

**CONCESSIONAIRE CONTRACT
FOR
TRANSPORTATION SERVICES**

EFFECTIVE DATE: 1 NOVEMBER 2000

**CONTRACT NUMBER
F22600-01-S0001**

**CONTRACTOR:
MISSISSIPPI COAST LIMOUSINE, INC.
DBA COASTLINER**

**TRANSPORTATION SERVICES
CONCESSIONAIRE CONTRACT**

ARTICLE I:

That:

1. This Contract is hereby made and entered into on this 1st day of November, 2000, by and between the 81st Services Squadron hereinafter called the Nonappropriated Fund Instrumentality (NAFI), and Mississippi Coast Limousine, Inc., dba Coastliner, hereinafter called the Concessionaire. The NAFI is a Nonappropriated Fund Instrumentality of the Department of the Air Force, and as such, is an instrumentality of the United States Government. No appropriated funds of the United States of America shall become due or be paid to the Concessionaire by reason of this Contract. WITNESSETH, that for and in consideration of the agreements hereinafter set forth and the payments to be made as hereinafter stipulated, it is mutually agreed between the parties hereto:
2. The Concessionaire is to provide Transportation Services to authorized patrons at an assigned space at Building 7503, Vandenberg Community Center, Keesler AFB for a period of 12 months beginning **1 Nov 00** and ending **31 Oct 01**. The hours of operations of this concession will be the same as those of the NAFI where the Concessionaire has been assigned space or as specified in writing by the Contracting Officer. The NAFI will furnish for use of the Concessionaire the following described items:
 - a. Grant Concessionaire a concession to operate a Transportation Service at Bldg 7503, Vandenberg Community Center, Keesler AFB, MS.
 - b. Provide approximately 576 square feet.
3. Concessionaire will pay the NAFI a monthly fee in the amount of \$400.00. Payment of fees due the NAFI must be made monthly, at the end of the sales period and submission of the Concessionaire Settlement Report.

ARTICLE II

That Concessionaire must:

1. Provide product or service of a quality satisfactory to the NAFI manager or his or her duly authorized representative. (See Appendix A for specific requirements). Before beginning performance under this agreement, the Concessionaire will submit a listing of items, with corresponding selling prices, to the Contracting Officer for approval or disapproval action. The final approved listing is considered as part of this agreement. Place the price listing in a conspicuous spot for patrons to see.
2. At Concessionaire's expense, obtain all permits, give all necessary notices; pay all license fees; and comply with all municipal, perfectural, and national laws, rules, ordinances, and regulations, and any publication published by the military relating to the public health or applicable to the business carried on under this agreement and assume complete and sole liability for all national, state, and local taxes applicable to the property, income, and transactions of the concession.
3. Comply with all applicable laws pertaining to wages, worker's compensation, equal opportunity, Service Contract Act and so forth, as required by law or imposed by this Contract.
4. Comply with all memoranda, bulletins, and letters of instruction issued by or in behalf of the NAFI manager or his or her duly authorized representative.

5. Keep the concession area clean, orderly, attractive, secure, and in a safe and sanitary condition to the satisfaction of the NAFI managers.
6. Employ only persons who meet the health standards prescribed by law or regulations which pertain to the jobs for which they are hired.
7. Furnish a sufficient number of trained employees for the efficient performance of this Concessionaire contract. Concession personnel must meet the health and security standards prescribed by applicable regulations, and must obtain installation passes and permits and security clearances as applicable. Concession personnel must give prompt and courteous treatment to authorized customers. Concession personnel must be neatly dressed and meticulous in their personal grooming at all times. Concessionaire provides employees clean uniforms. They must be modestly designed and not be suggestive in nature. Concessionaire must ensure that all clothing worn by employees are clean and in good condition at all times. A nameplate must be worn.
8. Remove from employment in the concession, on the request of the NAFI manager, any servant, agent, or employee of the Concessionaire if, in the opinion of the NAFI manager or his duly authorized representative, the conduct of such person, while in and about the premises covered by this contract interferes with proper service or discipline.
9. Obtain insurance for all non-Government property and merchandise used by Concessionaire in the operation of the concession against theft, fire, storm, flood, damage, or destruction through any other force of nature, or in lieu thereof, to relieve the NAFI from any liability arising from such theft, loss, damage, or destruction. The Concessionaire must have liability insurance commensurate with the risks involved, and furnish proof of such to Contracting Officer.
10. Not leave cash on the premises during nonoperational hours unless it is safeguarded in accordance with AFI 31-209.
11. Be responsible for paying all operating expenses not expressly undertaken by the NAFI.

ARTICLE III

That Concessionaire will **not**:

1. Represent or permit itself to be represented to the public as an agent or employee of the NAFI by the use of the name of the NAFI on letters, bills, signs, or by any other means. Concessionaire, its servants, agents, and employees are in no sense agents of the United States, the NAFI, the Commander of the installation within which the concession exists, or any other entity having to do with the operations of the NAFI.
2. Sell or remove any property which is owned by the NAFI or any other part of the Federal Government whether or not used in the operation of the concession.
3. Sublet any of the premises assigned to it or assign to another the concession, any part of the premises, or any responsibilities under this Contract.
4. Engage in or permit gambling or any gambling device on the concession premises or on the military installation.
5. Sell, deal in, or otherwise possess or transfer, on the concession premises, or on the military installation, any form of intoxicating liquors or narcotics.
6. Loan money to or borrow money from customers, Federal (including NAFI) employees, or military personnel.

7. Give or offer to any officer or employee of the NAFI, or any other part of the Federal Government, any gift, privilege, special benefit, discount, or anything else of a material or personal nature whereby said individual or employee would receive preferential treatment.
8. Use the premises and facilities provided for any purpose other than those specifically set forth herein
9. Sell merchandise or services on credit.
10. Sell tickets for transportation in scheduled commercial airlines. Scheduled commercial airline tickets may be sold only by the SATO.

ARTICLE IV:

1. Audit Personnel (either AFAA or CPA Firms) or any person designated by the installation commander have the right to inspect or audit the accounts and methods of internal control established by the Concessionaire, and to make such inspection or audits, as may be considered necessary, to ensure strict compliance by the Concessionaire with all provisions of this Contract and with applicable Air Force regulations, and to conduct spot checks at unannounced times, in the presence of Concessionaire personnel, of machine receipts through cash counts or otherwise.
2. The Contract, unless sooner terminated as herein provided, may be extended for additional periods, each of which may not exceed **12** months, by mutual agreement of the parties in writing, subject to approval in the same manner as this instrument. In no event will the period of performance exceed five (5) years.
3. This Contract is automatically terminated if the NAFI is dissolved.
4. On the expiration of the term fixed in this Contract or on prior revocation or termination as herein provided, the Concessionaire must immediately remove all of its property from the premises. On failure to do so, the NAFI may cause property to be removed at the expense of the Concessionaire, or consider such property to be abandoned by the Concessionaire and dispose of the abandoned property.
5. Any monies due and payable to the NAFI from the Concessionaire on the date of this contract must be paid in full or will remain due and payable until final settlement.

CONTRACTUAL CONTENTS: This Contract consists of the following documents:

- | | |
|--|---------------|
| a. Schedule (Introductory paragraph and ARTICLES I - IV, and signature page) | Page(s) 1-4 |
| b. Appendix A, Statement of Work | Page 5 |
| c. Appendix B, Wage Info | Page 6 |
| d. Special Provisions | Page(s) 7-9 |
| e. General Provisions (Clauses 1-25) | Page(s) 10-14 |
| f. Clauses incorporated by reference | Page 15 |
| g. Wage Determination (3 Pages) | Attachment 1 |

FOR THE NAFI:


Signature of Contracting Officer

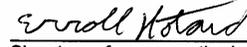
**REGGIE E. TEMPLE
CONTRACTING OFFICER**

Type or print name

81 COMS / LGCB 377-1877
Address and phone number

30 Oct 00
Date

FOR THE CONCESSIONAIRE:


Signature of person authorized to sign Contract

SSAN

ERROLL HOWARD

Type or print name

828 FALCON ST / KAFB 432-2649
Address and phone number

10-30-00
Date

640666267
SSAN/TIN

APPENDIX A
STATEMENT OF WORK

1. The Concessionaire will establish and provide in Building 7503, a concession to provide transportation services. At a minimum, the service will provide transportation between Keesler Air Force Base and New Orleans International Airport and between Keesler Air Force Base and Gulfport-Biloxi Regional Airport.
2. The services provided by the Concessionaire will be to members of the Armed Forces and their dependents and other authorized personnel in accordance with applicable regulations and international agreements. The Concessionaire will be responsible for identifying potential customers and ensuring that only authorized persons are serviced.
3. The Concessionaire will provide the NAFI with a schedule of fees and charges for services to be rendered. The Concessionaire will adhere to such fees and charges. The schedule must be acceptable to the NAFI.
4. All fees charged for services rendered by the Concessionaire will be paid and received at Building 7503.
5. The Concessionaire will give each customer a receipt for all fees paid. A copy of each receipt will be retained for the NAFI. At the end of each calendar month, the Concessionaire will provide the NAFI Manager with copies of all receipts given for all the fees collected during that month. Receipt forms will be prenumbered and the Concessionaire will be held strictly accountable for all receipts.
6. The Concessionaire will be open for business according to the daily written schedule. Any proposed changes to this schedule will be subject to approval by the NAFI Manager.
7. The Concessionaire will be responsible for providing and paying for its heat, electricity, and telephone service. Office furniture, equipment, accessories, and supplies necessary for the operation to its business will be provided by the Concessionaire. Concessionaire will be responsible for paying all operating expenses not expressly undertaken by the NAFI.
8. Payment will be made to the NAFI not later than the fifth workday of the month following the month during which the charge is made to the customer.
9. The Concessionaire will be liable for any and all damage of any nature whatsoever, except fair wear and tear, to Building 7503.

APPENDIX B
WAGE INFORMATION

The U.S. Department of Labor has issued a wage determination applicable to this acquisition, and it is attached hereto and made a part hereof.

Wage Determination Number 94-2301 (Rev 15) dated 09/15/2000

(SEE ATTACHMENT "A" FOR WAGE DETERMINATION)

52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989/22.1006(b))

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

THE FOLLOWING IS FOR INFORMATION. IT IS NOT A WAGE DETERMINATION.

<u>Employee Class</u>	<u>Wage</u>
Desk Clerk	\$9.77

*Fringe benefits are as follows

(1) 29.55 percent of basic hourly rate.

(2) Ten paid holidays as follows: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day, and Martin Luther King's Birthday.

(3) Paid annual leave vacation as follows: (a) 2 hours of annual leave each week for an employee with less than 3 years of service; (b) 3 hours of annual leave each week for an employee with 3 but less than 15 years service.

SPECIAL PROVISIONS

CONCESSIONAIRE CONTRACT

1. **Additional Definitions.** The terms Concessionaire and Contractor are used synonymously and mean the individual, partnership, corporation, or other entity which is a party to this contract and who is responsible for all actions and applicable regulations and performance thereunder.
2. **Termination:** Notwithstanding the clause titled "Termination for Convenience" of the General Provisions relative to termination of this Concessionaire contract, it is mutually agreed that this Concessionaire contract may be terminated in whole or in part by either party:
 - a. Immediately on written notice to the other party in the event of breach of this Concessionaire contract by the other party.
 - b. On 1-day notice in writing to the other party. No liability ensues to either party for terminations rendered pursuant to this subparagraph b.
3. **Actions To Be Taken Upon Termination (Including Expiration).** Concessionaire will promptly settle its account with the NAFI, including payment in full of all amounts due, yield up the facilities and all NAFI-furnished property, clean and leave premises in as good order and condition as when received (damage due to acts of God or the US Government, and ordinary wear and tear excepted); surrender all installation passes, decals, and so forth, and complete satisfactory settlement of all customer complaints and claims, upon termination. Termination of the Concessionaire contract does not release the Concessionaire from the obligation to satisfactorily settle customer complaints and claims. The Concessionaire will promptly remove all Concessionaire-furnished trade fixtures, tools of the trade, and supplies. On failure to remove the Concessionaire's property, the Contracting Officer may cause Concessionaire's property to be removed and stored in a warehouse at the Concessionaire's expense. If the Concessionaire is indebted to the NAFI, the Concessionaire authorizes and empowers the Contracting Officer to take possession of the Concessionaire's property and dispose of same by public sale without notice, and out of the proceeds of sale, satisfy all costs and indebtedness to NAFI.
4. **Indebtedness:**
 - a. The Concessionaire will pay promptly and in accordance with the terms, all indebtedness incurred in connection with the performance of this Concessionaire contract.
 - b. The NAFI may charge the Concessionaire for a dishonored check received from the Concessionaire, except when the bank acknowledges the return to be the result of bank error or the return is the result of a NAFI error. The amount charged by the NAFI will not exceed the administrative amount normally charged NAFI customers for dishonored checks. The Contracting Officer may require payment to be made in cash, certified check, or cashier's check.
5. **Claims by Concessionaire.** No claim by the Concessionaire relating to this Concessionaire contract may be considered by the Contracting Officer unless such claim is submitted in writing to the Contracting Officer not later than 90 days after the effective date of termination or expiration of this Concessionaire contract. This clause does not extend the period for filing claims where specifically limited by another clause.
6. **Nonwaiver of Defaults.** Any failure by the NAFI to enforce or require strict performance of any terms or conditions of this Concessionaire contract will not constitute a waiver, and will not affect or impair such terms and conditions in any way or effect the right of the NAFI at any time to avail itself of such remedies as it may have for breach or breaches of such terms and conditions.
7. **Trade Fixtures, Tools, and Supplies.** The Concessionaire will furnish, at its expense, all trade fixtures, tools of the trade, and supplies required for performance of this Concessionaire contract.

8. Quality/Warranty. All products authorized for the Concessionaire to sell will be marketable and sufficient for use intended, and not be "seconds" as the term is usually understood in the trade. As a minimum, they will be equal to products provided by first quality commercial establishments. All items will be acceptable to the customer and the Contracting Officer and will be subject to inspection and test for workmanship and quality at all times by the Contracting Officer or designee. Any item found to have a latent defect(s) may be returned to the Concessionaire for replacement or refund as determined by the Contracting Officer.

9. Customer Complaints, Claims, and Refunds. The Concessionaire agrees to adhere to the NAFI policy of customer satisfaction guaranteed and will be responsible for refunds to customers due to customer dissatisfaction with an item or due to overcharges. All customer complaints, claims, and refunds will be resolved and made at Concessionaire's expense. Any disagreement that cannot be resolved between Concessionaire and the customer will be referred to the Contracting Officer, whose decision will be final and not subject to the Disputes clause. If Concessionaire fails to timely process complaints or claims and make refunds, NAFI may settle customer complaints or claims and make such refunds, and charge the Concessionaire's account.

10. Internal Controls of Charge-Card Sales:

a. Concessionaire will establish internal control procedures consistent with provisions of this Concessionaire contract and with NAFI directives for a complete and accurate accounting of all transactions.

b. Each sale will be recorded on AF Form 2555, NAF Cash Collection Record, at the time sale is made. The AF Form 2555 will be prepared in duplicate, reflecting the applicable sales data, and signed by the customer. The original of the completed AF Form 2555 is attached to the Concessionaire Settlement Report and submitted to the supporting NAFI accounting office. The duplicate copy is retained by the Concessionaire.

c. Concessionaire may accept national charge cards customarily recognized in their commercial trade for customer payment of purchases. Concessionaire is responsible for the payment of any fees, charge backs, and other arranged costs levied by the charge-card-issuing companies.

d. The Contracting Officer, or designee, may conduct inspections considered necessary to insure strict compliance by the Concessionaire with all provisions of this Concessionaire contract.

11. Concessionaire Settlement Report. At the conclusion of the sales period or as specified by the Contracting Officer, Concessionaire will prepare a Concessionaire Settlement Report signed by the Concessionaire showing the gross sales for the period and amount due the NAFI, and give the NAFI the fees due for that period. The original of AF Forms 2555 will be attached.

12. Utilities. The NAFI will furnish sufficient quantities of space, heat, water, and electricity to satisfy the normal needs of Concessionaire for lighting, heating, drinking, sanitation, and the operation of suitable support equipment therefore. NOTE: If the Concessionaire is required to reimburse the United States Government for utilities furnished, then the rates are set by the installation commander and agreed to by both parties.

13. Premises. The assignment of space is revocable and is not construed as the creation of tenancy. Concessionaire is liable for any damage to or loss of the premises and NAFI-furnished property or injury to persons resulting from acts or omissions of Concessionaire, its employees, or agents whether or not covered by insurance. Sublet of any of the premises assigned or assignment to another concession is not authorized. Use of the premises and NAFI-furnished property for any purpose other than those specifically set forth, or permit any such unauthorized use by any of its agents, representatives, or employees is prohibited. Concessionaire will not make any alterations in the facilities provided without prior authorization from the NAFI manager. Concessionaire will comply with the installation fire and safety regulations, and applicable health and sanitation regulations. Concessionaire will post or display on the premises any sign furnished by the NAFI.

14. Taxes:

a. Concessionaire assumes complete and sole liability for all Federal, State, host country, and local taxes applicable to the property, income, and transactions of the Concessionaire, and where required by applicable laws and regulations, will collect and remit to the State applicable sales taxes. Sales taxes which have been collected are excluded from the computation of gross receipts in the determination of the fee payable to NAFI. The amount of taxes excluded will not exceed the actual sum payable to the State. Where required by State law or regulation, the Concessionaire will obtain and conspicuously display the State sales tax permit.

b. The Concessionaire warrants that the amount payable to the NAFI has not been reduced by the amount of any tax or duty from which the Concessionaire is exempt. If any such tax or duty has been included in the pricing or consideration through error or otherwise, the contracting pricing or consideration will be correspondingly reduced or adjusted. If for any reason after the contract date, the Concessionaire is relieved in whole or in part from the payment or the burden of any tax or duty included in the contract pricing or other consideration, the contract pricing and other consideration will be correspondingly reduced or adjusted.

15. Required Insurance: The Contractor shall procure and maintain the following kinds of insurance with respect to performance under this contract.

a. Workman's Compensation and Employer's Liability as required to comply with applicable Federal and State Workman's Compensation and Occupational Disease Statutes. If Occupational Diseases are not compensable under those statutes, they shall be covered under the employer's liability section of the insurance policy. The required Workman's Compensation and Employer's liability is a minimum of \$100,000.00.

b. General liability requires bodily injury liability coverage written on the comprehensive form of policy at least \$500,000 per occurrence.

c. Automobile liability requires automobile liability insurance written on the comprehensive form of the policy. The policy shall provide for bodily injury and property damage liability covering the operation of all automobiles used in connection with performing the contract. Policy shall provide coverage of at least \$200,000 per person, the \$500,000 per occurrence for bodily injury, and \$20,000 per occurrence for property.

GENERAL PROVISIONS

1. DEFINITIONS (MAR 2000) - As used throughout this contract, the following terms and abbreviation have the meanings set forth below:
 - a. The term "contract" means this agreement or order and any modifications hereto.
 - b. The abbreviation "NAFI" means Nonappropriated Fund Instrumentality of the United States Government.
 - c. The term "Contracting Officer" means the person executing or responsible for administering this contract on behalf of the NAFI, which is a party hereto, or his successor or successors.
 - d. The term "Contractor" means the party responsible for providing supplies and/or services at a certain price or rate to the NAFI under this contract.
 - e. The abbreviations "FAR" means Federal Acquisition Regulation
2. DISPUTES (MAR 2000)
 - a. Except as otherwise provided in this contract, any dispute or claim concerning this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall state his decision in writing and mail or otherwise furnish a copy of it to the Contractor. Within 30 days from the date of receipt of such copy, the Contractor may appeal by mailing or otherwise furnishing to the Contracting Officer a written appeal addressed to the Armed Services Board of Contract Appeals, and the decision of the Board shall be final and conclusive; provided that if no such appeal is filed, the decision of the Contracting Officer shall be final and conclusive. The Contractor shall be afforded an opportunity to be heard and to offer evidence in support of any appeal under this clause. Pending final decision on such a dispute, however, the Contractor shall proceed diligently with the performance of the contract and in accordance with the decision of the Contracting Officer unless directed to do otherwise by the Contracting Officer.
 - b. This "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph "a" above, provided, that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.
3. LAW GOVERNING CONTRACTS (MAR 2000) - In any dispute arising out of this contract, the decision of which requires consideration of law questions, the rights and obligations of the parties shall be interpreted and determined in accordance with the substantive laws of the United States of America.
4. LEGAL STATUS (MAR 2000) - The NAFI is an integral part of the Department of Defense and is an instrumentality of the United States Government. Therefore, NAFI contracts are United States Government contracts; however, they do not obligate appropriated funds of the United States.
5. EXAMINATION OF RECORDS (MAR 2000)

This clause is applicable under contracts that are entered into by means of negotiation and where price and costing data are required to support a determination of price reasonableness. This clause does not apply to commercial items or when the contracting officer determines that prices agreed upon are based on adequate price competition. The Contractor agrees that the Contracting Officer or his duly authorized representative shall 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.
6. ASSIGNMENT (MAR 2000) - The Contractor or its assignee's rights to be paid amounts due as a result of performance this contract, may be assigned. No assignment by the Contractor, assigning its rights or delegating its obligations under this contract will be effective and binding on the NAFI until the written terms of the assignment have been approved in writing by the Contracting Officer.
7. GRATUITIES (MAR 2000)
 - a. The NAFI may, by written notice to the Contractor, terminate the right of the Contractor to proceed under this contract if it is found, after notice and hearing, by the Secretary of the Air Force or his duly authorized representative, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the Contractor, or any agent, or representative of the contractor, to any officer or employees of the Government or the NAFI with a view toward securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such contract.

b. In the event this contract is terminated as provided in paragraph "a" hereof, the NAFI shall be entitled (i) to pursue the same remedies against the Contractor as it could pursue in the event of a breach of contract by the Contractor, and (ii) as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by the Secretary of the Air Force or his duly authorized representative) which shall be not less than three nor more than ten times the cost incurred by the Contractor in providing any such gratuities to any such officer or employee.

c. The rights and remedies of the NAFI provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

8. TERMINATION FOR CONVENIENCE (MAR 2000) - The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the NAFI. If this contract is for supplies and is so terminated, the Contractor shall be compensated in accordance with FAR, Sub Parts 49.1 and 49.2 in effect on this contract's date. To the extent that this contract is for services and is so terminated, the NAFI shall be liable only for payment in accordance with the payment provisions of this contract for services rendered prior to the effective date of termination, providing there are no Contractor claims covering nonrecurring costs for capital investment. If there are any such Contractor claims, they shall be settled in accordance with FAR, Sub Parts 49.1 and 49.2.

9. CANCELLATION BY MUTUAL AGREEMENT (MAR 2000) - Should the situation warrant, the parties upon mutual agreement and no costs, may cancel this contract.

10. TERMINATION FOR CAUSE (MAR 2000)

a. (1) The NAFI may, subject to paragraphs (c) and (d) below, by written notice of cause to the Contractor, terminate this contract in whole or in part if the Contractor fails to-

(i) Deliver the supplies or perform the service within the time specified within this contract or any Extension;

(ii) Make progress, so as to endanger performance of this contract (but see subparagraph (a)(2) below); or

(iii) Perform any of the other provisions of this contract (but see subparagraph (a)(2) below).

(2) The NAFI's right to terminate this contract under subdivisions (1)(ii) and (1)(iii) above, may be exercised if the Contractor does not cure such failure within 10 days (or more if authorized in writing by the Contracting Officer) after receipt of notice from the Contracting Officer specifying the failure.

b. If the NAFI terminates this contract in whole or in part, it may acquire, under the terms and in the manner the Contracting Officer considers appropriate, supplies or services similar to those terminated, and the Contractor will remain liable to the NAFI for any excess costs for those supplies or services. However the Contractor must continue the work not terminated.

c. The Contractor shall not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include (1) acts of God or of the public enemy, (2) act of the NAFI in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and; (9) unusually severe weather. Defaults by subcontractors at any tier for any reason do not constitute causes beyond the control and without the fault or negligence of the Contractor.

d. If this contract is terminated for default, the NAFI may require the Contractor to transfer title and deliver to the NAFI as directed by the Contracting Officer, any

(1) completed supplies, and

(2) partially completed supplies and materials, parts, tool dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as manufacturing materials in the clause) that the Contractor has specifically produced or acquired for the terminated portion of this contract. Upon direction of the Contracting Officer, the Contractor shall also protect and preserve property in its possession in which the NAFI has an interest.

e. The NAFI shall pay the contract price for completed supplies delivered and accepted. The Contractor and Contracting Officer shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under the Disputes Clause. The NAFI may withhold from these amounts any sum the Contracting Officer determines to be necessary to protect the NAFI against loss because of outstanding liens or claims of former lien holders.

f. If, after termination, it is determined that the Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the termination had been issued for convenience of the NAFI.

g. The rights and remedies of the NAFI in this clause are in addition to any other rights and remedies provided by law or under this contract.

11. **INSPECTION AND ACCEPTANCE (MAR 2000)** - Inspection and acceptance will be at destination, unless otherwise provided in this contract. Notwithstanding the requirements for any NAFI inspection and test contained in specifications applicable to this contract, except where specialized inspections or tests are specified for performance solely by the NAFI, the Contractor, shall perform or have performed the inspections and tests required to substantiate that the supplies provided under the contract conform to the drawings, specifications, and contract requirements listed herein, including if applicable the technical requirements for the manufacturers' part numbers specified herein. The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. Acceptance of the supplies or services or a written notice of rejections must be accomplished on or before the fifth working day following delivery of the supplies or services, unless otherwise specified in this contract.

12. **VARIATION IN QUANTITY (MAR 2000)** - No variation in quantity of any item called for by this contract will be accepted unless authorized by the Contracting Officer.

13. **PARTIAL DELIVERIES (MAR 2000)** - Partial deliveries are not permitted unless authorized by the terms of the contract or approved by the contracting officer.

14. **PAYMENTS (MAR 2000)** - Partial payments will be made when deliveries are authorized or as approved by the contracting officer. Payments and penalties for late payments are subject to the requirements established by the Prompt Payment Act, as amended, and as implemented for NAFI's. If the NAFI makes payment but such payment fails to include a prompt payment penalty due to the Contractor within 10 days from when the contract payment is made, penalty amounts will not be paid unless the Contractor makes a written request within forty days after the date of payment.

15. **HOLD AND SAVE HARMLESS (MAR 2000)** - The Contractor shall indemnify, hold and save harmless, and defend the NAFI, its outlets and customers from any liability, claimed or established for violation or infringement of any patent, copyright, or trademark right asserted by any third party with respect to goods hereby ordered or any part thereof. Contractor further agrees to hold the NAFI harmless from all claims or judgments for damages resulting from the use of products or services listed in this contract, except for such claims or damages caused by, or resulting from negligence of NAFI customers, employees, agents, or representatives. Also, Contractor shall at all times hold and save harmless the NAFI, its agents, representatives, and employees from any and all suits, claims, charges, and expenses which arise out of acts or omissions of Contractor, its agents, representatives, or employees.

16. **MODIFICATIONS (MAR 2000)** - No agreement or understanding to modify this contract will be binding upon the NAFI unless made in writing and signed by a Contracting Officer from the office that issued the contract or its successor.

17. **TAXES (MAR 2000)**

a. Except as may be otherwise provided in this contract, the contract price includes all taxes, duties or other public charges in effect and applicable to this contract on the contract date, except any tax, duty, or other public charge, which by law, regulation or governmental agreement, is not applicable to expenditures made by the NAFI or on its behalf; or any tax, duty, or other public charge from which the Contractor, or any subcontractor hereunder, is exempt by law, regulation or otherwise. If any such tax, duty, or other public charge has been included in the contract price, through error or otherwise, the contract price shall be correspondingly reduced.

b. If for any reason, after the contract date of execution, the Contractor or subcontractor is relieved in whole or in part from the payment or the burden of any tax, duty, or other public charge included in the contract price, the contract price shall be correspondingly reduced; or if the Contractor or subcontractor is

required to pay in whole or in part any tax, duty, of other public charge which was not applicable at the contract date of execution the contract price shall be correspondingly increased.

18. PROOF OF SHIPMENT (MAR 2000) - (Applicable to shipments outside the United States through the Defense Transportation System [DTS] and Parcel Post shipments to overseas destinations.)

a. Notwithstanding any clause of this contract to the contrary, payment will be made for items not yet received, upon receipt of an invoice accompanied by an appropriate proof of shipment. If shipment is made by insured parcel post, the contractor must furnish a copy of the Insured Mail Receipt issued by the US Postal Service. Otherwise, a stamped copy of a Certificate of Mailing issued by the US Postal Service must be furnished. If shipment is made by a common carrier (rail, air or motor freight), the Contractor must furnish a signed copy of the shipping document on which items are received for by the common carrier. A signed receipt by a NAFI representative at the delivery point (CCP or POE) is also acceptable evidence of proof of shipment.

b. Forwarding a proof of shipment and an invoice for payment by the Contractor shall be construed as a certification by the contractor that the items shipped conform to the specifications.

c. Notwithstanding any provisions of this clause or any payment made pursuant to the terms of this clause prior to receipt of the items contracted for, the NAFI retains the right to inspect upon receipt and the right to reject nonconforming items. The liability of the Contractor with respect to items for which payments have been made will, after inspection by the NAFI or after the expiration of a reasonable time following delivery to the NAFI within which inspection may be made, whichever occurs first, be limited to (i) exceptions taken at the time of inspection, and (ii) latent defects, fraud, or such gross mistakes as amount to fraud.

19. COMMERCIAL WARRANTY (MAR 2000) - The Contractor agrees that the supplies or services furnished under this contract shall be covered by the most favorable commercial warranties the Contractor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the NAFI by any other clause of this contract. The printed terms and conditions of such warranty will be provided to the NAFI with the delivery of any supplies covered.

20. ADVERTISEMENTS (MAR 2000) - Contractor agrees that none of its nor its agent's advertisements, to include publications, merchandise, promotions, coupons, sweepstakes, contest, sales brochures, etc, shall state, infer or imply that the Contractor's products or services are approved, promoted, or endorsed by the NAFI. Any advertisement, including cents-off coupons, which refers to a NAFI will contain a statement that the advertisement is neither paid for, nor sponsored in whole or in part by, the particular activity.

21. DISCOUNTS FOR PROMPT PAYMENT (MAR 2000)

a. Discounts for prompt payment will not be considered in the evaluation of offers. However, any offered discount will form a part of the award, and will be taken if payment is made within the discount period indicated in the offer by the offeror. As an alternative to offering a prompt payment discount in conjunction with the offer, offerors awarded contracts may include prompt payment discounts on individual invoices.

b. In connection with any discount offered for prompt payment, time shall be computed from the date of the invoice. If the Contractor has not placed a date on the invoice, the due date shall be calculated from the date the designated billing office receives a proper invoice, provided the agency annotates such invoice with the date of receipt at the time of receipt. For the purpose of computing the discount earned, payment shall be considered to have been made on the date that appears on the payment check or, for an electronic funds transfer, the specified payment date. When the discount date falls on a Saturday, Sunday, or legal holiday when Federal Government offices are closed and Government business is not expected to be conducted, payment may be made on the following business day.

22. INVOICES (MAR 2000):

a. An invoice is a written request for payment under the contract for supplies delivered or for services rendered. In order to be proper, an invoice should include (and in order to support the payment of interest penalties, must include) the following:

- (i) Invoice date;
- (ii) Name of Contractor;

(iii) Contract number (including order number, if any), contract line item number, contract description of supplies or services, quantity, contract unit of measure and unit price, and extended total;

- (iv) Shipment number and date of shipment (Bill of Lading number and weight of shipment will be shown for shipments on Government Bills of Lading)
 - (v) Name and address to which payment is to be sent (which must be the same as that in the contract or on a proper notice of assignment);
 - (vi) Name (where practicable), title, phone number and mailing address of person to be notified in event of a defective invoice; and
 - (vii) Any other information or documentation required by other provisions of the contract (such as evidence of shipment). Invoices shall be prepared and submitted in duplicate (one copy shall be marked "Original") unless otherwise specified.
- b. For purposes of determining if interest begins to accrue under the PROMPT PAYMENT ACT (PUBLIC LAW 97-177):
- (i) A proper invoice will be deemed to have been received when it is received by the office designated in the contract for receipt of invoices and acceptance of the supplies delivered or services rendered has occurred.
 - (ii) Payment shall be considered made on the date on which a check for such payment is dated.
 - (iii) Payment terms (e.g., "Net 20") offered by the contractor will not be deemed Required payment dates.
 - (iv) The following periods of time will not be included:
 - (A) After receipt of improper invoice and prior to notice of any defect or impropriety, but not to exceed three days for meat and meat food products, five days for perishable agricultural commodities, and 15 days in all other cases, and
 - (B) Between the date of a notice of any defect or impropriety and the date a proper invoice is received. When the notice is in writing, it shall be considered made on the date shown on the notice."

23. ELECTRONIC FUND TRANSFER PAYMENTS (MAR 2000) – Federal law requires Federal payments to be made by electronic fund transfer. Any payment made on this contract has to be made by EFT (unless otherwise specified within the contract or exempted by law). After award of the contract the EFT Partner Enrollment Form will be provided and must be completed to accomplish EFT payments.

24. NOTIFICATION OF DEBARMENT/SUSPENSION STATUS (MAR 2000) - The Contractor shall provide immediate notice to the Contracting Officer in the event of being suspended debarred or declared ineligible by any other Federal Department or agency, or upon receipt of a notice of proposed debarment from another DOD Agency, during the performance of this contract.

25. NON WAIVER OF DEFAULTS (MAR 2000) - Any failure by the NAFI at any time, or from time to time, to enforce or require strict performance of any terms or conditions of this contract will not constitute waiver thereof and will not affect or impair such terms or conditions in any way or the NAFI's right at any time to avail itself of such remedies as it may have for any breach or breaches of such terms and conditions

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P. 02/U3 p. 2

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE J	PAGE 1 OF 2 PAGES
2. AMENDMENT/MODIFICATION NO. P00003	3. EFFECTIVE DATE 1 Nov 03	4. REQUISITION/PURCHASE REQ. NO. FOXG213233101		5. PROJECT NO. (if applicable)
6. ISSUED BY 81st Contracting Squadron Sonia Rushing 310 M Street, Room 102 Keesler AFB MS 39534-2147		7. ADMINISTERED BY (if other than Item 6) See Block 6		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) Mississippi Coast Limo Service 828 Falcon St, Keesler AFB Biloxi MS 39534			(Y)	9A. AMENDMENT OF SOLICITATION NO.
				9B. DATED (SEE ITEM 11)
			X	10A. MODIFICATION OF CONTRACT/ORDER NO. F22600-01-S-0001
			X	10B. DATED (SEE ITEM 13) 30 Oct 2000
CODE 0J071	FACILITY CODE		11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS	

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of offers is extended, is not extended. Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 9 and 15, and returning ___ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (if required)

A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority)
THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT/ORDER NO. IN ITEM 10A.

B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)

C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
Article IV, Para 2 and General Provisions Para 18.

X D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 01 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
Exercise Option and Incorporate Changes

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) ERROLL HOTARD, GEN. MGR.	15B. CONTRACTOR OFFERS	15C. DATE SIGNED 10-28-03	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) REGGIE E. TEMPLE	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED 10/29/03
<i>Erroll Hotard</i> <small>(Signatures of person authorized to sign)</small>			BY <i>[Signature]</i> <small>(Signature of Contracting Officer)</small>		

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FAX NO. 228. 298 P. 03/03

F22600-01-S-0001
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PAGE 2 OF 2

SECTION SF 30 BLOCK 14 CONTINUATION PAGE

SUMMARY OF CHANGES

- A. Exercise Option. Subject contract is hereby extended as provided in Article IV, Para 2, for the period of 1 Nov 03 through 31 Oct 04.
- B. Also effective 1 Nov 03, the number of square feet in use will be reduced from 828 sq ft to 400sq ft of office/waiting room space in bldg 7503 in the Triangle Area. Monthly fee will change from \$400.00 to \$200.00 per month payment due NLT seven (7) days after the last day of each month.
- C. All other terms and conditions remain unchanged.