

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

2. AMENDMENT/MODIFICATION NO. A00002		3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. See Schedule	5. PROJECT NO. (If applicable)	
6. ISSUED BY HQ AMC/DOYMB 402 Scott Dr., Unit 3A1 Scott AFB, IL 62225-5302		7. ADMINISTERED BY (If other than Item 6) Jill E. Becker (618) 229-4770	CODE		

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) FEDERAL EXPRESS CORPORATION 6404 IVY LANE, 5TH FLOOR GREENBELT, MD. 20770		(X) 9A. AMENDMENT OF SOLICITATION NO.
CODE 0grc4 FACILITY CODE		9B. DATED (SEE ITEM 11)
		10A. MODIFICATION OF CONTRACT/ORDER NO. F11626-02-A-0007
		(X) 10B. DATED (SEE ITEM 13) 21/Aug/2002

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.
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 ACKNOWLEDGEMENT 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) _____ CODE

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 date, 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 Clause 52.212-4(c) - Contract Terms and Conditions-Commercial Items (May 2001)
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.)
SEE CONTINUATION ON PAGE 2

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) Jeffrey Ferrell Worldwide Sales Mgr. DoD	16A. NAME AND TITLE OF SIGNER (Type or print) PAMELA S. MORAN (618) 229-4770 Pamela.Moran@scott.af.mil
15B. CONTRACTOR/OFFEROR Jeffrey T. Ferrell <i>(Signature of person authorized to sign)</i>	15C. DATE SIGNED
16B. UNITED STATES OF AMERICA BY Pamela S. Moran <i>(Signature of Contracting Officer)</i>	16C. DATE SIGNED 1/3/03

FEDERAL EXPRESS CORPORATION

F11626-02-A-0007-A00002

a. The purpose of this modification is to change the following:

(1) Page 18, I. Description of Service, paragraph 1.3, change to read "Third (3rd) party logistics Contractors, under a cost-reimbursable contract, may also use this BPA for official business conducted on behalf of the US Federal Government, if mutually agreed upon by the domestic express Contractor. Invoicing and billing procedures shall be mutually agreed upon between the third-party Contractor, the sponsoring agency, and the domestic express Contractor (See Exhibit G)."

(2) Page 59, Exhibit G, Authorization Procedures for Commercial Contractors, paragraph 1, change to read "The Contracting Officer has determined that it is in the government's best interest to allow certain commercial contractors to use the BPA when using domestic express small package service for shipments made on behalf of the US government. The contractor's include Third Party Logistics (3PL) Contractors, under a cost-reimbursable contract."

(3) Page 61, Exhibit G, remove paragraph 8 which states Delivery Terms: Contract must require FOB (free on board) origin terms in order to be considered for participation in the program.

(4) Page 23, I. Description of Service, paragraph 4.4.8.2.4, change to read "The report of sales and revenues or the closeout report shall accompany the submission of the Administrative Service Charge to the Payment Office with a copy forwarded to the Administrative Contracting Officer."

(5) Page 14, Accessorial Services, Notes, remove paragraph 3 which states "A fuel surcharge is currently assessed in accordance with the Terms and Conditions in the FedEx Commercial Service Guide, and at www.fedex.com. The fuel surcharge is assessed on each individual package. The applicable fuel surcharge at the time of this solicitation was 2.0% and is subject to change".

b. There is no cost associated with these changes. There are no other changes to the Blanket Purchase Agreement as a result of this modification.

c. Revised pages are attached. Changes are identified by a vertical line in the right margin.

STATEMENT OF WORK
DOMESTIC EXPRESS DELIVERY OF SMALL PACKAGES

I. DESCRIPTION OF SERVICE

1. Scope of the Blanket Purchase Agreement (BPA)

1.1. The purpose of this BPA is to provide domestic express small package delivery services for same day, next day and second-day delivery for the United States (US) Department of Defense (DOD). Domestic express small package delivery service includes door-to-door, pickup and delivery, transportation, and in-transit visibility (ITV) of extremely urgent letters and small packages up to and including 150 pounds. Contractors must participate in the Civil Reserve Air Fleet (CRAF), be registered in the Central Contractor Registration (CCR), and participate in PowerTrack. The Contractor shall deliver to 95% of all ZIP Codes, excluding Post Office boxes, Army Post Office (APO) or Fleet Post Office (FPO) addresses located in the CONUS, Alaska, Hawaii, and the Commonwealth of Puerto Rico and all ZIP Codes provided to their commercial customers, whichever is greater.

1.2. This BPA is a mandatory source for all Department of Defense (DOD) small package delivery service requirements within the scope of the GSA Multiple Award Schedule and this BPA.

1.3. Third (3rd) party logistics Contractors, cost-reimbursable Contractors, under a cost-reimbursable contract, may also use this BPA for official business conducted on behalf of the US Federal Government, if mutually agreed upon by the domestic express Contractor. Invoicing and billing procedures shall be mutually agreed upon between the third-party Contractor, the sponsoring agency, and the domestic express Contractor (See Exhibit G).

2. Definitions. Refer to Exhibit B for definitions of all Government unique terms used in this BPA.

3. Basic Service. The Contractor shall provide express service through pick-up, transport, active tracking, and delivery of extremely urgent letters and small packages to and from CONUS, Alaska, Hawaii, and Commonwealth of Puerto Rico locations in accordance with the GSA Multiple Award Schedule Scope of Work, commercial practices, and DOD/agency requirements.

4. General Requirements.

4.1. BPA prices for basic service shall be inclusive of all charges (e.g., inclusive of pickup and/or delivery charges).

4.2. The contractor shall make available services not specified in this BPA, but which are contained in the contractor's commercial service guide (CSG) or are offered to their commercial customers. If the contractor provides these services to its commercial customers at no cost, these services shall be provided to the government at no additional cost. The charge applied to commercial customers for these services will be used to compute the governments' service charge.

**THE MONEY BACK GUARANTEE HAS BEEN WAIVED. THIS OPTION WILL
BENEFIT DOD SHIPPERS BY ELIMINATING THE TIME AND ADMINISTRATIVE**

EXHIBIT G

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**AUTHORIZATION PROCEDURES
FOR COMMERCIAL CONTRACTORS**

The Contracting Officer has determined that it is in the government's best interest to allow certain commercial contractors to use the BPA when using domestic express small package service for shipments made on behalf of the US government. These contractor's include Third Party Logistics (3PL) Contractors, under a cost reimbursable contract.

The following procedures must be followed when requesting authorization to participate in the DOD BPAs. Contractors shall submit their written request to participate by completing the Contractor's Request to Use the Domestic Express BPA form to the sponsoring agency administering the contract.

The CO will verify/confirm the information provided in para 1-5 of the request by signing and dating within the space provided under para 5, Contracting Officer Signature and date. This action must be mutually agreed upon by the domestic express contractor. The CO will forward the completed form to the appropriate ACOR. Go to the public website for a list of ACORs:

<https://amcpublic.scott.af.mil/don>.

The ACOR shall forward the completed request form to the contractor(s), with a courtesy copy provided to the Administrative Contracting Officer and Program Office.

Telephone Number: _____

5. Agency Billing Office Point of Contact:

Name: _____

Address: _____

Telephone Number: _____

INFORMATION IN PARAGRAPHS 1-5 VERIFIED:

Contracting Officer Signature

Date

6. Shipment Destination Profile: List anticipated shipment destination locations and provide projected number of shipments and percentage of shipments to specific agencies.

7. Shipment Weight Profile: Be as specific as possible, X number of estimated shipments 1-10 lbs, etc.

NOTE: Any commercial contractor receiving approval to use the BPA shall adhere to all its terms and conditions.

4.4.8.2.3. The report is due 30 days following the completion of the reporting period. The Contractor shall also provide a closeout report within 120 days after the expiration of the BPA. The BPA expires upon physical completion of the last, outstanding order issued under the terms of the BPA. The closeout report shall cover all revenues not shown in the final quarterly report and reconcile all errors and credits. If the Contractor reported all BPA revenues and reconciled all errors and credits on the final quarterly report, then the Contractor shall show zero revenues in the closeout report. The Contractor shall remit any monies due as a result of the closeout report at the time the closeout report is submitted.

4.4.8.2.4. The report of sales and revenues or the closeout report shall accompany the submission of the Administrative Service Charge to the Payment Office with a copy forwarded to the Administrative Contracting Officer.

4.4.9. Administrative Service Charge Remittance.

4.4.9.1. The Contractor shall pay the U.S. Air Force an Administrative Service Charge (ASC) as a percentage of the revenues received. The Contractor shall remit the ASC in U.S. dollars within 30 days after the end of each quarterly reporting period as established in the section titled, 4.4.8.2. Contractor's Report of Sales and Revenues. The ASC equals 1% (one percent) of total quarterly revenues received.

4.4.9.2. The Contractor shall consolidate all actions for the reporting period into one payment. To ensure that the payment is credited properly, the Contractor shall identify on the check, or electronic transmission, what the check should be applied to, i.e. Domestic Express Small Package, and include the following information: BPA number; amount; and reporting period. If the Contractor makes payment by check, provide this information on the check; check stub, or other remittance material. Provide the check number, dollar amount and date submitted to Jill Becker/Pam Moran at HQ AMC/DOYMB, 402 Scott Drive, Unit 3A1, Scott AFB IL 62225-5302, 618-229-4770.

4.4.9.2.1. If paying the ASC by check, the Contractor shall forward the check to the following address:

DFAS-OM/AIOC
ATTN: AMC/Pamela Meek
PO Box 7050
Bellevue, NE 68005-1950

4.4.9.3. If the full amount of the ASC is not paid within 30 calendar days after the end of the applicable reporting period, it constitutes a contract debt to the United States Government under the terms of FAR 32.6. The Government may exercise all rights under the Debt Collection Act of 1982, including withholding or setting off payments and interest on the debt (see FAR 52.232-17, Interest).

SOLICITATION F11626-02-Q-0001
 CONTRACT F11626-02-A0007
 A00002

Alaska/Hawaii Surcharge						
Envelope/Pak	Alaska \$2.50 shpt.	Hawaii \$2.50 shpt.	Alaska (per lb.)	Hawaii (per lb.)	\$5.00 shpt.	50%
Priority/Standard Overnight Pak (1-2 lbs.)	\$2.50 shpt.	\$2.50 shpt.			\$10.00 shpt.	75%
<u>FedEx Pak (3+ lbs.)</u>			metro/rural	metro/rural		
FedEx Box and Tube	\$2.50 shpt.	\$2.50 shpt.	.13/.19	.13/.19		0%
Priority Overnight Service	\$2.50 shpt.	\$2.50 shpt.	.13/.19	.13/.19		0%
Economy Two-Day Service	\$2.50 shpt.	\$2.50 shpt.	.13/.19	.13/.19		0%
Reroute		\$5.00	pkg.		\$10.00 pkg.	50%

VALUE ADDED

SERVICES:

Automatic Money Back Guarantee For Small Package	N/O
Increased Basic Liability For Small Package	N/O
Delivery Receipt	N/O
Customized Reports	N/O
Discount Off BPA	N/O

Notes

1. Rates provided are based on a percentage off the commercial list rates and are subject to change as the commercial list rate changes.

2. AL/HI are organized by metro and rural origins and destinations. Separate rates apply to intra-Hawaii. Surcharges are based on package type and weight. The greater of the per shipment or per pound charge will apply on packages 3 pounds and up. Not all services are available to/from AK/HI, please consult your FedEx Service Guide.

6. CONTRACT CLAUSES

In addition to the terms and conditions contained in GSA Multiple Award Schedule Contract # GS-23F-0170L, including GSA Clause I-FSS-FCXA-2002 DOD Blanket Purchase Agreements (June 2001), the following clauses are applicable to this BPA.

a. DFARS 252.212-7001

CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO DEFENSE ACQUISITIONS OF COMMERCIAL ITEMS

MAY 2002