

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30				1. REQUISITION NUMBER 1000037842	PAGE 1 OF 11	
2. CONTRACT NO. SPE3S1-15-D-Z207	3. AWARD/EFFECTIVE DATE 2015 SEP 01	4. ORDER NUMBER	5. SOLICITATION NUMBER SPE3S1-15-R-0005	6. SOLICITATION ISSUE DATE 2015 JUN 11		
7. FOR SOLICITATION INFORMATION CALL:	a. NAME		b. TELEPHONE NUMBER (No collect calls)	8. OFFER DUE DATE/ LOCAL TIME		
	9. ISSUED BY DLA TROOP SUPPORT SUBSISTENCE SUPPLY CHAIN 700 ROBBINS AVENUE PHILADELPHIA PA 19111-5096 USA Local Admin: Jennifer Dam PSPTRA3 Tel: 215-737-7898 Fax: 215-737-4115 Email: JENNIFER.DAM@DLA.MIL		10. THIS ACQUISITION IS <input checked="" type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> HUBZONE SMALL BUSINESS <input type="checkbox"/> SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS	<input type="checkbox"/> UNRESTRICTED OR <input checked="" type="checkbox"/> SET ASIDE: 100 % FOR: <input type="checkbox"/> WOMEN-OWNED SMALL BUSINESS (WOSB) ELIGIBLE UNDER THE WOMEN-OWNED SMALL BUSINESS PROGRAM <input type="checkbox"/> EDWOSB NAICS: 311511 <input type="checkbox"/> 8 (A) SIZE STANDARD:		
11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE	12. DISCOUNT TERMS Net 30 (Do not Use)		<input type="checkbox"/> 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)	13b. RATING		
15. DELIVER TO SEE SCHEDULE	16. ADMINISTERED BY SEE BLOCK 9 Criticality: PAS: None		14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP			
17a. CONTRACTOR/ OFFEROR OREGON FREEZE DRY, INC. DBA OREGON FREEZE DRY, INC. 525 W 25TH AVE SE ALBANY OR 97321 USA TELEPHONE NO. 5419266001	CODE 58340	FACILITY CODE	18a. PAYMENT WILL BE MADE BY DEF FIN AND ACCOUNTING SVC BSM P O BOX 182317 COLUMBUS OH 43218-2317 USA			
17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER <input type="checkbox"/>			18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED. <input type="checkbox"/> SEE ADDENDUM			
19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES		21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	See Schedule					
25. ACCOUNTING AND APPROPRIATION DATA				26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$74,970,000.00 (Maximum)		
<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA			<input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.			
<input type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA			<input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.			
28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED			29. AWARD OF CONTRACT: REF. Oregon Freeze Dry, Inc. OFFER DATED 2015-Aug-27. YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH, HEREIN IS ACCEPTED AS TO ITEMS:			
30a. SIGNATURE OF OFFEROR/CONTRACTOR			31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER) 			
30b. NAME AND TITLE OF SIGNER (Type or Print)		30c. DATE SIGNED	31b. NAME OF CONTRACTING OFFICER (Type or Print) Karen Howard KAREN.HOWARD@DLA.MIL PSPTPE5		31c. DATE SIGNED 2015 SEP 01	

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT

32a. QUANTITY IN COLUMN 21 HAS BEEN

RECEIVED INSPECTED ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE
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32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE
32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE	

33. SHIP NUMBER <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR	36. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	37. CHECK NUMBER
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38. S/R ACCOUNT NO.	39. S/R VOUCHER NUMBER	40. PAID BY
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41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT	42a. RECEIVED BY (<i>Print</i>)	
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER	41c. DATE	
	42b. RECEIVED AT (<i>Location</i>)	
		42c. DATE REC'D (<i>YY/MM/DD</i>)
		42d. TOTAL CONTAINERS

ITEM DESCRIPTION:

CLIN 0001

NSN: 8910-01-537-7541 EGG MIX, UNCOOKED, DEHYDRATED, SHELF STABLE, butter flavored, pasteurized, 500 gm (17.6 oz.) net wt. packaged in a Boil-In-Bag (BIB), 3 BIB pgs per overwrapped barrier foil pouch, PCR-E-017A, dated 3 September 2010 (for Unitized Group Ration). Go to <https://www.troopsupport.dla.mil/subs/support/specs/pcrs/ugr/ugrpt14.asp> for PCR-E-017A and <https://www.troopsupport.dla.mil/subs/support/specs/pcrs/misc/dehybib.asp> for QAPKG Boil-In-Bag (BIB).

	Estimated Annual Qty	Unit of Issue	Firm Fixed Price	Portion Subject to EPA Unit Price	Total Price
Tier 1	84,000	EA	\$54.35	\$34.90	\$89.25
Tier 2	84,000	EA	\$55.98	To be determined	To be determined
Tier 3	84,000	EA	\$57.66	To be determined	To be determined
Tier 4	84,000	EA	\$59.39	To be determined	To be determined
Tier 5	84,000	EA	\$61.17	To be determined	To be determined

CLIN 0002

NSN: 8910-01-646-9664 EGG MIX, UNCOOKED, DEHYDRATED, SHELF STABLE, butter flavored, pasteurized, 500 gm (17.6 oz.) net wt. as in CLIN 0001, packaged in a Boil-In-Bag (BIB), 3 BIB pgs per overwrapped barrier foil pouch, PCR-E-017A, dated 3 September 2010, without Boil-In-Bag packaging cost (Boil-In-Bag packages will be provided by the Government as Government Furnished Property).

	Estimated Annual Qty	Unit of Issue	Firm Fixed Price	Portion Subject to EPA Unit Price	Total Price
Tier 1	84,000	EA	\$48.91	\$34.90	\$83.81
Tier 2	84,000	EA	\$50.37	To be determined	To be determined
Tier 3	84,000	EA	\$51.89	To be determined	To be determined
Tier 4	84,000	EA	\$53.45	To be determined	To be determined
Tier 5	84,000	EA	\$55.05	To be determined	To be determined

Total Contract Minimum for 5-year period is: 48,000 EA. The total minimum contract dollar value is \$4,284,000.00.

Total Contract Maximum for 5-year period is: 840,000 EA. The total maximum contract dollar value is \$74,970,000.00

The unit of issue of "Each" is comprised of 3 BIB packages per overwrapped barrier foil pouch.

Required delivery dates shall begin within 120 days after issuance of each delivery order.

The following is the complete delivery address:

DODAAC: W62G2T

Address:

Defense Depot Tracy
DLA Distribution San Joaquin
25600 S. Chrisman Rd.
Warehouse No. 30
Tracy, CA 95304-5000

For appointment call (209) 839-4496, 24 hours prior to delivery.

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The effective period of the contract is:

TIER 1: 9/01/2015 - 8/31/2016
TIER 2: 9/01/2016 - 8/31/2017
TIER 3: 9/01/2017 - 8/31/2018
TIER 4: 9/01/2018 - 8/31/2019
TIER 5: 9/01/2019 - 8/31/2020

Note: Deliveries might fall outside of effective period.

Pursuant to FAR clause 52.216-9062 - Economic Price Adjustment-Unitized Group Ration, the Portion Subject to EPA (\$34.90) of the total unit price will be adjusted using the arithmetic average of the fifty two (52) weeks prices for National Liquid Egg, Whole, Wtd., Avg. as published in the USDA Egg Market News Report immediately preceding the date the New Tier is valid to determine the unit price applicable to the forthcoming tier term. No adjustment will be made to the Firm Fixed Price portion of the Unit Price.

INSPECTION:

Origin: Contractor paid USDA inspection

Destination: Military verification inspection for identity, count and condition.

Manufacturing Site: Oregon Freeze Dry, Inc
525 25th Ave. SW
Albany, OR 97321

Place of Inspection: Same as above

Inspection Office: USDA, AMS, F&V
1193 Royvonne SE, Suite 16
Salem, OR 97302
Inspector-In-Charge: Sean Martin
503-399-5761
Sean.martin@ams.usda.gov

All terms and conditions of solicitation SPE3S1-15-R-0005, as amended and stated in negotiation letter dated August 21, 2015, are hereby incorporated into this contract.

TECHNICAL/QUALITY DATA

I. MARKING OF SHIPPING CONTAINERS AND MARKING OF UNIT LOADS

For shipments to Department of Defense Depots, all Shipping Containers and Unit Load shall be marked in accordance with DLA Troop Support Form 3556, entitled "Marking Instructions for Boxes, Sacks, and Unit Loads of Perishable and Semi-perishable Subsistence, dated October 2010."

All unit loads shall be clearly marked with the following information on two adjacent sides of the load with the largest characters possible as follows:

Unitized Ration Component
National Stock Number
Item Name
Date of Pack and Lot Number

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Number of Shipping Containers per Pallet

Contract Number

Contractor's Name and Address

Inspection Test Date (ITD) *

*The Inspection Test Date, the expected shelf life is found in the applicable solicitation/contract. To calculate the ITD, add the shelf life value to the month/year date of pack. Example, if the Date of Pack is June 2007, and the shelf life is 36 months (3 years), then the ITD is computed as follows: 6/07 + 3 years = 6/10. If labels are used, they shall be permanently affixed with water-resistant adhesive tape.

Shipments without the appropriate Shipping Container and Unit Load Markings will be rejected and returned to origin, or at the Contracting Officers discretion, reworked at a labor rate determined by the destination activity (not DLA Troop Support).

II. UNITIZATION

Unit loads shall have the shipping containers arranged on a 40 inch by 48 inch commercial wood or plywood four-way entry pallet, or on a 48 inch by 40 inch Grocery Manufacturers of America wood four-way entry pallet.

The load shall be bonded with non-metallic strapping, shrink or stretch film, or others means that comply with carrier rules and regulations applicable to the mode of transportation (adhesive bonding is not acceptable).

Bonding material shall secure the load to the pallet to form a consolidated, stable cargo which can be handled as a unit. For example, when strapping is used to secure the load, the straps shall pass under the top deck boards of the pallet. When stretch or shrink film is used, it must be applied low enough on the pallet to secure the load to the pallet. The unit load height shall not exceed 50 inches.

Inspection of unit loads shall be in accordance with classification Type III, Class G of DLA Troop Support Form 3507 of October 2011 entitled "Loads, Unit; Preparation of Semi-perishable Subsistence Items." The unit load dimensions are 40 inches in length by 48 inches in width and 50 inches in height (Please note: In the height dimension, this includes the 1-3/8" slave board that the pallet and material are placed on). These dimensions are exact and can be no larger than what is specified. No overhang is permitted.

III. STORED PRODUCTS PEST MANAGEMENT PROGRAM

The contractor shall develop and maintain a stored products pest management program for food and other collocated non-food items. The procedures contained in the "Integrated Pest Management (IPM) Program Requirements for Operational Rations", April 2011 are required. This document can be found on DLA Troop Support Subsistence Website at: <http://www.troopsupport.dla.mil/subs/support/quality/ipm-cpaf.pdf>

IV. PRODUCT SANITARILY APPROVED SOURCE REQUIREMENTS

As required by 48 CFR 246.471-1 Subsistence, AR 40-657, Veterinary/Medical Food Inspection and Laboratory Service, DLAR 4155.3, inspections of Subsistence Supplies and Services, Clause DLAD 52.246-9044, "SANITARY CONDITIONS (Nov 2011) DLA Troop Support," and as clarified by the Armed Forces Food Risk Evaluation Committee, 31 JAN 1996, all Operational Ration Food Components will originate from sanitarily approved establishments. Acceptable sanitary approval is constituted by listing in the "Directory of Sanitarily Approved Food Establishments for Armed Forces Procurement," published by the U.S. Army Veterinary Command (VETCOM), or an establishment inspected and approved by the U.S. Department of Agriculture (USDA) or the U.S. Department of Commerce (USDA) and possessing a USDA/USDC establishment number. This requirement applies to all GFM and CFM Operational Ration Food Components and to all Operational Ration types. Requests for inspection and "Directory" listing by VETCOM will be routed through DLA Troop Support-FTRE for coordination and action. Situations involving sole sources of supply, proprietary supply sources, and commercial Brand Name items will be evaluated directly by the Chief, DLA Troop Support-FTRE, in coordination with the Chief, Approved Sources

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Division, VETCOM.

V. TRACEABILITY

In order to facilitate an effective traceability for the Unitized Group Ration Program, the contractor shall ensure that each primary container (unit pack) and intermediate container, if required, has a lot number and Date of Pack (DOP). These package codes shall be permanent and legible.

Use of the Julian Date for the lot number is preferred. For example, 9296 = October 23, 2009. If the contractor's lot identification is of their own coding, the contractor shall provide the coding information for the primary containers and the contract data markings upon delivery. Package codes per case lot number shall be identified on the appropriate accompanying Bill of Lading upon delivery.

Additionally, the contractor shall ensure that traceability records include identifying ALL ingredients and ALL sources for those ingredients. This shall be accomplished for the each item, brand and component that is shipped to the Defense Depot (Assembler) for the Unitized Group Ration Programs. This information shall be made available within 24 hours.

VI. DATE OF PACK

Acceptance will be limited to product processed and packed subsequent to date of award of delivery order. Additionally, all shipments of components/product from a producer to destination/assembly points shall not be older than 60 days at time of shipment.

VII. MISCELLANEOUS REQUIREMENTS

Compliance with the provisions contained in Title 21, Code of Federal Regulations Part 110 "Current Good Manufacturing Practice in Manufacturing, Packaging or Holding Human Food," and all regulations referenced herein, is required. In addition, the contractor is required to comply with all with the provisions contained within specific parts of the Code of Federal Regulations. For example, low-acid canned food manufacturers, Part 110 and 113 are applicable.

VIII. INSPECTION/QUALITY ASSURANCE PROVISIONS

For finished products produced under the Regulations Governing the Inspection of Eggs and Egg Products (9 CFR Part 590) inspection for compliance with in-process contract requirements, as specified in Section C-2, J and Section C-2, K of PCR-E-017A dated 3 September 2010 (Egg Mix, Pasteurized, Uncooked, Dehydrated, Packaged in a Boil-in-Bag (BIB)), shall be performed by the USDA Food Safety Inspection Service in accordance with the Regulations Governing the Voluntary Inspection for Egg Products (9 CFR Part 590). Inspection of the finished product for compliance with end-item contract requirements shall be contractor-paid lot inspection by USDA, AMS, FV, PPB.

For finished product production exempt under the Regulations Governing the Inspection of Eggs and Egg Products, in-process monitoring, inspection for compliance with in-process contract requirements, and end-item inspection of the finished product for compliance with contract requirements shall be contractor-paid in-plant inspection by USDA, AMS, FV, PPB. In-process in-plant monitoring shall be performed during processing, including, but not limited to, product formulation, handling, processing, and packaging. Review of records may be substituted for on-site presence when products are sealed in processing vessels.

In all cases, the contractor shall provide a certificate of conformance for each lot of finished production stating that the lot was produced using the same ingredient formulation as the approved production standard.

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The Government reserves the right to verify formulation through on-site monitoring.

CONTRACTOR PAID USDA is required for all characteristics specified herein. In addition, Government inspection shall also be at destination for identity, count and condition for all terms and conditions of the contract. This shall include but is not limited to the following:

1. All shipments must be accompanied by a Bill of Lading, and all other pertinent invoices as required.
2. All unit loads must be marked in accordance with DLA Troop Support 3507.
3. All unit loads shall be stable and not exceed 50 inches high.
4. All delivered product shall be free of defects.
5. All shipments must contain the correct quantity as specified by DLA Troop Support.
6. Appointments must be scheduled with the receiving activity prior to delivery.
7. All delivered product must meet or exceed the appropriate product requirements as described in this Solicitation.
8. All delivered products must meet the required date of pack/shelf life requirements.
9. To determine the date of pack, any closed date code must be accompanied with documentation deciphering the closed product code.
10. All delivered products must be free of insect and rodent infestation.

Failure to comply with ANY of the above conditions may result in the shipment(s) being rejected and returned to origin, or at the Contracting Officer's discretion reworked at a labor rate determined by the destination activity (not DLA Troop Support).

QUALITY ASSURANCE PROVISIONS:

By submitting an offer, the contractor certifies that the product offered meets: the specified finished product salient characteristics and all requirements of this contract; conforms to the producer's own specifications and standards, including product characteristics, manufacturing procedures, quality control procedures, and storage and handling practices; has a national or regional distribution from storage facilities located within the United States, its territories, or possessions; and is sold on the commercial market.

The Government reserves the right to determine proof of such conformance prior to the first delivery from the point of origin and any time thereafter, as may be necessary, to include delivery at final destination, and for the time the product is covered under warranty, to determine conformance with the provisions of the contract.

The supplies or products furnished under the contract shall be produced in accordance with the provisions of 21 CFR, Part 110, "Current Good Manufacturing Practices in Manufacturing, Packing or Holding Human Food," and all regulations referenced therein.

Rework Of Nonconforming Product Pre or Post Acceptance

Rework Of Nonconforming Product: The Government QAR must be informed and provided documentation of all rework results when product is presented for Government verification inspection or prior to Government inspection as indicated below.

A. Corrective Action (Rework/Screen Inspections) Taken Prior To Government Verification Inspection (Receipt, In-Process And End-Item Inspections): Unless otherwise specified below, all reworks and screening inspections conducted prior to the Government verification inspection do not require approval from the Government. Although the QAR must be informed of all reworks, the contractor is not required to obtain approval to take corrective and preventive action as deemed necessary to ensure compliance with contractual requirements. For reworks requiring the Government's approval (as specified below), the contractor may submit a Standard Rework Procedure (SRP), for certain defects, under the contractor's documented QSP section XIII - Corrective and

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Preventive Action Program. The SRPs must be specific and these must be evaluated by DLA Troop Support-FTR, and DLA Troop Support-FTSB, and approved by the applicable Contracting Officer.

NOTE: All requests for rework shall be accompanied with a comprehensive rework plan. The rework plan will include rational information and data that supports the rework plan and ensures the elimination of nonconforming material from the lot. When a contractor determines as a result of his end item inspection(s) or QSP that supplies do not conform to contractual requirements and the supplies cannot be reworked (such as drained weight, viscosity, piece size, residual air, etc), he has the alternative to request the Contracting Officer for a waiver for the nonconforming requirement. If the Contracting Officer approves the waiver request for a specific requirement, the written waiver approval shall be provided to the GQAR when the supplies are presented for Government Verification Inspection (the skip-lot inspection does not apply in this case). The GQAR shall only inspect the supplies for compliance with all requirements of the contract, except the waived requirement. The Contracting Officer, in special circumstances, may request nonconforming supplies to be inspected by the GQAR, after the waiver for the nonconforming requirement has been provisionally approved, to determine severity of nonconformance only. Due to the type of statistical sampling cited in the contract, under no circumstances shall a lot found nonconforming by the contractor be inspected by the GQAR to determine conformance to a requirement that has previously been established as nonconforming by the contractor's inspection. After any lot's failure or rework, if the lot is reinspected, it will be both Contractor and Government inspected at the next higher sample size.

B. The Following Reworks Must Be Coordinated With The Supervisory GQAR And Approved By The Applicable DLA Troop Support-FTR Office.

1. Insect or Rodent Infestation/Contamination: Reworks must be approved by DLA Troop Support-FTSB.

2. Food Safety and Foreign Material: All corrective actions for product retained due to foreign material and/or processed/unprocessed container mix-ups must be approved by FTR. Thermal process deviations or deviations from the preparation, formulation or critical factors cited in the approved process schedule must be accompanied by a detailed letter from the plant's Processing Authority. The involved subcode(s), the deviation, and the disposition of the product shall be clearly identified when the complete lot is presented for Government end item verification inspection. If the producer fails to provide enough information/data in the case of a deviation, the GQAR shall contact FTR for approval to proceed with the Government end item verification inspection. These requirements are in addition to applicable Code of Federal Regulations or other regulatory requirements (USDA-FSIS, FDA)

"Retesting/reinspection/rework of product that tested positive for food borne pathogens (salmonella, e. coli, etc.) is not authorized."

Note: Deviations (that occur during or prior to the production of a product) from specific preparation/formulation/ingredient requirements cited in the specifications shall be submitted as a request for product deviation and must be approved and coordinated with the Specification Preparing Activity (Natick) through the applicable Contracting Officer.

3. Container Integrity Defects: All reworks due to container integrity defects noted during the producer's end item inspection (for critical container defects only) or Government final lot end item verification inspection, must be approved by FTR unless 100% primary container rework of the entire lot is conducted at source. All containers exhibiting same or other container integrity defects must be removed during the 100% primary container rework and noted on the rework paperwork. Reworked lots will be inspected or re-inspected, as applicable, by the GQAR at the location of the rework using the next larger sample size (for example, from 200 samples to 315, or if a second rework, from 315 samples to 500 samples). Rework results must be included with other paperwork when the lot is presented for Government end item verification inspection.

4. Second Time Reworks: All second time reworks must be approved by the applicable FTR office.

5. Nonconformances Noted During The Government End Item Verification Inspection:

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All rework requests submitted for defects noted during Government verification end item verification inspections must be approved by the applicable Contracting Officer, unless exempted under paragraph 3 above.

C. Contractor's Quality History:

1. Effectiveness of corrective actions (rework/screen inspections) taken by the contractor prior to Government end item verification inspection (receipt, in-process and contractor's end-item inspections) will be determined by the results of the end item verification inspection performed by the GQAR. Corrective actions taken to ensure compliance with the contractual requirements prior to the Government end item verification inspection will not be counted against the contractor's quality history. If product is found conforming during the Government end item verification inspection, the corrective action will be determined to have been effective. However, all requests for waivers and product deviations will be counted.

2. If product is found nonconforming during the Government end item verification inspection following contractor corrective action for the same defect (or defect category in case of critical container defects) for which the contractor took a corrective action, the corrective action will be determined to have been ineffective. In addition to any action taken, the contractor must reevaluate their documented QSP and/or the implemented corrective and preventive action program by an internal audit and results must be submitted to DLA Troop Support-FTSB (Quality Systems Auditors). All corrective actions (rework/screening inspections, etc.) taken by the contractor due to a Government end item verification inspection rejection will be documented in the contractor's quality history records.

NOTE: If the contractor elects to rework nonconforming product, it must be reworked and reoffered within 30 days from date of initial rejection.

All requests for rework shall be accompanied with a comprehensive rework plan. The rework plan will include rational information and data that supports the rework plan and ensures the elimination of nonconforming material from the lot. See "Request for Rework, Request for Waiver, Request for Deviation, or Reinspection of Nonconforming Supplies".

D. Request for Rework, Request for Waiver, Request for Deviation, or Reinspection of Nonconforming Supplies

A. When contractor inspection or QSP, or Government verification by the QAR, reveals a process deviation or nonconforming lot, the contractor's written request for deviation, waiver, rework or reinspection of the nonconforming lot(s) must be furnished, as appropriate to the Contracting Officer and cognizant Government QAR and shall at a minimum contain the following:

1. Contractor's name and address.
2. Contract number, lot number(s), and quantity.
3. Item nomenclature and NSN, whether a component or end item.
4. Specification number, table/paragraph number, sample size, AC/REJ number(s), defect number(s), number of defects. Identify the container codes of defective units.
5. Classification of defects: Critical _____ Major _____ Minor _____
6. Cause of nonconformance or deviation, and corrective and preventive action.
 - a) State the root cause of the deficiency.
 - b) State the corrective action and the preventive action contractor has taken/will take to preclude recurrence.
 - c) If preventive action is not possible, state why.
7. If deviation/nonconformance is of a recurring nature, the frequency of occurrence and date/contract/lot number of last occurrence.
8. Effect on cost/price.
9. Effect on delivery schedule.
10. Full justification for request for deviation, waiver, rework or reinspection.
11. Submit in-process data (MPC, SPC), and contractor and Government end-item records for the involved lot(s). Submit retort records, copy of process schedule and letter from Processing Authority if a process

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deviation.

12. Applicable to the defect found or class of defects for critical defects, identify the situations where the lot exceeded control limits (out-of-control, exceeded action level or number) according to inprocess records (MPC, SPC), and identify the corrective actions taken for each instance.

NOTE: All requests for rework shall be accompanied with a comprehensive rework plan. The rework plan will include rational information and data that supports the rework plan and ensures the elimination of nonconforming material from the lot. After any lot's failure or rework, if the lot is reinspected, it will be both Contractor and Government inspected at the next higher sample size.

B. When a valid technical reason for reinspection is offered and permission is granted by the PCO, the contractor shall take corrective action to eliminate the cause of the inspection revealed failure; reinspect the non-reworked lot after taking the corrective action, and evaluate the results of the initial inspection and the reinspection by means of recognized statistical methods.

1. If the statistical tests reveal no significant difference between the results of the two inspections, acceptability will be based on reinspection results. A significant difference is one that is real and not due to chance variation. Statistically, a difference which has a 0.05 probability of occurring by chance alone is usually considered a significant difference.

2. If such statistical tests reveal no significant difference between the results of the two inspections, both results will be reported to the Contracting Officer.

a. The results of the two inspections will be averaged and acceptability will be based on whether the resulting average meets the requirement, when the requirement is an average (variable) requirement.

b. The results of the initial (original) inspection will be the basis for the acceptability decision when the requirement is a unit (attribute) requirement.

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Part 12 Clauses

52.211-15 DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS (APR 2008) FAR

52.247-9034 POINT OF CONTACT FOR TRANSPORTATION INSTRUCTIONS (JUN 2013) DLAD