

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE OF PAGES 1 12
2. AMENDMENT/MODIFICATION NO. P00009	3. EFFECTIVE DATE 24 MAY 2011	4. REQUISITION/PURCHASE REQ. NO.	6. PROJECT NO. (if applicable)	
6. ISSUED BY DLA TROOP SUPPORT DIRECTORATE OF SUBSISTENCE, BLDG #6 700 ROBBINS AVENUE PHILADELPHIA, PA 19111-5092 POC: LINDA L. FORD/FTA/215-737-7804	CODE SPM300	7. ADMINISTERED BY (if other than Item 6) CODE		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) ANHAM FZCO, LLC. DAFZA EAST WING, 4A SUITE NO. 608 DUBAI, UNITED ARAB EMIRATES			(3) 9A. AMENDMENT OF SOLICITATION NO. 9B. DATED (SEE ITEM 11) 10A. MODIFICATION OF CONTRACT/ORDER NO. SPM300-10-D-3373 X 10B. DATED (SEE ITEM 13) 14 APR 10	
CODE SPW66	FACILITY CODE			

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The abovenumbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers: FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting and Appropriation Data (if required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

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

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

X C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 43.103(a)(3); FAR 52.212-4(c)

D. OTHER (Specify type of modification and authority)

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

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings including solicitation/contract subject matter where feasible.)

Revised clause and statement of work definitions.

Requirements for: Full Food Line Distribution for U.S. Air Force, Navy, and Army Troop Support in Kuwait, Iraq, and Jordan.

The details of this modification are identified on the following pages.

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

16A. NAME AND TITLE OF SIGNER (Type or print) David W. Brans, Managing Director	18A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) LINDA L. FORD CONTRACTING OFFICER
16B. CONTRACTOR/OFFEROR LIL (Signature of person authorized to sign)	16C. DATE SIGNED 5/24/11
16B. UNITED STATES OF AMERICA BY (Signature of Contracting Officer)	16C. DATE SIGNED 24 MAY 2011

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1. On page 31 of the solicitation, delete and replace DLAD 52.216-9065 ECONOMIC PRICE ADJUSTMENT – ACTUAL MATERIAL COSTS FOR SUBSISTENCE PRODUCT PRICE BUSINESS MODEL (NOV 2009) as follows:

DLAD 52.216-9065 ECONOMIC PRICE ADJUSTMENT - ACTUAL MATERIAL COSTS FOR SUBSISTENCE PRODUCT PRICE BUSINESS MODEL (APR 2011)

(a) **WARRANTIES:** For the portion of the schedule that is covered by this EPA clause, the contractor warrants that –

(1) Contract Unit Prices covered by this contract do not include allowances for any portion of the contingency covered by this clause; and

(2) All price adjustments invoiced under this contract shall be computed in accordance with the provisions of this clause.

(b) **DEFINITIONS:** As used throughout this clause, the term.

(1) **"Contract Unit Price"** means the total price per unit charged to DLA Troop Support for a product delivered to DLA Troop Support's customers. The Contract Unit Price consists of two components: Product Price and Distribution Price as identified in the schedule of items. The sum of the two component prices shall be rounded to the nearest cent to determine the final Contract Unit Price.

(2) DLA Troop Support **"Manufacturer's Price Agreement"** (MPA) means an agreement between DLA Troop Support and manufacturers which identifies a fixed product price for specific items that will be cataloged by the prime vendor.

(3) **"Product Price"** is the most recent DLA Troop Support Manufacturer's Price Agreement (MP A) price or the most recent manufacturer, grower or private label holder commercial price per unit to the Contractor, exclusive of standard freight. The Product Price shall be based on FOB Origin/Point of Manufacture. **Product Price shall exclude all costs that are to be covered in the Distribution Price.**

(i) Exceptions:

A) Fresh Fruits and Vegetables (FF&V): The product price shall be based on FOB Origin/Point of Importer when the following conditions apply;

(1) The product is listed in category 146 Prime Vendor Fresh Fruits and Vegetables (FF&V)); and

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(2) It is necessary for the product to be transported into the local market of the importer, as otherwise approved under the contract, from a foreign country because local supply does not exist or it is insufficient to meet demand requirements; and

(3) The importer that establishes the product price is the firm that actually performs the FF&V import service, including, but not limited to: procurement, storage, consolidation, pallets, and palletizing as it applies to the importer's normal commercial sales, and the importer has comparable commercial sales in the market that is the point of import.

B) A CONUS-based manufacturer, grower or private label holder's product pricing which is a national price inclusive of transportation costs to a Distribution Point shall be supported by documentation and may be considered by the Government on a case by case basis, upon concurrence of the contracting officer.

C) Mandatory Source Items: The product price shall be limited to the nonprofit agency's price for product as set in accordance with applicable law. The product price shall be based on FOB Origin/Nonprofit Agency. (Prices set in accordance with applicable law (FOB Origin/Nonprofit Agency.)

D) Prime Vendor Table Displays/Decorations only: For products listed in Categories 169, 170, 171, 172, 175, 176, 177 and 178 Prime Vendor Table Displays/Decorations only, the product price shall be based on FOB Origin/Point of the manufacturer's distributor because the manufacturer will not sell directly to the prime vendor. This exception must be approved by the Contracting Officer on a case by case basis. Support documentation is required.

E) A CONUS-based redistributor's price for a specific manufacturer's product (SKU) may be considered by the Government as long as the redistributor's price for the quantity ordered is equal to or lower than the manufacturer's published price inclusive of discounts/allowances. This exception must be approved by the Contracting officer on a case by case basis. Support documentation may be required.

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(4) **"Product Allowance"** is discounts, rebates, and allowances to be passed on to the Government. In accordance with other provisions of the contract, all discounts, rebates, or allowances on particular items which are reflected in the amounts shown on the face of the manufacturer's, grower's or private label holder's invoice (referred to as "off-invoice allowances") or otherwise given to the contractor by the manufacturer, grower or private label holder, shall be passed by the Contractor to the Government, in the form of an upfront price reduction. The total of these discounts, rebates, and allowances (Product Allowance), shall be reflected via a reduced STORES price, resulting in a lower invoice price to the customer. Any rebates that must be passed to the Government and which cannot be applied as an up-front price reduction must be submitted via check made to the US Treasury, attached with itemized listing of all customer purchases by line item to include contract number, call number, purchase order number and CLIN number.

(5) **"Distribution Price"** means the firm-fixed price portion of the contract unit price, offered as a dollar amount per unit of issue, rounded up or down to the nearest cent. The distribution price is the only method for the Contractor to bill the Government for all contract performance other than product price. The distribution price is broken down into normal and premium prices, defined as follows.

(a) **Normal Distribution Price:** The normal distribution price is a firm-fixed price and offered as a dollar amount, which includes all elements of the unit price other than the product price and premium distribution price. The normal distribution price established at award for each contract period (base and options) shall remain fixed throughout the period to which applicable. All performance under this SOW will be included in the normal distribution price except aspects of performance that are specifically identified as being included in the premium distribution price. The normal distribution price shall exclude ocean shipping costs referenced in (8) below and performance included in the premium distribution price separately priced in the Schedule of Items.

(b) **Premium Distribution Price:** The premium distribution price is a firm-fixed price and offered as a dollar amount for the premium distribution categories identified in the statement of work, and may vary by category. The premium distribution price established at award for each contract period (base and options) shall remain fixed throughout the period to which applicable. The premium distribution price includes all elements of pricing related to performance under the Supplies/Services and Prices section of this SOW, or as otherwise specifically stated in the solicitation and statement of work. The premium distribution price shall exclude ocean shipping costs referenced in (8) below and performance included in the normal distribution price separately priced in the Schedule of Items.

(6) "**Ordering Catalog**" means the electronic listing of items and their corresponding contract unit prices available for ordering under this contract.

(7) "**Ordering Month**" means from the Sunday (12:01AM) of the First full week in a calendar month through the last Saturday (11:59 PM) prior to the Sunday of the next calendar month's first full week (Eastern Time ET, standard or daylight as applicable).

(8) "**United States Defense Transportation System (DTS) Ocean Shipping Costs**": "DTS ocean transportation costs (the cost of shipping the product from the Prime Vendor's CONUS facility(s) to the prime vendor's OCONUS facility(s), aka "Point to Point" delivery via DTS), shall be excluded from the distribution price, The Defense Transportation System is responsible for point-to-point delivery.

(c) PRICE ADJUSTMENTS:

(1) General:

(i) All Contract Unit Prices shall be fixed and remain unchanged until changed pursuant to this clause or other applicable provision of the contract. Only the Product price component of the Contract Unit Price is subject to adjustment under this clause. After the first Ordering month, if the Contractor's Product Price changes for any or all Contract Unit Prices, the Contract Unit Price shall be changed in the next month's Ordering Catalog upon the Contractor's request, submitted in accordance with paragraph iii below, by the same dollar amount of the change in the Product price, subject to the limitations in paragraph (d). The price change shall be effective at the beginning of the next Ordering Month. All Ordering Catalog Unit Prices computed in accordance with this clause and in effect when an order is placed shall remain in effect for that order through delivery. DLA Troop Support will be charged the Contract Unit Price in effect at the time of each order regardless of any changes in the unit price occurring in any subsequent Ordering Month. Note the OCONUS Subsistence Prime Vendor (SPV) catalog items which are covered by Manufacturer's Pricing Agreement(s) (MPA) receive periodic price adjustments when MPAs are updated and therefore are not subject to price adjustments using the actual material costs methodology for non MPA catalog items discussed in this EPA.

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(ii) Catalog product prices must be reflective of the prime vendor's last receipt price (the price of the stock most recently received into the OCONUS inventory). For all distribution categories, when multiple sources are being utilized and more than one manufacturer's product is received prior to a catalog update, the contractor shall establish the product price based on the mix of invoices received after the previous changes period. The product price would be derived as follows:

Supplier A – 40% x \$5.70 = \$2.28

Supplier B – 30% x \$5.90 = \$1.77

Supplier C – 30% x \$6.30 = \$1.89

Product Price = \$5.94

(iii) **Updates to the Product Price:** All notices and requests for new item product prices and price changes shall be submitted monthly, no later than **5:00PM** local Philadelphia time on the last **Monday** of each month for submission not later than **5:00PM** local Philadelphia time on the last **Monday** of each month, to be effective in the following Ordering Month's Ordering Catalog prices. The Product Price shall have any and all Product Allowance subtractions made prior to presenting the Product Price to DLA Troop Support. The Contractor shall notify the Contracting Officer of its notice/request in the form of an EDI 832 transaction set. The change notice shall include the Contractor's adjustment in the Product Price component of the applicable Contract Unit Price. Upon the Contracting Officer's acceptance of such 832 price changes in accordance with v below, the price change transaction sets will post in the next month's Ordering Catalog and each contract unit price shall be changed by the same dollar amount of the change in the Product Price in the next month's Ordering Catalog.

(iv) All price changes, and catalog contract prices, are subject to review by the Government. The Contracting Officer may at any time require the submission of supporting data to substantiate any requested price change or the requested continuation of the pre-existing price for any item, including prices applicable to prior ordering months. Upon notice from the Contracting Officer that supporting data is required, the Contractor shall promptly furnish to the Government all supporting data, including but not limited to, invoices, quotes, price lists, supplier documentation regarding rebates/allowances, and any other substantiating information requested by the Contracting Officer.

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(v) Price change requests that the Contracting Officer questions or finds to be inconsistent with the requirements of this clause shall not be posted until the Contracting Officer specifically authorizes the posting. If the Contracting Officer does not notify the Contractor by close of business local Philadelphia time on the Friday immediately following the Monday that a price or a price change request is being questioned or has been found to be erroneous, the price change(s) will post to the ordering catalog effective the beginning of the following Ordering Month. The posting of updated prices in the Ordering Catalog, calculated in accordance with this clause, constitutes a modification to this contract. No further contract modification is required to effect this change.

(vi) Should the Contracting Officer determine that, or question whether, a price change request contained an erroneous unit price or price change, or cannot otherwise determine the changed price(s) to be fair and reasonable, such as when the changed price(s) is (are) higher than lower Product Prices for items of comparable quality which are reasonably available to the Government or Contractor from other sources, the Contracting Officer will so advise the Contractor, prior to close of business local Philadelphia time on the Friday immediately following the Monday. If the Contracting Officer cannot determine a price fair and reasonable, and the Contracting Officer and the Contractor cannot negotiate a fair and reasonable price, the Contracting Officer may reject any price change and direct in writing that the item in question be removed from the Contractor's Ordering Catalog, without Government liability. The Contracting Officer may subsequently remove any such item from the Ordering Catalog if the Contractor fails to remove it. The Government has the right to procure such removed items from any alternate source of supply, and the failure of the Contractor to supply such item will be considered a negative instance of performance.

(vii) In the event of a price change not posting or an Ordering Catalog Contract Unit Price not computed in accordance with this clause, resulting in an incorrectly increased or decreased Contract Unit Price, the Prime Vendor shall immediately notify the Contracting Officer in writing and promptly thereafter correct its Ordering Catalog and submit a refund for any amounts paid to the Contractor resulting from the erroneous price. In the event of an erroneous price decrease in the Ordering Catalog, if the Contractor can demonstrate to the satisfaction of the Contracting Officer that the error did not result from the fault or negligence of the Contractor, the Contractor may submit a request for equitable adjustment for consideration by the Contracting Officer.

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(2) Limitations: All adjustments under this clause shall be limited to the effect on Contract Unit Prices of actual increases or decreases in the Product Prices for material. There shall be no upward adjustment for –

(i) Supplies for which the Product Price is not affected by such changes;

(ii) Changes in the quantities of material; and

(iii) Increases in unit prices that the Contracting Officer determines are computed incorrectly (i.e. not adhering to the Contract Unit Price definition in this clause) and/or increases in unit prices that the Contracting Officer determines are not fair and reasonable.

(d) **UPWARD CEILING ON ECONOMIC PRICE ADJUSTMENT:** The aggregate of contract product price increases for each item under this clause during the contract period inclusive of any option period(s) or tiered pricing period(s) shall not exceed 70 % (90 % for Fresh Fruits and Vegetables (FF&V)) of the initial Contract product price, except as provided below:

(1) If at any time the Contractor has reason to believe that within the near future a price adjustment under the provisions of this clause will be required that will exceed the current contract ceiling price for any item, the Contractor shall promptly notify the Contracting Officer in writing of the expected increase. In the event the latest actual market price for an item would result in a contract unit price that will exceed the allowable ceiling price under the contract, then the Contractor shall immediately notify the Contracting Officer in writing or via its EDI 832 price change request and separate email no later than the time specified in paragraph (c)(1)(iii) above. With either such notification the Contractor shall include a revised ceiling the Contractor believes is sufficient to permit completion of remaining contract performance, along with appropriate explanation and documentation as required by the Contracting Officer.

(2) If an actual increase in the reference price would raise a contract unit price for an item above the current ceiling, the Contractor shall have no obligation under this contract to fill future orders for such items, as of the effective date of the increase, unless the Contracting Officer issues a contract modification to raise the ceiling. If the contract ceiling will not be raised, the Contracting Officer shall so promptly notify the Contractor in writing. After evaluation of a requested actual price increase, if the Contracting Officer authorizes the change in the contract unit price, the Contractor shall submit an EDI 832 price change. The price change shall be posted for the following month's ordering catalog.

(e) **DOWNWARD LIMITATION ON ECONOMIC PRICE ADJUSTMENTS:**

There is no downward limitation on the aggregated percentage of decreases that may be made under this clause.

(f) **EXAMINATION OF RECORD:** The Contracting Officer or designated representative shall have the right to examine the Contractor's books, records, documents and other data, to include commercial sales data, the Contracting Officer deems necessary to verify Contractor adherence to the provisions of this clause. Such examination may occur during all reasonable times until the end of 3 years after the date of final payment under this contract or the time periods specified in Subpart 4.7 of the Federal Acquisition Regulation (FAR), whichever is earlier.

(g) **FINAL INVOICE:** The Contractor shall include a statement on the final invoice that the amounts invoiced hereunder have applied all decreases required or authorized by this clause.

(h) **DISPUTES:** Any dispute arising under this clause shall be determined in accordance with the "Disputes" clause of the contract.

2. On pages 71, 72 and 73 of the solicitation delete and replace the following definitions as follows:

1. **Contract Unit Price:** means the total price per unit charged to DLA Troop Support for a product delivered to DLA Troop Support's customers. The Contract Unit Price consists of two components: Product Price and Distribution Price as identified in the schedule of items. The sum of the two component prices shall be rounded to the nearest cent to determine the final Contract Unit Price.

2. **Product Price:** is the most recent DLA Troop Support Manufacturer's Price Agreement (MP A) price or the most recent manufacturer, grower or private label holder commercial price per unit to the Contractor, exclusive of standard freight. The Product Price shall be based on FOB Origin/Point of Manufacture. **Product Price shall exclude all costs that are to be covered in the Distribution Price.**

(i) Exceptions:

A) Fresh Fruits and Vegetables (FF&V): The product price shall be based on FOB Origin/Point of Importer when the following conditions apply;

(1) The product is listed in category **146** Prime Vendor Fresh Fruits and Vegetables (FF&V); and

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(2) It is necessary for the product to be transported into the local market of the importer, as otherwise approved under the contract, from a foreign country because local supply does not exist or it is insufficient to meet demand requirements; and

(3) The importer that establishes the product price is the firm that actually performs the FF&V import service, including, but not limited to: procurement, storage, consolidation, pallets, and palletizing as it applies to the importer's normal commercial sales, and the importer has comparable commercial sales in the market that is the point of import.

B) A CONUS-based manufacturer, grower or private label holder's product pricing which is a national price inclusive of transportation costs to a Distribution Point shall be supported by documentation and may be considered by the Government on a case by case basis, upon concurrence of the contracting officer.

C) Mandatory Source Items: The product price shall be limited to the nonprofit agency's price for product as set in accordance with applicable law. The product price shall be based on FOB Origin/Nonprofit Agency. (Prices set in accordance with applicable law (FOB Origin/Nonprofit Agency.)

D) Prime Vendor Table Displays/Decorations only: For products listed in Categories **169, 170, 171, 172, 175, 176, 177 and 178** Prime Vendor Table Displays/Decorations only, the product price shall be based on FOB Origin/Point of the manufacturer's distributor because the manufacturer will not sell directly to the prime vendor. This exception must be approved by the Contracting Officer on a case by case basis. Support documentation is required.

E) A CONUS-based redistributor's price for a specific manufacturer's product (SKU) may be considered by the Government as long as the redistributor's price for the quantity ordered is equal to or lower than the manufacturer's published price inclusive of discounts/allowances. This exception must be approved by the Contracting officer on a case by case basis. Support documentation may be required.

3. Normal Distribution Price – delete and replace as follows:

3. "Distribution Price" means the firm-fixed price portion of the contract unit price, offered as a dollar amount per unit of issue, rounded up or down to the nearest cent. The distribution price is the only method for the Contractor to bill the Government for all contract performance other than product price. The

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distribution price is broken down into normal and premium prices, defined as follows.

(a) **Normal Distribution Price:** The normal distribution price is a firm-fixed price and offered as a dollar amount, which includes all elements of the unit price other than the product price and premium distribution price. The normal distribution price established at award for each contract period (base and options) shall remain fixed throughout the period to which applicable. All performance under this SOW will be included in the normal distribution price except aspects of performance that are specifically identified as being included in the premium distribution price. The normal distribution price shall exclude ocean shipping costs referenced in (8) below and performance included in the premium distribution price separately priced in the Schedule of Items.

(b) **Premium Distribution Price:** The premium distribution price is a firm-fixed price and offered as a dollar amount for the premium distribution categories identified in the statement of work, and may vary by category. The premium distribution price established at award for each contract period (base and options) shall remain fixed throughout the period to which applicable. The premium distribution price includes all elements of pricing related to performance under **the Supplies/Services and Prices, XIII Pricing** section of this SOW, or as otherwise specifically stated in the solicitation and statement of work. The premium distribution price shall exclude ocean shipping costs referenced in (8) below and performance included in the normal distribution price separately priced in the Schedule of Items.

3. On page 73, delete and replace paragraph "C" in its entirety as follows:

C. Catalog product prices must be reflective of the prime vendor's last receipt price (the price of the stock most recently received into the OCONUS inventory). For all distribution categories, when multiple sources are being utilized and more than one manufacturer's product is receipted prior to a catalog update, the contractor shall establish the product price based on the mix of invoices received after the previous changes period. The product price would be derived as follows:

Supplier A – $40\% \times \$5.70 = \2.28

Supplier B – $30\% \times \$5.90 = \1.77

Supplier C – $30\% \times \$6.30 = \1.89

Product Price = \$5.94

4. On page 73, add Paragraph D as follows:

D. Upon request, for existing catalog items, for any new items being added to the catalog and for price adjustments to existing catalog items, the Product Price shall be supported with invoice or quote documentation directly from the manufacturer or grower on their letterhead. When the address of the Brand Name Owner differs from the location where the product is actually manufactured, this documentation from the Brand Name Owner must identify both addresses and the product price, as defined above. If Product Price exception (A) applies, the Product Price shall be supported with invoice or quote documentation directly from the FF&V importer. If exception (C) applies, the Product Price shall be supported with invoice or quote documentation directly from the nonprofit agency participating in the program operated by the Committee for Purchase From People Who Are Blind or Severely Disabled (the Committee) under the Javis-Wagner-O'Day Act (JWOD) (41 U.S.C. 46-48c). Early payment discount terms shall be specified on all invoices and/or quotes. Documents not in English will be accompanied by a copy converted to American dollars at the exchange rate specified using the FXConverter on the OANDA Currency Site (<http://www.oanda.com>) as of the close of business on the effective date of the document.