

**GENERAL PROVISIONS FOR STAND-ALONE PURCHASE ORDERS  
ALL PRODUCTS & SERVICES**

**(April 2018)**

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**1. LEGAL STATUS (OCT 12).**

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

**2. DISPUTES (FEB 18).**

**a.** This Contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 7101-7109). Except as provided in the Act, all disputes arising under or relating to this Contract shall be resolved under this clause. **b.** "Claim" as used in this clause means a written demand or written assertion by one of the Contracting parties seeking the payment of money in a sum certain or other relief arising under or relating to this Contract. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Contract Disputes Act. **c.** A claim by the Contractor shall be made in writing and submitted to the Contracting officer for a written decision. A claim by the Exchange against the Contractor shall be made by a written decision by the Contracting officer. **d.** For Contractor claims exceeding \$100,000, the Contractor shall submit with the claim, a signed certification that: **(1)** The claim is made in good faith; **(2)** Supporting data are accurate and complete to the best of the Contractor's knowledge and belief, and **(3)** The amount requested accurately reflects the Contract adjustment for which the Contractor believes the Exchange is liable. **e.** The claim must be executed by an individual with authority to bind the Contractor. **f.** The contracting officer will mail or otherwise furnish a written decision in response to a contractor claim within 60 days. If more time is necessary to investigate and process the claim, the Exchange will notify the contractor. For contractor claims that do not exceed \$100,000, no answer by the contracting officer within the designated timeframe is a denial of the claim. Such decision by the contracting officer shall be final and conclusive unless within 30 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). **g.** Pending final resolution on any request for relief, claim, appeal, or action arising under or relating to this Contract, Contractor will proceed diligently with the performance of this Contract and will comply with the Contracting officer's decisions. **h.** Submission of false claims to the Exchange is a violation of federal law and may result in civil and/or criminal penalties. If Contractor cannot support all or part of its claim as a result of fraud or misrepresentation of fact, then in addition to other remedies or penalties provided for by law, Contractor will pay the Exchange an amount equal to the unsupported part of the claim and all the Exchange's costs attributable to reviewing that part of the claim.

**3. REPRESENTATIONS (JAN 17).**

**a.** Contractor will not represent themselves to be an agent or representative of the Exchange, another instrumentality or an agency of the United States. **b.** This agreement does not create an employment or joint employer relationship between an employee of the Contractor and the Exchange. Contractor is the sole employer of its employees. Personnel employed by Contractor under this contract are not employees of the Exchange. The Exchange affirmatively disclaims control over the terms and working conditions of the Contractor's employees, including but not limited to the ability to hire, fire, discipline, train, set work hours, taxes, determine compensation and benefits, and exercising day-to-day supervision. **c.** Contractor is responsible for compliance with labor, employment and tax laws, and will accept liability for breach of applicable labor, employment and tax laws and terms of this contract. In the event of a breach by Contractor related to this provision, Contractor agrees to indemnify the Exchange.

**4. ADVERTISEMENTS (OCT 12)**

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, include the Exchange. All contractor advertisements that refer to the Exchange or military exchanges will contain a statement that the advertisement was neither paid for nor sponsored, in whole or in part, by the Exchange, the military Exchange system, or the U,S, Government.

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**5. AUDIT (FEB 15).**

This provision applies if the amount of the order exceeds \$10,000. The Exchange 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 up to three years after the final payment under the Contract. Contractor agrees to include this clause in all subcontracts that exceed \$10,000.

**6. INDEMNIFY AND HOLD HARMLESS (MAY 15).**

Contractor will indemnify, hold harmless and defend the Exchange and all other United States agencies and Instrumentalities, their agents, representatives, employees and customers from any and all suits, judgments, claims, and all charges and expenses incident thereto which arise out of this agreement.

**7. AUTHORITY TO BIND (AUG 08).**

“Contracting Officer” means a person authorized by the Exchange Director/Chief Executive Officer (CEO) to execute and administer contracts, purchase orders or other agreements on behalf of the Exchange. Only Contracting Officers may waive or change contract terms; impose additional contract requirements; issue cure, show-cause and termination notices; issue claims against contract and issue final decisions on Contractor claims.

**8. INSURANCE (APR 13)**

The Contractor will maintain the appropriate insurance coverage normally expected of a commercial business entity for their respective industry such as Worker's compensation and Employer's Liability Insurance, Automobile Bodily Injury and Property Damage Liability, Commercial General Liability, Professional Liability, and Comprehensive Crime Coverage. The Exchange may request a certificate of insurance showing that such insurance is in effect. The Exchange recognizes that some Contracts will not require insurance and we expect the Contractor to take action as appropriate.

**9. GRATUITIES (FEB 15).**

Contractor warrants that no gratuity (offer, promise or gift of entertainment, money or other thing of value) will be offered or accepted by any Contractor representative to or from any government employee or subcontractor, or any member of their family or household.

**10. ASSIGNMENT (FEB 15).**

Neither party may assign their rights under this agreement without the consent of the other party, which consent will not be unreasonably withheld. The Assignment of Claims Acts, 31 U.S.C. 3272 and 41 U.S.C. 15, are not applicable to amounts due under Exchange Contracts.

**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. TERMINATION (SEP 13).**

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

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

b. This contract may be terminated in whole or in part by either party upon thirty (30) days notice (ninety (90) days for barber, beauty, beauty with nails, Paul Mitchell, and vending contracts) in writing to the other party.

**13. MODIFICATIONS AND ADDITIONS (MAY 04).**

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

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**14. CHOICE OF LAW AND FORUM (OCT 11)**

This contract shall be construed and interpreted in accordance with the Federal laws of the United States of America.

**15. COMBATING TRAFFICKING IN PERSONS.**

Contractor shall comply with 48 CFR 52.222-50.

**16. AFFIRMATIVE ACTION FOR DISABLED VETERANS & VETERANS OF THE VIETNAM ERA (DEC 07).**

If the Contract or the total of all orders issued during a calendar year equal or exceed \$25,000 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.

**17. AFFIRMATIVE ACTION FOR INDIVIDUALS WITH DISABILITIES (DEC 09).**

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.

**18. RESTRICTIONS ON PURCHASES OF FOREIGN GOODS (MAR 12).**

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 at [www.ustreas.gov/ofac/](http://www.ustreas.gov/ofac/). 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.

**19. NOTIFICATION OF DEBARMENT/SUSPENSION STATUS (MAY 13).**

The Contractor shall provide immediate notice to the Contracting Officer in the event of being suspended, debarred or declared ineligible by any other Federal Department or agency, or upon receipt of a notice of proposed debarment from another Federal Department or agency during the performance of this contract.

**20. BUY AMERICAN ACT / TRADE AGREEMENT ACT (DEC 16)**

(Applicable to contracts/orders in excess of \$3,000). The contractor shall comply with the requirements of 41 USC 10a et seq. which are incorporated by reference in this contract.

**21. FAIR LABOR STANDARDS ACT (DEC 16).**

The contractor shall comply with the requirements of the Fair Labor Standards Act of 1938, 29 U.S.C. 201, et seq, as amended, which is incorporated by reference in this contract.

**22. DRUG-FREE WORKPLACE (FEB 15).**

Contractor agrees to make a good faith effort to establish and maintain a drug-free workplace in connection with the performance of this contract.

**23. INVOICING AND PAYMENT (JUL 15).**

The contractor shall comply with the requirements stated in Section 3 – Invoicing and Payment of [Exchange Terms & Conditions for Expense, Supplies & Equipment](#), which are incorporated by reference in this contract.

**GENERAL PROVISIONS FOR STAND-ALONE PURCHASE ORDERS  
ALL PRODUCTS & SERVICES**

**(April 2018)**

**ATTACHMENT 1 to  
General Provisions for Stand-Alone Purchase Orders  
CONSTRUCTION**

**1. CONTRACT WORK HOURS & SAFETY STANDARDS ACT—OVERTIME COMPENSATION (JUL 13).**

(Applicable to construction contracts in excess of \$2,000 performed in the 50 States, the District of Columbia, or any U.S. territory). This contract, to the extent that it is of the character to which the Contract Work Hours and Safety Standards Act (40 USC 327) applies, is subject to all applicable provisions of the Act and the regulations of the Secretary of Labor thereunder (29 CFR, Part 5).

**2. DAVIS-BACON ACT (MAY 15).**

(Applicable to construction contracts in excess of \$2,000 performed in the 50 States or the District of Columbia). The contractor shall comply with the requirements of 29 CFR Part 5, which are incorporated by reference in this contract.

**3. COMPLIANCE WITH COPELAND ACT REQUIREMENTS (JUL 13).**

(Applicable to construction contracts in excess of \$2,000 performed in the 50 States or the District of Columbia). The contractor shall comply with the requirements of 29 CFR Part 3, which are incorporated by reference in this contract.

**4. COMPLIANCE WITH MILLER ACT REQUIREMENTS (MAY 15).**

(Applicable to construction contracts in excess of \$2,000 performed in the 50 States or the District of Columbia). The contractor shall comply with the requirements of 48 CFR Subpart 28.1, which are incorporated by reference in this contract.

**5. ESTABLISHING A MINIMUM WAGE FOR CONTRACTORS (DEC 16)**

(Applicable to construction contracts in excess of \$2,000 performed in the 50 States or the District of Columbia). Executive Order 13658 - Establishing a Minimum Wage for Contractors, and its implementing regulations, including the applicable contract clause, are incorporated by reference into this contract as if fully set forth in this contract. The full text of the contract clause in Appendix A to 29 CFR Part 10 is located at <https://www.gpo.gov/fdsys/pkg/FR-2014-10-07/pdf/2014-23533.pdf#page=98>.

**6. ESTABLISHING PAID SICK LEAVE FOR CONTRACTORS (DEC 16)**

(Applicable to construction contracts in excess of \$2,000 performed in the 50 States or the District of Columbia). Executive Order 13706 - Establishing Paid Sick Leave for Federal Contractors, and its implementing regulations, including the applicable contract clause, are incorporated by reference into this contract as if fully set forth in this contract. The full text of the contract clause in Appendix A to 29 CFR Part 13 is located at <https://www.gpo.gov/fdsys/pkg/FR-2016-09-30/pdf/2016-22964.pdf#page=126>.

**GENERAL PROVISIONS FOR STAND-ALONE PURCHASE ORDERS  
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**ATTACHMENT 2 to  
General Provisions for Stand-Alone Purchase Orders  
SUPPORT SERVICES**

**1. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT.**

(Applicable to contracts for services in excess of \$2,500 performed in the 50 States, the District of Columbia, or any U.S. territory). This contract, to the extent that it is of the character to which the Contract Work Hours and Safety Standards Act (40 USC 327) applies, is subject to all applicable provisions of the Act and the regulations of the Secretary of Labor thereunder (29 CFR, Part 5).

**2. CONVICT LABOR (MAY 1989).**

(Applicable to service contracts in excess of \$2,500 performed 50 States, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, or the U.S. Virgin Islands). 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, as amended by Executive Order 12608, September 9, 1987.

**3. SERVICE CONTRACT LABOR STANDARDS STATUTE [FORMERLY SERVICE CONTRACT ACT] (DEC 16).**

(Applicable to service contracts in excess of \$2,500 performed in the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, Johnston Island, Wake Island, and the outer Continental Shelf as defined in the Outer Continental Shelf Lands Act, but does not include any other place subject to U.S. jurisdiction or any U.S. base or possession within a foreign country). The contract clause set forth at 29 CFR § 4.6 is incorporated by reference in all contracts exceeding \$2,500, if the principal purpose of the contract is to furnish services through the use of service employees. Unless otherwise provided, service contracts that are indefinite in amount are deemed to exceed \$2,500.

**4. ESTABLISHING A MINIMUM WAGE FOR CONTRACTORS (DEC 16)**

(Applicable to service contracts in excess of \$2,500 performed in the 50 States or the District of Columbia). Executive Order 13658 - Establishing a Minimum Wage for Contractors, and its implementing regulations, including the applicable contract clause, are incorporated by reference into this contract as if fully set forth in this contract. The full text of the contract clause in Appendix A to 29 CFR Part 10 is located at <https://www.gpo.gov/fdsys/pkg/FR-2014-10-07/pdf/2014-23533.pdf#page=98>.

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**ARMY AND AIR FORCE EXCHANGE SERVICE**

**EMPLOYEE CLASSIFICATIONS**

This statement of equivalent the Exchange rates is required to be made by the Exchange in accordance with Section 2(a)(5) of the Service Contract Act, but a contractor under this order is not required to pay the rates set forth on this page. The contractor is required to pay rates in accordance with any applicable currently effective wage determination from the Department of Labor made part of this contract. The following classes of service employees would be utilized by the Exchange if the activity were a direct operation of the Exchange.

**INFORMATION ONLY**

Job Classification

Hourly Wages

**FRINGE BENEFITS**

Life, accident and health insurance, sick leave programs, and retirement are 29.09 percent of basic hourly rates.

Holidays: New Year's Day, Martin Luther King's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Christmas Day.

Paid Vacation: 2 hours of annual leave each week for an employee of less than 3 years of service; 3 hours of annual leave each week for an employee with 3 but less than 15 years of service; 4 hours of annual leave each week for an employee with 15 or more years of service.