

D. PERFORMANCE WORK STATEMENT

D.1 TERMS AND CONDITIONS

D.1.1 DELIVERY TIMES: The contractor's facility will be open for delivery, inspection, acceptance and pick-up during the following listed times:

| | OPEN | CLOSED |
|-----------|-------|--------|
| Monday | _____ | _____ |
| Tuesday | _____ | _____ |
| Wednesday | _____ | _____ |
| Thursday | _____ | _____ |
| Friday | _____ | _____ |
| Saturday | _____ | _____ |
| Sunday | _____ | _____ |

D.1.2 INSPECTION: Contractor agrees to allow personnel from the JPPSO-San Antonio to conduct quality assurance inspections of Government stored vehicles and storage facility. The Government shall not be required to provide the contractor with any advance notice of its intent to inspect. All inspections will be conducted during the contractor's normal hours of operation as cited in section D.1.1.

D.1.3 HOLIDAYS: For purposes of business coordination, the contractor is hereby advised that the Government will observe the following holidays. The installation or access to its personnel may be restricted on these holidays.

| <u>NAME OF HOLIDAYS</u> | <u>TIME OF OBSERVANCE</u> |
|----------------------------------|---------------------------|
| NEW YEARS DAY | 01 JANUARY |
| MARTIN LUTHER KING, JR. BIRTHDAY | 3rd MONDAY IN JANUARY |
| WASHINGTON'S BIRTHDAY | 3rd MONDAY IN FEBRUARY |
| MEMORIAL DAY | LAST MONDAY IN MAY |
| INDEPENDENCE DAY | 04 JULY |
| LABOR DAY | 1st MONDAY IN SEPTEMBER |
| COLUMBUS DAY | 2nd MONDAY IN OCTOBER |
| VETERANS DAY | 11 NOVEMBER |
| THANKSGIVING DAY | 4th THURSDAY IN NOVEMBER |
| CHRISTMAS DAY | 25 DECEMBER |

(a) In the event any of the above holidays occur on a Saturday or a Sunday, then the holiday shall be observed by the contractor in accordance with the practices as observed by the assigned Government employees at the using activity.

(b) In the event the contractor is prevented from performance as a result of an executive order or an administrative leave determination applying to the using activity, such time may be charged to the contract as a direct cost provided such charges are consistent with the contractor's accounting practices.

D.2 AGREEMENT

D.2.1 This agreement applies to services that the Government may require for the storage of privately owned vehicles and related services. Should the Government order such services, the Government will

require the contractor to furnish all necessary labor, material, storage facilities, and performance related services, as may be specified on the service order.

D.3 SCOPE

D.3.1 The purpose of this Agreement is to establish the terms and conditions under which the contractor will provide necessary supervised labor and materials for storage of privately owned vehicles and related services under orders issued from time to time by the ordering officer. This Agreement does not obligate the Government to issue any orders for any services.

D.3.2 The contractor shall furnish all supervised labor, materials, and warehouse space for the storage of privately owned vehicles and the performance of related services as specified in the service order issued by an authorized ordering officer at the using activities.

D.3.3 The rights and obligations of the parties to the Agreement shall be subject to and governed by the provisions of the Agreement and the order(s) issued thereunder. To the extent of any inconsistency between the Agreement and any order, the provisions of the Agreement shall prevail.

D.3.4 The following terms used throughout this Agreement have the meaning as set forth below:

D.3.4.1 Complete Service: The rate bid includes all related services necessary to properly store vehicle, such as disconnecting and taping battery cables, draining fuel tank/system and replacing with anti-corrosive agent, fogging cylinders with anti-corrosive lubricant, elevating vehicle, covering vehicle, maintaining battery charge and tire pressure, reconnecting battery cables, replenishing fuel tank with 2 gallons of appropriate fuel and cleaning vehicle interior and exterior upon termination of storage.

D.3.4.2 Contracting Officer Representative (COR): An individual of a using activity delegated by the contracting officer to enter into and administer contracts and make determinations and findings with respect thereto or with any part of such authority.

D.3.4.3 Lot: One (1) privately owned vehicle placed in storage at Government expense and covered by one service order.

D.3.4.4 Ordering Officer: An individual of a using activity authorized to issue Service Orders under this Agreement. The individual may be the COR/QAE of a using activity or a duly appointed ordering officer so authorized.

D.3.4.5 Owner or member: An individual in whose name the vehicle is stored under this Agreement.

D.3.4.6 Personnel and Equipment: Qualified contractor employees and all items required to properly store and maintain the storage of POVs in a proper facility.

D.3.4.7 Privately Owned Vehicle (POV): Includes motorcycles, automobiles, sport utility vehicles, pickup trucks, and vans authorized by entitlement.

D.3.4.8 Proper Facility: An enclosure which will provide shelter from environmental elements from all directions. Pavement must consist of concrete or asphalt foundation and the building will meet all appropriate local and governmental codes for such a structure.

D.3.4.9 Quality Assurance Evaluator (QAE): A Government representative who has been appointed as QAE shall be responsible for inspection and acceptance of service rendered by the contractor.

D.3.4.10 Storage period: The period of time the contractor has possession of the vehicle pursuant to Government orders. The vehicle storage period will be for a period of 15 days or longer. The Government reserves the right to have any government stored vehicle removed from the contractor's facility at any time prior to the ending of the anticipated short period.

D.3.4.10.1 Short term storage: Storage of an automobile for a period of time not less than 15 days not to exceed 20 weeks. If storage is anticipated to be short term storage, the contractor will disconnect the battery and allow sufficient time for charging and charge the battery prior to pick-up. If the contractor determines that the battery is not chargeable, the contractor will make every effort possible to contact the member prior to pick-up.

D.3.4.10.2 Long term storage: Storage of an automobile for a period of time exceeding 20 weeks. Contractor will advise member in standard commercial practices for long term storage vehicle fuel system care, disconnect the battery, cover the vehicle and allow sufficient time for charging and charge the battery prior to pick-up. If the contractor determines that the battery is not chargeable, the contractor will make every effort possible to contact the member prior to pick-up.

D.3.4.11 Unusual Occurrence: Includes, but is not limited to: Acts of God, natural disasters (such as floods, fires, storms, earthquakes); strikes, labor disputes, work stoppages; civil disturbances; unlawful entries, vandalism, theft; seizure of a contractor's facility for failure to pay just debts; closure of a contractor's facility due to a court order; contractor's service failure/cessation of operations/bankruptcy.

D.3.4.12 Using Activity: The Government agency (JPPSO-San Antonio) that has been properly authorized by the contracting officer to issue service orders under this Agreement.

D.4 GENERAL REQUIREMENTS

D.4.1 In preparation for storage, the contractor shall be required to perform storage services in accordance with the following instructions:

D.4.1.1 Battery cables will be disconnected and ends taped. Oil does not require removal;

D.4.1.2 Contractor will be responsible for determining most appropriate method of fuel tank treatment during storage and advising member of that method prior to or during "handling-in." Customer's input will be used to determine "most appropriate" method. For example, the contractor should drain fuel from fuel tank/system and replace with an anti-corrosive agent and fog cylinders with anti-corrosive lubricant, or follow the manufacturer's recommendation. Fumes which are explosive are the primary concern. Also, half-filled tanks allow condensation, another less dangerous problem.

D.4.1.3 Maintain keys in the member's file, to facilitate handling and movement;

D.4.1.4 Motorcycles shall be placed upright, fully covered, and wrapped in a protective material with nothing touching or pressing on it;

D.4.1.5 Elevate vehicle on blocks at least 1 inch off the floor in order to prevent damage to tires;

D.4.1.6 Cover vehicles with tarp or plastic that are stored in large inside community areas or vehicles that are not stored in individual storage units.

D.4.2 Service of vehicle for duration of storage period:

D.4.2.1 Maintain battery charge

D.4.2.2 Maintain tire pressure

D.4.2.3 Utilize drip pans as necessary for environmental compliance

D.4.3 Release of vehicle from storage,

D.4.3.1 Ensure battery is serviceable and in working order. Reconnect cables.

D.4.3.2 Replenish fuel tank with two (2) gallons of appropriate fuel, for example, unleaded or diesel. Fuel additives are not required.

D.4.3.3 Wash exterior and clean interior.

D.4.3.4 Inflate tires to manufactures recommended specifications.

D.4.4 Acceptance and Release of POVs:

D.4.4.1 Contractor will accept bookings and reserve spaces up to 30 days prior to vehicle turn-in. Each vehicle booking will be placed on a separate DD Form 1299 and DD Form 1164.

D.4.4.2 The contractor is required to accept and/or release POVs for storage Monday through Friday, between 0800 - 1700 hours, unless prior approval is received. The contractor shall complete preparation of POV for storage no later than the close of business the work day following the date the member delivered the vehicle to the storage facility. POVs released from storage must be ready for pickup no later than close of business the workday before the scheduled release.

D.4.4.3 Jointly with the member record loss and damage identified during the acceptance of or the release from storage in accordance with paragraph D.3.

D.4.4.4 Contractors will only accept vehicles for which he has received a DD Form 1164. JPPSO-San Antonio will ensure the contractor receives confirmation via facsimile or telephonic communication within 24 hours of verification from the applicable personal property office. Written delivery orders will be placed for each vehicle placed into storage. Only one vehicle per delivery order will be permitted. Each delivery order will be placed on a DD Form 1164 containing at a minimum the following information:

1. Member's name
2. Member's rank
3. Member's Social Security Number
4. Branch of service
5. Vehicle year, make, model, color, and VIN number
6. Anticipated time vehicle will be in storage
7. Complete line of appropriation data

8. Lot Number (issued by JPPSO-San Antonio)

Delivery orders may be mailed or faxed to the contractor. Verbal or other electronic commerce methods of a delivery are authorized but will be followed by hard copy.

D.4.4.5 Only the military member or their legally appointed representative will be authorized to deliver any vehicle for storage to the contractor's facility. All vehicles will be delivered during the contractor's regular working hours. The contractor will require the member or the member's legally appointed representative to provide one copy of orders to include all amendments, one copy title or registration for vehicle to be stored, one copy of vehicle owner's current comprehensive insurance policy and one complete set of vehicle keys. JPPSO-San Antonio will provide the contractor a contact telephone number for the member in required cases as determined by the Government prior to normal release of the vehicle.

D.4.4.6 Vehicles authorized for storage will only be accepted by the contractor at the contractor's facility. Members will insure that all vehicle alarm systems have been turned off/detached prior to turn in at the contractor facility.

D.4.4.7 Release of vehicles shall be arranged by JPPSO-San Antonio, TX. JPPSO-San Antonio will provide the contractor with the members phone number for contact in case vehicle is deemed inoperable. The Government will give no less than two (2) working days notice prior to the release of a vehicle. Contractor will have vehicles ready for pick-up as directed by JPPSO-San Antonio when provided a minimum of two (2) working days notice. If any vehicle is deemed inoperable due to mechanical failure, the contractor will notify the service member and JPPSO-San Antonio prior to the pick-up date. The contractor will not be held liable for batteries that are inoperable due to storage of the vehicle (leakage, dead, etc.). The contractor will make every effort to notify the member of inoperable batteries prior to pickup of vehicle to allow the member to obtain a replacement battery.

D.4.4.8 Ordering Activity: The following activity is authorized to place orders against this contract: ***Joint Personal Property Shipping Office, San Antonio TX. Lot numbers issued by this office shall be assigned a series of Delivery Order Numbers beginning with: 8001.***

D.4.5 Contractor Personnel.

The contractor's personnel will be qualified to perform the assigned duties in the handling and storage of privately owned vehicles.

D.5 INVENTORY AND INSPECTION

D.5.1 Inventory.

D.5.1.1 The contractor will provide JPPSO-San Antonio an inventory of all vehicles on hand no later than the 15th of each month in which the BPA is in effect.

D.5.1.2 In conjunction with the member or the member's authorized agent, the contractor, at the time the vehicle is delivered to the storage facility, shall prepare an accurate, legible inventory (an original and three (3) copies), listing the vehicle identification number (VIN), make, model, year, license number, and mileage.

D.5.1.3 The inventory shall show (1) contractor's name and mailing address; (2) destination completed to identify and locate the warehouse in which the lot is stored; (3) member's name, grade or rank, and social

security number; (4) service order number, (5) Agreement and effective modification number; and (6) contractor's lot numbers.

D.5.1.4 A legible copy of the completed inventory shall be furnished to the member or the member's agent at the time the initial inspection for storage is complete. The original and one copy shall be furnished to JPPSO-San Antonio and a legible copy retained by the storage contractor.

D.5.1.5 When the storage contractor releases a POV to the member or the member's designated agent, the contractor will provide two legible copies of the inventory record to the member or member's agent and together with the member or the member's agent will inspect the vehicle in accordance with inventory procedures to identify any missing items or changed conditions. If, at the time the vehicle is released from storage, there is a difference in the condition of the POV or its contents from that listed on the original inventory, the contractor will provide an exception sheet to the member or the member's designated agent. The member will annotate the exception sheet noting thereon any shortage/overage, or differing conditions, cross referenced to the original contractor's inventory. If no new damage or loss is discovered, an exception sheet will be prepared, stating "no differences noted," signed and dated by the warehouseman and member. In the event the opinions of the member and the storage contractor's representative differ as to shortage/overage or condition, both opinions will be listed on the exception sheet and separately identified as to source. Both the member and the storage contractor's representative will sign and date the exception sheet, each retaining a legible copy for their files. The contractor shall also furnish a legible copy of the exception sheet to the COR/QAE when requested.

D.5.1.6 At the time for vehicle turn-in, an inventory including all items remaining within the vehicle will be prepared and signed by both the contractor and the service member or his/her representative. One copy of the inventory will be kept on file at the contractor's facility and one copy must be sent to JPPSO-San Antonio within 5 working days of vehicle acceptance at storage facility. Items authorized to remain in the vehicle will be limited to such items as spare tire, jack, highway warning devices, and tools necessary to make emergency roadside repairs. These items should be stored in the trunk and accounted for in the aforementioned inventory.

D.5.2 Inspection.

D.5.2.1 DD Form 788, Private Vehicle Shipping Document, or similar form will be used to annotate descriptive information and condition of POV (see Technical Exhibit 9).

D.5.2.2 The contractor will provide a vehicle inspection sheet for each vehicle to be stored for the Government by the contractor. It is the individual service member or the legally appointed representative's responsibility to insure that any and all vehicle discrepancies are annotated on the POV Inspection Sheet at the time of turn-in. The contractor shall furnish the member or his representative, and JPPSO-San Antonio with a copy of the completed inspection sheet within 5 working days.

D.6 STORAGE REQUIREMENTS

D.6.1 Privately owned vehicles will be stored indoors. Areas assigned for preparation and storage of POVs shall offer protection from sunlight, pilferage, contamination, theft, fire, flood, moisture, or other hazards. POVs shall be stored in areas that are dry, clean, free from dust, vermin, and rodents, have adequate fire protection and be accessible for routine inspections. The contractor shall maintain a locator record for all POVs within the warehouse. Vehicles will be stored in such a manner to prevent damage to vehicles to include tires.

D.6.2 In the absence of any general or specific requirements or contract provisions, the services shall be performed in accordance with the best commercial practices.

D.7 CONTRACTOR'S DUTIES

D.7.1 The contractor shall furnish to the ordering officer within five (5) working days after receipt of each lot (vehicle) the original and one copy of a nonnegotiable warehouse receipt for each lot stored. The warehouse receipt shall, in addition to the information required by applicable law, contain the following: (1) member's name, grade or rank, and social security number; (2) member's mailing address as provided in the service order; (3) the number of both this agreement, as modified, and the service order; (4) inventory description of POV in accordance with paragraph D-3; location of warehouse, as shown on the inventory form; (6) contractor's number for the lot; (7) notation of any overage, shortage or damage; and (8) liability in accordance with this Agreement.

D.7.2 The contractor shall not release POVs from storage during the storage period except upon the written authorization of the ordering officer.

D.8 UNUSUAL OCCURRENCES

D.8.1 In the event that, after coming into the custody of the contractor, POV is stolen, lost and/or damaged during attempted theft, lost and/or damage as a result of fire (including water damage incident to a fire), flood, earthquake, tornado, or any other similar type of occurrence, or if the property is subject to the probability of loss and/or damage so that without preventative measures being taken, loss and/or damage is likely to result, the contractor shall immediately notify the COR/QAE by the quickest means of communication, and the contractor shall take immediate action to protect the property from further loss and/or damage. The COR/QAE shall immediately conduct an investigation into the circumstances surrounding the incident to determine the responsibility for the incident and/or release of such responsibility on the part of the contractor. The COR/QAE reserves the right to award/not award any business during the period of the investigation.

D.8.2 The contractor shall immediately, at its own expense, proceed to inventory vehicles damaged. The contractor shall submit in writing, at no cost to the government, within five (5) working days following the detection and/or occurrence: (1) a complete report of the incident, in duplicate and (2) a report of the loss and/or damage to the vehicle listed on the inventory or warehouse receipt, in duplicate, to the ordering officer(s), with copies to the COR/QAE. Reimbursement, if authorized by the COR/QAE, to the contractor for work done in conjunction with avoiding or mitigating damages due to disasters covered by this provision shall not exceed actual costs and shall include no direct or indirect element of profit to the contractors. The contractor shall maintain a complete record of all labor and material (by lot) used in carrying out these duties and responsibilities. In no event will the Government be financially responsible for any costs included in contractor's insurance coverage for which his insurance carrier assumes the responsibility for payment.

D.9 FACILITIES AND LIABILITY

D.9.1 Facilities.

D.9.1.1 Proper Facility is defined as an enclosure which will provide shelter from environmental elements from all directions. Pavement must consist of concrete or asphalt foundation and meet all appropriate local and governmental codes for such a structure.

D.9.1.2 The contractor agrees that while the POV remains in a warehouse under the provisions of this Agreement, the contractor will maintain such warehouse in accordance with national and local fire ordinances or codes, to include National Fire Protection Association recommendations and standards.

D.9.1.3 Whenever a change in business organization or corporate structure (e.g., stock sale/ transfer, name change, officer change, or sale) is anticipated or planned, the contractor shall notify the COR/QAE immediately, but in no event not later than 30 days prior to effecting the change. The contractor agrees to notify the COR/QAE, in writing, immediately when changes (e.g., bankruptcies, foreclosures, warehouse seizures, levies, search warrants, etc.) occur which may affect performance under the Agreement.

D.9.1.4 Facilities should be constructed or equipped with adequate devices that will reasonably ensure POVs will not be exposed to extreme heat, cold, moisture, high humidity, or other environmental conditions which would cause damage such as mold, mildew, and cracking or separation of interior/exterior components.

D.9.1.5 Contractor will ensure adequate security procedures and systems are installed such as a minimum of two locks for each entrance of the building or monitored security systems.

D.9.1.6 Contractors that already have Government approved facilities by the Regional Storage Management Office (RSMO), Topeka, KS, qualify for storage as long as all requirements of this contract are met to ensure POV is properly serviced and stored.

D.9.2 Liability.

D.9.2.1 The contractor shall procure warehousemen's legal liability insurance and furnish to the CONTRACTING OFFICER a certification of insurance from the insurance company to cover POVs stored in the contractor's warehouse(s). The contractor shall:

D.9.2.2 Maintain coverage in force for vehicles accepted by the contractor under contract for any Government agency;

D.9.2.3 Provide a 30-day advance written notice to the COR/QAE in event of cancellation or any material change and/or reduction in the coverage. Upon cancellation of the present insurance policy, the contractor must provide evidence of continuing insurance to the contracting officer at least ten (10) days prior to cancellation date of present policy;

D.9.2.4 Maintain liability insurance equal to or greater than Garagekeeper's Legal Liability Insurance with an underwriter who maintains a policy holder's rating of "A" or better in the current issue of Bests Insurance Guide. A Reinsurance Assumption Endorsement may be executed by an underwriter to meet the required criteria. The contractor's insurance policy must name the "U.S. Government" as an additional insured. Insurance limits may be adjusted according to the number of vehicles under contractor's custody.

D.9.2.5 The contractor's liability for loss or damage to a member's vehicle is limited to that resulting from contractor's fraud, willful injury, negligence, or willful violation of law or requirements of this BPA. Each vehicle owner will be responsible for maintaining and updating a current comprehensive insurance policy,

as required, to cover the stored vehicle. The owner will be responsible for ensuring an updated insurance policy is in the possession of the contractor prior to expiration of the insurance policy.

D.9.2.6 The contractor shall store POVs only in facilities listed below.

| LOCATION (Street Address, City, State, Zip Code) | FIRE CLASS | VEHICLE LIMIT | WAREHOUSE NUMBER/CODE |
|---|---------------|------------------|--------------------------|
| | | | |
| | | | |

D.9.2.7 In cases where an insurance carrier of the member or contractor assumes responsibility for unusual occurrences for damages or makes payment to the contractor for any or all of the preventative measures, to avoid further damages, the expenses of which are to be borne by the Government, the contractor shall, as soon as practicable, notify the COR/QAE thereof. Where payment has already been made by the Government, the contractor shall, in accordance with the direction of the COR/QAE, reimburse the Government to the extent that payments have been made by the insurance carrier.

D.9.2.8 The contractor shall, without additional expense to the Government, be responsible for obtaining any necessary operating authority, licenses and permits prior to award of a resultant contract and for complying with all laws, ordinances, statutes and in connection with the furnishing of the services herein.

D.9.2.9 Upon receipt of award, the contractor shall furnish to the contracting officer evidence of the kinds and minimum amounts of insurance covering work to be performed. The contractor shall maintain at least the minimum insurance coverage required to meet all requirements. Each policy shall contain an endorsement that cancellation or material change in the policy shall not be effective until after a 30-day written notice is furnished to the contracting officer.

D.10 INSPECTION OF CONTRACTOR’S FACILITIES

D.10.1 The contractor's facility will be initially inspected, if applicable, and approved by the COR/QAEs for compliance with this contract and the standards and regulations stated or referenced therein. Thereafter, inspections will be performed semiannually or, if deemed necessary, on a more frequent basis. If a facility is found to be unsatisfactory, it may be declared ineligible to receive further orders under the contract. (See Technical Exhibit 11). Contractor agrees to allow personnel from the JPPSO-San Antonio to conduct quality assurance inspections of Government stored vehicles and storage facility. The Government shall not be required to provide the contractor with any advance notice of its intent to inspect. All inspections will be conducted during the contractor's normal hours of operation as cited in section D.14.1.

D.11 INVOICES

D.11.1 Invoices shall be prepared by JPPSO-San Antonio and one (1) copy will be submitted to the contractor for verification of correctness. Contractor will make copies of the invoice for their personal records. Unresolved discrepancies shall be reported to the contracting officer. Invoices shall be submitted (a) monthly with respect to handling-in, handling-out, and (b) quarterly with respect to storage. Either consolidated or single lot quarterly invoices (originals only) for storage shall be submitted and shall contain the following information for each lot number. (Technical Exhibit 8)

- a. Blanket Purchase Agreement Number
- b. Service order number
- c. Period of storage for which payment is claimed
- d. Services and rates for which payment is claimed
- e. Contractor's lot number
- f. Member's name(s), grade(s) or rank(s), and social security number(s)

D.11.1.1 Contractor will verify, certify, and return the original plus three copies of the invoice to the activity listed below. Certification of contractor's invoices will be completed by the government appointed representative at the activity listed below:

**JOINT PERSONAL PROPERTY SHIPPING OFFICE
613 NORTHWEST LOOP 410, SUITE 400
SAN ANTONIO TX 78216-5518
ATTN: Chief Operations Support Branch**

D.11.1.2 BILLING

(a) The contractor will receive and verify charges on quarterly storage invoices produced by JPPSO San Antonio for payment on a quarterly basis. Invoices should be returned to the address identified in section D.10.1.1 no later than the tenth day of each month following the end of the quarter. The schedule for invoice return is as follows:

| <u>PERIOD OF</u> | <u>SUBMIT BY</u> |
|------------------|------------------|
| Jan-Feb-Mar | 10 April |
| Apr-May-Jun | 10 Jul |
| Jul-Aug-Sep | 10 Oct |
| Oct-Nov-Dec | 10 Jan |

(b) Vehicle handling-in and handling-out invoices will be provided monthly for verification and certification and must be returned to JPPSO San Antonio not later than the tenth of the following month.

D.11.3 PAYMENT TO BE MADE BY: Payment to the contractor for invoices submitted against contract number _____ shall be made by:

**DFAS-SA-FPM
500 McCullough Ave
San Antonio TX 78215-2100**

D.11.3.1 ADDRESS TO WHICH PAYMENT SHALL BE MADE (REMITTANCE ADDRESS): If the offeror desires payment to be made to an address different than that shown for the contractor/offeror, complete the following:

PLEASE MAKE PAYMENTS UNDER ANY RESULTING SERVICE ORDER TO:

D.11.4 VEHICLE PAYMENT SCHEDULE: The following payment schedule shall be used for determining the monthly cost of storing each vehicle.

(a) Vehicle storage charges will accrue according to the rate indicated in Section B.

(b) Vehicle storage charges will accrue monthly, except for half-month's, where storage charges accrue on lots received for storage on or after the 16th day of a month and lots released from storage on or before the 15th day of a month. For example, if the POV enters storage between the 1st and 15th, the contractor shall charge for the full month. However, if the POV enters storage between the 16th and 31st, then the contractor shall charge for 1/2 month. If the POV is released before the 15th, then the contractor shall charge for 1/2 month; if the POV is released between the 16th and 31st, then the contractor shall charge for the full month.

D.12 USING ACTIVITIES - ORDERING OFFICERS

D.12.1 When the ordering officer determines that the member is no longer entitled to storage of a POV at Government expense, the ordering officer shall give the contractor, in writing, a 30 day notification of such determination. A copy of this notification is provided to the member. The ordering officer shall also provide the contractor with the owner's permanent mailing address. At the expiration of the entitlement period, the ordering officer shall deliver to the contractor the ORIGINAL copy of the warehouse receipt and/or combination inventory-warehouse receipt for the POV and the contractor shall thereafter recognize the member as the depositor of the POV and look to the member for payment of such future charges not payable by the Government. Applicable local, state, and federal warehouseman's laws concerning unpaid balances and liens on stored vehicles shall apply.

D.12.2 The Government shall be liable only for payment of charges resulting from the performance of services, furnishing of materials or facilities, as ordered by the ordering officers.

D.12.3 Except to the extent of service order(s) issued hereunder, the Agreement shall not constitute a contractual obligation of the Government or obligate Government funds in any way.

D.13 SERVICE ORDERS

D.13.1. When a using activity requires the service of a contractor, the using activity ordering officer will notify the contractor that the contractor's offer has been accepted, and any other information as may be pertinent. This acceptance may be oral or in writing, but oral acceptance will be followed by written confirmation (DD Form 1164) (Technical Exhibit 4).

D.13.2 When a contractor has the facilities available and capability to perform the requested services, the contractor shall advise the ordering officer of the acceptance of the order to perform and provide a lot number. Rates in effect of the date of offer are the rates applicable and thereafter used.

D.13.3 To confirm the acceptance, the ordering officer shall issue a DD Form 1164, incorporating the terms of the acceptance, within the time set forth in the contractor's offer of services. Upon receipt of the

service order, the contractor shall be obligated to furnish the specified services in accordance with the provisions of said service order and this Agreement. An enforceable contract is entered into when the contractor receives the Government service order for the specified services in accordance with the terms and conditions of this Agreement.

D.14 CHARGES

D.14.1 Charges under initial service orders shall be computed at the rates set and in effect on the date services are ordered under the initial service order.

D.14.2 Monthly storage charges shall be payable in accordance with the rates contained in this Agreement and computations set forth below.

D.14.2.1 Storage charges are payable for a calendar month, except on-half month's storage charge shall be paid on lots received for storage on or after the 16th day of a month and lots released from storage on or before the 15th day of a month.

D.14.2.2 The Government shall not be liable for storage or service charges in connection with lots (POVs) remaining in storage after the expiration of the period of entitlement of a member to storage at Government expense.

D.14.2.3 The contractor shall provide such special handling and additional protection as the member may request. However, the charge therefore shall be a matter of independent agreement with the member, and the Government shall not be liable therefore.

D.14.2.4 Excess storage costs or handling charges incurred by the Government due to the member's negligence or choice will be collected in accordance with the Service regulations.

D.14.2.5 Continued storage of a POV after a member's entitlement has been exhausted will be converted to member's expense. A member's entitlement will cease at Government expense not later than 90 days after completion of overseas assignment or temporary duty. Storage charges beyond the 90 days will be billed at the Government storage rate directly by the contractor to the member. Once the vehicle is removed from storage, handling-out charges of the POV will be billed to the Government.