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|--|------------------------------------|--|---|-------------------|
| <b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>  |                                    |  | 1. CONTRACT ID CODE   | PAGE 1 OF 4 PAGES |
| 2. AMENDMENT/MODIFICATION NO.<br>P00002  | 3. EFFECTIVE DATE<br>See Block 16c | 4. REQUISITION/PURCHASE REQ. NO.                             | 5. PROJECT NO. (If applicable)  |                   |
| 6. ISSUED BY<br>DLA TROOP SUPPORT<br>Directorate of Subsistence - FTAF<br>700 Robbins Avenue<br>Philadelphia, PA 19111   | CODE<br>SPE300                     | 7. ADMINISTERED BY (If other than Item 6)<br>Same as Block 6 |   | CODE              |
| 8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)<br>U.S. FOODS INTERNATIONAL, INC (USFI)<br>500 W. 14th Street<br>Gardena, CA 90248 |                                    |  | <input checked="" type="checkbox"/> 9A. AMENDMENT OF SOLICITATION NO.                           |                   |
|  |                                    |  | <input type="checkbox"/> 9B. DATED (SEE ITEM 11)  |                   |
|  |                                    |  | <input checked="" type="checkbox"/> 10A. MODIFICATION OF CONTRACT/ORDER NO.<br>SPE300-16-D-4016 |                   |
|  |                                    |  | 10B. DATED (SEE ITEM 13)<br>11/30/2015  |                   |
| CODE 1JU48   | FACILITY CODE                      |  |   |                   |

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended.  
Offers 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 your 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 ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

|                                     |   |
|-------------------------------------|---|
| CHECK ONE                           | 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.  |
| <input type="checkbox"/>            |   |
| <input type="checkbox"/>            | B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b). |
| <input checked="" type="checkbox"/> | C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:<br>FAR 52.212-4 (c) Change, mutual consent of parties (Dec 2014)   |
| <input type="checkbox"/>            | D. OTHER (Specify type of modification and authority)   |

**E. IMPORTANT:** Contractor  is not,  is required to sign this document and return 1 copies to the issuing office.

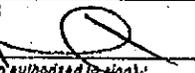
**14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)**

**REQUIREMENT FOR:** Full Food Distribution for US Forces and other authorized customers in the Republic of Korea.

This contract is hereby modified to incorporate pages 2 through 4.

All other terms and conditions remain the same.

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.

|  |                               |  |                               |
|--|-------------------------------|--|-------------------------------|
| 15A. NAME AND TITLE OF SIGNER (Type or print)<br>Steven Choi U.P.  |                               | 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)<br>PATRICIA A. GRIFFITH<br>Contracting Officer    |                               |
| 15B. CONTRACTOR/OFFEROR<br><br>(Signature of person authorized to sign) | 16C. DATE SIGNED<br>2/18/2016 | 16B. UNITED STATES OF AMERICA<br>GRIFFITH, PATRICIA A.<br>A.1229019020<br>(Signature of Contracting Officer) | 16C. DATE SIGNED<br>2/18/2016 |

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The purpose of this modification is to memorialize an agreement between DLA Troop Support and USFI, Inc. ("USFI") related to the implementation phase/period of any follow-on competitive Subsistence Prime Vendor contract for the Republic of Korea's region. The substance of this agreement becomes actionable only upon DLA Troop Support's issuance of a follow-on competitive contract for Subsistence Prime Vendor support in the Republic of Korea region. As a result, the terms of this agreement are contingent in nature. This modification does not indicate, in any way, what party will receive a follow-on competitive award. Details of the agreement are identified below:

Note: The contract implementation phase/period is defined as a ramp-up and/or ramp down period which begins immediately after award of any follow-on competitive Subsistence Prime Vendor contract for the Republic of Korea region. The contract implementation phase/period ends when each individual customer supported under the follow-on contract has placed its first order under the follow-on contract.

1. In the event that USFI receives the follow-on competitive contract the following terms apply:

i. USFI shall be fully prepared to support all customers under the terms and conditions of the said contract. New and fully functional catalogs must be established during this time period.

ii. With regard to inventory, USFI shall first use the existing inventory for this contract, SPE300-16-D-4016, stored at USFI's facilities or in its pipeline to create the new catalogs for the follow-on contract. Said items shall be placed on the new catalogs at the product price defined by contract SPE300-16-D-4016 and the distribution price as defined by the follow-on contract. USFI shall use its existing product before new product is ordered.

iii. New product that is ordered by USFI during the follow-on contract's implementation phase shall only be ordered to replenish old product or to bring in new items requested and approved by the Contracting Officer. The new product must be ordered and cataloged at the product price defined by the follow-on contract.

iv. Product prices shall be updated on the new catalogs in accordance with the terms and conditions of the new contract.

2. In the event that a follow-on contract is awarded to a firm other than USFI, USFI shall participate and cooperate in the ramp-up/down process with the new contractor. The following terms will apply:

i. Within fifteen (15) days after USFI is notified that it has not received the follow-on contract, USFI shall submit its proposed ramp-down schedule to the Contracting Officer.

ii. USFI shall provide, within the first two (2) months after the follow-on contract is awarded, an Excel spreadsheet report to the Contracting Officer which identifies all Prime Vendor purchased product by stock number, item description, quantity and location in the pipeline, expiration date, average monthly demand and product price.

iii. USFI shall continue replenishment of all items to allow for sufficient stock on hand and in the pipeline to support the current customer requirements during the implementation phase. USFI shall submit a Total Asset Visibility Report on a weekly basis to the Contracting Officer during the implementation phase of the follow-on contract. USFI consents to the disclosure of the information contained in the Total Asset Visibility Report to the follow-on contractor. USFI shall

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coordinate with the Contracting Officer on any decision to stop placing new product orders during the implementation period of the follow-on contract. DLA Troop Support will facilitate communication between the customers and incumbent Prime Vendor to address remaining stock levels.

iv. DLA Troop Support anticipates that USFI will remain the principal source of food and non-food supplies for the first several months of any follow-on contract's implementation phase. During this period, USFI shall maintain its contractually required fill-rate of [REDACTED]. Notwithstanding other provisions of contract SPE300-16-D-4016, performance failure during the follow-on contract implementation phase, just as during other periods of performance, may result in termination for cause and/or USFI receiving administrative admonishment via negative past performance ratings in the Contract Performance Assessment Reporting System (CPARS) record, and/or any other remedy available to the Government.

v. In the event USFI has residual stocked product available for sale to the new contractor, the new contractor may be required to procure the available product offered for sale from USFI and USFI will be required to offer such product for sale to the new contractor. Any such sale shall be in accordance with the following terms and conditions. Any additional terms beyond those specified below must be agreed upon between the two parties and will be considered a commercial agreement separate and distinct from the requirements of both the instant and follow-on contracts.

- In accordance with the average demand history for each item, quantities sold to the new contractor shall be a minimum of one (1) month of stock and shall not exceed eight (8) months of stock, unless otherwise approved by the Contracting Officer, which would account for a total pipeline (stock on-hand and receipted replenishment quantities to include stock levels for surge and sustainment requirements). Products shall be sold to the new contractor at the "Product Price" as defined by Defense Logistics Agency Directive (DLAD) 52.216-9065 Economic Price Adjustment - Actual Material Costs for Subsistence Product Price Business Model. Supporting invoice documentation must be provided to the new contractor by USFI for traceability and price verification purposes. The estimated value for the maximum eight (8) months of stock (product costs) is [REDACTED]. Any other charges by USFI will be billed to the new contractor separately from the Product Price and shall not be included in the new contractor's catalog pricing or otherwise reimbursed by the Government.
- Because the new contractor may be required to inspect all purchased products prior to acceptance into its warehouse(s), USFI shall be aware that the following products may be excluded from any required purchase transaction.
  - Product that fails to meet minimum contractual requirements of the follow-on contract; i.e., proper storage, shelf life remaining, etc.;
  - Product that does not have sufficient anticipated demand; and/or
  - Product that is sourced from Outside Contiguous United States (OCONUS) contractors (i.e., fresh fruits and vegetables)
- The new contractor shall be responsible for purchasing the residual stock unless one of the above exceptions apply.

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- Once the new contractor and USFI have agreed to the products that will be purchased in accordance with the considerations discussed herein, USFI shall have the identified product prepared for pick-up by the new Prime Vendor, in accordance with commercial standards. Inspection and acceptance will take place when the new Prime Vendor picks up the product.

vi. The Government intends to have the new contractor's catalog(s) live and available for use by customers prior to the last month of the follow-on contract implementation phase. The last month of the implementation phase is intended to be used by USFI for submission and payment of its final invoices under this contract. USFI may be required, however, to fully perform throughout the performance period of its contract.

vii. The GOCO in Korea primarily stores Operational Rations. USFI will continue to be paid for any orders placed from their catalog through the life of the contract. The Government anticipates that it will be necessary for USFI and the new contractor to co-exist at the GOCO for the final 30 days of the implementation period to ensure a smooth transition of support to the customer. Once USFI is informed by the Contracting Officer that the new contractor's catalogs are operational, USFI will turn over the GOCO with the Operational Rations at no additional cost. USFI agrees to cooperate fully with this co-use of GOCO space.

viii. USFI shall provide, within the first two (2) months after the follow-on contract is awarded, an excel spreadsheet report to the Contracting Officer which identifies all Operational Rations by stock number, item description, quantity, expiration date and average monthly demand of current stock in the GOCO as well as any in the pipeline. It is the responsibility of USFI to dispose of any rations that have expired. USFI will submit an invoice to DLA for associated disposal costs in accordance with Distribution Price Category 74 (GFM Disposal Fee) of [REDACTED] per case.

ix. USFI must be fully prepared to vacate the GOCO facility within the last 30 days of the implementation period after notification by the Contracting Officer.

x. USFI must dispose of its residual stock that is not ultimately purchased by the new contractor. USFI shall be responsible for all costs associated with this product, including disposal costs (i.e. product price, distribution price, etc.).

(End of Modification)