

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

ISSUING OFFICE Army & Air Force Exchange Service Attn: SD-Z (K. Gammage) 3911 South Walton Walker Blvd. Dallas, TX 75236	CONTRACTING OFFICER Lisa C. Taylor <hr/> TELEPHONE NO. 214-312-4211/4399
	CONTRACT CONTROL NO. (If Applicable)
ITEMS/SERVICE Mobile Marketing	

SOLICITATION FOR PROPOSALS

DATE ISSUED 12 Oct 2012	SOLICITATION NUMBER AAFES-MKZ-11-015-12-150
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Proposals are solicited for merchandise, supplies, equipment or services described in this solicitation. Written proposals must be received at the issuing office by 2:00 o'clock P m, local time 18 Feb 2013

PROPOSAL (To Be Completed By Offeror)

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

OFFEROR REPRESENTS (Check appropriate boxes)

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

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

FULL NAME AND BUSINESS ADDRESS OF OFFEROR (STREET, CITY, STATE & ZIP CODE OR COUNTRY)	TELEPHONE NUMBER/FAX NUMBER/EMAIL ADDRESS		
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">SIGNATURE OF PERSON AUTHORIZED TO SIGN PROPOSAL</td> <td style="width: 20%;">DATE</td> </tr> </table>	SIGNATURE OF PERSON AUTHORIZED TO SIGN PROPOSAL	DATE
SIGNATURE OF PERSON AUTHORIZED TO SIGN PROPOSAL	DATE		
TIN:	DUNS:		
TYPED OR PRINTED NAME AND TITLE			

ACCEPTANCE AND AWARD (To Be Completed By the Exchange)

CONTRACT AWARDED FOR FOLLOWING:

CONTRACT NO.	AMOUNT: <input type="checkbox"/> ESTIMATED \$ <input type="checkbox"/> ACTUAL	DATE OF AWARD
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SIGNATURE	(TYPED NAME)
	CONTRACTING OFFICER ARMY & AIR FORCE EXCHANGE SERVICE

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

1. CONTENTS OF SOLICITATION/CONTRACT:

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

<input checked="" type="checkbox"/>	Schedule, Solicitation No. AAFES-SDZ-11-015-12-150	,page(s) 1	through 5
<input checked="" type="checkbox"/>	Exhibit A, General Provisions (May 11)	,page(s) 1	through 11
<input checked="" type="checkbox"/>	Exhibit B, Labor Provisions, Contract for Services w/o SCA (Jan 11)	,page(s) 1	through 2
<input checked="" type="checkbox"/>	Exhibit C, Scope of Work	,page(s) 1	through 3
<input checked="" type="checkbox"/>	Exhibit D, Price Schedule	,page(s) 1	through 1
<input checked="" type="checkbox"/>	Exhibit E, Insurance Requirements	,page(s) 1	through 1
<input checked="" type="checkbox"/>	Exhibit F, Invoicing and Payment	,page(s) 1	through 3
<input checked="" type="checkbox"/>	Exhibit G, Confidentiality and Non-Disclosure Agreement	,page(s) 1	through 2
<input checked="" type="checkbox"/>	Exhibit H, Contractor Scorecard	,page(s) 1	through 2
<input checked="" type="checkbox"/>	Exhibit I, Evaluation for Award	,page(s) 1	through 2
<input checked="" type="checkbox"/>	Exhibit J, Proposal Submission Instructions	,page(s) 1	through 2
<input type="checkbox"/>	Exhibit	,page(s)	through
<input type="checkbox"/>	Exhibit	,page(s)	through
<input type="checkbox"/>	Exhibit	,page(s)	through

2. SUBMISSION OF PROPOSALS:

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

- Financial and Technical Capability Data sheet, if checked. Operating Statement, if checked.
- Source List App, W-9, Blank Invoice, Company Letterhead, Technical Proposal
-
- Exhibit D ,page(s) 1 through 1
- Exhibit ,page(s) through
- Exhibit ,page(s) through

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

3. DEFINITIONS:

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

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

4. PROPOSAL PREPARATION:

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

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

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

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

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

9. ELIGIBILITY OF PROPOSED CONTRACTOR (S):

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

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

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

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

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

11. ACCEPTANCE AND AWARD

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

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

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

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

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

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

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

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

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

SCHEDULE

1. **Purpose:** This solicitation is for mobile marketing support for the creation, management and delivery of Cell Phone Coupons for the Army and Air Force Exchange Service (Exchange), 3911 S. Walton Walker Blvd., Dallas, TX as described in Exhibit C, Scope of Work.

2. **Award, Period of Contract, and Effective Date:** The contract will be for a base period of two (2) years with three (3) one-year options awarded in single or multiple year increments with services starting on **01 May 2013** or the date of contract award, whichever is later unless sooner terminated according to the contract General Provisions. No representation that this contract will be extended beyond its original period is binding on The Exchange unless in writing signed by the contractor and contracting officer.

3. **Evaluation for Award of Contract:** One or more contract(s) will be awarded to the successful offeror(s) whose proposal is found technically acceptable and provide the best price to the Exchange. All offerors must pass the technical qualifications in order to be considered for further review of award. Therefore all offerors are encouraged to offer the Exchange a sound technical proposal that is supported by competitive pricing. The offeror(s) who pass the technical requirements will be evaluated by price. One or more contract(s) may be awarded to the offeror(s) who then provides the best price to the Exchange for Mobile Marketing services. The business requirements and technical factors are listed in:

Exhibit C – Scope of Work

Exhibit D – Price Schedule

Exhibit I – Evaluation of Award

Exhibit J – Proposal Submission Instructions

4. **Price/Discount:** The prices and discounts are established in Exhibit D, Price Schedule, and in any subsequent renewal will remain firm for the period of contract or period of renewal unless the parties hereto mutually agree to a price or discount adjustment, in which event the adjustment will become effective only on the effective date specified in a written amendment to the contract. Any request by contractor for adjustment must be made in writing to the contracting officer. Such request must provide sufficient factual information and data to substantiate the proposed revision, including clear and definite identification of existing cost factors, which could not be identified at time of entering into contract or renewal. Any price or discount adjustment under this provision is subject to negotiation and mutual agreement of the parties and the accomplishment of a finalized written amendment to the contract. The contractor has no unilateral right to a price or discount adjustment.

5. **Insurance:**

- a. Contractor will maintain in full force and effect during the period of contract at least the insurance coverage set out in Exhibit E, Insurance Requirements of this contract.
- b. Contractor will be liable for damage, loss, or injury to property of persons resulting from acts or omissions of contractor, its workers, subcontractors or agents, whether or not covered by required insurance.

6. **Contracting Authority:** The Army and Air Force Exchange Service (Exchange) is a federal instrumentality that must follow procurement policies and procedures set forth in law and Department of Defense regulations. These policies delegate purchasing authority to duly appointed individuals as a contracting officer or ordering agent. Only those individuals delegated this authority are authorized to execute contracts and amendments that commit Exchange funds. The Exchange associate who is not specifically delegated authority creates an unauthorized procurement action when he or she agrees to buy goods or services or commits Exchange funds. The same is true when a duly appointed individual exceeds his or her delegated authority.

An unauthorized purchase or contract is a personal commitment between an associate and the vendor, unless the Exchange ratifies the purchase or contract. This means that the Exchange is not financially, contractually or legally

obligated to ratify the unauthorized action. It is in our mutual best interest to prevent any such unfortunate incidents.

The Exchange wishes to maintain a good working relationship with all of its contractors. Sometimes in the interest of time you may be asked by an Exchange associate to take some action or deliver goods that are not specifically funded or authorized within the terms of the contract. Whenever this occurs you should contact the contracting officer for specific direction to ensure funds are available, and that it is an authorized procurement action.

7. Contracting Officer Representative: After contract award The Exchange Contracting Officer will designate a Contracting Officer's Representative (COR).

CORs:

- a. are Exchange point of contact for day-to-day issues concerning this contract.
- b. **do not** have authority to alter, or otherwise effect the terms and conditions of this contract. Contact the contracting officer immediately if, in your opinion, direction is beyond the scope of this agreement.
- c. **do have** authority to place calls to order contracted services at established rates as identified in this agreement.
- d. will be responsible to validate all hours worked by the contractor.

8. Use of Contract by Other Federal Entities (MAY 12):

- a. Federal Statute and Department of Defense (DoD) Procurement Policy encourage DoD Non-appropriated Fund Instrumentalities (NAFIs) to enter into contracts or other agreements with other Federal Government entities, where it is advantageous to do so. It is solely within the discretion of each entity to decide whether or not to participate.
- b. This is a Non-appropriated Fund (NAF) Contract.
- c. The prices, costs, rates, commissions/fees, terms and conditions and any other contract provision are non-negotiable absent modification, change or amendment by an authorized contracting officer of the NAFI that issued this Contract.
- d. Any dispute and/or claim shall be submitted to the NAF contracting office that issued this Contract for any required adjudication. Any issue between an ordering entity (other than the NAFI that issued this Contract) and the Contractor, which cannot be resolved without formal action by the Contracting Officer (e.g., delivery/task order, modification, final decision letter, termination action, etc.) will be referred to the Contracting Officer of the NAFI that issued this Contract for action. Any issue that appears to require formal contract action, and/or that is a potential dispute or claim will be brought to the attention of the Contracting Officer of the NAFI that issued this Contract.
- e. The Contractor shall perform the Contract requirements in accordance with this Contract regardless of which entity places an order against this Contract. The terms and conditions of this Contract shall apply to all performance under this Contract, without regard to ordering entity, delivery or performance site, location or facility.
- f. If the Contractor cannot fulfill a delivery/task order, regardless of reason, the Contractor shall immediately advise the ordering entity. Generally, such notice shall be provided within one (1) business day of the date and time the Contractor is aware (or should have been aware) that the order could not be fulfilled.
- g. The sites, locations, or facilities identified herein as being required in this Contract are not all inclusive of the number of sites, locations, or facilities that may be added in the future; however, this Contract does not create a right of first refusal and does not require, guarantee, or imply the addition of any sites, locations, or facilities to this Contract. Additional sites, locations, or facilities identified in a delivery/task order that are not listed in the

Contract, will be added to the Contract by Contract Modification by an authorized Contracting Officer of the NAFI that issued this Contract.

- h. No additional quantities are guaranteed or implied as a result of this clause.
- i. Other Federal entities authorized to place delivery/task orders against this contract include:
 - 1) Army and Air Force Exchange Service (The Exchange),
 - 2) IMCOM G9 Family and MWR Programs,
 - 3) Air Force Non-appropriated Fund Purchasing Office (AFNAFPO),
 - 4) U. S. Marine Corps Personal and Family Readiness Division (MR) and Marine Corps Community Services (MCCS),
 - 5) Navy Exchange Command (NEXCOM) and Navy Exchange System (NES),
 - 6) Commander, Navy Installations Command (CNIC), Fleet and Family Readiness (F&FR)
 - 7) Coast Guard Exchange System (CGES); and
 - 8) Other Federal activities not specifically named in this Contract.
- j. More favorable prices, costs, rates, commissions, fees, terms and conditions than reflected in this Contract may be offered by the Contractor to the various ordering entities and/or negotiated by the ordering entities based upon economic factors that support such mutually agreed to arrangements, provided that:
 - 1) any such agreement is made in writing; and
 - 2) a complete copy of any such agreement is given to the Contracting Officer of the NAFI that issued the Contract, prior to performance.
- k. The NAFI that issued this Contract is not responsible or liable for payment related to delivery/task orders issued by another entity. The entity that issues a delivery/task order is solely responsible for payment in accordance with applicable Federal laws. Each delivery/task order issued will include:
 - 1) Contract number against which order is placed;
 - 2) Location where delivery/performance will take place and required delivery / performance date(s);
 - 3) Complete contact information for both the ordering entity and any other point of contact that the Contractor may need to complete the order;
 - 4) Invoicing and payment instructions and/or procedures for remitting commission/license fee payments to the ordering entity.
- l. On a quarterly basis (15 Jan, 15 Apr, 15 Jul, 15 Oct), unless a different reporting requirement is specified elsewhere in this Contract, the Contractor shall provide the Contracting Officer with a written report recapping all expenditures by item or service including a total for all entities that have placed orders during the preceding quarter. The report will include a quarterly recap that the Contractor will send to the specified POC, for each entity that participated in or that placed orders against this contract.

9. Contractor Scorecard:

- a. The Exchange depends on the professional service of our contractors to support our requirements. To maintain competent and dependable contactors, the Exchange contracting officers and COR or the on-site Exchange personnel involved with the program will evaluate how well our contractors have performed. The basic evaluation criteria by which the Exchange will evaluate the contractor to ensure quality performance is consistent with stated expectations to include, but not limited to, timely completion and providing all deliverables. Once the Exchange has completed the rating the results will be maintained by the contracting officer and this information may contribute to future contract eligibility for awards. The Exchange will use the

evaluation but is not bound to the scorecard rating, i.e., there is no guarantee that the Exchange will exercise the options for satisfactory or exceptional ratings. Conversely, if a contractor cures a deficiency, The Exchange will reserve the decision of exercising a Contract option/extension.

b. The standard contract administration will occur along with the use of the scorecard. Letters of concern, warning and cure letters will be handled for contract deficiencies.

c. The contractor scorecard will be completed at least once annually but may be completed as frequently as monthly at the discretion of the COR. The contractor scorecard ratings average score should not be less than a score of 3. A score of 3 denotes that the contract is meeting the minimum contract standards (See Exhibit H – Contractor’s Scorecard). These ratings will be sent to the COR at the end of the contract and the completed copy will be provided to the contractor.

10. Option to Extend – Incentive: Contract options/extensions will be based on contractor’s previous year contract performance being satisfactory or better as defined by Paragraph entitled, **Contractor Scorecard** and the Exchange’s determination of continued need. The Exchange may unilaterally extend the term of this contract at its sole discretion. Contractor will receive written notification a minimum of thirty (30) days before the contract expires, advising contractor of the Exchange’s intent to extend the term of the contract into the next option period. If the Exchange exercises this option, a unilateral amendment will be issued by the contracting officer. In no event will this contract be extended beyond an accumulated period five (5) years from the date established for commencement of services.

11. Non-Exclusive Agreement: The Exchange may have similar agreements with other Contractors for the same or similar items. This agreement is not to be construed as an exclusive agreement for Exchange requirements or services.

12. Exchange Oracle Advanced Procurement Application (OAPA):

a. Unless another clause within this contract states otherwise, most non-retail Exchange orders and agreements will be issued, received and processed through the OAPA. All Exchange suppliers are able to use this application at no charge. Access to this application requires a standard personal computer, an internet connection, and an invitation to register for iSupplier. Since we have instituted OAPA, we need our suppliers to use this system to make the process work to its capability. Our non-retail product and service suppliers will use this application to receive purchase orders, agreements, respond the Exchange Contracting Officer Requests for Information (RFI), Requests for Quotation (RFQ), Auctions and to communicate with the Exchange Contracting Officers.

b. All work requests will be handled through the Oracle application. Suppliers will be required to sign up and participate in the Exchange Oracle system. Instructions will be provided upon contract award.

c. Suppliers will use the iSupplier module to submit change requests and to input advanced shipping notices (ASNs) so that Exchange personnel can monitor the progress of these orders.

d. You may contact the PZ Help Desk for more information at CPSupport@aafes.com or speak to your Exchange Contracting Officer.

13. Facility Access: The contractor will be responsible for obtaining installation passes and permits for personnel and or representatives, as required by military installation regulations.

14. Confidentiality and Nondisclosure Agreement: Contractor and the Exchange acknowledge that in the course of this contract contractor may be supplied with business and customer information considered confidential or proprietary. Contractor agrees to maintain the confidentiality of such information and to treat such information with the same degree of care and security as it treats its own information of like importance. Contractor agrees not to disclose such information to any party who does not have a demonstrable need to know in direct connection with their activities as specifically contemplated by their contract unless required by law or court order. Offerors are required to complete the Confidentiality and Non-Disclosure Agreement at Exhibit G and return a copy, signed “for the Company” (not individual workers) along with this agreement.

15. Proprietary Information: Contractor assures all information obtained from Exchange will be used only for business with Exchange and will not be shared with Exchange competitors or used internally to compete with Exchange. All information submitted by offerors will be treated confidentially by the Exchange.

16. Security: The contractor shall provide for and guarantee the security of any Personally Identifiable Information (PII) stored electronically or printed. This includes physical and digital security as well as fire detection and alarm control systems at the contractor’s facility. Security shall include, but is not limited to:

- a. Insurance requirements, as described further in Exhibit E.
- b. All necessary precautions to insure against damage, loss or theft while Exchange data and forms are in contractor’s possession.
- c. Virus-scan software and firewalls on all computers that come in contact with Exchange data.
- d. Proper controlling and handling of Exchange data and forms to prevent access by unauthorized individuals and exposure to fraud and/or abuse. All Exchange data and information shall be erased or destroyed immediately after its final use to prevent any possible sale or misuse. This also holds true for any subcontractors utilized by the primary contractor.
- e. Before commencement of any service, contractor must ensure that all employees who would potentially touch (physically or digitally), ship, lock up, transfer, shred, etc. any forms/documents or pages containing Personally Identifiable Information (PII) must take Privacy Act Training at: http://iase.disa.mil/eta/pii/pii_module/pii_module/module.htm Following successful completion, contractor must supply the Exchange with certificates of completion (provided by the online training) for all contractor’s personnel that may come in contact with the entry forms. If contractor acquires new personnel during the life of the contract that may come in contact with the forms they must also complete the required training and contractor must supply the new certificate to the Exchange.
- f. Personally Identifiable Information is any information about an individual that identifies, links, relates , or is unique to, or describes him or her, e.g. a Social Security Number; age; military rank; civilian grade; marital status; race; salary; home/office phone numbers; other demographic, biometric, personnel, medical and financial information.
- g. In the event of a PII breach, contractor shall 1) inform the contracting officer immediately, 2) take immediate action to stop an ongoing breach; and/or take action to ensure the breach won’t occur again, 3) take action to recover lost data, and 4) generally comply with the Privacy policies and procedures as determined by The Exchange Privacy Officer.

17. Exchange Property: The Exchange retains all rights and ownership of all entry forms and databases that contain Exchange information.

18. Sensitive Data: Notwithstanding any other language in the contract, Email, attachments, and any files transmitted or received electronically containing sensitive data will be encrypted. The method of encryption used must be compatible with Exchange encryption systems/software. All parties will protect encryption keys from disclosure and misuse.

19. Transitioning to The Exchange: The Army and Air Force Exchange Service (Exchange) is transitioning to a new corporate logo and commercial name (as used in commerce) the “Exchange”. Our legal name remains the Army and Air Force Exchange Service and the “AAFES” acronym still exists, except in the case of “Commander, AAFES” which is changed to “Commander, Army and Air Force Exchange Service”.

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

EXHIBIT A
GENERAL PROVISIONS
(MAY 11)

1. Legal Status (AUG 08)
2. Authority to Bind (NOV 95)
3. Procurement Integrity (NOV 95)
4. Oral Representations (JAN 94)
5. Modifications and Additions (MAY 04)
6. Subcontracting (JUN 94)
7. Assignment - Services (DEC 07)
8. Termination (JUN 94)
9. Permits, Licenses and Applicable Laws (JAN 94)
10. Indemnify and Hold Harmless (MAY 89)
11. Disputes (DEC 07)
12. Nonwaiver of Defaults (SEP 91)
13. Advertisements (AUG 08)
14. Examination of Records (AUG 08)
15. Contractor Personnel and Representatives (AUG 08)
16. Environmental Protection (AUG 09)
17. Contractor Liability - Services (MAY 04)
18. Drug-free Workplace (AUG 92)
19. Restrictions on Purchases of Foreign Goods (MAY 04)
20. Date Compliant (DEC 07)
21. Payment by Electronic Funds Transfer (OCT 98)
22. Choice of Law and Forum (DEC 07)
23. Privacy Act (DEC 07)
24. Payment Card Industry (PCI) Compliance (OCT 10)
25. Green Clause (AUG 09)
26. Performance (AUG 09)
27. Combating Trafficking in Persons (AUG 09)
28. Personal Identity Verification of Contractor Personnel (MAY 11)
29. UNSPSC Item Category Identifiers (AUG 09)
30. Army and Air Force Exchange Service Rights (Unlimited) (AUG 09)

GENERAL PROVISIONS

1. LEGAL STATUS (AUG 08).

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

2. AUTHORITY TO BIND (NOV 95).

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

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

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

3. PROCUREMENT INTEGRITY (NOV 95).

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

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

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

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

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

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

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

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

4. ORAL REPRESENTATIONS (JAN 94).

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

5. MODIFICATIONS AND ADDITIONS (MAY 04).

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

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

6. SUBCONTRACTING (JUN 94).

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

7. ASSIGNMENT - SERVICES (DEC 97).

The Assignment of Claims Acts, 31 U.S.C. 3727 and 41 U.S.C. 15, are not applicable to amounts due under the Exchange contracts. Contractor may not assign its rights or delegate its obligations under this contract, and the Exchange will neither consent to, nor recognize, any purported assignment. Contractor may request permission from the contracting officer to have contract payments forwarded to a third party.

8. TERMINATION (JUN 94).

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

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

b. This contract may be terminated in whole or in part by either party upon thirty (30) days notice (ninety (90) days for vending contracts) in writing to the other party.

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

9. PERMITS, LICENSES AND APPLICABLE LAWS (JAN 94).

Contractor warrants that all necessary permits and licenses have been obtained and that the merchandise, services, supplies, and/or equipment provided under this contract are in compliance with applicable laws.

10. INDEMNIFY AND HOLD HARMLESS (MAY 89).

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

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

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

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

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

11. DISPUTES (DEC 07).

a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Except as provided in the Act, all disputes arising under or relating to this contract shall be resolved under this clause.

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

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

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

(1) The claim is made in good faith;

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

(3) The amount requested accurately reflects the contract adjustment for which the contractor believes the Exchange is liable.

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

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

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

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

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

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

12. NONWAIVER OF DEFAULTS (SEP 91).

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

13. ADVERTISEMENTS (AUG 08).

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

14. EXAMINATION OF RECORDS (AUG 08).

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

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

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

15. CONTRACTOR PERSONNEL AND REPRESENTATIVES (AUG 08).

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

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

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

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

16. ENVIRONMENTAL PROTECTION (AUG 09).

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

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

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

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

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

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

17. CONTRACTOR LIABILITY - SERVICES (MAY 04).

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

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

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

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

upon receipt of written notice by contractor.

18. DRUG-FREE WORKPLACE (AUG 92).

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

19. RESTRICTIONS ON PURCHASES OF FOREIGN GOODS (MAY 04).

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

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

20. DATE COMPLIANT (DEC 07).

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

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

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

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

a. Method of payment:

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

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

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

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

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

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

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

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

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

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

23. PRIVACY ACT (DEC 07).

a. The Contractor agrees to –

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

a. The systems of records; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25. GREEN CLAUSE (AUG 09).

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

- a. Where possible utilize environmentally friendly products
- b. Where possible promote energy-efficiency and water conservation
- c. Where possible eliminate/reduce the production or generation of hazardous waste and the need for special material processing (including special handling, storage, treatment and disposal)

26. PERFORMANCE (AUG 09).

Contractor will perform in accordance with all contract provisions. The Exchange will make payments only for performance as promised including supplies delivered and accepted per product specification and free of defects, or services rendered that satisfy the contractual specifications and are accepted. Payments for milestones will be paid when the milestones have been achieved and accepted. Additional periods of performance (if any) will only be granted for performance at or above the contractual level. The contracting officer may exercise remedies in accordance with the provisions of this contract for poor performance, non-performance, or failure to meet the service level agreement established.

27. COMBATING TRAFFICKING IN PERSONS (AUG 09).

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

"Coercion" means—

(1) Threats of serious harm to or physical restraint against any person;

(2) Any scheme, plan, or pattern intended to cause a person to believe that failure to perform an act would result in serious harm to or physical restraint against any person; or

(3) The abuse or threatened abuse of the legal process.

(4) Withholding any documents (e.g. passports, visas, IDs, etc.) that prevents or restricts the person to move freely. "Commercial sex act" means any sex act on account of which anything of value is given to or received by any person. "Debt bondage" means the status or condition of a debtor arising from a pledge by the debtor of his or her personal services or of those of a person under his or her control as a security for debt, if the value of those services as reasonably assessed is not applied toward the liquidation of the debt or the length and nature of those services are not respectively limited and defined.

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

"Forced labor" means knowingly providing or obtaining the labor or services of a person—

(1) By threats of serious harm to, or physical restraint against, that person or another person;

(2) By means of any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint; or

(3) By means of the abuse or threatened abuse of law or the legal process.

"Involuntary servitude" includes a condition of servitude induced by means of—

(1) Any scheme, plan, or pattern intended to cause a person to believe that, if the person did not enter into or continue in such conditions, that person or another person would suffer serious harm or physical restraint; or

(2) The abuse or threatened abuse of the legal process.

Severe forms of trafficking in persons" means—

(1) Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or

(2) The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery. "Sex trafficking" means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act.

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

(1) Engage in severe forms of trafficking in persons during the period of performance of the contract;

(2) Procure commercial sex acts during the period of performance of the contract; or

(3) Use forced labor in the performance of the contract.

c. Contractor requirements. The Contractor shall—

(1) Notify its employees of—

(i) The United States Government's and the Army and Air Force Exchange Services' zero tolerance policy described in paragraph (b) of this clause; and

(ii) The actions that will be taken against employees for violations of this policy. Such actions may include, but are not limited to, removal from the contract, reduction in benefits, or termination of employment; and

(2) Take appropriate action, up to and including termination, against employees or subcontractors that violate the policy in paragraph (b) of this clause.

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

(1) Any information it receives from any source (including host country law enforcement) that alleges a Contractor employee, subcontractor, or subcontractor employee has engaged in conduct that violates this policy; and

(2) Any actions taken against Contractor employees, subcontractors, or subcontractor employees pursuant to this clause.

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

(1) Requiring the Contractor to remove a Contractor employee or employees from the performance of the contract;

(2) Requiring the Contractor to terminate a subcontract;

(3) Suspension of contract or fee payments;

(4) Loss of award fee, consistent with the award fee plan, for the performance period in which the Army and Air Force Exchange Service determined Contractor non-compliance;

(5) Termination of the contract for default or cause, in accordance with the termination clause of this contract; or

(6) Suspension or debarment.

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

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

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

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

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

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

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

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

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

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

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

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

29. UNSPSC ITEM CATEGORY IDENTIFIERS (AUG 09).

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

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

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

Level 1: SEGMENT

Level 2: FAMILY

Level 3: CLASS

Level 4: COMMODITY

Level 5: BUSINESS FUNCTION

For Example:

IT Items – UNSPSC Segment Identifier Number 43

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

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

Low-end (32-bit) 43.17.18.06.01

High-end (64-bit) 43.17.18.06.02

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

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

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

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

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

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

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

EXHIBIT B – LABOR PROVISIONS

Contract for Services (without SCA) – Jan 11

1. EQUAL EMPLOYMENT OPPORTUNITY.

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

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

2. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT.

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

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

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

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

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

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

3. AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA.

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

4. AFFIRMATIVE ACTION FOR INDIVIDUALS WITH DISABILITIES.

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

EXHIBIT C

SCOPE OF WORK

Background: We are a joint military activity providing quality merchandise and services to active duty, guard and reserve members, military retirees and their families at competitively low prices. We are a multi-channel retailer, offering products to authorized customers via retail stores, catalog and online. We also provide military communities with convenience, specialty stores and movie theaters on Installations worldwide, including locations in Operations Enduring Freedom and New Dawn. We operate more than 3,700 facilities worldwide, in more than 30 countries, five U.S. territories and 50 states. The Exchange operates some 157 retail stores and 2,100 fast food restaurants, such as Taco Bell®, Burger King®, Popeyes® and Cinnabon® and many more. For more information about the Exchange, visit <http://shopmyexchange.com>.

Objective: The contractor will support deliver of mobile coupons to customers that have opted in for the service. Coupons will be text with an option to add a UPC-A type of barcode with promotion details. The contractor will provide a “dashboard” that will enable the Exchange to input promotional details. The Exchange will upload this information to the contractors system and the contractor will then send promotion to the Exchange subscribers. Each promotion will have a unique code.

A. Contractor Roles and Responsibilities:

1. Provide complete mobile marketing support to deliver Exchange mobile text coupons to customers via cell phone text messages. Please note that **only customers with valid “opt –in” status shall be included in the mobile marketing program. Valid “opt-in” status means that the customers have: 1) granted permission to use their information for mobile marketing purposes, and 2) have not rescinded that permission (opted out).** Contractors system should be able to support the following:
 - a. Both online (web site) and cell phone opt-in options.
 - b. Marketing messages (i.e. promotional text messages).
 - c. Option to text a UPC-A type of barcode with text. (For example, save \$1 using this coupon on Product XYZ).
 - d. Option to send two dimensional barcodes (also referred to as 2D or QR codes).
 - e. Provide capability to use multiple keywords.

Definition: A word or name used to distinguish a targeted message within a short code service.

- f. Subscription text alert once a customer opts in. For example, "Thank you for subscribing to the Exchange text alerts. Please confirm your subscription by replying yes".
- g. Option to send survey/questionnaires consisting of 1 or more questions. Questions will be provided/approved by the Exchange.

Example: Do you own a pet? If so, text: a for dog; b for cat; c for fish; d for no
If you own a dog, text: a for < 25 lbs.; b for 25-50 lbs.; c for > 50 lbs.

2. Surveys or questionnaires on an as needed basis.

- a. Questions could consist of more than one question and shall be provided to the contractor by the Exchange. For example: "Do you own a pet? Text: a) cat; b) dog; c) fish; d) no".
 - b. Questions will be approved and provided by the Exchange.
 - c. Contractor will provide the Exchange with the results in a format approved by the Exchange.
3. Contractor will provide a shared short code.
- Definition: A short code is a shortcut for a telephone number usually 5 to 6 digits long that is used for mobile marketing
4. The administration of the mobile marketing couponing will be web based, password controlled and includes control codes so that authorized Exchange management can build the cell phone coupons and input them into the contractor's database for dissemination.
 - a. Build a customer profile based upon Exchange provided materials, by matching demographic data learned from cross channels (direct mail and mail to mobile and social media) and appending to database/mobile telephone number. The Exchange wants the ability to target and segment profiles, keep a detailed track of all past interactions, personalize and automate marketing efforts, and accurately measure audience reaction and effectiveness.
 - b. Segregate by smart phone vs. non smart phone.
 5. The Exchange customer database information shall be safeguarded to protect against unauthorized disclosure. Access to customer database shall be limited to contractor's system operators and authorized Exchange management.
 6. All customer correspondence will include instructions on how to opt out of the service. Customer shall be able opt out via web or cell phone and opt outs shall be effective immediately so no further text messages are received. Customer shall receive a confirmation code when they opt out of the service.
 7. Reporting capabilities: Statistics will be maintained to include but not limited to the following: participant statistics (ex: geographic location, content preferences, opinions, demographics) and promotional details (ex: promotion name, date, sent/received). Statistics shall be in a format approved by the Exchange and must be accessible on line and exportable in MS Excel format by close of business the next day.
 8. Training will be conducted with the Exchange management administering the cell phone coupon program. This training will be provided online prior to implementation.
 9. Appoint a point of contact to assist during normal Exchange HQ business hours for program administration.
 - a. Monday – Friday 08:00 – 16:30
 10. The marketing company shall provide service throughout the Continental United States (CONUS), Hawaii and Alaska, as needed for the Exchange facilities that include but are not limited to: direct operation concessions (e.g. Anthony's Pizza, Robin Hood, etc.), franchise concessions (e.g. Subway, Burger King, etc.), Main Exchange stores, Express stores, and BXMarts, etc.
 11. Offeror must have extensive carrier connections and relationships with at least 7 of the mobile operators

listed below, but at a minimum have connections with Verizon Wireless, AT&T Mobility, Sprint Nextel, and T-Mobile USA.

Mobile Operators
1. Verizon Wireless
2. AT&T Mobility
3. Sprint Nextel Corp
4. T-Mobile USA
5. Cincinnati Bell Wireless
6. Tracfone Wireless
7. Virgin Mobile
8. Leap Wireless
9. Metro PCS
10. US Cellular

B. Exchange Roles and Responsibilities:

1. Provide a day to day inquiry point of contact for any program administration.
2. Assist with the mobile marketing coupon program to include creating the cell phone coupons.
3. Develop marketing strategies to use with the mobile marketing coupons and track results to determine the effectiveness of the program.
4. Provide all marketing signage to assist in program promotion.

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

EXHIBIT D
PRICE SCHEDULE

Contractor will enter in the space below: Payment Terms and Payment Rates/Plans to be charged to the Exchange for the service to be provided. Contractor shall include tiered pricing or discounts for increased text usage.

1. PRICING:

SERVICE	COST
One-Time Activation/Set-up Fee	\$
Ongoing Maintenance & Support (per year)	\$
Licensing Fee (per year)	\$

Number of Subscribers	SMS Cost	MMS Cost
1 - 24,999	\$	\$
25,000 - 49,999	\$	\$
50,000 - 99,999	\$	\$
100,000+	\$	\$

TOTAL COST/per year USD: \$ _____

Note: Current usage averages to approximately 4 (SMS) messages/per month to 50K subscribers. Projected usage for F/Y 2013 is estimated to be approximately 8 (SMS & MMS) messages per month to approximately 100K subscribers.

Contract will be evaluated on current number of subscribers (50K).

Optional Services	\$
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Note: Optional Services and pricing will become a part of the contract, however, pricing will not be considered in the evaluation process.

2. PAYMENT TERMS: (e.g. 2% Net 10 days, Net 45 Days)

_____ Net _____ days (If no payment terms are entered, the Contractor payment terms will be Net 45 days)
 //LAST ITEM//////////////////////////////////////

EXHIBIT F

INVOICING AND PAYMENT

Questions concerning invoicing and payment should be directed to the Accounts Payable Office. Invoice status can be viewed online at <http://partners.aafes.com>. If internet access is not available, fax your inquiry to 214-465-2900 or email to apinfo@aafes.com for correspondence only. To prevent fraud and reporting discrepancies to the IRS, the Exchange requires the W-9 form (included in solicitation/contract). This should be submitted prior to activating and establishing a vendor code within the Accounts Payable System. Please ensure the contractor name and contractor address appears on the W-9 as filed with the IRS. Accounts Payable will verify/validate the information on the IRS website. Any discrepancy will be returned to the vendor for correction.

A. Invoicing:

1. In order to be considered proper invoices for purposes of the Prompt Payment Act, invoices must be submitted as follows:
 - (a) Contractor must prepare a separate numbered invoice monthly. **DO NOT CONSOLIDATE BILLING FOR MORE THAN ONE SERVICE PERIOD ON ONE INVOICE.** Do not duplicate an invoice number used in prior billings.
 - (b) Except as specifically set out in the contract, invoice(s) must be submitted to:

Army and Air Force Exchange Service
Attn: Accounts Payable
P.O. Box 660261
Dallas, TX 75266
2. Invoices must be issued by the company whose name is on the contract/order (unless otherwise authorized by contracting officer) and must contain the following minimum information to enable timely payment:
 - (a) Name of contractor.
 - (b) Invoice date. This cannot be a date prior to completion of service(s) required by the contract or purchase/delivery order. In the event that the invoice date is a date prior to completion of service(s) required, the Exchange retains the right either to return the improper invoice to the contractor for correction or to change the invoice date to be the date after completion of the required service(s). In the event that an improper invoice is returned to a contractor because the date on the invoice is prior to completion of required service(s) or because the invoice is improper for any other reason, the invoice date, for purposes of prompt payment discounts will be considered to be the date of receipt of the corrected, proper invoice.
 - (c) Contract/order number
 - (d) Service description and date(s) of service
 - (e) Military installation location (s)/building number
 - (f) Contract service line item cost and total
 - (g) Prompt payment discounts, and special allowances must be shown on the invoice using percentage figures only. **DO NOT DEDUCT ANY OF THESE FROM THE SERVICE COST OR FROM THE INVOICE TOTAL.**
 - (h) Name, title and phone number of contractor's point of contact.
 - (i) Complete "remit to" mailing address on the invoice to indicate where contractor's payment is to be sent. This address must be the same address as on the contract unless changed in accordance with paragraph B (9) below.

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

B. Payment:

1. A proper invoice is an invoice which contains all of the information/documentation specified in paragraph a. (2) above, and is sent to the address specified in the contract or purchase/delivery order for the designated Exchange paying office.
2. Improper invoices may be returned without payment to the contractor.
3. The net payment date for the Exchange contracts is established at 30 days after receipt of a proper invoice. Discounts for prompt payment, if included in the contract, will be applied as follows:
 - (a) If the contract or purchase order specifies a prompt payment discount period of less than 30 days, the discount will be taken if payment can be made within the stated period otherwise the net payment will be due 30 days after receipt of a proper invoice.
 - (b) If the contract or purchase order specifies a prompt payment discount period of 30 days or more, the discount will be taken if payment can be made within the stated period otherwise the net payment will be due 30 days after the prompt payment discount period ends.
 - (c) If the contract fails to specify any prompt payment discount, then net payment will be due 30 days after receipt of a proper invoice.
4. An invoice is considered to be received on the later of the following dates:
 - (a) The date the invoice is actually received by the designated Exchange receiving office or,
 - (b) The date of the invoice if the designated Exchange receiving office receives a proper invoice but fails to annotate the invoice with the date of receipt at the time of receipt.
5. In the event that a prompt payment discount, or other special discounts or allowances specified on contractor's invoice are better than that specified in the contract or purchase order, the Exchange may take the more favorable discounts and/or allowances.
6. For the purpose of determining whether payment is timely made by the Exchange, a "day" is counted for each calendar day. When payments fall due on Saturday, Sunday or legal Federal holidays, payments made the following business day will not incur late payment interest penalties.
7. A discount for prompt payment can be taken by the Exchange if the discounted payment is made within the discount period specified. The prompt payment discount period begins to run on the date of the invoice. Computation of the period for prompt payment discounts begins with the date of invoice; computation for net payment begins with receipt of a proper invoice.
8. Payment is made:
 - (a) The date a check for payment is dated.
 - (b) The date an electronic fund transfer is received, regardless of the date the financial institution posts the transfer.
 - (c) The date a withholding authorized by the contract is initiated by the Exchange.

9. Payment will be made by mailing a check to the address shown on the contract, unless the contractor provided a different "remit to" address to the contracting officer at the time the terms were negotiated or the contract was issued.
- (a) If a contractor wishes to change the address (e.g., street, PO Box , city/state) to which payment should be sent or wishes its payments to also reflect a factor's name and be sent to the factor's address the request must be in writing, signed by a responsible official of the contractor, and submitted to the contracting officer. All such requests must clearly establish which division or subsidiary of a corporation such changes apply to and the address which is superseded by the changes. These changes will become effective on the date determined by the Exchange, normally 30 days after approval. Changes will be done on an accommodation basis only, with the understanding that no legal obligation is imposed on the Exchange for failure to make payment to the new payee/address.
 - (b) Any request by the contractor to change the name shown on the contract or to delegate its obligation under the contract must be sent to the contracting officer.
10. Any questions or inquiries concerning invoice payments should be directed to the Exchange paying office designated on the contract or purchase/delivery order. The Exchange does not maintain separate ledger balances for each contractor. Consequently, any inquiry concerning unpaid invoices or other payment discrepancies must include the following data:

<u>Unpaid Invoice</u> Exchange Contract Invoice No. Date of Invoice Invoice Amount Date of Service	<u>Other Payment Discrepancies</u> Exchange Contract No. Invoice No. Exchange Charge/Credit Voucher No. Exchange Check No.
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11. Any interest penalties due the Contractor will be computed according to the Prompt Payment Act, 31 U.S.C., Chapter 39.

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

EXHIBIT G

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

The Army and Air Force Exchange Service (Exchange) agree to furnish certain information to _____ (the "Company") for the purposes of the Company's performance of Exchange Contract # _____, Mobile Marketing Services (the "Contract"). Such Exchange information may be of an actual or potential confidential or proprietary nature to include, but not be limited to, technical, operating, business marketing, financial information, and contract provisions (hereinafter Information).

The Company agrees to receive and use such Information only for the purposes described above, and to otherwise hold such Information confidential pursuant to the terms of this Agreement.

Exchange has or shall furnish the Company certain Information to those individual(s) of the Company which the Company brings or identifies for discussions and information sharing. Exchange may further allow the Company the right to discuss, interview or work alongside representatives of Exchange. Exchange makes all disclosures and rights based on the following conditions:

1. The Company agrees to hold the Information in trust and confidence and agrees that it shall be used only for the contemplated purposes noted above.
2. The Company shall not disclose the Information except to the Company's directors, officers, employees, attorneys or Third Parties (including, but no limited to, agents, consultants, or contractors) who have a legitimate need to know the Information to negotiate with respect to, participate in, or perform services related to the Contract. Prior to disclosure of Information, the Company shall require the person to whom disclosure is to be made to agree to be bound by the confidentiality obligations set forth in this Agreement. In the case of persons other than the Company's directors, officers, employees, and attorneys, the Company shall not disclose Information without prior notice and consent of Exchange. Exchange consent may be contingent upon obtaining the written consent of the Third Party to be bound by the confidentiality obligations set forth in this Agreement. Notwithstanding the foregoing, the Information shall not include information that is or becomes publicly available (other than as a result of disclosure by Exchange), information that was available to the Company or Third Party prior to its disclosure hereunder, and information which properly becomes available on a non-confidential basis from a source that is not subject to a confidentiality agreement.
3. At the conclusion of the contract or upon demand by Exchange, all Information, including, but not limited to, prototypes, written notes, photographs, charts, graphs, sketches, models, reports, memorials or notes taken, shall be destroyed or returned to Exchange, provided the Company shall be permitted to retain all or any portion of the Information in accordance with the confidentiality obligations specified in this Agreement to the extent required by applicable law or regulatory authority or in a manner consistent with the Company internal document retention procedures, subject to the Company's ongoing obligation and commitment to comply with this Agreement. No copies will be made or retained otherwise without the permission of Exchange. Any Company or Company sponsored work product, to the extent it incorporates Information, shall also be disposed of in accordance with this paragraph. Within ten (10) business days following a written request from Exchange, the company shall provide Exchange a certificate signed by a senior officer of the company confirming that the company has complied with the provisions of this Section.

In the event that the Company is requested or required by law, regulation, regulatory authority or other applicable judicial or governmental order to disclose any Information, the Company will provide Exchange with prompt notice (to the extent permitted by law) of such request or requirement so that Exchange may seek an appropriate protective order. If, failing the entry of a protective order, the Company is, in the opinion of its counsel, compelled to disclose Information, the Company may disclose that portion of the Information that its counsel advises that it is compelled to disclose and will upon request and at the expense of Exchange, cooperate with Exchange in its efforts to obtain a

protective order or other reliable assurance that confidential treatment will be accorded to that portion of the Information that is being disclosed.

This Agreement shall be governed in accordance with applicable Federal law, Federal case precedent, and the Federal Rules of Civil Procedure.

The Company's obligations under this Agreement shall terminate three (3) years after the final payment under the contract.

Any Information disclosed by Exchange is intended as a basis for continued discussion and does not constitute a commitment by Exchange to arrange a transaction or other mechanism whereby transactions can get consummated, or an agreement by Exchange to prepare, negotiate, execute or deliver such a commitment.

Failure by the company to maintain the terms of this Agreement may result in legal action by Exchange.

AGREED AND ACCEPTED BY: _____

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

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

EXHIBIT H

CONTRACTOR SCORECARDS			
1=Unsatisfactory 0-33	2=Marginal 33-55	3=Satisfactory 55-80	4=Excellent 80-90
			5=Superior 90-100
Technical Performance: 65%		Rating	Percentages
Contractor Roles and Responsibilities			
How well does the service provider deliver complete mobile marketing support to the Exchange? (Including online (web site) and cell phone opt-in options, marketing messages and surveys)	20%		0 out of 20 %
How would you rate the web based system that handles the administration of cell phone couponing?	20%		0 out of 20 %
How would you rate the security of the Exchange customer database?	10%		0 out of 10 %
How would you rate the training given to Exchange management in administering the cell phone program?	10%		0 out of 10 %
Responsiveness to Change			
Has the service provider been responsive to immediately advising the ordering entity when a delivery/task order, regardless of reason, could not be fulfilled?	5%		0 out of 5 %
TOTAL			0 out of 65 %
Customer Service: 18%		Rating	Percentages
Customer Relationship			
Has the service provider maintain customer service and performance standards equally to all Exchange customers during contact whether outbound calls or through correspondence?	6%		0 out of 6 %
Exchange Relationship			
Does the service provider maintain a good relationship and good communication with Exchange ?	6%		0 out of 6 %
Does the service provider demonstrate a good understanding of Exchange business needs?	6%		0 out of 6 %
TOTAL			0 out of 18 %
Knowledge and Expertise: 17%		Rating	Percentages
Subject Matter Expertise			
Were the Account Managers assigned to Exchange knowledgeable and demonstrate a high level of professionalism when dealing with Exchange?	10%		0 out of 6 %
Future Technologies			
Has the service provider shown initiative in introducing Exchange to new technology?	5.5%		0 out of 5.5 %
Innovation, Productivity Gains, Cost Savings			
Has the service provider shown initiative and shown a willingness to work to improve productivity and/or increase the collections on past due accounts?	5.5%		0 out of 5.5 %
TOTAL			0 out of 17 %
OVERALL			
Overall Rating:		Overall Percentage:	
		0 out of 100 %	
Would you select this firm again? Please enter Y (Yes) or N (No):			
COMMENTS:			
(1) Unsatisfactory:	Performance did not meet most contractual requirements and recovery was not likely in a timely manner. The contractual performance contains serious problem(s) for which the contractor's corrective actions appeared or were ineffective. Comments justifying this rating are required.		
(2) Marginal:	Performance did not meet some contractual requirements. The contractual performance reflected a serious problem and the contractor's proposed actions were only marginally effective or were not fully implemented. Comments justifying this rating are required.		
(3) Satisfactory:	Performance meets contractual requirements. The contractual performance contains some minor problems for which corrective actions taken by the contractor were satisfactory. To justify this rating, there should have been only minor problems, or major problems the contractor recovered from without impact to the contract.		
(4) Excellent:	Performance meets contractual requirements and exceeds some to Exchange's benefit. The contractual performance was accomplished with some minor problems for which corrective actions taken by the contractor were effective. Comments justifying this rating are required.		

EXHIBIT H

(5) Superior:	Performance meets contractual requirements and exceeds many to Exchange' benefit. The contractual performance was accomplished with few minor problems for which corrective actions taken by the contactor were highly effective. Comments justifying this rating are required.
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//////////////////////////////////// LAST ITEM //////////////////////////////////////

EXHIBIT I

EVALUATION FOR AWARD

Evaluation and Award of Contract:

The services described in this Request for Proposal will be awarded using Pass/Fail criteria and cost. Technical proposals will be evaluated on a pass/fail basis according to the criteria identified in Part II: Technical Evaluation Criteria, below. Price proposals will then be evaluated for the offerors who passed the technical evaluation, and award made to the responsible, responsive offeror with the most advantageous pricing.

To pass the overall Technical Evaluation, offerors will need to pass **ALL** 8 Mandatory Criteria, paragraph A, Part II: Technical Evaluation Criteria. Offeror will need to pass 1 of the 2 Optional Criteria listed in paragraph B, Part II: Technical Evaluation Criteria. The offerors who pass the technical requirements will then be evaluated by price.

Part I: Proposal Instructions

- A. Proposal response documents should be typed. Each page must be numbered in sequence with the Exchange solicitation number (**AAFES-MKZ-11-015-12-150**) listed, and submitted as per **Exhibit J, Proposal Submission Instructions**.
- B. To aid in equitable and timely evaluation of the solicitation packages, all offerors shall follow an outline format in which responses must be complete, self-sufficient, and respond directly to the Evaluation Criteria below.
- C. Technical proposals will be assigned an internal reference number by the contracting office.
- D. Offerors are expected to examine all exhibits, attachments, and all instructions. Failure to do so will be at the offeror's risk. All questions concerning this solicitation must be submitted in writing to the contracting officer.
- E. All elements of proposals must be received by the due date/time for receipt as stated on Form 4450-002.

Part II: Technical Evaluation Criteria

Technical proposals received in response to this solicitation will be evaluated on the Mandatory & Optional Criteria as listed below. Technical proposals must also address the requirements outlined in **Exhibit C, Scope of Work**. Offerors may provide examples via screenprint sample, provide a temporary password on your system, or any other method that demonstrates you are able to provide the services requested.

A. Mandatory Criteria

In order to pass the Technical Evaluation, offerors must demonstrate the ability to provide **ALL** of the below listed mandatory criteria.

- 1. Offeror must demonstrate the ability to send a UPC-A type of barcode within a message.
- 2. Offeror must demonstrate the ability to send two dimensional barcodes within a message.
- 3. Offeror must provide subscription text alerts for new opt ins with the ability to opt in both online or via text message. Provide examples.
- 4. Offeror must demonstrate the ability to provide reporting capabilities and statistics (e.g., geographic location, demographics, promotion name, date sent/received, etc.) for each message.

EXHIBIT J

PROPOSAL SUBMISSION INSTRUCTIONS

1. **Proposal Submission:**

- a. Sections of the Proposal Package as described below shall be submitted with identifiable tabs and attached with bull/binder clips. Please make sure proposals are secure, however; **do not** submit proposals in three-ring binders. The composition of each Proposal Package shall be such that extensive searching throughout the document is not required to locate and evaluate any area. The proposal shall be neat, divided, tabbed, indexed and assembled in an orderly manner (the dividers, tabs, and indexes will not count toward page limitations).
- b. Proposals that do not comply with the response requirements as stated above may provide a basis for the contracting officer to determine that the proposal is non-responsive and may not be further considered.
- c. Mail or Hand Deliver proposals to the below address. **NO electronic copies** of proposals will be accepted.

The Army & Air Force Exchange Service
Attn: SD-Z, K. Gammage
Mobile Marketing Solicitation AAFES-MKZ-11-015-12-150
3911 S. Walton Walker Blvd.
Dallas, TX 75236

d. Proposals shall include the below documents:

- 1) Technical Proposal (2 copies)
- 2) Exchange Form 4450-002, Solicitation/Proposal/Award (2 copies)
- 3) Exhibit D, Price Schedule (2 copies)
- 4) Exhibit G, Confidentiality and Non-Disclosure Agreement (2 copies)
- 5) Other completed forms as described in Section 3 of Proposal Content table (1 copy).

2. **Proposal Setup:** All pages of the Technical Proposal package shall be setup as specified below:

- a. Proposals should be typed, on standard 8 ½" x 11" paper, 12-pitch type (except title sheets and subtitles). Each page must be numbered in sequence with the Exchange solicitation number (AAFES-MKZ-11-015-12-150). Each section should start on a new page. Fold-out pages, if used, should not be larger than 11x17 inches.
- b. No identifying information should be visible in the Technical Proposal package. All logos, company names, and other identifying information must be removed from the cover, headers, footers, and individual pages of the proposal.
- c. **Technical Proposal to include Introduction should not exceed 15 pages.** Pages printed on both sides each will count as 2 pages for the purposes of determining page count.
 - 1) Introduction and Section 1 of the proposal content table will be counted toward above page limit.
 - 2) Section 2 & Section 3 of the proposal content table will not be included in above page limit.
- d. Standard promotional literature and brochures are not acceptable.

3. **Proposal Content:** The content must conform to the following table:

Proposal Content
Introduction:
Title Page: Identify the Description of Solicitation and Solicitation Number
Table of Content
Executive Summary: General Information
Section 1:
Technical Proposal
Section 2:
Exchange Form 4450-002, Solicitation/Proposal/Award
Exhibit D, Price Schedule
Exhibit G, Confidentiality & Non-Disclosure Agreement
Section 3:
Exchange Form 4400-46, Financial & Technical Capability Data
Exchange Form 4450-010, Source List Application
Form W-9
Copy of Company Standard Letterhead
Copy of Company invoice
Section 4: (If applicable)
Exchange Form 4200-18, Solicitation Amendment

4. **Restrictions on Contact with Exchange Officials:** Upon the issuance of this solicitation, all contact with Exchange officials must be made through the designated Contracting Officer listed on the Solicitation Cover Letter. The Potential Supplier must limit communication with the designated contact to the means specified in this document.

Other employees and representatives of the Exchange and the participating agencies are instructed not to answer questions regarding the Solicitation or otherwise discuss the contents of the solicitation with the Potential Supplier or its representatives. Any contact made with other employees and representatives of the Exchange and any participating agencies will be reported to the Contracting Officer.

Failure to observe these restrictions may result in the disqualification of a Potential Supplier from continuing any involvement in the procurement process.

This restriction does not preclude discussions among affected parties regarding business unrelated to this solicitation.

///LAST ITEM//