the theater of operations by order of the Chief of Mission (Iraq) or senior military commander of the battle space (Afghanistan) for acts that disrupt good order and discipline or violate applicable laws, regulations, orders, instructions, policies, or directives. Contractors shall immediately comply with any such order to remove its contractor employee.

(d) Contractor employees performing in Iraq or the USCENTCOM Area of Responsibility (AOR) may be subject to the jurisdiction of overlapping criminal codes, including, but not limited to, the Military Extraterritorial Jurisdiction Act (18 U.S.C. Sec. 3261, et al) (MEJA), the Uniform Code of Military Justice (10 U.S.C. Sec. 801, et al)(UCMJ), and the laws of the Host Nation. Non-US citizens may also be subject to the laws of their home country while performing in Iraq or the USCENTCOM AOR. Contractor employee status in these overlapping criminal jurisdictions may be modified from time to time by the United States, the Host Nation, or by applicable status of forces agreements.

(e) Under MEJA, a person who engages in felony misconduct outside the United States while employed by or accompanying the Armed Forces is subject to arrest, removal and prosecution in United States federal courts. Under the UCMJ, a person serving with or accompanying the Armed Forces in the field during a declared war or contingency operation may be disciplined for a criminal offense, including by referral of charges to a General Court Martial. Contractor employees may be ordered into confinement or placed under conditions that restrict movement in Iraq or within the AOR or administratively attached to a military command pending resolution of a criminal investigation.

(f) Contractors shall immediately notify the BDOC (Iraq) or military law enforcement (Afghanistan) and the Contracting Officer if they suspect an employee has committed an offense. Contractors shall take any and all reasonable and necessary measures to secure the presence of an employee suspected of a serious felony offense. Contractors shall not knowingly facilitate the departure of an employee suspected of a serious felony offense or violating the Rules for the Use of Force to depart Iraq or Afghanistan without approval from the Chief of Mission (Iraq) or the senior U.S. commander (Afghanistan).

(End of Clause)

952.225-0005 MONTHLY CONTRACTOR CENSUS REPORTING (AUG 2011)

Contractor shall provide monthly employee census information to the Contracting Officer, by province, for this contract. Information shall be submitted either electronically or by hard-copy. Information shall be current as of the 25th day of each month and received by the Contracting Officer no later than the first day of the following month. The following information shall be provided for each province in which work was performed:

- (1) The total number (prime and subcontractors at all tiers) employees.
- (2) The total number (prime and subcontractors at all tiers) of U.S. citizens.
- (3) The total number (prime and subcontractors at all tiers) of local nationals (LN).
- (4) The total number (prime and subcontractors at all tiers) of third-country nationals (TCN).
- (5) Name of province in which the work was performed.
- (6) The names of all company employees who enter and update employee data in the Synchronized Pre-deployment & Operational Tracker (SPOT) IAW DFARS 252.225-7040 or DFARS DOD class deviation 2011-00004.

(End of Clause)

952.225-0009 MEDICAL SCREENING AND VACCINATION REQUIREMENTS FOR CONTRACTOR EMPLOYEES OPERATING IN THE CENTCOM AREA OF RESPONSIBILITY (AOR) (DEC 2011)

- (a) Contractors and subcontractors at any tier shall ensure and provide satisfactory evidence that all locally hired employees, including Local National (LN), Third Country National (TCN), and U.S. employees, working on bases have been screened for and do not currently have active tuberculosis (TB).
- (1) Contractors may initially utilize a testing method of either a chest x-ray or TB skin test (TST), depending on the originating country of a contracted employee.
- (i) Chest x-rays (CXR's), symptom survey, and Body Mass Index (BMI) shall be taken, and TSTs administered within 12 months prior to the start of deployment/employment. Contractors are required to bring in a physical copy of the pre-employment CXR film as it is the only way to verify interval changes should an active case of TB occur.
- (A) Third Country Nationals (TCNs) and Local Nationals (LNs) cannot be screened with the TST. They need the pre-employment screening with a quality CXR, BMI and symptom survey.
- (B) Small-Risk Nationals (SRNs), those with less than 25 TB cases per 100,000 persons annually (mostly expats from Europe and US), can be screened via the TST.
- (ii) Annual re-screening for TCNs, and LNs will be performed with a CXR conducted by the Contractor's medical provider or local economy provider who will look for interval changes from prior CXR's and review any changes in the symptom survey.
- (iii) SRN's do not require annual TB re-screening. However, for a TB contact investigation, a TST or Interferon Gamma Release Assay (IGRA) is required.
- (iv) For a contact investigation, all personnel with a positive TST or IGRA will be evaluated for potential active TB with a symptom screen, exposure history, BMI, and CXR. All cases of suspected or confirmed active TB must be reported to the theater Preventive Medicine (PM) physician and/or TB Consultant as soon as possible. TB reporting is required within 24 hours to the PM POC. Contact tracing, and medical coding have specific requirements. All Small-Risk National (SRN) contract personnel are required to be MEDEVAC'd out of theater, at the contractor's expense, for treatment of active TB, after consultation with the Theater PM or TB Consultant. For SRN personnel, the contractor is responsible for management and compliance with all prescribed public health actions.
- (v) Screening may be performed either by a licensed medical provider from the local economy or by the contractors' licensed medical staffs. Contractors shall maintain medical screening documentation and make it available to the Contracting Officer upon request.
- (2) TB screening and documentation is a requirement prior to receiving badges to work in the CENTCOM Area of Operations. A copy of the TB screening documentation shall be provided to the responsible Base Operations Center prior to issuance of base access badges.
- (b) Contractor employees, including subcontractors at any tier, who work in food service positions and/or water and ice production facilities, shall have current Typhoid and Hepatitis "A" (full series) immunizations in accordance with the Centers for Disease Control and Prevention guidelines (e.g. typhoid vaccination booster is required every 2 years), in addition to the required TB tests. The contractor medical provider must complete a pre-placement examination to include a stool sample test for ova and parasites, and annual medical screening form or equivalent for food service, ice and water production workers.
- (c) Proof of individual employee vaccinations shall be provided to the Contracting Officer and COR showing that their employees and their subcontractor employees at any tier have received the above vaccinations. The contractor shall maintain their employees' vaccination records for examination by the Contracting Officer. The contractor shall ensure that their subcontractors at any tier maintain their respective employees' vaccination records for examination by the Contracting Officer.
- (d) The contractor is responsible for management and compliance with all prescribed public health actions regarding TB in the contracted personnel. The contractor also bears the responsibility of ensuring that adequate

health management for TB (screening/diagnosis/treatment/isolation) is available at the contractor's chosen health care provider for their contracted and subcontracted personnel.

NOTE: Contractors are reminded of the requirement to comply with their contract and all regulatory guidance (DoD Instructions/Regulations, Federal Acquisition Regulation as Supplemented, and FRAGO's) as applicable regarding Medical Screening and Vaccination Requirements.

(End of Clause)

952.225-0011 GOVERNMENT FURNISHED CONTRACTOR SUPPORT (DEC 2011)

The following is a summary of the type of support the Government will provide the contractor, on an "as-available" basis. In the event of any discrepancy between this summary and the description of services in the Statement of Work, this clause will take precedence.

- * CAAF means Contractors Authorized to Accompany Forces.
- ** Mail to Iraq limited to 2lbs
- *** Applies to Iraq only

U.S. Citizens

- | | | |
|--|---|---|
| <input type="checkbox"/> APO/FPO/MPO/DPO/Postal Services** | <input type="checkbox"/> DFACs | <input type="checkbox"/> Mil Issue Equip |
| <input type="checkbox"/> Authorized Weapon | <input type="checkbox"/> Excess Baggage | <input type="checkbox"/> MILAIR |
| <input type="checkbox"/> Billeting | <input type="checkbox"/> Fuel Authorized | <input type="checkbox"/> MWR |
| <input type="checkbox"/> CAAF* | <input type="checkbox"/> Govt Furnished Meals | <input type="checkbox"/> Resuscitative Care |
| <input type="checkbox"/> Controlled Access Card (CAC) | <input type="checkbox"/> Military Banking | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Badge | <input type="checkbox"/> Military Clothing | <input type="checkbox"/> All |
| <input type="checkbox"/> Commissary | <input type="checkbox"/> Military Exchange | <input checked="" type="checkbox"/> None |
| <input type="checkbox"/> Dependents Authorized | <input type="checkbox"/> Embassy Air*** | <input type="checkbox"/> Embassy Clinic |

Third-Country National (TCN) Employees

- | | | |
|---|---|---|
| <input type="checkbox"/> N/A | <input type="checkbox"/> DFACs | <input type="checkbox"/> Mil Issue Equip |
| <input type="checkbox"/> Authorized Weapon | <input type="checkbox"/> Excess Baggage | <input type="checkbox"/> MILAIR |
| <input type="checkbox"/> Billeting | <input type="checkbox"/> Fuel Authorized | <input type="checkbox"/> MWR |
| <input type="checkbox"/> CAAF* | <input type="checkbox"/> Govt Furnished Meals | <input type="checkbox"/> Resuscitative Care |
| <input type="checkbox"/> Controlled Access Card (CAC) | <input type="checkbox"/> Military Banking | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Badge | <input type="checkbox"/> Military Clothing | <input type="checkbox"/> All |
| <input type="checkbox"/> Commissary | <input type="checkbox"/> Military Exchange | <input checked="" type="checkbox"/> None |
| <input type="checkbox"/> Dependents Authorized | <input type="checkbox"/> Embassy Air*** | <input type="checkbox"/> Embassy Clinic |

Local National (LN) Employees

- | | | |
|---|---|---|
| <input type="checkbox"/> N/A | <input type="checkbox"/> DFACs | <input type="checkbox"/> Mil Issue Equip |
| <input type="checkbox"/> Authorized Weapon | <input type="checkbox"/> Excess Baggage | <input type="checkbox"/> MILAIR |
| <input type="checkbox"/> Billeting | <input type="checkbox"/> Fuel Authorized | <input type="checkbox"/> MWR |
| <input type="checkbox"/> CAAF* | <input type="checkbox"/> Govt Furnished Meals | <input type="checkbox"/> Resuscitative Care |
| <input type="checkbox"/> Controlled Access Card (CAC) | <input type="checkbox"/> Military Banking | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Badge | <input type="checkbox"/> Military Clothing | <input type="checkbox"/> All |
| <input type="checkbox"/> Commissary | <input type="checkbox"/> Military Exchange | <input checked="" type="checkbox"/> None |
| <input type="checkbox"/> Dependents Authorized | <input type="checkbox"/> Embassy Air*** | <input type="checkbox"/> Embassy Clinic |

(End of Clause)

952.225-0013 CONTRACTOR HEALTH AND SAFETY (AUG 2011)

(a) Contractors shall comply with all National Electrical Code (NEC 2008), Specifications as outlined, and MIL Standards and Regulations. All infrastructure to include, but not limited to, living quarters, showers, and restrooms shall be installed and maintained in compliance with these standards and must be properly supported and staffed to ensure perpetual Code compliance, prevent hazards and to quickly correct any hazards to maximize safety of those who use or work at the infrastructure. The government has the authority to enter and inspect contractor employee living quarters at any time to ensure the prime contractor is complying with safety compliance standards outlined in the 2008 National Electric Code (NEC).

(b) The contractor shall correct all deficiencies within a reasonable amount of time of contractor becoming aware of the deficiency either by notice from the government or a third party, or discovery by the contractor. Further guidance on mandatory compliance with NFPA 70: NEC 2008 can be found on the following link <http://www.nfpa.org>.

(End of Clause)

952.225-0016 CONTRACTOR DEMOBILIZATION (AFGHANISTAN) (AUG 2011)

(a) Full demobilization of contractors and subcontractor(s) in the Afghanistan Combined Joint Operations Area (CJOA) is critical to responsible drawdown. The prime contractor is required to submit a demobilization plan to the Contracting Officer a minimum of 120 days prior to the end of the contract performance period or when requested by the Contracting Officer. The demobilization plan shall address, as a minimum, the following procedures detailed below. The procedures outline specific guidance to ensure a timely and responsible exit from theater. Prime contractors are responsible and accountable to ensure their subcontractor(s) at all tiers comply with responsible and timely exit from theater immediately following contract performance completion or termination.

(1) Exit from Afghanistan: The prime contractor is responsible to remain cognizant of Afghan laws regarding exit from Afghanistan. Currently, all foreigners traveling out of Afghanistan airports via commercial air transportation must have exit visas. Department of Defense, U.S. Forces-Afghanistan, Letters of Authorization (LOAs), and/or Embassy Badges are not accepted means of exiting Afghanistan. All U.S. citizens and foreign national contractors exiting via commercial means must obtain an Afghanistan exit sticker before departing the country. The exit sticker may be obtained from Ministry of Interior (MOI) office. It is the prime contractor's responsibility to ensure that the most recent exit procedures are followed and to ensure that subcontractor(s) at all tiers are in compliance with exit procedures. It is the responsibility of the contractor to work with the Embassy of Afghanistan or Afghanistan MOI as required.

(2) Letter of Authorization (LOA): The prime contractor is responsible for demobilizing its workforce, including subcontractor employees at all tiers, and all contractor owned and subcontractor owned equipment out of theater as part of the prime contractor's exit strategy. This exit strategy must include reasonable timeframes starting with the end of the contract performance period and not exceeding 30 days. The Contracting Officer has the authority to extend selected LOAs up to, but not exceeding 30 calendar days after the contract completion date to allow the prime contractor to complete demobilization of its workforce and contractor owned equipment, as well as subcontractor(s) workforce and owned equipment, out of the Afghanistan CJOA. The prime contractor shall notify the Contracting Officer a minimum of 30 days prior to the end of the contract period to request up to a 30-day extension of selected LOAs beyond the contract completion date to complete demobilization. The request shall include at a minimum:

- (i) the name of each individual requiring a new LOA;
- (ii) the number of days for the LOA (no more than 30 calendar days); and

(iii) justification for the request (e.g., what function the individual(s) will be performing during the demobilization period).

The Contracting Officer may request additional information for an LOA extension. Any LOA extension granted beyond the contract completion date shall not exceed 30 days and the contractor is not entitled to additional compensation for this period. If approved by the Contracting Officer, this is a no cost extension of an employee's LOA due to demobilization and in no way is an extension of the contract performance period.

(3) Badging: The prime contractor is responsible to ensure all employee badges, including subcontractor employees at all tiers, are returned to the local Access Control Badging Office for de-activation and destruction. The prime contractor shall submit a Badge Termination Report to ensure each record is flagged and the badge is revoked. If a prime and/or subcontractor employee's badge is not returned, the prime contractor shall submit a Lost, Stolen or Unrecovered Badge Report to the appropriate Access Control Badging Office. Contractor employees in possession of a Common Access Card (CAC) shall be responsible for turning in the CAC upon re-deployment through a CONUS Replacement Center in the U.S. Failure to return employee badges in a timely manner may result in delay of final payment.

(4) Contractor Controlled Facility Space: If the prime contractor has entered into a Memorandum of Understanding with the Installation Mayor or Garrison for site space, buildings, facilities, and/or Containerized Housing Units (CHU) to house prime and/or subcontractor employees (at all tiers), the prime contractor is responsible to notify the Installation Mayor or Garrison Commander of intent to vacate at least 90 calendar days prior to the end of the contract performance period. All United States Government (USG) provided property in the prime contractor's possession must be returned to the USG in satisfactory condition. The prime contractor is responsible and liable for any and all damages to USG property caused by prime and/or subcontractor employees, and shall be further liable for all cleanup, clearing, and/or environmental remediation expenses incurred by the USG in returning prime contractor and/or subcontractor facilities including surrounding site to a satisfactory condition, including expenses incurred in physically moving property, trash, and refuse from such premises, removing/remediating hazardous wastes on the premises, and repairing structures, buildings, and facilities used by the prime contractor and/or subcontractor. The prime contractor shall provide notification to the Installation Mayor or Garrison Commander to perform an inspection of all facilities as soon as practicable, but no more than 30 days, after the end of the contract period. If damages are discovered, the prime contractor shall make the necessary repairs. The prime contractor shall notify the Installation Mayor or Garrison Commander for re-inspection of the facilities upon completion of the repairs. If the Installation Mayor or Garrison Commander inspects the property, site space, buildings, facilities, and/or CHUs and finds they have not been properly cleaned, cleared, and/or environmentally remediated, or if the prime contractor fails to repair any damages within 30 calendar days after the end of the contract performance period, the final contract payment shall be reduced by the amount of the specified damages/repairs or the expenses incurred by the USG to properly clean, clear, and/or environmentally remediate the premises.

(5) Government Furnished Equipment/Materials: The prime contractor is responsible to return all USG furnished equipment, as defined in Federal Acquisition Regulation (FAR) Part 45, clauses 52.245-1, if included in the contract. Prime contractors who are not in compliance with the FAR, Defense Federal Acquisition Regulation Supplement, Department of Defense Directives and Instructions, policies, or procedures will be responsible and liable for damages to the government property. The prime contractor may apply for a "relief of responsibility" from the Contracting Officer anytime during the contract performance period. A joint inventory shall be conducted of the equipment by the prime contractor, USG representative, and the Contracting Officer or their representative, within 10 calendar days after the end of the contract performance period. The prime contractor shall report lost, damaged or destroyed property immediately to the Contracting Officer, but no later than the joint inventory at the end of the contract period. If the prime contractor fails to report lost, damaged or destroyed equipment or materials during the contract performance period, the prime contractor shall be responsible for the replacement and/or repair of the equipment or materials. The replaced equipment shall be new, of the same quality, and shall perform at the same functional level as the missing piece of equipment. If the prime contractor fails to repair and/or replace damaged or missing equipment, the final payment shall be reduced by the appropriate amount of the specified damages or cost to replace missing equipment with new.

(6) Contractor Personal Property: The contractor is advised that all personal property left on the respective installation after the date of departure of said premises, shall be sold or otherwise disposed of in accordance with 10 U.S.C. § 2575.

(i) A request for the return of the property will be honored, if feasible, and if received before the expiration of the period of time allowed to vacate the installation.

(ii) If abandoned property is left on the respective installation, contractual remedies may be enforced against the contractor, (See paragraph (b) of this clause for potential contractual remedies). Additionally, even if the contractor waives its interest to all abandoned personal property, the contractor may still be liable for all costs incurred by the USG to remove or dispose of the abandoned property.

(iii) The contractor hereby authorizes the USG authority to dispose of any and all abandoned personal property in any manner the USG may deem suitable and hereby releases and discharges the USG and its agents from any and all claims and demands whatsoever that could otherwise be asserted because of the disposition of said abandoned personal property.

(7) Synchronized Predeployment Operational Tracker (SPOT): The prime contractor is responsible to close out the deployment of personnel, including subcontractor employees at all tiers, at the end of the contract completion period and to release the personnel from the prime contractor's company in the SPOT database. The release of employee information must be accomplished no more than 30 calendar days after the end of the contract completion date.

(8) Accountability of Prime and Subcontractor Personnel: Whether specifically written into the contract or not, it is the expectation of the USG that for any persons brought into the Afghanistan CJOA for the sole purposes of performing work on USG contracts, contract employers will return employees to their point of origin/home country once the contract is completed or their employment is terminated for any reason. If the prime contractor fails to re-deploy an employee, or subcontractor employee at any tier, the USG shall notify the applicable U.S. Embassy to take appropriate action. Failure by the prime contractor to re-deploy its personnel, including subcontractor personnel at any tier, at the end of the contract completion date, could result in the contractor being placed on the Excluded Parties List System (EPLS) and not be allowed to propose on future U.S. contracts anywhere in the world.

(9) Personnel Recovery: Any DoD contractor with unaccounted for employees shall follow the instructions in the "Contractor Accountability and Personnel Recovery" Clause 952.225-20. The contractor may use the Contracting Fusion Cell as a resource to track or research employees last known location and/or to view LOA's.

(b) CENTCOM - Joint Theater Support Contracting Command (C-JTSCC) and external agencies will utilize all available contracting remedies to guarantee compliance with demobilization requirements. Such actions include, but are not limited to withholding payment, issuing a cure notice, issuing a negative Contractor Performance Assessment Reporting System (CPARS) evaluation, reduction of award fee, debarment, reimbursement of U.S. Government expenses, and/or any other legal remedy available to a contracting officer. The USG reserves the right to withhold payment from the prime contractor not in compliance with the above procedures included herein. Additionally, the Contracting Officer shall document all unresolved contractor compliance issues in CPARS, which shall have an adverse past performance affect on future contracts with the USG, anywhere in the world.

(End of Clause)

952.225-0019 COMMODITY SHIPPING INSTRUCTIONS (AFGHANISTAN) (AUG 2011)

(a) USFOR-A FRAGO 10-200. United States Forces Afghanistan (USFOR-A) has directed that all shipments into and out of the Combined Joint Operations Area - Afghanistan (CJOA-A) be coordinated through the Defense Transportation System (DTS) in order to expedite the customs clearance process and facilitate the use of in-transit visibility for all cargo in the CJOA-A

(b) Information regarding the Defense Transportation System (DTS). For instructions on shipping commodity items via commercial means using DTS, see the following websites:

1. Defense Transportation Regulation – Part II Cargo Movement - Shipper, Trans-shipper, and Receiver Requirements and Procedures:

http://www.transcom.mil/dtr/part-ii/dtr_part_ii_203.pdf

2. Defense Transportation Regulation – Part II 4 Cargo Movement – Cargo Routing and Movement: http://www.transcom.mil/dtr/part-ii/dtr_part_ii_202.pdf

3. Defense Transportation Regulation – Part V - Department of Defense Customs and Border Clearance Policies and Procedures: http://www.transcom.mil/dtr/part-v/dtr_part_v_512.pdf

(c) Responsibilities of the vendor carrier representative, shipping expeditor, and/or customs broker:

1. Afghanistan Import Customs Clearance Request Procedures: The carrier, shipping expeditor, and/or customs broker is responsible for being knowledgeable about the Afghan Customs Clearance Procedures.
2. Status of Customs Clearance Requests: All inquiries regarding the status of a customs clearance request prior to its submission to Department of Defense (DoD) Customs and after its return to the carrier representative or shipping expeditor should be directed to the carrier or shipping agent.
3. Customs Required Documents: The carrier representative or shipping expeditor is required to provide the DoD Contracting Officer Representative (COR) with all documentation that will satisfy the requirements of the Government of the Islamic Republic of Afghanistan (GIROA).

(d) Required Customs Documents: Documents must be originals (or copies with a company stamp). Electronic copies or photocopied documents will not be accepted by GIROA. The carrier is responsible for checking the current requirements for documentation with the Afghanistan Customs Department (ACD) as specified by the U.S. Embassy Afghanistan's SOP for Customs Clearance Requests Operations (<http://trade.gov/static/AFGCustomsSOP.pdf>) and paragraph 4 below.

1. The U.S. Ambassador Afghanistan diplomatic note guarantees that the U.S. Government (USG) shipments are exempt from Afghanistan Customs duties and taxes. USG shipments do not provide commercial carriers with the authority to unnecessarily delay shipments or holdover shipments in commercial storage lots and warehouses while en route to its final destination. The U.S. Embassy expects that shipments will be expedited as soon as customs clearance paperwork is received from the respective GIROA officials.

2. Imports: Documentation must list the year, make, model, and color of the commodity, the commodity Identification Number (if applicable) and for vehicles, the Engine Block Number. The following documentation is required for all import shipments:

- a. An original Customs Clearance Request (CCR) prepared by the COR in accordance with Afghanistan customs guidance referenced in paragraph 4 below.
- b. Bills of Lading (for shipments by sea), Airway Bills (for shipments by air) or Commodity Movement Request (CMRs) (for overland shipments). In the consignee block, type in "US Military". This will help the Afghan Customs officials to recognize that the shipment belongs to the US Military and, therefore, the shipment is subject to tax exemption provisions as specified under the current Diplomatic Note or Military Technical Agreement (MTA).
- c. Shipping Invoices.
- d. Packing Lists. Required only if the shipping invoice does not list the cargo.
- e. An Afghan Government Tax Exemption Form (Muaffi Nama) purchased from the Department of Customs and Revenue and prepared in the local language by the carrier representative, shipping agent, or customs broker.
- f. A Diplomatic Note, prepared by DoD Customs, to the Ministry of Foreign Affairs requesting the initiation of customs formalities with the Ministry of Finance, Department of Customs and Exemptions. Please note that DoD Customs is not responsible for registering vehicles.
- g. Commercially-owned equipment such as vehicles, construction machinery or generators that are leased and imported to Afghanistan for the performance of a USG contract may be subject to taxes and duties as determined by GIROA. If commercially-owned equipment is imported into Afghanistan in a duty-free status, that duty-free status only applies as long as the equipment is under the exclusive use of the USG contract. If the equipment is released at the end of the contract, applicable GIROA duties and taxes will apply to the owner if the equipment is not exported from Afghanistan or transferred to another USG contract.
- h. USG-owned vehicles must be exported at the conclusion of the project period or transferred to another USG entity. Under certain conditions, the USG may transfer equipment or vehicles to GIROA.

3. Exports: The following documentation is required for all export shipments:

- a. An original CCR prepared by the COR. If COR is not available, the Contracting Officer (KO) will prepare the CCR.
- b. Invoices.
- c. Packing Lists. Required only if the shipping invoice does not list the cargo.
- d. A Diplomatic Note, prepared by the DoD Customs Cell, to the Ministry of Foreign Affairs requesting the initiation of customs formalities with the Ministry of Finance, Department of Customs and Exemptions.

4. Customs requirements from the GIRoA may change with little notice. For current detailed instructions on customs guidelines in Afghanistan, refer to "The Instruction for Customs Clearance Request (Import/Export Operations)." In all cases, the carrier is required to obtain a copy of this document, found at the following link: <http://trade.gov/static/AFGCustomsSOP.pdf>

(e) Point of contact (POC) for customs issues is the USFOR-A Joint Security Office (JSO) J3 at DSN: 318-449-0306 or 449-0302. Commercial to DSN conversion from the United States is (732) 327-5130, choose option #1, and then dial 88-318 followed by your seven-digit DSN number.

(End of Clause)

952.225-0020 CONTRACTOR ACCOUNTABILITY AND PERSONNEL RECOVERY (AFGHANISTAN)
(AUG 2011)

(a) Contract performance may require work in dangerous or austere conditions. Except as otherwise provided in the contract, the contractor accepts the risks associated with required contract performance in such operations.

(1) Unaccounted Personnel: It is the expectation of the USG that any contractor brought into Afghanistan for the sole purposes of performance of work on a USG contract must be accounted for at all times by their respective employers. Additionally, contractors who maintain living quarters on a USG base shall verify the location of each of its employees' living quarters a minimum of once a month. If a DoD contracted employee becomes missing and evidence does not indicate foul play, a Personnel Recovery (PR) event is NOT automatically triggered. Such an event will be treated as an accountability battle drill by the employer's chain of command or civilian equivalent.

(2) Contractor Responsibilities: The contractor is responsible to take all necessary steps to locate and investigate the unaccounted for employee(s) whereabouts to the maximum extent practicable. To assist in this process, contractors may use the Contracting Fusion Cell as a resource to track or research employee's last known location and/or to view LOA's. All missing personnel will be immediately reported to the installation division Personnel Recovery Officer (PRO), Mayor's cell, Military Police Station and/or the Criminal Investigative Division, and the Base Defense Operations Center (BDOC).

(3) Contractor Provided Information: If it is determined that a potential criminal act has occurred, the USD PRO (or USFOR-A Personnel Recovery Division (PRD) with prior coordination) will attempt to validate the missing person's identity through the employer. The contractor shall provide the information to PRD within 12 hours of request. The required information the contractor should keep on file includes but is not limited to: copy of the individual's Letter of Authorization generated by the Synchronized Pre-deployment and Operational Tracker System (SPOT), copy of passport and visas, housing information of where the individual resides such as room number and location, DD Form 93, Record of Emergency Data, copy of badging, and contact information for known friends or associates.

(b) If USFOR-A PRD determines through investigation that the unaccounted personnel have voluntarily left the installation either seeking employment with another contractor or other non-mission related reasons, PRD will notify the contractor. The contractor shall ensure that all government-related documents such as LOA's, visas, etc. are terminated/reconciled appropriately within 24 hours of notification by PRD in accordance with subparagraph (a)(8) of C-JTSCC Clause 952.225-0016 entitled "Contractor Demobilization (Afghanistan)". Contractors who fail to account for their personnel or whose employees create PR events will be held in breach of their contract and face all remedies available to the Contracting Officer.

(End of Clause)

5552.216-9003 USTRANSCOM TASK AND DELIVERY ORDER OMBUDSMAN (JUNE 2009)

In accordance with FAR 16.505(b)(6), the individual identified below is designated as the USTRANSCOM Task and Delivery-Order Ombudsman. The ombudsman is an independent official designated to review contractor complaints and to ensure contractors are afforded a fair opportunity to be considered, consistent with the procedures in the contract. Consulting the ombudsman does not relieve the contractor from performance requirements in the contract, nor alter or postpone any timelines for any other processes. Interested parties should first address their concerns, issues, disagreements, and/or recommendations to the contracting officer for resolution. If resolution cannot be made by the contracting officer, concerned parties may contact:

Chief, Business Support/Policy Division
Telephone Number: 618-220-7021 FAX: 618-220-7959

EPA CLAUSE

5552.216-9006 Economic Price Adjustment for Scheduled Services - Multimodal

As prescribed in 5516.203-4(X), insert a clause that is substantially the same in all commercial contracts for multimodal services when an economic price adjustment based on the IHS Global Insight Index (GII) is anticipated.

ECONOMIC PRICE ADJUSTMENT FOR SCHEDULED SERVICES – MULTIMODAL (MMM YYYY)

In order to protect the contractor and government against significant market fluctuations, the unit prices shall be adjusted on (Day/Month – fillable field) of each Option Year beginning (Day/Month/Year – fillable field). The adjustment shall be based on the GII Pricing and Purchasing Industry Forecasting for North American Industrial Classification System (NAICS) codes as follows: 481112, Scheduled Freight Air Transportation (90%); 482111, Line-Haul Railroads ((0.5%); 483111, Deep Sea Freight Transportation (8%); and 48411, General Freight Trucking, Local (1.5%). In the event publication of any of the above indices is discontinued, the parties shall agree upon an appropriate substitute index.

- (a) Index figures subsequently revised by GII (e.g., amending formerly released indices by removing or replacing components within the index, describing revisions by footnote or appendix, significantly altering the method of calculating the index, or any other method) shall not warrant a retroactive price adjustment under the terms and conditions of this contract.
- (b) Price adjustments shall be executed via a contract modification.
- (c) Any price adjustments under this EPA clause shall be rounded to two decimal positions (e.g. \$1.50).
- (d) The formula for determining the adjusted unit prices for the Option Year is –

$$(I_N / I_{N-1}) \times P_N = \text{Adjusted Unit Price}$$

Where:

P_N = The current effective prices listed in the Schedule, where the subscript "N" represents the current contract performance period.

I_{N-1} = Index for the current contract period: 4-quarter average of the GII calculated index for the current contract performance period

I_N = Index for the adjustment period: 4-quarter average of the GII calculated index for the future contract period

EXAMPLE:

Contract performance start date is 1 August 2012. The first EPA will be effective on 1 August 2013.

Sample Calculated Index based upon 90% weighting for NAICS 481112, 8% for NAICS 483111, 1.5% for NAICS 48411, and 0.5% for NAICS 482111:

	Q1	Q2	Q3	Q4
Year 12	211.96	211.97	213.43	214.49
Year 13	215.36	216.41	217.58	218.63
Year 14	219.58	220.98	222.88	224.64
Year 15	225.17	225.19	225.72	226.10

Note: The below figures are provided as an example only. The first example shows a sample increase from the base year to the 1st option year. The second example shows a sample increase from the 1st option year to the 2nd option year. This example assumes a base year beginning on 1 Oct 11 with a one-year period of performance and two one-year option year periods.

BASE YEAR (1 Jul 2012 – 30 Jun 13) TO 1ST OPTION YEAR (1 Jul 13 – 30 Jun 14)

Example $P_N = \$2.34$, where subscript "N" = FY12

Example $I_{12} = \text{Avg from Q3 2012 through Q2 2013}$
 $(213.43+214.49+215.36+216.41)/4 = 214.92$

Example $I_{13} = \text{Avg from Q3 2013 through Q2 2014}$
 $(217.58+218.63+219.58+220.98)/4 = 219.19$

Example Adjustment: $P_{13} = [(219.19/214.92) \times \$2.34] = [1.0199 \times \$2.34] = \2.39

1ST OPTION YEAR (1 Jul 13 – 30 Jun 14) TO 2ND OPTION YEAR (1 Jul 14 – 30 Jun 15)

Example $P_N = \$2.39$, where subscript "N" = FY13

Example $I_{13} = \text{Avg from Q3 2013 through Q2 2014}$
 $(217.58+218.63+219.58+220.98)/4 = 219.19$

Example $I_{14} = \text{Avg from Q3 2014 through Q2 2015}$ $(222.88+224.64+225.17+225.19)/4 = 224.47$

Example Adjustment: $P_{FY14} = [(224.47/219.19) \times \$2.39] = [1.024 \times \$2.39] = \2.45

(e) In addition, carriers may waive an EPA increase that results in higher prices or any part thereof for the entire contract or identified CLIN(s). The adjustment percentage shall apply to all pricing within the identified CLIN(s). Secondly, if the carrier elects to do so, they can offer the

Government an additional downward price adjustment, effective at the time of option exercise, in lieu of an increased EPA option year adjustment. A carrier may not waive a downward EPA adjustment.

(f) All EPA adjustment calculations will be based on the current year's prices in the Schedule and the index calculations described above. A carrier shall not recoup previously waived EPA increases.

(End of clause)

KUWAIT CLAUSES

KSCR1-1 ADDITIONAL INSTRUCTIONS FOR CONTRACTOR PERSONNEL WORKING IN THE USCENCOM AREA OF RESPONSIBILITY, SUPPORT (NOV 2010)

Contractor Privileges and Support: As identified in the Statement of Work (SOW) and must be authorized by the Contracting Officer in a Letter of Authorization (LOA). Every contract employee who will need an identification badge will need a SPOT-generated LOA. No personnel are authorized entry into the theater for more than 30 days without a SPOT-generated LOA.

Medical Treatment Available to Contractor Personnel on Base Camps: limited to resuscitative and stabilization care only. Kuwait mandatory language is in the Clause KSCR1-5, below. Emergency medical care is provided to any employee with an LOA, even when medical/dental care is not specified. Medical/dental care appears as a check box; when creating the SPOT-generated LOA, do not check the box to authorize routine medical/dental care.

Personnel Support: The contractor is responsible for all personnel support unless provided for in the Statement of Work. The Statement of Work must clearly identify all contractor personnel support that will be provided by the Government. PGI 225.7402-3 lists the support that may be authorized or required when contractor personnel are supporting U.S. operations. Some examples of support are office space, communication services, equipment, and access to dining facilities.

Billeting and government provided meals: As a general rule, not available for contractors in Kuwait. On an exception basis, contractors may be permitted to use Government Billeting if a critical need by the Government exists and approval is granted by the Base Commander as recommended by the Base Mayor's Cell.

Life Support: Contractors are responsible for providing all aspects of Life Support for Contractor employees to including, but not limited to, housing and transportation within Kuwait and transportation to and from Kuwait, medical or dental care (if provided for under employee benefits). Contractors are not allowed residence on any military installation within Kuwait unless a critical need by the Government exists and approval is granted by the Base Commander as recommended by the Base Mayor's Cell. The Government will provide only resuscitative/emergency medical care to contractor employees. (Reference paragraph 6.2.7.5 (Medical Preparation) of DODI 3020.41, Contractor Personnel Authorized to Accompany the U.S. Armed Forces). The Contracting Officer must determine whether any contractor personnel will be required to be armed or authorized to carry weapons for self-defense.

(End of Clause)

KSCR1-2 – PROHIBITION AGAINST HUMAN TRAFFICKING, INHUMANE LIVING CONDITIONS, AND WITHHOLDING OF EMPLOYEE PASSPORTS (OCT 2011)

Trafficking in Persons (TIP): Contractor employees and subcontractor employees performing under this contract shall comply with all DOD and ASG-KUs Trafficking in Persons policies. Contractor employees are subject to prescriptions and remedies at FAR Clause 52.222-50 and the terms and conditions stated herein.

ASG-KU has adopted a more stringent policy than federal requirements regarding trafficking in persons. All Contractor employees and subcontractor employees shall be subject to FAR Clause 52.222-50, Combating Trafficking in Persons.

Contractor shall adhere to and abide by all Kuwait Labor Laws during the performance of this contract.

Registered Employee Listing: On a monthly basis, the Contractor shall provide the ACO with a listing of employee names registered with the Ministry of Social Affairs and Labor (MOSAL). Failure to provide the ACO with a list of employees registered with the MOSAL will result in the denial of installation badging privileges for Contractor employees. Furthermore, a copy of each individual's employment contract shall be available to the USG by the conclusion of the Transition Period. At a minimum, the employment contract shall be in English and the language of the employee. The Contractor shall disclose and make known to its employees the terms and conditions of employment.

For the duration of the contract, the Contractor shall ensure all wages earned (hourly, weekly, monthly, yearly), to include benefits and allowances, or any type of debt bondage arrangement in effect between the Contractor and employee, are included in each employee's contract. Contractor shall specify the compensation rate to be earned for hours in excess a normal workweek within the employment contract.

Contractor shall specify the type or description of work to be performed and the job site location.

Contractor shall provide transportation costs from country of origin to place of employment, including repatriation.

Contractor shall include a detailed description of the type of job site berthing accommodations available to the employees within the employment contract.

Contractor shall provide non-cash compensation and benefits, to include meals and accommodations. Contractor shall ensure employees have injury and sickness compensation insurance for emergency medical and dental care.

Contractor shall clearly define valid grounds for termination within the employment contract.

Contractor shall include dispute settlement provisions within the employment contract.

Housing Standards: The Contractor shall comply with the following minimum housing accommodations standards:

- (1) Housing provided to all employees shall be no less than 50 square feet per person.
- (1) Cafeteria or common use kitchen will be provided to all employees. Common use kitchens will service no more than 25 workers per kitchen.
- (2) Each room shall be furnished at a minimum with the following:
 - (i) Room light.
 - (ii) One bed per individual.
 - (iii) One storage device that can be secured; a footlocker with hasp for lock, minimum size of at least 3 cubic feet.
 - (iv) A laundry facility or laundry service.
 - (v) Cleaning supplies.

(3) Monthly inspections of living conditions of all Contractor and subcontractor employees. A copy of the inspection report shall be provided to the ACO. The inspection report shall, at a minimum, contain the following inspection criteria:

- (i) Compliance with minimum housing accommodation standards.
- (ii) Functioning appliances and the projected time for repair for any non-functioning appliances.
- (iii) The findings of Quarterly Health and Welfare inspections on personnel and accommodations.

TIP Training: Contractor shall provide TIP training for all employees and subcontractor employees. A copy of each employees TIP training certificate shall be provided to the PCO 30 days after the contract start date.

Contractor Shall Post: Human Trafficking Hotline Posters in English and all employee languages in all living quarters. At a minimum, the poster shall include the Contracting Commands Hotline complaint number DSN 318-430-4985 or 389-4985.

Violations: Violation of the TIP policy shall result in actions taken against the Contractor or its employees. Such actions may include, but are not limited to, removal from the contract, reduction in benefits, or termination of employment at no cost to the USG.

Notification: Contractor shall inform the PCO immediately of any information received from any source (including host country law enforcement) that alleges a Contractor employee, subcontractor, or subcontractor employee has engaged in conduct that violates TIP policies, and any actions taken against Contractor or subcontractor employees pursuant to FAR Clause entitled "Combating Trafficking in Persons".

Remedies: In addition to other remedies available to the USG, the Contractors failure to comply with TIP policy may render the Contractor subject to the following at no cost to the USG:

- (1) Required removal of a Contractor employee or employees from the performance of the contract.
- (2) Required subcontractor termination.
- (3) Suspension of contract payments.
- (4) Loss of fee, consistent with the fee plan, for the performance period in which the USG determined Contractor non-compliance.
- (5) Termination of the contract for default or cause, in accordance with the termination clause of this contract.
- (6) Suspension or debarment.

Subcontracts: Contractor shall flow-down to its subcontracts the terms and conditions of this paragraph IAW Host Nation laws, regulatory guidance, DOD, and FAR clauses referenced herein.

(End of Clause)

KSCR1-5 – FITNESS FOR DUTY AND MEDICAL CARE LIMITATIONS (AUG 2011)

(a) The contractor shall perform the requirements of this contract notwithstanding the fitness for duty of deployed employees, the provisions for care offered under this section, and redeployment of individuals determined to be unfit. Contractor personnel who deploy for multiple tours, for more than 12 months total must be re-evaluated for fitness to deploy. An examination will remain valid for 15 months from the date of the physical. The contractor bears the responsibility for ensuring all employees are aware of the conditions and medical treatment available at the performance location. The contractor shall include this information and requirement in all subcontracts with performance in the theater of operations.

(b) The contractor shall not deploy an individual with any of the following conditions unless approved by the appropriate CENTCOM Service Component (ie. ARCENT, AFCENT, etc.) Surgeon: Conditions which prevent the wear of personal protective equipment, including protective mask, ballistic helmet, body armor, and chemical/biological protective garments; conditions which prohibit required theater immunizations or medications;

conditions or current medical treatment or medications that contraindicate or preclude the use of chemical and biological protective's and antidotes; diabetes mellitus, Type I or II, on pharmacological therapy; symptomatic coronary artery disease, or with myocardial infarction within one year prior to deployment, or within six months of coronary artery bypass graft, coronary artery angioplasty, or stenting; morbid obesity (BMI \geq 40%); dysrhythmias or arrhythmias, either symptomatic or requiring medical or electrophysiological control; uncontrolled hypertension, current heart failure, or automatic implantable defibrillator; therapeutic anticoagulation; malignancy, newly diagnosed or under current treatment, or recently diagnosed/treated and requiring frequent subspecialist surveillance, examination; and/or laboratory testing; dental or oral conditions requiring or likely to require urgent dental care within six months' time, active orthodontic care, conditions requiring prosthodontic care, conditions with immediate restorative dentistry needs, conditions with a current requirement for oral-maxillofacial surgery; new onset (< 1 year) seizure disorder, or seizure within one year prior to deployment; history of heat stroke; Meniere's Disease or other vertiginous/motion sickness disorder, unless well controlled on medications available in theater; recurrent syncope, ataxias, new diagnosis (< 1 year) of mood disorder, thought disorder, anxiety, somatoform, or dissociative disorder, or personality disorder with mood or thought manifestations; unrepaired hernia; tracheostomy or aphonia; renalithiasis, current; active tuberculosis; pregnancy; unclosed surgical defect, such as external fixeter placement; requirement for medical devices using AC power; HIV antibody positivity; psychotic and bipolar disorders. (Reference: Mod 10 to USCENTCOM Individual Protection and Individual/Unit Deployment Policy, PPG-Tab A: Amplification of the Minimal Standards of Fitness for Deployment to the CENTCOM AOR).

(c) In accordance with military directives (DoDI 3020.41, DoDI 6000.11, CFC FRAGO 09-1038, DoD PGI 225.74), resuscitative care, stabilization, hospitalization at Level III (emergency) military treatment facilities and assistance with patient movement in emergencies where loss of life, limb or eyesight could occur will be provided. Hospitalization will be limited to emergency stabilization and short-term medical treatment with an emphasis on return to duty or placement in the patient movement system. Subject to availability at the time of need, a medical treatment facility may provide reimbursable treatment for emergency medical or dental care such as broken bones, lacerations, broken teeth or lost fillings.

(d) Routine and primary medical care is not authorized. Pharmaceutical services are not authorized for routine or known, routine prescription drug needs of the individual. Routine dental care, examinations and cleanings are not authorized.

(e) Notwithstanding any other provision of the contract, the contractor shall be liable for any and all medically-related services or transportation rendered. To view reimbursement rates that will be charged for services at all DoD deployed medical facilities please go to the following website: <http://comptroller.defense.gov/rates/fy2011.html> (change fiscal year as applicable).

(End of Clause)

KSCRI-6 COMPLIANCE WITH LAWS AND REGULATIONS (AUG 2010)

(a) The Contractor shall comply with, and shall ensure that its employees and its subcontractors and their employees, at all tiers, are aware of and obey all U.S. and Host Nation laws, Federal or DoD regulations, and Central Command orders and directives applicable to personnel in Kuwait including but not limited to USCENTCOM, Multi-National Force and Multi-National Corps operations and fragmentary orders, instructions, policies and directives.

(b) Contractor employees shall particularly note all laws, regulations, policies, and orders restricting authority to carry firearms, rules for the use of force, and prohibiting sexual or aggravated assault. Contractor employees are subject to General Orders Number 1, as modified from time to time, including without limitation, their prohibition on privately owned firearms, alcohol, drugs, war souvenirs, pornography and photographing detainees, human casualties or military security measures.

(c) Contractor employees may be ordered removed from secure military installations or the theater of operations by order of the senior military commander of the battle space for acts that disrupt good order and discipline or violate applicable laws, regulations, orders, instructions, policies, or directives. Contractors shall immediately comply with any such order to remove its contractor employee.

(d) Contractor employees performing in the USCENTCOM Area of Responsibility (AOR) may be subject to the jurisdiction of overlapping criminal codes, including, but not limited to, the Military Extraterritorial Jurisdiction Act (18 U.S.C. Sec. 3261, et al) (MEJA), the Uniform Code of Military Justice (10 U.S.C. Sec. 801, et al) (UCMJ), and the laws of the Host Nation. Non-US citizens may also be subject to the laws of their home country while performing in the USCENTCOM AOR. Contractor employee status in these overlapping criminal jurisdictions may be modified from time to time by the United States, the Host Nation, or by applicable status of forces agreements.

(e) Under MEJA, a person who engages in felony misconduct outside the United States while employed by or accompanying the Armed Forces is subject to arrest, removal and prosecution in United States federal courts. Under the UCMJ, a person serving with or accompanying the Armed Forces in the field during a declared war or contingency operation may be disciplined for a criminal offense, including by referral of charges to a General Court Martial. Contractor employees may be ordered into confinement or placed under conditions that restrict movement within the AOR or administratively attached to a military command pending resolution of a criminal investigation.

(f) Contractors shall immediately notify military law enforcement and the Contracting Officer if they suspect an employee has committed an offense. Contractors shall take any and all reasonable and necessary measures to secure the presence of an employee suspected of a serious felony offense. Contractors shall not knowingly facilitate the departure of an employee suspected of a serious felony offense or violating the Rules for the Use of Force to depart Kuwait without approval from the senior U.S. commander in the country.

(End of Clause)

KSCRI-7 – MONTHLY CONTRACTOR CENSUS REPORTING (AUG 2011)

Contractor shall provide monthly employee census information to the Contracting Officer, by province, for this contract. Information shall be submitted either electronically or by hard-copy. Information shall be current as of the 25th day of each month and received by the Contracting Officer no later than the first day of the following month. The following information shall be provided for each province in which work was performed:

- (1) The total number (prime and subcontractors at all tiers) employees.
- (2) The total number (prime and subcontractors at all tiers) of U.S. citizens.
- (3) The total number (prime and subcontractors at all tiers) of local nationals (LN).
- (4) The total number (prime and subcontractors at all tiers) of third-country nationals (TCN).
- (5) Name of province in which the work was performed.
- (6) The names of all company employees who enter and update employee data in the Synchronized Predeployment & Operational Tracker (SPOT) IAW DFARS 252.225-7040 or DFARS 252.22-7995 (Deviation 2011-O0004).

(End of Clause)

KSCRI-11 GOVERNMENT FURNISHED CONTRACTOR SUPPORT (NOV 2010)

The following is a summary of the type of support the Government will provide the contractor, on an "as-available" basis. In the event of any discrepancy between this summary and the description of services in the Statement of Work, this clause will take precedence.

U.S. Citizens Accompanying the Force

- APO/FPO/MPO/Postal Services
- Authorized Weapon
- MWR
- Resuscitative Care
- Controlled Access Card (CAC)/ID Card
- Commissary
- Dependents Authorized
- Telephone Service
- Utilities
- None
- DFACs(Access Only – Contractors Must Pay For Meals)
- MILAIR
- Transportation
- Mil Issue Equip
- Military Banking (Finance/Eagle Cash)
- Military Clothing
- Military Exchange
- Keys to GFE
- Technical Training
- All

Third-Country National (TCN) Employees

- APO/FPO/MPO/Postal Services
- Authorized Weapon
- MWR
- Resuscitative Care
- Controlled Access Card (CAC)/ID Card
- Commissary
- Dependents Authorized
- None
- DFACs(Access Only – Contractors Must Pay For Meals)
- MILAIR
- Transportation
- Mil Issue Equip
- Military Banking (Finance/Eagle Cash)
- Military Clothing
- Military Exchange
- All

Local National (LN) Employees

- APO/FPO/MPO/Postal Services
- Authorized Weapon
- MWR
- Resuscitative Care
- Controlled Access Card (CAC)/ID Card
- Commissary
- Dependents Authorized
- None
- DFACs(Access Only – Contractors Must Pay For Meals)
- MILAIR
- Transportation
- Mil Issue Equip
- Military Banking (Finance/Eagle Cash)
- Military Clothing
- Military Exchange
- All

NOTES: Government Furnished Contractor Support, Continued.

- (1) **Billeting.** As a general rule, billeting is not available for contractors in Kuwait. On an exception basis, contractors may be permitted Government Billeting if a critical need by the Government exists and approval is granted by the Base Commander as recommended by the Base Mayor's Cell.
- (2) **Fuel.** There are no government provided fuel services in Kuwait. Contractors must obtain these services from the local community.
- (3) **Dining facilities (DFAC's)** are available and authorized for contractor use. Contractor employees choosing to consume their meals at the DFACs shall be required to pay the established meal rates for all meals consumed.
- (4) **Medical Services:** The USG will furnish emergency medical and rescue services in the case of life threatening injury to Contractor personnel IAW the terms and conditions of the contract.
- (5) **Contractor use of Army Post Office (APO):** In accordance with DoD Postal Manual 4526.6-M, contractors providing goods and services in support of DoD activities may be authorized use of the Military Postal Service. The Contractor is authorized the use of postal services provided by the APO within the ASG-KU AOR for contract-related activities only. This authority extends to the Contractor's U.S. citizen employees and sponsored family members for personal mail usage. Postal support is limited to the country of Kuwait. This authority flows down to subcontractors that are U.S.-owned and controlled companies and support the same mission as the prime contractor.

(6) Trash Removal: The contractor shall obey all Kuwait and U.S. laws regarding secondary containment, environmental training, and proper disposal of HAZMAT, debris, or refuse from the installation. The contractor shall dump waste in a Kuwait Government approved site and comply with Kuwait environmental laws.

(End of Clause)

KSCR1-12 MILITARY EXTRATERRITORIAL JURISDICTION ACT (AUG 2010)

Military Extra Territorial Jurisdiction Action (MEJA) (18 USC 3261-3267). Per the MEJA Act, following notification of contract award, the Contractor and all subcontractors at any tier shall provide the required notification to all employees. The Contractor shall report compliance with this clause to the Contracting Officer following contract award and upon request. The Contractor shall respond to requests for reports on compliance with this clause in the manner and with such content as is specified by the Contracting Officer at no further cost to the Government. The contractor, and all subcontractors at any tier, is responsible for providing each employee with the below notification by actions sufficient to ensure all employees have received and understood the notification by actions including, but not limited to, providing the notification and obtaining a written acknowledgement of the notification by each employee, posting the notification in a conspicuous place frequented by employees, as well as including the below notice in employee manuals or employment information. Employees who are not literate (who cannot read) shall have this notification read to them in a language understood by such employee. The below notification will be provided during employee training and any briefings provided to contractor employees and subcontractor employees at any tier no later than ten days after employment for this contract or arrival in the foreign country in which they will be assigned, employed by or accompanying the US Armed Forces, or residing as a dependent. The contractor shall maintain a copy of each employees written acknowledgement of receipt of the notification and shall provide the same upon request by the Contracting Officer. The contractor shall comply with all notification requirements of DoD Instruction 5525.11, Criminal Jurisdiction over Civilians Employed By or Accompanying the Armed Forces outside the United States, Certain Service Members, and Former Service Members. In the event of conflict between DoDI 5525.11 or any applicable U.S. military regulations, DoDI 5525.11 and/or applicable U.S. military regulations or orders will control over this clause. The notification referenced above is as follows: Notification: Under the Military Extraterritorial Jurisdiction Act (MEJA) (18 USC 3261-3267), persons employed by or accompanying the U.S. Armed Forces outside the United States are potentially subject to prosecution for certain criminal acts, including such acts occurring outside the United States. MEJA applies only to those crimes punishable by imprisonment for more than one year if committed within United States jurisdiction. The law applies to individuals accompanying a contractor for the US Armed Forces, which may include a dependent of a DOD contractor or subcontractor employee. This law authorizes DOD law enforcement personnel to arrest suspected offenders in accordance with applicable international agreements and specifies procedures for the removal of accused individuals to the US. It also authorizes pretrial detention and the appointment of counsel for accused individuals. See Army Field Manual 3-100.21, Contractors on the Battlefield, and DoD Instruction 5525.11, Criminal Jurisdiction Over Civilians Employed By or Accompanying the Armed Forces Outside the United States, Certain Service Members, and Former Service Members.

NOTE: Also see KSCR1-6, paragraphs (d), (e) & (f).

(End of Clause)

KSCR1-13 INSTALLATION SECURITY/ACCESS/BADGING REQUIREMENTS (AUG 2010)

(a) Badging and access requirements for Army Posts in Kuwait will require coordination with the Contracting Officer or the Contracting Officer Representative (COR) responsible for contract oversight at applicable location.

(1) To obtain entry to Camp Arifjan, Contractors must contact the Badging Office at 965-2389-1525 for forms, procedures and instructions.

(2) New passes are obtained at ECP 1 (TCN Gate) on Camp Arifjan. Renewals and upgrades are handled at the Provost Marshal Office Bldg 159 located on Camp Arifjan. The ECP 1 Badging Office provides support from 0700 to 1600 and 1900 to 0400 Daily.

(b) Contractors are advised that badging for citizens/residents of certain countries is restricted or unavailable. Contractors must contact the Badging Office to obtain a list of restricted countries and any applicable waiver processes.

(c) Contractor shall adhere to all Physical Security requirements for all areas of performance under this contract IAW Army Regulation 190 series. The Contractor shall comply with the ASG-KU Commands directed vetting/badging policies for all personnel.

(d) Special Instructions for Compound Pass access procedures per ASG-KU-PMO:

The contractor shall obtain temporary installation access passes through the Contracting Officer or the Contracting Officer's Representative (COR). The contractor shall allow a minimum of 5 working days to process passes through the Pass and ID section. To obtain temporary passes; the contractor must submit a copy of the Civil ID with a level 18 working code for each worker, a copy of the workers' passport showing the Kuwait visa, and a completed Pass Request Form. The above-mentioned form can be obtained at the Pass and ID Section. Additionally, the contractor must identify all the workers' sponsors and have an individual letter for each applicant from their sponsor authorizing their employees to work for the contractor and accepting responsibility. It is the responsibility of the Contractor to screen employees for countries of concern. Citizens of the countries below are prohibited access to the installation unless granted an exception by the ASG-KU Commander. For each exception to policy, a name-check with the U.S. Embassy and a Kuwait KMOD/KMOI Background Investigation will be conducted and kept on file at the ASG-KU PMO Installation Access Office.

- (1) Cuba
- (2) Iran
- (3) Iraq
- (4) Libya
- (5) Democratic People's Republic of Korea
- (6) Sudan
- (7) Syria

Citizens of the countries listed below are permitted to apply for installation access; however a name-check with the U.S. Embassy must be conducted in addition to the routine KMOD/KMOI Background Investigation.

- (1) Russia
- (2) People's Republic of China
- (3) Socialist Republic of Vietnam

(End of Clause)

KSCR1-14 SPECIAL REQUIREMENTS FOR SECURITY/ACCESS ON AIR FORCE BASES IN KUWAIT
(AUG 2010)

SECURITY & ACCESS:

(a) The contractor shall follow security procedures and instructions applicable to Ali Al Salem AB, Kuwait. Contractor personnel working on Ali Al Salem Air Base shall hold a current Kuwait Pass necessary to gain access to the front Gate. The U.S. shall not be liable for delays caused by inaccessibility through the Kuwaiti Gate.

(b) The contractor shall submit pass request applications to the Contracting Officer within 3 calendar days after receipt of "Notice of Contract Award." The pass request applications require coordination with the Host Nation Liaison. The U.S. Air Force shall not be liable for delays resulting from Kuwaiti pass coordination/approval. Contractor shall be liable for completing all requirements within the specified time frames. No extensions on work will be granted due to delays from Kuwaiti pass coordination/approval. Upon completion the pass request letters shall be returned to the contractor for coordination with the Kuwait Air Force Security Office.

(c) The contractor is also required to complete Installation Access Applications for all employees entering Ali Al Salem Air Base. Once the application is complete all contractor employees must then register within the Defense Biometric Identification System (DBIDS) and receive a DBIDS badge.

(d) The work site is located in a restricted or controlled area. The contractor may therefore experience delays due to compliance with entrance/exit requirements of restricted/controlled areas. The maximum amount of delay should not exceed four (4) hours per occurrence.

(e) The Host Nation base will not grant access for individuals of the following nationalities: Iranian, Iraqi, Cuban, Libyan, Syrian, Sudanese, Jordanian, Palestinian, and North Korean.

There are two passes that are required for access to Air Force installations in Kuwait:

(1) The first pass that is required is the DBIDS badge. An application shall be completed for this badge. Once the completed application is received, contractor will be able to go to the DBIDS trailer at the gate and get your biometrics taken. The results of the biometrics scan takes three days. After these three days, contractor may come pick up DBIDS badge.

(2) The second pass that is required is a temporary pass from the Kuwaitis. Each person on the admissions pass must have copies of their Civil ID cards attached to the document. Each person on the short term vehicle pass must have a copy of their Civil ID cards, vehicle registration, and driver's license. The short term passes are only good for five days, but I would recommend that you submit your information for this pass as soon as possible since these can be difficult to obtain at times. Both the admissions and vehicle temporary passes must have both English and Arabic versions submitted. I have also attached the most current instructions on how to complete these temporary pass applications. NOTE: All date formats have to be YYYY/MONTH/DAY. Also, these passes must be typed.

DBIDS Processing Instructions for 386 ECONS Contractors:

STEP ONE: Obtain a copy of the Installation Access Application (IAA) from the Ali Al Salem Air Base Contracting Office (386 ECONS).

STEP TWO: Ensure sections 1, 2, 3, 4, 9, 11, and 12 are completed with the appropriate information. Once you have accurately completed the IAA, submit the completed form to the 386 ECONS. Ensure that each application has the required backup documentation (see section 10 of the IAA, Verifying Documents Attached section). At a minimum each IAA should have:

- (1) Copy of the passport (photo, data, and residency pages)
- (2) Copy of the civil ID (front and back)
- (3) Entry Visa with entry stamp (if applicable)
- (4) Original sponsor letter (in English ONLY)
- (5) Copy of the driver's license

STEP THREE: Once you have submitted the completed form to the 386 ECONS, your representative within the 386 ECONS will complete sections 5, 6, and 7.

STEP FOUR: The 386 ECONS will submit the completed IAA to the DBIDS office. You will then be notified by the 386 ECONS that the IAA is in the DBIDS office. At this time you can report to the DBIDS office (located at the Fox 1/"Ringmaster" entrance of Ali Al Salem Air Base) for the submission of your biometric information.

All 386 ECONS contractors who have submitted IAAs can report to the DBIDS office Monday through Saturday from 1500 to 1630.

STEP FIVE: Visitor awaits receipt of DBIDS badge.

(End of Clause)

KSCR1-15 PREVENTION OF SEXUAL HARASSMENT TRAINING (AUG 2010)

(a) Definitions. As used in this policy –

“Sexual Assault” means –

A crime defined as intentional sexual contact, characterized by use of force, physical threat or abuse of authority or when the victim does not or cannot consent. Sexual assault includes rape, nonconsensual sodomy (oral or anal sex), indecent assault (unwanted, inappropriate sexual contact or fondling), or attempts to commit these acts. Sexual assault can occur without regard to gender or spousal relationship or age of victim. “Consent” will not be deemed or construed to mean the failure by the victim to offer physical resistance. Consent is not given when a person uses force, threat of force, or coercion or when the victim is asleep, incapacitated, or unconscious.

“Sexual Harassment” means –

Gender discrimination that involves unwelcomed sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature between the same or opposite sex genders when such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creates an intimidating, hostile, or offensive working environment. Categories of sexual harassment are:

(1) Verbal – Examples include telling sexual jokes; using sexually explicit profanity, threats, sexually oriented cadences, or sexual comments; whistling in a sexually suggestive manner; and describing certain attributes of one’s physical appearance in a sexual manner.

(2) Nonverbal – Examples include staring at someone, blowing kisses, winking, or licking one’s lips in a suggestive manner. The term may also include printed material (for example, displaying sexually oriented pictures or cartoons); using sexually oriented screen savers on one’s computer; or sending sexually oriented notes, letters, faxes or email.

(3) Physical Contact – Examples include touching, patting, pinching, bumping, grabbing, cornering, or blocking a passageway; kissing; and providing unsolicited back or neck rubs.

(b) Policy. The Department of Defense has adopted a policy to prevent sexual assault and sexual harassment.

(c) Contractors and contractor employees in the Army Central Command (ARCENT) Area of Responsibility (AOR) shall not –

(1) Commit acts of sexual assault against any person on any camp, post, installation, or other United States enclave within the ARCENT AOR; or

(2) Sexually harass any person on any camp, post, installation, or other United States enclave within the ARCENT AOR.

- (d) Contractor requirements. The Contractor shall –
- (1) Notify its employees of:
 - (i) The Department of Defense's policy described in paragraph (b); 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;
 - (2) Take appropriate action, up to and including termination, against employees or subcontractors that violate the policy in paragraph (b); and
 - (3) Annually train all employees to prevent sexual assault and sexual harassment. This training must, at a minimum, ensure that all contractor employees understanding the definitions outlined in paragraph (a) and the policy in paragraph (b). Each employee's compliance with this training requirement shall be reported to the Contracting Officer's Representative prior to the employee being allowed access to the worksite.
- (e) 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 policy.
- (f) Remedies. In addition to other remedies available to the Government, the Contractor's failure to comply with the requirements of paragraphs (c), (d), or (f) of this policy 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 payments;
 - (4) Loss of award fee, consistent with the award fee plan, for the performance period in which the Government 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.
- (g) Subcontracts. The Contractor shall include the substance of this policy, including this paragraph (g), in all subcontracts.
- (h) Mitigating Factor. The Contracting Officer may consider whether the Contractor had a Sexual Assault Prevention and Response training program at the time of the violation as a mitigating factor when determining remedies. Additional information about Sexual Assault Prevention and Response training programs can be found at the Department of Defense Sexual Assault Prevention and Response Home Page, <http://www.sapr.mil>.

(End of Clause)

KSCR1-16 CONTRACTOR PAYMENTS (NOV 2010)

Currency: Payments made against this contract will be paid in local currency (Kuwait Dinar) if awarded to a non U.S. vendor. If contract award has been made to a U.S. contractor, payment will be made in U.S. currency (dollars). Payments shall be made via Electronic Funds Transfer (EFT), unless circumstances beyond a contractor's control prevent this.

(End of Clause)

KSCR1-17 SPONSORSHIP REQUIREMENTS (AUG 2010)

Sponsorship: The Contractor shall obtain local sponsorship as required for all personnel for the purpose of providing in-country legal representation, work visas and resolution of other personal business or domestic matters, in compliance with host nation labor laws.

Passports, Visa and Customs: The Contractor is responsible for identifying and obtaining all passports, visas, or other documents necessary to enter and/or exit any areas necessary for performance. All Contractor employees shall be subject to the customs, processing procedures, laws, and duties of Kuwait, and the procedures, laws, and duties of the United States upon re-entry. Contractors are required to register all personnel with the appropriate U.S. Embassy or Consulate.

(End of Clause)

KSCR1-18 – CONTRACTOR MANPOWER REPORTING (OCT 2011)

Contractor Manpower Reporting: The Office of the Assistant Secretary of the Army (Manpower & Reserve Affairs) operates and maintains a secure Army data collection site where the contractor shall report ALL contractor manpower (including subcontractor manpower) required for performance of this contract. The contractor is required to completely fill in all the information in the format using the following web address <https://cmra.army.mil/login.aspx>

The required information includes:

- (1) Contracting Office, Contracting Officer, Administrative Contracting Officer;
- (2) Contract Number;
- (3) Beginning and ending dates covered by reporting period;
- (4) Contractor name, address, phone number, email address, identify of contractor employee entering data;
- (5) Estimated direct labor hours (including sub-contractors);
- (6) Estimated direct labor dollars (including sub-contractors);
- (7) Total payments (including sub-contractors);
- (8) Predominant Federal Service Code (FSC) reflecting services provided by contractor (and separate predominant FSC for each sub-contractor, if different);
- (9) Estimated data collections cost;
- (10) Organizational title associated with the Unit Identification Code (UIC) for the Army Requiring Activity (the Army Requiring Activity is responsible for providing the contractor with its UIC for the purposes of reporting this information);
- (11) Locations where contractor and subcontractor perform the work (specified by zip code in the United States or nearest city, country when in an overseas location, using standardized nomenclature provided on website);
- (12) Presence of deployment or contingency contract language; and

- (13) Number of contractor and sub-contractor employees deployed in theater during this reporting period (by country).

As part of its submission, the contractor will also provide the estimated total cost (if any) incurred to comply with this reporting requirement. Reporting period will be the period of performance not to exceed 12 months ending September 30 of each calendar year. Contractors may use a direct XML data transfer to the data base server or fill in the fields on the website. The XML direct transfer us a format for transferring files from a contractor's systems to the secure web site without the need for separate data entries for each required data element at the web site. The specific formats for the XML direct transfer may be downloaded from the web site. The Contractor shall NOT mark any data provided to the USG under this contract as proprietary; this includes records, files, memoranda, reports, listings, SOPs, plans, programs, studies, tests, property listings, etc., or any other data acquired or produced by the Contractor in support of this contract. Further, IAW with DFARS 252.227-7013, the Government shall have unlimited rights to all technical data produced or obtained by the Contractor under the terms of this contract. As such, the Contractor shall not place proprietary markings on any documents to which the Government has unlimited rights.

(End of Clause)

ADDITIONAL LANGUAGE

1. Recompetition.

1.1 The Government will initially establish the awardee pool by competitively awarding multiple-award IDIQ contracts. As future task order requirements within the program ceiling totals materialize, over the life cycle of this program, the Government will compete those requirements amongst all existing IDIQ contract holders to determine if the contract holders can adequately fulfill the needed capability. The Government reserves the right to reopen the competition under this solicitation if there is shortfall in meeting the requirements among the existing IDIQ contract holders or if it is in the Government's best interest to add new contractors to the original pool of IDIQ contract holders. When/if the Government decides to reopen the solicitation, an announcement will be posted via FedBizOps allowing new CRAF/VISA offerors the opportunity to compete in a full and open competition for an IDIQ contract and task orders to meet the new requirements. Any existing IDIQ contract holder will not re-compete for an IDIQ contract. The competitions will use the same evaluation methodology and documentation (updated to reflect changes in regulatory provisions, requirements and certifications) as the original competition. Once a new awardee(s) is selected, that awardee(s) will be included in the awardee pool and will compete for future task orders. Subsequent to a reopened competition, initial and new IDIQ awardees can compete for future task orders. The ordering period for new contractors being added to the initial awardee pool will coincide with initial awardees ordering period, inclusive of options, but shall not extend the overall term of the contract beyond the original ordering period nor shall it reestablish the contract base period, inclusive of options.

2. SCA Applicability

2.1 This contract incorporates the Service Contract Act, and applicable wage determinations. Requests for NTE increases during option years based on SCA wage determination increases will be considered by the Government, but only to the extent the increase impacts NTE rates above what was contemplated by the increase made applicable by the GII. If contractors request an NTE increase based on SCA wage increases, contractors will be required to demonstrate all labor categories and costs, to include fringe benefits, included in their original NTE rates and that the requested increases in NTE rates were such that the GII index did not cover said increases.

LIST OF ATTACHMENTS

Attachment 1 – Performance Work Statement (PWS)

Attachment 2 – Invoicing and Payment

Attachment 3 – Ordering Procedures

Attachment 4 – Zone Pair Pricing Matrix (consists of the following tabs)

Tab – Accessorials|Priced Base

Tab – Accessorials|Priced OP1

Tab – Accessorials|Priced OP2

Tab – Accessorials|Priced 6-Mon

Tab – NTE Rates Base Period

Tab – NTE Rates Option Period 1

Tab – NTE Rates Option Period 2

Tab – NTE Rates 6-Month Extension

Tab – Weight Estimates

Tab – Transit Times

Tab – Legend

Attachment 5 – Zone Maps

Attachment 6 – Security Controls Template

Attachment 7 – Safety & Audit Checklist

Attachment 8 – Wage Rate Determination

Attachment 9 – Reports & Format

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PERFORMANCE WORK STATEMENT
(PWS)

COMMERCIAL MULTIMODAL TRANSPORTATION
HEADQUARTERS UNITED STATES TRANSPORTATION COMMAND

15 November 2012

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Performance Work Statement

TABLE OF CONTENTS

SECTION 1 – GENERAL REQUIREMENTS

SECTION 2 – EDI TRANSACTIONS

SECTION 3 – PERFORMANCE MEASURES

SECTION 4 - LIABILITY

SECTION 5 – DEFINITIONS

SECTION 1 – GENERAL REQUIREMENTS

1.1. REQUIREMENT FOR CONTRACTORS TO PARTICIPATE IN THE CIVIL RESERVE AIR FLEET (CRAF) OR VOLUNTARY INTERMODAL SEALIFT AGREEMENT (VISA) AND MAINTAIN GOOD STANDING

This contract is conditioned upon the contractor being a Department of Defense approved carrier not in a suspended non-use status (carrier in good standing) participating in the Civil Reserve Air Fleet (CRAF) or Voluntary Intermodal Sealift Agreement (VISA) throughout the performance of this contract. For CRAF, the contractor shall be a U.S. registered air carrier operating under Federal Aviation Regulations, Part 121, and possessing a current certificate issued by the FAA pursuant to Federal Aviation Regulations, Part 121. For VISA, the contractor shall be owner/operator of U.S. Flag vessels which are in compliance with the Cargo Preference Act of 1904.

1.1.1. Scope of Contract. The contractor shall provide all personnel, training, supervision, equipment, Prior Permission Requests (PPRs), Diplomatic Clearances (DIPS), and customs clearance procedures necessary to perform international commercial door-to-door and/or port-to-door transportation services to move DOD and other Government approved cargo. Multiple modes (i.e. airlift, sealift, linehaul) of transportation may be used to move cargo to/from multiple zones globally. Cargo moved under this contract will not transit the Pakistan GLOC.

1.1.2. Zones have been established for procuring transportation services. All zones except for the zones followed by the letter P include linehaul in the rate. Zones 3P, 5P, 8P, 9P, 10P and 11P are for shipments the Government will deliver to or pickup from the seaports within the respective zones. Zones with a P indicate shipments that are booked to/from the seaport.

1.1.3. The contractor shall provide a Not-To-Exceed (NTE) all-inclusive price-per-pound rate for each of the zone-pairs identified in Attachment 4 – Zone-Pair Pricing Matrix, Tab NTE Rates. The NTE rate shall encompass all available modes of transportation, i.e. airlift, sealift, linehaul. During the period of performance, the Government reserves the right to add or delete zones as a result of changing mission requirements.

1.1.4. Upon award of a task order, contractor is required to make immediate contact with the shipper and at least one SDDC Point of Contact (POC).

1.1.5. Upon award of a task order, contractor is required to contact the Shipper / Origin POC NLT 24 hours prior to departure.

1.2. Cargo

1.2.1. Contractors are responsible to have proper equipment and personnel necessary to be self sufficient at all ports and installations. (Shippers will be responsible to load/unload ground conveyances at origin/final destination.) Cargo may consist of containers, breakbulk, rolling stock, tricons and quadcons. (No commercial Flatracks or Open Top containers will be booked.)

1.2.2. Cargo may be booked as container or breakbulk cargo, depending on shipper requirements. Breakbulk or Government-owned/leased containers will retain surface shipping configurations throughout transport, to include airlift. Breakbulk cargo may be containerized for sealift and/or linehaul convenience at no cost to the Government.

1.2.3. Contractor-owned/provided containers will be unstuffed and reconfigured on commercial equipment (i.e. Air Pallets) prior to airlift, as described in subsequent sections, unless otherwise identified in the spot bid requirements. For inbound shipments to Afghanistan, the contractor is responsible for ensuring that all contractor-owned/provided equipment remain in contractor possession at all times.

1.2.4. Contractor shall coordinate pick up dates/times directly with shipper.

1.3. Hazardous Cargo.

1.3.1. The Government will package, prepare, mark/label and certify all hazardous materials in accordance with AFMAN 24-204, International Civil Aviation Organization (ICAO) Directives, International Maritime Dangerous Goods Code (IMDGC) and Code of Federal Regulations, Title 49 (49 CFR). Cargo may include hazardous material Classes 2 through 9 as defined in the International Air Transportation Association (IATA) Dangerous Goods Regulation. If cargo does not comply with aforementioned regulations, the contractor may refuse to transport noncompliant hazardous cargo.

1.4. Required Delivery Date (RDD) & Cargo Availability Date

1.4.1. The contractor shall deliver all cargo by the Required Delivery Date (RDD) specified in the accepted booking. Changes to the RDD will be granted only as defined below:

1.4.2. When staging is directed by the COR prior to RDD, as defined by Section 2 (*HG/HR guidance*), contractor is recommitted to a new RDD in accordance with Section 2.

1.4.3. When a delay is authorized in writing by the COR prior to RDD as defined by Section 2 (*SD/BD guidance*), contractor is recommitted to a new RDD in accordance with Section 2.

1.4.4. When consignee is unable to accept local delivery of cargo prior to RDD, as defined by Section 2 (*AV guidance*), the contractor shall receive consideration for on-time delivery. However, due diligence shall be exercised to meet RDD or achieve delivery at the earliest possible time after RDD.

1.4.5. In instances where RDD relief is applicable, the contractor must provide supporting documentation upon request of the cognizant SDDC COR, or upon request of the SDDC HQ Contract Compliance Branch.

1.4.6. Improper use of the HG/HR, AV, or SD/BD transactions will result in a missed RDD against the associated shipment.

1.4.7. The contractor shall pick-up cargo by the cargo availability date specified in the accepted booking.

1.4.8. The contractor shall remove all cargo from Afghanistan within 7 days of the cargo pick up date.

1.5. Delivery Notification and Receipt

1.5.1. Contractor shall schedule a date and approximate time for all deliveries with the consignee or consignee's agent at least 2 working days prior to any actual delivery of cargo. Does not apply to shipments to Afghanistan.

1.5.2. Contractor shall not deliver cargo on the same day as notification unless approved by the consignee. Does not apply to shipments to Afghanistan.

1.5.3. Contractor shall deliver cargo on a specific day if requested by the consignee provided the contractor can accommodate the request using the contractor's normal service.

1.5.4. If the date the delivery is requested is later than the RDD, the shipment will be considered staged in accordance with Section 2 HG/HR paragraph. Contractor must notify cognizant COR that consignee accepting cargo after RDD for staging approval to occur.

1.5.5. The contractor shall provide a delivery receipt for the consignee or consignee's agent to sign to acknowledge receipt of the containers or pieces and to annotate any exceptions.

1.5.6. The contractor shall display a placard on the cargo or conveyance with identifying marks where required by local practice.

1.5.7. A signed delivery receipt with no damage noted does not preclude the Government from pursuing a claim for damages discovered after delivery. If damage is later discovered, the contractor will be notified and requested to survey cargo.

1.5.8. Delivery receipt shall contain the following information: carrier, PCFN, IBS TCN, container number (if applicable), consignee DoDAAC, final destination location, truck number, driver name, date cargo arrived at final destination, date/time cargo in-gated at final destination, date/time cargo off-loaded at final destination, printed consignee name, consignee's signature, remarks section. Additional information may be included as necessary. Contractor shall maintain a copy of the delivery receipt.

1.6. Customs.

1.6.1 The responsibilities for cargo clearance under this contract are shared between contractor and Government.

1.6.2. For many locations, the Government has principal responsibility for cargo clearance and performs the majority of tasks incident to clearance. These include the preparation of documents or entry into automated customs systems but, by local practice the Government may require the contractor to perform tasks such as document pickup and delivery, presentation of documents to appropriate customs officials and payment of processing fees.

1.6.3. Costs incurred by the contractor to provide these incidental services shall be included in applicable pricing. At Table 1.6.11 is a list of locations where the Government has principal responsibility for cargo clearance.

1.6.4. Hardcopy document clearance

1. Government (shipper) prepares a cargo clearance request package (Complete except for any contractor provided documents).
2. Government may submit to customs or give to the contractor for the contractor to combine with contractor documents (such as bill of lading) and deliver to customs officials, pay minor processing fees, obtain approvals and notify any others needing to be notified when clearance is approved.

1.6.5. Contractor-Arranged Cargo Clearance: Contractor acts on behalf of Government to obtain cargo clearance.

1.6.6. When Contractor-Arranged Cargo Clearance is ordered by the Government, the contractor has principal responsibility for customs clearance.

1.6.7. Contractor-Arranged Cargo Clearance includes, as required by local practice additional services that include,

1. Coordination with shipper/consignee and local customs authorities to obtain and/or prepare (except for signature) all necessary documentation for cargo clearance;
2. Provide prepared forms/documents to receiver/Government for signature;
3. Deliver documents to the customs office, and ensure that documentation is provided to all local entities as required to permit release and on-carriage of cargo to final destination.

1.6.8. Additional countries may be added to Table 1.6.11 should it be determined that the Government has increased its presence in a country, and that the Government shall provide clearance services as described by 1.6.2.

1.6.9. Countries shall be removed from Table 1.6.11 via bilateral modification should it be determined that the Government has decreased its presence in those countries, and that the Government can no longer provide clearance services as described by 1.6.2.

1.6.10. The shipper will provide the Contractor with appropriate shipper generated customs documents at least three business days prior to vessel departing port of origin.

<u>Table 1.6.11</u>
United States territories and possessions
Kuwait

1.6.12. Notification of Cargo Held by Customs.

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1.6.12.1. The contractor shall promptly notify the cognizant COR and SDDC Battalion within 24 hours if cargo is held up by customs, or if the local authorities require direct Government intervention for cargo customs clearance.

1.6.13. Contractor will ensure that cargo remains within designated customs free zones and/or that cargo remains customs cleared by host nations. The contractor will be required to coordinate all activities with the host nation to implement the requirements in this work statement to include duty-free customs clearance, transit and landing rights.

1.7. Supply Chain Security.

1.7.1. The contractor shall follow their commercial surface and air security and customs procedures to safeguard all cargo against terrorism, theft, loss, tampering, or damage.

1.8. Exceptions

1.8.1. Cancellation/No Shows

1.8.1.1. The Government may unilaterally cancel the Multimodal booking/ movement without penalty, provided notification is given to the contractor. The Government will provide cancellation notice at least 24 hours prior to scheduled pickup at origin. Special situations shall be addressed by the Contracting Officer.

1.8.1.2. The contractor shall notify the cognizant COR of cargo not tendered to the contractor in time to meet the booked departure that has not been cancelled or rebooked.

1.8.1.3. For cargo that misses the booked departure through no fault of the contractor, the contractor shall move cargo on the next scheduled departure after receipt of cargo from the Government. Contractor shall notify shipper and origin Ordering Officer at time of occurrence.

1.8.1.4. When the Government notifies the contractor cargo is not available for a booked movement, the contractor shall then designate a new vessel, aircraft, or other mode of conveyance based on the revised availability of cargo. Should the "roll over" cargo not show for the follow on designated departure, the booking shall be cancelled and the cargo rebooked.

1.8.1.5. The contractor shall in no event hold the Government liable for demurrage, dead freight or associated charges by failing to release cargo in time to meet a specified pickup.

1.8.2. Rerouting of Cargo

1.8.2.1. Any changes in the booked routing must be coordinated with the Ordering Officer. Delays due to route changes made by the contractor will not result in additional monetary compensation. If the Government reroutes cargo compensation will be negotiated with the Contracting Officer on a case-by-case basis.

1.8.3. Staging

1.8.3.1. The contractor shall stage cargo upon written request of the cognizant COR. After written request by the cognizant COR or cognizant SDDC Battalion for release from staging, the contractor shall commence on-carriage within 2 calendar days.

1.8.3.2. Contractor will provide a dispatch plan to cognizant COR and cognizant SDDC Battalion if unable to dispatch all called forward cargo within 2 calendar days.

1.8.3.3. 15 days after contract award, contractor will provide detailed information to the Contracting Officer of all carrier holding yard locations (including latitude/longitude) to be used to store Government cargo for zones 14-36. Contractor is required to provide updates to the Contracting Officer as holding yard locations change.

1.8.4. Broken/Replacement of Seals

1.8.4.1. The contractor shall notify the shipper, Ordering Officer, and COR electronically within 24 hours of discovery that cargo has been tampered with and if a seal on unit cargo has been broken and/or replaced while the cargo is in the possession of the contractor. A complete written report of the circumstances and reasons shall be provided to the cognizant COR.

1.9. Cargo Concealment

1.9.1. When service is ordered, the contractor will conceal/cover any non-containerized cargo that is in the open on a given conveyance. The contractor shall provide necessary material to cover cargo completely so that the cargo is concealed from view while being transported. Concealment materials shall be weather resistant, non-transparent and shall remain secured and in place during the complete transit of cargo. The contractor shall repair or replace any material used for concealment if damaged in transit. In addition, concealment material shall remain on the cargo until final destination unless otherwise directed by the Government. The contractor shall be responsible for the removal and the disposal of such material, unless otherwise directed by the Government.

1.9.2. Concealment material may include tarps, crates, and any other material deemed necessary, by mutual agreement between the contractor and the Ordering Officer. The Government may request specific material depending on the nature of the cargo.

1.10. Contractor-Provided Equipment

1.10.1. Container Standards. Upon request, contractors shall provide containers with clearly marked container numbers that are clean, dry, empty, odor free, suitable for protecting cargo from damage and comply with ISO, International Maritime Organization (IMO), and Convention of Safe Containers (CSC) standards. (No Commercial Flatracks or Open Top Containers will be booked.)

1.10.1.1. Substitution of Equipment: When the contractor has accepted a booking and does not provide the conveyance listed in the booking, the contractor shall provide a suitable alternative agreed upon by the shipper and the Ordering Officer at no additional cost to the Government.

1.10.1.2. Chassis Requirements. For origin CONUS shipments, any containers delivered to the Government or spotted by the contractor must be on a contractor-provided chassis that supports stuffing/unstuffing operations by the Government. The chassis must remain with the container while in the custody of the Government; unless this requirement is waived by the cognizant COR. Blanket waivers for specific areas or destinations may be issued by the cognizant COR upon request.

1.10.2. Providing Empty Containers to Shippers

1.10.2.1. Spot Date

1.10.2.1.1. At least 24 hours prior to the spot date annotated in the booking, the contractor shall notify the cognizant Ordering Officer and shipper of any containers, which cannot be spotted to meet booking requirements.

1.10.2.2. Drop and Pick Service

1.10.2.2.1. The contractor shall spot the requested equipment at the location on or before the date and time specified in the booking.

1.10.2.2.2. When requested by the Ordering Officer, the contractor shall provide drop and pick service or round robin drop and pick which shall be included in the contractor's rate.

1.11. Government Furnished Containers (GFC)

1.11.1. The contractor shall provide a chassis for GFC shipments, unless this requirement is waived by the local shipping/receiving facility or custom of the trade does not normally call for the use of chassis.

1.11.2. The contractor shall be liable for loss or damage to the GFC resulting from the contractor's negligence while in the contractor's possession.

1.11.3. GFC includes 8.0'- 9.5' high x 8' wide x 20/40' long ISO dry cargo containers, reefer containers and flat racks. GFC may be Government-owned or leased containers.

1.11.4. Contractor has the right to refuse a GFC for shipment if it is not properly numbered, or that does not comply with ISO, IMO and CSC Standards. Contractor shall coordinate with cognizant COR before performing any services for an improperly numbered container. When a GFC is booked as breakbulk, the contractor does not have the right to refuse an improperly numbered GFC or one that does not comply with ISO, IMO and CSC Standards.

1.12. Containerization for the Convenience of the Contractor

1.12.1 For breakbulk cargo booked by the Government, the contractor may, in its discretion, containerize such cargo for operational convenience without any additional cost or expense to the Government. However, breakbulk cargo containerized for Contractor's convenience must be de-containerized and made available for customer pick up within 2 working days after discharge, and is considered breakbulk cargo.

1.13. Defense Logistics Agency-Energy Ground and Aviation Fuel.

1.13.1. Defense Logistics Agency - Energy (DLA-E) Ground and Aviation Fuel. If the contractor is authorized to purchase fuel from DLA-E, a Fuel Purchase Agreement (FPA) must be completed. DD Form 1896 DOD Fuel Identaplates will be prepared for the prime contractor (carrier) and the prime contractor may distribute the identaplates out to their respective subcontractor(s). The identaplate will reflect the prime contractor's DoDAAC account and other information needed by the contractor to identify their subcontractor. It is the responsibility of the prime contractor to manage and account for the identaplates. Cash purchases are not authorized. Payment for fuel is a contractor responsibility and is not a reimbursable expense.

1.13.2. If DLA-E fuel supply levels become a concern, the Government reserves the right to restrict the amount of fuel to be uplifted or rescind the contractor's ability to purchase DLA-E fuel.

1.13.3. Additional information can be found at <http://www.desc.dla.mil/dcm/files/desc-i-3.pdf>.

1.14. Exterior Cargo Rinsing Service

1.14.1. The purpose of cargo rinsing service is to remove road dirt and other contaminants from cargo that was cleaned and found to be acceptable for entry into the US prior to tendering to the contractor. Contractor shall clean cargo to a condition acceptable for entry.

1.14.2. Includes costs to move cargo to the rinse facility or to move rinse equipment to the cargo.

1.14.3. The contractor may choose where to perform the rinsing service unless location is specifically directed by the Ordering Officer.

1.14.4. Contractor shall re-rinse cargo at POD if rejected by customs/agriculture authorities, at no cost to the Government if it is determined that rejection occurred at fault of contractor.

1.14.5. For cargo containerized by the Government, rinsing service applies to exterior of container. For cargo containerized at contractor's convenience, rinsing applies to exterior of cargo.

1.15. Other Services.

1.15.1. Exterior Cargo Washing Service

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1.15.1.1. All cargo entering the US must be free from contaminated soil and pests. "Cargo will not be loaded aboard a final conveyance in a foreign country, for movement to the US, unless it is free of animal and plant contamination or pest infestations as required by the US Port of entry Customs Border Protection-Agriculture Inspection Service officials (CBP-AIS) and USDA Animal and Plant Health Inspection Services (APHIS)." Washing of cargo must comply with the following: 7 CFR 330.300, Defense Transportation Regulation (DTR) 4500.9R, Part V, Chapter 502, 505, and Chapter 506. Detailed cleaning and inspection procedures can be found in the Armed forces Pest Management Board Technical Guide No. 31, Contingency Retrograde Wash-downs: cleaning and Inspection Procedures.

1.15.1.2. Accessorial Rate includes costs to move cargo to the wash facility or to move the wash equipment to the cargo.

1.15.1.3. The contractor may choose where to perform the washing service, unless the location is specifically directed by the Ordering Officer.

1.15.1.4. When washing services are ordered, contractor shall re-wash cargo at POD if rejected by customs/agriculture authorities at no cost to the Government if it is determined that rejection occurred at fault of contractor.

1.15.1.5. For cargo containerized by the Government, washing service applies to exterior of container. For cargo containerized at contractor's convenience, washing applies to exterior of cargo.

1.15.2. Interior Cargo Washing Service.

1.15.2.1. The vehicle cab and all interior storage and tool compartments must either be swept, compressed air cleaned, sprayed with water, and/or wet/dry vacuumed; including the floor, under the seats, trunk, spare tire & spare tire well. When utilizing water pressure machines or steam to clean, cover the dashboards and areas where electronics may be damaged with plastic or other protective lining prior to starting. The focal point of the interior cleaning should be the floorboard area, including lower compartments utilized for storage where most soil accumulates. Interior must be cleaned to USDA Standards.

1.15.2.2. Upon tender to the contractor, the vehicle will be free from all contraband to include weapons, ammunition and classified material. Contractors may refuse to accept cargo from the government/shipper if cargo is not free of these materials.

1.15.2.3. Accessorial Rate includes costs to move cargo to the wash facility or to move the wash equipment to the cargo.

1.15.2.4. The contractor may choose where to perform the washing service, unless the location is specifically directed by the Ordering Officer.

1.15.2.5. When washing services are ordered, contractor shall re-wash cargo at POD if rejected by customs/agriculture authorities, at no additional cost to the Government. if it is determined that rejection occurred at fault of contractor.

1.15.3. Warehousing. The Government may elect to add this service as required. Contract holders will have the opportunity to offer rates at that time.

1.15.4. Perishables Transportation. The Government may elect to add this service as required. Contract holder will have the opportunity to offer rates at that time.

1.16. Transportation Discrepancy Reports (TDR)

1.16.1. The Government will process cargo claims in accordance with the Defense Transportation Regulation, Volume II, Chapter 210, and the contractor agrees to cooperate with Government efforts to resolve claims for loss or damage to Government cargo.

1.17. Contractor Personnel.

1.17.1. The contractor shall provide an English speaking Program Manager who shall be responsible for the performance of the work. The name of this person shall be designated in writing to the Contracting Officer prior to the contract start date.

1.17.2. Customer Service-The contractor shall submit points of contact who can respond to Government activities on a 24/7 basis to provide expert assistance in answering questions, exchanging information, and resolving problems. The contractor shall provide specific points of contact no later than 7 days after contract award.

1.17.3. The contractor shall attend periodic performance review and feedback meetings (e.g., quarterly, semi-annual, or annual) at no additional charge. Contractor shall not use this meeting as an opportunity to promote their products and services.

1.17.4. Security (Physical, Personnel, Information, Industrial, Anti-terrorism and Force Protection Requirements).

1.17.4.1. While on military installations or on military portions of civil installations, contractor personnel shall comply with security regulations promulgated by the military installation commander. Security regulations are directive in nature and shall be adhered to by all contractor personnel. In addition, the contractor shall (consistent with their commercial procedures), provide a method to protect the integrity and proper functioning of all equipment and systems involved in the operation of this contract. Any equipment and information processing systems containing Government information shall have security measures to protect against unauthorized disclosure. The contractor personnel shall carry proper identification at all times and easily be recognizable as a contractor.

1.17.4.2. General Security Information: The work associated with this PWS will be UNCLASSIFIED and does not require a DD 254. Classified access/information is not authorized in support of these deliverables by contract personnel. Classified access will not be given to Foreign Nationals IAW DoD 5200.2-R, Chapter 3, Section C3.4.3.

1.17.4.3. Common Access Card Eligibility and Issuing Procedures

1.17.4.3.1. Contractors may be allowed CAC's under this contract if the following conditions are met and are approved by the COR/CO or Functional Manager for the contract:

1.17.4.3.2. CAC's will be issued only to United States Citizens for this contract. Foreign Nationals will not be allowed CAC's unless they possess a legal residence status within the United States for a minimum of 3 years and obtain a positive result from FBI fingerprint check, and an initiated National Agency Check with Written Inquiries (NACI) through the USTRANSCOM Security Services Center. *(The details outlined in Attachment 3 of DTM 08-003, Subparagraph 3(b/c/d) do not apply in respect to foreign nationals and contractor CAC issuance)*

1.17.4.3.3. CAC's will not be issued to personnel that are in located in CONUS and who do not have physical access to a base on a frequent basis. Frequency is identified by installation access for four (4) days a week with a desk, phone and computer on this installation *(Scott Air Force Base Instruction 31-101. This is a controlled publication and may only be accessed by personnel on the EIM site for Scott AFB).*

1.17.4.3.4. Those personnel who need access to an installation may obtain the Transportation Worker Identification Card (TWIC) for CONUS bases and sites only. The TWIC and the Defense Biometric Identification Database System will allow for installation access in CONUS. Contractors with TWIC's will be required to register at each installation in the DBID's. TWIC's can be obtained by going to the following website (http://www.tsa.gov/what_we_do/layers/twic/index.shtm) and the successful completion of the prescribed application process. USTRANSCOM or HQ SDDC does not facilitate any TWIC issuance or investigation process for the TWIC.

1.17.4.3.5. CAC's will not be issued to contractor personnel OCONUS or at forward operating bases if there exists another access control identification card. The CAC will only be issued if another identification card does not exist.

CAC's are primarily used for logical access to Government networks and the CAC will not be primarily used only for physical access if other credentials exist.

1.17.4.3.6. If personnel are approved for CAC's by the Contracting Officer (CO) or Contracting Officer Representative (COR) the name and social security number will be forwarded to the USTRANSCOM Security Services Center for validation of background investigation levels. Upon notification by the SSC that contractor personnel meet the required investigative and clearance levels, the personnel may be loaded by the decision of the CO/COR or functional manager in CVS for an expiration on their CAC for the base year, plus two option years, for a three year total, if the contract is fully funded. If the contract is unfunded or funded on a yearly basis requiring recertification of funding by USTRANSCOM TCAQ/TCJ8, CACs will only be loaded for the current period of performance. All CAC issuance will be based on the favorable NACI investigation.

1.17.4.3.7. If a NACI package is returned under a NO DETERMINATION MADE disposition from the clearance adjudication facility (CAF) then it will be reviewed by three levels within USTRANSCOM Force Protection to accept the risk and allow for the CAC to be retained. If the determination is made to not allow for a CAC to be retained the Chief of Force Protection for USTRANSCOM will be the final determination and the contract company will be notified that the CAC will be returned.

1.17.4.4. Visits to USTRANSCOM/HQ SDDC Building

1.17.4.4.1. All visit(s) by contractor personnel to USTRANSCOM or HQ SDDC will require an electronic visit request be submitted using the Joint Personnel Adjudication System (JPAS). JPAS visits can be forwarded to the Security Management Office (SMO) code: USTC-SDDC. The visit request will annotate the contract number in the POC block of the visit request and the name of the COR/CO in the phone number block. Visits may be initiated for the base or option year period only and not the entire duration of the contract.

1.17.4.5. Additional Security Conditions

1.17.4.5.1. Upon completion of this contract, the contractor's personnel shall surrender all Government supplies, materials and equipment to the COR or designated representative. All contractor personnel assigned to this contract and located at Scott Air Force Base will out-process through the Security Services Center. Any assigned contractor personnel who possess security badges shall turn in those badges into the issuing authority it was derived from during out-processing. Contractor personnel shall out-process on the last day of the contract or upon termination or reassignment from duties under this contract. All CAC's issued in support of this contract regardless of where they were issued, will be returned to the Trusted Agent (TA) in the Contract Verification System (CVS) at USTRANSCOM for return to the Security Services Center for accountability in the system. The contractor will send the CAC to USTRANSCOM through certified mail to track the credential.

1.17.4.5.2. The Government shall ensure the roles/privileges assigned to contractor personnel on the Government computing platforms are limited to the roles/privileges essential to that individual's performance of his/her assignments. The Government may limit or revoke these roles or privileges for any reason.

1.17.4.5.3. If the Government notifies the contractor that the employment or the continued employment of any contractor personnel is prejudicial to the interests or endangers the security of the United States of America, that employee shall be removed and barred from the worksite. This includes security deviations/incidents and credible derogatory information on contractor personnel during the course of the contract's period of performance. The contractor shall make any changes necessary in the appointment(s).

1.17.4.6. Security Regulation Guidance:

Department of Defense (DOD):
2000.16 (DOD Antiterrorism (AT) Standards)
5200.1-R (DOD Information Security Program)
5200.2-R (DOD Personnel Security Program)
5200.08-R (DOD Physical Security Program)
5220.22-M (National Industrial Security Program)

8500.1 (Information Assurance (IA))
2000.12 (DOD Antiterrorism (AT) Program)
8500.2 (Information Assurance (IA) Implementation)
DOD regulations found at: <http://www.dtic.mil/whs/directives/corres/pub1.html>

Scott Air Force Base:
SAFB Instruction 31-101 (Installation Security Instruction)
(Restricted publication. Sent only to .mil domains when forwarding. Not for public distribution.)
USTRANSCOM Instruction 31-11 (USTRANSCOM Security Program)

1.18. Freight Reporting

1.18.1. Contractors are required to submit monthly report based on all completed shipments made during the reporting period. Reports will be submitted electronically to the Contracting Officer (or designated representative) by the 20th of each month following the preceding calendar month. For instance, a report covering data for the month of May shall be due on June 20. The report shall be in Microsoft Excel for Windows ".xls" format broken down to the PCFN level and contain the following data elements:

1. PCFN
2. Booked weight
3. Scale weight
4. Dimensional Weight
5. Billed weight

1.19. CONOPS:

1.19.1. Upon Government request, contractor will provide a complete CONOPS report to SDDC for review prior to cargo being booked. CONOPS requirements will be provided at time of the request.

1.20. Vessel Schedules

1.20.1. For service between countries or ports where multi-modal service is required, the contractor shall provide and maintain schedules in Integrated Booking System (IBS) prior to submission of the spot bid. Vessel schedule changes that occur prior to scheduled departure may result in cancellation of booked cargo at no cost to the Government.

1.21. Subcontracting

1.21.1. Subcontractor Responsibility. The contractor shall determine the responsibility of its prospective subcontractors. The contractor is responsible for the delivery of services required by the booking. This responsibility extends to the performance of any other provider the contractor may subcontract to in order to perform the services ordered. Special factors related to performance of this contract may compel the Contracting Officer to assist in the determination of subcontractor responsibility. These factors include critical requirements, substantial subcontracting, safety concerns, risk of terrorism and hostilities, and rapidly changing organizational forms of subcontractors that mask prior performance records and relationships with affiliated concerns. Periodically, the Contracting Officer shall make available to the contractor the name of potential subcontractors with questioned responsibility. These names shall be periodically updated to reflect more recent information and changing evaluations. The contractor shall not allow those entities identified by the Contracting Officer to perform any role in performance of a task order under this contract unless it first provides written evidence to the Contracting Officer that affirmatively demonstrates to the Contracting Officer's satisfaction the responsibility of the proposed subcontractor.

1.21.2. When subcontracting for air transportation, the contractor shall use CRAF carriers to meet the requirement. CRAF carriage on U.S. flagged aircraft is **required and only authorized** when the consignor or consignee is at one of the following locations and/or all flights arriving at and/or departing from the following locations: Bagram, Mazar-i-Sharif, Kandahar, Kabul, and Bastion. If technical requirements exceed (cargo size or weight) aircraft

available by any CRAF carriers, the contractor shall only use carriers capable of performing the service and, at a minimum, comply with the technical requirements identified in the CENTCOM Safety and Audit Oversight Checklist.

1.21.2.1. The contractor is required to ensure the completion of the safety and audit oversight program on all Non-DoD Approved subcontracted air carriers. At a minimum, the contractor shall ensure compliance with the technical requirements identified in the attached CENTCOM Safety and Audit Oversight Checklist. This assessment will be based upon a safety audit performed by the contractor or an independent International Air Transport Association (IATA) accredited 3rd party audit organization. AMC/A3B approved US-flag or foreign flag subcontractors are exempt from the audit as long as they remain on the AMC/A3B DoD-approved carrier listing. In addition, the contractor shall not use carriers listed on the European Banned Carrier Listing at http://ec.europa.eu/transport/air-ban/list_en.htm.

1.21.2.2. Following completion of each safety audit, the contractor shall issue a "Statement of Compliance" to the Contracting Officer affirming each subcontractor complies with the technical requirements of paragraph 1.21.2.1. above. This certificate shall be valid for 24 months. The contractor must develop a subcontractor audit program that provides for an onsite audit of subcontractors at least every 24 months in order to issue subsequent "Statements of Compliance."

1.21.2.3. Within 15 days of contract award, the contractor shall provide the Contracting Officer a complete MS-Excel spreadsheet listing of all air foreign flag subcontractors used in performance of this contract. The information shall include the carrier's name, aircraft type, aircraft registration number, aircraft country of operating certificate, and the date of the contractor's last audit on the subcontractor. Any subcontractor changes shall require the contractor to provide an updated list to the Contracting Officer within five business days. Note: The Government retains the right to request copies of all completed audit reports.

1.21.2.4. Incident Reporting. In the event of an air, surface, or ground safety incident in CENTCOM AOR, the contractor shall immediately notify the CDDOC (Tel: 011-965-2389-5217), AMD/APCC (Tel: 011-974-458-9555, after prompt enter 436-4186), SDDC HQ COC (Tel 618-220-4262), the cognizant COR and the Contracting Office (Tel: 618-220-7083/7118). The contractor shall state their name, whom they represent, incident type, incident location, aircraft or vehicle type, aircraft tail number, and incident time (Zulu). Additionally, the contractor shall forward the CDDOC, AMD/APCC, SDDC HQ COC, cognizant COR and Contracting Office a completed Incident Report Form documenting the circumstances surrounding the incident within 2 hours (to include copies of the cargo manifest).

1.21.3. When subcontracting for sea transportation, the contractor shall use U.S. Flag VISA carriers when available to meet the requirement. The contractor shall use the VISA priorities when making alternative service arrangements and shall not use a lower VISA priority than that identified in the awarded booking without approval of the Contracting Officer.

1.21.4. Subcontracting Report. Annually, the contractor is required to submit a subcontracting report that includes information on subcontract awards to Afghanistan and Central and Southern Asia States (CASA) entities. CASA states include Georgia, the Kyrgyz Republic, Pakistan, the Republic of Armenia, the Republic of Azerbaijan, the Republic of Kazakhstan, the Republic of Tajikistan, the Republic of Uzbekistan, and Turkmenistan. The report shall identify the total dollars subcontracted and the total dollars subcontracted to Afghan and CASA entities broken out by the individual states. The report is due within 90 calendar days after the end of an annual performance period.

1.22. Prior Permission Required (PPR) Process.

1.22.1. The Government will provide the contractor with all cargo data necessary for the completion of aircraft clearance including customs, and similar documents. The contractor shall retain responsibility for furnishing appropriate agencies all required manifest, and border clearance documents, covering all cargo aboard the aircraft upon entry into the foreign country. The contractor shall also be responsible for payment of any charges, fees, or taxes based upon use of terminal facilities by or for cargo. The Government is not obligated to pay, or reimburse the contractor for payment, of any such charges. The International Flight Information Manual (IFIM) in conjunction with the host nation's Aeronautical Information Publication (AIP) includes the process and/or points of contacts for

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obtaining civilian clearances. When a foreign country requires that a carrier under contract to USTRANSCOM submit a clearance request through US diplomatic channels for approval, this fact, along with the procedures to be followed, will be noted in the DOD Foreign Clearance Guide (FCG), DoD 4500.54-M, <https://www.fcg.pentagon.mil>. Contractors shall adhere to the guidelines outlined in this appendix when operating missions under this contract that require clearances to be submitted through US diplomatic channels and shall consult the DOD Foreign Clearance Guide for specific US Defense Attaché Office (USDAO) requirements or country restrictions to supplement IFIM and AIP requirements. Contractors can obtain a user name and password for access to the on-line FCG by contacting HQ USAF/A5XP by e-mail at fcg@pentagon.af.mil or by calling (703) 614-0130.

1.22.2. The contractor shall adhere to the theater application process and operate in accordance with the approved PPR. It is the contractor's responsibility to be aware of all airfield restrictions outlined in the NOTAMS. NOTAMS can be found at the following website: <https://amccisaf.nc3a.nato.int/default.aspx>.

1.22.3. Contractor will obtain PPRs prior to each airlift mission through the CDDOC or respective airfield managers. Additional information on airfield slot times for all strategic, fixed-wing flights can be obtained from the following website: <https://amccisaf.nc3a.nato.int/default.aspx>.

1.22.4. In the event the contractor cannot comply with the approved PPR, the contractor shall immediately coordinate with the local airfield manager and the CDDOC.

1.22.5. The contractor is responsible for obtaining necessary landing rights or privileges and visas, passports, restricted area passes and gate passes for crews, route support personnel and contractor employees to ensure total compliance with all local security requirements.

1.22.6. The contractor shall comply with all International Over flight Requirements.

1.22.7. Aircraft Recovery Process.

1.22.7.1. Within 12 hours, the contractor will provide an aircraft recovery plan identifying their process to repair and remove the aircraft. The contractor will provide daily status information to the Senior Airfield Authority, AMD/ALCT, CDDOC, and Contracting Officer on the progress to repair/remove the aircraft.

1.22.7.2. The Government reserves the right to move the aircraft, at any time, off the active runway, taxiway or parking spot to another area as operational requirements dictate. The contractor shall be charged associated costs for movement of the aircraft.

1.22.8. Pre-Alert Notification.

1.22.8.1. No later than (NLT) 12 hrs prior to arrival, the contractor shall provide the destination Aerial Port with the cargo arrival date, time, and quantity.

1.22.8.2. The contractor shall provide an English speaking contractor representative, in person or via telephone, during aircraft or truck arrival or departure. This representative shall be responsible for providing necessary information and coordinating with Government personnel and have the full authority to react to and effect necessary changes.

1.23. Driver Free Time and Driver Wait Time

1.23.1. Driver free time will commence once the contractor has notified the consignor or consignee that the cargo is available for loading or unloading. Cargo is considered available for loading or unloading when placed in a location so it can be immediately accessed for loading or unloading within the consignor or consignee's normal operating hours or acceptance hours. If the consignor or consignee requires pickup or delivery appointments, wait time spent due to early or late arrivals will not count towards free time. If a contractor is prepared to position its conveyance for loading or unloading, but is prevented from doing so due solely to a Government delay, driver free time will commence at that time. Driver free time shall not commence unless, and until, the contractor has notified the

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consignor or consignee that its conveyance is at the shipping or receiving facility but is unable to position its conveyance for loading or unloading due to a Government delay.

1.23.2. If loading or unloading is not completed by the close of business for that location, time will resume at the beginning of the next business day.

1.23.3. Driver wait time shall start when driver free time ends. Driver wait time shall end when consignor or consignee notifies the contractor in writing that loading or unloading has been completed and that the conveyance is available for pickup. Such notification shall constitute release of contractor's equipment.

1.23.4. Invoices for driver wait time payments based on Government delays must be submitted G8 Accounts Payable Branch for validation and must include substantiating documentation to establish entitlement to these additional fees. Contractors are required to keep separate documentation for payment purposes. In the event of a dispute between the contractor and consignee records, the consignee's records will prevail. Minimum documentation shall include: date/time contractor arrived; date/time contractor available for loading or unloading; date/time loading or unloading complete; TCN; PCFN/booking number; and origin or final destination location and DODAAC. Contractor shall be compensated as described at 1.23.6.1

1.23.5. Driver Wait Time Incurred in Zones 14-36

1.23.5.1. Free time shall start when the driver is in line outside the final destination waiting to deliver cargo and contractor provides notice by submitting an "AV" EDI transaction that the cargo is locally available for immediate delivery but is delayed by the Government.

1.23.5.2. The receiver shall have driver free time as indicated in the Driver Free Time column in Table 1.23.6.1 below, starting from the date of arrival in line outside base gate. The contractor shall be paid waiting time at the rates in Table 1.23.6.1 below for periods in excess of free time.

1.23.5.3. Driver wait time shall end when:

1. The cargo is removed from the container or conveyance and the contractor submits an X1 EDI transaction in accordance with 2.2.2 (X1 - AV - 1 day free time)
2. The cargo is removed from the container or conveyance and the contractor submits an HG EDI transaction for staging in accordance with 2.2.2 (HG-AV-1 day free time)

1.23.5.4. Shipments delivered with evidence of tampering or loss shall be investigated by base security; drivers may be detained for questioning by base security. If investigation determines no tampering occurred, applicable wait time rates will be paid. If the investigation determines that tampering/pilferage has occurred, driver wait time will not be payable.

1.23.5.5. Invoices for driver wait time will be submitted in accordance with Attachment 2.

Driver wait time applies only to charges incurred when the driver is in line outside the final destination waiting to deliver cargo.

1.23.6. Driver Free Time and Driver Wait Time

Table 1.23.6.1.

<u>Location</u>	<u>Driver Free Time</u>	<u>Driver Wait Time Rate</u>
Zones 1-11	4 hours	\$15.00 per quarter-hour *
Zones 12-13	Ends at 2359 day of arrival	\$25.00 per hour
Zones 14-36	Ends at 2359 day of arrival	\$100.00 per day

*Note: For zones 1-11, round to next higher quarter hour

1.23.7. For locations not identified in table 1.23.6.1, contractor may request reimbursement of actual expenses for driver wait time incurred after expiration of free time which ends at 2359 day of arrival.

1.23.8. Live Load / Unload

1.23.8.1. The contractor shall provide live load and/or live unload service at the origin and/or destination as follows:

1. When agreed to by the shipper when the contractor schedules pickup.
2. When agreed to by the receiver when the contractor schedules delivery.

1.23.8.2. The contractor and the shipper/receiver shall set a live load/unload appointment (date and time and specific location). For locations described in Table 1.23.6.1, the shipper/receiver shall have free time as indicated in the free time column, starting from the time of the appointment to loading/unloading of the cargo. The contractor shall be paid waiting time at the rates in Table 1.23.6.1 for periods in excess of free time. In the event the contractor arrives 15 minutes or later after the agreed time, the shipper/receiver may load/unload the cargo immediately or reschedule the loading/unloading for a later time. In either case, free time starts upon actual start of loading/unloading operations. Shippers/Receivers may also cancel the appointment and reschedule for a different day at no additional cost to the Government.

1.23.8.3. When indicated in the spot bid process, the contractor shall pick up empty Government owned or leased containers from locations separate from the designated loading location and deliver them to the shipper for loading. The contractor shall include the cost of this service into their spot bid rate. The container shall be spotted at the shipper's location using rules for live load, drop and pick or pool as would apply for a contractor provided container.

1.23.8.4. Shipments delivered with evidence of tampering or loss shall be investigated by base security and drivers may be detained for questioning by base security. If investigation determines no tampering occurred, applicable wait time rates will be paid. If the investigation determines that tampering/pilferage has occurred, wait time will not be payable.

1.24. Information Assurance

1.24.1. Requirement for contractor Information Assurance (IA) Report

1.24.1.1. The contractor shall provide to the Contracting Officer an Information Assurance Report to describe their environment that safeguards DOD non-public information resident on or transiting the contractor's unclassified information systems from unauthorized access and disclosure. Protection measures applied should consider the risks (i.e. consequences and their probability) of loss, misuse, unauthorized access, or modification of information. The report shall address the SANS (SysAdmin, Audit, Network, Security) Institute's Twenty Critical Security Controls for Effective Cyber Defense: Consensus Audit Guidelines (<http://www.sans.org/critical-security-controls>) and be provided in accordance with the template at Attachment 6 to the Solicitation. The contractor is encouraged to provide additional information above and beyond what is outlined in the SANS guidelines to enhance the Government's understanding of their information security posture. The report will be updated 30 days prior to exercise of an option period, if applicable.

1.24.2. Cyber Security Incidents

1.24.2.1. Reporting Requirements

1.24.2.1.1. The contractor shall report to the following two Government organizations as soon as possible upon discovery of any suspected cyber intrusion events that affect DOD information resident on or transiting the contractor's unclassified information systems.

USTRANSCOM Global Command, Control, Communications and Computers (C4)
Coordination Center (GCCC)
E-mail: ustcJ6-gccc@ustranscom.mil
Commercial Phone: 618-229-4222

USTRANSCOM Deployment and Distribution Operation Center (DDOC)
E-mail: ustc-ddocchief@ustranscom.mil
Commercial Phone: 618-220-7700

1.24.2.1.2. Initial report shall be provided even if some details are not yet available, with follow-on detailed reporting within 72 hours. Reportable cyber intrusion events include the following:

1.24.2.1.2.1. A cyber intrusion event appearing to be an advanced persistent threat

1.24.2.1.2.2. A cyber intrusion event involving data exfiltration or manipulation or other loss of any DOD information resident on or transiting the contractor's, or its subcontractors', unclassified information systems

1.24.2.1.2.3. Intrusion activities that allow unauthorized access to an unclassified information system on which DOD information is resident or transiting

1.24.2.1.3. Definition of advanced persistent threat: An extremely proficient, patient, determined, and capable adversary, including two or more of such adversaries working together.

1.24.3. Incident Report Content

1.24.3.1. The incident report shall include, at a minimum, the following information:

1. Applicable dates (date of suspected compromise and date of discovery)
2. Threat methodology (all known resources used such as Internet Protocol (IP) addresses, domain names, copies malware, etc.)
3. An account of what actions the threat(s) may have taken on the victim system/network and what information may have been accessed
4. A description of the roles and functions of the threat-accessed system
5. An initial list of potentially impacted Government programs and each program's classification
6. What information may have been exfiltrated that may impact Government programs
7. A list of all employees and subcontracted employees who work or have worked with the victim system/network
8. A point of contact to coordinate damage assessment activities

1.24.3.2. Incident Report Submission

1.24.3.2.1. The contractor will submit unclassified network cyber incident reports to the USTRANSCOM Technical Information Analysis Center (TIAC) and USTRANSCOM designated Government personnel via encrypted email or another mutually agreed upon secure communications method. Copies of malware require special handling and pre-coordination must be accomplished prior to submission.

SECTION 2 – Electronic Data Interchange (EDI) TRANSACTIONS

2. EDI Transactions: The contractor shall use EDI as the primary means for interfacing with SDDC for all bookings.

2.1. EDI is the computer-to-computer exchange of business data in machine-readable language using strictly defined public standards.

2.1.1. The contractor shall use the Defense Transportation Electronic Business (DTEB) approved Implementation Convention for the ANSI X 12, 300, 301, 303, 304 and 315 transaction sets in compliance with their approved concepts of operations. Version 4010 is the DTEB supported version and is required. The contractor shall implement changes to business processes contained in revisions to Transaction Set Implementation Conventions and their controlling concepts of operations as may be approved by the Defense Transportation Electronic Business (DTEB) Committee. These changes shall be implemented in accordance with schedules approved by the DTEB Committee.

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2.1.2. The contractor shall receive or transmit, as appropriate, the following transactions sets:

2.1.3. Contractor receiving order data, 300 Reservation (Used for Delivery order, the booking, including increases and decreases)

2.1.4. Contractor ordering confirmation data, 301 Confirmation (Used for Confirmation of order, contractor to Ordering Officer/COR)

2.1.5. Cancellation data from Ordering Officer, 303 Booking Cancellation (Used for Ordering Officer Cancellation)

2.1.6. Shipping Instructions, 304 Ocean Carrier Shipping Instructions

2.1.7. Contractor shipment status reporting data, 315 Status Detail

2.2. Shipment Status Reporting

2.2.1. The contractor shall provide accurate shipment status reports using the ANSI 315 for multimodal shipments. Transactions shall be submitted in ANSI X-12 EDI standard. The tables below identify specific events that require reporting on multimodal shipments. The contractor shall submit all event reports within 24 hours of accomplishment. Airport event locations will be submitted in accordance with the International Civil Aviation Organization (ICAO).

Table 2.2.2. identifies specific events that require reporting. The contractor shall submit all reports within 24 hours of accomplishment.

2.2.2. Table of Reportable Shipment Status Events

CODE	DEFINITION	NOTES
EE	Empty spotted	Container pick up in lieu of actual spot is acceptable for shippers having container pools. Required for other than pool locations (NOT REQUIRED FOR BREAKBULK)
W	Pickup of Loaded container/Breakbulk	This transaction is required at the time customer turns over possession to Contractor
I	In-gate at Port of Embarkation (SPOE/APOE)	This transaction is required at the SPOE/APOE with correct location identified
AE	Loaded on Vessel	This transaction is required at the SPOE and all transshipment seaports with correct location identified
VD	Vessel departure	This transaction is required at SPOE/APOE and all transshipment ports with correct location identified
VA	Vessel arrival	This transaction is required at the SPOD/APOD all transshipment ports with correct location identified
UV	Vessel discharge	This transaction is required at the SPOD and all seaport transshipment ports with correct location identified
OA	Out-gate from SPOD/APOD	This transaction is required at the SPOD/APOD with correct location identified
AV	Available for Delivery	This transaction may be submitted when cargo is at final destination, but consignee is unable to accept the cargo. AV is valid only if submitted prior to RDD for metric purposes. For Afghanistan Only; the Contractor may submit event code "AV" to the US Government upon entering in line outside the final destination gate to document accrual of driver wait time, if applicable.
X1	Delivery to consignee	This transaction is required when shipment is delivered to customer, or possession is turned over to the Government
RD	Return of empty container to	This transaction is required for every container shipment and indicates

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	contractor	that the contractor has regained possession of its asset. (NOT REQUIRED FOR BREAKBULK)
HG	Entry into Government-directed staging	This transaction will be submitted by the contractor to indicate the start of a Government-directed staging, to include staging at ports or holding yards. The transaction will be submitted within 24 hours of actual shipment entry into staging.
HR	Release from Government-directed staging	This transaction will be submitted by the contractor to indicate the end of a Government-directed staging, to include staging at ports or holding yards. The transaction will be submitted within 24 hours of actual shipment exit from staging.
SD	Authorized shipment delay	This transaction will be submitted by the contractor only upon SDDC COR authorization of a shipment delay.
BD	End of authorized shipment delay	This transaction will be submitted by the contractor to indicate the end of an authorized shipment delay.

2.3. Additional Guidance on Specific Transactions

2.3.1. AV transaction: AV may be submitted only when a shipment is at the final destination, but consignee is unable to accept the cargo at final destination. This transaction is optional for all Areas of Responsibility (AORs) except Afghanistan, Pakistan and Iraq to document accrual of driver wait time at final destination, if applicable.

2.3.1.1. For Afghanistan only:

2.3.1.1.1. AV is a required transaction to document accrual of driver wait time. AV may only be submitted upon entering in line outside the final destination gate. There are no other acceptable uses of AV. In the event that an AV transaction is not received, the US Government will assess that driver wait time was not incurred at final destination for the associated shipment.

2.3.1.2. For all other AORs:

2.3.1.2.1. AV submission is optional to document accrual of driver wait time. If used, AV must be submitted when cargo is at final destination, but consignee is unable to accept the cargo. There are no other acceptable uses of AV.

2.3.1.2.2. The AV submission will be considered for RDD performance measure where AV was submitted prior to RDD at final destination location. If multiple AVs are submitted due to US Government directives (e.g. staging), the first AV at final destination location will be considered for RDD purposes if submitted prior to RDD. With the exception of Afghanistan, in order to receive consideration for On-Time Delivery, the Contractor must obtain documentation supporting consignee inability or refusal to accept the shipment, such as evidence that a delivery was attempted after delivery was scheduled with the consignee in accordance with Section 1.5. This documentation must be produced upon request of the cognizant SDDC COR or the SDDC HQ Contract Compliance Branch. Improper use of AV will result in a missed RDD against the associated shipment.

2.3.1.3. Once AV has been submitted, the contractor may not request a delay for that cargo. Staging direction may occur after AV has been submitted, which must be initiated by the US Government.

2.3.1.3.1. SD: The contractor shall submit a request for an authorized delay to the cognizant SDDC COR within 2 business days of the event causing the delay. The SDDC COR has 2 business days to respond to the request from the contractor. Following Government authorization of a contractor's written request for delay consideration, the contractor may submit an SD. If a written authorization is not received from the SDDC COR within 2 business days, the contractor may submit a SD and must forward a written justification to SDDC HQ Command Operations Center. The COR may void the delay authorization if justification is not provided.

2.3.1.3.2. BD: The BD transaction must be submitted when the authorized delay has ended. The contractor will also notify the cognizant SDDC COR in writing when the delay has ended. If the SDDC COR determines that the contractor's reporting of the delay duration is inflated, the delay authorization may be voided.

2.3.1.3.3. Submission of the SD/BD transaction pair recommits the contractor to a new delivery date defined as: RDD + (# days elapsed from SD to BD). The contractor must maintain copies of the Government's written authorization of a delay. This documentation must be produced upon request of the cognizant SDDC COR or the SDDC HQ Contract Compliance Branch. Improper use of SD will result in a missed RDD against the associated shipment. The Government must receive both an SD and BD in order for RDD to be amended

2.3.1.4. HG and HR transactions: The HG and HR transactions will be submitted by the contractor to indicate start and stop of Government-directed staging, to include staging at ports, holding yards or inland locations. Authority for ALL staging is SDDC cognizant COR.

2.3.1.4.1. HG: Following receipt of a written Government staging request, the contractor will submit the HG transaction within 24 hours of actual shipment entry into/at the staging location.

2.3.1.4.2. HR: Following receipt of a written Government staging release (e.g. call forward), the contractor will submit a HR within 24 hours of actual shipment exit from the staging location. Cargo must commence dispatch from staging within required timelines outlined in Section 1.8.3 upon receipt of written Government request. For large volumes of cargo, contractor will be responsible for managing dispatch in the most expeditious manner. Contractor will provide dispatch timelines to cognizant BN and COR until cargo has dispatched from staging area.

2.3.1.4.3. Submission of the HG/HR transaction pair recommits the contractor to a new delivery date defined as: RDD + (# days elapsed between HG and HR). The contractor must maintain copies of the Government's written request for staging and release from staging. This documentation must be produced upon request of the cognizant SDDC COR or SDDC HQ Contract Compliance Branch. Improper use of HG will result in a missed RDD against the associated shipment. The Government must receive both an HG and HR in order for RDD to be amended.

2.4. Daily Intransit Visibility (ITV) Reports

2.4.1. Inland ITV services identified in this section will apply for cargo moving to and from Afghanistan.

2.4.2. The contractor shall report each shipment daily by providing event reports or location information as set forth below.

2.4.3. Reporting method/format. The contractor shall report via the Contractor ITV Entry Tool (CIET), for import and export routes available in CIET, or via separate Excel spreadsheets for routes not yet available in CIET.

2.4.4. Daily spreadsheet reports shall be provided by email attachments to a distribution list provided by the cognizant COR. Daily ITV Spreadsheet is located at Attachment 11.

2.5. Manual Operational Reports

2.5.1. Until EDI transaction submissions can fully provide this data, the contractor shall provide the cognizant SDDC activity and the military activity responsible for cargo documentation at each port where Government cargo is lifted and/or discharged certain information in connection with cargo at that port. Manual Operational Reports for cargo lift are not required for cargo loaded on a "Free-in" basis. Report format, distribution, submission schedule and medium are described at Attachment 9.

Cargo Lift Information – Containers

Cargo Lift Information – Breakbulk

Pre-Arrival Notice

Contractor Containerization

Cargo not lifted as booked / booked and not lifted

SECTION 3 – PERFORMANCE MEASURES

3.1. Performance Requirements

3.1.1. All cargo booked under this contract shall be moved in accordance with the terms of the contract. The Government strategy for assessing the contractor's performance under this contract focuses on two business lines: Unit Moves and Other Than Unit Moves (OTUM). Contractor performance will be measured for each geographical COCOM area; separated by Unit Moves and OTUMs.

3.1.2. Quality Control

3.1.2.1. The Contractor shall promptly notify the appropriate Contracting Officer Representative (COR) of any problems or failures that may affect performance. Upon request, the Contractor shall provide the COR with a written plan of corrective action, including a proposed timeline, within 2 business days after such request. This plan shall describe proposed Contractor actions to correct the problem or deficiency and bring performance back in compliance with identified performance standards.

3.2. Performance Measures and Performance Standards

3.2.1. To evaluate the contractor's success in meeting the stated Performance Objectives, the Government will monitor and measure contractor performance under this contract using the Performance Measures identified at Table 3.4.1. There may be more than one Performance Measure for a single Performance Objective.

3.3. Performance Objectives

3.3.1. Performance Objective No. 1: On-Time Delivery

3.3.1.1. The contractor shall deliver the cargo not later than the Required Delivery Date (RDD) specified in the accepted booking. A Modified RDD will be assigned based on the length of the delay authorized in advance by the Government.

3.3.2. Performance Objective No. 2: In-Transit Visibility (ITV)

3.3.2.1. The contractor shall provide accurate and timely shipment status reports using the Electronic Data Interchange (EDI) as required by Section 2.

Required transactions for containers: W, I, AE, VD, VA, UV, OA, X1, RD
Required transactions for breakbulk: W, I, AE, VD, VA, UV, OA, X1

3.3.2.1.1. Although required, RD will not be measured with the other required EDI transactions, the Government recognizes that in some cases RD submission may occur after or before shipment RDD

3.3.2.1.2. The event transactions I, VD, VA, and OA must be submitted twice as it will be measured twice to annotate air movements.

3.3.2.2. The ITV performance objective is calculated based on a weighted score of EDI submission considered at 80% weight and submission timeliness considered at 20% weight. Each transaction will be independently measured. For example, if the contractor submits nine timely transactions out of twelve required transactions, the contractor would receive 75% credit for ITV on that shipment.

3.3.2.3. The ITV measure is independent of the on-time delivery performance measure; although failure to submit an X1 transaction will be considered equivalent to a missed RDD, unless conditions described in Section 2 apply. In either case, X1 is a mandatory EDI transaction for all shipments.

3.4. Performance Objective Assessment

3.4.1. Performance assessments will be prepared on a monthly basis by the close of business on the 1st business day of each calendar month for the previous month. The SDDC HQ COR will coordinate with the contractor to attempt to resolve disputed performance assessment data prior to the posting of the Monthly Performance Assessment. The

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Government will accomplish audits of contractor submitted performance data to ensure accuracy. Data points for Performance Objectives 1 and 2 represent one container or piece of cargo as booked.

Table 3.4.1.

Performance Objective	Description	Performance Measure	Performance Average	Weight	Performance Assessment
1	On-Time Delivery	Cargo shall be delivered not later than the Required Delivery Date as accepted in the booking.	$x\%$	0.75	$x * .75$
2	In-transit Visibility	The contractor shall provide to the Government accurate EDI transactions required by Section 2 within 24 hours of the event.	$y\%$	0.25	$y * .25$
Contractor Performance Score				1.00	Total %

3.4.2. Performance Rating

3.4.2.1. The Government will use the Contractor Performance Score calculated at Table 3.4.1 above as a factor in the contemporaneous best value booking process. To facilitate that process, the Government will, as suggested below, assign a Contractor Rating to the Contractor's Performance Score.

Table 3.4.2.1.

Contractor Performance Score	Rating
95% - 100%	Exceptional
90% - 94.9%	Good
85% - 89.9%	Satisfactory
78% - 84.9%	Marginal
77.9% and under	Unsatisfactory

3.5. Additional Performance Indicators (API)

3.5.1. Overview. Contractor performance will also be considered based on a monthly basis using the APIs listed in table 3.5.1.1. This information will be considered in the contemporaneous best value booking process. With the exception of API 2, the Government strategy for assessing the contractor's performance indicators will be by COCOM.

Table 3.5.1.1.

API No. 1	Good Order and Condition
API No. 2	Final Invoice Submission Timeliness

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Table 3.5.1.1.

API No. 1	Good Order and Condition
API No. 2	Final Invoice Submission Timeliness

API No. 3	Contract Discrepancy Report
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3.5.2. Good Order and Condition (API No. 1)

3.5.2.1. Cargo shall be delivered to the consignee in the same order and condition as when turned over to the contractor for shipment. Good Order and Condition will be measured based on the contractor's total number of loss and damage incidents against the contractor's total shipments with an RDD in the same month as the shipment associated with the incident.

3.5.3. Final Invoice Submission Timeliness (API No. 2)

3.5.3.1. Timeliness of final invoice submission will be measured, documented and may be presented at senior level SDDC/contractor forums. Final invoices may be submitted only after services included on the invoice have been satisfactorily performed (Ref FAR 32.905). Final invoices with proper documentation shall be submitted to SDDC G8 with the timeliness established in attachment 2 – Invoicing and Payment.

3.5.4. Compliance with Contract Terms and Conditions (CCTC) (API No. 3)

3.5.4.1. Contractor will perform contract in accordance with all terms and conditions in the contract. CCTC will be measured based on the contractor's total number of Contract Discrepancy Reports (CDR) against the contractor's total shipments with an RDD in the same month as the shipment associated with the CDR.

SECTION 4 – LIABILITY

4.1. Liability for Lost or Damaged Cargo

4.1.1. Lost or Damaged Cargo. The contractor is required to deliver cargo to final destination in the same condition it was tendered by the shipper. The contractor is liable for cargo that is lost, damaged, or in any way altered from the tendered condition. For all bookings, the contractor is liable for lost or damaged cargo up to \$50,000, or the actual amount of the loss or damage to the cargo, whichever is less. Should a shipper desire to declare the value of its booked cargo in an amount greater than \$50,000, the shipper will order the "increased value" accessorial (see table of accessories) which obligates the contractor to be liable for damage and loss up to the amount stated below, or the actual value of the lost cargo, whichever is less.

Up to \$75,000

Up to \$100,000

Up to \$200,000

Up to \$500,000

Up to \$1,000,000

Up to \$1,250,000

Up to \$1,500,000

4.1.2. A "booking" covers all cargo booked under a single PCFN and the contractor is liable to the shipper for lost or damaged cargo up to the amount declared in the booking, or the actual value of the lost cargo, whichever is less. Notice. Pursuant to the Contract Disputes Act, the Government has 6 years from discovery of loss or damaged cargo, to file a claim with the contractor. However, the Government will take all reasonable steps to provide notice of loss as soon as it is discovered.

4.1.3. Liability is governed by the applicable statute or multi-lateral international agreement based on the mode of cargo transportation (i.e. air, sea, or land) at the location where the loss or damage occurred. 49 U.S.C. §14706 also

applies to all land cargo transportation including land cargo transportation outside the United States. However, the above referenced accessorial liability and notice requirements replace the following statutory and Convention provisions: Article 22(2) & (3) and Article 31, of the Convention for the Unification of Certain Rules for International Carriage by Air (Montreal Convention, (1999); 46 U.S.C.A. §30701, Section 4(5) & Section 3(6); and 49 U.S.C.A. §14706(e) & (f).

4.2. Contractor Bodily Injury and Property Damage Liability

4.2.1. Contractors are required to maintain bodily injury and property damage liability insurance coverage in amounts equal to, or in excess of, those customarily used in the commercial marketplace in the zones where services will be performed and shall be commensurate with any legal requirements of the locality and sufficient to meet normal and customary claims. The insurance coverage shall provide for bodily injury and property damage liability covering the operation of all automobiles, trucks, aircraft, and ocean vessels used in connection with performing the contract.

SECTION 5 – DEFINITIONS

5. 1. Abbreviations/Acronyms

AOR	Area of Responsibility
APOD	Aerial Port of Debarkation
APOE	Aerial Port of Embarkation
CFS	Container Freight Station
CO	Contracting Officer
CONUS	Continental United States
COR	Contracting Officer's Representative
CPA	Cargo Preference Act (1904)
CRAF	Civil Reserve Air Fleet
CSC	Convention of Safe Containers
DeCA	Defense Commissary Agency
DFARS	Defense Federal Acquisition Regulation Supplement
DLA	Defense Logistics Agency
DoD	Department of Defense
DODAAC	Department Of Defense Activity Address Code
DTEDI	Defense Transportation Electronic Data Interchange
DTR	Defense Transportation Regulation
DTS	Defense Transportation System
EDI	Electronic Data Interchange
EIPP	Electronic Invoice Presentation and Payment
FEU	Forty Foot Equivalent Unit
FAR	Federal Acquisition Regulation
FAK	Freight All Kinds
FIO	Free In and Out
GFC	Government Furnished Containers
GLOC	Ground Line of Communication
IMO	International Maritime Organization
ISO	International Organization for Standardization
IBS	Integrated Booking System
ITGBL	International Thru Government Bill of

	Lading
ITV	Intransit Visibility
JOPEs	Joint Operation Planning and Execution System
MSC	Military Sealift Command
OCBO	Ocean Cargo Booking Office
OCCA	Ocean Cargo Clearance Authority
OCI	Ocean Contractor Interface
OCONUS	Outside Continental United States
OO	Ordering Officer
OTUMs	Other Than Unit Moves
PIDs	Plan Identifications
POD	Port of Discharge
POE	Port of Embarkation
POV	Privately Owned Vehicle
PWS	Performance Work Statement
QA	Quality Assurance
QCP	Quality Control Plan
RDD	Required Delivery Date
Reefer	Refrigerated Container
RFP	Request for Proposals
RORO	Roll-On/Roll-Off
SCAC	Standard Contractor Alpha Code
SDDC	Military Surface Deployment and Distribution Command
TCMD	Transportation Control & Movement Document
TCN	Transportation Control Number
TEU	Twenty Foot Equivalent Unit
TREMCARD	Transport Emergency Card
ULN	Unit Line Numbers
US	United States
USTRANSCOM	United States Transportation Command
VETCOM	US Army Veterinary Command
VISA	Voluntary Intermodal Sealift Agreement

5.2. Definitions

The following terms have the meaning as set forth below:

Acceptable Space: Space with normal access thereto as would normally be used in liner service for the particular type of cargo declared at the time of booking, and shall be properly prepared, cleaned and ready to receive the cargo.

American National Standards Institute (ANSI ASC X12): Charters the Accredited Standards Committee (ASC) X12 to develop uniform standards for inter-industry electronic interchange of business transactions throughout North America.

Billable Weight: The weight of a shipment the contractor may bill the Government. The billable weight is either the scale or dimensional weight, whichever is greater. Only one method of determining billable weight (scale or dimensional) is allowed per PCFN.

Booked Dimensional Weight: The estimated dimensional weight of cargo based on the dimensions provided by the shipper and included in the booking. The booked dimensional weight is figured in the following manner: L X W X H (all measurements in inches) divided by 166.

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Booked Weight: The estimated scale weight of cargo provided by the shipper.

Booking: Offer by the Government and acceptance by the contractor for the transportation of goods pursuant to the applicable rates, terms and conditions of the subject contract. A booking is an order.

Breakbulk/RORO Cargo: All cargo that is not containerized.

Bulk Cargo: Cargo consisting of unsegregated mass commodities. Examples of bulk cargo include sand, gravel, ready-mix concrete, coal, and agricultural products (e.g., seeds, grains, animal feeds).

Cargo Cleaning Service:

Wash Service: Cleaning required for cargo that has been tendered to the contractor dirty and requires thorough washing.

Rinse Service: Cargo cleaning to remove road dirt and other contaminants accumulated while in transit or at the port. Service applies to cargo that was tendered to the contractor clean.

Concealing Service: Covering and protecting of cargo using weather resistant, non-transparent, durable material.

Consignee: The person or entity named in the booking or shipping instructions to which goods have been shipped or turned over for care.

Contracting Officer (CO): A person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the Contracting Officer acting within the limits of their authority as delegated by the Contracting Officer.

Contracting Officer's Representative (COR): Appointed in writing by the CO, responsible for, but not limited to, the following: monitoring the contractor's performance in accordance with the terms of the contract; ensuring contractor's compliance with reporting requirements; providing data for Government reports; verifying/ certifying invoices; and reviewing contractor claims.

Contractor: An entity in private industry, which enters into contracts with the Government to provide goods or services.

Constructive Staging: A delay in the final receipt of the cargo by the Government at the inland destination after release and commencement of on-carriage from the discharge port caused by the Government's refusal or inability to accept the containers at the inland destination. Requires cognizant COR approval.

CRAF Carrier: A US Flag commercial air carrier who is an active participant of the Civil Reserve Air Fleet (CRAF) Program. CRAF Participant is synonymous with CRAF Carrier.

Dimensional Weight: The weight computed on the basis of volume rather than actual weight. The dimensional weight of contractor-owned/provided containers shipments shall be determined by the dimensions of the contents within the container, established prior to airlift, unless the Government specifically requests in the booking remarks for the door to door movement of the contractor-owned/provided container. In the event the sum of the dimensional weight of the contents of a contractor-owned/provided container exceeds the dimensional weight of the container, the container dimensional weight shall apply.

Dimensional Weight is figured as follows:

$L \times W \times H$ (all measurements in inches) divided by 166.

Driver free time: The time allowed for Government shippers and receivers to load and unload contractor equipment (i.e. containers) before driver wait time charges accrue.

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Drop and Pick: See Spotting of Containers

Dry Cargo Container: A completely enclosed weatherproof container.

EDI Implementation Convention (IC): Defines the rules for filling in or "populating" an EDI transaction. Following the agreed upon convention, or version of the standard ensures that EDI partners will encounter fewer data quality problems during development and maintenance of their EDI systems.

Electronic Data Interchange (EDI): The computer-to-computer exchange of business data in machine-readable language using strictly defined public standards.

English Speaking: Limited Working Proficiency - Converses intelligently but without thorough control of pronunciation and grammar within most social situations, about current events, his work, family, autobiographical information and non-technical subjects.

Excepted Cargoes Breakbulk/RORO: Aircraft (unboxed), helicopters, boats over 40 ft., oversized cargo, bulk cargo, explosives (excluding IMO Class 1.4), and heavy lift cargo.

Excepted Cargoes Container: Heavy lift cargo, explosives (excluding IMO Class 1.4), over dimensional cargo, open tops and flatrack containers.

Flatrack (Platform) Container: A container without weatherproof sides and/or top to include platforms, which have no sides or ends and flatracks with rigid or collapsible ends.

Hazardous Cargo: A hazardous substance or material including a hazardous substance, which has been determined by the Secretary of Transportation or International Maritime Organization (IMO) to be capable of posing an unreasonable risk to health, safety and property when transported in.

Heavy Lift Cargo (Breakbulk): Any piece of breakbulk cargo with a scale weight exceeding 60,000 lbs.

Heavy Lift Cargo(Container): Any container with a scale weight exceeding 44,000 lbs.

Heavy Vehicles: Breakbulk/RORO cargo – Wheeled or tracked vehicles (unboxed) exceeding 10,000 lbs per unit.

Light Vehicles: Breakbulk/RORO cargo – Wheeled or tracked vehicles (unboxed) up to and including 10,000 lbs per unit.

Liner In/Liner Out: Contractor is responsible for the loading and/or discharging of cargo at port of origin and/or destination and all costs associated thereto.

Liner Terms—Breakbulk: The contractor provides all services from receipt of cargo at POE to load of cargo on the vessel (liner in) or from discharge of the vessel at POD to outgate (liner-out). Any costs for the loading and discharging of inland transport within the contractor's terminal are for the account of the contractor.

Liner Terms – Container: The contractor assumes all responsibility and cost for the transportation of the cargo from the port or point where the cargo is received for by the contractor to the destination port or point where the contractor makes the cargo available to the consignee. In the case of BB/RO-RO, the cargo is accepted and/or made available within the contractor's terminal. Any costs for the loading or discharging of inland transport within the contractor's terminal are for the account of the contractor.

Live Unload: Contractor delivers a loaded container and the driver waits while the receiver unloads the container.

Multimodal Move: Being or involving more than one mode of transportation during a single journey, that permits the contractor to elect the most efficient type and/or mix of transportation methods(air, sea, rail, truck, barge, etc) in

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order to meet a specified RDD. In a multimodal move, the prime contractor maintains responsibility and liability for the cargo during the entire movement from origin to final destination.

Ocean Cargo Booking Office (OCBO): The SDDC activity that books DoD sponsored cargo for ocean movement, performs related contract administration, and accomplishes export/import ocean traffic management functions for DoD cargo moving within the DTS. May also perform authorized Customs Entries.

Ocean Cargo Clearance Authority (OCCA): See Ocean Cargo Booking Office (OCBO)

Ordering Activity: Includes the Commander, Surface Deployment and Distribution Command (SDDC), and authorized designees.

Ordering Officer (OO): An individual authorized to place orders against indefinite delivery indefinite quantity transportation or transportation-related services contracts awarded by USTRANSCOM, provided the contract terms and monetary limitations specified in the contract are met.

Over Dimensional Cargo - Container: Any individual piece of container booked cargo which cannot fit within the container because its dimensions are greater than that of the booked container.

Oversized Cargo - Breakbulk: Breakbulk cargo that has any one dimension over 50 feet long, more than eleven (11) feet wide or over eleven (11) feet in height, or as determined by the Ordering Officer, requires special handling equipment for loading aboard or discharging from a vessel or aircraft because of that cargo's atypical size. All wheeled or tracked vehicles regardless of size are excluded from this definition.

PCFN (Port Call File Number): An identifier generated and assigned by the Integrated Booking System to uniquely identify a booking. A task order issued at the PCFN level may consist of one or many TCNs.

QUADCON: Shipper Owned Container; four QUADCONs have the same external dimensions as a 20-foot shipping container.

Receiver: Individual or entity authorized by the consignee to receive and sign for delivered cargo.

Required Delivery Date (RDD): The date specified in the booking when cargo must be delivered.

Round Robin: See Spotting of Containers

Scale Weight: The weight of cargo determined by either a certified commercial weigh ticket or a joint weigh ticket. Weigh tickets shall represent the weight for the Government-owned or leased containers, contents of the contractor owned container, air pallet or breakbulk item only, independent of truck, chassis, or other conveyances. A Weigh ticket shall only contain the contents of a single TCN.

SEAVAN Service Codes: DTR codes which indicate the extent of service for which the contractor is paid.

Indicates where the contractor's responsibility for movement begins or ends:

K - At the contractor's terminal (Pier Service).

L - In the commercial zone of the US port city or, outside the US, within 10 miles of the port city limits. Certain port cities, which are divided into modified zones as listed in this Contract, are assigned codes 1-9 instead of L (Local Drayage).

1-9 - In a modified zone for certain port cities as defined in this Contract. The number codes used correspond with the zone number in the Contract.

M - At any point not covered by codes K, L, or 1-9.

P - Same as Code M, except that one or more scheduled stop-offs in route to final destination have been booked with the ocean contractor. Does not apply to local deliveries performed at the expense of the Government.

S - Same as Code T, except that one or more stop-offs in route to final destinations have been booked with the contractor. Does not apply to local deliveries performed at the expense of the Government.

T - Same as Code L, 1-9, or M except cargo is booked as a "Through Shipment" under Single Factor Rates.

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Shipper Owned 20/40 ft Containers: Breakbulk/RORO – Government owned/leased container cargo carried by break bulk and/or RORO operators under the Breakbulk/RORO section.

Spotting containers: Positioning empty containers at shipper's facility for loading by the shipper:

Drop and Pick: Contractor delivers an empty container on chassis and later picks it up after it has been loaded.

Live Load: Contractor delivers an empty container and the driver waits while the shipper loads the container.

Round Robin Drop and Pick: The contractor would position one empty container at the shipper's facility. All other deliveries of empty containers would be scheduled with the pickup of loaded containers.

Staging: Delay in commencement of drayage, line-haul or on-carriage transit requested by the Government. Containers may be staged at the contractor's terminal, port facility, or at any other location chosen by the contractor, such as a railhead or barge terminal.

Transportation Control Number (TCN): A 17-character data element assigned to control and manage every shipment unit throughout the transportation pipeline.

TRICON: Shipper Owned Container; three TRICONS have the same external dimensions as a 20-foot shipping container

Vessel Status Code: The first position of the code describes the type of contract. The second indicates whether Government or contractor is responsible for vessel load and delivery of cargo to/from port. Codes 5-9 are only used for breakbulk cargoes 2nd Position codes are as follows:

Code	POE	POD
1.	Free-in	Free-out
2.	Liner-in	Liner-out
3.	Free-in	Liner-out
4.	Liner-in	Free-out
5.	Door/Liner-in	Free-out
6.	Door/Liner-in	Liner-out
7.	Free-in	Liner-out/Door
8.	Liner-in	Liner-out/Door
9.	Door/Liner-in	Liner-out/Door

Wheeled or Tracked Vehicles: (Unboxed) - Includes all types of unboxed, land or amphibious vehicles, set up on wheels or tracks, whether or not self propelled.



U.S. Department of Transportation
Federal Aviation Administration

800 Independence Ave., SW
Washington, DC 20591

National Air Cargo Group, Inc. d/b/a National Airlines
835 Willow Run Airport
Ypsilanti, MI 48198

Notice of Effective Insurance Under FAA Non-Premium Hull & Liability War Risk Policy
Hull & Liability Policy: NON-PR-H&L-9.28.11-MUA
Effective Period: October 1, 2013 – December 31, 2013, inclusive

Pursuant to the United States Transportation Command (USTRANSCOM) request, issued by Gail Jorgenson, Director, Acquisition, USTRANSCOM, to Michael Huerta, Administrator, Federal Aviation Administration ("FAA"), dated September 19, 2013, to provide non-premium war risk insurance coverage for civil air missions that are to be conducted during the time period stated above, under those Commercial Charter Airlift Services Contracts (commonly referred to as the "CRAF Contracts") that USTRANSCOM has issued or will issue pursuant to Solicitation No. HTC711-12-R-C004 (which contracts, as heretofore issued, are listed on Attachment A hereto, supporting *Operation ENDURING FREEDOM* in the Southwest Asia Area of Responsibility, the FAA hereby provides to you Notice of Effective Non-Premium War Risk Insurance coverage under the above-referenced policy.

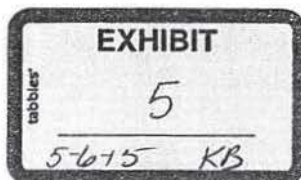
The coverage to be provided by the policy is stated in the policy. In addition, the following conditions are hereby incorporated in and made part of the policy:

(a) Coverage under the policy is effective only:

(i) for operations that you may conduct between October 1, 2013 and December 31, 2013, inclusive, under a USTRANSCOM Commercial Charter Airlift Services Contract that has been awarded to you pursuant to the above-referenced solicitation and is listed by contract number on Attachment A; and

(ii) when those operations are conducted with the aircraft that are listed on the FAA Non-Premium Insurance Schedule of Aircraft that is maintained in the FAA Aviation Insurance Data Management System. You should verify, and, if appropriate, amend that Schedule, before initiating any chartered mission to be conducted under the conditions stated in this Notice, to ensure the policy's coverage for such operation. However, such coverage will apply to a substitute aircraft not so listed, the use of which is authorized under the above-referenced contract.

(b) In order to maintain insurance coverage under the policy, all such operations must comply with all active Special Federal Aviation Regulations and orders issued by the FAA, otherwise the air operator must obtain from the FAA the necessary approvals or exemptions. This policy will not cover operations that do not comply with the condition stated in this paragraph.

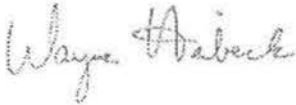


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This Notice does not cover operations performed or to be performed pursuant to a Civil Reserve Air Fleet ("CRAF") activation. If the Department of Defense activates CRAF, and USTRANSCOM requests that FAA issue non-premium insurance covering operations under such activation, FAA will issue a separate Notice of Effective Coverage and Certificate of Insurance for such operations.

This non-premium insurance policy is authorized by 49 U.S.C. § 44305 and 10 U.S.C. § 9514, and is issued pursuant to the Indemnification Agreement between the Department of Transportation and the Department of Defense, as countersigned by the President on September 4, 2013.

A handwritten signature in cursive script that reads "Wayne Heibeck".

Wayne Heibeck
Manager, Management Staff
Aviation Policy, International Affairs, and Environment
Federal Aviation Administration

ATTACHMENT A
 USTRANSCOM Commercial Charter Airlift Services Contracts
 Issued pursuant to Solicitation No. HTC711-12-R-C004
 Fiscal Year 2014

<u>CARRIER NAME</u>	<u>CONTRACT NUMBER</u>
<u>ALLIANCE TEAM</u> AMERICAN AIRLINES, INC EVERGREEN INT'L AIRLINES, INC NORTH AMERICAN AIRLINES, INC RYAN INTERNATIONAL AIRLINES, INC US AIRWAYS, INC WORLD AIRWAYS, INC	HTC711-13-D-CC01
<u>FEDERAL EXPRESS TEAM</u> AIR TRANSPORT INTERNATIONAL, LLC ATLAS AIR, INC DELTA AIR LINES, INC FEDERAL EXPRESS CORPORATION POLAR AIR CARGO WORLDWIDE, INC MN AIRLINES, LLC, DBA SUN COUNTRY AIRLINES	HTC711-13-D-CC02
<u>MIAMI AIR TEAM</u> ALASKA AIRLINES, INC MIAMI AIR INTERNATIONAL, INC	HTC711-13-D-CC03
<u>PATRIOT TEAM</u> ABX AIR, INC JETBLUE AIRWAYS CORPORATION KALITTA AIR, LLC NORTHERN AIR CARGO OMNI AIR INTERNATIONAL, INC SKY LEASE I, INC SOUTHERN AIR, INC UNITED AIRLINES, INC UNITED PARCEL SERVICE COMPANY	HTC711-13-D-CC04
<u>INDEPENDENTS</u> HAWAIIAN AIRLINES, INC	HTC711-13-D-CC06
LYNDEN AIR CARGO, LLC	HTC711-13-D-CC07
NATIONAL AIR CARGO GROUP, INC. DBA NATIONAL AIRLINES	HTC711-13-D-CC08

File accessed on 9/25/2014 14:29



From: [REDACTED]
To: [REDACTED]
Cc:
Subject: RE: FW: Question on War Risk Insurance
Date: 12/11/2012 10:49 AM

[REDACTED]
I'm so sorry about my first answer. Your question was about Iran and I answered about Iraq. (We're getting a lot of inquiries about Iraq because SFAR 77 was amended on Dec. 6th).

So, the answer to Question 1: inquiry about Iran is yes, the flight would be covered under non-premium insurance. Of course the flight must be in compliance with FAA regulations and conducted in accordance with the conditions established by the appropriate Iranian authorities... but you already know that. At the request of USTRANSCOM, FAA is providing non-premium insurance for all contract flights in the CENTCOM region.

Re: Question 2 (Iraq). Premium insurance will be provided for overflights since there is no SFAR restriction on overflights. Again, the flight must be in compliance with FAA regulations and conducted in accordance with the conditions established by the appropriate Iraqi authorities.

[REDACTED]
Senior Insurance Examiner
FAA Aviation Insurance Program, APL-20
[REDACTED]

[REDACTED] ---12/10/2012 05:23:33 PM--- [REDACTED] It was pointed out by our Operations Manager that SFAR 77 refers to Iraq. I first question w

From: [REDACTED]
To: [REDACTED]
Cc:
Date: 12/10/2012 05:23 PM
Subject: RE: FW: Question on War Risk Insurance

[REDACTED]
It was pointed out by our Operations Manager that SFAR 77 refers to Iraq. I first question was for Iran. I just want to make sure I was clear in my questions. The first one is about Iran and the second one is about Iraq. One of those countries needs to change their name so it isn't so confusing.
[REDACTED]

Asst Treasurer

Office [REDACTED]

Mobile [REDACTED]

From: [REDACTED]

Sent: Monday, December 10, 2012 3:53 PM

To: [REDACTED]

Cc: [REDACTED]

Subject: Re: FW: Question on War Risk Insurance

See answers below.

From:

To:

Date:

Subject:

[REDACTED]
12/07/2012 11:55 AM

FW: Question on War Risk Insurance

[REDACTED]

I had sent these questions to [REDACTED] but I'm guessing he is out of the office.
Can you please help me out with the below questions?

Thank you

[REDACTED]
Asst Treasurer

Office [REDACTED]


Mobile [REDACTED]

From: [REDACTED]

Sent: Thursday, December 06, 2012 11:32 AM


To: [REDACTED]

Subject: Question on War Risk Insurance


We have a scheduled flight on the 16th from Bishkek to Kuwait. It is a paid ferry flight (i.e. no passengers) for the DOD (i.e. USTRANSCOM). A direct route would put us overflying Iran. Will we still be covered under our Non-premium War Risk Policy?

Yes, you would be covered under non-premium provided the flight is in compliance with all the necessary requirements of SFAR 77 as amended.

Also, we are looking a commercial charter for April from India. Our Mission Planning guys have asked if we can route the plane over Iraq. Since this is a commercial flight, will we be covered under our Premium War Risk Policy? In order to flyover Iraq, the flight would have to be in compliance with SFAR 77 as amended. Currently the FAA premium policy excludes all flights into, from or within the air space of Iraq. We don't mention anything about overflights, so I believe an overflight would be covered under premium insurance. I will confirm tomorrow and get back to you.


Asst Treasurer
Omni Air International





U.S. Department of Transportation
Federal Aviation Administration



Effective Date: October 1, 2011

National Air Cargo Group, Inc. d/b/a National Airlines



Notice of Effective Insurance Under FAA Non-Premium Hull and Liability War Risk Policy
Hull & Liability Combined Policy: [REDACTED]
Effective Period: October 1, 2011 – September 30, 2012

Pursuant to the United States Transportation Command's (USTRANSCOM) request from Gail Jorgenson, Director, Acquisition, USTRANSCOM on September 01, 2011 to FAA Administrator J. Randolph Babbitt to provide non-premium war risk insurance for USTRANSCOM-contracted civil air missions supporting *Operations ENDURING FREEDOM and NEW DAWN* in the Southwest Asia area of responsibility (AOR), and any mission in the United States Central Command (USCENTCOM) AOR, the FAA hereby provides notice of effective coverage for non-premium hull and liability war risks for such flights that occur from October 1, 2011 through September 30, 2012.

All FAA non-premium war risk insured flights must comply with any active Special Federal Aviation Regulation (SFAR) issued by the FAA or the air carrier must obtain the necessary approvals or exemptions from the SFAR in order to receive insurance coverage.

War risk insurance for hull and liability coverage is defined in your non-premium insurance policy. This non-premium insurance is authorized by 49 USC 44305 under the Indemnification Agreement between the Department of Transportation and the Department of Defense and the indemnification provisions of 10 USC 9514.

Your airline should take notice that FAA war risk insurance covers both the airframe and engine value but only for aircraft that are listed in the FAA Non-Premium Insurance Schedule of Aircraft. You should verify and/or amend this schedule as appropriate prior to the initiation of any chartered missions to ensure coverage for such operations.



[REDACTED] Manager, Management Staff
Policy, International Affairs, & Environment

File accessed on 12/27/2011 12:03



UNITED STATES TRANSPORTATION COMMAND

9000167/00001
SECURITY AIR FORCE/26/33, ALL/0019/633266037

MEMORANDUM FOR ADMINISTRATOR
FEDERAL AVIATION ADMINISTRATION
ATTENTION: MR MICHAEL P. HUERTA (Acting Administrator)

FROM: USTRANSCOM/AQ

SUBJECT: Request to continue Non-Premium War Risk Insurance

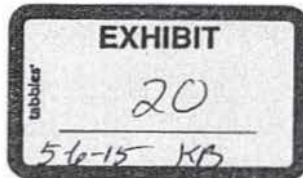
1. United States Transportation Command (USTRANSCOM) requests the Federal Aviation Administration (FAA) continue to provide aviation war risk insurance for USTRANSCOM-contracted civil air missions supporting Operation ENDURING FREEDOM in Southwest Asia area of responsibility (AOR), and any mission in the United States of Central Command (USCENTCOM) AOR as authorized under 49 USC Section 44305.

2. Due to the security situation in these regions, carriers may incur unusually hazardous risks. In such cases, USTRANSCOM and the concerned airlines will seek approval for such flights from the FAA as may be required by Special Federal Aviation Regulation. We request your approval of non-premium hull and liability war risk insurance for cargo and passenger missions to cover all carriers when flying missions to the USCENTCOM AOR under the base year contract with USTRANSCOM from 1 October 2012 through 30 September 2013.

3. USTRANSCOM point of contact is Ms. Gina Lee, Acting Chief, Contract Airlift Division (TC&Q-C) at 618-220-7685.

Gail M. Jorgensen
SES, DAF
Director, Acquisition

cc:
Secretary of Defense
Deputy Secretary of Defense
Vice Chairman Joint Chiefs of Staff
Commander, United States Transportation Command
Commander, Air Mobility Command





U.S. Department
of Transportation
Federal Aviation
Administration

Office of Policy, International Affairs, and Environment



[Redacted]
President
National Air Cargo Group, Inc.



Dear Mr. [Redacted]

This letter is in response to your request for FAA Aviation War Risk Insurance.

Air operators seeking FAA war risk insurance are governed by the provisions of chapter 443 of title 49 U.S. Code. The law states that insurance may be provided only when approved by the President and when the Secretary decides that the insurance cannot be obtained on reasonable terms from a commercial insurance carrier (44302(a)(2)).

Chapter 443 requires that premium war risk insurance be provided to only air carriers who held an FAA War Risk Insurance policy as of June 19, 2002. For air carriers who did not hold a policy as of June 19, 2002, the Secretary of Transportation has determined that insurance may be issued to only scheduled operators, not charter operators.

National Air Cargo is not a scheduled air carrier; therefore, the FAA declines to issue premium war risk insurance to National Air Cargo.

If you have any questions, please contact Mr. [Redacted]

Sincerely,

[Redacted]
Manager, Management Staff





{In Archive} Afghanistan NOTAM and IFIM Note Published Today

APL-020, Aviation Insurance Program

to: [REDACTED]

04/24/2013 04:42 PM

Cc: [REDACTED]

Archive: This message is being viewed in an archive.

For your situational awareness, this morning the FAA published the below NOTAM and IFIM Note for Afghanistan after receiving both USG (NSS) and DOT clearance. The FAA has coordinated with OSD Policy as well as TRANSCOM in the drafting of these notices.

NOTAM:

!FDC 3/4334 ZZZ AFGHANISTAN ... SPECIAL NOTICE...
EFFECTIVE IMMEDIATELY UNTIL FURTHER NOTICE.
UNITED STATES (U.S.) FLIGHT OPERATIONS INTO, OUT OF, WITHIN, OR OVER
AFGHANISTAN.

DUE TO ONGOING MILITARY OPERATIONS IN AFGHANISTAN AND PERIODIC ATTEMPTS BY INSURGENTS TO ATTACK CIVIL AIRCRAFT, THERE IS RISK TO CIVIL FLIGHT OPERATIONS IN AFGHANISTAN. CIVIL AIRCRAFT FLYING AT LOW ALTITUDES HAVE BEEN DAMAGED BY INSURGENT SMALL ARMS FIRE. MAN-PORTABLE AIR DEFENSE SYSTEMS (MANPADS) ALSO ARE PRESENT IN AFGHANISTAN AND MAY POSE A THREAT TO FLIGHT OPERATIONS.

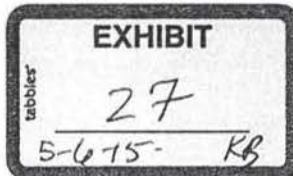
U.S. OPERATORS PLANNING TO FLY INTO, OUT OF, WITHIN OR OVER AFGHANISTAN MUST OBTAIN CURRENT THREAT INFORMATION AND COMPLY WITH ALL APPLICABLE FAA REGULATIONS AND DIRECTIVES. OPERATORS SHOULD ASSESS THE RISKS AND DEVELOP APPROPRIATE PROCEDURES, INCLUDING RESTRICTING OR SUSPENDING OPERATIONS IN RESPONSE TO ATTACKS AFFECTING GROUND AND AIR OPERATIONS, INCLUDING BUT NOT LIMITED TO AIRCRAFT CONDUCTING AIR OPERATIONS BELOW 24,000 FEET AGL. ALSO, BE PREPARED TO USE APPROPRIATE PROCEDURES IN RESPONSE TO POTENTIAL HAZARDS POSED BY COALITION MILITARY OPERATIONS, INCLUDING FLIGHTS AT ALL ALTITUDES.

U.S. OPERATORS CONTRACTING WITH THE DEPARTMENT OF DEFENSE (DOD) MUST CONTINUE TO REPORT SECURITY INCIDENTS WITHIN ESTABLISHED DOD COMMUNICATION PROTOCOLS. ALL U.S. OPERATORS, INCLUDING BUT NOT LIMITED TO U.S. CERTIFICATED PART S 135 AND 121 OPERATORS AND WHETHER UNDER DOD CONTRACT OR NOT MUST REPORT SECURITY INCIDENTS TO THE FAA AT [REDACTED]

THE SECURITY CONDITIONS IN AFGHANISTAN FOR U.S. OPERATORS AND THE NEED FOR THIS SPECIAL NOTICE WILL BE RE-EVALUATED BY 31 OCTOBER 2013.

THE FAA HAS PROVIDED ADDITIONAL INFORMATION IN THE INTERNATIONAL FLIGHT INFORMATION MANUAL AT:
[HTTP://WWW.FAA.GOV/AIR_TRAFFIC/PUBLICATIONS/IFIM/US_RESTRICTIONS/](http://www.faa.gov/air_traffic/publications/ifim/us_restrictions/)

IFIM NOTICE:



U.S. flight operators within the territory and airspace of Afghanistan are advised that insurgent activity and coalition military operations continue throughout the country. Civil aircraft flying at low altitudes have been damaged by insurgent ground fire. Insurgent small arms fire, including machine guns and rocket-propelled grenades, may be encountered, particularly in the vicinity of combat outposts and forward operating bases. In addition, Man-Portable Air Defense Systems (MANPADS) are present in country and remain a concern, but to date have not been used against civil aircraft. Aircraft conducting ground operations at airports also have been damaged by indirect rocket fire and airfield attacks. Operators should assess the risks and develop appropriate procedures, including restrict or suspend operations in response to attacks affecting ground and air operations, including but not limited to aircraft conducting air operations below 24,000 feet AGL. Also, be prepared to use appropriate procedures in response to potential hazards posed by coalition military operations, including flights at all altitudes.

U.S. operators planning to fly into, out of, within, or over Afghanistan must obtain current threat information and comply with all applicable FAA regulations and operations specifications, management specifications, or letters of authorization (specifically OpSpec/MSpec/LOA B050 and B450, including accurate airport/FOB information, type, and frequency). Additionally, U.S. operators contracting with Department of Defense (DOD) must continue to report security incidents within established DOD communication protocols. All U.S. operators, including but not limited to U.S. certificated part's 135 and 121 operators and whether under DOD contract or not must report security incidents to the FAA at [REDACTED]

VBR/

[REDACTED]
Manager
FAA Aviation Insurance Program. APL-20
Office of Policy, International Affairs, and Environment
Federal Aviation Administration
W - [REDACTED]
C - [REDACTED]

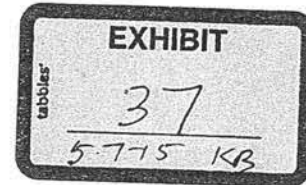
When once you have tasted flight, you will forever walk the Earth with your eyes turned skyward, for there you have been, and there you will always long to return.



U.S. Department of Transportation
Federal Aviation Administration

800 Independence Ave., SW
Washington, DC 20591

National Air Cargo Group, Inc. d/b/a National Airlines
835 Willow Run Airport
Ypsilanti, MI 48198



NOTICE OF EFFECTIVE COVERAGE

FAA Non-Premium Aviation War Risk Insurance: NON-PR-H&L-9.28.11-MUA
Effective Period: October 1, 2014 – September 30, 2015

Pursuant to the request dated September 19, 2014 from Gail M. Jorgenson, Director, Acquisition, United States Transportation Command (USTRANSCOM) to Michael P. Huerta, Administrator, Federal Aviation Administration (FAA), to provide non-premium aviation war risk insurance coverage for hull, comprehensive, and third party liability, as well as substitute air crew personal insurance, under the terms, conditions, and limitations of the stand-by FAA non-premium war risk insurance policy that FAA issued to you and is referred to in the caption above (the "Policy"), and to specifically provide the particular coverage that USTRANSCOM has requested for those air operators that USTRANSCOM has designated to FAA as having been awarded a contract pursuant to USTRANCOM Solicitation No. HTC711-14-R-C002 (which contracts are designated "Charter Airlift Services in Support of the Civil Reserve Air Fleet", and are commonly referred to as the "CRAF Contracts"); the FAA hereby issues to you this Notice of Effective Coverage for Non-Premium Aviation War Risk Insurance, as follows:

(a) Pursuant to the USTRANSCOM request referred to above, FAA, acting for the Secretary of Transportation and on behalf of the U.S. Government, as insurer, hereby activates and thus provides to you effective non-premium aviation war risk insurance coverage, as well as substitute air crew personal insurance, under the Policy, for the period October 1, 2014 through September 30, 2015, inclusive, or such earlier time as provided under Article VII, paragraph B, of the Policy.

(b) The scope of coverage that the Policy provides is stated in the Policy, including its terms, conditions, and limitations, as well as in the further terms, conditions, and limitations stated in paragraph (c) below, which further terms, conditions, and limitations are hereby incorporated in and made part of the Policy, and shall be construed to be an endorsement to the Policy;

(c) **The coverage that is made effective under this Notice applies exclusively to those operations that satisfy all of the following conditions, and will not apply to any other operation.** The coverage that is made effective under the Policy, including this Notice, applies to you, the air operator, *only* when you are performing a civil air operation:

(1) for which USTRANSCOM issues a task order under a contract that USTRANSCOM has awarded to you pursuant to Solicitation No. HTC711-14-R-C002;

(2) of which at least one terminus is either within the United States Central Command Area of Responsibility or within the United States Africa Command Area of Responsibility, as defined in the revised Unified Command Plan of April 6, 2011, with Change – 1 dated September 12, 2011, as approved

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by the President on September 12, 2011;

(3) that you perform during the period October 1, 2014 through September 30, 2015, inclusive, or such earlier time as provided under Article VII, paragraph B, of the Policy;

(4) that complies with all active Special Federal Aviation Regulations and Orders issued by the FAA (otherwise the air operator must obtain from FAA the necessary approval or exemption); and

(5) is performed with aircraft listed on the FAA Non-Premium Insurance Schedule of Aircraft that you maintain within the FAA Aviation Insurance Data Management System ("AIDMS") and for which the you have paid the registration binder required by 14 C.F.R § 198.15. To verify coverage for the aircraft under the Policy, including this Notice, you should review, and, if appropriate, amend that Schedule, before initiating any operation to be conducted under the conditions stated in this Notice.

(A) Exception for substitute aircraft. When use of a substitute aircraft is authorized under a contract that USTRANSCOM has awarded to you pursuant to Solicitation No. HTC711-14-R-C002, and you have not listed the substitute aircraft on AIDMS and paid the registration binder for that aircraft, as described in the preceding paragraph, coverage under the Policy, including this Notice, will apply only when all of the conditions stated in subparagraphs (i) - (v), below, are satisfied. If all of the conditions stated in subparagraphs (i) - (v), below, are satisfied, coverage under the Policy, including this Notice, will apply to the operation involving the substitute aircraft under the same terms, conditions, and limitations as would have applied had the operation been conducted using the aircraft requiring substitution. The conditions stated in subparagraphs (i) - (v), below, are material requirements for coverage under the Policy, including this Notice for an operation involving a substitute aircraft:

(i) coverage will apply only for the operation originally scheduled for the aircraft requiring substitution, from the time of first takeoff until the time of landing at the final destination originally scheduled for that aircraft (regardless of whether one or more than one aircraft are used as substitutes for the aircraft requiring substitution;

(ii) before commencing the operation that had been originally scheduled for the aircraft requiring substitution, you notify the FAA Aviation insurance Program Office by e-mail of the following:

(aa) the registration number of the aircraft requiring substitution;

(bb) the registration number or numbers of the substitute aircraft;

(cc) the substitute aircraft type or types; and

(dd) the name or names of the operator or operators of the substitute aircraft; and

(iii) the e-mail notice required by paragraph (ii), above, must be sent to the Manager, Management Staff, FAA, at the following address: AWA-APL-020@faa.gov;

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(iv) either you operate the substitute aircraft (which you have not listed on AIDMS and for which you have not paid the registration binder), or another operator of the substitute aircraft uses aircraft that it has listed on AIDMS and for which that operator has paid the registration binder; and

(v) any single aircraft, when not listed on AIDMS, may be used as a substitute only once during the time period that this Notice covers.

(d) As stated above, this Notice provides coverage only for operations during the time period stated in subparagraph (c)(3), above, and for which at least one terminus is within either the USCENTCOM AOR or the USAFRICOM AOR. This Notice does not provide coverage for any other operations, such as any operations that may take place under a CRAF activation. If the Department of Defense activates CRAF, or requests coverage for operations for which no terminus is within the USCENTCOM AOR or the USAFRICOM AOR, and USTRANSCOM requests that FAA issue non-premium war risk insurance covering such operations, FAA will issue a separate Notice of Effective Coverage relating to such operations.

(e) If USTRANSCOM extends performance under any contract issued pursuant to Solicitation No. HTC711-14-R-C002 beyond September 30, 2015, and if USTRANSCOM requests FAA non-premium war risk insurance coverage for such extended period, FAA will issue a new Notice of Effective Coverage, to create a new period of coverage relating to such extension.

The insurance coverage provided by the Policy, including this Notice, is authorized by chapter 443 of title 49, U.S. Code, specifically by § 44305 thereof, and 10 U.S.C. § 9514, and is issued pursuant to the Indemnification Agreement between the Department of Transportation and the Department of Defense, as countersigned by the President on September 4, 2013.



James Hersh
Acting Manager, Management Staff (APL-10)
Aviation Policy, International Affairs, and Environment
Federal Aviation Administration

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