

**INFORMATION TO OFFERORS OR QUOTERS  
SECTION A – COVER SHEET**

*Form Approved  
OMB No. 9000-0002  
Expires Oct 31, 2004*

The public reporting burden for this collection of information is estimated to average 35 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (9000-0002), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person will be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.

**PLEASE DO NOT RETURN YOUR FORM TO THE ABOVE ADDRESS. RETURN COMPLETED FORM TO THE ADDRESS IN BLOCK 4 BELOW.**

1. SOLICITATION NUMBER SP0600-03-R-0013	2. (X one) <input type="checkbox"/> a. INVITATION FOR BID (IFB) <input checked="" type="checkbox"/> b. REQUEST FOR PROPOSAL (RFP) <input type="checkbox"/> c. REQUEST FOR QUOTATION (RFQ)	3. DATE/TIME RESPONSE DUE April 25, 2003@3:00 P. M. Local Fort Belvoir Time
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**INSTRUCTIONS**

**NOTE:** The provision entitled "Required Central Contractor Registration" applies to most solicitations.  
1. If you are not submitting a response, complete the information in Blocks 9 through 11 and return to the issuing office in Block 4 unless a different return address is indicated in Block 7.  
2. Offerors or quoters must include full, accurate, and complete information in their responses as required by this solicitation (including attachments). "Fill-ins" are provided on Standard Form 18, Standard Form 33, and other solicitation documents. Examine the entire solicitation carefully. The penalty for making false statements is prescribed in 18 U.S.C. 1001.  
3. Offerors or quoters must plainly mark their responses with the Solicitation Number and the date and local time for bid opening or receipt of proposals that is in the solicitation document.  
4. Information regarding the timeliness of response is addressed in the provision of this solicitation entitled either "Late Submissions, Modifications, and Withdrawals of Bids," or "Instructions to Offerors – Competitive Acquisition."

4. <b>ISSUING OFFICE</b> (Complete mailing address, including ZIP Code) ATTN: DESC-PEB/RUBY M. GILLETTE DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN RD., SUITE 4950 FT. BELVOIR, VA 22060-6222	5. <b>ITEMS TO BE PURCHASED</b> (Brief description) MARINE GAS OIL MGO/61 (9140-01-417-6843) 384,438 METRIC TONS INTERMEDIATE FUEL OIL 180/62 (9140-01-417-6645) 14,796 METRIC TONS INTERMEDIATE FUEL OIL 380/63 (9140-01-417-6632) 11,650 METRIC TONS TURBINE FUEL (JP5) (9130-01-499-9521) 14,024 METRIC TONS
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6. <b>PROCUREMENT INFORMATION</b> (X and complete as applicable.)	
<input checked="" type="checkbox"/>	a. THIS PROCUREMENT IS UNRESTRICTED.
<input type="checkbox"/>	b. THIS PROCUREMENT IS % SET-ASIDE FOR SMALL BUSINESS. THE APPLICABLE NAICS CODE IS:
<input type="checkbox"/>	c. THIS PROCUREMENT IS % SET-ASIDE FOR HUB ZONE CONCERNS. THE APPLICABLE NAICS CODE IS:
<input type="checkbox"/>	d. THIS PROCUREMENT IS RESTRICTED TO FIRMS ELIGIBLE UNDER SECTION 8(a) OF THE SMALL BUSINESS ACT.

**7. ADDITIONAL INFORMATION: ATTENTION OFFERORS**  
THE NOTES ON THIS DD FORM 1707 PROVIDE INFORMATION THAT WARRANT YOUR SPECIAL ATTENTION PRIOR TO PREPARATION OF YOUR PROPOSAL. LISTED BELOW IS THE ADDRESS FOR THE BID CUSTODIAN.  
  
ATTN: BID CUSTODIAN/DESC-CPC/ROOM 3815  
DEFENSE ENERGY SUPPORT CENTER  
8725 JOHN J. KINGMAN ROAD, SUITE 4950 FACSIMILE: 703-767-8506 VERIFICATION: 703-767-8757  
FT. BELVOIR, VA 22060

8. <b>POINT OF CONTACT FOR INFORMATION</b>	
a. <b>NAME</b> (Last, First, Middle Initial) GILLETTE, RUBY M.	b. <b>ADDRESS</b> (Include ZIP Code) ATTN: DESC-PEB/RUBY M. GILLETTE DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN RD., SUITE 4950 FT. BELVOIR, VA 22060-6222
c. <b>TELEPHONE NUMBER</b> (Include Area Code and Extension) 703-767-8464	d. <b>E-MAIL ADDRESS</b> Ruby.Gillette@dla.mil

9. <b>REASONS FOR NO RESPONSE</b> (X all that apply)	
<input type="checkbox"/> a. CANNOT COMPLY WITH SPECIFICATIONS	<input type="checkbox"/> d. DO NOT REGULARLY MANUFACTURE OR SELL THE TYPE OF ITEMS INVOLVED
<input type="checkbox"/> b. UNABLE TO IDENTIFY THE ITEMS(S)	<input type="checkbox"/> e. OTHER
<input type="checkbox"/> c. CANNOT MEET DELIVERY REQUIREMENT	

10. **MAILING LIST INFORMATION** (X one)  
WE  DO  DO NOT DESIRE TO BE RETAINED ON THE MAILING LIST FOR FUTURE PROCUREMENT OF THE TYPE INVOLVED.

11a. <b>COMPANY NAME</b>	b. <b>ADDRESS</b>
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c. <b>ACTION OFFICER</b>	
(1) TYPED OR PRINTED NAME (Last, First, Middle Initial)	(2) TITLE

(3) SIGNATURE	(4) DATE SIGNED (YYYYMMDD)
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FOLD

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FOLD

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**FROM**

AFFIX  
STAMP  
HERE

<b>SOLICITATION NUMBER</b>	
<b>DATE (YYYYMMDD)</b>	<b>LOCAL TIME</b>

- A. **MASTER SOLICITATION**: This is a Master Solicitation containing the terms and conditions essential for offering on this and all supplemental solicitations that may be issued for this program throughout the Ordering Period. Please retain this document for reference.
- B. **CLOSING DATE**: The scheduled date for receipt of all offers is **April 25, 2003 @ 3:00 P.M. Local Fort Belvoir, Virginia Time**. **FACSIMILE OFFERS ARE PERMITTED**, DESC facsimile number is (703) 767-8506. **ALL OFFERS MUST BE SIGNED**.
- C. **OFFER SUBMISSION**: **YOU ARE HEREBY REQUESTED TO SUBMIT YOUR COMPLETE, ORIGINAL, SIGNED PROPOSAL AND OFFEROR SUBMISSION PACKAGE BEFORE THE CLOSING DATE OF THIS SOLICITATION. THE GOVERNMENT RESERVES THE RIGHT TO REJECT ANY PROPOSAL THAT IS STILL INCOMPLETE AFTER 10 DAYS OF THE OPENING DATE. SEE CLAUSE L 2.11-3 FOR DETAILS.**
- D. **ORDERING/DELIVERY PERIOD**: The Ordering Period for contracts awarded under this solicitation is **01 October 2003 through 30 September 2005**. Quantities stated are for a two-year requirement. The Delivery period is **01 October 2003 through 31 October 2005**.
- E. **DISCUSSIONS**: **THE GOVERNMENT RESERVES THE RIGHT TO MAKE AWARDS WITHOUT NEGOTIATIONS. THEREFORE, OFFERORS ARE ADVISED TO SUBMIT THEIR BEST PRICES WITH THEIR INITIAL OFFERS. THE GOVERNMENT RESERVES THE RIGHT TO CONDUCT NEGOTIATIONS IF THE CONTRACTING OFFICER DETERMINES THEM TO BE NECESSARY. SEE CLAUSE L2.05-4.**
- F. **CLAUSES INCORPORATED BY REFERENCE**: Some clauses available in the Federal Acquisition Regulation (FAR) have been incorporated by reference (IBR). The clauses incorporated by reference are listed in the table of contents. If your company does not maintain a file of these clauses, you may request a copy from DESC-PHB.
- G. **CONTRACT TYPE**: Contracts awarded as a result of this solicitation will be **"REQUIREMENTS - TYPE FIXED PRICE WITH ECONOMIC PRICE ADJUSTMENT"** contracts. See clause I84.
- H. **COMPETITIVE RANGE**: Any offer determined to be outside the **"Competitive Range"** for this procurement will not be included in negotiations. Each initial offer should be submitted in good faith with the most favorable terms, from a price and technical standpoint. Please see clause **L2.05-4**.
- I. **ECONOMIC PRICE ADJUSTMENT & BASE REFERENCE**: The **Base Reference Dates** for this solicitation are 21Mar 03 (Platt's Jet – previous week average), 25 Mar 03 (Platt's Bunkerwire & Bunkerfuels Report) and 26 Mar 03 (Platt's Oilgram Price). The Escalator Base Reference Publications are identified under Clause **B19.19, ECONOMIC PRICE ADJUSTMENT**. These references have been selected by DESC. Contract prices will change weekly based on changes in the reference publications; price changes are not based on product cost. Please review this clause carefully. Any proposed exception to this clause must be submitted with the initial offer. Additionally, please review clause **M19.08 for Evaluation of Uncommon Escalators** if an exception is taken to the suggested escalator. **Lastly, DESC downloads the Electronic Versions of Platts Bunkerwire. Occasionally a slight discrepancy may be noted between the prices on the Electronic Version and the printed (hard copy) version. In such an event, the prices posted in the Electronic Version shall prevail.**
- J. **TERMINAL ADDRESSES**: The complete terminal addresses from which product will be supplied, along with a point of contact and telephone number, are required for each line item in your offer per clause **B1.04-1 (f) SUPPLIES TO BE FURNISHED (BUNKERS)**.

K. **FREE TIME AND DETENTION RATES:** Please review and complete clause **F3.01** for all line items being offered on requiring delivery by **TANK TRUCK** or **TRUCK AND TRAILER** and **TANK WAGON**. For items requiring delivery by **BARGE**, please review and complete clause **F16.03**.

L. **AMENDMENTS:** Bidders must acknowledge receipt of any and all amendments to this solicitation by signing and returning the amendment with the proposal.

M. **BIDDER CODE, CAGE CODE, AND DUNS NUMBER:** Please remember to furnish **Bidder Code, CAGE Code, and DUNS Number**, along with your company's phone and fax numbers in block 17a of the Standard Form 1449 (SF1449). If you have a current Government contract and do not know what your CAGE Code is, please contact Ruby Gillette at **703-767-8464**. If you have not been assigned a CAGE Code, insert the word "None" in the block.

N. **TAXES:** Reference Clauses **I28.21**

The offeror is responsible for knowing the applicable taxes to include in the offered price.

O. **SMALL BUSINESS OR SMALL DISADVANTAGED BUSINESS QUESTIONS:** Please direct any questions regarding Small Business or Small Disadvantaged Business Affairs to **Mrs. Kathy Williams** of the DESC Small Business Office at **(800) 523-2601** or **(703) 767-9465**.

P. **NOTICE: ANY CONTRACT AWARDED TO A CONTRACTOR WHO AT THE TIME OF AWARD WAS SUSPENDED, DEBARRED, OR INELIGIBLE FOR RECEIPT OF CONTRACTS WITH GOVERNMENT AGENCIES OR IN RECEIPT OF A PROPOSED DEBARMENT FROM ANY GOVERNMENT AGENCY IS VOIDABLE AT THE OPTION OF THE GOVERNMENT.**

Q. **EMERGENCY CONTACT POINT:** DESC contact point/telephone number for emergency situations during after-duty hours is:  
Operations Center  
Telephone Number: (703) 767-8420

R. **PRIMARY SOLICITATION CONTACT POINT:** For clarification, explanation and additional information please contact:

Ms. Ruby Gillette at (703) 767-8464/Ruby.Gillette@dla.mil

S. **CENTRAL CONTRACTOR REGISTRATION (CCR):** **Contractors** must be registered in the Department of Defense (DoD) CCR database prior to the award of a contract for solicitation issued after May 31, 1998. The CCR is a central repository of trading partner information about firms qualified to conduct business with the Federal Government. Contractors register on a one-time basis and confirm on an annual basis that their CCR registration is complete and accurate. Contractors can register one of three ways:

1. Through the internet/WWW at: <http://www.ccr2000.com>
2. Through a Value Added Network provider by way of an electronic transaction known as an "838 Trading Partner Profile."
3. By mail or facsimile by contacting the CCR Registration Assistance Center at 1-888-277-2423 for an application or by downloading the form from: <http://www.fecrc.com/whatsnew/ccrregist.html>

T. **ELECTRONIC FUNDS TRANSFER (EFT):** EFT is mandatory for all DoD contract items. Make sure that your offer includes all information required by clause **G9.07** and the receiving bank is a member of the Automated Clearing House (ACH).

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30				1. REQUISITION NUMBER <b>SPO600-03-1255</b>		PAGE 1 OF 66			
2. CONTRACT NUMBER <b>SP0600-03-D-00</b>		3. AWARD/EFFECTIVE DATE <b>01 October 2003</b>		4. ORDER NUMBER		5. SOLICITATION NUMBER <b>SP0600-03-R-0013 w/Amendments</b>		6. SOLICITATION ISSUE DATE <b>April 4, 2003</b>	
7. FOR SOLICITATION INFORMATION CALL: >				a. NAME <b>RUBY M. GILLETTE</b>		b. TELEPHONE NUMBER (no collect calls) <b>(703) 767-8464</b>		8. OFFER DUE DATE/LOCAL TIME <b>April 25, 2003 @ 3:00PM LOCAL FORT BELVOIR TIME</b>	
9. ISSUED BY CODE <b>SP0600</b>				10. THIS ACQUISITION IS <input checked="" type="checkbox"/> UNRESTRICTED <input type="checkbox"/> SET ASIDE % FOR <input type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> SMALL DISADV BUSINESS  <input type="checkbox"/> 8(A)  SIC: 424720  SIZE STANDARD: 500		11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input checked="" type="checkbox"/> SEE SCHEDULE		12. DISCOUNT TERMS  <b>NET 30 DAYS</b>	
ATTN: DESC-PHB/RUBY M. GILLETTE DEFENSE ENERGY SUPPORT CENTER  8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 PHONE: (703) 767-8464 FAX: (703) 767-8506  Ruby.Gillette@dla.mil  P.P. 1.3 B				13a. THIS CONTRACT IS RATED ORDER UNDER DPAS (15 CFR 700)		13b. RATING K		14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP	
15. DELIVER TO CODE				16. ADMINISTERED BY CODE					
SEE SCHEDULE IN CLAUSE B1.04-1				SEE BLOCK 9					
17a. CONTRACTOR/OFFEROR BIDDER CODE		FACILITY CAGE CODE		18a. PAYMENT WILL BE MADE BY CODE					
DUNS # TELEPHONE NO: FAX NO:				SEE CLAUSE G150.01.100					
<input type="checkbox"/> 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER				18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a. UNLESS BLOCK 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 CLAUSE B1.04-1  (Attach additional Sheets as Necessary)							
25. ACCOUNTING AND APPROPRIATION DATA <b>97XXX4930.5CF0 01 26.01 S33150 FOR DOD &amp; USCG ONLY, OTHERS MUST CITE OWN FUNDS</b>						26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$ ESTIMATED			
<input checked="" type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA <input checked="" type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED. *SCHEDULE OF SUPPLIES AND SOLICITATION CLAUSES ARE ATTACHED.									
<input type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.									
<input checked="" type="checkbox"/> 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN <u>1</u> 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.					<input checked="" type="checkbox"/> 29. AWARD OF CONTRACT: REFERENCE <b>your</b> OFFER DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES, WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS: <b>SEE CLAUSE B1.04-1.</b>				
30a. SIGNATURE OF OFFEROR/CONTRACTOR					31a. UNITED STATES OF AMERICA (Signature of Contracting Officer)				
30b. NAME AND TITLE OF SIGNER (Type or Print)			30c. DATE SIGNED		31b. NAME OF CONTRACTING OFFICER (Type or Print) <b>MATTHEW R. SHUSTER</b>			31c. DATE SIGNED	
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					33. SHIP NUMBER		34. VOUCHER NUMBER		35. AMOUNT VERIFIED CORRECT FOR
					<input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL				
32b. SIGNATURE OF AUTHORIZED GOVT. REPRESENTATIVE			32c. DATE		36. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL				37. CHECK NUMBER
					38. S/R ACCOUNT NO.		39. S/R VOUCHERS NO.		40. PAID BY
41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT					42a. RECEIVED BY (Print)				
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER			41c. DATE		42b. RECEIVED AT (Location)				
					42c. DATE REC'D (YY/MM/DD)		42d. TOTAL CONTAINERS		

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**LIST OF ATTACHMENTS**

- (X) DD FORM 1707; INFORMATION TO OFFERORS OR QUOTERS, COVER SHEET**
- (X) SF FORM 1449: SOLICITATION/CONTRACT/ORDER TO COMMERCIAL ITEMS**
- (X) OFFER SUBMISSION PACKAGE (OSP)**
- (X) SCHEDULE OF SUPPLIES ATTACHMENT B**

**B1.04-1 SUPPLIES TO BE FURNISHED (SHIPS' BUNKERS) (DESC NOV 2002)**

(a) **SHIPS' BUNKERS.** Unless otherwise stated, the supplies shall be furnished f.o.b. destination as ships' bunkers into various types and sizes of U.S. military and federal civilian vessels for immediate consumption by the vessel. Unit prices are for product delivered inclusive of all delivery charges. Depending on the delivery conveyance's size, quantities ordered and delivered by truck or barge (as contracted) may require utilization of more than one truck or barge or return trips to fulfill the ordered fuel quantity.

(b) **REQUIREMENTS.** This is a requirements contract for the supplies or services specified and effective for the period stated in paragraph (i).

(1) The quantities of supplies or services specified in the Schedule are best estimates only and are not purchased by this contract. Except as this contract may otherwise provide, if the Government's requirements do not result in orders in the quantities described as "estimated" or "maximum" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.

(2) Delivery or performance shall be made only as authorized by orders issued in accordance with the ordering provisions herein. Subject to any limitations in the order limitations provisions herein or elsewhere in this contract, the Contractor shall furnish to the Government all supplies or services specified in the Schedule and called for by orders issued in accordance with the ordering provisions. In addition, if a Government facility is located near the bunkering location, the Government shall only order from the Contractor the Government's fuel requirements that are in excess of its in-house capabilities. In such instances, the estimated quantities specified in the Schedule are estimates of requirements in excess of the quantities that the Government may itself furnish within its own capabilities. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations. Except as this contract otherwise provides, the Government shall order from the Contractor all the supplies or services specified in the Schedule that are required to be purchased by the Government activity or activities specified in the Schedule. The Government is not required to purchase from the Contractor requirements in excess of any limit on total orders under this contract. However, the total quantity ordered and required to be delivered by the specified method of delivery during the ordering period may be greater than or less than these total estimated quantities.

(3) If the Government urgently requires delivery of any quantity of an item before the earliest date that delivery may be specified under this contract, and if the Contractor will not accept an order providing for the accelerated delivery, the Government may acquire the urgently required goods or services from another source.

(4) 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 the end of the stated delivery period.

(5) The Government agrees to order and the Contractor shall, if ordered, deliver during the contract period, at the unit prices hereunder, adjusted in accordance with the ECONOMIC PRICE ADJUSTMENT – MARKET PRICE INDICATORS (SHIPS' BUNKERS) clause or the ECONOMIC PRICE ADJUSTMENT – ESTABLISHED CATALOG MARKET PRICE – OTHER THAN PUBLICATION (SHIPS' BUNKERS) clause of the contract (if applicable), the total actual requirements for the product(s) at the location(s) listed.

(6) Domestic requirements for ships' bunkers shall include all of the U.S. (including commonwealths and the District of Columbia), its territories, and possessions. Overseas requirements are those outside of the above. Domestic and overseas requirements are classified into separate Purchase Programs (PPs):

**Domestic:**

PP 3.7A - Pacific, West Coast, Great Lakes, Northeast, and Middle Atlantic States, to include inland river-ways therein.

PP3.7B - Caribbean, Southeast, Southwest, Gulf Coast, and inland river-ways therein.

PP3.7C - State of Alaska.

**Overseas:**

PP 1.3A - Europe and Middle East.

PP1.3B - Central/South America, Africa, and Far East/Pacific.

(c) **LINE ITEM SUPPLY SCHEDULE.**

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<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT/PRODUCT CODE</u>	<u>SPEC CLAUSE</u>
<b>DOMESTIC</b>		
9140-01-313-7776 9FAQ	COMMERCIAL MARINE GAS OIL (MGO)/75	C16.23-2/52.246-
9140-01-447-1031 9FBK	BUNKER FUEL NAVAL DISTILLATE (B76)/30	C16.23-4/52.26-
9140-01-456-9443 9FAW	DIESEL FUEL GRADE 2 (DF2)/34	C16.26-11/52.246-
9140-01-447-1092 9FCA	FUEL OIL, BURNER GRADE #6 (FS6)/55	C16.38/52.246-
9140-01-447-1065 9FCA	FUEL OIL BURNER GRADE #4 (FS4)/52	C16.38/52.246-
9140-01-271-5280	INTERMEDIATE FUEL OIL 180/98	C36/52.246-9FFE
9140-01-235-2882	INTERMEDIATE FUEL OIL 380/96	C36/52.246-9FFE

**OVERSEAS**

9140-01-417-6843 9FAQ	COMMERCIAL MARINE GAS OIL (MGO)/61	C16.23-2/52.246-
9140-01-417-9723 9FCA	FUEL OIL, BURNER GRADE #6 (FS6)/64	C16.38/52.246-
9140-01-417-6645	INTERMEDIATE FUEL OIL 180/62	C36/52.246-9FFE
9140-01-417-6632	INTERMEDIATE FUEL OIL 380/63	C36/52.246-9FFE

**NOTE: Delivery of a single order may require multiple vehicles or trips.**

The acronym **TK** means tanker, **B** means barge, **TT** or **RTW** means transport truck, **TTR** means truck and trailer, **TW** means tank wagon, **P** means pipeline (ex-pipe/ex-wharf), and **MSS** means Marine Service Station.

<u>ITEM</u>	<u>SUPPLY, BUNKER LOCATION, AND METHOD OF DELIVERY</u>	(LENGTH OF PERIOD) <u>ESTIMATED QUANTITY</u> (UNIT OF MEASURE)	<u>UNIT PRICE PER</u> (UNIT OF MEASURE)
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**SEE THE SCHEDULE, ATTACHMENT B**

(d) **DELIVERY MODE SPECIFICS.** See also the BUNKERING PROVISIONS clause.

(1) **PIPELINES.** For all line items above that require pipeline (ex-pipe at pier or wharf) as the method of delivery, the exact location of the Contractor's pipeline shall be listed below. **NOTE: Access to the pipeline pier must be able to provide for vessels at least 90 feet in height. Specific obstacles such as bridges, jetties, locks, etc., must be advised below to include low and high tide and time. Pumping rates per delivery conveyance shall be as stated in the BUNKERING PROVISIONS clause unless stated differently in the above Schedule.**

SPECIFIC PIPELINE

MAXIMUM DRAFT &

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<u>ITEM</u>	<u>DELIVERY LOCATION</u>	<u>MEAN LOW TIDE/TIME</u>	<u>OBSTACLES?</u>
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(2) **TRUCKS.** For all items above that require tank wagon, transport truck, and/or truck and trailer as the method of delivery, offerors must specify the capacity and pumping rate of the truck(s).

<u>ITEM</u>	<u>TRUCK CAPACITY</u>	<u>TRUCK PUMPING RATE</u>
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(3) **BARGE.** Barge deliveries shall be required at pier-side and/or anchorage (inner and outer harbor). Pumping rates per delivery conveyance shall be as stated in the BUNKERING PROVISIONS clause unless stated differently in the above Schedule.

(e) **TAXES.** Unless the contract provides otherwise, the contract price must include all applicable taxes and, for overseas items, duties. The offeror shall list below the specific name and amount of the taxes included in the price. If, when permitted by the contract, taxes are not included in the offered price, but are expected to be invoiced separately, the offeror shall list the specific name and amount of these taxes below. These taxes shall apply when the U.S. Government does not have an exemption. See the FEDERAL, STATE, AND LOCAL TAXES/FEES EXCLUDED FROM CONTRACT PRICE clause and/or the TAXES - FOREIGN FIXED-PRICE CONTRACTS clause.

		(X THE APPLICABLE COLUMN)	
<u>ITEM</u>	<u>APPLICABLE TAX NAME AND AMOUNT PER UNIT</u>	<u>INCLUDED IN UNIT PRICE</u>	<u>TO BE INVOICED SEPARATELY</u>

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**NOTE: For domestic distillate items, the current Federal Excise Tax shall apply only if fuel delivered is undyed per mandated requirements. Please advise, per item, if offered product will have a low or high sulfur content and/or if dyed or undyed, if not part of the current Schedule. Subject tax will not be included in the offered unit price. Special note for overseas distillate items: if fuel is dyed per in-country mandated requirements, please so advise with specifics on the dye and its effect on fuel specifications.**

**(f) LOCATION OF FACILITY(IES).**

(1) Each Fuel Terminal, Transportation Type and Source, and Location of the Testing Facility are required for possible assignment, at origin, of Government Quality Assurance (inspection) Actions. Primary and alternates are requested. Government Quality Assurance inspections at origin, if applicable, shall be assigned in (3) below. The following columns shall be completed by the offeror: The facilities identified below by the offeror shall be used for the life of the contract.

<u>ITEM(S)</u>	<u>TERMINAL NAME(S) AND FULL PHYSICAL ADDRESS(ES)</u>	(For barge and truck deliveries) <u>TRANSPORTATION SOURCE(S)</u>	<u>TESTING FACILITY(IES) NAME(S) &amp; FULL PHYSICAL ADDRESS(ES)</u>
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(2) Quality Representative (QR) includes the terms Quality Assurance Representative (QAR) and Quality Surveillance Representative (QSR). The QAR is a Government Representative authorized to represent the Contracting Officer to assure the Contractor complies with the contractual requirements in furnishing petroleum products and services. The QSR is a Government Representative authorized to represent the Contracting Officer to assure the Contractor complies with the contractual requirements in furnishing services.

(3) The following may be completed by the Government at time of award. Government Source Inspection is required for items listed below:

(g) **DELIVERY ORDERS.**

(1) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders by the individuals or activities defined as an Ordering Officer. Any U.S. military and Federal civilian agency vessel may utilize this contract. An Ordering Officer means whichever of the following (or their designated representatives) is applicable: (1) the Commander, Defense Energy Support Center; (2) the Commander, U.S. Army Petroleum Center; (3) the Commanding Officer, U.S. Navy Petroleum Office; (4) the Officer in charge of the Federal Government activity encompassing any delivery point indicated in the Schedule; (5) the Commanding Officer or the Master of the vessel to be bunkered; (6) any Government Contractor furnishing evidence of authority to order under this contract; (7) the head of any Federal Government agency; (8) the Contracting Officer; (9) the Navy Fleet Commanders; (10) the Defense Attaché Officer; (11) the authorized ship manager (Contractor) for the Maritime Administration and/or National Aeronautic and Space Administration (NASA) who is ordering ships' bunkers on behalf of Maritime Administration and/or NASA vessels; (12) the ships' husbanding agent, furnishing evidence of contractual authority, who passes the order (verbal or written) on behalf of the requesting Government vessel; (13) Military Sealift Command Fuel Ordering Officers. All delivery orders are subject to the terms and conditions of this contract. In the event there is a conflict between a delivery order and this contract, the contract shall control.

(2) **ORAL ORDERS.** Bunker fuel orders may be issued orally or in writing. An oral delivery order may be considered issued by the Ordering Officer when it is verbally assigned a purchase order and/or delivery order number and the delivery specifics have been verbally communicated to the Contractor. A verbal delivery order number may also be the Date Time Group (DTG) number from the vessel's Logistics Requirements (LOGREQ) Report issued to a Government shore activity or contracted husbanding agent. Contractors are encouraged to request evidence to substantiate a verbal delivery order. For military and U.S. Coast Guard vessels, a contracted husbanding agent or Government shore activity may serve as liaison for the requesting vessel to be bunkered. The Government shore activity or contracted husbanding agent will pass the above-described oral order issued by the vessel, along with evidence of this order, to the Contractor in a timely manner and will coordinate the delivery of the fuel. The husbanding agent, not having authority to bind the Government, must clearly advise the Contractor of its role in this arrangement and show valid evidence (DTG from LOGREQ copy of e-mail or LOGREQ from vessel to husbanding agent, etc.) of the order requirement initiated by the U.S. Government vessel.

(3) **WRITTEN DELIVERY ORDERS.** For all orders, the appropriate ordering office/officer will provide a signed, written order--

- (i) A Department of Defense (DD) Form 1155 for DoD agencies;
- (ii) An Optional Form (OF) 347 for all Federal/Civilian Agencies;
- (iii) A Commerce Department (CD) Form 404 for the National Oceanic and Atmospheric Administration; or
- (iv) An SF 1449 for all of the above--

to the Contractor or its designee in place of or after issuing the above-described oral order. The written delivery order will be provided to the Contractor, or its designee, prior to or at completion of delivery; however, Contractors are highly encouraged to request the written delivery order prior to completion of the delivery if not already received. The order form must, at a minimum, include the contract number, Contractor's name and address, contract line item number, payment office, signature of the Ordering Officer, ships' ordering and payment information, and quantity of fuel ordered. In the event a written delivery order is not provided after delivery, the Contractor shall promptly contact the DESC Contracting Officer for assistance. The ordering office's failure to issue written confirmation, or the Contractor's failure to receive written confirmation, does not relieve the Contractor from its obligation to perform in accordance with the oral order.

(4) Credit cards of any type shall not be used to create a delivery order under this contract.

(h) **DELIVERY ORDER LIMITATIONS.**

(1) **MINIMUM ORDER.** When the Government requires supplies or services covered by this contract in an amount of less than the minimum quantity applicable to the method of delivery called for by the item(s) as specified in the Schedule, the Government shall not be obligated to purchase, nor the Contractor obligated to furnish, any supplies or services under this contract.

(2) **MAXIMUM ORDER.** The Contractor shall not be obligated to honor any order for a single item, or any series of orders from the same ordering office in the course of 30 days, that exceeds the limitations listed below:

- (i) For items calling for delivery as ships' bunkers by barge or pipeline--

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<u>TOTAL ESTIMATED QUANTITY OF ITEM</u>	<u>LIMITATION</u>
Less than 500,000 USG/1,700 MT	The total estimated quantity
500,000 to 2,500,000 USG/1,700 to 8,700 MT	500,000 USG/1,700 MT or 50% of the total estimated quantity, whichever is greater
More than 2,500,000 USG/8,700 MT	1,250,000 USG/4,350 MT or 25% of the total quantity, whichever is greater

estimated

(ii) For items calling for delivery by truck--

<u>TOTAL ESTIMATED QUANTITY OF ITEM</u>	<u>LIMITATION</u>
Less than 100,000 USG/350 MT	The total estimated quantity
100,000 to 500,000 USG/350 - 1,700 MT	100,000 USG/350 MT or 50% of the total estimated quantity, whichever is greater
More than 500,000 USG/1,700 MT	250,000 USG/870 MT or 25% of the total quantity, whichever is greater

estimated

(i) **DELIVERY AND ORDERING PERIODS.** The period during which the Government may order and the Contractor shall deliver, if ordered, will be as specified below unless the Schedule specifies otherwise.

(1) **ORDERS:** The **ordering period** begins: October 1, 2003 and ends: September 30, 2005.

(2) **DELIVERIES:** The **delivery period** begins: October 1, 2003 and ends: October 31, 2005.

(3) **EXTENSION PROVISIONS.** The Government reserves the right to unilaterally extend this contract on the same terms and conditions on a month-to-month basis one or more times for a total of no more than six months. Notice of contract extension will be furnished to the Contractor no later than 10 days prior to expiration of this contract or any extension thereof. However, nothing in this clause precludes the Contractor from agreeing to an extension of the contract if the Government fails to issue the notice within the 10-day time frame. Extension of this contract shall be considered to have been accomplished at the time the Government provides written notification to the Contractor via mail deposit or facsimile.

(4) **FOR ALL ITEMS.** Notwithstanding the foregoing paragraphs, if the Government requests and the Contractor agrees to honor an order outside the delivery limitations set forth above and/or the minimum advance delivery order notice, the order will be bound to the terms, conditions, and price(s) established in the contract. The Contractor shall honor any written or oral order(s) outside the delivery order limitations set forth above or agreed to by the parties within the contract, unless the Contractor rejects the order(s) by notifying the issuing office immediately upon its receipt, as prescribed below, but no later than 24 hours from the time of its issuance. If the order is issued on a weekend and/or holiday and it falls outside the delivery order limitations, the Contractor has until noon of the next business day to reject the order.

**Contractor Notification:** The Contractor's rejection notice must be given first verbally, by calling the ordering office, followed by a written notification, which should preferably be sent via facsimile. The Contractor's written notice of rejection must clearly state (1) the intent not to deliver the ordered item(s) and (2) the reasons for rejection, and must be accompanied with the written order, if there is one. Upon receipt of the Contractor's verbal notice of rejection, the Government may secure the supplies from another source. The Government is not required to order a part of any one requirement from the Contractor when such requirement falls outside the advance delivery order notice and/or delivery order limitations set forth in this clause or agreed to by the parties within the contract.

(5) **FOR ALL ORDERS.** The Government must place orders during the Contractor's normal business operating hours for receipt of orders for a delivery to occur on a weekend and/or holiday. If an order for a delivery that is urgently required on a weekend and/or holiday cannot be placed during the Contractor's normal operating hours for receipt of orders, the Government shall first verbally contact the Contractor for offer of said order. If the Contractor verbally elects to not accept said

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order, the Government shall document as such and pursue Local Purchase Authority (LPA) meeting the Competition in Contracting Act (CICA). CICA shall apply for any time LPA is utilized.

(j) **ORDERING POINT(S) OF CONTACT.** Due to vessel missions, it is imperative that Contractor's be reachable at all times for order placement and timely deliveries. To ensure prompt delivery of the supplies to be furnished for ships' bunker requirements, the Contractor shall provide a primary and/or alternate point of contact for receipt of orders 24 hours a day, 7 days a week, for each item listed below. Complete telephone and facsimile numbers including country and/or area codes are requested. Alternative numbers, such as beepers, pagers, cell phones, etc., are also requested. The Contractor may, at its option, assign a Contractor designee at each delivery location as the point of contact, provided the designee agrees to act as the Contractor's representative for this purpose. The following table shall be used for order placement for ships' bunkers:

<u>Item Number</u>	<u>Contact Person and Location</u>	<u>Complete Telephone Number</u>	<u>Complete Facsimile Number</u>	<u>E-Mail Address</u>	<u>Normal Operating Hours and Days for Orders Deliveries</u>
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(k) **OVERTIME.** If delivery cannot be made during normal working hours, the Contractor shall continue with or initiate deliveries during other than normal working hours as requested by the vessel's officer with Ordering Officer authority or, in such instances, as authorized in writing by the Contracting Officer. The Government agrees to reimburse the Contractor for overtime payment costs. The Contractor shall provide applicable overtime documents, showing date and time overtime commenced and concluded, to the Receiving Officer who shall certify that said charges have been incurred. In the event that overtime may apply for deliveries outside of the operating hours and days cited in paragraph (j) above, the Contractor must advise of such time factors and the overtime rate per hour that shall apply per item. **NOTE:** U.S. Navy and some port regulations may prohibit deliveries from occurring at nighttime. Further, some vessels carrying ammunition or other cargoes considered hazardous may not be allowed to enter certain ports (pier-side) during specific hours or not at all, requiring deliveries at non-peak times and/or at anchorage, respectively.

<u>Item Number</u>	<u>Hours &amp; Days Outside of Normal Delivery</u>	<u>Rate per hour</u>
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Notwithstanding the above, the Government will not pay more than the actual rate charged by the common carrier or the rate the Contractor normally charges its regular commercial customers, whichever is lower.

(l) **RECEIPTS.**

(1) Upon completion of the fuel delivery, the Contractor, or the Contractor's designee, shall prepare a commercial receipt. A commercial receipt is defined as a commercial bunker receipt, a commercial bill of lading, and/or delivery

ticket for the exact type of fuel under contract. The Contractor shall then, and in the presence of the Government representative at the time of the delivery, clearly annotate on the commercial receipt, in English--

- (i) The exact type of fuel delivered, which must match the contract item;
- (ii) The date and time of the delivery commencement and completion;
- (iii) The Government vessel's name;
- (iv) The delivered fuel temperature; and
- (v) The net delivery quantity.

(2) **FOR DOMESTIC DISTILLATE CONTRACTS ONLY.** If the fuel was dyed in accordance with U.S. Government environmental and revenue requirements, this must also be cited on the commercial receipt.

(3) The receiving vessel's representative shall certify the commercial receipt, acknowledging receipt and acceptance of the fuel type, net quantity, date of fuel receipt, and sign for fuel acceptance. A legible copy of the commercial receipt will be provided to the receiving vessel. It is imperative that the receipt be annotated for the same type of fuel under contract.

(4) Alternatively, the receiving vessel's representative may utilize the ordering document to certify receipt and acceptance of the fuel type and quantity when a commercial receipt is not available; provided there will be no recurring deliveries against that order. **Certification of acceptance is accomplished when the vessel's representative (i) encircles the ordered quantity, (ii) annotates the received net quantity beneath the encircled quantity, and then (iii) dates and (iv) signs the receipt portion of the ordering document. WITHOUT ALL FOUR OF THE AFOREMENTIONED PROVISIONS, THE ORDER DOCUMENT CANNOT BE USED FOR RECEIPT CERTIFICATION.** If available, the ships' stamp shall be annotated on the order form.

(5) Whichever documentation is used, the Contractor or its representative shall ensure the vessel's representative annotates the actual net quantity received utilizing the contracted unit of issue, i.e., U.S. gallons for domestic locations and metric tons for overseas locations. The vessel's representative shall return the certified receipt documentation to the Contractor or the Contractor's designee, prior to departure. The vessel's representative shall retain a copy for the vessel's records.

(m) **ADDITIONAL INFORMATION.**

- (1) Does your company have world wide web/internet access? [ ] Yes [ ] No

**NOTE:** For those companies with internet access, DESC will not issue paper copies of price change modifications for any resultant contract as these same price changes are available on the DESC Home Page at <http://www.desc.dla.mil/main/doinbusi.htm>.

- (2) Does your company have a web site? [ ] Yes [ ] No

If yes, what is the web address? \_\_\_\_\_

- (3) Does your company have e-mail capability? [ ] Yes [ ] No.

If yes, what is your e-mail address? \_\_\_\_\_

- (4) May initial fuel orders be transmitted to this e-mail address? [ ] Yes [ ] No

**Note: Order placement in this manner shall require immediate confirmation of receipt by the Contractor to the ordering activity.**

- (5) What is your company's Dun and Bradstreet number? \_\_\_\_\_

(n) **NOTES FOR THE (RFP/CONTRACT).**

(DESC 52.207-9F30)

**11.03-5 CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (BUNKERS) (DESC DEC 2001)**

(a) **INSPECTION/ACCEPTANCE.** The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Government must exercise its post-acceptance rights (1) within a reasonable time after the defect was discovered or should have been discovered; and (2) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item. **Also see Addendum.**

(b) **ASSIGNMENT.** The Contractor or its assignee may assign its rights to receive payment due as a result of performance of this contract, may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C. 3727). However, when a third party makes a payment (e.g., use of the Government-wide commercial purchase card), the Contractor may not assign its right to receive payment under this contract.

(c) **CHANGES.** See the **CHANGES – FIXED-PRICE clause in the Addendum.**

(d) **DISPUTES.** This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR 52.233-1, DISPUTES, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(e) **DEFINITIONS.** The clause at FAR 52.202-1, DEFINITIONS, is incorporated herein by reference.

(f) **EXCUSABLE DELAYS.** The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the control of the Contractor and without its fault or negligence, such as acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

(g) **INVOICE.** The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized) to the address designated in the contract to receive invoices. An invoice must include--

- (1) Name and address of the Contractor;
- (2) Invoice date;
- (3) Contract number, contract line item number, and, if applicable, the order number;
- (4) Description, quantity, unit of measure, unit price, and extended price of the item delivered;
- (5) Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on Government bill of lading;
- (6) Terms of any prompt payment discount offered;
- (7) Name and address of official to whom payment is to be sent; and
- (8) Name, title, and phone number of person to be notified in event of defective invoice.

Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Contractors are encouraged to assign an identification number to each invoice. **Also see the Addendum.**

(h) **PATENT INDEMNITY.** The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

(i) **PAYMENT.** Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Prompt payment discount will be applied to the total amount of each invoice. If the Government makes payment by Electronic Funds Transfer (EFT), see 52.212-5(b) for the appropriate EFT clause. In connection with any discount offered for early payment, time shall be computed from the date the invoice was received. For the purposes of computing the discount earned, payment shall be considered to have been made on the date that appears on the payment check or the date on which an EFT was made.

(j) **RISK OF LOSS.** Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon--

- (1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or
- (2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b. destination.

(k) **TAXES.** The contract price includes all applicable Federal, State, and local taxes and duties. **Also see the Addendum.**

(l) **TERMINATION FOR THE GOVERNMENT'S CONVENIENCE.** The Government reserves the right to terminate this contract, or any part thereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms and conditions of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall

not be required to comply with the cost accounting standards or contract cost principles for this purposes. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

(m) **TERMINATION FOR CAUSE.** The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(n) **TITLE.** Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.

(o) **WARRANTY.** The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.

(p) **LIMITATION OF LIABILITY.** Except as otherwise provided by an express warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.

(q) **OTHER COMPLIANCES.** The Contractor shall comply with all applicable Federal, State, and local laws, executive orders, rules, and regulations applicable to its performance under this contract.

(r) **COMPLIANCE WITH LAWS UNIQUE TO GOVERNMENT CONTRACTS.** The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. 327 et seq., Contract Work Hours and Safety Standards Act; 41 U.S.C. 51-58, Anti- Kickback Act of 1986, 41 U.S.C. 265 and 10 U.S.C. 2409 relating to whistle blower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. 423 relating to procurement integrity.

(s) **ORDER OF PRECEDENCE.** Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order:

- (1) The schedule of supplies/services;
- (2) The Assignments; Disputes, Payments; Invoices; Other Compliances; and Compliance with Laws Unique to Government Contracts paragraphs of this clause;
- (3) The clause at 52.212-5;
- (4) Addenda to this solicitation or contract, including any license agreements for computer software;
- (5) Solicitation provisions if this is a solicitation;
- (6) Other paragraphs of this clause;
- (7) Standard Form 1449;
- (8) Other documents, exhibits, and attachments; and
- (9) The specification.

(FAR 52.212-4, **tailored**/DESC 52.212-9F45)

**11.04 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS - COMMERCIAL ITEMS (MAY 2002)**

(a) The Contractor shall comply with the following FAR clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

- (1) 52.222-3, Convict Labor (E.O. 11755);
- (2) 52.233-3, Protest After Award (31 U.S.C. 3553).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b), that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items or components:

**[Contracting Officer must check as appropriate.]**

[ X ] 52.203-6, Restrictions on Subcontractor Sales to the Government, with Alternate I (41 U.S.C. 253g and 10 U.S.C. 2402).

[ ] 52.219-3, Notice of Total HUBZone Set-Aside (Jan 1999).

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52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (Jan 1999) (if the offeror elects to waive the preference, it shall so indicate in its offer).

52.219-5, Very Small Business Set-Aside (Pub. L. 103-403, section 304, Small Business Reauthorization and Amendments Act of 1994).  Alt I.  Alt II.

52.219-8, Utilization of Small Business Concerns (15 U.S.C. 637(d)(2) and (3)).

52.219-9, Small Business Subcontracting Plan (15 U.S.C. 637 (d)(4)).

52.219-14, Limitations on Subcontracting (15 U.S.C. 637(a)(14)).

52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).  Alt I.

52.219-25, Small Disadvantaged Business Participation Program - Disadvantaged Status and Reporting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

52.219-26, Small Disadvantaged Business Participation Program - Incentive Subcontracting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

52.222-19, Child Labor – Cooperation with Authorities and Remedies (E.O. 13126).

52.222-21, Prohibition of Segregated Facilities (Feb 1999).

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

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

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

52.222-37, Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (38 U.S.C. 4212).

52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products (42 U.S.C. 6962(c)(3)(A)(ii)).  Alt I (42 U.S.C. 6962(i)(2)(C)).

52.225-1, Buy American Act -- Supplies (41.U.S.C. 10a - 10d).

52.225-3, Buy American Act - North American Free Trade Agreement - Israeli Trade Act (41 U.S.C 10a - 10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note).  Alt I.  Alt II.

52.225-5, Trade Agreements (19 U.S.C 2501, et seq., 19 U.S.C. 3301 note).

52.225-13, Restriction on Certain Foreign Purchases (E.O.'s 12722, 12724, 13059, 13067; 13121, and 13129).

52.225-15, Sanctioned European Union Country End Products (E.O. 12849).

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52.225-16, Sanctioned European Union Country Services (E.O. 12849).

52.232-33, Payment by Electronic Funds Transfer -- Central Contractor Registration (31 U.S.C. 3332).

52.232-34, Payment by Electronic Funds Transfer -- Other than Central Contractor Registration (31 U.S.C. 3332).

52.232-36, Payment by Third Party (31 U.S.C. 3332).

52.239-1, Privacy or Security Safeguards (5 U.S.C. 552a).

52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241).  Alt I.

(c) The Contractor shall comply with FAR clauses in this paragraph (c), applicable to commercial services, which the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

**[Contracting Officer must check as appropriate.]**

52.222-41, Service Contract Act of 1965, as amended (41 U.S.C. 351, et seq.).

**Subcontracts for certain commercial services may be exempt from coverage if they meet the criteria in FAR 22.1103-4(c) or (d) (see DoD Class Deviation number 2000-O0006).**

52.222-42, Statement of Equivalent Rates for Federal Hires (29 U.S.C. 206 and 41 U.S.C. 351 et seq.).

52.222-43, Fair Labor Standards Act and Service Contract Act - Price Adjustment (Multiple Year and Option Contracts) (29 U.S.C. 206 and 41 U.S.C. 351 et seq.).

52.222-44, Fair Labor Standards Act and Service Contract Act - Price Adjustment (29 U.S.C. 206 and 41 U.S.C. 351 et seq.).

52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement (CBA) (41 U.S.C. 351 et seq.).

(d) **COMPTROLLER GENERAL EXAMINATION OF RECORD.** The Contractor shall comply with the provisions of this paragraph (d) 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.

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(e) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) and (d) of this clause, the Contractor is not required to include any FAR clause, other than those listed below (and as may be required by any addenda to this paragraph to establish the reasonableness of prices under Part 15), in a subcontract for commercial items or commercial components:

- (1) 52.222-26, Equal Opportunity (E.O. 11246);
- (2) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans, (38 U.S.C. 4212);
- (3) 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793).
- (4) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontracts awarded beginning May 1, 1996); and
- (5) 52.222-41, Service Contract Act of 1965, As Amended (41 U.S.C. 351, et. seq.).  
(FAR 52.212-5)

**11.05 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO DEFENSE ACQUISITIONS OF COMMERCIAL ITEMS (NOV 2001)**

*(a) The Contractor agrees to comply with the following Federal Acquisition Regulation (FAR) clause which, if checked, is included in this contract by reference to implement a provision of law applicable to acquisitions of commercial items or components.*

52.203-3 Gratuities (APR 1984) (10 U.S.C. 2207)

(b) The Contractor agrees to comply with any clause that is checked on the following list of Defense FAR Supplement clauses which, if checked, is included in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components.

252.205-7000 Provision of Information to Cooperative Agreement Holders (DEC 1991) (10 U.S.C. 2416).

252.206-7000 Domestic Source Restriction (DEC 1991) (10 U.S.C. 2304).

252.219-7003 Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan (DoD Contracts) (APR 1996) (15 U.S.C. 637).

252.219-7004 Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan (Test Program) (JUN 1997) (15 U.S.C. 637 note).

10d,  252.225-7001 Buy American Act and Balance of Payments Program (MAR 1998) (41 U.S.C. 10a-E.O. 10582).

2001)  252.225-7007 Buy American Act -Trade Agreements Act - Balance of Payments Program (SEP (41 U.S.C. 10a-10d, 19 U.S.C. 2501-2518, and 19 U.S.C. 3301 note).

252.225-7012 Preference for Certain Domestic Commodities (AUG 2000) (10 U.S.C. 2241 note).

252.225-7014 Preference for Domestic Specialty Metals (MAR 1998) (10 U.S.C. 2241 note).

note).  252.225-7015 Preference for Domestic Hand or Measuring Tools (DEC 1991) (10 U.S.C. 2241

252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (DEC 2000); ([  Alternate I (DEC 2000)) (Section 8064 of Pub. L. 106-259).

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- [ X ] 252.225-7021 Trade Agreements (SEP 2001) (19 U.S.C. 2501-2518 and 19 U.S.C. 3301 note).
- 2779). [ ] 252.225-7027 Restriction on Contingent Fees for Foreign Military Sales (MAR 1998) (22 U.S.C.
- 2755). [ ] 252.225-7028 Exclusionary Policies and Practices of Foreign Governments (DEC 1991) (22 U.S.C.
- [ ] 252.225-7029 Preference for United States or Canadian Air Circuit Breakers (AUG 1998) (10 U.S.C. 2534(a)93).
- Balance [ X ] 252.225-7036 Buy American Act - North American Free Trade Agreement Implementation Act -  
and of Payments Program (MAR 1998); ([ ] Alternate I (SEP 1999)) (41 U.S.C. 10a-10d  
19 U.S.C. 3301 note).
- [ ] 252.227-7015 Technical Data-- Commercial Items (NOV 1995) (10 U.S.C. 2320).
- [ ] 252.227-7037 Validation of Restrictive Markings on Technical Data (SEP 1999) (10 U.S.C. 2321).
- [ X ] 252.243-7002 Requests for Equitable Adjustment (MAR 1998) (10 U.S.C. 2410).
- [ ] 252.247-7023 Transportation of Supplies by Sea (MAR 2000); ([ ] Alternate I (MAR 2000));  
([ \_ ] Alternate II (MAR 2000)) (10 U.S.C. 2631).
- [ ] 252.247-7024 Notification of Transportation of Supplies by Sea (MAR 2000) (10 U.S.C. 2631).

(c) In addition to the clauses listed in paragraph (e) of the CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS -- COMMERCIAL ITEMS clause of this contract (FAR 52.212-5), the Contractor shall include the terms of the following clauses, if applicable, in subcontracts for commercial items or commercial components, awarded at any tier under this contract:

- [ ] 252.225-7014 Preference for Domestic Specialty Metals, Alternate I (MAR 1998) (10 U.S.C. 2241  
note).
- [ ] 252.247-7023 Transportation of Supplies by Sea (MAR 2000) (10 U.S.C. 2631).
- [ ] 252.247-7024 Notification of Transportation of Supplies by Sea (MAR 2000) (10 U.S.C. 2631).

(DFARS 252.212-7001)

**K1.01-10 OFFEROR REPRESENTATIONS AND CERTIFICATIONS - COMMERCIAL ITEMS (ALTS I/III)  
(APR 2001/OCT 2000/OCT 2000)**

(a) **DEFINITIONS.** As used in this provision--

(1) **Emerging small business** means a small business concern whose size is no greater than 50 percent of the numerical size standard for the standard industrial classification code designated.

(2) **Forced or indentured child labor means** all work or service—

(i) Exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or

*(ii) Performed by any person under the age of 18 pursuant to a contract, the enforcement of which can be accomplished by process of penalties.*

**(3) Service-disabled veteran-owned small business concern—**

(i) Means a small business concern—

*(A) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and*

*(B) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.*

*(ii) Service disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).*

(4) **Small business concern** means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and size standards in this solicitation.

**(5) Veteran-owned small business concern means a small business concern—**

*(i) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and*

*(ii) The management and daily business operations of which are controlled by one or more veterans.*

(6) **Women-owned business concern** means a concern that is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

**(7) Women-owned small business concern** means a small business concern--

(i) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(ii) Whose management and daily business operations are controlled by one or more women.

**(b) TAXPAYER IDENTIFICATION NUMBER (TIN) (26 U.S.C. 6109, 31 U.S.C. 7701). (Not applicable if the offeror is required to provide this information to a central contractor registration database to be eligible for award.)**

(1) All offerors must submit the information required in paragraphs (b)(3) through (b)(5) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the Internal Revenue Service (IRS).

*(2) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.*

**(3) TAXPAYER IDENTIFICATION NUMBER (TIN).**

TIN: \_\_\_\_\_

TIN has been applied for.

TIN is not required because:

Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the U.S. and does not have an office or place of business or a fiscal paying agent in the U.S.

Offeror is an agency or instrumentality of a foreign government;

Offeror is an agency or instrumentality of a Federal, state, or local government;

Other. State basis. \_\_\_\_\_

**(4) TYPE OF ORGANIZATION.**

Sole proprietorship;

Partnership;

- Corporate entity (not tax-exempt);
- Corporate entity (tax-exempt);
- Government entity (Federal, State, or local);
- Foreign government;
- International organization per 26 CFR 1.6049-4;
- Other: \_\_\_\_\_.

**(5) COMMON PARENT.**

- Offeror is not owned or controlled by a common parent.
- Name and TIN of common parent:  
Name \_\_\_\_\_  
  
TIN \_\_\_\_\_

(c) Offerors must complete the following representations when the resulting contract is to be performed inside the United States, its territories or possessions, Puerto Rico, the Trust Territory of the Pacific Islands, or the District of Columbia. Check all that apply.

**(1) SMALL BUSINESS CONCERN.** The offeror represents as part of its offer that it--

- is
- is not

a small business concern.

**(2) VETERAN-OWNED SMALL BUSINESS CONCERN. (Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.)** The offeror represents as part of its offer that it—

- is
- is not

a veteran-owned small business concern.

**(3) SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS CONCERN. (Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (c)(2) of this provision.)** The offeror represents as part of its offer that it—

- is
- is not

*a service-disabled veteran-owned small business concern.*

**(4) SMALL DISADVANTAGED BUSINESS CONCERN. (Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.)** The offeror represents, for general statistical purposes, that it--

- is
- is not

*a small disadvantaged business concern as defined in 13 CFR 124.1002.*

**(5) WOMEN-OWNED SMALL BUSINESS CONCERN. (Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.)** The offeror represents that it--

is  
 is not

*a women-owned small business concern.*

**NOTE: Complete paragraphs (c)(6) and (c)(7) only if this solicitation is expected to exceed the simplified acquisition threshold.**

**(6) WOMEN-OWNED BUSINESS CONCERN (OTHER THAN SMALL BUSINESS CONCERN).** (Complete only if the offeror is a women-owned business concern and did not represent itself as a small business concern in paragraph (c)(1) of this provision.) The offeror represents that it -

is

a women owned business concern.

**(7) TIE BID PRIORITY FOR LABOR SURPLUS AREA CONCERNS.** If this is an invitation for bid, small business offerors may identify the labor surplus areas in which costs to be incurred on account of manufacturing or production (by offeror or first-tier subcontractors) amount to more than 50 percent of the contract price.

**(8) SMALL BUSINESS SIZE FOR THE SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM AND FOR THE TARGETED INDUSTRY CATEGORIES UNDER THE SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM.** (Complete only if the offeror has represented itself to be a small business concern under the size standards for this solicitation.)

**(i) (Complete only for solicitations indicated in an addendum as being set-aside for emerging small businesses in one of the four designated industry groups (DIGs)).** The offeror represents as part of its offer that it--

is  
 is not

an emerging small business.

**(ii) (Complete only for solicitations indicated in an addendum as being for one of the targeted industry categories (TICs) or four designated industry groups (DIGs)).** The offeror represents as follows:

(A) The offeror's number of employees for the past 12 months (check the Employees column if size standard stated in the solicitation is expressed in terms of number of employees); or

(B) The offeror's average annual gross revenue for the last 3 fiscal years (check the Average Annual Gross Number of Revenues column if size standard stated in the solicitation is expressed in terms of annual receipts).

(Check one of the following:)

<u>NUMBER of EMPLOYEES</u>	<u>AVERAGE ANNUAL GROSS REVENUES</u>
<input type="checkbox"/> 50 or fewer	<input type="checkbox"/> \$1 million or less
<input type="checkbox"/> 51 - 100	<input type="checkbox"/> \$1,000,001 - \$2 million
<input type="checkbox"/> 101 - 250	<input type="checkbox"/> \$2,000,001 - \$3.5 million
<input type="checkbox"/> 251 - 500	<input type="checkbox"/> \$3,500,001 - \$5 million
<input type="checkbox"/> 501 - 750	<input type="checkbox"/> \$5,000,001 - \$10 million

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751 - 1,000  
 Over 1,000

\$10,000,001 - \$17 million  
 Over \$17 million

**(9) (Complete only if the solicitation contains the clause at FAR 52.219-23, NOTICE OF PRICE EVALUATION ADJUSTMENT FOR SMALL DISADVANTAGED BUSINESS CONCERNS, or FAR 52.219-25, SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM - DISADVANTAGED STATUS AND REPORTING, and the offeror desires a benefit based on its disadvantaged status.)**

(i) **GENERAL.** The offeror represents that either--

(A) It--

is  
 is not

certified by the Small Business Administration as a small disadvantaged business concern and identified, on the date of this representation, as a certified small disadvantaged business concern in the database maintained by the Small Business Administration (PRO-Net), and that no material change in disadvantaged ownership and control has occurred since its certification, and, where the concern is owned by one or more individuals claiming disadvantaged status, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); or

(B) It--

has  
 has not

submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

(ii) **JOINT VENTURE UNDER THE PRICE EVALUATION ADJUSTMENT FOR SMALL DISADVANTAGED BUSINESS CONCERNS.** The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements in 13 CFR 124.1002(f) and that the representation in paragraph (c)(7)(i) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture:

\_\_\_\_\_.

**(10) (Complete if the offeror represented itself as disadvantaged in paragraph (c)(2) or (c)(9) of this provision.)** The offeror shall check the category in which its ownership falls:

- Black American
- Hispanic American
- Native American (American Indians, Eskimos, Aleuts, or Native Hawaiians).
- Asian-Pacific American (persons with origin from Burma, Thailand, Malaysia, Indonesia,

Singapore,

Brunei, Japan, China, Taiwan, Laos, Cambodia (Kampuchea), Vietnam, Korea, The Philippines, U.S. Trust Territory of the Pacific Islands (Republic of Palau), Republic of the Marshall Islands, Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, Guam,

Samoa,

Macao, Hong Kong, Fiji, Tonga, Kiribati, Tuvalu, or Nauru).

Subcontinent Asian (Asian-Indian) American (persons with origins from India, Pakistan, Bangladesh, *Sri Lanka, Bhutan, the Maldives Islands, or Nepal*).

*Individual/concern, other than one of the preceding.*

**(11) HUBZONE SMALL BUSINESS CONCERN. (Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.)** The offeror represents as part of its offer that--

(i) It--

is  
 is not

a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns Maintained by the Small Business Administration, and no material change in ownership and control, principal place of ownership, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR Part 126; and

(ii) It--

is  
 is not

a joint venture that complies with the requirements of 13 CFR Part 126, and the representation in paragraph (c)(11)(i) of this provision is accurate for the HUBZone small business concern or concerns that are participating on the joint venture. (The offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture: \_\_\_\_\_.)

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**Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.**

**(d) CERTIFICATIONS AND REPRESENTATIONS REQUIRED TO IMPLEMENT PROVISIONS OF EXECUTIVE ORDER 11246.**

**(1) PREVIOUS CONTRACTS AND COMPLIANCE.** The offeror represents that--

(i) It--

has

[ ] has not participated in a previous contract or subcontract subject to the EQUAL OPPORTUNITY clause of this solicitation; and

(ii) It--

[ ] has  
[ ] has not

filed all required compliance reports.

(2) **AFFIRMATIVE ACTION COMPLIANCE.** The offeror represents that--

(i) It--

[ ] has developed and has on file  
[ ] has not developed and does not have on file

at each establishment, affirmative action programs required by rules and regulations of the Secretary of Labor (41 CFR Subparts 60-1 and 60-2), or

(ii) It--

[ ] has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

(e) **CERTIFICATION REGARDING PAYMENTS TO INFLUENCE FEDERAL TRANSACTIONS (31 U.S.C. 1352).** (Applies only if the contract is expected to exceed \$100,000). By submission of its offer, the offeror certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress on his or her behalf in connection with the award of any resultant contract.

(f) **BUY AMERICAN ACT - TRADE AGREEMENTS - BALANCE OF PAYMENTS PROGRAM CERTIFICATE (DFARS 252.225-7006).** (Applies only if DFARS clause 252.225-7007, TRADE AGREEMENTS ACT, is incorporated by reference in this solicitation.)

(1) The offeror certifies that--

(i) Each end product, except the end products listed in subparagraph (2) below, is a domestic end product (as defined in the BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM clause of this solicitation); and

(ii) Components of unknown origin are considered to have been mined, produced, or manufactured outside the United States or a qualifying country.

(2) The offeror must identify and certify all end products that are not domestic end products.

(i) The offeror certifies that the following supplies qualify as "U.S.-made end products" but do not meet the definition of "**domestic end product**":

\_\_\_\_\_  
(Insert line item no.)

(ii) The offeror certifies that the following supplies are qualifying country end products:

\_\_\_\_\_  
(Insert line item no.)

\_\_\_\_\_  
(Insert country of origin)

(iii) The offeror certifies that the following supplies are qualify as designated country end products:

\_\_\_\_\_  
(Insert line item no.)

\_\_\_\_\_  
(Insert country of origin)

(iv) The offeror certifies that the following supplies qualify as Caribbean Basin country end products:

\_\_\_\_\_  
(Insert line item no.)

\_\_\_\_\_  
(Insert country of origin)

(v) The offeror certifies that the following supplies qualify as NAFTA country end products:

\_\_\_\_\_  
(Insert line item no.)

\_\_\_\_\_  
(Insert country of origin)

(vi) The offeror certifies that the following supplies are other nondesignated country end products:

\_\_\_\_\_  
(Insert line item no.)

\_\_\_\_\_  
(Insert country of origin)

**(LIST AS NECESSARY)**

(3) Offers will be evaluated by giving preference to U.S.-made end products, qualifying country end products, designated country end products, NAFTA country end products, and Caribbean Basin country end products over other end products.

**(g) BUY AMERICAN ACT - NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA) IMPLEMENTATION ACT - BALANCE OF PAYMENTS PROGRAM CERTIFICATE (DFARS 252.225-7035). (Applies only if DFARS clause 252.225-7036, NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA) IMPLEMENTATION ACT, clause is incorporated by reference in this solicitation.)**

(1) The offeror certifies that--

- (i) Each end product, except the end products listed in subparagraph (2) below, is a domestic end product (as defined in the BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM clause of this solicitation); and
- (ii) Components of unknown origin are considered to have been mined, produced, or manufactured outside the United States or a qualifying country.

(2) The offeror must identify and certify all end products that are not domestic end products.

(i) The offeror certifies that the following supplies qualify as "U.S.-made end products," but do not meet the definition of "**domestic end products**":

\_\_\_\_\_  
(Insert line item number)

(ii) The offeror certifies that the following supplies are qualifying country (except Canada) end products:

\_\_\_\_\_  
(Insert line item number)

\_\_\_\_\_  
(Insert country of origin)

(iii) The offeror certifies that the following supplies qualify as NAFTA country end products:

\_\_\_\_\_  
(Insert line item number)

\_\_\_\_\_  
(Insert country of origin)

(iv) The offeror certifies that the following supplies are other foreign end products:

\_\_\_\_\_  
(Insert line item number)

\_\_\_\_\_  
(Insert country of origin)

**(LIST AS NECESSARY)**

(3) Offers will be evaluated by giving preference to U.S.-made end products, qualifying country end products, or NAFTA country end products over other end products.

**(h) CERTIFICATION REGARDING DEBARMENT, SUSPENSION OR INELIGIBILITY FOR AWARD (EXECUTIVE ORDER 12549).**

The offeror certifies, to the best of its knowledge and belief, that--

(1) The offeror and/or any of its principals

- are
- are not

presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency, and

(2)  have or  
 have not,

within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

- are or
- are not

presently indicted for, or otherwise criminally or civilly charged by a government entity with, commission of any of these offenses.

**(i) CERTIFICATION REGARDING KNOWLEDGE OF CHILD LABOR FOR LISTED END PRODUCTS (EXECUTIVE ORDER 13126). [The Contracting Officer must list in paragraph (i)(1) any end products being acquired under this solicitation that are included in the List of Products Requiring Contractor Certification as to Forced or Indentured Child Labor, unless excluded at 22.1503(b).]**

(1) List End Product.

\_\_\_\_\_  
*(Insert end product)*

\_\_\_\_\_  
*(Insert country of origin)*

\_\_\_\_\_  
*(Insert end product)*

\_\_\_\_\_  
*(Insert country of origin)*

\_\_\_\_\_  
*(Insert end product)*

\_\_\_\_\_  
*(Insert country of origin)*

\_\_\_\_\_  
(Insert end product)

\_\_\_\_\_  
(Insert country of origin)

\_\_\_\_\_  
(Insert end product)

\_\_\_\_\_  
(Insert country of origin)

(2) **CERTIFICATION.** [If the Contracting Officer has identified end products and countries of origin in paragraph (i)(1) of this provision, then the offeror must certify to either (i)(2)(i) or (i)(2)(ii) by checking the appropriate block.]

(i) [ ] The offeror will not supply an end product listed in paragraph (i)(1) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product.

(ii) [ ] The offeror may supply an end product listed in paragraph (i)(1) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product. The offeror certifies that is had made a good faith effort to determine whether forced or indentured child labor was used to mine, produce, or manufacture any such end product furnished under this contract. On the basis of those efforts, the offeror certifies that it is not aware of any such use of child labor.

(FAR 52.212-3/Alts I/III)

**K1.05 OFFEROR REPRESENTATIONS AND CERTIFICATIONS - COMMERCIAL ITEMS (NOV 1995)**

(a) **DEFINITIONS.** As used in this clause--

(1) **Foreign person** means any person other than a United States person as defined in Section 16(2) of the Export Administration Act of 1979 (50 U.S.C. App. Sec 2415).

(2) **United States person** is defined in Section 16(2) of the Export Administration Act of 1979 and means any United States resident or national (other than an individual resident outside the United States and employed by other than a United States person), any domestic concern (including any permanent domestic establishment of any foreign concern), and any foreign subsidiary or affiliate (including any permanent foreign establishment) of any domestic concern that is controlled in fact by such domestic concern, as determined under regulations of the President.

(b) **CERTIFICATION.** By submitting this offer, the offeror, if a foreign person, company, or entity, certifies that it--

(1) Does not comply with the Secondary Arab Boycott of Israel; and

(2) *Is not taking or knowingly agreeing to take any action, with respect to the Secondary Boycott of Israel by Arab countries, which 50 U.S.C. App. Sec 2407(a) prohibits a United States person from taking.*

(DFARS 252.212-7000, tailored)

**K5 USE OF ELECTRONIC DATA INTERCHANGE (DESC MAY 1994)**

(a) **DEFINITIONS.**

(1) **Electronic Data Interchange (EDI)** means the computer-to-computer exchange of business documents between trading partners using a public standard format.

(2) **American National Standards Institute (ANSI)** means the agency that formulates the guidelines for the standards used in EDI transactions. X12 is the ANSI subcommittee responsible for the development and maintenance of guidelines for use in exchanging standard business transactions electronically.

(3) **Trading partner** means any business customer engaging in an EDI program.

(4) **Trading Partner Agreement (TPA)** means the legal document wherein the trading partners agree to the electronic exchange of documents.

(5) **Value Added Network (VAN)** means the electronic mailbox through which EDI partners exchange business transactions.

(b) The Defense Energy Support Center (DESC) may utilize EDI for certain documents in contracts awarded under this solicitation. DESC has implemented a system using the (ANSI) X12 standards, as applicable, for EDI. When EDI procedures are to be used, DESC and the Contractor will enter into a TPA.

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- (c) [ ] A check in this block indicates that the Contractor has already entered into a TPA with DESC.  
(d) Upon submission of the following data, DESC will forward a TPA to the Contractor for execution:

(1) Company Name: \_\_\_\_\_

(2) Point of Contact for EDI: \_\_\_\_\_

(3) POC's Telephone Number: \_\_\_\_\_

(4) POC's Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(5) VAN Service Provider(s): \_\_\_\_\_

(6) Provide information for the following fields:

ISA07      Company Qualifier      \_\_\_\_\_

ISA08      Company Value      \_\_\_\_\_

GS03      Company Value      \_\_\_\_\_

(7) Please identify:

Element Separator: \_\_\_\_\_

Subelement Separator: \_\_\_\_\_

Segment Terminator: \_\_\_\_\_

(e) By execution of the TPA, the Contractor agrees to be bound by the terms and conditions of the agreement governing any transactions with the Government through EDI, in addition to the terms and conditions of the contract. TPAs will be contract independent. Only one will be signed between the Contractor and DESC. As contracts are awarded, the TPA will be incorporated into the specific contracts upon the mutual agreement of the Contractor and DESC.

(f) When a TPA is executed--

(1) The TPA shall identify, among other things, the VAN(s) through which electronic transmissions are made, the Transaction Sets available, security procedures, and guidelines for implementation.

(2) The Contractor shall be responsible for providing its own computer hardware, computer software, and VAN connections necessary to transmit and receive data electronically under the framework of the TPA.

(3) Transaction Sets will be unique to each contract and will be incorporated into contracts as agreed to by the parties.

(4) Nothing in the TPA will invalidate any part of the contract between the Contractor and DESC.

(5) All terms and conditions that would otherwise be applicable to a paper document shall apply to the electronic document.

(DESC 52.232-9F30)

**K33.01 AUTHORIZED NEGOTIATORS (DESC JAN 1998)**

The first page of the offer must show names, titles, and telephone and facsimile numbers (and electronic addresses if available) of persons authorized to negotiate with the Government on the offeror's behalf in connection with this solicitation. The offeror or quoter represents that the following persons are authorized to negotiate on its behalf with the Government in connection with this request for proposals or quotations.

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(DESC 52.215-9F28)

**THIS CLAUSE APPLIES ONLY TO DESC-FUNDED ITEMS.**

**K45.03 FACSIMILE INVOICING (BUNKERS) (DESC AUG 1996)**

(a) Submission of invoices by facsimile (FAX) is authorized when the offeror will utilize this method of invoicing at all times. This method shall apply to all ships' bunker payment offices that may receive invoices via facsimile and when other electronic transmission means are not utilized.

(b) Offeror shall indicate whether or not he intends to submit invoices via FAX:

YES                       NO

(c) See the SUBMISSION OF INVOICES FOR PAYMENT clause for FAX invoicing procedures.

(DESC 52.232-9F15)

**K85 DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY (MAR 1998)**

(a) **DEFINITIONS.** As used in this provision--

(1) **Government of a terrorist country** includes the state and the government of a terrorist country, as well as any political subdivision, agency, or instrumentality thereof.

(2) **Terrorist country** means a country determined by the Secretary of State, under Section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(i)(A)), to be a country the government of which has repeatedly provided support for acts of international terrorism. As of the date of this provision, terrorist countries include Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria.

(3) **Significant interest**, as used in this provision means--

(i) Ownership of or beneficial interest in 5 percent or more of the firm's or subsidiary's securities. Beneficial interest includes holding 5 percent or more of any class of the firm's securities in "nominee shares," "street names," or some other method of holding securities that does not disclose the beneficial owner;

(ii) Holding a management position in the firm, such as director or officer;

(iii) Ability to control or influence the election, appointment, or tenure of directors or officers in the firm;

(iv) Ownership of 10 percent or more of the assets of a firm such as equipment, buildings, real estate, or other tangible assets of the firm; or

(v) Holding 50 percent or more of the indebtedness of a firm.

(b) **PROHIBITION ON AWARD.** In accordance with 10 U.S.C. 2327, no contract may be awarded to a firm or subsidiary of a firm if the government of a terrorist country has a significant interest in the firm or subsidiary or, in the case of a subsidiary, the firm that owns the subsidiary, unless a waiver is granted by the Secretary of Defense.

(c) **DISCLOSURE.**

If the government of a terrorist country has a significant interest in the offeror or a subsidiary of the offeror, the offeror shall disclose such interest in an attachment to its offer. If the offeror is a subsidiary, it shall also disclose any significant interest each government has in any firm that owns or controls the subsidiary. The disclosure shall include--

(1) Identification of each government holding a significant interest; and

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(2) A description of the significant interest held by each Government.

(DFARS 252.209-7001)

**K86 FOREIGN TAXES (DESC JUN 1987)**

As stated in the TAXES - FOREIGN FIXED-PRICE CONTRACTS clause, unless the contract provides otherwise, the contract price must include all applicable taxes and duties. In accordance with the TAXES - FOREIGN FIXED-PRICE CONTRACTS clause, the offeror shall list below, in paragraph (a), the specific name and amount of the foreign taxes included in the price. If, when permitted by the contract, foreign taxes are not included in the offered price but are expected to be invoiced separately, the offeror shall list the specific name and amount of these taxes in paragraph (b) below.

(a) Foreign taxes included in the contract price are as follows:

NAME OF TAX

AMOUNT

(b) Foreign taxes invoiced separately are as follows:

NAME OF TAX

AMOUNT

(DESC 52.229-9F10)

**L2.05-4 INSTRUCTIONS TO OFFERORS - COMMERCIAL ITEMS (BUNKERS) (DESC SEP 2000)**

(a) **NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS) CODE AND SMALL BUSINESS SIZE STANDARD.** The NAICS code and small business size standard for this acquisition appear in Block 10 of the solicitation cover sheet (SF 1449). However, the small business size standard for a concern that submits an offer in its own unique name, but proposes to furnish an item it did not manufacture, is 500 employees.

(b) **MASTER SOLICITATION.**

(1) This solicitation is  a master solicitation for the **Ships' Bunkers Overseas 1.3 B** Purchase Program. If this is a master solicitation, it will contain the terms and conditions for this solicitation and for future supplemental solicitations in the program year. Each supplemental solicitation will incorporate by reference the same terms and

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conditions as this master solicitation, except as specifically stated in that supplemental solicitation. The identical terms and conditions will not be repeated. (Therefore, if this is a master solicitation, it should be retained for the duration of the program.) However, each supplemental solicitation will be considered a separate and individual solicitation.

(2) The initial opening/closing date for the solicitation is April 25, 2003. Subsequent closings for future requirements will be on an as-required basis starting with the first supplemental solicitation and thereafter until the end of the program ordering period as stated in the solicitation.

(c) **SUBMISSION OF OFFERS.** Submit signed and dated offers to the office specified in this solicitation at or before the exact time specified in this solicitation. Offers may be submitted on the SF 1449, letterhead stationery, or as otherwise specified in the solicitation. As a minimum, offers must show--

- (1) The solicitation number;
- (2) The time specified in the solicitation for receipt of offers;
- (3) The name, address, and telephone number of the offeror;
- (4) A technical description of the items being offered in sufficient detail to evaluate compliance with the requirements in the solicitation. This may include product literature, or other documents, if necessary;
- (5) Terms of any express warranty;
- (6) Price and any discount terms;
- (7) "Remit to" address, if different from mailing address;
- (8) A completed copy of the representations and certifications at FAR 52.212-3;
- (9) Acknowledgment of solicitation amendments;
- (10) Past performance information, when included as an evaluation factor, to include recent and relevant contracts for the same or similar items and other references (including contract numbers, points of contact with telephone numbers and other relevant information); and
- (11) If the offer is not submitted on the SF 1449, include a statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation. Offers that fail to furnish required representations or information, or reject the terms and conditions of the solicitation may be excluded from consideration.

(12) Proposals submitted in response to this solicitation shall be in English and in U.S. dollars, unless otherwise permitted by the solicitation.

(d) **FACSIMILE PROPOSALS (FAR 52.215-5).** Incorporated by reference.

(e) **PROPOSAL ACCEPTANCE PERIOD.**

(1) **Acceptance period**, as used in this provision, means the number of calendar days available to the Government for awarding a contract from the date specified in this solicitation for receipt of proposals.

(2) This provision supersedes any language pertaining to the acceptance period that may appear elsewhere in this solicitation.

(3) The Government requires a minimum acceptance period of 150 calendar days.

(4) If the offeror specifies an acceptance period which is less than that required by the Government, such offer may be rejected.

(5) The offeror agrees to execute all that it has undertaken to do, in compliance with its offer, if such offer is acceptable to the Government and is accepted within the acceptance period stated in paragraph (3) above or within any extension thereof which has been agreed to by the offeror.

(f) **TYPE OF CONTRACT.** The Government contemplates award of a fixed price with economic price adjustment, requirements-type contract resulting from this solicitation.

(g) **EVIDENCE OF RESPONSIBILITY.** The Contracting Officer may require evidence of supply commitment in the form of either a signed copy of a contract between the offeror and its supplier for each location or a contingency letter from the offeror's intended supplier. Preaward surveys may be performed at the Government's expense to verify these provisions (see FAR 9.106). All offerors will be subject to the criteria set forth in FAR 9.104. Failure to comply with any of the above provisions may result in a determination of nonresponsibility by the Contracting Officer.

(h) **PRODUCT SAMPLES.** When required by the solicitation, product samples shall be submitted at or prior to the time specified for receipt of offers. Unless otherwise specified in this solicitation, these samples shall be submitted at no expense to the Government, and returned at the sender's request and expense, unless they are destroyed during preaward testing.

(i) **MULTIPLE OFFERS.** Offerors are encouraged to submit multiple offers presenting alternative terms and conditions or commercial items for satisfying the requirements of this solicitation. Each offer submitted will be evaluated separately.

**(j) LATE SUBMISSIONS, MODIFICATIONS, REVISIONS, AND WITHDRAWALS OF OFFERS.**

(1) Offerors are responsible for submitting offers, and any modifications, revisions, or withdrawals, so as to reach the Government office designated in the solicitation by the time specified in the solicitation. If no time is specified in the solicitation, the time for receipt is 4:30 p.m., local time, for the designated Government office on the date that offers or revisions are due.

(2) (i) Any offer, modification, revision, or withdrawal of an offer received at the Government office designated in the solicitation after the exact time specified for receipt of offers is "**late**" and will not be considered unless it is received before award is made, the Contracting Officer determines that accepting the late offer would not unduly delay the acquisition; and--

(A) If it was transmitted through an electronic commerce method authorized by the solicitation, it was received at the initial point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of offers; or

(B) There is acceptable evidence to establish that it was received at the Government installation designated for receipt of offers and was under the Government's control prior to the time set for receipt of offers; or

(C) If this solicitation is a request for proposals, it was the only proposal received.

(ii) However, a late modification of an otherwise successful offer, that makes its terms more favorable to the Government, will be considered at any time it is received and may be accepted.

(3) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the offer wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.

(4) If an emergency or unanticipated event interrupts normal Government processes so that offers cannot be received at the Government office designated for receipt of offers by the exact time specified in the solicitation, and urgent Government requirements preclude amendment of the solicitation or other notice of an extension of the closing date, the time specified for receipt of offers will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal Government processes resume.

(5) Offers may be withdrawn by written notice received at any time before the exact time set for receipt of offers. Oral offers in response to oral solicitations may be withdrawn orally. If the solicitation authorizes facsimile offers, offers may be withdrawn via facsimile at any time before the exact time set for receipt of offers, subject to the conditions specified in the solicitation concerning facsimile offers. An offer may be withdrawn in person by an offeror or its authorized representative if, before the exact time set for receipt of offers, the identity of the person requesting withdrawal is established and the person signs a receipt for the offer.

**(k) CONTRACT AWARD.**

(1) The Government intends to award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation.

(2) The Government may reject any or all proposals if such action is in the Government's interest.

(3) The Government may waive informalities and minor irregularities in proposals received.

(4) The Government intends to evaluate proposals and award a contract without discussions with offerors (except clarifications as described in FAR 15.306(a)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.

(l) **MULTIPLE AWARDS.** The Government may accept any item or group of items of an offer, unless the offeror qualifies the offer by specific limitations. Unless otherwise provided in the Schedule, offers may not be submitted for quantities less than those specified. The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit prices offered, unless the offeror specifies otherwise in the offer.

**(m) AVAILABILITY OF REQUIREMENTS DOCUMENTS CITED IN THE SOLICITATION.**

(1) (i) The GSA Index of Federal Specifications, Standards, and Commercial Item Descriptions, FPMR Part 101-29, and copies of specifications, standards, and commercial item descriptions cited in this solicitation may be obtained either through the Defense Standardization Program Internet website at <http://www.dsp.dla.mil> or by submitting a request to--

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GSA FEDERAL SUPPLY SERVICE SPECIFICATIONS SECTION  
470 EAST L'ENFANT PLAZA SW SUITE 8100  
WASHINGTON DC 20407  
TELEPHONE: (202) 619-8925  
FAX: (202) 619-8978

(ii) If the General Services Administration, Department of Agriculture, or Department of Veterans Affairs issued this solicitation, a single copy of specifications, standards, and commercial item descriptions cited in this solicitation may be obtained free of charge by submitting a request to the address in (i) above. Additional copies will be issued for a fee.

(2) The DoD Index of Specifications and Standards (DoDISS) and documents listed in it may be obtained from the--

DEPARTMENT OF DEFENSE SINGLE STOCK POINT (DoDSSP)  
BUILDING 4 SECTION D  
700 ROBBINS AVENUE  
PHILADELPHIA PA 19111-5094  
TELEPHONE: (215) 697-2179  
FAX: (215) 697-1462

(i) Automatic distribution may be obtained on a subscription basis.

(ii) Order forms, pricing information, and customer support information may be obtained--

(A) By telephone at (215) 697-2179; or

(B) Through the DoDSSP Internet site at <http://assist.daps.mil>.

(3) Nongovernment (voluntary) standards must be obtained from the organization responsible for their preparation, publication, or maintenance.

(n) **DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER.** (Applies to offers exceeding \$25,000.) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "**DUNS**" followed by the DUNS number that identifies the offeror's name and address. If the offeror does not have a DUNS number, it should contact Dun and Bradstreet to obtain one at no charge. An offeror within the United States may call **1-800-333-0505**. The offeror may obtain more information regarding the DUNS number, including locations of local Dun and Bradstreet Information Services offices for offerors located outside the United States, from the Internet home page at <http://www.customerservice@dnb.com>. If an offeror is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at [globalinfo@mail.dnb.com](mailto:globalinfo@mail.dnb.com).

(FAR 52.212-1, **tailored**/DESC 52.212-9F10)

**L2.10 SUBMISSION OF OFFERS IN THE ENGLISH LANGUAGE (APR 1991)**

Offers submitted in response to this solicitation shall be in the English language. Offers received in other than English shall be rejected.

(FAR 52.214-34)

**L2.10-1 SUBMISSION OF OFFERS IN U.S. CURRENCY (APR 1991)**

Offers submitted in response to this solicitation shall be in terms of U.S. dollars. Offers received in other than U.S. dollars shall be rejected.

(FAR 52.214-35)

**L2.11-3 FACSIMILE PROPOSALS - COMMERCIAL ITEMS (DESC NOV 1999)**

(a) **DEFINITION. Facsimile proposal**, as used in this provision, means a proposal, revision or modification of a proposal, or withdrawal of a proposal that is transmitted to and received by the Government via facsimile machine.

(b) Offerors may submit facsimile proposals as responses to this solicitation. Facsimile proposals are subject to the same rules as paper proposals.

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(c) If any portion of a facsimile proposal received by the Contracting Officer is unreadable to the degree that conformance to the essential requirements of the solicitation cannot be ascertained from the document--

(1) The Contracting Officer shall notify the offeror and permit the offeror to resubmit the proposal;  
(2) The method and time for resubmission shall be prescribed by the Contracting Officer after consultation with the offeror; and

(3) The resubmission shall be considered as if it were received at the date and time of the original unreadable submission for the purpose of determining timeliness, provided the offeror complies with the time and format requirements for resubmission prescribed by the Contracting Officer.

(d) The Government reserves the right to make award solely on the facsimile proposal. However, if requested to do so by the Contracting Officer, the offeror agrees to promptly submit the complete, original, signed proposal, or a hard copy thereof, to be received within 10 days of the opening date. The Government reserves the right to reject any incomplete proposal.

(e) Facsimile receiving data and compatibility characteristics are as follows:

(1) Telephone number of receiving facsimile equipment: (703) 767-8506.  
(2) The Defense Energy Support Center's receiving equipment is a Panafax UF-880 facsimile machine. The receiving speed coincides with the applicable sending machine. Each FAX is required to include the following information on a cover sheet or at the top of the first page:

**TO:** (Name and office code, i.e., Mary Smith, DESC-PH)

**FROM:** (Originator's name, complete company name and address)

**Verification number:** (Originator phone number and FAX number)

**Description:** (Solicitation number)

**Number of pages:**

(f) If the offeror chooses to transmit a facsimile proposal, the Government will not be responsible for any failure attributable to the transmission or receipt of the facsimile bid including, but not limited to, the following:

- (1) Receipt of a garbled or incomplete bid.
- (2) Availability or condition of the receiving facsimile equipment.
- (3) Incompatibility between the sending and receiving equipment.
- (4) Delay in transmission or receipt of bid.
- (5) Failure of the bidder to properly identify the bid.
- (6) Illegibility of bid.
- (7) Security of bid data.

(DESC 52.215-9FA6)

**L5.01-1 AGENCY PROTESTS (SEP 1999) - DLAD**

Companies protesting this procurement may file a protest (1) with the Contracting Officer, (2) with the General Accounting Office, or (3) pursuant to Executive Order No. 12979, with the Agency for a decision by the Activity's Chief of the Contracting Office. Protests filed with the Agency should clearly state that they are an "Agency Level Protest under Executive Order No. 12979." (NOTE: DLA procedures for Agency Level Protests filed under Executive Order No. 12979 allow for a higher level decision on the initial protest than would occur with a protest to the Contracting Officer; this process is not an appellate review of a Contracting Officer's decision on a protest previously filed with the Contracting Officer.) Absent a clear indication of the intent to file an agency level protest, protests will be presumed to be protests to the Contracting Officer.

(DLAD 52.233-9000)

**M19.08 EVALUATION (SHIPS' BUNKERS) (DESC AUG 2001)**

(a) The Government will award a contract to the lowest responsible offeror for a particular line item that can meet the terms and conditions of the solicitation/contract.

(b) **EVALUATION OF OFFERS SUBJECT TO ECONOMIC PRICE ADJUSTMENT.** All offers on an escalated price basis will be subject to all terms and conditions of the applicable ECONOMIC PRICE ADJUSTMENT (EPA) clause. When the Government elects to negotiate the offers, Final Proposal Revisions (FPR) are to be evaluated based on the base reference date designated for use in the EPA clause. If no FPR is submitted, the initial offer will be used as the FPR. For evaluation purposes, the offered unit price(s) will not be updated until after award, regardless of preaward changes in the reference price.

(c) **EVALUATION OF OFFERS WHERE UNCOMMON ESCALATORS ARE USED.** An **uncommon escalator** is defined as an escalation reference that differs from those established by the Government in the EPA clause. Subject uncommon escalator must be based on the same base reference date cited in the solicitation and be an acceptable substitute to the Government.

(1) **FOR EVALUATION PURPOSES ONLY**, an evaluation factor will be applied to the FPR price(s) of those line items for which acceptable uncommon escalators are proposed as a basis for price adjustment. The evaluation formula will establish a commonality among the different supplier postings, Government postings, or reference publications offered in order to ensure that all offerors are evaluated on an equal basis.

(2) **FORMULA.** The evaluated FPR price will be calculated using the following formula:

[Evaluated FPR price] = [FPR price] - [applicable base reference price as offered] + [12-month average of an acceptable reference publication as offered]

(3) Evaluated FPR price is used for evaluation purposes only and shall not be used for price adjustment. The FPR price will be used for price adjustment after a contract is awarded.

(4) In the event the Government awards without discussions, the provisions of (2) and (3) above shall apply to the initial offers.

(d) **OVERTIME AND DETENTION.** The Government will not evaluate overtime and detention charges. However, the Government reserves the right to verify charges that are inconsistent with commercial practices and/or that appear excessive or outside of competitive rates. Further, the Government will not pay more in such rates that exceed the rates the Contractor normally charges its commercial customers.

(e) **DELIVERY MODE AND SPECIFICS.**

(1) Offers received with a different delivery mode or method from that indicated in the solicitation for a particular line item or various items will be considered, provided the offeror clearly indicates, by attachment to the offer, the extent to which its offer differs from the Addendum requirements. If the alternative delivery mode is acceptable to the Government, award will be made to the offeror whose offer represents the best value to the Government, after considering all evaluation factors.

(2) Individual exceptions concerning pumping rates, delivery conveyance capacity, extended order placement, notification of a delivery, and availability of product will be examined on a case-by-case basis but will not be treated as a price determinate factor. If any of the above referenced exceptions are acceptable to the requesting activity, award will be made to the offeror whose offer represents the best value to the Government, after considering all evaluation factors.

(f) **EVALUATION ORDER.**

(1) Offerors are expected to submit offers in full compliance with all terms and conditions of this solicitation. Any exceptions/deviations to the terms and conditions of this solicitation will result in the Government's determination that either-

- (i) The exception/deviation is material enough to warrant rejection of the offer in part or in full; or
- (ii) The exception/deviation is acceptable.

(2) For purposes of price evaluation only, the evaluated price will be determined in the following order: Price, then adjustment for any Uncommon Escalators (if applicable).

(3) All other approved exceptions/deviations will be evaluated as best value to the Government.

(DESC 52.216-9F40)

**M55 CONVERSION FACTORS (DESC APR 1998)**

(a) This provision applies to all products except lubricating oils.

(b) The offeror should use conversion factors that reflect its product characteristics and submit prices and transportation rates in the requested units. In the event prices or transportation rates are not submitted in the requested units, the following conversion factors based on an assumed density for the product will be used by DESC in the evaluation of the offer.

(1) **TABLE I.**

One Imperial Gallon	=	1.20095 U.S. Gallons at the same temperature
One Liter	=	0.264172 U.S. Gallons at the same temperature

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One Cubic Meter (1,000 liters)	=	6.2898 Barrels at the same temperature
One U.S. Barrel	=	42 U.S. Gallons at the same temperature
One Kilometer	=	0.62137 Miles
One Mile	=	1.6093 Kilometers
One Nautical Mile	=	1.15 Statute Miles

**(2) TABLE II.**

<u>PRODUCT</u>  PER	<u>DENSITY TYPICAL</u> <u>@15°C @60°F</u>		<u>BARRELS PER</u>	<u>GALLONS PER</u>	<u>LITERS PER</u>	<u>BARRELS PER</u>	<u>GALLONS</u>
	<u>Kg/m<sup>3</sup></u>	<u>API</u>	<u>METRIC TON</u>	<u>METRIC TON</u>	<u>METRIC TON</u>	<u>LONG TON</u>	<u>LONG TON</u>
<u>AUTOMOTIVE</u>							
GASOLINE (ALL)	744.9	58.4	8.462	355.42	1342.46	8.598	361.12
<u>AVIATION</u>							
GASOLINE (ALL)	716.3	66.0	8.801	369.66	1396.06	8.943	375.59
<u>BURNER FUEL OILS</u>							
FUEL OIL NO. 1	812.8	42.5	7.753	325.61	1230.31	7.877	330.83
FUEL OIL NO. 2	846.9	35.5	7.440	312.49	1180.78	7.560	317.51
FUEL OIL NO. 4	914.2	23.2	6.891	289.44	1093.85	7.002	294.09
<u>FUEL OIL</u>							
NO. 5 LIGHT	954.2	16.7	6.602	277.27	1048.00	6.707	281.71
<u>FUEL OIL NO.</u>							
5 HEAVY 960.7	15.7	6.557	275.39	1040.91	6.662	279.81	
FUEL OIL NO. 6	976.6	13.3	6.450	270.90	1023.96	6.554	275.25
<u>DIESEL FUELS</u>							
DFA	810.5	43.0	7.775	326.54	1233.81	7.900	331.79
DF1	818.9	41.2	7.695	323.17	1122.15	7.818	328.36
DF2/GAS OIL	839.3	37.0	7.507	315.30	1191.47	7.628	320.36
<u>INTERMEDIATE FUEL OILS</u>							
IFO 60	947.2	17.8	6.651	279.33	1055.74	6.757	283.81
IFO 180	965.3	15.0	6.526	274.09	1035.95	6.630	278.48
IFO 220	967.9	14.6	6.508	273.34	1033.16	6.612	277.72
IFO 380	973.9	13.7	6.468	271.65	1026.68	6.572	276.01
<u>JET FUELS</u>							
JP4/JET B	764.6	53.5	8.243	346.22	1307.87	8.376	351.78

JP5	819.9	41.0	7.686	322.80	1219.66	7.809	327.98
JP8/JET A1	805.9	44.0	7.820	328.42	1240.85	7.945	333.69
JET A	814.2	42.2	7.739	325.04	1228.20	7.863	330.26
KEROSINES (ALL)	815.2	42.0	7.730	324.68	1226.69	7.854	329.88
MARINE GAS OIL	839.3	37.0	7.507	315.30	1191.47	7.628	320.36
NAPHTHA	731.1	62.0	8.623	362.16	1367.80	8.761	367.97
NAVAL DISTILLATE FUEL (F76) AND DFW (F75)	844.3	36.0	7.463	313.43	1184.41	7.582	318.46

(3) **TABLE III.**

<u>PRODUCT</u>	<u>ASSUMED DENSITY 20 deg C/20 deg C</u>		
	<u>g/mL</u>	<u>lb/gal</u>	<u>Kg/gal</u>
FSII DIEGME	1.025	8.561	3.884

(DESC 52.215-9FA1)

**M72 EVALUATION OF OFFERS (EXCEPTIONS/DEVIATIONS) (DESC APR 1997)**

(a) Offerors are expected to submit offers in full compliance with all terms and conditions of this solicitation.  
 (b) Any exceptions/deviations to the terms and conditions of this solicitation will result in the Government's determination that either--

- (1) The exception/deviation is material enough to warrant rejection of the offer in part or in full; or
- (2) The exception/deviation is acceptable.

(c) If the exception/deviation is in reference to a specification contained in this solicitation and the offeror cannot supply product fully meeting the required specification(s), the product can be offered for consideration provided the offeror clearly indicates, by attachment to the offer, the extent to which any product offered differs from the required specification(s).

(d) If the exception/deviation is in reference to a particular test, inspection, or testing method contained in this solicitation, the offer can be considered provided the offeror clearly indicates, by attachment to the offer, the extent to which its offer differs from those requirements.

(e) If the exception/deviation is determined acceptable, offered prices may be adjusted, for evaluation purposes only, by the Government's best estimate of the quantitative impact of the advantage or disadvantage to the Government that might result from making an award under those circumstances.

(DESC 52.209-9F45)

**NOTE:** Offerors are encouraged to track the proposed base reference price against their fuel costs for a set time to determine if the Government's proposed base reference price coincides with the offeror's cost of product. Base reference prices are used only for price adjustment purposes and are not to be an indicator of the offeror's fuel cost at a specific time period.

**B19.19-1 ECONOMIC PRICE ADJUSTMENT - MARKET PRICE INDICATORS (SHIPS' BUNKERS) (DESC AUG 2000)**

(a) **WARRANTIES.** The Contractor warrants that--

(1) The unit prices set forth in the Schedule do not include allowances for any portion of the contingency covered by this clause; and

(2) The prices to be invoiced hereunder shall be computed in accordance with the provisions of this clause.

(b) **DEFINITIONS.** As used throughout this clause, the term--

(1) **Award price** means the original contract price including incremental pricing grids.

(2) **Reference price** means a market price indicator determined by an independent trade association, governmental body, or other third party and reported or made available in a consistent manner in a publication, electronic data base, or other readily accessible form. This price may be either a single reference price or a combination of reference prices for price adjustment for individual items by product, market area, and publication as specified in the Table in (f) below. The reference price is derived from quotes, assessments, or sales prices in the market place for one or several items or commodity groups as reported in a consistent manner in a publication, electronic data base, or other readily accessible form.

(i) **Base reference price** means the market price indicator shown in the Table in (f) below and is the reference price from which economic price adjustments are calculated pursuant to this clause. This price will be expressed as **Base Ref. Price** in any price adjustment notification issued through contract modifications and/or postings to the DESC web page under the heading **Doing Business with DESC**. The **base reference date** annotated in the Table shall remain unchanged throughout the life of the contract.

(ii) **Adjusting reference price** means the market price indicator in effect in the calendar week of the date of delivery, used to determine the change in reference price. In the event one or more applicable reference prices are not (or were not) published on the date shown, then the term **adjusting reference price** means the preselected market price indicator for an item as published on the date nearest in time on or prior to the effective calendar date as expressed in (4) below. It is annotated as **New Ref. Price** in any PA modification issued.

(3) **Current unit price** means the most current price including alpha designated incremental pricing grids in effect for the week that the price adjustment provisions discussed in paragraph (c) below begin. This price, expressed as **Latest Unit Price** in any DESC price adjustment notification issued through contract modifications and/or postings to the DESC web page under the heading **Doing Business with DESC** shall be the unit price charged to the Government for supplies delivered under the contract.

(4) **Date of delivery** means the date and time product is received by the requesting activity/vessel. This constitutes signature of receipt by the Government representative for the entire delivery. A single delivery that began on one date and ended on another date shall be considered as received on the date of completion annotated by the Government on the bunker delivery document. Excusable delays in delivery shall be handled on a case-by-case basis by the Contracting Officer.

(5) **Calendar week** means a consecutive seven-day period, beginning with whichever day of the week is specified in (c)(1) below.

(c) **ADJUSTMENTS.** Subject to the provisions of this clause, the prices payable hereunder shall be determined by adding to the award price the same number of cents, or fraction thereof, that the reference price increases or decreases, per like unit of measure as the award price. All resultant price adjustments shall be issued via notification through contract modification and/or postings to the DESC web page under the heading **Doing Business with DESC**. This will be executed by the Contracting Officer through weekly price adjustment notifications in accordance with the following:

(1) **DAY OF PUBLICATION.** Except for items employing the publications listed in (i), (ii), and (iii) below, the reference price in effect on the date of delivery shall be that item's preselected reference price published on the **Monday** of the calendar week in which the delivery is made, or, in the event there is no publication in that week, it shall be the item's preselected reference price as last previously published.

**NOTE 1:** Oil Price Information Services' (OPIS) Petroscan data is dated on a Thursday but is incorporated into the Monday "hard copy" publication. The Monday date of the OPIS average city prices shall preside.

**NOTE 2:** DESC downloads the electronic versions of the price publications (i.e., Platts, OPIS). Occasionally, a slight discrepancy may be noted between the prices posted on the electronic version and the printed (hard copy) version. In such an event, the prices posted in the electronic version shall prevail.

(i) **PLATT'S BUNKERWIRE AND BUNKERFUELS REPORT.** For items employing Platt's Bunkerwire and Bunker Fuels Report, the reference price in effect on the date of delivery shall be that item's preselected reference

price effective (and normally published) on the **Tuesday** of the calendar week in which the delivery is made, or, in the event there is no publication on Tuesday of that week, it shall be the item's preselected reference price as last previously published.

(ii) **PLATT'S OILGRAM PRICE REPORT**. For items employing Platt's Oilgram Price Report, Spot Price Assessment, the reference price in effect on the date of delivery shall be that item's preselected reference price officially published on the Tuesday, normally effective on the prior Monday, of the calendar week in which the delivery is made, or, in the event there is no publication on Tuesday of that week, it shall be the item's preselected reference price as last previously published. For items employing Platt's Oilgram Price Report, 5 Day Rolling Average, the reference price in effect on the date of delivery shall be that item's preselected reference price published for 5 days ending Friday prior to the calendar week in which the delivery is made.

(iii) When a combination of two different publications is utilized, the **Monday** date of the calendar week shall control if differing published dates are used.

(2) **CALCULATIONS.**

(i) If averages are published within a given publication, then these averages will be used.

(ii) *For prices in U.S. gallons, if averages are not available within a given publication, manually calculated averages, carried to six decimal places, truncated, will be used. For prices in metric tons, if averages are not available within a given publication, manually calculated averages, carried to two decimal places, truncated, will be used. For domestic contract line items, conversions from metric tons to gallons shall be utilized through the CONVERSION FACTORS clause for the applicable publication reference product. Barrels shall be converted using the CONVERSION FACTORS clause for barrels to gallons. The above shall apply unless cited differently in the Table in (f) below.*

(iii) For domestic contract line items, the final calculated reference price, as well as any intermediary arithmetical calculations, will consist of a number including six decimal places, truncated. For overseas contract line items, the final calculated reference price, as well as any intermediary arithmetical calculations, will consist of a number including two decimal places, truncated.

(iv) For domestic contract line items, the final adjusted unit price will always consist of a number including six decimal places, truncated. For overseas contract line items, the final adjusted unit price will always consist of a number including two decimal places, truncated.

(v) In the event a known applicable tax change occurs, the Government will automatically adjust via contract modification said increase or decrease to the Contractor's escalated contract price, effective on the date said increase or decrease occurred.

(3) **FAILURE TO DELIVER**. Notwithstanding any other provisions of this clause, no upward adjustment shall apply to product scheduled under the contract to be delivered before the effective date of the adjustment unless the Contractor's failure to deliver according to the delivery schedule results from causes beyond the Contractor's control and without its fault or negligence, within the meaning of paragraphs (f), Excusable Delays, and (m), Termination for Cause, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause of this contract, or is the result of an allocation made in accordance with the terms of the ALLOCATION clause of this contract, in which case the contract shall be amended to make an equitable extension of the delivery schedule.

(4) **UPWARD CEILING ON ECONOMIC PRICE ADJUSTMENTS**. The Contractor agrees that the total increase in any contract unit price shall not exceed **120%** percent of the award price in any applicable program year (whether a single year or a multiyear program), except as provided hereafter:

(i) If, at any time, the Contractor has reason to believe that within the near future a price adjustment under the provisions of this clause will be required that will exceed the current contract ceiling price for any item, the Contractor shall promptly notify the Contracting Officer in writing of the expected increase. The notification shall include a revised ceiling the Contractor believes is sufficient to permit completion of remaining contract performance, along with an appropriate explanation and documentation as required by the Contracting Officer.

(ii) If an actual increase in the reference price would raise a contract unit price for an item above the current ceiling, the Contractor shall have no obligation under this contract to fill pending or future orders for such item, as of the effective date of the increase, unless the Contracting Officer issues a contract modification to raise the ceiling. If the contract ceiling will not be raised, the Contracting Officer shall so promptly notify the Contractor in writing.

(5) **REVISION OF REFERENCE PRICE**. In the event--

(i) Any applicable reference price (market price indicator) is discontinued or its method of derivation is altered substantially; or

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(ii) The Contracting Officer determines that the reference price consistently and substantially fails to reflect market conditions--

the parties shall mutually agree upon an appropriate and comparable substitute for determining the price adjustments hereunder. The contract shall be modified to reflect such substitute effective on or just prior to the date the indicator was discontinued, altered, or began to consistently and substantially fail to reflect market conditions. If the parties fail to agree on an appropriate substitute, the matter shall be resolved in accordance with paragraph (d), Disputes, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause of the contract.

(d) **EXAMINATION OF RECORDS.** The Contractor agrees that the Contracting Officer or designated representatives shall have the right to examine the Contractor's books, records, documents, and other data the Contracting Officer deems necessary to verify Contractor adherence to the provisions of this clause.

(e) **FINAL INVOICE.** The Contractor shall include a statement on the final invoice that the amounts invoiced hereunder have applied all decreases required by this clause.

(f) **TABLE.** The following publication(s)/date(s) apply:

**CENTRAL & SOUTH AMERICA (INCLUDING CARIBBEAN) AND AFRICA & FAR EAST:**

ITEM NO.	CITY	COUNTRY	RECOMMENDED EPA REFERENCE	BASE REFERENCE DATE	BASE REFERENCE PRICE \$/MT
611-61	BUENOS AIRES	ARGENTINA	Platt's Bunkerwire, Buenos Aires, Mar-Gas Oil Avg.	March 25, 2003	\$361.00
600-61	INGENIERO WHITE COMMERCIAL	ARGENTINA	Platt's Bunkerwire, Buenos Aires, Mar-Gas Oil Avg.	March 25, 2003	\$361.00
601-61	PUERTO BELGRANO	ARGENTINA	Platt's Bunkerwire, Buenos Aires, Mar-Gas Oil Avg.	March 25, 2003	\$361.00
601-611	PUERTO BELGRANO	ARGENTINA	Platt's Bunkerwire, Buenos Aires, Mar-Gas Oil Avg.	March 25, 2003	\$361.00
603-61	ORANJESTAD	ARUBA	Platt's Oilgram Price Report, U.S. Gulf Coast, 5 day average, No.2, Waterborne, Previous Week Avg	March 24, 2003	\$250.54
202-61	FREEMANTLE	AUSTRALIA	Platt's Bunkerwire, Singapore, Diesel	March 25, 2003	\$257.5
203-61	MELBOURNE	AUSTRALIA	Platt's Bunkerwire, Singapore, Diesel	March 25, 2003	\$257.5
204-61	SYDNEY	AUSTRALIA	Platt's Bunkerwire, Singapore, Diesel	March 25, 2003	\$257.5
615-61	FORTALEZA	BRAZIL	Platt's Bunkerwire, Santos, Mar-Gas Oil Avg.	March 25, 2003	\$347.25
606-61	RIO DE JANEIRO	BRAZIL	Platt's Bunkerwire, Santos, Mar-Gas Oil Avg.	March 25, 2003	\$347.25
626-61	SALVADOR	BRAZIL	Platt's Bunkerwire, Santos, Mar-Gas Oil Avg.	March 25, 2003	\$347.25
623-61	ANTOFAGASTA	CHILE	Bunkerfuels Report, Valparaiso, Diesel	March 25, 2003	\$381.00
624-61	COQUIMBO	CHILE	Bunkerfuels Report, Valparaiso, Diesel	March 25, 2003	\$381.00
640-61	IQUIQUE	CHILE	Platt's Bunkerwire, Valparaiso, Diesel	March 25, 2003	\$390.00
640-611	IQUIQUE	CHILE	Platt's Bunkerwire, Valparaiso, Diesel	March 25, 2003	\$390.00
608-61	PUNTA ARENAS	CHILE	Bunkerfuels Report, Valparaiso, Diesel	March 25, 2003	\$381.00
608-611	PUNTA ARENAS	CHILE	Platt's Bunkerwire, Valparaiso, Diesel	March 25, 2003	\$390.00

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625-61	TALCAHUANO	CHILE	Bunkerfuels Report, Valparaiso, Diesel	March 25, 2003	\$381.00
607-61	VALPRAISO	CHILE	Bunkerfuels Report, Valparaiso, Diesel	March 25, 2003	\$381.00
609-61	CARTAGENA	COLOMBIA	Platt's Bunkerwire, Cartagena, Mar-Gas Oil Avg.	March 25, 2003	\$327.5
604-61	PUERTO GOLFITO	COSTA RICA	Platt's Oilgram Price Report, U.S. Gulf Coast, 5 day average, No.2, Waterborne, Previous Week Avg	March 24, 2003	\$250.54
610-61	WILLEMSTAD	CURACAO	Platt's Oilgram Price Report, 5 day, Gas/Heating Oil, CARIB Cargo, Previous Week Avg	March 24, 2003	\$252.53
705-61	DJIBOUTI	DJIBOUTI	Platt's Bunkerwire Suez Ports, Diesel Avg.	March 25, 2003	\$287.5
632-61	GUAYAQUIL	ECUADOR	Platt's Bunkerwire Balboa, Mar-Gas Oil Avg.	March 25, 2003	\$322.5
630-61	MANTA	ECUADOR	Platt's Bunkerwire Balboa, Mar-Gas Oil Avg.	March 25, 2003	\$322.5
630-06	MANTA	ECUADOR	Platt's Oilgram Price Report, US Gulf Coast, 5 day average, Jet 54, Waterborne Previous Week Avg.	March 24, 2003	\$257.53
631-61	SALINAS	ECUADOR	Platt's Bunkerwire Balboa, Mar-Gas Oil Avg.	March 25, 2003	\$322.5
701-61	EL SUEZ	EGYPT	Platt's Bunkerwire Suez Ports, Diesel Avg.	March 25, 2003	\$287.5
981-62	EL SUEZ	EGYPT	Platt's Bunkerwire, Suez Ports, IFO 180 Avg.	March 25, 2003	\$287.5
702-61	PORT SAID	EGPYT	Platt's Bunkerwire Suez Ports, Diesel Avg.	March 25, 2003	\$287.5
982-62	PORT SAID	EGPYT	Platt's Bunkerwire, Suez Ports, IFO 180 Avg.	March 25, 2003	\$287.5
703-61	PORT GENTIL	GABON	Bunkerfuels Report, Off Nigeria, Diesel Avg.	March 25, 2003	\$382.5
228-61	PUERTO QUETZAL	GUATEMALA	Platt's Oilgram Price Report, U.S. Gulf Coast, 5 day average, No.2, Waterborne, Previous Week Avg	March 24, 2003	\$250.54
704-61	ABIDJAN	IVORY COAST	Bunkerfuels Report, Off Abidjan, Diesel Avg.	March 25, 2003	\$358.00
635-61	MONTEGO BAY	JAMAICA	Platt's Oilgram Price Report, 5 day, Gas/Heating Oil, CARIB Cargo, Previous Week Avg	March 24, 2003	\$252.53
949-62	OKINAWA	JAPAN	Platt's Bunkerwire, Japan, IFO180	March 25, 2003	\$211.00
948-62	SASEBO	JAPAN	Platt's Bunkerwire, Japan, IFO180	March 25, 2003	\$211.00
951-61	YOKOHAMA	JAPAN	Platt's Bunkerwire, Japan Diesel Avg	March 25, 2003	\$275.00
983-61	MOMBASA	KENYA	Platt's Bunkerwire, Khor Fakkan, Diesel Avg.	March 25, 2003	\$307.5
955-61	CHINHAE	KOREA	Platt's Bunkerwire, South Korea, Diesel Avg.	March 25, 2003	\$317.5
667-61	INCHON	KOREA	Platt's Bunkerwire, South	March 25, 2003	\$317.5

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			Korea, Diesel Avg.		
954-61	PORT AREAS OF POHANG	KOREA	Platt's Bunkerwire, South Korea, Diesel Avg.	March 25, 2003	\$317.5
954-62	PORT AREAS OF POHANG	KOREA	Platt's Bunkerwire, South Korea, IFO 180 Avg.	March 25, 2003	\$202.
954-63	PORT AREAS OF POHANG	KOREA	Platt's Bunkerwire, South Korea, IFO 380 Avg.	March 25, 2003	\$197.00
953-61	PUSAN	KOREA	Platt's Bunkerwire, South Korea, Diesel Avg.	March 25, 2003	\$317.5
953-62	PUSAN	KOREA	Platt's Bunkerwire, South Korea, IFO 180 Avg.	March 25, 2003	\$202.
953-63	PUSAN	KOREA	Platt's Bunkerwire, South Korea, IFO 380 Avg.	March 25, 2003	\$197.
661-61	KOTA KINABALU	MALAYSIA	Platt's Bunkerwire, Singapore, Diesel Avg.	March 25, 2003	\$257.5
663-61	KUANTAN	MALAYSIA	Platt's Bunkerwire, Singapore, Diesel Avg.	March 25, 2003	\$257.5
664-61	LUMUT	MALAYSIA	Platt's Bunkerwire, Singapore, Diesel Avg.	March 25, 2003	\$257.5
665-61	PENANG	MALAYSIA	Platt's Bunkerwire, Singapore, Diesel Avg.	March 25, 2003	\$257.5
666-61	PORT KLANG	MALAYSIA	Platt's Bunkerwire, Singapore, Diesel Avg.	March 25, 2003	\$257.5
233-61	MAZATLAN	MEXICO	Platt's Oilgram Price Report, U.S. Gulf Coast, 5 day average, No.2 Waterborne, Previous Week Avg	March 24, 2003	\$250.54
673-61	NOUMEA	NEW CALEDONIA	Platt's Bunkerwire, Singapore, Diesel Avg.	March 25, 2003	\$257.5
673-611	NOUMEA HARBOR	NEW CALEDONIA	Platt's Bunkerwire, Singapore, Diesel Avg.	March 25, 2003	\$257.5
614-61	BALBOA PIERSIDE (PIER 16)	PANAMA	Platt's Bunkerwire, Cristobal, Diesel Avg.	March 25, 2003	\$322.5
618-61	COLON (2000 PIER)	PANAMA	Platt's Bunkerwire, Cristobal, Diesel Avg.	March 25, 2003	\$322.5
618-611	COLON (2000 PIER)	PANAMA	Platt's Bunkerwire, Cristobal, Diesel Avg.	March 25, 2003	\$322.5
618-612	COLON (2000 PIER)	PANAMA	Platt's Bunkerwire, Cristobal, Diesel Avg.	March 25, 2003	\$322.5
612-61	CRISTOBAL	PANAMA	Platt's Bunkerwire, Cristobal, Diesel Avg.	March 25, 2003	\$322.5
612-611	CRISTOBAL	PANAMA	Platt's Bunkerwire, Cristobal, Diesel Avg.	March 25, 2003	\$322.5
613-61	CRISTOBAL	PANAMA	Platt's Bunkerwire, Cristobal, Diesel Avg.	March 25, 2003	\$322.5
629-61	VACAMONTE (INTERNATIONAL)	PANAMA	Platt's Bunkerwire, Cristobal, Diesel Avg.	March 25, 2003	\$322.5
616-61	VASCO NUNEZ DE BALBOA	PANAMA	Platt's Bunkerwire, Cristobal, Diesel Avg.	March 25, 2003	\$322.5
617-61	VASCO NUNEZ DE BALBOA	PANAMA	Platt's Bunkerwire, Cristobal, Diesel Avg.	March 25, 2003	\$322.5
619-611	VASCO NUNEZ DE BALBOA	PANAMA	Platt's Bunkerwire, Cristobal, Diesel Avg.	March 25, 2003	\$322.5
654-61	HONG KONG	PEOPLES REP OF CHINA	Platt's Bunkerwire, Hong Kong, Diesel Avg.	March 25, 2003	\$271.
620-61	CALLAO	PERU	Bunkerfuels Report – Callao MDO Avg.	March 25, 2003	\$395.00
675-61	MANILA	PHILIPPINES	Platt's Bunkerwire, Singapore,	March 25, 2003	\$257.5

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			Diesel Avg.		
956-61	SINGAPORE	SINGAPORE	Platt's Bunkerwire, Singapore, Diesel Avg.	March 25, 2003	\$257.5
956-62	SINGAPORE	SINGAPORE	Platt's Bunkerwire, Singapore, IFO 180 Avg.	March 25, 2003	\$257.5
956-63	SINGAPORE	SINGAPORE	Platt's Bunkerwire, Singapore, IFO 380 Avg.	March 25, 2003	\$257.5
984-61	DURBAN	SOUTH AFRICA	Platt's Bunkerwire, Durban, Diesel Avg.	March 25, 2003	\$284.
984-611	DURBAN	SOUTH AFRICA	Platt's Bunkerwire, Durban, Diesel Avg.	March 25, 2003	\$284.
984-62	DURBAN	SOUTH AFRICA	Platt's Bunkerwire, Durban, Diesel Avg.	March 25, 2003	\$284.
984-621	DURBAN	SOUTH AFRICA	Platt's Bunkerwire, Durban, Diesel Avg.	March 25, 2003	\$284.
671-61	PATTAYA	THAILAND	Platt's Bunkerwire, Singapore, Diesel Avg.	March 25, 2003	\$257.5
672-61	SATTAHIP	THAILAND	Platt's Bunkerwire, Singapore, Diesel Avg.	March 25, 2003	\$257.5
621-61	MONTEVIDEO	URUGUAY	Platt's Bunkerwire, Buenos Aires, Mar-Gas Oil Avg.	March 25, 2003	\$361.00
628-61	PUERTO LA CRUZ	VENEZUELA	Platt's Oilgram Price Report, 5 day, Gas/Heat Oil CARIB Cargo, Previous Week Avg.	March 24, 2003	\$252.53

(DESC 52.216-9FS1)

**C3 SPECIFICATIONS/EXCEPTIONS (BUNKERS) (DESC MAR 1996)**

(a) Product to be supplied shall fully meet the requirements of the applicable specification(s) as indicated in the Supply Schedule, including amendments thereto. Unless otherwise indicated by the Contractor, prior to award and in accordance with the EVALUATION OF OFFERS clause, the product offered shall be considered to fully meet the applicable specification(s).

(b) If requesting an exception to product requirements in the solicitation, the offeror is requested to provide the following information:

- (1) Offeror name;
- (2) Contract Line Item Number, if applicable;
- (3) Product, if applicable;
- (4) Clause number, paragraph, and subparagraph, as appropriate;
- (5) Nature of request;
- (6) Reason for the request; and
- (7) Corrective action, if appropriate.

(DESC 52.246-9FV1)

**C16.23-2 COMMERCIAL MARINE GAS OIL MINIMUM SPECIFICATION REQUIREMENTS (DESC MAY 2002)**

(a) Offered product shall conform to the following requirements that define a fuel suitable for Marine Gas Turbine engines:

<u>FUEL PROPERTY</u>	<u>TEST METHOD</u>	<u>LIMITS</u>
1. Cetane Number <sup>1</sup> or Cetane Index	ASTM D 613	42 min.
	ASTM D 976	43 min.
2. Appearance @ 21°C or ambient temperature	Visual	Clear & Bright

	(whichever higher) or		
	Water & Sediment	ASTM D 2709	0.05 vol. % max.
3.	Distillation, 90% point	ASTM D 86	357°C max.
4.	Flash Point <sup>2</sup>	ASTM D 93	60°C min.
5.	Cloud Point <sup>3</sup>	ASTM D 2500	-1°C (30°F) max.
6.	Viscosity @ 40°C	ASTM D 445	1.7 - 4.5 cSt
7.	Color <sup>4</sup>	ASTM D 1500	3 max.
8.	Density @ 15°C	ASTM D 1298	876 kg/m max.
9.	Carbon Residue on 10% bottoms <sup>5</sup>	ASTM D 524	0.35 mass % max.
10.	Ash	ASTM D 482	0.01 mass % max.
11.	Sulfur <sup>6</sup>	ASTM D 4294	1.0 mass % max.
12.	Corrosion	ASTM D 130	3 max.
13.	Composition  residual)	None	100% distillate fuel (fuel shall contain no

(b) **NOTES TO THE REQUIREMENTS ABOVE.**

1. If the Cetane number is reported, the reported value shall apply to the base fuel without Cetane improving additives.

2. The flash point value is absolute and no value less than 60°C is permissible.

3. Cloud point results will be evaluated based upon bunkering location.

**4. For deliveries in the United States, the color test requirement is deleted if red dye has been added in compliance with the U.S. Environmental Protection Agency or Internal Revenue Service regulations; however, the resulting fuel/dye blend must have a red tint. It shall not be visually brown or dark in appearance. For deliveries outside the United States, the offerors must submit information on the composition, color and desired concentration of any dye to be used in order to obtain approval.**

5. For carbon residue on 10% bottoms, ASTM D 189 is an acceptable alternate method.

6. For total sulfur content, ASTM D 1552 and ASTM D 2622 are acceptable alternate methods.

(c) **REDUCED SULFUR REQUIREMENT FOR EUROPEAN UNION PORTS.**

(1) In support of European Commission Directive 1999/32/EC, "Sulphur Provisions for Marine Gas Oils", MGO delivered in European Union ports vice this contract shall contain no more than 0.20 mass percent maximum sulfur.

(2). Specific ports where DESC requires low sulfur MGO include Algeciras, Spain; Alicante, Spain; Antwerp, Belgium; Augusta Bay, Italy; Barcelona, Spain; Bremerhaven/Nordenham, Germany; Cagliari, Italy; Cartagena, Spain; Catania, Italy; Genoa, Italy; Gibraltar, United Kingdom; La Maddalena, Italy; Killingholme, United Kingdom; Lisbon, Portugal; Livorno, Italy; Malaga, Spain; Marseilles, France; Naples, Italy; Palma de Mallorca, Spain; Portland, United Kingdom, Rotterdam, Netherlands; Southampton, United Kingdom; Toulon, France; and Trieste, Italy.

(DESC 52.246-9FAQ)

**C36 FUEL OIL, INTERMEDIATE, GRADES RMB-10 (IFO 60)/RME-25 (IFO 180)/RMG-35 (IFO 380)  
(DESC FEB 2003)**

(a) Product shall conform to ISO 8217:1996.

(b) **ALTERNATE TEST METHODS.** The test methods below can also be used to determine the following requirements:

**REQUIREMENTS**

**TEST METHOD**

Density @15°C, kg/m<sup>3</sup>

ASTM D 4052

Carbon Residue

ASTM D 4530

Vanadium, mg/kg

ASTM D 5863

Aluminum plus silicon, mg/kg

ASTM D 5184

(c) **FOR THE BULK PROGRAM.** RME-25 (IFO 180) purchased under the DESC Bulk Purchase Program must meet a revised sulfur weight percent limit of 3.5 maximum.

(DESC 52.246-9FFE)

**C16.01 TURBINE FUEL, AVIATION (JP4/JP5) (BULK) (DESC NOV 2002)**

(a) Specification MIL-DTL-5624T, dated September 18, 1998, Turbine Fuel, Aviation, Grades JP4 and JP5, applies. The requirements of Table 1 in the specification are modified as follows:

(1) **FILTRATION TIME TESTING.** Round upwards when reporting the filtration time, in minutes. For example, a filtration time of 4 minutes, 22 seconds, would be reported as 5 minutes.

(2) **HYDROGEN CONTENT.** ASTM D 5291 may be used in lieu of ASTM D 3701.

(3) **MICRO-SEPAROMETER (MSEP) REQUIREMENTS.** Prior to initial production under this contract, the Contractor shall elect, on a one-time basis, which MSEP limit will be met for the balance of the contract. If the Contractor introduces Fuel System Icing Inhibitor (FSII) and/or CI after verification of product conformance with the MSEP requirement, the product is not required to meet a fixed limit on subsequent MSEP tests.

(4) If the Contractor elects to verify conformance with the MSEP requirement on a sample of product that does not contain FSII and CI, an additional MSEP test shall be performed on a handblend containing jet fuel, FSII, CI, and AO (AO only if required). The MSEP result on this handblend is a REPORT ONLY requirement and shall be recorded corresponding to item 750X, both on the Standardized Test Report Form (see Attachment \_\_\_\_\_) and on the DD Form 250-1. This result shall be recorded with an asterisk next to it, and with a footnote below, stating, “MSEP result is a ‘Report Only’ requirement. Original result of \_\_\_\_\_ (fill in actual result) on product containing the following additives: \_\_\_\_\_ (fill in combination of additives).”

(5) **THERMAL STABILITY.** The thermal stability test (JFTOT), ASTM D 3241, shall be performed according to either Option A or B described below:

(6) **EXISTENT GUM.** The preferred vaporizing medium for aviation turbine fuel is steam, however, the existent gum test (ASTM D 381-01) may be performed using air as the vaporizing medium at the following operating temperatures: Bath: 232 to 246 degrees Celsius; Test well: 229 to 235 degrees Celsius. If air is used instead of steam while performing ASTM D 381, it must be reported. In case of a failure with air, the sample must be retested using steam.

(i) **OPTION A.** In addition to the thermal stability testing requirements of MIL-DTL-5624T, an additional JFTOT test shall be performed with the temperature of the test being 275 degrees Celsius (530 degrees Fahrenheit). Shipments will not be delayed pending results of this additional JFTOT test.

(ii) **OPTION B.** The thermal stability test shall be performed with the temperature of the test being 275 degrees Celsius (530 degrees Fahrenheit) in lieu of the normal 260 degrees Celsius (500 degrees Fahrenheit). If the fuel fails the JFTOT at this temperature, a second test will be performed at 260 degrees Celsius (500 degrees Fahrenheit). If both tests are performed, the results of the test at 260 degrees Celsius (500 degrees Fahrenheit) will be the basis for acceptance or rejection of the fuel.

(iii) Regardless of which option is chosen (Option A or B above), the test temperature and the results of the JFTOT shall be recorded on the DD Form 250-1 and on the Standardized Test Report Form. If using the Standardized Test

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Report Form, the results obtained at 260 degrees Celsius shall be reported as using series "B" for item numbers 601, 602, and 603. If another temperature is used, use series "A" to report the results and item 604A to report the test temperature.

(b) **ADDITIVES.**

(1) Additives are required for deliveries of JP4 and JP5, per MIL-DTL-5624T, unless addition is excluded by specific solicitation line item, applicable contract clause, or other contractual requirement. FSII included in jet fuel shall conform to MIL-DTL-85470B dated June 15, 1999.

(2) The DD Form 250-1 for marine shipments shall cite the type, name, and amount (in milligrams per liter) of additives added to the fuels.

(3) The CI/LI additive(s) used shall be of the type and concentration cited in QPL 25017-19 dated March 5, 2001. Only the following CI/LI additives are approved for inclusion in fuel shipments to overseas NATO countries: Apollo PRI-19, Octel DCI-4A, HITEC 580, NALCO/EXXON 5403, Mobilad F800, TOLAD 4410, and TOLAD 4445.

(4) For JP4 containing hydrogen-treated blending stocks, the following applies: Where a finished fuel consists of a blend of hydrogen-treated and nonhydrogen-treated components, the requirement for mandatory addition of antioxidant (MIL-DTL-5624T, paragraph 3.3.1) applies only to the portion of the blend that has been hydrogen treated. In such cases the proportion of the blend that has been hydrogen treated shall be reported.

(5) Line injection of additives (FSII and corrosion inhibitor) from shipping tank to delivery conveyance or other f.o.b. point is permitted under the following conditions:

(i) Additives must be proportionately injected throughout the entire loading process to ensure the additive is homogeneously blended into the jet fuel. The Contractor shall maintain records evidencing the homogeneous blending of all line injected additives. Such methods may include meter or tank gauge readings or test results taken at intervals to provide confidence in the injection process.

(ii) When FSII is required, additive concentration must be verified based on a representative shipment sample(s).

(iii) Conformance to specification requirements at the custody transfer point is required; however, prior to shipment, a laboratory handblend of jet fuel with all additives required by this contract shall be tested to verify compliance with the required specification (except for Reid Vapor Pressure (RVP) and MSEP). Using a separate representative sample, RVP analysis of JP4 shall be performed without the additives present due to the sensitivity of the test to sampling and handling. MSEP analysis shall be performed per Contractor's election in MIL-DTL-5624T, dated September 18, 1998.

(6) When the addition of Static Dissipator Additive (SDA) is required by the contract, the new formulation of STADIS 450 (active ingredient dinonynaphthylsulfonic acid (DINNSA) shall be used.

(c) **APPLICABLE TO JP5 ONLY.**

(1) **TOTAL SULFUR CONTENT.** The total sulfur content of JP5 shall be 0.30 mass percent maximum.

(2) **FLASH POINT TESTING.** The referee procedure for performing flash point testing of JP5 shall be the manual version of ASTM D 93 as opposed to the automated version of ASTM D 93.

(3) **REPORTS.** Refer to the MATERIAL INSPECTION RECEIVING REPORT clause for reporting requirements. In addition, copies of the applicable DD Form 250 or DD Form 250-1 shall be submitted with a laboratory analysis report for each tank of product lifted. This documentation shall be submitted to the address identified in the MATERIAL INSPECTION AND RECEIVING REPORT clause and to the address shown below:

NAVAL AIR SYSTEMS COMMAND  
FUELS AND LUBRICANTS DIVISION, AIR 4.4.5  
22229 ELMER ROAD, UNIT 4, BLDG 2360  
PATUXENT RIVER, MD 20670-1534

(d) **APPLICABLE TO JP4 ONLY.**

(1) With the exception of the fuel electrical conductivity test requirement, JP4 must meet the specification test requirements of MIL-DTL-5624T with all additives required by this contract included, except SDA. After verifying specification conformance, SDA, when required by this contract, shall be added proportionately to obtain a conductivity range of 150-600 picosiemens per meter. SDA will not be preblended with FSII, but may be injected simultaneously. The Contractor is not required to report or verify the conductivity level when SDA is injected while loading delivery conveyances due to the SDA equilibrium rate in JP4. The receiving activity will measure the conductivity and advise the Quality Representative to have the Contractor adjust the SDA injection quantity if necessary.

(2) SDA is required to be added to all JP4 shipped directly to an end user by tank truck, tank car, barge, or pipeline without passing through a terminal. SDA is not required in shipments to (through) a DESP.

(3) **REPORTS.** Refer to the MATERIAL INSPECTION AND RECEIVING REPORT clause for reporting requirements.

(DESC 52.246-9FNK)

**E5.01 INSPECTION AND ACCEPTANCE OF SUPPLIES (SHIPS' BUNKERS) (DESC MAY 2001)**

**(a) INSPECTION.**

(1) The Contractor shall provide and maintain an inspection system acceptable to the Government covering supplies under this contract and shall tender to the Government, for acceptance, only supplies that have been found by the Contractor to be in conformity with contract requirements. A system meeting International Organization for Standardization (ISO) 9001 or 9002 Quality Systems series documents is an acceptable inspection system. As part of the system, the Contractor shall prepare records evidencing all inspections made under the system and the outcome. These records shall be kept complete and made available to the Government during contract performance and for as long afterwards as the contract requires. The Government may perform reviews and evaluations as reasonably necessary to ascertain compliance with this paragraph. These reviews and evaluations shall be conducted in a manner that will not unduly delay the contract delivery. The right of review, whether exercised or not, does not relieve the Contractor of the obligations under the contract.

(2) The Government has the right to inspect and/or test all supplies called for by the contract. Unless otherwise noted, inspection will be performed by the receiving activity based on documents required to be supplied by the Contractor at the time of delivery. The Government assumes no contractual obligation to perform any inspection and test for the benefit of the Contractor unless specifically set forth elsewhere in this contract.

(3) The Government may require the Contractor to provide the following types of samples of product being supplied under each line item under this contract, free of cost to the Government, to a testing location to be identified at the time of the request. Any testing performed would be at the expense of the Government.

(i) A one-gallon sample of fuel being delivered under each line item under the contract. Requests for this type of sample shall be limited to no more than one per month (per line item) during the life of the contract.

(ii) A five-gallon sample for each line item shall be requested for purposes of gathering data on world-wide bunker quality. This request would be limited to no more than twice (per line item) per contract period and shipped to the following address when requested:

ATTN: AIR 4.4.5 FUEL SAMPLE  
NAVAL AIR STATION PATUXENT RIVER  
HAZMART BUILDING 2385  
22680 HAMMOND ROAD  
PATUXENT RIVER, MD 20670-1534

(4) If the Government performs inspection or test on the premises of the Contractor or a subcontractor, the Contractor shall furnish, and shall require subcontractors to furnish, at no increase in contract price, all reasonable facilities and assistance for the safe and convenient performance of these duties.

(5) The Government may perform quality validation on samples taken at the point of acceptance, i.e., ships' manifold. One representative sample will be taken and split into three sealed test specimens. One test specimen sample will be offered to the Contractor's representative. One test specimen sample will be submitted to a Government approved laboratory for analysis. Except as otherwise provided in the contract, the Government shall bear the expense of Government inspections or tests made at other than the Contractor's or subcontractor's premises. In the event the sample test results do not conform to contract specifications, the Government may exercise its post-acceptance rights and direct the Contractor to immediately remove the fuel at the Contractor's expense. Detainment of the Government vessel for the fuel removal will be at the Contractor's expense.

(6) When supplies are not ready at the time specified by the Contractor for inspection or test, the Contracting Officer may charge to the Contractor the additional cost of inspection or test. The Contracting Officer may also charge the Contractor for any additional cost of inspection or test when prior rejection makes reinspection or retest necessary.

(7) If this contract provides for the performance of Government quality assurance at source, and if requested by the Government, the Contractor shall furnish advance notification of the time when Contractor inspection or tests will be performed in accordance with the terms and conditions of the contract and when the supplies will be ready for Government

inspection. The Government's request shall specify the period and method of the advance notification and the Government representative to whom it shall be furnished. Requests shall not require more than 2 workdays of advance notification if the Government representative is in residence in the Contractor's plant, nor more than 7 workdays in other instances.

(8) A copy of the latest full specification analysis for the shore tank shall be provided to the receiving activity at the time of each delivery. Additionally, when product is supplied by barge, the following analysis results shall be provided on a barge composite sample: Appearance, Color, Density, Distillation, Flash Point, and BS&W.

(b) **ACCEPTANCE.** Acceptance of the supplies furnished hereunder will take place at destination notwithstanding that inspection by the Government may take place elsewhere prior to acceptance.

(c) **SPECIFICATION WAIVERS.**

(1) Requests for waivers and deviations shall be submitted by the Contractor to the Contracting Officer with a copy to the Quality Representative (QR). Each request shall provide the following information:

- (i) Contractor name;
- (ii) Contract number;
- (iii) Contract line item and product, if applicable;
- (iv) Clause number;
- (v) Paragraph and subparagraph, as appropriate;
- (vi) The nature of the request;
- (vii) The reason for the request;
- (viii) The corrective action being taken by the Contractor to correct and prevent recurrence of the condition(s) causing the nonconformance; and
- (ix) An equitable price adjustment offered over the administrative fee.

(2) ***In extraordinary situations, the Contractor may initially submit the request for a deviation or waiver through the cognizant QR to the Contracting Officer or the Contracting Officer's Representative (COR) in the Bulk Fuels Business Unit, Product Technical and Standardization Division, Defense Energy Support Center (DESC). Extraordinary situation requests shall be submitted formally to the Contracting Officer prior to close of business of the next DESC normal workday. As used in this clause, the term extraordinary situation means the matter cannot await resolution until the DESC normal workday (0800 to 1630 hours), Monday through Friday - Federal holidays excluded. In addition, if either the Contracting Officer or the COR cannot be reached, the Duty Officer shall be contacted and provided the necessary information to forward to the proper individuals as soon as possible. The Duty Officer's telephone number is (800) 286-7633, (703) 767-8420, or (DSN) 427-8420.***

(3) If the waiver is granted, the contract will be modified to provide an equitable price reduction or other adequate consideration commensurate with the waiver being granted. If the situation dictates, a waiver may be granted without prior agreement on price adjustment or other consideration subject to agreement by the Contractor, or its representative, to subsequent negotiation. Such agreement shall be documented on the receiving document or other appropriate correspondence. After negotiations, failure to agree on adequate consideration shall be a dispute concerning a question of fact within the meaning of the Disputes section of the CONTRACT TERMS AND CONDITIONS -- COMMERCIAL ITEMS clause of this contract.

(4) If the waiver is granted and the nonconforming supplies are accepted, then in no event will consideration be less than \$250 to cover administrative costs, plus any additional cost of Government inspection or tests if reinspection or retest is necessary.

(5) If the waiver is granted modifying this contract but the supplies accepted are nevertheless determined to be in conformity with contract specifications, the Contractor shall still be obligated to pay the consideration originally agreed upon in support of the waiver. If, however, this consideration exceeds \$500, a second contract modification shall be issued reducing the Contractor's obligation to \$500 (the administrative cost of issuing the two required modifications).

(6) When notification of nonconforming supplies is received after the supplies have been accepted, and the Government determines not to exercise its right to reject or to require correction under paragraph (a)(5) above, then in no event will consideration be less than \$250 to cover administrative costs. This \$250 fee is in addition to consideration commensurate with the extent of nonconforming supplies; and the cost of Government inspection or tests if reinspection or retest is necessary. The administrative fee will apply to each claim letter issued for off-specification product delivered to an activity.

(d) **SOURCE RESTRICTION.**

(1) If the Contractor delivers any product that is determined to be off-specification, the Contracting Officer shall thereafter have the right, upon giving 10 days' written notice, to require the Contractor to designate a single source of supply

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for each destination where the problem occurs as set forth in the contract. This shall coincide with the inspection procedures identified above.

(2) The Contractor must provide the new address of the terminal or loading point to be used in drawing the requirements for each affected item in the contract in addition to the name of the single source of supply.

(3) When paragraph (d)(1) has been enforced, the Contractor may change suppliers only after requesting and receiving the express written approval of the Contracting Officer. Prior to approval by the Contracting Officer, the Contractor must also submit a supply commitment letter and product specification from any new supplier, and a quality site inspection must be performed.

(DESC 52.246-9F85)

**E35 NONCONFORMING SUPPLIES AND SERVICES (DESC JUL 2002)**

(a) It is the policy of the Government that supplies or services that do not conform in all respects to the contract requirements should be rejected. However, there may be circumstances when acceptance of such nonconforming supplies or services is in the interest of the Government. No deviation will be granted unless specifically approved by the Contracting Officer or duly authorized representative.

(b) The following procedures apply to requests for specification waivers.

(1) Requests for deviations and waivers shall be submitted by the Contractor to the Contracting Officer with a copy to the Quality Representative (QR). Each request shall provide the following information: Contractor name; contract number; contract line item and product, if applicable; clause number, paragraph and subparagraph, as appropriate; the nature of the request; the reason for the request; the corrective action being taken by the Contractor to correct and prevent recurrence of the condition(s) causing the nonconformance; and equitable price adjustment offered over the administrative fee. In extraordinary situations, the Contractor may initially submit the request for a deviation or waiver through the cognizant QR to the Contracting Officer or the Contracting Officer's Representative (COR) in the Quality Operations Division (DESC-BQ) of the Defense Energy Support Center (DESC). Extraordinary situation requests shall be submitted formally to the Contracting Officer prior to close of business of the next DESC normal workday. As used in this clause, the term "extraordinary situation" means the matter cannot await resolution until the DESC normal workday (0800 to 1630 hours), Monday through Friday - Federal holidays excluded. In addition, if either the Contracting Officer or the COR cannot be reached, the Duty Officer shall be contacted and provided the necessary information to forward to the proper individuals as soon as possible. The Duty Officer's telephone number is **(800) 286-7633, (703) 767-8420, or (DSN) 427-8420**.

(2) If the waiver is granted, the contract will be modified to provide an equitable price reduction or other adequate consideration commensurate with the waiver being granted. If the situation dictates, a waiver may be granted without prior agreement on price adjustment or other consideration subject to agreement by the Contractor, or its representative, to subsequent negotiation. Such agreement shall be documented on the receiving document or other appropriate correspondence. After negotiations, failure to agree on adequate consideration shall be a dispute concerning a question of fact within the meaning of paragraph (d), Disputes, of the CONTRACT TERMS AND CONDITIONS -- COMMERCIAL ITEMS clause of this contract.

(3) If the waiver is granted and the nonconforming supplies are accepted, then in no event will consideration be less than \$250 to cover administrative costs, plus any additional cost of Government inspection or tests if reinspection or retest is necessary.

(4) If the waiver is granted modifying this contract but the supplies accepted are nevertheless determined to be in conformity with contract specifications, the Contractor shall still be obligated to pay the consideration originally agreed upon in support of the waiver. If, however, this consideration exceeds \$500, a second contract modification shall be issued reducing the Contractor's obligation to \$500 (the administrative cost of issuing the two required modifications).

(c) When notification of nonconforming supplies is received after the supplies have been accepted, and the Government determines not to exercise its right to reject or to require correction under the INSPECTION OF SUPPLIES - FIXED-PRICE or INSPECTION AND ACCEPTANCE OF SUPPLIES clause, then in no event will consideration be less than \$250 to cover administrative costs. This \$250 fee is in addition to—

- (1) Consideration commensurate with the extent of nonconforming supplies; and
- (2) Cost of Government inspection or tests if reinspection or retest is necessary.

The administrative fee will apply to each claim letter issued for off-specification product delivered to an activity.

(d) Contractors shall be held responsible for payment of any fines or penalties imposed on a receiving activity by an environmental enforcement agency, resulting from the delivery of nonconforming supplies under a DESC contract.

(e) Repeated tender of nonconforming supplies or services, including those with only minor defects, will be discouraged by appropriate action such as rejecting the supplies or services whenever feasible and documenting the Contractor's performance records. (DESC 52.246-9FQ5)

**F1.01-2 BUNKERING PROVISIONS (DESC JUL 1998)**

**(a) DELIVERY CONDITIONS.**

(1) Unless otherwise specified, all items require delivery f.o.b. destination by means of transport truck, truck and trailer, tank wagon, pipeline, or barge under the following conditions:

(i) **DELIVERY BY PIPELINE (ex-pipe at pier or wharf).** Into Government vessel at a pier or wharf where the following conditions can be met: Pier **must** accommodate vessels up to 30 feet in draft, 600 feet in length with a displacement of approximately 9,000 tons. Pier must be serviced by a pipeline capable of delivering bunker fuel into the Government vessel at approximately 2,000 barrels per hour. The Contractor will provide a minimum 100-foot length of 4- to 6-inch hose and line handlers.

(ii) **DELIVERY BY BARGE.** Barge capacity of 2,000 - 5,000 barrels with pump/motor to discharge cargo to the Government vessel at approximately 1,500 to 2,000 barrels per hour. The Contractor must provide a clean barge suitable for loading bunker fuel. The Contractor will provide a minimum 100-foot length of 4- to 6-inch hose. The Contractor shall not be required to provide any additional hose unless requested by the receiving activity and accepted by the Contractor. The Contractor shall not be required to hook up hoses with the receiving conveyance prior to scheduled delivery time. When delivery of residual fuels is by barge, the Contractor may deliver using a heated barge for ease of flow.

(iii) **DELIVERY BY TANK TRUCK, TRUCK AND TRAILER, OR TANK WAGON.** Truck delivery to a berthing pier, provided the berthing pier which must accommodate a Government vessel up to 30 feet in draft, 600 feet in length with a displacement of 9,000 tons. When delivery is made by tank wagon, such wagon shall be equipped with pump, meter, and a minimum of 100 feet (30 meters) of hose. Where delivery is made by transport truck or truck and trailer, such delivery equipment shall be equipped with a minimum of 15 feet of hose. At the Contractor's option, a transport truck may be substituted for items requiring delivery by truck and trailer.

(iv) **CONNECTIONS.** Pump and hose connections to fit requesting vessels shall be provided by the Contractor for each delivery.

(v) **ORDER SIZE CAPACITY.** Ordered delivery quantities may require multiple delivery conveyances and/or return trips at less than a full load to satisfy the Government's requirement.

(2) Unless otherwise specified in the Schedule and/or contract, delivery into Government vessels (to include dredges & barges) by means of transport truck, truck and trailer, tank wagon, or pipeline shall be made at the specific time specified in the order, provided that such order shall have been received by the Contractor at least 24 hours prior to the specific time such delivery is required to be made. Deliveries by barge shall be made at the specific time specified in the order, provided that such order shall have been received by the Contractor at least 48 hours prior to the specific time such delivery is required to be made. However, if an item in the Schedule annotates a specific response/delivery time restriction/requirement, the Schedule shall dictate. Also see the SUPPLIES TO BE FURNISHED (SHIPS' BUNKERS) clause.

(3) The Contractor shall provide properly maintained delivery equipment and properly trained delivery personnel to reasonably assure that delivery can be made without damage to vegetation and asphalt pavement adjacent to vessels being bunkered. The Contractor's delivery personnel who have not exercised reasonable care and delivery equipment which is poorly maintained, may be refused entrance to the bunkering location by the installation Commander, the port authorities and/or US Coast Guard. The Contractor shall present delivery equipment and product in such condition at destination so as to permit complete off-loading within the prescribed lay-time and applicable free time. All delivery equipment and personnel must meet all environmental requirements for over water (marine) fuel deliveries. This is to include the requirements to have an approved U.S. Coast Guard Oil Response Plan for domestic ports.

(b) **LOADING TEMPERATURE.** Product offered as bunkers to U.S. Navy and Coast Guard Vessels (excluding those controlled by the Military Sealift Command) shall not exceed 49°C (120°F) temperature at time of delivery. On all other bunkering the product shall be at least 5.5°C (10°F) below the flash point of the product and in no case higher than 66°C (150°F) if the tanks are uncoated, or 57°C (135°F) if coated; PROVIDED, however, that in no event shall the difference between the temperature of the product entering the tanker manifold and the recorded temperature of the seawater at the tanker's condenser intake exceed 39°C (70°F); PROVIDED, further, that the Master of the vessel may authorize loading the product at a temperature higher than specified above so long as the temperature of the product remains at least 5.5°C (10°F) below the flash point of the product.

(c) **DETERMINATION OF QUANTITY.** The quantity of supplies furnished under this contract shall be determined as follows:

(1) **DELIVERY BY BARGE.** (i) On items delivered by barge, the quantity shall be determined (at the Contractor's option) on the basis of--

(i) **ORIGIN SHORE TANK MEASUREMENTS.** If the vessel is unable to receive any or all of the delivery, the Contractor must immediately notify the DESC Contracting Officer of the circumstances and provide documentation to substantiate the quantity and location where excess product has been off-loaded); or

(ii) **CALIBRATED METER;** or

(iii) **GAUGING** the barge before and after delivery.

(iv) *The Government reserves the right to have a representative present to witness the measurement of quantity.*

(2) **DELIVERY BY PIPELINE OR FROM MARINE SERVICE STATION INTO VESSEL.** On items delivered by pipeline or from Contractor's marine service station, the quantity shall be determined (at the Contractor's option) on the basis of--

(i) Origin shore tank measurements; or

(ii) Calibrated meter.

(iii) *The Government reserves the right to have a representative present to witness the measurement of quantity.*

(3) **DELIVERY BY TANK TRUCK/TRUCK AND TRAILER/TANK WAGON INTO VESSEL.** On items delivered by TANK TRUCK/TRUCK AND TRAILER/TANK WAGON, the quantity shall be determined (at the Contractor's option) on the basis of--

(i) Calibrated meter; or

(ii) Certified capacity tables. The tables must be made available at the time of delivery; or

(iii) *Certified tank calibration markers. Certified tank calibration markers will not be accepted unless the conveyance is full to the marker and the entire quantity is delivered; or*

(iv) The net quantity determined at the loading point by a calibrated loading rack meter or calibrated scales. This quantity must be mechanically imprinted on the loading rack meter ticket that is generated by the loading rack meter or calibrated scales. **If this method is used, the Government reserves the right to determine the quantity received at time of delivery by any valid means available.**

(v) *The Government shall have the right to have a representative present to witness the measurement of quantity.*

(vi) In any case, at the Government's option, quantity may be determined at the receiving activity on the basis of--

(A) Weight, using calibrated scales; or

(B) A calibrated meter on the receiving tank system.

(vii) *The Contractor has the right to have a representative present to witness the delivery and measurement of quantity.*

(4) **WATER BOTTOMS.**

(i) Every delivery must be free of all water bottoms prior to discharge; and

(ii) The Contractor is responsible for their removal and disposal.

(5) **VOLUME CORRECTION.** Volume correction to liters at 15°C (or gallons at 60°F) is required for--

(i) All product volumes determined by gauging.

(ii) *All product volumes determined by loading rack meters.*

(iii) *All pipeline tenders.*

(iv) *All product volumes determined by weight.*

(v) All product volumes determined by meters or calibrated markers that are in excess of 20,000 liters (5,000 gallons) or that have a kinematic viscosity equal to or greater than 5.5 mm<sup>3</sup>/s.

(6) **MEASUREMENT STANDARDS.** All measurements and calibrations made to determine quantity shall be in accordance with the most recent edition of the API Manual of Petroleum Measurement Standards (MPMS). Outside of the United States, other technically equivalent national or international standards may be used. Certified capacity tables shall mean capacity tables prepared by an independent inspector or any independent surveyor. In addition, the following specific standards will be used as applicable:

(i) **API MPMS Chapter 11.1, Volume Correction Factors** (API 2540/ASTM D 1250/IP 200/ISO 91-1). Either the printed version or the computer subroutine versions of the standard may be used.

*(A) Use Volume VIII, Tables 53B and*

*54B (or Volume II, Tables 5B and 6B) for all bunker fuels.*

(B) Volume XII, Table 52, shall be used to convert cubic meters at 15°C to barrels at 60°F, except when this method is restricted by foreign law. Convert liters at 15°C to cubic meters at 15°C by dividing by 1,000. Convert gallons at 60°F to barrels at 60°F by dividing by 42. Should foreign law restrict conversion by this method, the method required by law shall be stated in the offer.

(C) If the original measurement is by weight and quantity is required in U. S. gallons, then--

(a) Volume XII, Table 58, shall be used to convert metric tons to U.S. gallons at 60°F.

(b) Volume XI, Table 8, shall be used to convert pounds to U.S. gallons at 60°F.

(D) If the original measurement is by volume and quantity is required in metric tons, then metric tons shall be calculated by multiplying the volume in (m<sup>3</sup>) at 15°C by the density (in kg/m<sup>3</sup>) at 15°C. Convert kilograms to metric tons by dividing by 1,000.

(ii) **API MPMS Chapter 4, Proving Systems.** All meters used in determining product volume shall be calibrated using this standard with the frequency required by local regulation (foreign or domestic). If no local regulation exists, then the frequency of calibration shall be that recommended by the meter manufacturer or every 6 months, whichever is more frequent.

(d) **BACK-HAUL. NOTE:** Navy and USCG regulations may require certain vessels to "top-off" for maintaining a specific reservoir of fuel quantity on-board at all times when on stand-by mode. In addition, instability of the vessel in water may result in variances between the quantity ordered vice receivable by the vessel resulting in returned product.

(1) On f.o.b. destination deliveries as ships' bunkers, excess quantities ordered but not accepted by the Government will be referred to as **back-haul**. **Back-haul charges are only those transportation charges associated with returning the excess quantities to the supply terminal or, if not returnable, incurred demurrage until the product is sold off the barge or truck all resulting in back-haul. Contractors shall limit the time product remains in transit or on-board the barge or truck until sold to another party to mitigate costs. Failure to do so may result in denial of the claim.**

(2) Any back-haul remaining after delivery has been made will be handled as follows:

(i) The Contractor shall notify the Contracting Officer and the Ordering Officer as to the amount and type of product not taken by the vessel and the location(s) that caused the back-haul.

(ii) The Contractor shall file a claim against the Government for returned quantities. This claim shall be submitted to the Contracting Officer in accordance with procedures set forth in paragraph (d), Disputes, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause. **For back-haul:** a copy of the transportation provider's and/or supplier's invoice for the transportation cost must be provided as evidence to substantiate the actual cost of transportation cost per unit of issue. **For demurrage leading to sold product:** a detailed copy of the incurred demurrage charge must be provided as evidence to substantiate the demurrage rate.. A copy of the written fuel order (as cited in the SUPPLIES TO BE FURNISHED (BUNKERS) clause) and signed receiving reports from the Government must also be submitted for all claims described above.

(iii) Claims shall be forwarded to the Contracting Officer, with supporting documents, no later than 120 days after the original delivery date, failing which the Government shall be discharged from any and all liability in respect thereof.

(iv) Product downgraded due to its inability to be reintroduced into a terminal shall be treated as a separate claim unlike back-haul. Contractors must submit all supporting documentation of this result to the Contracting Officer to substantiate the claim and within the time-frame as described in (iii) above.

(e) **CONTRACTOR DELIVERY DELAYS.**

(1) The Contractor shall be liable for costs the Government incurs due to delays/detainments/demurrage of vessels when--

(i) The actual pumping rate for the method of delivery does not meet the required contract rate;

(ii) The Contractor fails to deliver due to fuel shortages/outages;

(iii) The Contractor cannot deliver by the contracted method of delivery;

(iv) The Contractor fails to provide the proper delivery conveyance equipment; or

(v) Any other delay or default does not constitute an excusable delay.

(2) Any demurrage claims against the Contractor shall be computed to the nearest half hour.

(3) **MILITARY SEALIFT COMMAND (MSC) VESSELS.**

(i) If the delayed vessel is under a voyage (spot) charter, demurrage may be assessed at the rate provided in the charter. For long term barge contracts not awarded by MSC, demurrage may be assessed at the contract hire rate for the vessel. In all cases when the vessel is under charter, the demurrage payable by the Contractor shall not exceed the actual demurrage expense incurred by the Government.

(ii) If the vessel is not under a voyage charter, demurrage may be assessed at the demurrage rate for that class of vessel as published by the MSC.

(4) Acceptance of a late delivery shall be for the purpose of mitigating damages and shall not constitute a waiver of the Government's right to recover delay damages from the Contractor.

(DESC 52.247-9FE5)

**F3.01 TRANSPORT TRUCK, TRUCK AND TRAILER AND/OR TANK WAGON FREE TIME AND DETENTION RATES (BUNKERS) (DESC MAR 1997)**

(a) Upon arrival of Contractor's transport truck, truck and trailer, or tank wagon, the receiving activity shall promptly designate the delivery point into which the load is to be discharged. The Contractor shall be paid for detention beyond free time for delays caused by the Government. A minimum of one hour free time is required per item requiring transport truck, truck and trailer, or tank wagon delivery.

(1) Additional free time per item for unloading a transport truck, truck and trailer, or tank wagon in excess of the required one hour: \_\_\_\_\_.

(2) Rate per item for detention beyond required, plus any additional, free time: \_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_.

NOTE: The above will not be considered in the evaluation of offers for award.

(b) Notwithstanding the above, the Government is entitled to at least as much free time as is allowed by the common carrier or that the Contractor normally allows its regular commercial customers, whichever is greater. In addition, the Government will not pay more in detention rates than the actual rate charged by the common carrier or the rate the Contractor normally charges its regular commercial customers, whichever is lower. UNLESS THE OFFEROR OTHERWISE INDICATES IN PARAGRAPH (a)(1) and (2) ABOVE, FREE TIME WILL BE CONSIDERED UNLIMITED.

(c) **DETENTION COSTS.** Detention costs will be the sole responsibility of the activity incurring them. Any invoices for detention costs will be forwarded directly to the activity receiving the product.

(DESC 52.247-9FE1)

**F16.03 BARGE UNLOADING CONDITIONS (SHIPS' BUNKERS) (DESC AUG 1999)**

(a) **ORDERING PROCESS.** The supplies ordered hereunder shall be delivered to the destination specified in a verbal order and/or DD 1155, SF 44, SF 1449, OF 347, or CD 404 (to be referred to in this clause as the "ordering document"), in accordance with the contract schedule, unless mutually agreed to by the parties. Unless otherwise specified in the contract, orders placed for bunkers for delivery (anchorage and/or pier-side) by means of barge will be furnished to the Contractor at least 48 hours, in advance of the date/time on which delivery is to be made, which date is hereinafter referred to in this clause as the "scheduled delivery date". Each order will specify the quantity to be delivered, the scheduled delivery date, and location.

(b) **SCHEDULED DELIVERY DATE.** The scheduled delivery date may be changed by mutual agreement of the parties. If an agreement on a new scheduled delivery date cannot be reached, the previous scheduled delivery date will be maintained.

(c) **EXPECTED TIME OF ARRIVAL.** The Contractor must provide to the receiving Government vessel a notice of readiness to bunker at least 1 hour prior to the scheduled bunkering. The Government shall provide a safe and assessable berth for the Contractor's bunkering vessel, not later than 1 hour after receipt of the Contractor's bunkering vessel's notice of readiness to bunker.

(d) **LAYTIME.** Unless otherwise provided in the ordering document, the Government shall be allowed and will complete receipt of the bunkers within laytime determined as follows:

**(1) One hour for each 1,500 barrels of supplies to be bunkered. (Example: Quantity to be bunkered is 4,000 barrels, laytime will be 2 hours and 40 minutes.) This assumes the barge delivering bunkers is capable of pumping into**

*the receiving vessel at a rate of 1,500 barrels per hour (BPH). Laytime will be extended by the appropriate additional time when the pumping rate is less than 1,500 BPH.*

*(2) Laytime shall commence as follows:*

*(i) At Notice of Readiness (NOR) plus 1 hour; or*

*(ii) Immediately upon arrival in berth of the Contractor's bunkering barge (i.e., all fast) provided that the Contractor provided notice of readiness to bunker at the proper time. (See paragraph (c) above.)*

*(iii) Laytime shall continue 24 hours a day, 7 days a week, without interruption, unless port authority regulations require differently, from its commencement until bunkering of the barge is completed and the hoses have been disconnected.*

*(e) LAYTIME CREDIT.*

*(1) If regulations of the Port Authority prohibit bunkering at any time, time so lost shall be added to the amount of allowed laytime.*

*(2) Delays after commencement of laytime attributed to the condition of the bunkering barge or delays caused by a failure of the bunkering barge will be added to the allowed laytime. In the event of Contractor delay, if total adjusted laytime is not fully utilized and/or is exceeded due to further Contractor delays, the provisions of paragraph (e), Contractor Delivery Delays, of the BUNKERING PROVISIONS clause may be utilized.*

*(3) Delays, after commencement of laytime, attributed to causes beyond the control and without the fault or negligence of the Contractor or the Government will result in increasing basic allowed laytime for one half of the delay.*

*(4) Delays caused solely by the Government, due to late arrival of the vessel, late commencement, and/or late continuation of the delivery, will be deducted from allowed laytime and/or freetime after coordination with the Chief Engineering and/or Ordering Officer. In the event of Government delay, if total allowed laytime and freetime are exceeded, the Contractor may bill for detention charges in accordance with paragraph (i) below. Evidence of such delay must be provided.*

*(f) DELAYS. In the event of a breakdown of the Contractor's equipment, which prohibit bunkering for at least 2 hours, the Contractor will be required to remove the equipment from the Government-provided berth, unless permission is granted by the Government to allow the equipment to remain at berth. When the Government grants permission for the Contractor's equipment to remain at berth, the Contractor will be responsible to reimburse the Government for any cost incurred by the Government for furnishing personnel to remain with the barge during repair. If the Contractor removes the equipment from the Government-provided berth, notice of readiness to bunker will be again required as provided in paragraph (b) above.*

*(g) EQUIPMENT. Hoses for bunkering a barge shall be provided by the Contractor. However, the Government shall be responsible for connecting and disconnecting the hoses at the flange of the receiving Government vessel.*

*(h) TITLE. Title to the supplies delivered, and risk of loss thereof, shall pass from the Contractor to the Government when the supplies cross the receiving Government vessel's manifold.*

*(i) DETENTION RATE. The detention rate payable per hour by the Government for detainment of the Contractor's barge will be specified below. The detention payable to the Contractor shall in no event exceed the actual detention expense incurred by the Contractor's bunkering barge. Free time allowed and detention rates are not considered in evaluation of offers for awards although rates and times may be addressed during negotiations.*

*Detention Beyond Free Time  
Per Hour  
Other (explain)*

<u>Item</u>	<u>Free Time Allowed</u>	<u>Barge</u>	<u>Tug</u>	<u>Other (explain)</u>
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NOTE: *Exceptions to laytime are not allowed.*

*(DESC 52.247-9FG1)*

**F18 F.O.B. DESTINATION (NOV 1991)**

(a) The term "f.o.b. destination," as used in this clause, means--

(1) Free of expense to the Government, on board the carrier's conveyance, at a specified delivery point where the consignee's facility (plant, warehouse, store, lot, or other location to which shipment can be made) is located; and

(2) Supplies shall be delivered to the destination consignee's wharf (if destination is a port city and supplies are for export), warehouse unloading platform, or receiving dock, at the expense of the Contractor. The Government shall not be liable for any delivery, storage, demurrage, accessorial, or other charges involved before the actual delivery (or "constructive placement" as defined in carrier tariffs) of the supplies to the destination, unless such charges are caused by an act or order of the Government acting in its contractual capacity. If rail carrier is used, supplies shall be delivered to the specified unloading platform of the consignee. If motor carrier (including "piggyback") is used, supplies shall be delivered to truck tailgate at the unloading platform of the consignee, except when the supplies delivered meet the requirements of Item 568 of the National Motor Freight Classification for "heavy or bulky freight." When supplies meeting the requirements of the referenced Item 568 are delivered, unloading (including movement to the tailgate) shall be performed by the consignee, with assistance from the truck driver, if requested. If the Contractor uses rail carrier or freight forwarded for less than carload shipments, the Contractor shall ensure that the carrier will furnish tailgate delivery, when required, if transfer to truck is required to complete delivery to consignee.

(b) The Contractor shall-

(1) (i) Pack and mark the shipment to comply with contract specifications; or

(ii) In the absence of specifications, prepare the shipment in conformance with carrier requirements;

(2) Prepare and distribute commercial bills of lading;

(3) Deliver the shipment in good order and condition to the point of delivery specified in the contract;

(4) Be responsible for any loss of and/or damage to the goods occurring before receipt of the shipment by the consignee at the delivery point specified in the contract;

(5) Furnish a delivery schedule and designate the mode of delivering carrier; and

(6) Pay and bear all charges to the specified point of delivery.

*(FAR 52.247-34)*

**F30.04 ORDERS (FOREIGN VESSELS) (DESC AUG 1999)**

Any order placed pursuant to this contract for delivery as ships' bunker shall be honored by the Contractor, regardless of the nationality of registry of the vessel to be bunkered, provided that the order shall have been properly placed by the authorized Ordering Officer citing an appropriation of U.S. Government funds and complying with the provisions outlined in the contract, specifically in the SUBMISSION OF INVOICES FOR PAYMENT (BUNKERS) clause. The responsible Ordering Officer shall ensure that all procedures are followed in order to allow for payment to the Contractor via normal channels.

*(DESC 52.216-9FA3)*

**F105 VARIATION IN QUANTITY (APR 1984)**

(a) A variation in the quantity of any item called for by this contract will not be accepted unless the variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified in paragraph (b) below.

(b) The permissible variation shall be limited to--

\_\_\_\_\_ Percent increase

\_\_\_\_\_ Percent decrease

This increase or decrease shall apply to \_\_\_\_\_.

*(FAR 52.211-16)*

**G9.06 ADDRESS TO WHICH REMITTANCE SHOULD BE MAILED (DESC DEC 1999)**

Remittances shall be mailed only at the Government's option or where an exception to payment by Electronic Funds Transfer (EFT) applies. (See the PAYMENT BY ELECTRONIC FUNDS TRANSFER - CENTRAL CONTRACTOR REGISTRATION or the PAYMENT BY ELECTRONIC FUNDS TRANSFER - OTHER THAN CENTRAL CONTRACTOR REGISTRATION clause.)

Offeror shall indicate below the complete mailing address (including the nine-digit zip code) to which remittances should be mailed if such address is other than that shown in Block 15a (Standard Form (SF) 33) for noncommercial items or Block 17a (SF 1449) for commercial items. In addition, if offeror did not incorporate its nine-digit zip code in the address shown in Block 15a of the SF 33 or in Block 17a of the SF 1449, the offeror shall enter it below:

(a) Payee Name (Contractor): \_\_\_\_\_  
(DO NOT EXCEED 25 CHARACTERS)

(b) Check Remittance Address:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(DO NOT EXCEED 30 CHARACTERS PER LINE)

(c) Narrative Information (special instructions).  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(DO NOT EXCEED 153 CHARACTERS)

(DESC 52.232-9F55)

**THIS CLAUSE APPLIES ONLY TO DESC-FUNDED ITEMS.**

**G9.07 ELECTRONIC TRANSFER OF FUNDS PAYMENTS - CORPORATE TRADE EXCHANGE (DESC FEB 2003)**

(a) The Contractor shall supply the following information to the Contracting Officer no later than 5 days after contract award and before submission of the first request for payment. The bank designated as the receiving bank must be located in the United States and must be capable of receiving Automated Clearing House (ACH) transactions.

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NAME OF RECEIVING BANK: \_\_\_\_\_  
(DO NOT EXCEED 29 CHARACTERS)

CITY AND STATE OF RECEIVING BANK: \_\_\_\_\_  
(DO NOT EXCEED 20 CHARACTERS)

AMERICAN BANKERS ASSOCIATION NINE DIGIT IDENTIFIER OF RECEIVING BANK: \_\_\_\_\_

ACCOUNT TYPE CODE: (Contractor to designate one)

CHECKING TYPE 22

SAVINGS TYPE 32

RECIPIENT'S ACCOUNT NUMBER ENCLOSED IN PARENTHESES: \_\_\_\_\_  
(DO NOT EXCEED 15 CHARACTERS)

RECIPIENT'S NAME: \_\_\_\_\_  
(DO NOT EXCEED 25 CHARACTERS)

STREET ADDRESS: \_\_\_\_\_  
(DO NOT EXCEED 25 CHARACTERS)

CITY AND STATE: \_\_\_\_\_  
(DO NOT EXCEED 25 CHARACTERS)

**NOTE:** Additional information may be entered in **EITHER** paragraph (b) **OR** paragraph (c) below. Total space available for information entered in (b) **OR** (c) is 153 characters.

**(b) SPECIAL INSTRUCTIONS/OTHER IDENTIFYING DATA:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(DO NOT EXCEED 153 CHARACTERS)

OR

**(c) THIRD PARTY INFORMATION:** Where payment is to be forwarded from the receiving bank to another financial institution for deposit into Contractor's account, the following information **must** be supplied by the Contractor: Second Bank Name, City/State and/or Country, Account Number, and Account Name.

\_\_\_\_\_  
\_\_\_\_\_



(b) **CONTRACTOR'S EFT INFORMATION.** The Government shall make payment to the Contractor using the EFT information contained in the Central Contractor Registration (CCR) database. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the CCR database.

(c) **MECHANISMS FOR EFT PAYMENT.** The Government shall make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or the Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 CFR Part 210.

(d) **SUSPENSION OF PAYMENT.** If the Contractor's EFT information in the CCR database is incorrect, then the Government need not make payment to the Contractor under this contract until correct EFT information is entered into the CCR database; and any invoice or contract financing request shall be deemed not to be a proper invoice for the purpose of prompt payment under this contract. The prompt payment terms of the contract regarding notice of an improper invoice and delays in accrual of interest penalties apply.

(e) **CONTRACTOR EFT ARRANGEMENTS.** The Contractor has identified multiple payment receiving points (i.e., more than one remittance address and/or EFT information set) in the CCR database, and the Contractor has not notified the Government of the payment receiving point applicable to this contract, the Government shall make payment to the first payment receiving point (EFT information set or remittance address as applicable) listed in the CCR database.

(f) **LIABILITY FOR UNCOMPLETED OR ERRONEOUS TRANSFERS.**

(1) If an uncompleted or erroneous transfer occurs because the Government used the Contractor's EFT information incorrectly, the Government remains responsible for--

- (i) Making a correct payment;
- (ii) Paying any prompt payment penalty due; and
- (iii) Recovering any erroneously directed funds.

(2) If an uncompleted or erroneous transfer occurs because the Contractor's EFT information was incorrect or was revised within 30 days of Government release of the EFT payment transaction instruction to the Federal Reserve System, and--

(i) If the funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Contractor is responsible for recovery of any erroneously direct funds; or

(ii) If the funds remain under the control of the payment office, the Government shall not make payment and the provisions of paragraph (d) of this clause shall apply.

(g) **EFT AND PROMPT PAYMENT.** A payment shall be deemed to have been made in a timely manner in accordance with the prompt payment terms of this contract if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

(h) **EFT AND ASSIGNMENT OF CLAIMS.** If the Contractor assigns the proceeds of this contract as provided for in the assignment of claims terms of this contract, the Contractor shall require a condition of any such assignment that the assignee shall register in the CCR database and shall be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information that shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to the Government, is incorrect within the meaning of paragraph (d) of this clause.

(i) **LIABILITY FOR CHANGE OF EFT INFORMATION BY FINANCIAL AGENT.** The Government is not liable for errors resulting from changes in EFT information made by the Contractor's financial agent.

(j) **PAYMENT INFORMATION.** The payment or disbursing office shall forward to the Contractor available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. The Government may request the Contractor to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, the Government does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with paragraph (a) of this clause, the Government shall mail the payment information to the remittance address contained in the CCR database.

**G9.11 DESIGNATION OF OFFICE FOR GOVERNMENT RECEIPT OF ELECTRONIC FUNDS TRANSFER INFORMATION (MAY 1999)**

(a) As provided in paragraph (b) of the PAYMENT BY ELECTRONIC FUNDS TRANSFER - OTHER THAN CENTRAL CONTRACTOR REGISTRATION clause, the Government has designated the office cited in paragraph (c) of this clause as the office to receive the Contractor's electronic funds transfer (EFT) information , in lieu of the payment office of this contract.

(b) The Contractor shall send all EFT information and any changes to EFT information to the office designated in paragraph (c) of this clause. The Contractor shall not send EFT information to the payment office or any other office than that designated in paragraph (c). The Government need not use any EFT information sent to any office other than that designated in paragraph (c).

(c) **DESIGNATED OFFICE.**

Name: DEFENSE ENERGY SUPPORT CENTER

Mailing Address: 8725 JOHN J. KINGMAN RD.

ATTN: DESC-CPC/RM 3821

FORT BELVOIR, VA 22060-6222

Telephone Number(s) (703) 767-7363

Person(s) to Contact: Frankie Silver

Electronic Address: Frankie.Silver@dla.mil

(FAR 52.232-35)

**G150.01 SUBMISSION OF INVOICES FOR PAYMENT (SHIPS' BUNKERS) (DESC NOV 2002)  
INVOICING FOR FUEL DELIVERIES.**

(a) The Contractor shall submit an original of the invoice, a signed copy of the delivery order and a signed commercial receipt to the responsible paying office. A copy of the order, certified for receipt as specified in the SUPPLIES TO BE FURNISHED (SHIPS' BUNKERS) clause, may be submitted in lieu of the commercial receipt.

(b) Quantities invoiced for domestic deliveries shall be expressed in U.S. gallons as whole numbers. Quantities invoiced for overseas deliveries shall be expressed in metric tons and shall not exceed 2 decimal places (rounded up).

(c) The appropriate paying office shall return incomplete and/or incorrect invoice and commercial receipt data (as described above) to the Contractor for correction. The paying office shall forward incorrect order forms to the ordering activity for correction.

(d) Invoices for all U.S. Navy, U.S. Army, U.S. Army Corps of Engineers, U.S. Military Sealift Command, and U.S. Coast Guard fuel deliveries shall be submitted to--

ATTN: DFAS-BVDFB/CC  
DEFENSE FINANCE AND ACCOUNTING SERVICE - COLUMBUS CENTER  
FUELS ACCOUNTING AND PAYMENTS DIVISION  
P.O. BOX 182317  
COLUMBUS, OH 43218-6251

(e) **TAXES.** DFAS Columbus is responsible for paying allowable taxes excluded from the unit price and listed under the SUPPLIES TO BE FURNISHED (SHIPS' BUNKERS) clause. **NOTE:** The Federal Excise Tax (FET) shall **NOT** be

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paid when the Contractor clearly annotates on the invoice and commercial bunker receipt or bill of lading "DYED DIESEL FUEL. NONTAXABLE USE ONLY. PENALTY FOR TAXABLE USE." FET on undyed diesel fuel charged as a separate item shall be paid by the paying office at the rate in effect per the contract. After-imposed taxes and/or tax rate changes will follow the provisions of the FEDERAL, STATE, AND LOCAL TAXES (DEVIATION) and FEDERAL, STATE, AND LOCAL TAXES/FEES EXCLUDED FROM CONTRACT PRICE clauses, and/or the TAXES - FOREIGN FIXED-PRICE CONTRACTS clause.

(f) Invoices for all other Federal/Civil Agency deliveries (including, but not limited to, NASA, NOAA, and Maritime Administration (MARAD) and their agents) shall be submitted to the paying office designated in Block 21 of the OF 347, the block entitled AGENCY NAME AND BILLING ADDRESS of the SF 44, block D of CD Form 404, or block 18a or b of the SF 1449. **NOTE:** The provisions of (v) above concerning payment of taxes shall apply when DFAS Columbus is **NOT** the paying office. **FURTHER NOTE:** NASA and MARAD may utilize ship managers to make fuel invoice payments. Payment procedures described herein for manual invoices shall still apply.

(g) **INSTRUCTIONS FOR SUBMITTING INVOICES VIA FACSIMILE.**

(1) When the Contractor has elected to transmit invoices by FAX for the life of the contract, it is responsible for validating receipt of its FAXED invoice. Because the applicable payment office cannot be held accountable for transmissions not received, the Contractor may verify transmission/receipt of its FAX by retaining the facsimile confirmation.

<u>Payment Activity</u>	<u>Facsimile Number</u>	<u>Customer Service</u>	<u>Email Address</u>
DFAS-BVDFB/CC	(614) 693-0670	(614) 693-1832 (614) 693-1815	FRANKLIN.MALICK@DFAS.MIL REBECCA.ARNETT@DFAS.MIL
NASA Cape Canaveral	(407) 867-3785	(407) 867-3801	

For DFAS-BVDFB/CC, personnel are available to verify receipt of FAXED transmissions between 8:00 a.m. and 5:00 p.m., EST/EDT, Monday through Friday, excluding Federal holidays.

(2) The Contractor shall include its FAX number on each document transmitted.

(3) After transmitting the original invoice, the Contractor shall mark that invoice **Original Invoice - FAXED** and retain it. The hard copy is not required for payment and shall not be mailed to the payment office unless the payment office specifically requests it.

(4) A signed copy of the delivery order and a signed commercial receipt must accompany the invoice FAXED for payment. A copy of the order, certified for receipt as specified in (a)(2)(i) above, may be submitted in lieu of the commercial receipt.

(h) **COURIER DELIVERY OF INVOICES.** Couriers, acting on behalf of Contractors, must deliver Contractor invoices being submitted for payment to the following mailroom street address:

DEFENSE FINANCE AND ACCOUNTING SERVICE - COLUMBUS CENTER  
DFAS-BVDFB/CC  
3990 EAST BROAD STREET, BLDG 21  
COLUMBUS, OH 43213-1152

(i) **PAYMENT OF INVOICES** shall be made in accordance with the provisions herein. No credit card, check, or cash issued by the receiving vessel/activity, Defense Attaché Office, U.S. Embassy nor any other field office shall be used to fund a delivery under this contract. Payment shall only be made by the payment office designated on the order form.

(1) **FOR FIRM-FIXED PRICE CONTRACTS WITHOUT ECONOMIC PRICE ADJUSTMENT:** The unit price listed on the invoice or the unit price stated in the contract, whichever is less.

(2) **FOR FIXED-PRICE CONTRACTS WITH ECONOMIC PRICE ADJUSTMENT:** The unit price listed on the invoice or the unit price on the modification in effect at the completion delivery date, whichever is less.

(3) **FOR QUANTITY:** The invoiced net quantity or the net quantity certified on the receipt document, whichever is less.

(4) **CURRENCY.** All payments shall be made in U.S. dollars.

(j) **INVOICING FOR ADDITIONAL COST(S) (DETENTION, OVERTIME, ALTERNATE MODES OF DELIVERY, ETC.).** Contractors may submit claims for additional charges to the DESC Contracting Officer for review. The Contracting Officer will issue a contract modification for all approved additional charges, which authorize payment. Once approved, hard copies of the invoice, order, or receipt are not required with the invoice unless requested by the paying office.

(k) **PAYMENT INQUIRIES** should be directed to the paying office applicable to the delivery. For those payment issues not successfully resolved between the Contractor and the payment office, the Contractor shall contact the DESC Contracting Officer for resolution.

(DESC 52.232-9F80)

**H20      REPORTS OF GOVERNMENT PROPERTY (MAY 1994)**

(a) The Contractor shall provide an annual report--

(1) For all DoD property for which the Contractor is accountable under the contract;

(2) Prepared in accordance with the requirements of DD Form 1662, DoD Property in the Custody of Contractors, or approved substitute, including instructions on the reverse side of the form; and

(3) In duplicate, to the cognizant Government property administrator, no later than October 31.

(b) The Contractor is responsible for reporting all Government property accountable to this contract, including that at subcontractor and alternate locations.

(DFARS 252.245-7001)

**11.22      PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)**

(a) The Government, at its election, may reduce the price of a fixed-price-type contract and the total cost and fee under a cost-type contract by the amount of profit or fee determined as set forth in paragraph (b) of this clause if the head of the contracting activity or designee determines that there was a violation of subsection 27(a), (b), or (c) of the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 423), as implemented in section 3.104 of the Federal Acquisition Regulation.

(b) The price or fee reduction referred to in paragraph (a) of this clause shall be--

(1) For cost-plus-fixed-fee contracts, the amount of the fee specified in the contract at the time of award;

(2) For cost-plus-incentive-fee contracts, the target fee specified in the contract at the time of award, notwithstanding any minimum fee or "fee floor" specified in the contract.

(3) For cost-plus-award-fee contracts--

(i) The base fee established in the contract at the time of contract award;

(ii) If no base fee is specified in the contract, 30 percent of the amount of each award fee otherwise payable to the Contractor for each award fee evaluation period or at each award fee determination point.

(4) For fixed-price-incentive contracts, the Government may--

(i) Reduce the contract target price and contract target profit both by an amount equal to the initial target profit specified in the contract at the time of contract award; or

(ii) If an immediate adjustment to the contract target price and contract target profit would have a significant adverse impact on the incentive price revision relationship under the contract, or adversely affect the contract financing provisions, the Contracting Officer may defer such adjustment until establishment of the total final price of the contract. The total final price established in accordance with the incentive price revision provisions of the contract shall be reduced by an amount equal to the initial target profit specified in the contract at the time of contract award and such reduced price shall be the total final contract price.

(5) For firm-fixed-price contracts, by 10 percent of the initial contract price or a profit amount determined by the Contracting Officer from records or documents in existence prior to the date of the contract award.

(c) The Government may, at its election, reduce a prime Contractor's price or fee in accordance with the procedures of paragraph (b) of this clause for violations of the Act by its subcontractors by an amount not to exceed the amount of profit or fee reflected in the subcontract at the time the subcontract was first definitively priced.

(d) In addition to the remedies in paragraphs (a) and (c) of this clause, the Government may terminate this contract for default. The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law or under this contract.

(FAR 52.203-10)

**12.05      CHANGES - FIXED-PRICE (AUG 1987)**

(a) The Contracting Officer may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in any one or more of the following:

(1) Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for the Government in accordance with the drawings, designs, or specifications.

(2) Method of shipment or packing.

(3) Place of delivery.

(b) If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, the Contracting Officer shall make an equitable adjustment in the contract price, the delivery schedule, or both, and shall modify the contract.

(c) The Contractor must assert its right to an adjustment under this clause within 30 days from the date of receipt of the written order. However, if the Contracting Officer decides that the facts justify it, the Contracting Officer may receive and act upon a proposal submitted before final payment of the contract.

(d) If the Contractor's proposal includes the cost of property made obsolete or excess by the change, the Contracting Officer shall have the right to prescribe the manner of the disposition of the property.

(e) Failure to agree to any adjustment shall be a dispute under the DISPUTES clause. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

(FAR 52.243-1)

**111.01-2 ADMINISTRATIVE COST OF TERMINATION FOR CAUSE -- COMMERCIAL ITEMS (DESC FEB 1996)**

(a) In the event this contract is terminated for cause, in whole or in part, the Government will incur administrative costs.

(b) The Contractor agrees to pay all administrative costs associated with a contract termination action. The minimum amount the Contractor shall pay for each termination action is \$500. This payment for administrative costs is in addition to any excess procurement costs and any other remedies or damages resulting from the termination.

(c) The term **termination action**, as used herein, means the termination for cause, including any associated procurement effort, involving--

(1) Any single order or any group of orders terminated together;

(2) Any item or group of items terminated together; or

(3) The entire contract.

(DESC 52.249-9F20)

**112.02 CHOICE OF LAW (OVERSEAS) (JUN 1997)**

This contract shall be construed and interpreted in accordance with the substantive laws of the United States of America. By the execution of this contract, the Contractor expressly agrees to waive any rights to invoke the jurisdiction of local national courts where this contract is performed and agrees to accept the exclusive jurisdiction of the United States Armed Services Board of Contract Appeals and the United States Court of Federal Claims for the hearing and determination of any and all disputes that may arise under the Disputes clause of this contract.

(DFARS 252.233-7001)

**127 GRATUITIES (APR 1984)**

(a) The right of the Contractor to proceed may be terminated by written notice if, after notice and hearing, the agency head or a designee determines that the Contractor, its agent, or another representative--

(1) Offered or gave a gratuity (e.g., an entertainment or gift) to an officer, official, or employee of the Government; and

(2) Intended, by the gratuity, to obtain a contract or favorable treatment under a contract.

(b) The facts supporting this determination may be reviewed by any court having lawful jurisdiction.

(c) If this contract is terminated under paragraph (a) above, the Government is entitled--

(1) To pursue the same remedies as in a breach of the contract; and

(2) In addition to any other damages provided by law, to exemplary damages of not less than 3 nor more than 10 times the cost incurred by the Contractor in giving gratuities to the person concerned, as determined by the agency head or a designee. (This subparagraph (c)(2) is applicable only if this contract uses money appropriated to the Department of Defense.)

(d) The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

(FAR 52.203-3)

**128.21 TAXES - FOREIGN FIXED-PRICE CONTRACTS (JAN 1991)**

(a) To the extent that this contract provides for furnishing supplies or performing services outside the United States, its possessions, and Puerto Rico, this clause applies in lieu of any Federal, State, and local taxes clause of the contract.

(b) **Contract date**, as used in this clause, means the date set for bid opening or, if this is a negotiated contact or a modification, the effective date of this contact or modification.

**Country concerned**, as used in this clause, means any country, other than the United States, its possessions, and Puerto Rico, in which expenditures under this contact are made.

**Tax and taxes**, as used in this clause, include fees and charges for doing business that are levied by the government of the country concerned or by its political subdivisions.

**All applicable taxes and duties**, as used in this clause, means all taxes and duties, in effect on the contract date, that the taxing authority is imposing and collecting on the transactions or property covered by this contract, pursuant to written ruling or regulation in effect on the contract date.

**After-imposed tax**, as used in this clause, means any new or increased tax or duty, or tax that was exempted or excluded on the contract date but whose exemption was later revoked or reduced during the contract period, other than excepted tax, on the transactions or property covered by this contract that the Contractor is required to pay or bear as the result of legislative, judicial, or administrative action taking effect after the contract date.

**After-relieved tax**, as used in this clause, means any amount of tax or duty, other than an excepted tax, that would otherwise have been payable on the transactions or property covered by this contract, but which the Contractor is not required to pay or bear, or for which the Contractor obtains a refund, as the result of legislative, judicial, or administrative action taking effect after the contract date.

**Excepted tax**, as used in this clause, means social security or other employment taxes, net income and franchise taxes, excess profits taxes, capital stock taxes, transportation taxes, unemployment compensation taxes, and property taxes. "Excepted tax" does not include gross income taxes levied on or measured by sales or receipts from sales, property taxes assessed on completed supplies covered by this contract, or any tax assessed on the Contractor's possession of, interest in, or use of property, title to which is in the U.S. Government.

(c) Unless otherwise provided in this contract, the contract price includes all applicable taxes and duties, except taxes and duties that the Government of the United States and the government of the country concerned have agreed shall not be applicable to expenditures in such country by or on behalf of the United States.

(d) The contract price shall be increased by the amount of any after-imposed tax or of any tax or duty specifically excluded from the contract price by a provision of this contract that the Contractor is required to pay or bear, including any interest or penalty, if the Contractor states in writing that the contract price does not include any contingency for such tax and if liability for such tax, interest, or penalty was not incurred through the Contractor's fault, negligence, or failure to follow instructions of the Contracting Officer or to comply with the provisions of paragraph (i) below.

(e) The contract price shall be decreased by the amount of any after-relieved tax, including any interest or penalty. The Government of the United States shall be entitled to interest received by the Contractor incident to a refund of taxes to the extent that such interest was earned after the Contractor was paid by the Government of the United States for such taxes. The Government of the United States shall be entitled to repayment of any penalty refunded to the contractor to the extent that the penalty was paid by the Government.

(f) The contract price shall be decreased by the amount of any tax or duty, other than an excepted tax, that was included in the contract and that the Contractor is required to pay or bear, or does not obtain a refund of, through the Contractor's fault, negligence, or failure to follow instructions of the Contracting Officer or to comply with the provisions of paragraph (i) below.

(g) No adjustment shall be made in the contract price under this clause unless the amount of the adjustment exceeds \$250.

(h) If the Contractor obtains a reduction in tax liability under the United States Internal Revenue Code (Title 26, U.S. Code) because of the payment of any tax or duty that either was included in the contract price or was the basis of an increase

in the contract price, the amount of the reduction shall be paid or credited to the Government of the United States as the Contracting Officer directs.

(i) The Contractor shall take all reasonable action to obtain exemption from or refund of any taxes or duties, including interest or penalty, from which the United States Government, the Contractor, any subcontractor, or the transactions or property covered by this contract are exempt under the laws of the country concerned or its political subdivisions or which the governments of the United States and of the country concerned have agreed shall not be applicable to expenditures in such country by or on behalf of the United States.

(j) The Contractor shall promptly notify the Contracting Officer of all matters relating to taxes or duties that reasonably may be expected to result in either an increase or decrease in the contract price and shall take appropriate action as the Contracting Officer directs. The contract price shall be equitably adjusted to cover the costs of action taken by the Contractor at the direction of the Contracting Officer, including any interest, penalty, and reasonable attorneys' fees.

(FAR 52.229-6)

**I33 INTEREST (JUN 1996)**

(a) Except as otherwise provided in this contract under a PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA clause or a COST ACCOUNTING STANDARDS clause, all amounts that become payable by the Contractor to the Government under this contract (net of any applicable tax credit under the Internal Revenue Code (26 U.S.C. 1481) shall bear simple interest from the date due until paid unless paid within 30 days of becoming due. The interest rate shall be the interest rate established by the Secretary of the Treasury as provided in Section 12 of the Contract Disputes Act of 1978 (Public Law 95-563), which is applicable to the period in which the amount becomes due, as provided in paragraph (b) of this clause, and then at the rate applicable for each six-month period as fixed by the Secretary until the amount is paid.

(b) Amounts shall be due at the earliest of the following dates:

(1) The date fixed under this contract.

(2) The date of the first written demand for payment consistent with this contract, including any demand resulting from a default termination.

(3) The date the Government transmits to the Contractor a proposed supplemental agreement to confirm completed negotiations establishing the amount of debt.

(4) If this contract provides for revision of prices, the date of written notice to the Contractor stating the amount of refund payable in connection with a pricing proposal or a negotiated pricing agreement not confirmed by contract modification.

(c) The interest charge made under this clause may be reduced under the procedures prescribed in 32.614-2 of the Federal Acquisition Regulation in effect on the date of this contract.

(FAR 52.232-17)

**THE FOLLOWING CLAUSE APPLIES ONLY TO UNRESTRICTED ITEMS AND, IF APPLICABLE, ANY TOTAL SMALL BUSINESS SET-ASIDE ITEMS.**

**I84 REQUIREMENTS (OCT 1995)**

(a) This is a requirements contract for the supplies or services specified, and effective for the period stated in the Schedule. The quantities of supplies or services specified in the Schedule are estimates only and are not purchased by this contract. Except as this contract may otherwise provide, if the Government's requirements do not result in orders in the quantities described as "estimated" or "maximum" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the ORDERING clause. Subject to any limitations in the ORDER LIMITATIONS clause or elsewhere in this contract, the Contractor shall furnish to the Government all supplies or services specified in the Schedule and called for by orders issued in accordance with the ORDERING clause. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(c) Except as this contract otherwise provides, the Government shall order from the Contractor all the supplies or services specified in the Schedule that are required to be purchased by the Government activity or activities specified in the Schedule.

(d) The Government is not required to purchase from the Contractor requirements in excess of any limit on total orders under this contract.

(e) If the Government urgently requires delivery of any quantity of an item before the earliest date that delivery may be specified under this contract, and if the Contractor will not accept an order providing for the accelerated delivery, the Government may acquire the urgently required goods or services from another source.

(f) 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

(FAR 52.216-21)

**II14 GOVERNMENT PROPERTY (FIXED-PRICE CONTRACTS) (DEC 1989)**

**(a) GOVERNMENT-FURNISHED PROPERTY.**

(1) The Government shall deliver to the Contractor, for use in connection with and under the terms of this contract, the Government-furnished property described in the Schedule or specifications together with any related data and information that the Contractor may request and is reasonably required for the intended use of the property (hereinafter referred to as "Government-furnished property").

(2) The delivery or performance dates for this contract are based upon the expectation that Government-furnished property suitable for use (except for property furnished "as-is") will be delivered to the Contractor at the times stated in the Schedule or, if not so stated, in sufficient time to enable the Contractor to meet the contract's delivery or performance dates.

(3) If Government-furnished property is received by the Contractor in a condition not suitable for the intended use, the Contractor shall, upon receipt of it, notify the Contracting Officer, detailing the facts, and, as directed by the Contracting Officer and at Government expense, either repair, modify, return, or otherwise dispose of the property. After completing the directed action and upon written request of the Contractor, the Contracting Officer shall make an equitable adjustment as provided in paragraph (h) of this clause.

(4) If Government-furnished property is not delivered to the Contractor by the required time, the Contracting Officer shall, upon the Contractor's timely written request, make a determination of the delay, if any, caused the Contractor and shall make an equitable adjustment in accordance with paragraph (h) of this clause.

**(b) CHANGES IN GOVERNMENT-FURNISHED PROPERTY.**

(1) The Contracting Officer may, by written notice, (i) decrease the Government-furnished property provided or to be provided under this contract, or (ii) substitute other Government-furnished property for the property to be provided by the Government, or to be acquired by the Contractor for the Government, under this contract. The Contractor shall promptly take such action as the Contracting Officer may direct regarding the removal, shipment, or disposal of the property covered by such notice.

(2) Upon the Contractor's written request, the Contracting Officer shall make an equitable adjustment to the contract in accordance with paragraph (h) of this clause, if the Government has agreed in the Schedule to make the property available for performing this contract and there is any--

- (i) Decrease or substitution in this property pursuant to subparagraph (b)(1) above; or
- (ii) Withdrawal of authority to use this property, if provided under any other contract or lease.

**(c) TITLE IN GOVERNMENT PROPERTY.**

(1) The Government shall retain title to all Government-furnished property.

(2) All Government-furnished property and all property acquired by the Contractor, title to which vests in the Government under this paragraph (collectively referred to as "Government property"), are subject to the provisions of this clause. However, special tooling accountable to this contract is subject to the provisions of the Special Tooling clause and is not subject to the provisions of this clause. Title to Government property shall not be affected by its incorporation into or attachment to any property not owned by the Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

(3) Title to each item of facilities and special test equipment acquired by the Contractor for the Government under this contract shall pass to and vest in the Government when its use in performing this contract commences or when the Government has paid for it, whichever is earlier, whether or not title previously vested in the Government.

(4) If this contract contains a provision directing the Contractor to purchase material for which the Government will reimburse the Contractor as a direct item of cost under this contract--

(i) Title to material purchased from a vendor shall pass to and vest in the Government upon the vendor's delivery of such material; and

(ii) Title to all other material shall pass to and vest in the Government upon--

(A) Issuance of the material for use in contract performance;

(B) Commencement of processing of the material or its use in contract performance; or

(C) Reimbursement of the cost of the material by the Government, whichever occurs first.

(d) **USE OF GOVERNMENT PROPERTY.** The Government property shall be used only for performing this contract, unless otherwise provided in this contract or approved by the Contracting Officer.

(e) **PROPERTY ADMINISTRATION.**

(1) The Contractor shall be responsible and accountable for all Government property provided under this contract and shall comply with Federal Acquisition Regulation (FAR) Subpart 45.5, as in effect on the date of this contract.

(2) The Contractor shall establish and maintain a program for the use, maintenance, repair, protection, and preservation of Government property in accordance with sound industrial practice and the applicable provisions of Subpart 45.5 of the FAR.

(3) If damage occurs to Government property, the risk of which has been assumed by the Government under this contract, the Government shall replace the items or the Contractor shall make such repairs as the Government directs. However, if the Contractor cannot effect such repairs within the time required, the Contractor shall dispose of the property as directed by the Contracting Officer. When any property for which the Government is responsible is replaced or repaired, the Contracting Officer shall make an equitable adjustment in accordance with paragraph (h) of this clause.

(4) The Contractor represents that the contract price does not include any amount for repairs or replacement for which the Government is responsible. Repair or replacement of property for which the Contractor is responsible shall be accomplished by the Contractor at its own expense.

(f) **ACCESS.** The Government and all its designees shall have access at all reasonable times to the premises in which any Government property is located for the purpose of inspecting the Government property.

(g) **LIMITED RISK OF LOSS.** Unless otherwise provided in this contract, the Contractor assumes the risk of, and shall be responsible for, any loss or destruction of, or damage to, Government property upon its delivery to the Contractor or upon passage of title to the Government under paragraph (c) of this clause. However, the Contractor is not responsible for reasonable wear and tear to Government property or for Government property properly consumed in performing this contract.

(h) **EQUITABLE ADJUSTMENT.** When this clause specifies an equitable adjustment, it shall be made to any affected contract provision in accordance with the procedures of the Changes clause. When appropriate, the Contracting Officer may initiate an equitable adjustment in favor of the Government. The right to an equitable adjustment shall be the Contractor's exclusive remedy. The Government shall not be liable to suit for breach of contract for--

(1) Any delay in delivery of Government-furnished property;

(2) Delivery of Government-furnished property in a condition not suitable for its intended use;

(3) A decrease in or substitution of Government-furnished property; or

(4) Failure to repair or replace Government property for which the Government is responsible.

(i) **FINAL ACCOUNTING AND DISPOSITION OF GOVERNMENT PROPERTY.** Upon completing this contract, or at such earlier dates as may be fixed by the Contracting Officer, the Contractor shall submit, in a form acceptable to the Contracting Officer, inventory schedules covering all items of Government property (including any resulting scrap) not consumed in performing this contract or delivered to the Government. The Contractor shall prepare for shipment, deliver f.o.b. origin, or dispose of the Government property as may be directed or authorized by the Contracting Officer. The net proceeds of any such disposal shall be credited to the contract price or shall be paid to the Government as the Contracting Officer directs.

(j) **ABANDONMENT AND RESTORATION OF CONTRACTOR'S PREMISES.** Unless otherwise provided herein, the Government--

(1) May abandon any Government property in place, at which time all obligations of the Government regarding such abandoned property shall cease; and

(2) Has no obligation to restore or rehabilitate the Contractor's premises under any circumstances (e.g., abandonment, disposition upon completion of need, or upon contract completion). However, if the Government-furnished property (listed in the Schedule or specifications) is withdrawn or is unsuitable for the intended use, or if other Government

property is substituted, then the equitable adjustment under paragraph (h) of this clause may properly include restoration or rehabilitation costs.

(k) **COMMUNICATIONS.** All communications under this clause shall be in writing.

(l) **OVERSEAS CONTRACTS.** If this contract is to be performed outside of the United States of America, its territories, or possessions, the words "Government" and "Government-furnished" (wherever they appear in this clause) shall be construed as "United States Government" and "United States Government-furnished," respectively.

(FAR 52.245-2)

**1179 ALLOCATION (DESC JUL 1995)**

(a) **REDUCED SUPPLIES.** If, for any cause beyond the control and without the fault or negligence of the Contractor, the total supply of crude oil and/or refined petroleum product is reduced below the level that would have otherwise been available to the Contractor, the Contractor allocates to its regular customers its remaining available supplies of crude oil or product, then the Contractor may also allocate to the U.S. Government supplies to be delivered under this contract, PROVIDED--

(1) Prompt notice of and evidence substantiating the necessity to allocate and describing the allocation rate for all the Contractor's customers are submitted to the Contracting Officer;

(2) Allocation among the Contractor's regular customers is made on a fair and reasonable basis (except where allocation on a different basis is required by a governmental authority, agency, or instrumentality); and

(3) Reduction of the quantity of product due the Government under this contract shall not exceed the pro rata amount by which the Contractor reduces delivery to its other customers similarly situated.

(b) **ADDITIONAL SUPPLIES.** If, after the event causing the shortage of crude oil and/or refined petroleum product as described in (a) above, additional supply becomes available to the Contractor, the Contracting Officer may choose any one of the following three possible courses of action:

(1) Accept an updated pro rata reduction as outlined in (a) above;

(2) Determine that continuance of the contract with the quantities as originally stated in the Schedule is in the best interests of the Government; or

(3) Terminate the contract as permitted in (d) below.

(c) **REDUCED DELIVERIES.** If the Contractor believes that a law, regulation, or order of a foreign government requires the Contractor to deliver less than the quantity set forth in the Schedule for any location within that country, the Contractor may request allocation in accordance with (a) above. In addition to the criteria in (a) above, the Contractor's request shall cite--

(1) The law, regulation, or order, furnishing copies of the same;

(2) The authority under which it is imposed; and

(3) The nature of the Government's waiver, exception, and enforcement procedure.--

The Contracting Officer will promptly review the matter and advise the Contractor whether or not the need to allocate has been substantiated. If the law, regulation, or order requiring the Contractor to reduce deliveries ceases to be effective, the Contractor shall resume deliveries in accordance with the original Schedule.

(d) If, as a result of reduced deliveries permitted by (a), (b), or (c) above, the Contracting Officer decides that continuation of this contract is no longer in the best interests of the Government, the Government may terminate this contract or any quantity thereunder, by written notice, at no cost to the Government. However, the Government shall not be relieved of its obligation to pay for supplies actually delivered to and accepted by it.

(e) Except as otherwise stated in (b) above, any volumes omitted pursuant to (a) or (b) above shall be deleted from this contract, and the Contractor shall have no continuing obligation, so far as this contract is concerned, to make up such omitted supplies.

(f) For Posts, Camps, and Stations contracts, Department of Energy priority orders and allocation regulations will take precedence over any conflicting provisions of this clause.

(g) For Bulk Fuels contracts, the provisions contained in (a) above shall be inoperative when the Secretary of Defense makes a written determination that it is essential to the National Defense that the Defense Energy Support Center be provided contract volumes exceeding the amount of product to which it would otherwise be entitled.

(DESC 52.249-9F05)

**I190.06 MATERIAL SAFETY DATA SHEETS -- COMMERCIAL ITEMS (DESC MAR 2000)**

(a) The Contractor agrees to submit to the Contracting Officer, upon request, a Material Safety Data Sheet (MSDS) that meets the requirements of 29 CFR 1910.1200(g) and the latest revision of Federal Standard No. 313 for all requested contract items. MSDSs must cite the contract number, the applicable CAGE code of the manufacturer, and, where so identified, the National Stock Number (NSN).

(b) The data on the MSDSs must be current and complete, reflecting the final composition of the product supplied. Should the description /composition of the product change in any manner from a previously submitted MSDS, the Contractor shall promptly provide a new MSDS to the Contracting Officer.

(DESC 52.223-9F06)

**I226 AVAILABILITY OF FUNDS (APR 1984)**

Funds are not presently available for this contract. The Government's obligation under this contract is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise until funds are made available to the Contracting Officer for this contract and until the Contractor receives notice of such availability, to be confirmed in writing by the Contracting Officer.

(FAR 52.232-18)