

001 215 7372910

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NUMBER		PAGE 1 OF 19	
2. CONTRACT NO. SPM300-05-D-3129	3. AWARD/EFFECTIVE DATE 03 Jun 05	4. ORDER NUMBER	5. SOLICITATION NUMBER SPM300-04-D-0323
7. FOR SOLICITATION INFORMATION CALL:		b. TELEPHONE NUMBER (No collect calls)	8. SOLICITATION ISSUE DATE 03 SEP 04
8. NAME		8. OFFER DUE DATE/ LOCAL TIME	

9. ISSUED BY DEFENSE SUPPLY CENTER PHILADELPHIA 700 ROBBINS AVENUE PHILADELPHIA PA 19111-5092	CODE SPM300	10. THIS ACQUISITION IS <input checked="" type="checkbox"/> UNRESTRICTED OR <input type="checkbox"/> SET ASIDE: % FOR: <input type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> EMERGING SMALL BUSINESS <input type="checkbox"/> HUBZONE SMALL BUSINESS <input type="checkbox"/> SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS <input type="checkbox"/> 8(A)
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11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE	12. DISCOUNT TERMS	13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) <input type="checkbox"/>	13b. RATING
		14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP	

16. DELIVER TO SEE SCHEDULE	CODE	18. ADMINISTERED BY SAME AS BLOCK #9	CODE
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17a. CONTRACTOR/OFFEROR SEVEN SEAS SHIPCHANDLERS, LLC. P.O. BOX 5592, DUBAI INVESTMENTS PARK OFF EMIRATES ROAD (LA HABAB ROUNDABOUT) DUBAI, UNITED ARAB EMIRATES TELEPHONE NO. +971-4-803-3333	CODE SG192	FACILITY CODE	18a. PAYMENT WILL BE MADE BY DFAS BVDP (SL4701) P.O. BOX 369031 COLUMBUS OH 43236-9031	CODE SL4701
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<input type="checkbox"/> 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER	<input type="checkbox"/> 18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM
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19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	Full Line Food and Non-Food Distribution for Authorized Customers in the Middle East Zones 2 & 5 UAE/OMAN & DJIBOUTI as Listed In Solicitation SPM300-04-R-0323 Ordering Period: 18 Months, Starting from the Date of the First Order <i>(Use Reverse and/or Attach Additional Sheets as Necessary)</i>				

25. ACCOUNTING AND APPROPRIATION DATA 97X4930 5CBX 001 2630 S33189	26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$82,880,888
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<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-8 ARE ATTACHED, ADDENDA	<input type="checkbox"/> ARE	<input type="checkbox"/> ARE NOT ATTACHED
<input type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-6 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 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	<input checked="" type="checkbox"/> 29. AWARD OF CONTRACT: REF. <u>7 Seas</u> OFFER DATED _____, YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:
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30a. SIGNATURE OF OFFEROR/CONTRACTOR <i>(Signature)</i>	31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER) <i>(Signature)</i>
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30b. NAME AND TITLE OF SIGNER (Type or print) PETER MACHADO GROUP GENERAL MANAGER	30c. DATE SIGNED 27 JUN 05	31b. NAME OF CONTRACTING OFFICER (Type or print) Maryann DiMeo	31c. DATE SIGNED 27 Jun 05
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AUTHORIZED FOR LOCAL REPRODUCTION
 PREVIOUS EDITION IS NOT USABLE

STANDARD FORM 1449 REV 3/2005
 Prescribed by GSA - FAR (48 CFR) 53.212

The following documents are incorporated into this contract:

Solicitation SPM300-04-R-0323 Dated 03 SEP 04.

Amendment 0001 dated 30 SEP 04

Amendment 0002 dated 13 OCT 04

Amendment 0003 dated 15 OCT 04

Amendment 0004 dated 07 FEB 05

Vendor responses dated 16 NOV 04, 15 MAR 05, 18 MAR 05, and 18 APR 05.

Awardees will be required to provide the services and enhancements detailed within their Business/Technical proposal that were rated Excellent or otherwise perceived as enhancements (exceeded DSCP solicitation requirements.)

The DSCP Zone 2: UAE/Oman & Zone 5: Djibouti Prime Vendor will:

be capable of supplying all chilled products, Semi Perishable food stuffs, Frozen fish, meat and poultry, Other Frozen foods (fruits, vegetables, prepared foods, etc.), Dairy and ice cream products, Fresh and Frozen Bakery products, Beverage base & juices (for Dispensers), Beverages & juices (non-dispenser), Fresh Fruits and Vegetables, Non-food items and Government Furnished Material such as Unitized Group Rations (UGR's,) Meals Ready to Eat (MRE's,) Health and Comfort packs (HCP's) and other rations items (either currently in existence or to be introduced during the term of this award). The Prime Vendor will provide food to support military ships, military shore facilities and mobile kitchen tent facilities (MKT's), ration break points, trailer-transfer points and military training exercise locations within the areas of these five (5) Zones.

SUPPLIES OR SERVICES AND PRICES

ITEM: Seven Seas, as Prime Vendor for the Zones 2 & 5 (UAE, Oman and Djibouti) will provide full service food and non-food distribution support for the UAE, Oman, and Djibouti customers listed in the solicitation SPM300-04-R0323 as amended.

FOB TERMS: Under normal conditions FOB destination terms apply. The contractor shall pay and bear all charges to the specified point of delivery. Under special circumstances; i.e. special military exercises, FOB Origin terms will apply. In these instances, the Government will accept product at the Prime Vendors CONUS facility and a fifty percent reduced distribution fee shall be applied.

PRICES: Pricing is based on the following formula: Unit Price = Delivered Price + Fixed Distribution Price (or Fee)

Definitions:

Zones 2: UAE/Oman & Zone 5: Djibouti

Unit Price – The unit price is defined as the total price (in U.S. currency) that is charged to DSCP per unit for a product delivered to the Government. Note: Multiple Unit Prices for the same item are not permitted.

Delivered Price – (also known as “product price”, and/or “landed costs”)

For CONUS purchases -- The delivered price is the manufacturer/supplier’s actual invoice price (in U.S. currency) to deliver product to the Prime Vendor’s CONUS distribution point. Where OCONUS routes represent a recurring requirement, the Defense Transportation System (DTS) system will be used and transportation costs should therefore not be included in the delivered price. If however, the government determines that minimum source load requirements will not be met, DTS will not be utilized and the vendor will need to include transportation costs from their overseas point of origin as part of the delivered price.

NOTE: For those items being picked up by the DTS from the manufacturer/suppliers facility (also known as “Source load” or “drop-shipments”), the delivered price is the manufacturer/supplier’s actual invoice price (in U.S. currency) for product only. The delivered price in this instance shall not include any transportation costs to the Prime Vendor’s CONUS distribution point.

For OCONUS purchases -- The delivered price is the manufacturer/supplier’s actual invoice price (in U.S. currency) to deliver product to the Prime Vendor’s OCONUS distribution point.

Distribution Price – The Distribution Price is defined as a firm fixed price, offered as a dollar amount, which represents all elements of the unit price, other than the delivered price. The distribution price typically consists of the Prime Vendor’s projected general and administrative expenses, overhead, profit, packaging costs, transportation cost from the Prime Vendor’s OCONUS distribution facility(s) to the final delivery point or any other projected expenses associated with the distribution function. This distribution price is intended to reflect the difference between the delivered price and the unit price to deliver the specified product to the ordering activity. This distribution price shall represent the amount to be added to the actual invoice price paid to the manufacturer or supplier by the Prime Vendor for each item. This distribution price shall remain fixed for the base year of the contract, and is subject to any agreed option year adjustments.

Although technically part of the distribution price, for the purposes of this solicitation, ocean transportation costs (the cost of shipping the product from contractor’s CONUS facility(s) to the contractor’s OCONUS facility(s), aka “Point to Point” delivery), will be deleted from the delivered price. Accordingly, for purposes of submitting offers under this solicitation, ocean transportation costs will be ignored. The Defense Transportation System will handle Point-to-Point delivery.

OPTION YEAR PRICING: Seven Seas distribution prices will remain the same for the three (3) available option periods which contain two option periods of 1 year and the third option period of 18 months, in the event that these options are invoked.

The estimated dollar value under this solicitation for the combined zones 2 & 5 is **\$ 276.2Million** among both zones in the event that base year and all three (3) available option periods are invoked (eighteen month base, options 1 and two up to one year, eighteen month third and final option period.) The maximum dollar values for the two zones will be twice the estimated maximum per zone. The combined guaranteed minimum is 10% of the estimated dollar value for the base year and the 3 option periods which are as follows:

Zones 2: UAE/Oman & Zone 5: Djibouti

Duration Period	Estimated \$ Value	Guaranteed Minimum 10% (Zone 2: 10% & Zone 5: 10%)	Contract Maximum
Base Year (18 mos)	\$82,880,888	\$8,288,088	\$8,404,002,360
1 st Option (12 mos)	\$55,253,925	\$5,525,392	\$5,602,668,240
2 nd Option (12 mos)	\$55,253,925	\$5,525,392	\$5,602,668,240
3 rd Option (18 mos)	\$82,880,888	\$8,288,088	\$8,404,002,360

Seven Seas Distribution Fees Discount:

In the event that a surge as defined in the solicitation is invoked, a 3 % discount on first year's distribution fees on all sales above the previous year.

DEFENSE TRANSPORTATION SYSTEM:

NOTE: U.S. Government Policy regarding in-transit visibility and total asset visibility may change over the course of the solicitation period and resulting contract(s); primarily due in nature to changing technologies. At this time, specific policies exist for worldwide packing list submission, using RF-Tag and Global Positioning Devices (dependent on zone) and submitting customs clearance forms prior to lift. It is estimated that RF-Tags will only be required for support to the Iraq area but Prime Vendors should be aware that all shipments from CONUS may also require RF-Tags. The U.S. Government estimates that it takes an average of 5 minutes work per tag.

The PV must have MHE available to support downloading a container from a chassis if this type of temporary storage is required and approved by the Contracting Officer or the COR.

BACKUP PRIME VENDORS:

The awardee, Seven Seas, will become a potential backup supplier for other Prime Vendor zone(s) should a prime vendor in an adjacent or nearby zone be unable to support, one, some, or all of the customers in that assigned zone. The assignment to act as a backup to any or all customers in another zone would be negotiated through a bilateral agreement/modification to the contract along with the appropriate distribution fees.

NEW ITEMS:

If a customer desires to order an item that is not part of the contractor's inventory, the Prime Vendor will be allowed a maximum of ninety (90) days to source the item, obtain a stock number from DSCP and add the item to Vendor Item Catalog via an 832 catalog transaction. These items should then become a permanent part of the Prime Vendor's inventory if it appears that these items will be ordered on a regular basis. The successful awardee shall assume the responsibility of introducing new food items to the customers, as well as to show cost effective alternatives to their current choices. Anticipated usage for new items should be at least ten (10) cases per month.

Zones 2: UAE/Oman & Zone 5: Djibouti

ADDITIONAL CUSTOMERS:

The Government reserves the right to add or delete DoD and non-DoD customers in the solicited area to the Prime Vendor contract based on mutually agreed upon implementation plan.

CASE BREAKING:

Under the proposed contracts, the awardee will be required to break cases for spices. Offerors should indicate any additional items for which they are willing to break cases.

MANDATORY ITEMS

The following items are mandated to be supplied by the National Industries for the Blind (NIB) or the National Industries for the Severely Handicapped (NISH.) Refer to FAR Clause 52.208-9.

NSN	ITEM
8920-01-E60-7747	Cake Mix, Devil's Food, no. 10 size can, 6/case
8920-01-E60-7748	Cake Mix, Gingerbread, no. 10 size can, 6/case
8920-01-E60-7846	Cake Mix, Devil's Food, 5lb co, 6/case
8920-01-E60-7847	Cake Mix, Devil's, 50 lb bag
8920-01-E60-7848	Cake Mix, Gingerbread, prep w/water only, 5 lb co
8920-01-E60-7849	Cake Mix, Gingerbread, prep w.water only, 50 lb bag
8920-01-E60-7749	Pancake Mix, Regular, No. 10 size can, 50 lb bag
8920-01-E60-7850	Pancake Mix, Buttermilk, No. 10 size can, 6/case
8920-01-E60-7856	Pancake Mix, Buttermilk, 5 lb co, 10/case
8920-01-E60-7857	Pancake Mix, Buttermilk, 6 lb co, 10/case
8920-01-E60-7858	Pancake Mix, Buttermilk, 25 lb bag, 2/case
8920-01-E60-7859	Pancake Mix, Buttermilk, 50 lb bag
8920-01-E60-7860	Pancake Mix, Regular, 5 lb co, 10/case
8920-01-E60-7861	Pancake Mix, Regular, 6 lb co, 10/case
8920-01-E60-7862	Pancake Mix, Regular, 25 lb co, 2/case
8920-01-E60-7863	Pancake Mix, Regular, 50 lb bag

Zones 2: UAE/Oman & Zone 5: Djibouti

8950-01-079-6942	Paprika, Ground 3 oz., 4 oz., 4.5 oz., or 5 oz. Jar
8950-01-254-2691	Garlic Powder, 1 lb. Jar w/ anti-caking agent

If supplying these items, the Prime Vendor is required to source them from NIB-NISH. The plant sources are as follows:

1. Pancake Mix, Devil's Food and Gingerbread Cake Mixes:
 Advocacy & Resources Corporation (ARC)
 435 Gould Drive
 Cookeville, TN
 POC: Ms. Terri McRae,
 Executive Director
 Voice: (931) 432-5981

2. Garlic Powder and Paprika:
 Unistel Continental Development Service, Inc.
 650 Blossom Road
 Rochester, NY
 POC: Mr. Jack Pipes
 Voice: (585) 224-0960 X0960

MUSIC CONTRACT: Arc-diversified SP0300-02-D-1137

NSN

8910-00-082-5734
 8910-01-E60-6007
 8910-01-E29-1735

ITEM

Cottage Cheese Dehydrated
 Crystallized Egg Mix
 Nonfat Dry Milk

POC: Ms. Terri McRae
 Executive Director
 Advocacy & Resources Corporation
 435 Gould Drive
 Cookeville, TN
 Voice: (931) 432-5981

DESCRIPTIONS/SPECIFICATIONS

STORES is the Government's ordering system that is capable of accepting orders from customer ordering systems and translating the orders into Electronic Data Interchange (EDI) format. In addition, this information is passed to DSCP for the purposes of contractor payment and customer billing. Customers will be able to order all of their requirements through STORES.

The vendor will utilize the DSCP invoice reconciliation process, or such as systems may become available, to the maximum extent, towards the goal of correcting invoices early and facilitating the payment process.

DELIVERY REQUIREMENTS:**A. APPLICABLE TO LAND BASED AND NAVY CUSTOMERS IN ALL ZONES (With the exception of TAFS):**

The Prime Vendor shall advise the customer no later than 12 noon on the day following order placement of the non-availability of an item. If it appears that the vendor does not expect a stock replenishment in sufficient time to fulfill the requirement, the Prime Vendor should offer the customer a substitute at the time of the non-availability notification, or advise them of the not in stock (NIS) position of the item(s). The customer will make the final decision on the acceptability for any substitution. Land based customers may change an order up to 24 hours after order placement. For Navy end use customers, an order may be changed no later than 6 days prior to the required delivery date.

B. ZONE 1, 2, 3 and 5 NAVY CUSTOMERS:

1. The Prime Vendor shall stock items in sufficient quantities to fill all ordering requirements. Normal routine delivery shall be made within 10 days after order placement.
2. Delivery port location(s), date(s) and time(s) to be specified by CTF-53 and / or Kuwait Naval Base representatives.

Navy Tactical Auxiliary Fleet Supply Ship (T-AFS) – “Load-Out Ships”:

1. T-AFS(s) serve as floating warehouses for supporting other ships at sea. Port changes in ZONE 1 will only be made due to operational necessity, and CTF-53 (Commander Task Force - 53) will give the Prime Vendor as much notice as possible. Port facilities will be contracted for by the T-AFS.
2. The average volume of supply to a load-out ship in terms of pallets is 300 to 500.
3. The Prime Vendor will review all requisitions and confirm receipt of an order within 24 hours to CTF-53/T-AFS. Status will be provided to the T-AFS/CTF-53 within 48 hours after receipt of the initial order. Substitutes will be offered to the T-AFS/CTF-53. A preliminary fill list will be provided to CTF-53 and the T-AFS at least 5 days prior to load out, and a final fill list at least 3 days prior to loadout. Prime vendor will coordinate truck shipments closely with CTF-53/T-AFS to comply with the T-AFS's requested load plan (preferred order of loading). Chill and freeze vans must be delivered in an arranged sequence in according with the plan. Prime vendor will provide on-site assistance at each load out to resolve problems should they occur. Prime vendor will be required to provide specific details of the shipment to the ship prior to and/or with the delivery; including, but not limited to pallet receipts, fill lists, receiving tally sheets, etc. Samples of these documents will be provided after award.

The T-AFS will respond to any substitution request within 48 hours. The T-AFS will submit all changes to the original order to the Prime Vendor no later than 6 days prior to required delivery date. The T-AFS will provide a detailed load plan to the Prime Vendor at least 2 days prior to the load-out. The T-AFS will arrange all port contracted facilities and will bear all port costs associated with the load-out (See FOSSAC below). The T-AFS/CTF-53 will provide the capability to load product at the rate of at least 200 pallets per day, and will arrange any Navy required pre-load veterinary inspections. Demurrage costs will start accruing after 4 hours and these costs shall not exceed \$ 25

Zones 2: UAE/Oman & Zone 5: Djibouti

dollars per hour with a maximum of \$ 400.00 per day. The T-AFS will absorb all customs fees and any demurrage costs associated with offloading delays except when such delays are prime vendor/contractor caused. Demurrage costs will start accruing after 4 hours and these costs shall not exceed \$25 dollars per hour with a maximum of \$400.00 per day per truck. Customers will absorb demurrage costs associated with offloading delays except when such delays are prime vendor/contractor caused. The T-AFS will coordinate all truck movement and offloading within the port area.

The Navy will provide at least three months lead time to add or delete items from the cargo list.

ZONE 2 LAND BASED (U.A.E.):

The Prime Vendor shall stock items in sufficient quantities to fill all ordering activity requirements. Normal routine deliveries shall be made within 2 days after order placement. Order placement must be made before 12 noon to be considered for the day. For example, orders placed before noon on March 1st would have required delivery date of March 3rd. Exceptions may apply for remote areas and communication problems.

ZONE 2 LAND BASED (OMAN):

1. The Prime Vendor shall stock items in sufficient quantities to fill all ordering activity requirements. Normal routine deliveries shall be made within 10 days after order placement. Order placement must be made before 12 noon to be considered for the day. For example, orders placed before noon on March 1st would have required delivery date of March 11th. Exceptions may apply for remote areas and communication problems.

ZONE 5 (Land Based)

1. The Prime Vendor shall stock items in sufficient quantities to fill all ordering activity requirements. Normal routine deliveries shall be made within 2 days after order placement. Order placement must be made before 12 noon to be considered for the day. For example, orders placed before noon on March 1st would have required delivery date of March 7th. Exceptions may apply for remote areas and communication problems.
2. For Djibouti customers, the PV will notify the customer when an order is received, when it is filled, and when it will be shipped

SHELF LIFE

All Customers (specific exceptions are identified below): Acceptance of supplies will be limited to product processed and packed from the latest pack available or the latest seasonal pack during the contract period. All products delivered shall be as fresh as possible, and within the manufacturer's original shelf life period (i.e. "Best if Used By date", "Expiration Date", or other markings). For annual pack items, products will be from the latest seasonal pack available. Chilled products shall not be frozen in an attempt to extend the products' shelf life.

All ZONES: Land-Based Customers to include ZONE 4 Minesweeper ships: No product shall be delivered to customers with less than 30 days manufacturer's original shelf life remaining unless the customer grants prior written approval.

Zones 2: UAE/Oman & Zone 5: Djibouti

ALL ZONES (EXPECT ZONE 3): Navy Direct Ship Support: No product shall be delivered to customers with less than 60 days manufacturer's original shelf life remaining unless the customer grants prior written approval.

Navy Tactical Auxiliary Fleet Supply Ship (T-AFS) – "Load-Out Ships": : No product shall be delivered to customers with less than 90 days manufacturer's original shelf life remaining unless the customer grants prior written approval.

NOTE: It is NOT DSCP's policy to grant shelf life extensions. However, on a limited case by case basis, the Contracting Officer reserves the right to authorize extensions giving consideration to the reason requested, manufacturer letter of extension granted, military veterinarian approval, customer approval and price reduction offered.

SECURITY MEASURES

The Prime Vendor shall safeguard the integrity of product to assure products are not tampered with or adulterated in any way. Boxes must be delivered intact showing no evidence of tampering. Stored product as well as product in transit shall be controlled in a manner to eliminate the possibility of adulteration. Employee and visitor access to product shall be controlled and measures shall be taken to ensure employee credibility. These measures are required to guarantee customer safety.

In addition, Seven Seas must adhere to any security requirements that develop during the duration of the contract as a result of heightened security measures or new security procedures. For instance, Seven Seas must have CAC cards for entrance in to the Army facilities which must be issued by the Army.

SECURITY MEASURES/FORCE PROTECTION:

As vendors/contractors under Government contract, quality control procedures must be heightened to ensure that product entering your facility is safe for public consumption. The following security guidance is provided:

Make sure all boxes, bags, etc. are intact and demonstrate no evidence of tampering. All incoming truck drivers should provide adequate identification upon request. Visitors should also be properly identified and access limited to appropriate areas. Procedures for storing product should adequately control access to eliminate any possibility of product adulteration.

Review lighting and camera conditions at their facilities and consider whether fencing and locking devices are adequate. Never leave open trucks unattended, and use seals when possible to designate loaded trailers. Security seals shall be properly placed on delivery vehicles and registered/logged in per delivery. Ensure employee background checks are up to date.

Ensure drivers have communication devices available in the event of an emergency and establish emergency phone numbers for them to use. Firms should keep a low profile and share customer routes, etc. on a need to know basis. Review of overall organizational corporate security plans should be conducted and consider whether private security firms are needed to assess or reduce risk. It is important to convey to all warehouse, office and fleet personnel that security should not be taken lightly and any suspected adulteration or evidence of product tampering must be reported immediately.

Passports, Visas and Customs:

At the contractor employee's and/or contractor's expense, the contractor employees shall obtain all passports, visas or other documents necessary to enter and/or exit any area(s) identified by the contracting officer.

All contractor employees shall be subject to the customs processing procedures, laws, agreements and duties of the country in which they are deploying to.

RISK OF LOSS

In accordance with Section 32 TITLE of this Solicitation, title of all products purchased by the Government remains with the Contractor. The Contractor is responsible for transporting the product to the destination points, either directly or via an organized Government sponsored convoy. The Contractor bears all risk and responsibility for personal injury or death of its employees or agents or subcontractor employees or agents or for any damage to or loss of equipment during the transportation of the product and until such product is accepted by the Government.

PACKAGING AND MARKING**A. All customers including Navy Ships**

(1). Except as identified below, all packaging and packing shall be in accordance with good commercial practice and labeling shall be in accordance with commercial labeling complying with the Federal Food, Drug and Cosmetic Act, and regulations promulgated there under. Shipping containers shall be snug fitting and in compliance with the National Motor Freight Classification and Uniform Freight Classification Code. Contractor shall be responsible for abiding to any applicable packaging, packing and marking regulations of the various countries in/through which product will be stored/transported.

(2). All meats, poultry, and seafood will be vacuum packed when practical. In all instances, the packaging will protect the product from freezer burn and contamination.

(3). Frozen product must be processed and packed to allow removal of the individual units from the container without damage to that or other units. The intent is to be able to remove only that amount of product required for current needs, without the necessity of defrosting.

(4). Chill and Freeze products must be shipped in Refrigerated (Reefer) Vans and appropriately separated per temperature requirements.

(5). Semi-Perishable (dry) goods must be separated from the Chill and Freeze items.

B. Navy Ship Customers

(1) T-AFS shipments of flour, sugar, salt, and rice (and any other bagged items) must be placed in tri-wall containers or commercially acceptable configuration. Alternate packaging must be approved prior to usage.

(2) Stowage may require deviation from standard commercial pack.

Zones 2: UAE/Oman & Zone 5: Djibouti

The Prime Vendor should maximize the use of commercial packing that employs sturdy containers, snugly packed with head space no greater than one half (1/2) inch. This procedure eliminates damaged cases and secures stowage aboard ships.

(3) T-AFS load-outs require single line items to a pallet. Mixed loads are not permitted.

(4) Commercial cartons that fail to hold up under ship board stowage conditions must be changed to ensure product durability.

A. Requirements for all customers including all ships.

Except as identified as a special requirement below, all prime vendor shipments must be palletized in accordance with good commercial practices. The Prime Vendor is responsible for the purchase of all pallets. Where practical, pallet exchange programs will be implemented by customers. Pallets may not always be returned on a 1 to 1 basis. This does not relieve the contractor from delivering products on the proper type pallet. Pallet retrieval and all associated costs shall be the responsibility of the Prime Vendor.

B. Special Navy Ship Requirements:

For direct ship support, the Prime Vendor shall use standard commercial pallets and the maximum height of a loaded pallet should not exceed 60 inches. All pallets must be shrink wrapped

T-AFS's require all products to be palletized using a two-way wing type pallet. The type of pallet is a commercial wood wing, the loaded pallet dimensions are 40" X 48" X 48" or 48" X 40" X 48." The unit load bonding material must consist of commercial non-metallic stripping. With minimal use of shrink film or stretch film, alternate securing means is acceptable. Bonding material shall secure the load to the pallet to form a consolidated, stable cargo, which can be handled as a unit.

C. Requirements for pallets entering European Countries:

All pallets entering European Countries must comply with the following requirements. Wooden pallets and wood containers produced entirely or in part of non-manufactured softwood (coniferous) species shall be constructed from Heat Treated (HT to 56 degrees Centigrade for 30 minutes) material and certified accordingly by an accredited agency recognized by the American Lumber Standards Committee (ALSC) in accordance with Non-manufactured Wood Packing Policy and Non-manufactured Wood Enforcement Regulations. All wooden pallets, and containers, produced entirely of non-manufactured hardwood species only need be identified by a permanent mark of "NC" (non-coniferous), 1.25 inches or greater in height, accompanied by the CAGE code of the contracted manufacturer and the month and year of the contract or month and year material is marked. On pallets, the marking shall be applied to the stringer or block on opposite sides and ends of the pallet and be contrasting and clearly visible. On containers, the marking shall be applied on a side other than the top or bottom, contrasting and clearly visible.

NOTE 1: Pallet suppliers who are in need of a Commercial and Government Entity (CAGE) code, in order to meet the above cited marking requirement, must submit the following information to the appropriate DSCP-HFOM Contract Administrator through the Prime Contractor:

Zones 2: UAE/Oman & Zone 5: Djibouti

- (1) Complete Company (Pallet Manufacturer's) Name
- (2) Pallet manufacturer's Full Address
- (3) Pallet manufacturer's Point of Contact (POC)
- (4) Pallet manufacturer's phone number

DSCP-H will advise the Prime Contractor of the Pallet Manufacturer's assigned code.

NOTE 2: This current requirement addresses pallets entering the European Union. Please be advised that a similar requirement MAY be implemented in the future for pallets (both coniferous and hardwood) worldwide. Our best estimates for the cost of softwood pallets is \$13.25 each and for hardwood pallets the cost would be \$18.50. This office will provide updates to the pallet issue once we receive any notification from DOD.

Inspection and Acceptance

A. FOB Destination Shipments:

Inspection and acceptance of products will be performed at final destinations. However, all food deliveries are subject to military veterinary inspection and all delivery vehicles are subject to sanitary inspection at destination. The inspection is normally limited to identity, count and condition; however, this may be expanded if deemed necessary by either the military inspector, or the dining facility manager of food service.

The authorized receiving official at each delivery point is responsible for inspecting and accepting products as they are delivered. The invoice/delivery ticket shall not be signed prior to the inspection of each product, unless agreed upon by the receiving activity (customer). All overages/shortages/returns are to be noted on the invoice/delivery ticket by the receiving official and truck driver. A signature on the invoice/delivery ticket denotes acceptance of the product. Unless Fast Pay has been permitted, no invoice may be submitted for payment until acceptance is verified.

B. FOB Origin Shipments:

Inspection and acceptance of products will be performed at the prime vendors CONUS distribution point by a prime vendor paid USDA official. Inspection will normally be limited to identity, count and condition.

The USDA official will sign the prime vendor prepared DD Form 250 form denoting acceptance of the product by the government. Invoices matching the DD250 quantities along with a copy of the DD250 will be express mailed by the prime vendor to both DSCP and the end customer.

WARRANTIES

The supplies furnished under the resultant contracts shall be covered by the most favorable commercial warranties the contractor gives to any customer for such supplies and the rights and remedies provided therein are in addition to and do not limit any rights afforded to the Government by Clause 52.212-4 "Contract Terms and Conditions – Commercial Items", contained in this solicitation.

ACCEPTANCE REQUIREMENTS FOR FROZEN ITEMS

Zones 2: UAE/Oman & Zone 5: Djibouti

The Prime Vendor is responsible for proper product storage, segregation, and delivery of product in excellent condition. The Prime Vendor will maintain product using normal industry standards. In order for frozen items to be accepted by the receiving activity, the following criteria must be observed:

1. Packages must be solid, not soft, upon arrival
2. Container and wrapper must be intact, not damaged, and in a solid condition
3. Packages must be free of drip, and show no evidence of thawing and re-freezing (i.e., watermarks on boxes, off odor), or dehydration
4. Cello wrapped packages will not be discolored or show other signs of freezer burn.

Evidence of thawing and refreezing shall be cause for rejection of an item.

REJECTION PROCEDURES

A. If product is determined to be defective, damaged, or compromised in any other manner, it may be rejected by the receiving official.

B. When product is found to be non-conforming or damaged, or otherwise suspect, the receiving official shall reject the item and/or determine the course of action to be taken with the product in question. If present, the Contracting Officer's Representative (COR) may be consulted. The final decision is to be made by the receiving official.

C. In the event an item is rejected, the invoice/delivery ticket shall be annotated as to the item(s) rejected. These items shall then be deducted from the invoice/delivery ticket, with the invoice/delivery ticket total dollar value adjusted to reflect the correct dollar value of the shipment. Replacements will be authorized based on the customer's needs. To the greatest extent possible, on an as-needed emergency basis, next day re-delivery of items that were previously rejected shall be made, so that the customer's Food Service requirements do not go unfulfilled. The redelivered items will be redelivered under a separate invoice/delivery ticket, utilizing the same call number, clin number and Purchase Order number for the discrepant line. These redeliveries will not constitute an emergency requirement, and therefore will have no additional charges.

D. In the event that a product is rejected after initial delivery is made, the Prime Vendor will pick up the rejected product. The customer will handle credit due to the ordering activity(s), as a result of the rejected product being returned, through a receipts adjustment process in STORES. The Prime Vendor's invoice/delivery ticket shall also be annotated with the information that the item has been rejected by the customer, the dollar value of the invoice/delivery ticket corrected, and with an indication that credit has been given by the Prime Vendor. If the vendor has already been paid for the product, a claim will be issued through DSCP's financial system. If a customer requires a one-to-one replacement, no additional paperwork is necessary. The Prime Vendor's invoice/delivery ticket will show that product is a replacement for the rejected item. The invoice shall reference the call number, clin number and Purchase Order number of the originally ordered product. In addition, a copy of the credit memo from returned product is to be attached to the invoice.

E. It is a requirement of this solicitation that product shall be inspected upon receipt as promptly as practicable. However, failure to promptly inspect or accept supplies shall not relieve the

Zones 2: UAE/Oman & Zone 5: Djibouti

contractor from responsibility, nor impose liability on any of the customers, for non-conforming supplies.

F. Supplies transported in vehicles, which are not sanitary, or which are not equipped to maintain prescribed temperatures, may be rejected by the customer without further inspection.

FAST PAY PROCEDURES: In the event Fast Pay Procedures are invoked, terms of acceptance as described in this section do not change. The Government will issue Vendor Credit Memorandums if products are rejected upon receipts and / or if the quantities received are less than the quantities submitted for under the respective invoice / purchase order number.

Deliveries or Performance

Places of Performance for this contract are as listed below:

- Zone 2-
 - Dubai Investment Park,
Plots 598-668, Off Emirates Road, Lahbab Roadnabout,
Dubai, UAE
 - Seven Seas Shipchandlers, LLC (owner & operator)
PO Box 5592
Dubai, UAE
- Zone 5-
 - Seven Seas Djibouti
Djibouti Free Zone Area #38
Republic of Djibouti

Additional Clauses

The following clause is hereby added to subject contract, in full text:

252.201-7000 Contracting Officer's Representative
As prescribed in 201.602-70, use the following clause:

CONTRACTING OFFICER'S REPRESENTATIVE (DEC 1991)

(a) *Definition.* "Contracting officer's representative" means an individual designated in accordance with subsection 201.602-2 of the Defense Federal Acquisition Regulation Supplement and authorized in writing by the contracting officer to perform specific technical or administrative functions.

(b) If the Contracting Officer designates a contracting officer's representative (COR), the Contractor will receive a copy of the written designation. It will specify the extent of the COR's authority to act on behalf of the contracting officer. The COR is not authorized to make any commitments or changes that will affect price, quality, quantity, delivery, or any other term or condition of the contract.

(End of clause)

CONTRACT ADMINISTRATION DATA

Payment should be made to:

Seven Seas Shipchandlers, LLC
Dubai Investment Park
Plots 598 - 668, Off Emirates Road, Lahbab Roundabout
PO Box 5592 Dubai
United Arab Emirates
CAGE Code: SG192
DUNS NUMBER: 644762783

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ZONE 2 United Arab Emirates & Oman

Category Number	Category Description	Unit of Issue	Distribution Fees (US \$)
1	Beef (Pre-cut Steaks) (Raw)	LB	
2	Beef (Other) (Raw)	LB	
3	Pork or Lamb (Raw)	LB	
4	Poultry (Raw)	LB	
5	Seafood (Shellfish) (Raw)	LB	
6	Seafood (Canned) (Raw)	CS	
7	Seafood (Other than shellfish or canned)	LB	
8	Fruits/Vegetables (Frozen)	LB	
9	Fruits/Vegetables/Tomato Paste (Number 10 size cans)	CS	
10	Fruits/Vegetables/Tomato Paste (Non-refrigerated – other than number 10 size cans)	CS	
11	Cereals	CS	
12	Pasta or Rice	LB	
13	Frozen Meals / Entrees	LB	
14	Luncheon Meats, Sausages, Hot-Dogs	LB	
15	Snack Foods (to include Chips, Cookies, Granola Bars, Candy, Individual Pastries)	CS	
16	Soups, Bouillons, Gravy Bases or Gravy Mixes	CS	
17	Cheese	LB	
18	Dairy (Other than cheese)	LB	
19	Bakery Products to include doughs (Chilled or Frozen)	LB	
20	Baking mixes, Baking Ingredients or Pie Fillings	CS	
21	Spices, Flavorings or Food Colorings	CO	

Category Number	Category Description	Unit of Issue	Distribution Fees (US \$)
22	Sugar or Flour (Bulk sizes)	LB	
23	Dressings, Sauces, Toppings, Syrups, Condiments, Jams or Jellies – Bulk sizes	CO	
24	Dressings, Sauces, Toppings, Syrups, Condiments, Jams or Jellies – Table top sizes or individual / portion controlled sized items	CS	
25	Shortenings and Oils (i.e. cooking oil, salad oil, olive oil, etc.) 1 GL Size	CN	
26	Shortenings and Oils (i.e. cooking oil, salad oil, olive oil, etc.) 35 LB Can	CN	
27	Beverages	CS	
28	Beverage Bases and Concentrates (liquid) to include bag 'n box and dispenser products	BX	
29	Beverage Bases and Concentrates (dry) packages	CS	
30	Other Refrigerated Food Products Not Covered Above	CS	
31	Other Non-Refrigerated Food Products Not Covered Above	CS	
32	Toiletries / Health and Comfort items / Film	CS	
33	Local Produce-Soda/UHT Milk/Juices	CS	
34	Other Non-Food Products (excluding Food Service Operations Supplies (FSOS))	CS	
35	FSOS (Chemicals issued by CS)	CS	
36	FSOS Cleaning Products and Supplies (Items Issued as EA)	EA	
37	FSOS Kitchen and Dining Supplies (Items Issued as EA)	EA	
38	FSOS Kitchen and Dining Supplies (Issued by the CS)	CS	
39	FSOS Kitchen and Dining Supplies (Flatware) (Issued by the CS)	CS	
40	Plastic and Paper Products (Issued by the CS)	CS	
41	Pots and Pans (Issued as EA)	EA	
42	Kitchen Utensils (Issued as EA)	EA	
A	Prime Vendor Cataloged Items which are Not In Stock (NIS) which are furnished to Prime Vendors as GFM Material for distribution	CS	

Zones 2: UAE/Oman & Zone 5: Djibouti

B	GFM – UGR-H&S Group Rations	BX	
C	GFM – UGR-A Semiperishable Group Rations (number of cases per unit of issue = 2)	BX	
D	GFM – UGR-A Perishable Group Rations	BX	
E	GFM – Individual Feeding Rations	BX	
F	Prime Vendor FF&V	LB	
G	Prime Vendor Dairy and other items that are required to be cooled, chilled or frozen to maintain wholesomeness	CS	
H	Prime Vendor Fresh Bakery	LB	

Zone 5: Djibouti

Category Number	Category Description	Unit of Issue	Distribution Fees (US \$)
1	Beef (Pre-cut Steaks) (Raw)	LB	
2	Beef (Other) (Raw)	LB	
3	Pork or Lamb (Raw)	LB	
4	Poultry (Raw)	LB	
5	Seafood (Shellfish) (Raw)	LB	
6	Seafood (Canned) (Raw)	CS	
7	Seafood (Other than shellfish or canned)	LB	
8	Fruits/Vegetables (Frozen)	LB	
9	Fruits/Vegetables/Tomato Paste (Number 10 size cans)	CS	
10	Fruits/Vegetables/Tomato Paste (Non-refrigerated – other than number 10 size cans)	CS	
11	Cereals	CS	
12	Pasta or Rice	LB	
13	Frozen Meals / Entrees	LB	
14	Luncheon Meats, Sausages, Hot-Dogs	LB	
15	Snack Foods (to include Chips, Cookies, Granola Bars, Candy, Individual Pastries)	CS	
16	Soups, Bouillons, Gravy Bases or Gravy Mixes	CS	
17	Cheese	LB	
18	Dairy (Other than cheese)	LB	
19	Bakery Products to include doughs (Chilled or Frozen)	LB	
20	Baking mixes, Baking Ingredients or Pie Fillings	CS	
21	Spices, Flavorings or Food Colorings	CO	
22	Sugar or Flour (Bulk sizes)	LB	
23	Dressings, Sauces, Toppings, Syrups, Condiments, Jams or Jellies – Bulk sizes	CO	
24	Dressings, Sauces, Toppings, Syrups, Condiments, Jams or Jellies – Table top sizes or individual/portion controlled sized items	CO	

Zones 2: UAE/Oman & Zone 5: Djibouti

Category Number	Category Description	Unit of Issue	Distribution Fees (US \$)
25	Shortenings and Oils (i.e. cooking oil, salad oil, olive oil, etc.) 1 GL Size	CN	
26	Shortenings and Oils (i.e. cooking oil, salad oil, olive oil, etc.) 35 LB Can	CN	
27	Beverages	CS	
28	Beverage Bases and Concentrates (liquid) to include bag 'n box and dispenser products	BX	
29	Beverage Bases and Concentrates (dry) packages	CS	
30	Other Refrigerated Food Products Not Covered Above	CS	
31	Other Non-Refrigerated Food Products Not Covered Above	CS	
32	Toiletries / Health and Comfort items / Film	CS	
33	Local Produce-Soda / UHT Milk/Juices	CS	
34	Other Non-Food Products (excluding Food Service Operations Supplies (FSOS))	CS	
35	FSOS (Chemicals issued by CS)	CS	
36	FSOS Cleaning Products and Supplies (Items Issued as EA)	EA	
37	FSOS Kitchen and Dining Supplies (Items Issued as EA)	EA	
38	FSOS Kitchen and Dining Supplies (Issued by the CS)	CS	
39	FSOS Kitchen and Dining Supplies (Flatware) (Issued by the CS)	CS	
40	Plastic and Paper Products (Issued by the CS)	CS	
41	Pots and Pans (Issued as EA)	EA	
42	Kitchen Utensils (Issued as EA)	EA	
A	Prime Vendor Cataloged Items which are Not In Stock (NIS) which are furnished to Prime Vendors as GFM Material for distribution	CS	
B	GFM – UGR-H&S Group Rations	BX	
C	GFM – UGR-A Semiperishable Group Rations (number of cases per unit of issue = 2)	BX	
D	GFM – UGR-A Perishable Group Rations	BX	
E	GFM – Individual Feeding Rations	BX	
F	Prime Vendor FF&V	LB	
G	Prime Vendor Dairy and other items that are required to be cooled, chilled or frozen to maintain wholesomeness	CS	
H	Prime Vendor Fresh Bakery	LB	