

Terms & Conditions (for Expense, Supplies, and Equipment Purchased by AAFES)

September 2008



Army and Air Force Exchange Service

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Terms and Conditions

September 2008

For Expense, Supplies, and Equipment Purchased by The Army & Air Force Exchange Service (AAFES)

This document will not be included in each solicitation or contract. It will be incorporated by reference. The latest edition or change number will be shown in the solicitation, or contract, in Exhibit A. The Army and Air Force Exchange Service (AAFES) may change these terms and conditions before a complete revision or reprinting. Each solicitation, contract, or order will incorporate the latest edition or change and all preceding changes will apply. For example, if Change 03 is shown, Changes 1, 2, and 3 apply.

Please note this document applies to contracts in the United States (U.S.); others if specifically referenced. It applies regardless of the place of origination of an order or place for delivery. Questions about these terms and conditions should be addressed to the contracting officer whose name appears on the contract.

This replaces the Feb 2008 edition.

TABLE OF CONTENTS

SECTION 1 - GENERAL PROVISIONS	1
1. LEGAL STATUS (SEP 08).....	1
2. AUTHORITY TO BIND (NOV 95)	1
3. EXAMINATION OF RECORDS (SEP 08).....	1
4. PROCUREMENT INTEGRITY (NOV 95).....	2
5. ADVERTISEMENTS (SEP 08)	2
6. INDEMNIFY AND HOLD HARMLESS (NOV 96).....	2
7. ASSIGNMENT (DEC 07)	3
8. CONTRACTOR PERSONNEL AND REPRESENTATIVES (SEP 08)	3
9. TERMINATION BY NOTICE (DEC 07).....	3
10. DISPUTES (DEC 07).....	4
11. EQUAL EMPLOYMENT OPPORTUNITY (OCT 98).....	5
12. AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (DEC 07)	5
13. AFFIRMATIVE ACTION FOR INDIVIDUALS WITH DISABILITIES (DEC 07)	5
14. CONVICT LABOR (MAY 89)	5
15. TAXES (MAY 89).....	5
16. ROBINSON-PATMAN (JUN 96)	6
17. TRADEMARKS (OCT 96)	6
18. MAILING LISTS (AUG 92).....	6
19. ENVIRONMENTAL PROTECTION (MAR 94)	6
20. WARRANTY (DEC 07)	7
21. ITEM SUBSTITUTION AND VARIATION IN QUANTITY (OCT 96).....	7
22. INSPECTION/QUALITY ASSURANCE (MAR 94)	7
23. PRICES (DEC 07)	9
24. RETURNS (DEC 07).....	9
25. CONTRACTOR LIABILITY (MAY 04)	10
26. SURVEILLANCE (JAN 94)	10
27. WITHHOLDING (DEC 07)	11
28. NON-WAIVER OF DEFAULTS (MAY 89).....	11
29. DEFAULTS (OCT 96).....	11
30. RESTRICTIONS ON PURCHASES OF FOREIGN GOODS (DEC 07)	12
31. AUTOMATIC DATA PROCESSING VIRUS (AUG 92)	12
32. AAFES/CONTRACTOR PARTNERSHIP MARKETING PROGRAM (JUL 94).....	12
33. CONFORMANCE WITH APPLICABLE LAWS AND REGULATIONS	12
34. DATE COMPLIANT (DEC 07)	13
35. CHOICE OF LAW AND FORUM (DEC 07)	13
36. PRIVACY ACT (DEC 07).....	13
37. PAYMENT CARD INDUSTRY (PCI) COMPLIANCE (DEC 07)	14
SECTION 1A - ADDITIONAL GENERAL PROVISIONS.....	15
1. TERMS AND CONDITIONS	15
2. AAFES PRIVATE LABEL.....	15
3. RESERVED	15
4. RESERVED	15
5. RESERVED	15
6. CONTRACTORS' WARRANTY	15
7. CONTRACTORS' WARRANTY	16

8.	HEAVY METAL LEACHING (DEC 07).....	16
9.	RESERVED	16
10.	LOGISTICAL SUPPORT	16
11.	LOGO/ARTWORK/PROOF	16
12.	RESERVED	17
13.	PLACE OF PERFORMANCE AND SUBCONTRACTORS.....	17
14.	RESERVED	17
15.	RESERVED	17
16.	RESERVED	17
17.	RESERVED	17
18.	RESERVED	17
19.	SEASONAL DECORATIONS	17
20.	SPECIFICATIONS/PURCHASE DESCRIPTIONS	17
21.	SPECIFICATIONS/PURCHASE DESCRIPTIONS	17
22.	SPECIFICATIONS/PURCHASE DESCRIPTIONS	17
23.	SPECIFICATIONS/PURCHASE DESCRIPTIONS	17
24.	RESERVED	18
25.	RESERVED	18
26.	RESERVED	18
27.	HAZARDOUS GOODS.....	18
SECTION 2 - TAX AND DRAWBACK.....		19
SECTION 3 - INVOICING AND PAYMENT (MAR 08).....		20
1.	INVOICING PROCEDURES.....	20
2.	PAYMENT PROCEDURES	21
3.	PROOF OF SHIPMENT.....	23
SECTION 4 - ELECTRONIC DATA INTERCHANGE (EDI)		24
SECTION 4A - ELECTRONIC DATA INTERCHANGE AND VENDOR MANAGED INVENTORY.....		25
SECTION 4B - CONTRACTOR USE OF AAFES' COMPUTER SYSTEM		25
SECTION 4C - PAYMENT by ELECTRONIC FUNDS TRANSFER (OCT 98).....		26
SECTION 5 - PACKING, MARKING, MOVEMENT INFORMATION.....		27
1.	PACKING.....	27
2.	MARKING	28
3.	STANDARD SHIPPING LABEL GUIDELINES	28
4.	ORDER CONSOLIDATION	29
5.	LOADING.....	29
6.	DOCUMENTATION	30
7.	ROUTING ORDERS	31
8.	SAMPLES.....	31
9.	HAZARDOUS ARTICLES.....	31
10.	CROSSDOCK SHIPMENTS.....	32
11.	PALLET PICK PROGRAM.....	32
12.	SHIPPING TO OVERSEAS LOCATIONS	32
A.	MARK	32
B.	CONTAINER LOADING	33
C.	SHIPPING TO DISTRIBUTION CENTERS OR CONSOLIDATORS.....	33
D.	TCN FOR SPLIT SHIPMENTS.....	33

E. SHIPMENT VIA AIR	33
(1) COMMERCIAL	33
(2) MILITARY AIRLIFT	33
13. IMPORTS - SHIPPING FROM OVERSEAS LOCATIONS	33
A. MARK	33
B. SHIPPING TO DISTRIBUTION CENTERS OR CONSOLIDATORS	33
C. ROUTING	33
D. LOADING	33
E. CONSOLIDATION CENTER CHARGES	34
F. DOCUMENTATION	34
FIGURE 1 SAMPLE CARTON MARKINGS	35
SECTION 5A - GENERAL INSTRUCTIONS	36
SECTION 5B - SPECIAL INSTRUCTIONS	37
1. FOLLOW THE INSTRUCTIONS ON THE ORDER ROUTING BLOCK	37
A. SHIPMENTS TO EXCHANGES IN CONTIGUOUS UNITED STATES	37
B. SHIPMENTS TO OVERSEAS EXCHANGES (OSE) (INCLUDING ALASKA AND HAWAII)	37
C. OSE MARKING INSTRUCTIONS, INCLUDING ALASKA AND HAWAII	39
2. SHIPMENTS TO DISTRIBUTION CENTERS IN THE CONTIGUOUS UNITED STATES (CONUS)	39
SECTION 6 - RESERVED	39
SECTION 7 - RESERVED	39
SECTION 8 - RESERVED	39
SECTION 9 - FOOD AND BEVERAGE	40
SECTION 10 - EQUIPMENT, SUPPLIES, AND AUTOMOTIVE	41
SECTION 11 - RESERVED	41
SECTION 12 - RESERVED	41
SECTION 13 - TELEPHONE LIST and DISTRIBUTION CENTER ADDRESSES (DEC 07)	42
SECTION 13A - OVERSEAS TELEPHONE LIST and DISTRIBUTION CENTER ADDRESSES	43
SECTION 14 - EEO POSTERS	44

SECTION 1 - GENERAL PROVISIONS

1. LEGAL STATUS (SEP 08).

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

2. AUTHORITY TO BIND (NOV 95).

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

b. The contracting officer may authorize other AAFES and government officials to perform actions of an administrative nature such as conducting inspections and audits: placing orders against existing contracts, forwarding request 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. AAFES 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 AAFES or government officials to the contracting officer.

3. EXAMINATION OF RECORDS (SEP 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 AAFES General Counsel (AAFES HQ and AAFES Europe). Contract files will be in such circumstances be documented to show the basis for exclusion of the clause.

4. PROCUREMENT INTEGRITY (NOV 95).

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

a. that no discussion, offer or promise of future employment or business opportunity has nor will be made to AAFES civilian or military personnel who personally and substantially participated in the purchase action;

(1) that no offer, promise or gift of any gratuity, entertainment, money, or other thing of value has nor will be made to any AAFES civilian or military personnel or any other employee of the United States Government or member of their family or household;

(2) 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 AAFES procedures.

(3) that no person or selling agency has been employed or retained to secure this contract 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 nor will be solicited or accepted by the contractor, or any contractor representative, from any subcontractor or subcontractor representative, 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 there are reasonable grounds to believe a violation may have occurred. The contractor will cooperate fully with any federal agency investigation of a possible violation of this clause.

d. For breach of any of these certifications, AAFES 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 AAFES arising out of the breach.

5. ADVERTISEMENTS (SEP 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 AAFES. All contractor advertisements that refer to AAFES or military exchanges will contain a statement that the advertisement was neither paid for nor sponsored, in whole, or in part, by AAFES, the military exchange system, or the United States Government.

6. INDEMNIFY AND HOLD HARMLESS (NOV 96).

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

a. The alleged or established violation or infringement of any patent, copyright, or trademark rights asserted by any third party regarding items or services provided by contractor.

b. The loss, damage, or injury alleged or established to have arisen out of or in connection with items or services provided by contractor, to the extent contractor can be held liable for such loss, damage, or injury in accordance with applicable federal and state law.

c. Contractor is hereby notified that injury and damage claims against AAFES based on alleged negligence must be brought under applicable federal law, including the Federal Tort Claims Act. AAFES will give contractor notice of such claims relating to items or services provided by contractor. In the event of litigation, AAFES is defended by the Department of Justice.

7. ASSIGNMENT (DEC 07).

The Assignment of Claims Acts, 31 U.S.C. 3272 and 41 U.S.C. 15, are not applicable to amounts due under AAFES contracts. The contractor may not assign its rights or delegate its obligations under this contract. AAFES will not consent to, nor recognize, any purported assignment. The contractor may request the contracting officers' permission to have contract payments forwarded to a third party, according to invoicing and payment procedures.

8. CONTRACTOR PERSONNEL AND REPRESENTATIVES (SEP 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 AAFES contracts without the prior written consent of the contracting officer.

b. The contractor will not employ any individual to work in exchange facilities who an AAFES contracting officer has determined unacceptable under any other AAFES 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 AAFES.

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

9. TERMINATION BY NOTICE (DEC 07).

a. Either party may, by written notice to the other party, terminate all performance under the contract which is not scheduled or required earlier than 30 days after receipt of the notice.

b. The contracting officer may, by written notice to contractor, terminate contractor's right to ship/deliver any retail or off-the-shelf items when shipment/delivery is past due and has not left contractor's shipping point. This provision may, at the contracting officer's option, be used in lieu of termination by default.

c. If contractor has received several purchase orders which call for successive deliveries of the same or similar items over a period of time, and if contractor has not satisfactorily performed any two or more outstanding purchase orders, the contracting officer may, by written notice to contractor, terminate contractor's right to ship/deliver any retail or off-the-shelf items which have not left contractor's shipping

point. This provision may, at the contracting officer's option, be used in lieu of other provisions set out above or in the defaults clause.

10. 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 AAFES 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 AAFES 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),
- (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 AAFES 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 AAFES an amount equal to the unsupported part of the claim and all AAFES' costs attributable to reviewing that part of the claim.

11. EQUAL EMPLOYMENT OPPORTUNITY (OCT 98).

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

b. Contracts or orders 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.

12. AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (DEC 07).

If the contract of the total of all orders issued during a calendar year equal or exceed \$10,000 and are 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 Title 41, Code of Federal Regulations, Part 60-250, which are incorporated herein by reference.

13. AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (DEC 07).

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

14. CONVICT LABOR (MAY 89).

In connection with the performance of work under this contract, the contractor agrees not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 USC 4082[c][2]) and Executive Order 11755, December 29, 1973.

15. TAXES (MAY 89).

The contractor assumes complete and sole liability for all federal, state, and local taxes applicable to the property, income, and transactions of the contractor. The prices charged AAFES will be deemed to include all applicable taxes. The prices charged will not include any amount for taxes that are not applicable:

- a. Because of AAFES' legal status as an instrumentality of the United States Government.
- b. Because of AAFES' immunity from direct state or local taxation; or
- c. Because of federal state or local tax exemptions for sales to the federal government; or
- d. Otherwise, such as items purchased for export. It will be the sole responsibility of the contractor to explain, to the reasonable satisfaction of the contracting officer, the applicability and amount of any taxes that they have included in the prices charged. The contracting officer, upon request, will furnish additional documentation to support tax exemptions if required by an appropriate tax authority.

16. ROBINSON-PATMAN (JUN 96).

a. AAFES is a joint military command of the U.S. Army and the U.S. Air Force. It is a nonappropriated fund instrumentality of the U.S. Government performing governmental functions, and partakes of all the immunities of the U.S. Government. [Standard Oil Company of California v. Johnson, 316 U.S. 481, 62 S.Ct. 1168 (1942) and U.S. v. State Tax Commission of Mississippi, 421 U.S. 599, 95 S.Ct. 1872 (1975)].

b. The Act makes it unlawful to discriminate in price between different purchasers if it may substantially lessen competition or create a monopoly. Inquiries are often received after contractors are requested by AAFES to offer prices as favorable or better than those offered to their other customers. The Robinson-Patman Act does not apply to sales to AAFES or other elements of the U.S. Government. Contractors may legally offer AAFES prices more favorable than they offer to other customers. Neither the offer by the contractor nor the acceptance by AAFES is a violation of the Robinson-Patman Act. [Champaign-Urbana News Agency, Inc. v. J.L. Cummins News Co., Inc., 632 F.2d 680 (7th Cir. 1980)]

17. TRADEMARKS (OCT 96).

AAFES is the holder of numerous trademarks including, but not limited to, AAFES®, PX®, and BX®. All AAFES trademarks are designated by the ® symbol, are legally registered and are the exclusive property of AAFES.

18. MAILING LISTS (AUG 92).

Under no condition will contractor sell or otherwise disseminate name and address information on AAFES customers to other persons or firms. The contractor agrees to restrict its use of such information to the performance of this contract.

19. ENVIRONMENTAL PROTECTION (MAR 94).

a. This clause will apply to any contract in excess of \$100,000, and indefinite quantity contracts estimated to exceed \$100,000 in one year; however, it will not apply to use of facilities located outside the United States or to contracts otherwise exempt according to 40 CFR Part 15.

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

- (1) that any facility to be used 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 delegate, indicating that a facility to be used 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 to enforce such provisions.

20. WARRANTY (DEC 07).

a. Contractor warrants for the specified period from the date of final acceptance that products furnished under this contract will be free from defects in material and workmanship, that they will perform in accordance with contractor's published specifications, drawings, or samples, and the contractor will make all necessary adjustments, repairs, and replacements to maintain all systems and components in such condition during the term of the warranty. The contractor warrants that it has full ownership of equipment sold to AAFES and that it has the right to license the software provided AAFES. The contractor will have no responsibility with respect to defects in the products occurring in whole or in substantial part by reason of (1) modifications of or enhancements to the product not supplied by contractor (2) AAFES negligence or misuse of the product (3) AAFES failure to follow corrective routines or operating instructions provided by contractor or (4) any other causes external to the product not arising by reason of the fault or negligence of contractor. If the contractor is unable to restore the product to the condition warranted within a reasonable amount of time, AAFES will be entitled to a refund of the purchase price paid upon prompt return of the product to contractor. Warranty will survive acceptance by AAFES of the products. The contractor shall always be responsive to the warranty requirements of AAFES. The contractor shall, without additional charges, keep the products in good operating condition and shall bear all costs related thereto including, but not limited to: travel, labor, and documentation.

b. Contractor further represents and warrants that contractor will use viral detection routines and any other commercially reasonable efforts to insure that the product is delivered to AAFES free of any virus or other harmful programming code that may erase, replicate, transmit, or activate itself without control of a person operating the system on which the product(s) resides.

c. In the event there is evidence reasonably tracing a virus contamination to the product provided under this contract, AAFES will notify the contractor. The contractor will be liable for all costs incurred by AAFES in removing the virus and correcting damaged products to include labor, repair costs, and product replacement(s).

21. ITEM SUBSTITUTION AND VARIATION IN QUANTITY (OCT 96).

No substitution or variation in the quantity of any item called for by this contract, or each order referencing this agreement, will be accepted unless authorized by the contracting officer.

22. INSPECTION/QUALITY ASSURANCE (MAR 94).

a. Contractor will maintain an in-process and end-item quality control program to ensure AAFES shipments do not include defective/nonconforming items. AAFES reserves the right to review and evaluate the program. Review and evaluation may include in-process inspections and initial pilot lot inspections as deemed appropriate at contractor's or subcontractor's facility.

b. Items furnished under this contract are subject to inspection and test at all reasonable times, to include verification inspections, and at all reasonable places including but not limited to the manufacturing or assembly plant, shipping point, depot, and the using or selling activity. AAFES may, at its option, inspect in accordance with any commercial or military inspection procedure. Acceptable Quality Levels may be determined as set forth in [EOP 66-1, Chapter 3, Exchange Operating Procedures](#).

c. If items purchased are defective/nonconforming, the contracting officer may take any of the following actions:

(1) Prior to acceptance, the contracting officer may:

- (a) Reject items and return them to contractor.
- (b) Reject items and require the contractor to repair or replace them in a reasonable specified time;
- (c) Accept the items at an equitable adjustment in price determined by the contracting officer.

(2) After acceptance, the contracting officer may revoke acceptance; proceed under (1) above.

d. If lots furnished are defective/nonconforming, contracting officer may take any of these actions:

(1) Prior to acceptance, the contracting officer may:

- (a) Reject and return the lot to contractor.
- (b) In lieu of rejection, screen (100% inspect) the items; items meeting contract requirements will be accepted; defective/nonconforming items will be treated as indicated in c. above;
- (c) Reject the lot and require contractor to screen all items and repair or replace defective/nonconforming items in a reasonable specified time;
- (d) Accept the lot and have the items repaired for contractor's account; or
- (e) Accept the lot at an equitable adjustment in price.

(2) After acceptance, the contracting officer may:

- (a) Revoke acceptance for any reasonable lot (group of items available for inspection) and proceed as in d.(1) above; or
- (b) Revoke acceptance of items and proceed as in c. above for rejected items.

e. If items/lots are shipped/delivered late, the contracting officer may:

- (1) Reject the items/lots and return them to contractor; or
- (2) Accept the items/lots at an equitable adjustment in price.
- (3) If it is necessary to cover in part or totally because of late shipment/delivery, the contracting officer may include costs of cover in determining the equitable adjustment even though the contract has not been terminated.

f. Exercise of any of the options in the INSPECTION/QUALITY ASSURANCE paragraph will not preclude action under other clauses of the contract (e.g., defaults, returns, etc.) or in accordance with general provisions of law.

g. Invoices, for due dating and prompt payment discount qualifying purposes, will be considered received on the date inspection is completed.

23. PRICES (DEC 07).

The prices for products provided by contractor in this contract are hereby warranted by the contractor to be comparable to, or more favorable to AAFES than, the comparable prices and terms and conditions that have been offered by contractor to any of its customers. If contractor offers to industry or government at large, price decreases on the products and services included in this contract, which become effective during the term of the contract, the price decreases will be passed on to AAFES to any portion of contract performance not completed at time of implementation of the price decreases by contractor to the extent the decreased prices would be lower than the prices in this contract. Contractor will offer price decreases and technology upgrades by letter addressed to the contracting officer. If an offer is acceptable to AAFES and does not require further negotiation, contractor agrees that the offer may be accepted by issuance of a unilateral contract amendment by the contracting officer, referencing contractor's letter.

24. RETURNS (DEC 07).

In any case where items or lots are to be returned; e.g., as defective/nonconforming, late or under another clause, the contract value of the goods as of the date the items are returned will be charged back to the contractor and the following will apply:

a. The contracting officer will notify contractor of contracting officer decision to return the item/lot and request disposition instructions. Returns of items or lots with a cost price under \$250 may be made without prior notification. The contracting officer may request refund of any payments and an advance to cover the costs of contractor's instructions (e.g., transportation and other related expenses). Title and risk of loss pass to contractor upon shipment from the AAFES facility.

b. AAFES will deduct the cost of returned items including any transportation costs, from any payment due the contractor. If no money is due the contractor to offset the cost of the returns, a notice of the balance due will be sent to the contractor. The contractor must reimburse AAFES within thirty days of the date of the notice. In the event that the thirty days expires and the contractor's debt has not been paid by check or deducted from payments due the contractor, AAFES will begin to accrue interest against the balance for each thirty days thereafter. The interest charge will be calculated using the balance due at the end of each thirty-day period. The interest rate will be prime plus one percentage point.

c. Unless otherwise provided, AAFES will retain earned discounts and allowances, such as, but not limited to: prompt payment discounts, anticipation, distribution allowances, bottom line discounts, special allowances, advertising allowances, discounts in lieu of warranty, and freight allowances. With the exception of freight allowances, all of these discounts or allowances may be credited the contractor on a pro rata basis in conjunction with the return of defective/nonconforming items resulting from inspection and rejection of all or part of a "lot."

d. If contractor fails to provide instructions within ten days or such other reasonable time as the contracting officer allows, refuses to accept returned items or lots, or fails to provide a requested advance or refund of payments, the contracting officer may, at contracting officer option and in addition to other remedies specified elsewhere in the contract:

- (1) Advertise the item/lot in one or more local newspapers or trade journals and sell the item/lot for the best price at the place where the item/lot is located; or

(2) Turn the item/lot over to a government property disposal office if there is no responsive offer from a responsible source to an advertisement ({{1}} above), or if the contacting officer otherwise determines the item/lot is not readily saleable for other than scrap or salvage.

e. AAFES will credit contractor for any surplus over the amount due from contractor for payment for the goods and incidental and consequential damages.

f. Contractor must notify the contracting officer in writing within ninety days, after a request for payment or a deduction from payments is made if returned merchandise is not received or is received in quantities or at prices different from the document supporting a deduction. Claims against AAFES for non-receipt will not be honored after this ninety-day period.

25. CONTRACTOR LIABILITY (MAY 04).

In addition to the liabilities specifically provided for in other clauses, contractor will be liable as follows in the event contractor fails to fully and timely perform in accordance with all contract provisions:

a. Incidental damages, including expenses reasonably incurred in inspection, receipt, packing, rejection, or screening of goods in lieu of rejection, care and custody of goods rightfully rejected, transportation, and any other reasonable expense incident to contractor's failure to fully and timely perform in accordance with all contract provisions.

b. Contractor will not be liable for consequential damages except in the case of illicit or disabling codes up to the total contract value.

c. Contractor will not be liable for incidental damages if the failure to perform arises out of causes beyond the control and without the fault or negligence of the contractor and any subcontractors and suppliers. Such causes may include 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. In such case, contractor must provide prompt written notice to the contracting officer; the contracting officer 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.

26. SURVEILLANCE (JAN 94).

a. AAFES may perform electronic or other types of surveillance in AAFES facilities. Contractor will inform it's employee representative that such surveillance may be conducted and that individuals implicated in improprieties may be found unacceptable for employment in any AAFES facility, and prosecuted in federal court for any resulting law violation. Contractor will obtain written certification from all it's personnel, to include employees and representatives, performing contract functions at exchange facilities, and will maintain the certification on file for the period of the contract. The form for this certification is shown below.

EMPLOYEE CERTIFICATION

I, _____, certify that _____ has informed me electronic surveillance may be used to verify contract compliance and detect improper handling of funds. If a violation is detected, I understand that I may be found unacceptable for employment in any AAFES facility and prosecuted in federal court for any resulting law violation.

Signed _____ Dated _____

b. Contractor is liable and will pay AAFES for losses under this contract detected by surveillance or otherwise discovered.

27. WITHHOLDING (DEC 07).

AAFES may withhold payment for:

- a. Amounts due or creditable to AAFES under this contract, e.g., returns, damages.
- b. Amounts otherwise due or creditable to AAFES. Any dispute will be processed under the Disputes clause unless it became due pursuant to another contract which included a Disputes clause.
- c. In conjunction with any withholding, AAFES will retain the benefit of all earned discounts and allowances including, e. g. prompt payment discounts, anticipation, rebates, distribution allowance, discounts in lieu of warranty, and freight allowances. Prompt payment discounts, anticipation, and rebates will also be considered earned if they would have been earned except for the withholding.

28. NON-WAIVER OF DEFAULTS (MAY 89).

Any failure by AAFES 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 and conditions in any way or AAFES' right at any time to avail itself of such remedies as it may have for breach or breaches of such terms and conditions.

29. DEFAULTS (OCT 96).

a. The contracting officer, by written notice of default, may terminate any bilateral contract in whole or in part for contractor's failure to:

- (1) Ship/deliver conforming items or provide conforming services within the time specified.
- (2) Timely comply with other contract requirements including, e.g., the obligation to provide disposition instructions, repair, or replace defective items.
- (3) Make progress such that performance of the contract is endangered, provided contractor does not cure such failure within ten days (or such other period as the contracting officer may authorize in writing), after receipt of notice from the contracting officer specifying such failure.

b. In the event of default, the contracting officer may "cover" by making, in good faith and without unreasonable delay, any reasonable purchase of, or contract to purchase, goods or services in substitution for those due from contractor. Substitute items need not be identical, or the same or similar,

as long as they meet the same general needs of AAFES at the time of cover, as determined by the contracting officer.

c. Except as to performance terminated in accordance with the above, contractor is obligated to continue to perform the contract.

d. Time is of the essence in performance of AAFES contracts.

30. RESTRICTIONS ON PURCHASES OF FOREIGN GOODS (DEC 07).

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. A current list of prohibited countries is available from the contracting officer. 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.

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

31. AUTOMATIC DATA PROCESSING VIRUS (AUG 92).

a. Contractor-furnished Automatic Data Processing (ADP) products must be virus-free. ADP products includes but is not limited to, firmware (e.g. cash registers, modems, printers, personal and mainframe computers), packaged software programs, software programs tailored for AAFES, demonstration diskettes, subscribed data bases, electronic mail, drawings, reports, electronic data Interchange systems, and maintenance diskettes.

b. Contractor warrants that the ADP products provided have been controlled and protected to avoid virus contamination. This warranty will end ninety calendar days after proper product installation unless contractor changes (modifies, upgrades, or provides approved substitutes) the product. If a change occurs, the warranty will end ninety calendar days after such changes are installed on AAFES property.

c. In the event there is evidence reasonably tracing a virus contamination to the product provided under this contract, AAFES will notify the contractor. The contractor will be liable for all costs incurred by AAFES in removing the virus, correcting damaged ADP products, and including labor, repair costs, and replacement ADP products.

32. AAFES/CONTRACTOR PARTNERSHIP MARKETING PROGRAM (JUL 94).

The AAFES Marketing Program consists of numerous elements to enhance the sale of consumer products and services. At the contractor's request, AAFES will give the contractor the opportunity to participate in selected elements of the Program. All participation will be in conjunction with the sale of authorized products and services to authorized customers. AAFES reserves the right to limit the degree of participation based on availability, designated themes of special events, and the overall goals of the program.

33. CONFORMANCE WITH APPLICABLE LAWS AND REGULATIONS.

By contracting with AAFES, contractor warrants that it has complied with all applicable laws and regulations governing the manufacture, sale, packing, shipment, and delivery of the items provided. Contractor certifies that it, its subcontractors and its suppliers, have complied with applicable labor laws, including but not limited to the Fair Labor Standards Act (FLSA). Contractor will notify subcontractor that

AAFES requires that goods will be made in compliance with the FLSA and will provide subcontractors with information regarding the requirements of FLSA. If requested by the contracting officer, vendor will promptly provide subcontractor names and manufacturing sites. Vendor will have an effective monitoring program for it, and its subcontractors and suppliers, and will display Wage and Hour Division posters in workers' language and other appropriate materials, provided by U.S. Department of Labor (DOL) through AAFES, at U.S. work sites inviting workers to make inquiries about the Fair Labor Standards Act.

34. 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.)

35. 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 U.S. Federal administrative body or court.

36. PRIVACY ACT (DEC 07).

a. The contractor agrees to:

(1) Comply with the Privacy Act of 1974 (the Act) and Department of Defense (DOD) 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 AAFES when the violation concerns the design, development, or operation of a system of records on individuals to accomplish an AAFES function, and criminal penalties may be imposed upon the officers or employees of AAFES when the violation concerns the operation of a system of records on individuals to accomplish an AAFES function. For purposes of the Act, when the contract is for the operation of a system of records on individuals to accomplish an AAFES function, the contractor is considered to be an employee of AAFES.

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; must contain the person's name, identifying number, symbol, or other identifying particular assigned to the individual.

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 format includes, 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.

37. PAYMENT CARD INDUSTRY (PCI) COMPLIANCE (DEC 07).

a. If payment cardholder 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 PCI DSS (Data Security Standard) 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.

SECTION 1.A. – ADDITIONAL GENERAL PROVISIONS

1. TERMS AND CONDITIONS.

a. A copy of this document is provided to each new AAFES contractor upon award of the first contract or order between the contractor and AAFES. Thereafter, these Terms and Conditions are incorporated by reference in succeeding contracts or purchase orders with the same contractor. The latest edition or change to this document will be listed in Exhibit A of AAFES solicitations and contracts. Contractor is responsible for ensuring it and its representatives have the latest edition and changes to this booklet.

b. AAFES may issue changes to these Terms and Conditions by printing a new edition, or by issuing changes to this booklet. Contractors with current AAFES contracts or orders will receive one copy of each change or a new edition of this booklet. Regardless of the number of a change, all changes issued before a new document is reprinted apply to the solicitation or contract. For example, if change number three ("CH 03") is shown changes one, two and three are applicable.

c. This document and any current changes will be considered part of the contract or order when the first of either of the following occurs:

- (1) a contract or order which incorporates this document and all current changes is awarded, or
- (2) the contractor ships or delivers against a contract or order which incorporates the new or revised Terms and Conditions.

d. The Terms and Conditions in this document apply to contracts for supplies and equipment purchased by AAFES for sale, delivery or use in the United States. They apply to other contracts if specifically referenced. Questions about these Terms and Conditions should be addressed to the contracting office whose name appears on the contract document.

2. AAFES PRIVATE LABEL.

Items produced or furnished with packaging that bears the AAFES brand, logo, design, or name, will not be sold or released to another party. This prohibition includes, but is not limited to, quality control rejects, production overruns, and overstocks. The items may be sold only if repackaged with the brand, logo, design, or name removed.

3. RESERVED.

4. RESERVED.

5. RESERVED.

6. CONTRACTORS' WARRANTY.

A copy of the contractor's warranty for the contract item(s) is shown in the Contractor Warranty Exhibit. Nothing in the contractor's warranty may supersede or restrict the warranty contained in the AAFES Warranty clause. AAFES will accept contractor's warranty provisions that are more favorable than the AAFES Warranty clause. Contractor will furnish a copy of the warranty with each item.

7. CONTRACTORS' WARRANTY.

Contractor will provide the contracting officer, upon request, a copy of applicable warranties. Nothing contained in the contractor's warranty may supersede or restrict the warranty contained in the AAFES Warranty clause. AAFES will accept contractor's warranty provisions that are more favorable than the AAFES Warranty clause. Contractor will furnish a copy of the warranty with each item.

8. HEAVY METAL LEACHING (DEC 07).

If there are products furnished under this contract that can reasonably be used to carry food or liquid for human consumption and made of a substance prone to heavy metal leaching such as, and to include, pewterware, earthenware, ceramicware, chinaware, ironware, lacquerware, bronzeware, brassware, leaded crystalware, and coated/plated items with a heavy metal base, concessionaire warrants that any such product contains no leachable levels of metals dangerous to users. Maximum leachable levels and test methods are established by the U. S. Food and Drug Administration. AAFES reserves the right to test concessionaire products on an unannounced basis. If a heavy metal leaching failure is found, concessionaire agrees to reimburse AAFES for all follow-up costs to sample test the remainder of his items for the duration of the contract. Concessionaire further warrants that products have been tested by either the U. S. Food and Drug Administration or a nationally recognized, independent test laboratory and found to be in compliance with the current U. S. Food and Drug Administration action levels and test methods. Test data will be furnished to AAFES upon request by the contracting officer.

9. RESERVED.

10. LOGISTICAL SUPPORT.

Contractor technical representatives, performing services under the contract who qualify under provisions of AR 700-32/AFR 400-15 and command directives, may be furnished logistical support provided such support is consistent with the terms of international agreements entered into by the United States with the government of the nation concerned and such support would not place the privileges and immunities of the United States in jeopardy. The provision and the extent of such support rests with the military commander concerned and not with AAFES, and the contract in no way guarantees that such support will necessarily be provided.

11. LOGO/ARTWORK/PROOF.

All AAFES-furnished artwork bearing AAFES' logo or trademark will remain AAFES' property. The AAFES logo, trademark, or any artwork may not be changed, revised, or altered. Within twenty calendar days after expiration or termination of contract, contractor will return all AAFES-furnished artwork to the contracting officer. Contractor will provide a mock-up/proof for approval before initial production run. A first-run sample for the item(s) will be furnished to the contracting officer for approval, before full production.

12. RESERVED.

13. PLACE OF PERFORMANCE AND SUBCONTRACTORS.

Contractor will not subcontract the manufacturing process for the items supplied under the contract nor change the place of manufacture without the prior written consent of the contracting officer. Any subcontractor, so approved and used in connection with the contract, is the agent of the contractor and not the agent of AAFES.

14. RESERVED.

15. RESERVED.

16. RESERVED.

17. RESERVED.

18. RESERVED.

19. SEASONAL DECORATIONS.

Contractor warrants that all seasonal decorations furnished are flame-retardant or noncombustible according to National Fire Protection Association definitions.

20. SPECIFICATIONS/PURCHASE DESCRIPTIONS.

The contractor will provide the brand name products listed in this contract which are the contractor's regular commercial products.

21. SPECIFICATIONS/PURCHASE DESCRIPTIONS.

The specifications/purchase descriptions specified in this contract represent the minimum quality standards of items to be furnished.

22. SPECIFICATIONS/PURCHASE DESCRIPTIONS.

Item(s) furnished must comply with all requirements of this contract and equal or exceed the quality of the sample(s) reviewed by the contracting officer and/or purchased by AAFES.

23. SPECIFICATIONS/PURCHASE DESCRIPTIONS.

The contractor will provide the brand name products listed in this contract which are the contractor's existing regular commercial products. Items furnished must comply with all requirements of this contract and equal or exceed the quality of the samples submitted to the contracting officer; such samples may be used as a basis for ensuring that items subsequently furnished are as called for by this contract. Additionally, product descriptions and specifications contained in contractor's catalog trade offerings will apply to items furnished, to the extent that they do not reduce the quality of the contractor-furnished samples.

24. RESERVED.

25. RESERVED.

26. RESERVED.

27. HAZARDOUS GOODS.

Contractor will mark all packages/cartons of hazardous/dangerous goods to meet the U.S. Department of Transportation (DOT) and the United Nations (UN) rules and regulations. Classify these goods using the [AAFES Form 3900-004](#), [AAFES Hazardous Materials Classification Sheet](#). Complete all applicable blanks with the required information. Return the completed form, attached to a Material Safety Data Sheet (MSDS), to the contracting officer. Material Safety Data sheets must contain the proper shipping name, class/division, UN number, packing group (when applicable), and the flash point (for class 3 dangerous goods).

Packing requirements can be found in the following regulations:

- International Maritime Dangerous Goods (IMDG)
- International Air Transport Association (IATA)
- Code of Federal Regulations (CFR), Title 49, Transportation.

SECTION 2 - TAX AND DRAWBACK

- T01. Tax Exemption Certificate:** Articles described herein are either for use of the exchange or for resale in foreign countries or possessions of the United States, and when purchased for resale these articles will be sold or disposed of in a foreign country or possession of the United States and will not be returned to the United States before such resale or other disposition, and are accordingly exempt from all applicable taxes imposed on such articles pursuant to the Internal Revenue Code. (NOT FOR SHIPMENT TO ALASKA OR HAWAII.)
- T02. For Contractors Agreeing to Immediate Price Reductions:** The price for merchandise purchased on this order includes a price reduction for refundable customs duty and/or federal excise tax less the cost of claim processing. AAFES will execute required waiver(s) and certification(s) of export upon submission of documents covering claims.
- T03. For Contractors Agreeing to File Claims and Remit Proceeds:** Contractor agrees to process claims for drawback of customs duties and/or refund federal excise tax promptly and to remit proceeds, less actual costs of claim processing, to AAFES. If drawback proceeds are not received because of fault or negligence attributable to the contractor in processing claims, the price of this order will be reduced accordingly. AAFES will execute required waiver(s) and certification(s) of export upon submission of documents covering claims.
- Note: Codes T02 and T03 do not apply orders for shipments to areas that drawback of customs duty/refund of tax are not allowable under the applicable Customs/IRS regulations.**

SECTION 3 - INVOICING AND PAYMENT (MAR 08)

Questions concerning invoicing and payment should be directed to the accounts payable office. Invoice status can be viewed online at partners.aafes.com/vendor/. If internet access is not available, Fax your inquiry to 214-465-2900.

1. INVOICING PROCEDURES.

a. To be considered a proper invoice for Prompt Payment Act purposes, a separate numbered invoice is required for each order or part of an order. Do not duplicate an invoice number used in prior billings. The company named on the order must submit the invoice. **Each invoice must contain the following information:**

- (1) Invoice number. Each invoice will have its own unique number. Do not recycle invoice numbers.
 - (2) Invoice date. The invoice date cannot be earlier than the order ship/delivery date. If dated earlier than the ship/deliver date, AAFES will return the invoice because of the early date or if it is improper for another reason.
 - (3) The delivery order (DO) or purchase order (PO) number.
 - (4) The AAFES-assigned vendor procurement number.
 - (5) Contractor name and telephone number if submitting paper invoices.
 - (6) DO/PO line number, item description, and quantity shipped/delivered.
 - (7) Line item cost for EDI transmissions. Line item cost and extension on paper invoices.
 - (8) Currency code if other than U.S. dollars.
 - (9) Shipping, payment, discount terms, distribution allowance, special allowance, in dollars only for electronic transmissions. Submit as percentages only on paper invoices. Do not deduct these percentages from the item cost or the invoice total.
 - (10) Number of cases shipped (required for paper invoices only).
 - (11) Packing, palletizing, and crating charges if reimbursable. The contractor must prepay the reimbursable charges. State "packing and crating charges" and add to the total cost of invoice. If these charges cannot be included, then submit a separate packing, palletizing, and crating invoice. The invoice must cross-reference the merchandise invoice and include the order number.
- b. The contractor must invoice orders for delivery to an AAFES activity as follows:
- (1) An order for contractor direct delivery must have the packing slip enclosed in case number one or given to the exchange receiving activity upon delivery.

- (2) An order being shipped by contractor must have the packing slip enclosed in case number one. Send the original invoice to:

AAFES Accounts Payable
P. O. Box 660261
Dallas, Texas 75266-0261

- (3) Mail invoices for merchandise sent to AAFES distribution centers or warehouses to the above address.

c. A correcting invoice or credit memo must be so marked, cross-reference the merchandise invoice and include the PO/DO number.

d. Improper invoices.

- (1) Invoices with errors including those that do not meet the above invoicing procedures, and/or those with cost price discrepancies (invoice cost greater than PO cost), or invoices for quantities greater than ordered will be returned to the contractor unpaid indicating the reason(s) the invoices are improper.

- (2) Contractor must submit a corrected invoice. Payment terms will be suspended until receipt of a proper invoice. For discount terms, the corrected invoice must be submitted with a new invoice date.

2. PAYMENT PROCEDURES.

a. A proper invoice is considered received, and the net payment period begins, on the later of the following dates:

- (1) The date the invoice is actually received by the designated paying office; if at the time of receipt, AAFES marks the invoice with the date received.
- (2) The date of the invoice if the designated paying office, at the time of receipt, fails to mark the invoice with the date received.
- (3) The date an EDI invoice is received by the AAFES EDI data bank, if received during normal business hours; otherwise, the next business day.
- (4) The seventh day after the date on which, according to the terms and conditions of the contract, the property is actually delivered or performance of the service is actually completed, unless
 - (a) AAFES has actually accepted such property or services before such seventh day, or
 - (b) The date of actual acceptance if an acceptance period is specified in the contract.
- (5) Acceptance occurs only when an authorized AAFES official accepts the goods or services.

b. To determine if payment is timely, we count each calendar day. Payment due on a Saturday, Sunday, or U.S. holiday may be made the next business day without incurring late payment interest.

c. Payment is considered to be made on the date of the check, the date of receipt of an electronic fund transfer (see [Section 4C](#)), no matter the date the financial institution posts the transfer or the date withholding is initiated.

d. AAFES payment terms are as follows:

- (1) End of Month (**EOM**) or Proximo (**PROX**) Terms. When the contract specifies payment terms based upon an **EOM** term, the 25th day of the calendar month will establish the **EOM**. When the contract specifies **PROX**, the payment term begins on the first day of the next calendar month. These terms are illustrated below using invoice receipt date:

Net 10 EOM If a proper invoice is received on or before the 25th day of the month, then payment is due on the 10th day of the next calendar month. If a proper invoice is received after the 25th day of the month, then payment is due on the 10th day of the second calendar month.

Net 10 PROX Payment is due on the 10th day of the calendar month following the calendar month that AAFES receives a proper invoice. Depending upon date of receipt, the length of the terms can vary from ten days (we receive the invoice on the last day of the month) to approximately forty days (we receive the invoice on the first day of the month).

- (2) For items other than those specified as special item categories, if the contract does not specify when net payment is due:
- (a) But the contract specifies a prompt payment discount period of less than thirty days, then net payment will be due thirty days after receipt of a proper invoice.
 - (b) But the contract specifies a prompt payment discount period of thirty days or more, then net payment will be due thirty days after the prompt payment discount period ends.
 - (c) But the contract has no prompt payment discount, then net payment will be due thirty days after receipt of a proper invoice.

e. AAFES will send payment to the Vendor Master File (VMF) address. If the contractor wants to change the address where we should send payment or contractor wants payment to a financial institution or factor, send a request, signed by a responsible official of the contractor, to the contracting officer. The request must clearly state the new address and the address being superseded. The change is normally effective thirty days after approval by the contracting officer. The approval is with the understanding that no legal obligation is imposed on AAFES for failure to make payment to the new payee/address. The contractor may revoke such changes in a similar manner.

f. Invoice payment questions should be directed to the paying office designated in order. Contractor should wait at least ten days after payment is due before contacting the paying office. Proof of delivery may be requested by the paying office for FOB destination contracts if payment of the invoice in question cannot be found. The inquiry concerning unpaid invoice or other payment discrepancy must include the following data:

Unpaid Invoice; Other Payment Discrepancies:

AAFES assigned procurement vendor code
AAFES purchase order number
Invoice number or charge/credit voucher number
Date of invoice charge/credit voucher number
Invoice amount check number
Ship to address

g. Any interest penalties due contractor will be computed according to the Prompt Payment Act, 31 U.S.C. 3901-3906, as amended.

h. A discount for prompt payment can be taken by AAFES if the discount payment is made within the discount period specified. The discount period begins to run on the date of the invoice. Computation for discounts begins with the date of invoice; computation for net payment begins with receipt of a proper invoice as described above.

3. PROOF OF SHIPMENT.

Contractor must retain the proof of shipment on FOB origin shipments and proof of delivery on FOB destination shipments for three years after completion of the contract. In the event contractor fails to provide a requested proof of shipment, contractor will be liable for any loss or costs to AAFES. The following is a list of acceptable proof of shipment documents:

a. Original bill of lading, properly receipted by the carrier for all shipments made via railroad, motor carrier, freight, steamship, or air.

b. Original post office forms bearing canceled postage, signed, and dated by post office indicating number of packages and destination. AAFES does not reimburse "insured" fees.

c. Parcel delivery service pickup record-computer manifest, or equivalent, which will be required by AAFES unless exceptions are made in advance by the contracting officer and are signed and dated by driver. Must reference number of packages and destination.

SECTION 4 - ELECTRONIC DATA INTERCHANGE (EDI)

1. EDI is the electronic exchange of data between trading partner computers using standard formats. We see EDI as the most efficient way to conduct business. EDI lets us improve service to its customers, reduce expenses, and increase productivity. We prefer that all contractors receive our orders and transmit their invoices electronically.
2. EDI Standards. There are three EDI standards:
 - a. X.12 for all types of industries.
 - b. VICS, a subset of X.12 for use in the retail business.
 - c. UCS for the grocery and pharmaceutical business.
3. We mainly use two EDI standards. One is Uniform Communication Standard (UCS), the other is X.12. AAFES has made a corporate decision to use the following parameters:
 - a. The 850 Transaction Set (purchase orders) will be the first required to begin startup (testing).
 - b. The second will be the 810 Transaction Set (invoices), which will be required to be in startup (testing) no later than 6 months after 850 goes to production. Contractors who are currently in 810 startup or production will be required to begin the 850 startup within 6 months.
 - c. The next in succession will be the 856 Transaction Set, which will be required on a selected basis by AAFES.
 - d. Should a vendor fail or refuse to begin the implementation of EDI, AAFES will have the option to terminate our business relationship with the non-compliant vendor.
4. The reason for an EDI standard is that it lets us communicate more efficiently with various trading partner computers. It avoids proprietary formats that are not compatible with each other. It avoids development and maintenance of custom programs for each company who do not use a standard format.
5. To start the EDI process, call the EDI support staff. The EDI staff can provide information on the implementation process. When the EDI that meets both our requirements is working, we will demonstrate agreement by either sending you an EDI order and your filling that order, or by you sending us an EDI invoice and our payment of that invoice.

SECTION 4A - ELECTRONIC DATA INTERCHANGE AND VENDOR MANAGED INVENTORY

1. Individual electronic orders will be transmitted and acknowledged according to the guidelines contained in either UCS or ANSI X.12 standards as mutually agreed by AAFES and contractor. We require functional acknowledgments within twenty-four hours.
2. AAFES and contractor each agree to use reasonable and adequate procedures to protect the data and systems of the other from unauthorized access or release of information to unauthorized third parties.
3. By providing thirty days written notice, the contractor may designate a third party to receive electronic orders on its behalf. The contractor is responsible for the acts or omissions of the third party in the processing and handling of electronic orders.

SECTION 4B - CONTRACTOR USE OF AAFES' COMPUTER SYSTEM

1. AAFES' computer system is for AAFES' official business. AAFES Computer Security Officers are the approving authority and are responsible for establishing new user accounts. The sharing of accounts (user-id) on AAFES computers is prohibited. Violators will lose their accounts.
2. Upon acceptance of a new account, we will provide the contractor a user-id and an initial password. To activate the account, the contractor must log on the AAFES computer system. The contractor must change the password when accessing the AAFES computer system for the first time. AAFES will delete an account not started within 10 business days from the date the user-id and initial password is provided. The system, at fixed intervals, requires the contractor to change their password. Contractor's use of the system is subject to AAFES audit.
 - a. Contractor is responsible for the protection of their password. Should a user suspect password compromise, they must change the password immediately and report the suspected compromise to the AAFES Computer Security Officer.
 - b. After five consecutive, unsuccessful, log in attempts, we will suspend the user-id. The contractor must contact the AAFES Help Desk to remove the suspension.
3. AAFES will validate contractor accounts twice a year. If an account is inactive for six months, the account will be deleted without notice. To reestablish the account, the contractor must complete a new registration. Contractor will promptly notify the AAFES Computer Security Officer of any change in their user's employment status. Contractors no longer needing an account will promptly notify the AAFES Computer Security Officer. Contractor accounts will be deleted upon the completion (expiration) of their contract.
4. Contractor users will not copy software to or from AAFES computers without AAFES' written permission. Any misuse of system resources (e.g., games, profit) or circumvention of security mechanisms will result in the suspension and/or deletion of the contractor's account and possible prosecution under the law. AAFES will not tolerate unsuitable language on AAFES computer systems.
5. Contractor access will be limited to data AAFES has approved as necessary for conducting business with AAFES. AAFES operations and/or employees associated with AAFES computer systems will not be liable for the loss of any data resulting from user error, operator error or system malfunctions. AAFES operations is not obligated to ship tapes or hard copy to contractors.

6. AAFES computer systems is normally available 24 hours a day, seven days a week. AAFES cannot guarantee uninterrupted service. We may change or modify any or all system-provided software at anytime and without prior notice to the contractor. AAFES computer operations will try to notify users, in advance, of any scheduled outages (e.g., preventive maintenance, equipment shutdowns, etc.).

7. AAFES' Help Desk will provide limited user assistance on tasks related to the system software. However, they will not provide formal or time-consuming training.

SECTION 4C - PAYMENT by ELECTRONIC FUNDS TRANSFER

1. PAYMENT by ELECTRONIC FUNDS TRANSFER (OCT 1998).

a. Method of payment.

(1) All payments by AAFES 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 AAFES 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 AAFES to extend the payment due date until such time as AAFES can make payment by EFT.

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

c. If the contractor's EFT information in the AAFES database is incorrect, AAFES need not make payment to the contractor under this contract until correct EFT information is entered into the AAFES 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 AAFES database, and the contractor has not notified AAFES of the payment receiving point applicable to this contract, AAFES shall make payment to the first payment receiving point listed in the AAFES database.

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

SECTION 5 - PACKING, MARKING, MOVEMENT INFORMATION

AAFES may charge the contractor for failure to follow these instructions. These costs can include transportation, packing, marking, and administrative expenses.

1. PACKING.

a. All boxes used for contractor products must be designed and manufactured to ensure safe delivery and comply with all the applicable standards set forth by the National Motor Freight Classification (NMFC). All boxes must have a certificate of the box maker printed on each container.

b. All contractor shipments must be packaged in AAFES order-designated case quantities. Contractors consolidating shipments into master cartons are not exempt from insuring all inner pack cases are packaged according to the order and in designated order case quantities.

c. Package/box quality requirements:

(1) DISTRIBUTION CENTER CONVEYABLE BOX.

Minimum requirements: 9" long, 4" wide, 5" high, weight 5 pounds.

Maximum requirements: 36" long, 24" wide, 20" high, weight 55 pounds.

Glue flaps: Glue flaps will be adequate to keep box closed during handling.

Perforated Boxes: Perforated cartons must be able to withstand warehouse handling without damage or carton opening.

Liquids: All liquids should be marked "THIS SIDE UP" by contractor.

(2) DISTRIBUTION CENTER NON-CONVEYABLE BOX.

AAFES prefers that all boxes be conveyable boxes. Packages which fall under the following criteria are not conveyable. This type of packaging should be avoided when possible.

Protrusions: Package has protrusions, plastic banding or metal banding on the outer packaging material.

Exceed Case Size: Dimensions are less than or greater than the conveyable case size requirement.

Wrong Package Structure: Bags are not enclosed within a box.

Shape: Containers are round or irregular-shaped.

Strapping: Items are loosely strapped.

Hazardous: Liquids hazardous to associates or conveyors if broken.

Weight: Cartons weigh less than 5 pounds or more than 55 pounds.

d. Multiple AAFES orders must not be consolidated or packaged inside one carton. If packing more than one order line item per carton, mark the carton "REPACK" and enclose a packing list.

e. All hazardous and flammable commodities will be packaged and marked according to state, U.S. laws and regulations, international agreements and military, or carrier rules.

f. Costs required to protect the cargo are the contractor's responsibility.

2. MARKING.

Marking must be clear and easily read. Remove or cover markings that are not pertinent. A carton tag or label will be used if printing or stenciling is not practical. Mark each carton as follows:

a. All cartons must have the following information printed on at least one side of each standard pack shipping container:

- Item description
- Color, size, style (if applicable)
- Case pack (number of selling units in carton)
- Selling unit UPC label
- Date of manufacture (month, year)
- Date of expiration (day, month, year for perishable commodities)
- "REPACK" must be clearly printed on all consolidated cartons.

Repack cartons contain more than one order case pack in a single shipping case. An example of a repack carton is when an order calls for an item to be packed 6, but is shipped in a carton packed 72 (12x6). This carton must be marked "REPACK." Each inner carton of 6 must be packaged in a shippable carton meeting above stated NMFC guidelines.

b. Carton marking information can be printed directly on the corrugated carton or printed on labels and applied to the shipping carton. If stenciling is the only means to mark the cartons, then a minimum 1/4-inch lettering must be used. Exceptions would only pertain to bagged products or non-corrugated packaging (e.g. potting soil, bagged dog food, ladders, etc.). Carton marking should not be confused with shipping labels. Carton markings identify all information particular to the contractor while the shipping label identifies information particular to AAFES, such as where the box is being shipped, order number, mark for, etc. It is permissible to print all carton markings on the shipping label. This label should then be placed on at least one side of the product.

c. All hazardous and flammable commodities will be marked in accordance with state, U.S. laws and regulations, international agreements and military or carrier rules.

d. If additional markings are required, they will be shown in the order "MARK FOR" block. Special marking (e.g., fragile, keep refrigerated, date of manufacture, date of expiration, use by date) may be required.

3. STANDARD SHIPPING LABEL GUIDELINES.

Contractors are required to use a standard shipping label. The label does not need to include any bar coding. However, we will gradually begin to phase in the UCC/128 Shipping Label. Our long-term goal is to use the UCC/128 bar code along with the advanced shipping notification. The standard shipping label must contain the following information.

Note: For DC address and contact information, see [Section 13, Telephone List](#).

Ship From: Contractor's Name	Ship To: AAFES Distribution Center or Facility
Address	Address
City, State, Zip Code	City, State, Zip Code

Mark For: Final receiving location (facility name and seven-digit number).

AAFES order number (e.g., 69-xxxx-xxxx).

Ship From:	Vendor Name Vendor Address City, State, Zip	Mark For: Aberdeen Main Store 104-0505
Ship To:	Dan Daniel Distribution Center 231 Enterprise Drive Newport News, VA 23603	
Order number:	69-xxxx-xxxx	

- a. Items shipped by full pallet or slip-sheet quantities will require one designated shipping label placed on the upper right hand corner (representing the entire pallet) of the unitized load.
- b. Items shipped as individual carton (floor-loaded) quantities and/or mixed on a pallet will require one designated shipping label placed on each carton of merchandise in the shipment.
- c. Palletized items or slip-sheet quantities, designed to be delivered intact, will not be broken down in-transit. To ensure these pallets maintain their integrity, place large labels or tags on all four sides stating "DO NOT BREAK DOWN PALLET."

4. ORDER CONSOLIDATION.

Consolidate FOB origin shipments to the same "ship to" address with a ship date that covers no more than five working days and ship on a single bill of lading. Parcel delivery service and U. S. mail shipments are accepted. If the consolidated shipment is more than 5,000 lbs. or 700 cubic feet, call AAFES Logistics to verify routing. (See [Section 13, Telephone Listing.](#))

5. LOADING.

Contractor will load truckload shipments at its own expense. Loading may involve an ocean container, rail car, TOFC trailer, AAFES vehicle, or commercial carrier.

- a. Palletized shipments are preferred and should be used whenever possible.
- b. Pallet standards will meet these minimums:

- Grade: Grade A four-way, flush non-reversible to be of:
- Good sound material free of knots
 - Seven boards on top and five on bottom with three stringers
 - No missing or broken boards on top or bottom
 - No double stringers or patched boards
 - All stringers to be solid, not broken or cracked
 - Not required to be bleached or white, but should be clean.

- c. Contractors may be required to palletize shipment by specific pallet stacking pattern identified in the order special instructions.

d. Overhang: Merchandise must be stacked on pallets with NO OVERHANG product over the edge of the pallet.

e. Stack by Item: Merchandise MUST be segregated and stacked on the pallet by item.

f. Slip Sheets: Slip sheets may be used for additional layers on top of the stack to help maximize the full cubic space of a trailer.

g. Double Stacks: Pallets may be double-stacked in the trailer, providing the weight and/or height will permit.

h. Stretch Wrap: All slip sheets and/or pallet merchandise must be stretch wrapped to help prevent merchandise loss or damage during shipment. Please do not put labels on the stretch wrap. Always ensure all labels are securely placed on the inside of the stretch wrap. Stretch wrap must be of top quality, memory; retention specifications must be 80 gauge, 15", or the equivalent of Mobil, Borden, or Lineal brands.

i. Pallet Exchange: AAFES does not do pallet exchange except when coordinated in advance with individual delivery destinations. The pallet must also be noted on the carrier freight bill.

6. DOCUMENTATION.

a. Bills of lading will be completed according to the rules of National Motor Freight/Uniform Freight Classification. Include the following on all bills of lading:

- (1) The AAFES order number, pieces, weight, cube, and if for export shipment the transportation control number (TCN). For shipments subject to density ratings, such as toys or plastic articles, show the density per cubic foot and total cubic feet. The actual weight of the shipment is the only weight to be shown. Do not use declared density and weight such as provided in NMFC item 156608 among others, "Bumping Clause." Call AAFES Logistics before shipping merchandise with less than 6 lb. per cubic foot density and a volume of more than 300 cubic feet. (See [Section 13, Telephone Listing.](#))
- (2) Include the statement: ATTACH ONE COPY OF THIS BILL OF LADING, OR MANIFEST, TO YOUR DELIVERY TICKET.
- (3) On prepaid FOB origin shipments, enter on the front of each page: TRANSPORTATION HEREUNDER IS FOR THE ACCOUNT OF THE U.S. GOVERNMENT. THE ARMY AND AIR FORCE EXCHANGE SERVICE, AN INSTRUMENTALITY OF THE U.S. GOVERNMENT, WILL REIMBURSE CHARGES PAID TO THE CARRIER BY THE SHIPPER OR CONSIGNEE.

b. Packing Slip/Invoice. Include a packing slip or invoice copy for each order, or part of an order if partial shipments were authorized. Enclose the packing slip or invoice copy in carton number one or in the document envelope if provided. Mark the outside of carton number one, "Packing Slip Enclosed." The invoice copy serves as a packing slip only.

- (1) Shipments that include more than one order will require more than one invoice. A separate packing slip, corresponding one-to-one for each invoice, is required.

(2) Include the order number and contract line numbers on the packing slip or invoice copy. The packing slip must include an identifying number on the invoice for matching the invoice to the packing slip.

(3) If shown on the order, include the facility name and building number, on the packing slip.

7. ROUTING ORDERS.

a. Contractor must follow FOB origin routing as shown on the order. If an order is received without routing, or a deviation is required, call AAFES Logistics. AAFES must authorize any deviation to the routing instruction before shipment. Call at least three days before the scheduled ship date. No shipments will be sent by any small package carrier (i.e., U.S. Mail, UPS, or RPS) to a Military Ocean Port Command or AAFES transportation center.

Note: Logistics telephone numbers are in Section 13.

b. AAFES has authorized its transportation agents to arrange contractor source loading, changes in delivery points and delivery modes. AAFES' transportation agent will document and send the contractor a copy of what was changed and the contractors' person who agreed to the change. The documentation will be on an AAFES charge/credit voucher. If the change incurs a charge to the contractor or AAFES, the voucher will include the amount of the agreed charge. A change to delivery terms that result in the same or lower contractor payment will be handled by the transportation agent under these procedures. A change to the delivery terms that result in a higher contractor payment must be signed by the contracting officer.

8. SAMPLES.

Ship AAFES requested samples as follows.

a. If shipped by the United States Postal Service (USPS):

HQ AAFES SAMPLE WAREHOUSE
ATTN (insert name and office symbol, e.g., John Boxer, SD-H)
P.O. BOX 660202
DALLAS, TEXAS 75266-0202

b. If not shipped by USPS:

HQ AAFES SAMPLE WAREHOUSE
ATTN (insert name and office symbol, e.g., John Boxer, SD-H)
3911 S. WALTON WALKER BLVD.
DALLAS, TEXAS 75236-1598

9. HAZARDOUS ARTICLES.

Shipments of hazardous/dangerous articles must follow U. S. law and regulations, international agreements, and military or carrier rules. AAFES' transportation centers can provide specific instructions for shipments going overseas. Shipments for overseas locations routed through an AAFES operated CC or DC, or a military terminal, must be marked, packaged, and documented for subsequent international shipment.

10. CROSSDOCK SHIPMENTS.

- a. Contractors must not back order any merchandise on crossdock orders. Any item balance unable to be filled will be canceled after initial shipment.
- b. Contractors must not substitute any merchandise on crossdock orders.
- c. Contractors agree to no minimum order quantities on crossdock items.
- d. Contractors must ship orders complete to the extent possible. If a trailer overflow is experienced, all remaining merchandise must be shipped immediately via preferred AAFES LTL Carrier.
- e. Contractors must give our distribution centers blanket authority to return any merchandise shipped to the DC which was not on the order and/or is in excess of what was ordered. A blanket return authorization (RA) number must be provided to speed the return process. Any crossdock return will be made at the contractor's expense, to include, as applicable, delivery transportation, DC handling, DC administrative fees, and return transportation.
- f. Contractors must immediately notify the contracting officer when model numbers or style numbers are changed or when model changes or production problems create shipment delays.

11. PALLET PICK PROGRAM.

AAFES has a pallet pick program that lets its large volume retail stores receive pallet quantities of warehouse stocked merchandise. Contractors providing merchandise for this operation will be required to identify items for ease of receipt at AAFES DCs.

- a. AAFES orders will specify items that must be shipped in pallet quantities.

Note: The same contractor stock/style number may be on the order but listed as a different seven (7) digit CRC number or fifteen (15) digit item number for individual case pack distribution to smaller retail stores.

- b. Items designated in pallet pick quantities must be delivered in the following manner to insure proper receipt upon delivery to AAFES DCs.
 - (1) Pallet each item based on quantity predetermined by the contracting officer.
 - (2) Shrink-wrap product.
 - (3) To ensure these pallets maintain their integrity, place a large label or tag on all four sides stating: DO NOT BREAK APART PALLET PICK..
 - (4) No changes to the order pallet quantity is authorized without contracting officer approval.

12. SHIPPING TO OVERSEAS LOCATIONS.

- a. **MARK** all cartons with the order "mark for" data.
- b. **CONTAINER LOADING.** AAFES may require the contractor to load ocean containers. The contractor, when loading is complete, will provide container and seal numbers to the transportation center

at least **24 hours prior to vessel cutoff**. *The contractor is responsible for meeting a vessel cut off date/time provided by the AAFES Transportation Center (ATC). The contractor must provide the ATC notice prior to cut off date/time if it cannot meet this obligation.* In the event the contractor does not provide prior notice to the ATC of a failure to meet vessel cut off date/time, the contractor will be assessed an administrative fee for late van and seal, which will equal an initial charge of \$50 for processing the paperwork, and an additional \$50 for every container late within that booking. The contractor will also be charged a “no show” fee of \$250 for every container that does not make the vessel cut off as AAFES incurs charges from the carrier. The ATC telephone numbers for reporting purposes are (972) 277-1970, (972) 277-1968 and (972) 277-7054.

c. **SHIPPING TO DISTRIBUTION CENTERS OR CONSOLIDATORS.** The contractor may be required to ship to a distribution center or consolidator. (2) The contractor will ensure special instructions are included on the bill of lading (i.e., calling for delivery appointment, delivery to a specific building number, etc., when shipping via commercial carrier). (3) Do not ship any overseas destined order that weighs less than 200 pounds, is less than 15 cubic feet, and meets U.S. Postal regulations. (4) Ship the ordered items to the overseas APO address using the U.S. Postal Service. (5) Contact the contracting officer for the APO address.

d. **TCN FOR SPLIT SHIPMENTS.** If the contracting officer authorizes multiple shipments, the contractor will construct the TCN as follows: Combine the store DODAAC with the last eight numbers of the order number and a three-digit code indicating shipment increment. If the shipment, no matter the number of pieces, is complete in one move, the last three digits will be XZX. If the shipment is split, the first increment will be XAX, the second increment will be XBX, etc. The final increment, no matter how many preceding increments, will be XZX. For example an order shipped in three increments will have the first - XAX, the second - XBX and the third - XZX.

e. **SHIPMENT VIA AIR.**

(1) Commercial: Call AAFES Logistics, Traffic Division for routing. (See [Section 13](#) for telephone numbers.)

(2) Military Airlift: The contractor must call AAFES transportation center for air clearance. Do not ship without this clearance. We will give the contractor military airlift shipping labels and instructions. Do not ship without military airlift labels.

13. IMPORTS - SHIPPING FROM OVERSEAS LOCATIONS.

a. **MARK** all cartons with the order “MARK FOR” data.

b. **SHIPPING TO DISTRIBUTION CENTERS OR CONSOLIDATORS.** The contractor may be required to ship to a distribution center or consolidator.

c. **ROUTING.** Contractor must follow FOB origin routing as shown on order. If an order is received without routing, or a deviation is required, call AAFES Logistics. AAFES must authorize any deviation to the routing instructions before shipment. (See [Section 13, Telephone Listing](#).)

d. **LOADING.** Contractor shipments must be loaded by destination, by order number and by style number. For shipments that are not loaded by destination, by order and by style number, a sorting charge may be assessed to the contractor. Sorting charges assessed by an overseas consolidator will be based on their local rates.

e. **CONSOLIDATION CENTER CHARGES.** Overseas consolidator will assess Container Freight Station (CFS) and Forwarders Cargo Receipt (FCR) charges based on local trade tariffs in the area of the consolidator.

14. **DOCUMENTATION.**

- (1) The type of merchandise being imported can determine the documents required to accompany an import shipment. All or part of the following documents will be required on shipments from overseas locations:
- * 1. Bill of Lading
 - * 2. Packing List
 - * 3. Commercial Invoice
 - * 4. Country of Origin Declaration
 - ** 5. Toxic Substance Control Act Certification (TSCA)
 - ** 6. Trademark Certificate
 - ** 7. Textile Declaration
 - ** 8. Textile Export Visa
 - ** 9. Certificate of Origin
 - ** 10. Inspection Certificate
 - ** 11. Container Freight Manifest

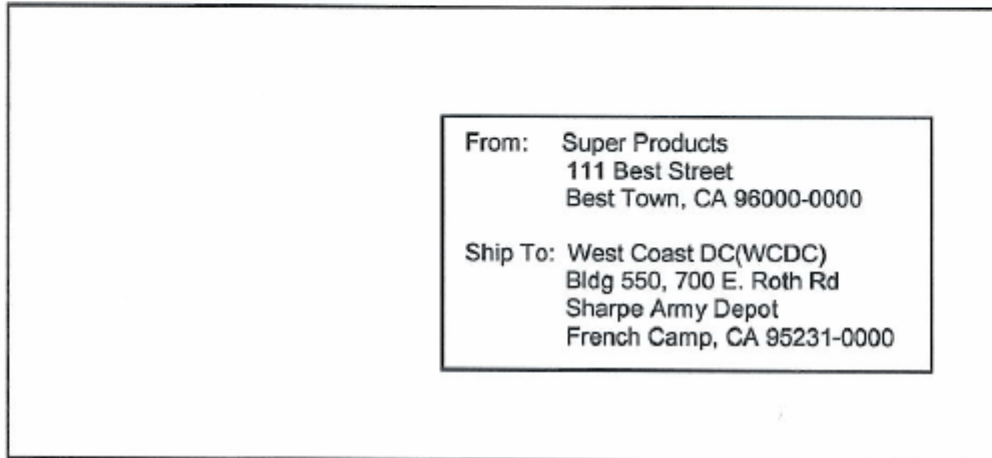
Note: * Required documentation. ** Required if applicable.

- (2) Due to changing requirements, documentation that is not listed may be requested.
- (3) Addresses to where documentation is to be sent will be given to the contractor through the routing instructions on the order.

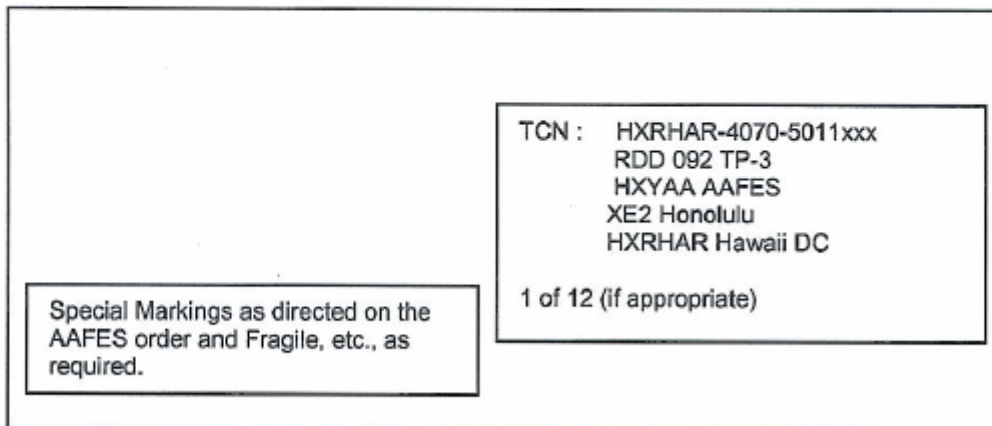
*****SEE FIGURE 1 BELOW FOR SAMPLES OF CARTON MARKINGS*****

FIGURE 1

SAMPLE CARTON MARKINGS



(Left Side of Carton)



(Front of Carton)

SECTION 5A - SPECIAL INSTRUCTIONS

- GO0.** Pallet Shipments: The type of pallet pattern varies. Contractor NON-BULK shipments, to all distribution centers will be on pallet type in GO5. Contractors will use pallet type GO7 for BULK shipments to distribution centers. BULK pallets (GO7) are used when a case exceeds 50 pounds, 36 inches in length, 23 inches in width, and 3 inches in height.
- GO1.** RESERVED.
- GO2.** Mark "**Aerosol**" in bold lettering not less than 7/16" high on all shipping containers with aerosol dispensers.
- GO3.** Partial shipments are authorized.
- GO4.** Inspection will be at contractor or subcontractor facility. The contractor will provide, at no cost to AAFES, inspector parking, assistance in moving merchandise, sample unpacking, repacking, adequate inspection space, inspection table(s), sufficient lighting, and any special or support equipment (e.g., for product function tests) needed to accomplish the inspection.
- GO5.** Use a 40" x 48" four-way entry flush side, non-reversible pallet. No product overhang is permitted. The maximum height including the pallet, will not exceed 39". Wrap each pallet using one of the following methods: Stretch film, shrink film, or top-capped strapped four ways. Stretch film is preferred. If using the top-capped method, we prefer plastic strapping.
- GO6.** RESERVED.
- GO7.** Use a 48" x 40" pallet for bulk storage. Maximum height will not exceed 60". No product overhang is permitted. Wrap each pallet using one of the following methods: Stretch film, shrink film, or top-capped strapped four ways. Stretch film is preferred. If using the top-capped method, we prefer plastic strapping.

SECTION 5B - SPECIAL INSTRUCTIONS

1. FOLLOW THE INSTRUCTIONS ON THE ORDER ROUTING BLOCK.. If the ROUTING block says, REFER TO SPECIAL INSTRUCTIONS, the following SPECIAL INSTRUCTIONS apply:

a. SHIPMENTS TO EXCHANGES IN CONTIGUOUS UNITED STATES (CONUS).

- (1) FOB Destination: The vendor is responsible for transporting the merchandise to its destination. AAFES encourages the use of the preferred carriers for truckload and less-than-truckload quantities. For parcel service of smaller shipments, you are encouraged to use Roadway Package Service (RPS) or United Parcel Service (UPS).
- (2) FOB Origin: Ship directly to the facility all shipments that are less than 200 pounds and less than 15 cubic feet, use RPS if available; if RPS is not available, use UPS.
 - (a) For shipments that are more than 200 pounds but less than 5,000 pounds or 700 cubic feet, use Consolidated Freightways to ship the freight as described in [3a and 3b](#) below. If Consolidated Freightways does not serve both pick up and delivery points directly, call AAFES Logistics for instructions. (See [Section 13, Telephone Listing.](#))
 - (b) For shipments exceeding 5,000 pounds or 700 cubic feet, call AAFES Logistics for instructions. (See [Section 13, Telephone Listing.](#))

b. SHIPMENTS TO OVERSEAS EXCHANGES (OSE) (INCLUDING ALASKA AND HAWAII).

- (1) The contractor should mail a FOB origin or FOB destination shipment directly to the overseas APO/FPO address using the United States Postal Service when: (1) the total weight is less than 200 pounds; (2) each parcel weighs less than 70 pounds; (3) each parcel has a combined length and girth of no more than 108 inches. All packages must include the APO/FPO address, the order number, and the statement, "CONTENTS FOR OFFICIAL USE, EXEMPT CUSTOMS REQUIREMENTS." Saudi Arabia and Kuwait shipments must be sent registered mail.
- (2) The contractor chooses the carrier for FOB destination shipments. We encourage the use of the preferred carriers for truckload and less-than-truckload shipments.
- (3) For FOB origin shipments where the shipment weighs more than 200 pounds but less than 5,000 pounds or 700 cubic feet, use Consolidated Freightways to ship the freight as described in [3a, b, and c](#) below. If Consolidated Freightways does not serve both origin and destination, contact AAFES Logistics. (See [Section 13, Telephone Listing.](#))

Include the following on all bill of lading copies to alert the carrier that an appointment is required. CARRIER APPOINTMENT IS REQUIRED. (See [Section 13.](#))

- (a) For the Azores, Saudi Arabia, Kuwait, and European countries, ship to:
AAFES Transship Warehouse
Dan Daniel Distribution Center
233 Enterprise Drive
Newport News, VA 23603

Include the following on all Bill of Lading copies to alert the carrier that an appointment is required.
CARRIER APPOINTMENT REQUIRED. (See [Section 13.](#))

- (b) For Hawaii, Alaska, and Pacific countries, ship to:
AAFES West Coast DC (WCDC)
Bldg 550, 700 East Roth Road
Sharpe Army Depot
French Camp, CA 95231-0000
AAFES Facility Number: 1059966
DODAAC: HX7WCW

Include the following on all Bill of Lading copies to alert the carrier that an appointment is required.
CARRIER APPOINTMENT REQUIRED. (See [Section 13.](#))

- (c) For Honduras, Puerto Rico, and Haiti, ship to:
AAFES Atlanta Distribution Center
Transship Building #514
Fort Gillem
Forest Park, GA 30297

Include the following on all Bill of Lading copies to alert the carrier that an appointment is required.
CARRIER APPOINTMENT REQUIRED. (See [Section 13.](#))

- (d) For Sinai (El-Ghora MFO) regardless of FOB terms, ship to:
World Trade Transport Corp.
22 Export Dr.
Sterling, VA 22170

A 24-HOUR APPOINTMENT IS REQUIRED. CONTACT WORLD TRADE CORP. (See [Section 13,](#)
[Telephone Listing.](#))

- (4) For all chill or freeze cargo shipments or shipments of general cargo over 10,000 lbs. or 700 cubic feet, regardless of the FOB terms, call AAFES Logistics (see [Section 13](#)) for routing instructions fourteen days before shipping.
- (5) For Thule AB, regardless of the FOB terms:
 - (a) Parcels less than 70 pounds and 108 inches in combined length and girth should be mailed directly to the overseas APO address using the U. S. Postal Service. All packages must include the APO address, the order number, and the statement: CONTENTS FOR OFFICIAL USE, EXEMPT CUSTOMS REQUIREMENTS.
 - (b) For shipments over 70 pounds and 108 inches combined length and girth, call AAFES Logistics for instructions.
- (6) Commercial air shipments to Korea, regardless of the FOB terms, require an original government Bill of lading for customs purposes. The contractor must contact AAFES Logistics for instructions before shipping.

c. **OSE MARKING INSTRUCTIONS, INCLUDING ALASKA AND HAWAII.**

- (1) The following instructions apply to shipments against an order issued by an overseas store. If the order does not have SHIP TO and MARK FOR information, call AAFES Logistics. These instructions do not apply to shipments made through the United States Postal Service.

IDENTIFICATION. Each order will identify the receiving facility by the seven-digit number, facility name, and Department of Defense Activity Address Code (DODAAC) (see [paragraph 2](#) below).

- (2) Marking.

- (a) Sample instructions for water shipments:

TCN _____ (see [paragraph \(b\)](#) below)
Store Name _____
Facility Number _____ (7-digit)

- (b) The Transportation Control Number (TCN) is developed by combining the store DODAAC with the last eight numbers of the delivery order number and a 3-letter code showing the number of increments in the shipment. The DODAAC number may be found on the delivery order. If the shipment is complete in one move, no matter the number of pieces, the last three characters will be XZX. If the shipment is split, the first increment will be XAX, the second increment will be XBX, etc. The final increment, no matter the preceding increment code, will be XZX.

For example, a complete MARK FOR against order 12-2662-2111 for Giessen, Germany would be:

TCN HXGAGD-2662-2111 XZX
Giessen DC
Facility # 1361146
12-2662-2111

2. SHIPMENTS TO DISTRIBUTION CENTERS IN THE CONTIGUOUS UNITED STATES (CONUS).

- a. Carrier delivery appointments are required at all CONUS DCs.

b. The contractor chooses the freight carrier for FOB destination shipments. We encourage the use of designated preferred carriers for truckload or less-than-truckload (LTL) shipments indicated in the ROUTING block of the order. Contractor is responsible for insuring carrier drivers assist CONUS DCs with freight off-loading.

SECTION 6 - RESERVED.

SECTION 7 - RESERVED.

SECTION 8 - RESERVED.

SECTION 9 - FOOD AND BEVERAGE

- FO1.** Products will originate in an establishment listed in the Directory of Sanitary Approved Food Establishments for Armed Forces Procurement, or from an establishment exempt in accordance with Army Regulation 40-657/Air Force Regulation 48-116, Veterinary Food Inspection. The directory is published by the U.S. Army Health Services Command, Fort Sam Houston, Texas.
- FO2.** Products shipped must be from a latest date of pack. However, seasonally packed products will not have been in storage more than twelve months. Identify food in Groups I, III, V, VI and IX, with a readable date. Use either date of production, date of processing/pasteurizing or a "use by" or "pick up" date. For shelf-stable items, we prefer open-dating, but coding is acceptable. Contractors who do not use open-dating will, if requested, give the contracting officer a code "key" explaining actual date of production or processing.
- FO3.** Ship products supplied against this contract from the latest pack. Prepackaged food items may be open- or closed-coded according to regular commercial practices. When closed-coding is used, the contractor will provide the contracting officer a code key explaining the information coded and the product shelf life.
- FO4.** Additional delivery charges, owing to Saturday, Sunday, and holiday overtime rates, are reimbursable if incurred following delivery instructions.
- FO5.** Ship and store under 70° Fahrenheit (21.1° Celsius). Protect from heat.
- FO6.** Ship and store under refrigeration at 32° to 40° Fahrenheit (0° to 4.4° Celsius). Chill.
- FO7.** Ship and store under refrigeration at 0° Fahrenheit (-17.7° Celsius) or lower. Frozen.
- FO8.** The Federal Republic of Germany requires certification on all meats, meat by-products, poultry and poultry products. This certification attests that the products have been placed in cans or hermetically sealed packages, then processed at 100° Celsius (212° Fahrenheit). The contractor will provide the contracting officer a copy of this certificate, if requested.
- FO9.** Federal Republic of Germany import certification requirements for meats, meat by-products, poultry and poultry products for military shipment differ from those for commercial shipments. Required certification is normally provided by in-plant USDA personnel when containers are source-loaded. Items sent to port for container loading may be certified by military veterinary personnel.

SECTION 10 - EQUIPMENT, SUPPLIES AND AUTOMOTIVE

- E01.** Except for vehicles, each unit will include manuals for installation, operation, and maintenance with lists of spare parts and supplies with prices. Vehicles will include operators' manuals. Revised parts and supplies lists will be sent to AAFES as they are issued.
- E02.** Vehicle serial numbers will be shown on individual shipping documents covering each vehicle.
- E03.** Ship on wheels, fully assembled, unboxed, with no preparation for overseas shipment.
- E04.** Contractor warrants that the merchandise furnished under this contract has been manufactured in accordance with the current edition of the American National Standards Institute (ANSI) safety specifications for power lawn mowers. That the delivered merchandise contains the Outdoor Power Equipment Institute (OPEI) approved label.
- E05.** Overruns or underruns, not exceeding 10% of the quantity ordered, will constitute a complete delivery. A charge or credit at the order price will be made for the amount over or under. If the delivery is an underrun, contractor will state "complete shipment" on the delivery ticket and packing list.
- E06.** Quantity ordered is the minimum amount to be delivered, overruns not exceeding 5% of the quantity ordered, will constitute a complete delivery.

SECTION 11 - RESERVED.

SECTION 12 - RESERVED.

SECTION 13- TELEPHONE LIST and DISTRIBUTION CENTER ADDRESSES (DEC 07)

Accounts Payable—See Section 3. If Internet access is not available, please call the FA Help Desk at 1-800-582-3289, or fax your inquiry to 214-465-2900.

AAFES Logistics Customer Service Office.....	214-312-2660
AAFES Logistics Freight Rate Specialist	214-312-3782
AAFES Logistics Routing	214-312-4854
AAFES Logistics for Imports	214-312-3678
AAFES Logistics for Transportation Management System	214-312-3122
AAFES Transship Warehouse Forest Park, GA, for Honduras, Puerto Rico, and Haiti	404-469-338/5339
AAFES Transship Warehouse Newport News, VA, for Azores, Saudi Arabia, Kuwait & European Countries.....	787-888-2858
AAFES Transship Warehouse West Coast DC for Hawaii, Alaska, and Pacific Countries	209-234-3722
Electronic Data Interchange Support Staff	214-312-2011
Exchange Mail Order Catalog Vendor Drop Ship Unit	214-312-3827
Mail Order Catalog	fax 214-312-3775
Exchange Mail Order Catalog Questions About Day-to-Day Operations	214-312-2945
Loss Prevention	800-527-6789
Loss Prevention	fax 214-3152-3728
World Trade Corp.....	703-450-6800
Uniform Code Council, Inc. UPC Codes	800-543-8137

DISTRIBUTION CENTER ADDRESSES AND TELEPHONE NUMBERS

Atlanta DC.....	Customer Service	404-469-5267
	Carrier Appointment Scheduling	404-469-5152

Ship to: Building 514 Fort Gillem Forest Park, GA 30297	Mail to: P.O. Drawer W-W Forest Park, GA 30297
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Dan Daniel DC	Customer Service	757-888-2867
	Carrier Appointment Scheduling	757-888-2846

Ship to: 231 Enterprise Drive Newport News, VA 23603-0666	Mail to: 231 Enterprise Drive Newport News, VA 23603-0666
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Waco DC.....	Customer Service	254-666-8505
	Carrier Appointment Scheduling	254-666-8540

Ship to: 1801 Exchange Parkway Waco, TX 76712	Mail to: 1801 Exchange Parkway Waco, TX 76712
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West Coast DC	Customer Service	209-234-3742
	Carrier Appointment Scheduling	209-234-3722
	Carrier Appointment Scheduling	fax 209-234-3731

Ship to: Building 550, 700 East Roth Road Sharpe Army Depot French Camp, CA 95231	Mail to: Building 550, 700 East Roth Road Sharpe Army Depot French Camp, CA 95231
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Fashion DF	Carrier Appointment Scheduling	757-888-2906
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Ship to: 233 Enterprise Drive Newport News, VA 23603	Mail to: 233 Enterprise Drive Newport News, VA 23603
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SECTION 13A - OVERSEAS TELEPHONE LIST and DISTRIBUTION CENTER ADDRESSES

MAIL TO

SHIP TO (OVERSEAS CONTRACTORS ONLY)

United Kingdom Distribution Center
Unit 5075
APO AE 09461
Telephone 011-44-1-842-828-484

AAFES EDA UKDC
RAF Feltwell IP 26, YHL
NR Thetford, Norfolk U.K.

Giessen Distribution Center
Unit 20702
APO AE 09143
Telephone 011-49-641-407-374 (from USA)
0641-407-374 (within Germany)

AAFES GDC
Postfach 11 01 20
35346 Giessen, Germany

Gruenstadt Food Plant Prod.
Unit 29804 Box 51
APO AE 09056
Telephone 011-49-6359-808101

Gruenstadt Food Plant Prod.
Kirchheimer Str. 104
67269 Gruenstadt, Germany

AAFES Hawaii Retail Whse
Building 1728, Kuntz Ave.
Hickam AFB, HI 96853-5297
Telephone 808-422-6122

AAFES Hawaii Retail Whse
Building 1728, Kuntz Ave.
Hickam AFB, HI 96853-5297

Japan Distribution Center
Unit 5203
APO AP 96328-5203
Telephone 011-81-425-52-2511, ext. 3714

Japan Distribution Center
Bldg. 4084, Yokota Air Base
Yokota Air Base, Japan

Korea Central Retail Whse
Unit 15500 (Camp Market)
APO AP 96284-0566
Telephone 011-82-32-520-6521

Korea Central Retail Whse
Bldg T-1715, Camp Market Depot
Bupyong-Ku, Inchon, Korea

Okinawa Retail Whse
Unit 35163
APO AP 96378-5163
Telephone 011-81-98-892-5111

Okinawa Retail Whse
Bldg. 801, Camp Kinser
Okinawa, Japan

SECTION 14 - EEO POSTERS

EEO posters are available at the following Department of Labor WEB sites:

DOL Poster page

<http://www.dol.gov/dol/osbp/public/sbrefa/poster/main.htm>

EEO Poster in English (for black and white printer)

<http://www.dol.gov/dol/esa/public/regs/compliance/posters/pdf/eeospbw.pdf>

EEO Poster in Spanish (for black and white printer)

<http://www.dol.gov/dol/esa/public/regs/compliance/posters/pdf/eeobw.pdf>

EEO Poster in English (for color printer)

<http://www.dol.gov/dol/esa/public/regs/compliance/posters/pdf/eeoc.pdf>

EEO Poster in Spanish (for color printer)

<http://www.dol.gov/dol/esa/public/regs/compliance/posters/pdf/eeospc.pdf>