

WHEREAS, Supplemental Agreement 5 states in pertinent part that:

Government personnel will witness and attest to the Mutilation of all scrap received, and provided under this contract identified as Standard Waste and Scrap Classification (SCL) Codes MUT, MFS and CSI. All SCL Codes MUT, MFS, and CSI will be destroyed at no more than two locations in CONUS with the requirements listed below. The Government reserves the rights to inspect and approve the locations identified by GL to process these scrap codes to ensure the processing requirements can be met. The DRMOs will be provided instructions to ship this property to the approved locations.

and, **WHEREAS**, the contract currently does not cover the SCL M14.

NOW, THEREFORE, it is mutually agreed between the parties hereto to this modification that:

Where the three SCL Codes MUT, MFS and CSI are located in Supplemental Agreement 5, Paragraph 4 in Supplemental Agreement 8, page two the second paragraph and in Supplemental Agreement 12, Block 9 of the SF114D and Paragraph 1; they shall be replaced with the four SCL Codes MUT, MFS, M14 and CSI.

WHEREAS, Supplemental Agreement 12 has amended Supplemental Agreement 5 with additional requirements and in the interests of achieving cost savings for both, the Purchaser and the Agency, Supplemental Agreement 12 will be amended to include the following requirements.

NOW, THEREFORE, it is mutually agreed between the parties hereto to this modification that:

1. Following paragraph 10 of Supplemental Agreement 12, the following paragraphs will be inserted.
 11. In Hawaii the purchaser will be authorized to conduct spot sales with mutilation as a condition of the sale (MCOS) for metallic scrap in SCL Codes MUT, MFS, M14 and CSI as accumulated quantities justify a sale. This exception will not apply to nonmetallic scrap in the aforementioned SCL Codes.
 12. Mutilation of non-metallic property may be accomplished by burial in a government-approved landfill (defined as being licensed by a local, state, or national controlling agency), if the landfill is licensed by a governing body having controlled access and assuring the material is covered each day. The following conditions must be adhered to or the property must first be mutilated.

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- a. Property may not have a Controlled Inventory Item Code (CIIC) other than U or blank.
- b. Property may not meet the definitions for Pilferable or Sensitive as follows.
 - i. Pilferable items are those which by virtue of its condition, intrinsic value, ready illicit market or resale potential, or widespread non-DOD usage, is highly desirable and therefore a primary target for theft.
 - ii. Sensitive items are property that requires a high degree of protection and control due to statutory or regulatory requirements, such as drug abuse items, stock numbered precious metals, hazardous property, items which are of high value, and small arms parts.
- c. Exceptions to paragraphs a. and b. may only be approved by DLA Disposition Services Mutilation Program Manager and the Scrap Venture SCO.
- d. The Certifier must witness the property is loaded and departed to the landfill and the Verifier must witness the property is loaded and delivered to the landfill.

WHEREAS, Supplemental Agreement 10 exempted Mobile Communications and Media Devices (MCMD), computers and computer peripherals from the mutilation requirements of this contract.

WHEREAS, in the interest of achieving cost savings for both the purchaser and the Agency, the parties hereto mutually agree to modify Supplemental Agreement 10 and to remove MCMD from the exception to mutilation requirement.

NOW, THEREFORE, it is mutually agreed between the parties hereto to this modification that:

1. MCMD shall no longer be downgraded to Scrap LSN DSMAD4RA/B and are no longer exempted from the mutilation requirement.

//////////NOTHING FOLLOWS//////////