

SOLICITATION/CONTRACT ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION N/A
 2. CONTRACT NO. SP0300-99-D-2966
 3. AWARD/EFFECTIVE DATE JAN 29, 1999
 4. ORDER NUMBER
 5. SOLICITATION NUMBER SP0300-98-R-4048/0001-0004
 6. TELEPHONE NUMBER (215) 737-2980
 7. FOR SOLICITATION INFORMATION CALL: M. STEFFANIA MAXWELL
 8. SOLICITATION ISSUE DATE 07/16/98
 9. OFFER DUE DATE/LOCAL TIME 09/09/98
 10. DISCOUNT TERMS NET

9. ISSUED BY DEFENSE SUPPLY CENTER PHILADELPHIA
 ATTN: DSCP-BFVH
 700 ROBBINS AVENUE
 PHILADELPHIA, PA 1911-5092
 10. THIS ACQUISITION IS UNRESTRICTED
 SET ASIDE: SMALL BUSINESS, SMALL DISADV. BUSINESS, SBA
 11. DELIVERY FOR FOR DESTINATION UNLESS BLOCK IS MARKED
 12. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)
 13. RATING
 14. THIS ACQUISITION IS RFD, IFB, RFP

15. DELIVER TO SEE PAGE 2
 16. ADMINISTERED BY SAME AS BLOCK 9
 17. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER

17a. CONTRACTOR OFFICER: PYA/MONARCH, INC
 5501 FULTON INDUSTRIAL BLVD
 ATLANTA, GA 30336
 TELEPHONE NO. (404) 346-6317
 18. PAYMENT WILL BE MADE BY DFAS-COLUMBUS CENTER
 ATTN-DFAS-CO-SEP
 P.O. BOX 182317
 COLUMBUS, OHIO 43218
 19. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18. UNLESS BLOCK BELOW IS CHECKED SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	SUBSISTENCE PRIME VENDOR FOR GEORGIA DOD AND NON DOD CUSTOMERS. THIS IS AN INDEFINITE (QUANTITY CONTRACT FOR BASE YEAR PLUS FOUR ONE-YEAR OPTIONS				

25. ACCOUNTING AND APPROPRIATION DATA SG 97X4930.5CSO 01 26.0 S33150
 26. TOTAL AWARD AMOUNT (Fw Govt. Use Only) \$18,250,000.00/BASE YEAR

27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA ARE ARE NOT ATTACHED.
 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-3 IS ATTACHED. ADDENDA ARE 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 HEREIN.
 29. AWARD OF CONTRACT: REFERENCE SP0300-98-R-4048
 DATED 9/23, 12/17, 1/99
 30. INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH

30a. SIGNATURE OF OFFEROR/CONTRACTOR: *George T. Watson*
 30b. NAME AND TITLE OF SIGNER (TYPE OR PRINT) GEORGE T. WATSON/PRESIDENT
 30c. DATE SIGNED 3/2/99
 31a. UNITED STATES OF AMERICA SIGNATURE OF CONTRACTING OFFICER: *Maureen Steffani*
 31b. NAME OF CONTRACTING OFFICER (TYPE OR PRINT) MAUREEN STEFFANI
 31c. DATE SIGNED 1/29/99

32a. QUANTITY IN COLUMN 21 HAS BEEN RECEIVED, INSPECTED, ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED
 32b. SIGNATURE OF AUTHORIZED GOVT. REPRESENTATIVE
 32c. DATE SIGNED
 33. SHIP NUMBER
 34. VOUCHER NUMBER
 35. AMOUNT VERIFIED CORRECT FOR
 35. PAYMENT COMPLETE, PARTIAL, FINAL
 36. SR ACCOUNT NUMBER
 37. CHECK NUMBER
 38. SR VOUCHER NUMBER
 39. PAID BY

40. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT
 41a. SIGNATURE AND TITLE OF CERTIFYING OFFICER
 41c. DATE SIGNED
 42a. RECEIVED BY (Print)
 42b. RECEIVED AT (Location)
 42c. DATE REC'D (YY/MM/DD)

SOLICITATION/CONTRACT FORM

- THE FOLLOWING AMENDMENTS, REFERENCED ON PAGE 1, ARE HEREBY INCORPORATED AS PART OF THIS CONTRACT:
 - AMENDMENT 0001 DATED August 10, 1998
 - AMENDMENT 0002 DATED August 26, 1998
 - AMENDMENT 0003 DATED August 28, 1998
 - AMENDMENT 0004 DATED August 28, 1998
- PYA MONARCH'S PROPOSAL AND ALL REVISIONS, INCLUDING THE FINAL PROPOSAL REVISION DATED JANUARY 12, 1999 ARE HEREBY INCORPORATED INTO THIS CONTRACT.
- REMIT TO ADDRESS:
SAME AS BLOCK 17A

SUPPLIES OR SERVICES AND PRICES

- CUSTOMERS: ATLANTA, GA

Installation**Service**

Ft. Gordon
TISA
Augusta, GA.

Army

Ft. Gordon
DDEAMC (Hospital)

Army

Augusta, GA.

Ft. Benning
TISA
Columbus, GA. Army

Martin Army Hospital
Columbus, GA. Army

Robins AFB
Wynn Dining Hall
Warner Robins, GA. Air Force

Robins AFB
Child Development Center
Warner Robins, GA. Air Force

Moody AFB
Child Development Center
Valdosta, GA. Air Force

Moody AFB
GA Pines Dining Hall
Valdosta, GA. Air Force

NAS Atlanta, Marietta
Marietta, GA. Navy

Ft. Stewart
TISA
Hinesville, GA. Army

Ft. Stewart * Army

Winn Army Hospital

Hinesville, GA.

* It is unsure at this time whether this customer will purchase through the DSCP Prime Vendor

MCLB Albany Marine

Albany, GA.

NSCS Savannah Navy

USS Raven

Garden City, Savannah, GA.

Turner Job Corps

Albany, GA.

Job Corp .

(Non-DOD)

- **ITEMS: TOTAL FOOD AND BEVERAGE SUPPORT FOR ATLANTA DOD AND NON-DOD CUSTOMERS, EXCLUDING FRESH FRUITS AND VEGETABLES, FRESH MILK AND FRESH BREAD.**
- **CONTRACT TYPE: INDEFINITE QUANTITY CONTRACT – FIRM FIXED PRICE.**
- **CONTRACT TERM: ONE [1] YEAR BASE TERM WITH FOUR [4] ONE-YEAR OPTIONS.**
- **THIS CONTRACT CONTAINS A GUARANTEED MINIMUM OF 10% OF THE ESTIMATED DOLLAR VALUE. THE ESTIMATED DOLLAR VALUE OF THE BASE TERM OF THE CONTRACT IS \$18,250,000.00 THE MAXIMUM CEILING WILL BE 125% OF THE ESTIMATED DOLLAR VALUE. IN THE EVENT OF EMERGENCIES AND/OR MOBILIZATION, THE GOVERNMENT RESERVES THE RIGHT TO UNILATERALLY EXECUTE AN ALTERNATE MAXIMUM CEILING OF 150% OF THE ESTIMATED DOLLAR VALUE.**
- **TO THE EXTENT THAT CUSTOMERS DO NOT MEET THEIR ESTIMATED DOLLAR PURCHASES, THE CONTRACTING OFFICER RESERVES THE RIGHT TO ADD MORE THAN 25% OF ADDITIONAL BUSINESS EQUIVALENT TO THE PERCENTAGE OF UNUSED BUSINESS.**
- **DELIVERY: DELIVERY SHALL OCCUR NO MORE THAN 48 HOURS AFTER ORDER PLACEMENT**
- **MINIMUM CASE REQUIREMENT: A MINIMUM OF 5 CASES PER WEEK FOR NEW ITEMS TO BE ADDED. HOWEVER THIS MINIMUM MAY BE ACHIEVED BY COMBINING ALL CUSTOMERS ON THIS CONTACT. THE SUPPLIER MUST FIRST BE APPROVED THROUGH THE CONTRACTOR'S SYSTEM AND THE ITEM MUST HAVE A VALID DSCP LSN FOR ORDER PLACEMENT.**
- **PRICING: FIRM FIXED PRICE**
- **ALL PRICING WILL BE FIRM AT TIME OF ORDER PLACEMENT**
- **THE UNIT PRICE IS CALCULATED BY ADDING THE "DELIVERED PRICE" AND THE "DISTRIBUTION PRICE". THE DISTRIBUTION PRICES FOR FOOD AND BEVERAGE ITEMS ARE LISTED IN THIS CONTRACT.**
- **DELIVERED PRICES WILL BE UPDATED WEEKLY AND WILL BE EFFECTIVE FROM MONDAY THROUGH SUNDAY.**

- UNIT PRICES MAY NOT EXTEND BEYOND TWO [2] PLACES AFTER THE DECIMAL POINT.
- IF THE GOVERNMENT DECIDES TO INVOKE THE OPTIONS, THE DISTRIBUTION PRICES WILL BE UPDATED IN ACCORDANCE WITH PYA/MONARCH'S OFFER.
- ORDERING PERIOD: THE FIRST ORDER OF THIS CONTRACT WILL BE PLACED ON APRIL 19, 1999 AND CONTINUE FOR ONE [1] YEAR.

PAGES 10, 11 AND 12 REFLECT THE CATEGORY PRICING FOR THE BASE YEAR OF THIS CONTRACT.

THE FOLLOWING CLAUSE AS SITED IN AMENDMENT 0001 DTD 10 AUG 98 IS REITERATED IN FULL TEXT:

52.212-4 PRICE CHANGES Apr 98

[1] DEFINITIONS:

[i] UNIT PRICE – THE TOTAL PRICE CHARGED TO DSCP PER UNIT FOR A PRODUCT DELIVERED TO THE GOVERNMENT CONSISTING OF TWO [2] COMPONENTS: DELIVERED PRICE AND DISTRIBUTION PRICE. THIS PRICE NOT EXTEND MORE THAN TWO [2] PLACES PAST THE DECIMAL POINT.

[ii] DELIVERED PRICE – THE ACTUAL INVOICE PRICE OF THE PRODUCT PAID TO THE MANUFACTURER/SUPPLIER, DELIVERED TO THE PRIME VENDOR'S FACILITY.

[iii] DISTRIBUTION PRICE – THE FIRM FIXED PRICE, OFFERED AS A DOLLAR AMOUNT, WHICH REPRESENTS ALL THE ELEMENTS OF THE CONTRACT PRICE OTHER THAN THE DELIVERED PRICE. THIS DISTRIBUTION PRICE WILL CONSIST OF THE PRIME VENDOR'S PROJECTED GENERAL AND ADMINISTRATIVE OVERHEAD, PROFIT, PACKAGING COSTS, TRANSPORTATION COSTS AND ANY OTHER EXPENSES.

[2] EFFECTIVE PERIOD OF PRICES. PRICING WILL BE AT THE TIME OF ORDER. THESE PRICES WILL BE FIXED UNTIL DELIVERY, PROVIDED THAT THE DELIVERY IS REQUESTED WITHIN THE TIME FRAME OF SIX DAYS STARTING THE DAY AFTER THE ORDER IS PLACED. IF DELIVERY IS NOT REQUESTED UNTIL AFTER THIS TIME FRAME, PRICING WILL BE AS OF THE DELIVERY DATE. THE OFFEROR WARRANTS THAT THE

CURRENT DELIVERED PRICES DO NOT INCLUDE ANY ALLOWANCE FOR POSSIBLE FUTURE INCREASES. THE VENDOR MAY NOT SUBMIT ITS INVOICES TO DFAS COLUMBUS FOR PAYMENT UNTIL NOTIFIED BY THE CUSTOMER THAT ALL PRODUCT HAS BEEN RECEIVED IN GOOD CONDITION AND IN THE QUANTITIES STATED ON THE INVOICE. THIS NOTIFICATION MUST BE IN WRITING.

[3] THE OFFEROR ALSO WARRANTS THAT ITS UNIT PRICES ARE EQUAL TO OR LOWER THAN ITS MOST FAVORED CUSTOMER FOR SIMILAR QUANTITIES UNDER COMPARABLE ITEMS AND CONDITIONS. [SHOULD PRICE VERIFICATIONS REVEAL ANY INSTANCES OF OVERPRICING, THE CONTRACTOR FURTHER AGREES TO REIMBURSE THE GOVERNMENT FOR THAT AMOUNT].

[4] FOR THE PURPOSE OF UNIT PRICE ADJUSTMENT, THE OFFEROR SHALL INDICATE ITS DISTRIBUTION PRICE PER UNIT OF ISSUE FOR EACH ITEM CATEGORY OF ITEMS, WHICH SHALL BE EXPRESSED AS A DOLLAR FIGURE. THE DISTRIBUTION PRICE MAY DIFFER PER CATEGORY; HOWEVER, EACH CATEGORY AND THE ASSOCIATED ITEMS WHICH FALL UNDER IT, MUST HAVE THE SAME UNIT OF ISSUE. [THE DISTRIBUTION PRICE MUST ALWAYS BE EQUAL TO THE UNIT PRICE LESS THE DELIVERED PRICE.] THE DISTRIBUTION PRICE, AS PROPOSED IN THE OFFER AND ACCEPTED BY THE GOVERNMENT, SHALL REMAIN FIXED THROUGHOUT THE TERM OF THE CONTRACT.

[5] THE DELIVERED PRICE FOR EACH ITEM IS INFLUENCED BY COMMERCIAL MARKET FORCES, SUCH AS SUPPLY AND DEMAND, AND COMPETITION AMONG SUPPLIERS, AND MAY, THEREFORE, FLUCTUATE. VENDORS MAY CHANGE PRICES IN THEIR STORES VENDOR ITEM CATALOG WEEKLY. THE SUBMISSIONS ARE TO BE MADE BY FRIDAY, TO BE IN EFFECT THE FOLLOWING SUNDAY. ALL PRICE CHANGES MUST BE SUBMITTED TO DSCP VIA THE 832 EDI TRANSACTION SET. THIS TRANSMISSION MUST BE RECEIVED BY FRIDAY, 1:30 PM PHILADELPHIA TIME.

[6] UPON REQUEST, THE PRIME VENDOR SHALL FURNISH TO THE GOVERNMENT DATA, AS REQUIRED BY THE CONTRACTING OFFICER, TO SUPPORT PRICE CHANGES AND TO CONFIRM THAT THE CONTRACT UNIT PRICES UNDER THIS CONTRACT ARE FAIR AND REASONABLE AND ARE BASED ON THE CATALOG OR MARKET PRICES WHICH IT PAYS TO ITS SUPPLIERS. THIS SUPPORTING DOCUMENTATION SHALL BE IN THE FORM OF DELIVERED PRICE INVOICES AND UNIT PRICES CHARGED TO THE PRIME VENDOR'S COMMERCIAL BUSINESS AS WELL AS SUPPLIERS' QUOTATIONS, INVOICES, CATALOGS, PUBLISHED PRICE LISTS AND ANY OTHER INFORMATION AS REQUIRED BY THE CONTRACTING OFFICER.

[7] THE GOVERNMENT SHALL PERFORM PRICE VERIFICATION ANALYSES FROM TIME TO TIME THROUGHOUT THE TERM OF THE CONTRACT. WHEN REQUESTED, THE CONTRACTOR SHALL PROVIDE TO THE CONTRACTING OFFICER DELIVERED PRICE INVOICES. THE PRIME VENDOR SHALL KEEP ALL DELIVERED PRICE INVOICES FOR A PERIOD OF AT LEAST ONE [1] YEAR AFTER ISSUANCE OF THE APPLICABLE DELIVERY ORDER. AS A MINIMUM, THE CONTRACTING OFFICER SHALL REVIEW THE INVOICE IN CONJUNCTION WITH THE DISTRIBUTION PRICE TO VERIFY THE ACCURACY OF THE DELIVERY ORDER UNIT PRICE [I.E. THE UNIT PRICE IN EFFECT IN THE CONTRACTOR'S ELECTRONIC CATALOG AT THE TIME OF DELIVERY ORDER PLACEMENT]. [THE DELIVERED PRICE PLUS DISTRIBUTION PRICE SHOULD EQUAL THE DELIVERY ORDER UNIT PRICE.] THE CONTRACTOR SHALL PROMPTLY REFUND ANY OVERCHARGES DISCOVERED DURING THIS PROCESS. OVERCHARGES SHALL ALSO RESULT IN MORE FREQUENT PRICE VERIFICATION ANALYSES.

[8] THE PRIME VENDOR SHALL OBTAIN PRODUCT FROM SUPPLIERS WHO CAN PROVIDE THE BEST VALUE TO THE GOVERNMENT IN TERMS OF PRICE, DELIVERY, AND QUALITY. WHENEVER APPROPRIATE, THE PRIME VENDOR SHALL TAKE ADVANTAGE OF "REDUCED PRICE SPECIALS" AND "SALES" OFFERED BY SUPPLIERS, AS WELL AS THOSE MANUFACTURERS THAT HAVE A NATIONAL ALLOWANCE PROGRAM AGREEMENT [NAPA] WITH DSCP.

[9] THE REQUIREMENTS OF THIS CLAUSE SHALL ALSO APPLY TO NEW ITEMS ADDED TO THE CONTRACTOR'S ELECTRONIC CATALOG AFTER CONTRACT AWARD.

[10] OFFERORS ARE ADVISED THAT THE CONTRACTING OFFICER INTENDS TO CONDUCT PRICE VERIFICATION ANALYSIS IN THE FOLLOWING MANNER:

[i] PERIODICALLY, THE PRICE VERIFICATION TEAM MAY REQUIRE THE CONTRACTOR TO PROVIDE COPIES OF SPECIFIC INVOICES FROM SUPPLIERS COVERING UP TO 100 ITEMS THAT WERE PREVIOUSLY ORDERED. THESE INVOICES WILL BE USED TO VERIFY THAT THE GOVERNMENT IS ONLY BEING CHARGED THE ACTUAL PRODUCT COST PLUS THE NEGOTIATED DISTRIBUTION FEE.

[ii] THE PRICE VERIFICATION TEAM WILL REQUEST THE ABOVE DOCUMENTATION IN WRITING AND THE CONTRACTOR WILL HAVE

THIRTY [30] DAYS AFTER THE REQUEST TO FURNISH THE DOCUMENTATION.

[iii] THE CONTRACTOR SHALL PROMPTLY REFUND OR CREDIT ANY OVERCHARGES DISCOVERED DURING THIS PERIOD. THE GOVERNMENT RESERVES ALL RIGHTS AND REMEDIES PROVIDED BY LAW OR UNDER THE CONTRACT IN ADDITION TO RECOVERING ANY OVERCHARGES.

[iv] THE GOVERNMENT MAY ELECT TO EXPAND THE SCOPE OF THE PRICE VERIFICATION ANALYSIS IF OVERCHARGES ARE DISCOVERED. THE GOVERNMENT MAY ALSO ELECT TO REDUCE THE SCOPE OF THE PRICE VERIFICATION ANALYSIS IF NO OVERCHARGES ARE DISCOVERED.

[v] UNIT PRICES SHALL BE LIMITED TO TWO [2] DECIMAL PLACES. FOR EVALUATION AND AWARD PURPOSES, OFFERS CONTAINING A UNIT PRICE OF MORE THAN TWO [2] DECIMAL PLACES, SHALL BE ROUNDED OFF TO TWO [2] DECIMAL PLACES. FOR ADMINISTRATIVE PURPOSES, THE EXTENDED LINE ITEM AND TOTAL DOLLAR AMOUNTS WILL BE ROUNDED TO TWO [2] DECIMAL PLACES AND MAY NOT PRECISELY REFLECT THE QUANTITY[IES] TIMES AND UNIT PRICE[S]. PAYMENT SHALL BE ACCOMPLISHED ON A UNIT PRICE BASIS.

DISTRIBUTION PRICE LISTING

	CATEGORY		BASE YEAR
1	CHEESE: NATURAL AND PROCESSED	PER CASE	\$
		PER LB. CW	\$
2	FRESH EGGS, FROZEN DAIRY AND EGGS	PER CASE	\$
3	FRESH DAIRY: DIPS, ICE CREAM, MILK, SOUR CREAM, YOGURT	PER CASE	\$
4	FRESH PROCESSED SALADS, FRESH CHILLED FRUITS AND JUICES	PER CASE	\$
5	BUTTER AND MARGARINE OILS AND SHORTENING	PER CASE	\$
6	FROZEN FRUITS, FROZEN POTATOES, FROZEN VEGETABLES	PER CASE	\$
7	CANNED FRUIT, CANNED TOMATOES AND VEGETABLE PRODUCTS DIETETIC: FRUITS AND VEGETABLES	PER CASE	\$
	DIETETIC: OTHER	PER CASE	\$
8	COFFEE, HOT CHOCOLATE, TEA	PER CASE	\$
9	BEVERAGE REQUIRING DISPENSERS (I.E. COFFEE, TEA, JUICE)	PER CASE	\$
10	NON-CARB BEVERAGES: BAR MIXES, DRINKS, DRINK BASES AND MIXES, CARBONATED BEVERAGES, JUICES- 100%	PER CASE	\$
11	FROZEN JUICES	PER CASE	\$
12	DESSERTS: CUSTARD, GELATIN, PIE FILLING, PUDDING, WHIP TOPPING	PER CASE	\$
13	FROZEN AND CHILLED BREAD AND DOUGH, FROZEN DESSERTS, WHIPPED TOPPINGS, FROZEN ENTREES, HORS D'OEUVRES, PIZZA	PER CASE	\$
14	CONDIMENTS: GRAVY, SALT, SAUCES, SPICES, WINE (COOKING), HONEY, JAMS, JELLY, PEANUT BUTTER, SYRUPS, TOPPINGS, HORSERADISH, MAYONNAISE, MUSTARD, SALAD DRESSING, VINEGAR, OLIVES, PICKLES, RELISH, PORTION CONTROL	PER CASE	\$

	CATEGORY		BASE YEAR
15	CEREAL, DRIED BEANS AND FRUITS, GRITS, PASTA, POPCORN, RICE BAKERY ITEMS: BREAD FLOUR, DATE ROLLS, DOUGHNUT FLOUR, POWDERED EGGS, ETC. CHIPS, COOKIES, CRACKERS, CROUTONS, ICE CREAM CONES, MINTS, NUTS		\$ █
16	SOUP AND SOUP BASES, CANNED ENTREES, MEATS, SEAFOOD	PER CASE	\$ █
17	BOLOGNA, DELI MEATS, LUNCHEON MEATS, SALAMI, FROZEN RAW OR BREADED MEATS, PRE COOKED BREADED MEATS, PIZZA TOPPING, CORN DOGS, SAUSAGE (PORK AND SMOKED), WEINERS	PER CASE	\$ █
18	BOXED BEEF, FRESH AND FROZEN PRIMAL CUTS, PROCESSED RAW HAMBURGER, PROCESSED HAM: BACON, PICNICS, FRESH AND FROZEN PORK, PRIMAL CUTS	PER CASE PER LB. CW	\$ █ \$ █
19	PORTION CONTROL, BEEF STEAKS, PORTION CONTROL PORK, SPECIALTY MEATS, GAME, LAMB, VEAL	PER CASE PER LB. CW	\$ █ \$ █
20	FRESH POULTRY, CHICKEN, UNBREADED, FROZEN CHICKEN BREADED OR PRECOOKED, FROZEN TURKEY AND TURKEY PRODUCTS, POULTRY, OTHER FROZEN	PER CASE PER LB. CW	\$ █ \$ █
21	FROZEN GREEN OR PEELED SHRIMP, FROZEN SHELLFISH AND OTHER, CRAB, FROG LEGS, OYSTERS	PER CASE	\$ █
22	FROZEN FISH, CELLO, LAYER PACK, RAW	PER CASE	\$ █
23	FROZEN BREADED OR PROCESSED FISH, FROZEN BREADED OR PROCESSED SHRIMP, FROZEN BREADED OR PROCESSED SEAFOOD OTHER: CRABCAKES, OYSTERS	PER CASE	\$ █
24	BAGS, CARTONS, COFFEE FILTERS, TRAYS, NAPKINS, TABLETOP DISPOSABLE, TISSUES/TOWELS, WRAPS	PER CASE	\$ █
25	CLEANING AIDS: BRUSHES, GRILL BACKS, MOPS	PER CASE	\$ █
26	MACHINE DETERGENT: RINSE AIDS, SOFTENER	PER CASE	\$ █
27	MANUAL DETERGENT: DEGREASER, DISINFECTANTS, HAND AND SPECIALTY	PER CASE	\$ █

	CATEGORY		BASE YEAR
28	CHINA, FLATWARE, GLASSWARE, INSERTS, POTS AND PANS, UTENSILS, SMALLWARES: KITCHEN CANDLES, LIGHTBULBS, STERNO, SMALLWARES: DINING ROOM, TABLETOP	PER CASE	\$ [REDACTED]
	OTHER	PER CASE	\$ [REDACTED]

DESCRIPTION/SPECIFICATIONS

- ORDERING SYSTEM: ALL CUSTOMERS WILL UTILIZE THE GOVERNMENT'S ELECTRONIC ORDERING SYSTEM-STORES.
- PLACEMENT OF ORDERS: ORDERS WILL BE PLACED WITH THE PRIME VENDOR VIA STORES SO THAT DELIVERY CAN BE MADE WITHIN 48 HOURS OR AT A DATE SO OTHERWISE SPECIFIED BY THE CUSTOMERS AND AGREED UPON BY THE VENDOR.
- CUTOFF TIME: ORDERS SHALL BE PLACED PRIOR TO 2 P.M., TWO [2] DAYS PRIOR TO THE REQUIRED DELIVERY DATE.

PACKAGING, MARKING AND LABELING

- ALL PACKAGING AND PACKING SHALL BE IN ACCORDANCE WITH GOOD COMMERCIAL PRACTICE. LABELING SHALL BE IN ACCORDANCE WITH COMMERCIAL LABELING COMPLYING WITH THE FEDERAL FOOD, DRUG AND COSMETIC ACT. SHIPPING CONTAINERS SHALL BE IN COMPLIANCE WITH THE NATIONAL MOTOR FREIGHT CLASSIFICATION AND UNIFORM FREIGHT CLASSIFICATION CODE.
- ALL MEATS, POULTRY, AND SEAFOOD WILL BE VACUUMED PACKED WHEN PRACTICAL. IN ALL INSTANCES THE PACKAGING WILL PROTECT THE PRODUCT FROM FREEZER BURN AND CONTAMINATION.
- ALL FRESH SEAFOOD ITEMS WILL BE IN ICE PACKED CARTONS.
- FROZEN PRODUCT MUST BE PROCESSED AND PACKED TO ALLOW REMOVAL OF THE INDIVIDUAL UNITS FROM THE CONTAINER WITHOUT DAMAGE TO THAT OR OTHER UNITS. THE INTENT IS TO BE ABLE TO REMOVE ONLY THAT AMOUNT OF PRODUCT REQUIRED FOR CURRENT NEEDS, WITHOUT THE NECESSITY OF DEFROSTING.
- STANDARD COMMERCIAL PRECAUTIONARY MARKINGS SUCH AS "KEEP FROZEN", "KEEP REFRIGERATED", ETC. SHALL BE USED ON ALL CASES WHEN APPROPRIATE TO ENSURE THAT THE CARRIER AND THE RECEIVING ACTIVITY PROPERLY HANDLE AND STORE ITEMS ACCORDINGLY.
- TO THE MAXIMUM EXTENT POSSIBLE, NUTRITIONAL AND INGREDIENT LABELS SHALL BE PLACED ON THE INDIVIDUAL PACKAGE.

- ALL FOOD AND BEVERAGE PRODUCTS SHALL BE IDENTIFIED WITH READABLE DATES [OPEN CODE DATES], OR CODED DATES, AS DETERMINED BY THE TYPE OF PRODUCT DELIVERED. FOR SEMIPERISHABLE, SHELF STABLE ITEMS, OPEN DATING IS PREFERRED, BUT CODE DATING IS ACCEPTABLE. IN THOSE SITUATIONS WHERE CODE DATING IS USED, PYA MONARCH SHALL PROVIDE INFORMATION TO CUSTOMER OF BREAKING CODE DATES ENSURING INTEGRITY OF PRODUCT. FOR ITEMS OTHER THAN SEMIPERISHABLE, SHELF STABLE PRODUCTS MUST HAVE READABLE, OPEN CODE DATES CLEARLY SHOWING THE USE BY DATE, DATE OF PRODUCTION, DATE OF PROCESSING/PASTEURIZATION, SELL BY DATE, BEST IF USED BY DATE, OR SIMILAR MARKINGS.
- PRODUCTS FOR INDIVIDUAL CUSTOMERS/DINING FACILITIES MUST BE SEGREGATED.

INSPECTION AND ACCEPTANCE

- INSPECTION AND ACCEPTANCE OF PRODUCTS WILL BE PERFORMED AT DESTINATION. THE AUTHORIZED RECEIVING OFFICIAL AT EACH DELIVERY POINT IS RESPONSIBLE FOR INSPECTING AND ACCEPTING PRODUCTS AS THEY ARE DELIVERED.
- INSPECTION IS LIMITED TO IDENTITY, COUNT AND CONDITION; HOWEVER, THIS MAY BE EXPANDED IF DEEMED NECESSARY BY EITHER THE MILITARY VETERINARY INSPECTOR, DINING FACILITY MANAGER, OR THE FOOD SERVICE ADVISOR.
- ALL DELIVERIES ARE SUBJECT TO MILITARY VETERINARY INSPECTION INCLUDING INSPECTION OF DELIVERY VEHICLES FOR CLEANLINESS AND CONDITION.
- THREE [3] COPIES OF THE DELIVERY TICKET/INVOICE MUST ACCOMPANY EACH SHIPMENT. ALL OVERAGES/SHORTAGES/RETURNS ARE TO BE NOTED ON THE DELIVERY TICKET/INVOICE BY RECEIVING OFFICIAL AND TRUCK DRIVER. THE DELIVERY TICKET/INVOICE SHALL BE ANNOTATED TO REFLECT THE ITEMS THAT WERE REJECTED BY ADJUSTING THE QUANTITY AND DOLLAR VALUE. THE TOTAL DOLLAR VALUE OF THE INVOICE MUST ALSO BE ADJUSTED.
- TWO [2] COPIES OF THE SIGNED AND ANNOTATED DELIVERY TICKET/INVOICE WILL SERVE AS THE ACCEPTANCE DOCUMENT.

DELIVERIES AND PERFORMANCE

- **FOB TERMS: FOB DESTINATION**
- **THE FOLLOWING IS DESIGNATED AS THE PLANT LOCATION FOR THE PERFORMANCE OF THIS CONTRACT:**

PYA/MONARCH, INC.
5501 FULTON INDUSTRIAL BLVD.
ATLANTA, GA 30336
- **THE SHIPPING POINT DESIGNATED FOR PERFORMANCE OF THIS CONTRACT IS THE SAME AS THE PLANT LOCATION IDENTIFIED ABOVE.**
- **ADD-ONS OR CANCELLATIONS TO AN EXISTING ORDER MAY BE MADE BY 2 P.M ON THE DAY PRIOR TO DELIVERY AT NO CHARGE.**
- **DELIVERIES SHALL NORMALLY BE MADE 48 HOURS AFTER THE ORDER IS PLACED WITH THE PRIME VENDOR, OR AT A LATER DATE, AS SPECIFIED BY THE CUSTOMER.**
- **PYA/ATLANTA IS PREPARED TO DELIVER TO ALL DSCP CUSTOMERS BASED ON CUSTOMER REQUIREMENTS NOTED ON THE SOLICITATION.**
- **PYA/ATLANTA HAS PROPOSED THREE FOOD SHOWS PER YEAR THAT WILL EXTEND TO DSCP CUSTOMERS THIRTY (30) WEEKS OF FOOD SHOW SAVINGS.**
- **PYA'S PROPOSED FILL-RATE IS 99.3% WITHOUT SUBSTITUTIONS.**
- **CUSTOMER VISITS:**

PYA WILL CONDUCT CUSTOMER SITE VISITS MONTHLY TO ENSURE CUSTOMER'S NEEDS ARE BEING MET.
- **PYA'S TOLL-FREE NUMBER FOR CUSTOMER SERVICE IS 1-800-241-7677 OR 1800-882-3663.**

CONTRACT ADMINISTRATION DATA

- **ADMINISTRATION:** ADMINISTRATION OF THE CONTRACT WILL BE PERFORMED BY DSCP. ADMINISTRATION OF THE DELIVERY ORDERS WILL BE PERFORMED BY THE CUSTOMER.
- DCMAO ATLANTA IS ASSIGNED THE ADMINISTRATIVE DUTIES ASSOCIATED WITH THE APPROVED SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN THAT HAS BEEN SUBMITTED BY PYA/MONARCH.
- **SOCIOECONOMIC CONSIDERATIONS:**
PYA WILL SUBCONTRACT 40% TO SMALL BUSINESS, WHICH INCLUDES 7% SMALL DISADVANTAGED BUSINESS AND 1.2% WOMEN OWNED SMALL BUSINESS. (SEE ATTACHMENT A).
- **DLA MENTORING BUSINESS AGREEMENT:**
PYA HAS 2 MBA'S IN PLACE TO SERVICE THIS CONTRACT.

INVOICING:

- EACH SHIPMENT SHALL BE ACCOMPANIED BY THREE [3] COPIES OF THE INVOICE [AN ORIGINAL PLUS TWO [2] COPIES]. THE RECEIVING OFFICIAL SHOULD RETAIN A COPY OF THE INVOICE AT THE CUSTOMER'S LOCATION. THE ORIGINAL PLUS ONE COPY OF THE INVOICE SHALL BE RETURNED TO THE PRIME VENDOR.
- THE CONTRACTOR MUST SUBMIT TWO [2] COPIES OF THE INVOICE, THE ORIGINAL SIGNED INVOICE AND A COPY, TO THE DEFENSE FINANCE AND ACCOUNTING OFFICE [DFAS] IN COLUMBUS, OHIO FOR PAYMENT. THE ADDRESS IS NOTED ON PAGE 1, BLOCK 18a, OF THE CONTRACT.
- THE FOLLOWING ADDRESS MUST APPEAR IN THE "BILL TO" OR "PAYMENT WILL BE MADE BY" BLOCK OF THE CONTRACTOR'S INVOICE:

DFAS-COLUMBUS CENTER
ATTN: DFAS-CO-SEP
P. O. BOX 182317
COLUMBUS, OH 43218

- EACH INVOICE SHALL CONTAIN SUFFICIENT DATA FOR BILLING PURPOSES. THIS INCLUDES, BUT IS NOT LIMITED TO:
 1. CONTRACT NUMBER
 2. CALL OR DELIVERY ORDER NUMBER (ALSO REFERRED TO AS CONTRACT ORDER NUMBER)
 3. PURCHASE ORDER NUMBER AND DODAAC
 4. CONTRACT LINE ITEM NUMBER LISTED IN NUMERIC SEQUENCE (ALSO REFERRED TO AS CLIN ORDER NUMBER)
 5. LSN# OR STOCK NUMBER
 6. QUANTITY PURCHASED PER ITEM IN DSCP'S UNIT OF ISSUE
 7. TOTAL DOLLAR VALUE ON EACH INVOICE [REFLECTING CHANGES TO THE SHIPMENT, IF APPLICABLE].

THE FOLLOWING LANGUAGE IS HERBY INCORPORATED UNDER THE TERMS OF THIS CONTRACT:

"YEAR 2000" COMPLIANCE:

(a) THE AWARDEE MUST TAKE ALL PRUDENT AND FORSEEABLE ACTION NECESSARY TO ACHIEVE Y2K COMPLIANCE OF THEIR SYSTEMS BY DECEMBER 31, 1999. THIS INCLUDES BUT IS NOT LIMITED TO THE CONTRACTOR'S ORDER ENTRY SYSTEMS, EC/EDI EQUIPMENT SYSTEM INTERFACES, AND SYSTEMS THAT PROCESS INVOICES. THE CONTRACTOR GUARANTEES AND WARRANTS THAT ITS PERFORMANCE UNDER THIS CONTRACT WILL NOT BE IMPAIRED AS A RESULT OF Y2K ISSUES.

THE CONTRACTOR ALSO GUARANTEES AND WARRANTS THAT PERFORMANCE UNDER THIS CONTRACT WILL NOT BE IMPAIRED AS A RESULT OF Y2K ISSUES INVOLVING ITS SUBCONTRACTORS.

Taxpayer Identification Number (TIN) (26 U.S.C. 6050M).

(1) *Taxpayer Identification Number (TIN).*

- TIN: 36-2998724
- TIN has been applied for.
- TIN is not required because:

Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the U.S. and does not have an office or place of business or a fiscal paying agent in the U.S.;

Offeror is an agency or instrumentality of a foreign government;

Offeror is an agency or instrumentality of a Federal, state, or local government;

Other. State basis.

(2) *Corporate Status.*

Corporation providing medical and health care services, or engaged in the billing and collecting of payments for such services;

Other corporate entity;

Not a corporate entity:

Sole proprietorship

Partnership

Hospital or extended care facility described in 26 CFR

501(c)(3) that is exempt from taxation under 26 CFR 501(a).

(3) *Common Parent.*

Offeror is not owned or controlled by a common parent;

Name and TIN of common parent:

Name :SARA LEE CORPORATION 36-2089049

TIN

MENTORING BUSINESS PROGRAM AND AGREEMENT

THIS MENTORING BUSINESS PROGRAM AND AGREEMENT ("MBA") is hereby submitted to DoD in conformance with applicable regulations.

1. Participants / Criteria for Selection / Addresses. The participants in this MBA are as follows:

Prime Contractor PYA/Monarch, Inc. ("PYA")

Small Business S & W International Food Specialties, Inc. ("IFS")

PYA has selected IFS as a small disadvantaged business with which to become associated in pursuant to this MBA and the other agreements related hereto. IFS was selected because of the quality of their products, competitive pricing, and close proximity to our branch. IFS currently employs 38 people. The annual average gross revenue for the last three fiscal years was \$1,325,333.

The address, plant location and point of contact for PYA are as follows:

Main Address: PYA/Monarch, Inc.
P.O. Box 1328
Greenville, SC 29602

PYA Plant Location: PYA/Monarch, Inc.
5501 Fulton Industrial Blvd.
Atlanta, GA 30336

PYA Point of Contact: Eddie Lineberger
V.P. of Marketing
Telephone: 404-346-6302
Fax: 404-346-6348

Ed Anderson
Manager of Marketing and Brand Development
Telephone: 864-676-8891
Fax: 864-676-8912

The address, plant location and point of contact for IFS are as follows:

Main Address: S & W International Food Specialties, Inc.
IFS Food Specialties, Inc.
P.O. Box 1152
Alpharetta, Georgia 30239

IFS Plant Location:

S & W International Food Specialties, Inc.
1380 Forest Parkway
Lake City, Georgia 30260

IFS Point of Contact: Jason Slaughter

Telephone: 404-289-2553

Telecopier: 404-366-9310

2. Agreement Type. The parties intend, subject to their respective business needs and requirements, that IFS shall supply beef products to PYA, and that such products shall be distributed by PYA to DoD and other customers as part of PYA's contractual obligation to the DoD contract. The actual terms of the relationship shall be as agreed by IFS and PYA. PYA will also provide its services in marketing these products to include P.O.S. pricing, and sampling. The Agreement between the parties with respect to this arrangement is attached to this MBA.

3. Objectives. The parties have the mutual objective to increase sales of these beef products to PYA. Currently, PYA Atlanta purchases no products from IFS. It is hoped that purchases will reach \$2,000,000 during the first year of the MBA, depending upon the demand from PYA's customers, IFS's ability to supply products at competitive prices and to provide an acceptable level of service to PYA. It is also the hope of the parties that, once IFS establishes itself as a consistently acceptable supplier to PYA, PYA hopes to expand its purchases from IFS to include products that PYA will distribute and sell to its non-government customers.

If the arrangement progresses as it is currently intended, the benefits to IFS should help it become a more experienced and financially secure business.

With a regular source of monthly orders, IFS should be able to operate more efficiently because regular orders should eliminate the fluctuations in employee scheduling, as well as the extra costs incurred in freezing time, cold storage, transportation and other expenses resulting from short run or irregular orders. Administrative procedures should also become more efficient. Another benefit to IFS will be the experience it will gain from being a supplier to a major foodservice company like PYA. IFS should gain experience on how to produce, package and market its products to other foodservice companies. which should help IFS expand its business to other foodservice distributors.

The Benefits to IFS are that PYA supplied:

- Existing Sales Base
- Equipment at Book Value
- Trained Employees
- PYA Cut Shop Manager as Consultant for 6 months
- Immediate Access to PYA Sales Meeting
- Software license to manage all pricing and costing operation supplied at no change
- Consulted IFS on Facility requirements, facility layout, and facility workflow

The Benefits to PYA/Monarch are:

- We gained additional warehouse space that allows us to concentrate on distribution which is our core business.

PYA/Monarch also offered development assistance and expertise in the following areas relating to technical, managerial, warehouse operations:

- Reference to our Electrician
- Reference to our Refrigeration Contact
- Reference on Warehouse Equipment
- Trained Employees
- PYA Cut Shop Manager as Consultant for 6 months
- Software

4. Monitoring the MBA Relationship. Following the submission of this MBA, the parties will jointly develop a process of regular reports to document the progress of their arrangement. It is expected that reports will be prepared monthly, with quarterly and annual summaries, and will include IFS's sales to PYA, a breakdown of sales to PYA's government and, if any, commercial customers, review of performance and service goals, identification of any problem areas, and a plan to address any problem areas. Monthly and quarterly reports will also be submitted to the DSCP, as required by applicable regulations.

SUBMITTED JOINTLY AS OF THIS ___TH DAY OF _____, 199_.

PYA/MONARCH, INC.

Printed Name: _____

Title: _____

IFS

 _____

Printed Name: Jason Slaughter

Title: President / CEO

AGREEMENT

THIS AGREEMENT is made this __th day of _____, 199_ (“Effective Date”), by and between PYA/Monarch, Inc., a Delaware corporation (“PYA”), and S & W International Food Specialties, Inc. a Georgia corporation (“IFS”).

WITNESSETH

WHEREAS, PYA is engaged in the business of distributing food and related products to restaurants, hotels, hospitals, schools and other businesses, as well as to governmental entities; and

WHEREAS, IFS is in the business of manufacturing and marketing frozen meats and dough products; and

WHEREAS, IFS and PYA have submitted to the Department of Defense a Mentoring Business Program and Agreement (“MBA Agreement”) and are entering into this Agreement to further the purposes of the MBA Agreement.

NOW THEREFORE, PYA and IFS, in consideration of the mutual covenants and obligations as set forth herein, the receipt and sufficiency of which is hereby acknowledged, agree as follows:

1. Implementation of MBA Agreement. As soon as practicable following the execution of this Agreement, PYA and IFS shall jointly develop a plan by which PYA shall purchase, subject to the terms and conditions of this Agreement, IFS’s products and realize the objectives developed pursuant to the MBA Agreement. Such plan shall include the terms and conditions of sale, pricing, product specifications, service levels and similar terms. Notwithstanding anything to the contrary in this agreement or the above-described plan, nothing herein shall be deemed to be a commitment on the part of PYA to purchase any products from IFS. PYA’s commitment, if any, to purchase products shall arise only upon PYA’s issuance of a purchase order for IFS products. The parties agrees to cooperate, at their own expense, with respect to (a) the submission of the MBA Agreement, the resolution of any issues raised by the government contracting agent, and the implementation of any government modifications to the MBA Agreement and (b) providing timely and accurate information to the government with respect to IFS’s products, PYA’s government contracts or similar issues. PYA shall have the right, during regular business hours and upon advance notice, to (i) inspect any of IFS’s facilities (or those of any contract manufacturer or packer of IFS products) where products are produced or stored, and (ii) audit the books and records of IFS in order to determine compliance with IFS’s obligations hereunder.

2. Term. The term of this Agreement shall commence on the Effective Date, and shall continue until one party provides the other written notice of termination, such termination to be effective 30 days following the date the terminating party receives written notice of termination to the non-terminating party.

3. Representations, Warranties, Covenants and Other Agreements

(a) PYA. PYA hereby represents and warrants to IFS that (i) PYA has the necessary power and authority to enter into this Agreement and to perform the obligations to be performed by it hereunder, (ii) this Agreement is valid and binding upon PYA and enforceable in accordance with its terms and (iii) the execution and delivery of this Agreement by PYA does not and its performance will not violate any provisions or result in a default under any agreement, instrument, indenture, judgment, order, award or decree to which PYA is a party or is bound. PYA further covenants that it shall, in performing its obligations hereunder, comply with all applicable federal, state and local laws, rules and regulations, including without limitation any requirements of the government with respect to contracting requirements.

(b) IFS. IFS hereby represents and warrants to PYA that (i) IFS has the necessary power and authority to enter into this Agreement and to perform the obligations to be performed by it hereunder, (ii) this Agreement is valid and binding upon IFS and enforceable in accordance with its terms, (iii) the execution and delivery of this Agreement by IFS does not and its performance will not violate any provisions or result in a default under any agreement, instrument, indenture, judgment, order, award or decree to which IFS is a party or is bound, (iv) IFS has the resources to perform its obligations hereunder the performance of such obligations shall not, to IFS's knowledge require any additional capital investments to be made by IFS, and (v) IFS is a qualifying small disadvantaged business as such term is defined in the applicable federal government regulations. IFS further covenants that it shall, in performing its obligations hereunder, comply with all applicable federal, state and local laws, rules and regulations, including without limitation any requirements of the government with respect to contracting requirements.

(c) Supplier Guidelines. IFS acknowledges that it has received a copy of the Sara Lee Corporation Supplier Selection Guidelines (the "Guidelines"), which have been issued by Sara Lee Corporation, PYA's parent. IFS hereby represents and warrants that (i) it has reviewed and understands the Guidelines and (ii) it is presently in compliance and will remain in compliance with the Guidelines during the term of this Agreement. IFS agrees to notify PYA immediately if IFS becomes aware of a breach of the Guidelines.

(d) Vendor Indemnity. IFS has heretofore executed a Vendor Guaranty and Indemnification Agreement with PYA, and agrees to comply with the terms of such agreement. Nothing in this Agreement shall be deemed to modify or forgive any of IFS's obligations under the Vendor Guaranty and Indemnification Agreement.

(e) Confidential Information. During the term of this Agreement, each party shall receive, have access to and learn of information of a confidential and proprietary nature relating to the other party, including without limitation customers, marketing, promotional and business plans, pricing policies and procedures. Each party acknowledges that such information is of a confidential and proprietary nature, is an asset of the other party, and to preserve such party's goodwill must be kept strictly confidential and used only in connection with the performance of this Agreement. During the term of this Agreement and after the expiration or termination thereof, each party shall keep confidential such information of the other party and not disclose or make it available to any third party unless it becomes known to the public through no fault of the disclosing party, is disclosed to such party without the other party's consent by a third party who does not have an obligation to keep it confidential, or is information of which the disclosing party has knowledge, as evidenced by written documentation in its possession, prior to the time of disclosure.

(f) Independent Contractor. PYA shall at all times during the term of this Agreement be and remain an independent contractor of IFS, solely responsible for the manner in, and the form by, which it performs this Agreement, and in no event shall the relationship created by this Agreement constitute a joint venture or partnership between IFS and PYA. PYA shall at all times during the term of this Agreement remain solely responsible for its costs and expenses, and the withholding and payment of applicable taxes.

5. Miscellaneous Provisions.

(a) Notices. Any notice required to be given under this Agreement shall be deemed validly given and effective only if given in writing personally delivered, or sent by telecopier or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to PYA: PYA/Monarch, Inc.
P.O. Box 1328
Greenville, South Carolina 29602
Attention: Ed Anderson
Telephone: 864-676-8891
Telecopier: 864-676-8912

If to IFS: S & W International Food Specialties, Inc.
P.O. Box 1152
Alpharetta, Georgia 30239
Attention: Jason Slaughter
Telephone: (404) 289-2790
Telecopier: (404) 289-3232

Or to such other address as designated by a party in writing.

(b) Assignment. Neither IFS nor PYA may assign their respective rights and obligations under this agreement without the prior written consent of the other party which consent shall not be unreasonably withheld, provided however, that PYA may assign this Agreement to any of its wholly-owned subsidiaries or wholly-owned affiliates, including any wholly-owned subsidiary or affiliate of PYA Corporation, PYA's ultimate parent corporation. The parties further agree that a transfer of 50 percent or more of the outstanding voting shares of IFS (other than a transfer by reason of the laws of descent or distribution) shall be deemed to be an assignment requiring approval of PYA.

(c) Severability. If any provision of this Agreement is held to be unenforceable or invalid in any respect, such provision shall be carried out and enforced only to the extent to which it shall be valid and enforceable, and any such invalidity or unenforceability shall not affect any other provision of this Agreement, all of which shall be fully carried out and enforced as if such invalid or unenforceable provision had not been set forth herein.

(d) Waiver. No waiver of any provision contained in this Agreement shall be binding upon any party hereto unless in writing and signed by the party against whom the waiver operates. No waiver of any provision under this Agreement shall affect the right of either party hereto to thereafter enforce said provision or to exercise any right or remedy under this Agreement unless the waiver thereof expressly so provides.

(e) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, without regard to conflicts of law principles. The parties agree that any lawsuit brought by either party with respect to the enforcement of this Agreement or otherwise shall be brought in the state court of Greenville County, South Carolina, and each party hereby consents to the jurisdiction of such courts..

(f) Entire Agreement. This Agreement, including the exhibits attached hereto, constitute the entire agreement of the parties with respect to the subject matter hereof, and supersedes any prior agreements or understandings between the parties, whether written or oral, with respect thereto. This Agreement may only be amended by a writing signed by a duly authorized officer or representative of both of the parties hereto.

(g) Exhibits. All of the Exhibits which are referenced in this Agreement shall be deemed to be incorporated into this Agreement and shall become a part hereof.

(h) Force Majeure. Delay or failure of performance of either party shall be excused to the extent that such failure shall be caused by an act of God, strike or other labor dispute, riot, civil disorder, government regulation or action, or other casualty not resulting from the acts of any party hereto. The party invoking the provisions of this Section shall provide the other party immediate written notice in writing of the occurrence of any such cause.

IN-WITNESS WHEREOF, IFS and PYA, by their respective duly authorized officers or representatives, have entered into this Agreement as of the date first written above.

PYAMONARCH, INC.

IFS

By: _____
Title: _____

By: Jayson Wang
Title: President / CEO

MENTORING BUSINESS PROGRAM AND AGREEMENT

THIS MENTORING BUSINESS PROGRAM AND AGREEMENT ("MBA") is hereby submitted to D.O.D in conformance with applicable regulations.

1. Participants / Criteria for Selection / Addresses. The participants in this MBA are as follows:

Prime Contractor PYA/Monarch, Inc. ("PYA")

Small Business SIX POINTS, INC. ("SIX POINTS")

PYA has selected SIX POINTS as a small disadvantaged business with which to become associated in pursuant to this MBA and the other agreements related hereto. SIX POINTS was selected because they have supplied PYA/Monarch with a consistent source and acceptable line of precut steaks under our DOD contract for the past year. They have demonstrated the ability and experience to pack and distribute ground beef and ground beef products under this MBA. SIX POINTS currently employs six people.

The address, plant location and point of contact for PYA are as follows:

Main Address: PYA/Monarch, Inc.
 P.O. Box 1328
 Greenville, SC 29602

PYA Plant Location: PYA/Monarch, Inc.
 5501 Fulton Industrial Blvd.
 Atlanta, Ga 30336

PYA Point of Contact: Ed Anderson
 Manager of Marketing and Brand Development
 Telephone: 864-676-8891
 Fax: 864-676-8912

Eddie Lineberger
VP of Marketing
Telephone: 404-346-6302
Fax: 404-346-6398

The address, plant location and point of contact for SIX POINTS are as follows:

Main Address: SIX POINTS, INC.
1227 Lincoln Mall, 3rd Floor
Lincoln, Nebraska 68508

SIX POINTS Plant Location: 700 Van Dorn
Lincoln, Nebraska 68502

SIX POINTS Contact: John Woolf, President
Telephone: 800-894-9191
Fax: 402-476-9911

Dirk Johnson, Vice President
Telephone: 800-894-9191
Fax: 402-476-9911

2. Agreement Type. The parties intend, subject to their respective business needs and requirements, that SIX POINTS shall supply ground beef products and cut steaks to PYA, and that such products shall be distributed by PYA to D.O.D customers as part of PYA's contractual obligation to Department of Defense. The actual terms of the relationship shall be as agreed by SIX POINTS and PYA. PYA will also commit to undertake the following: 1) assist in obtaining local, state, and federal contracts for purchase of its products; and 2) evaluate operations and provide technical assistance in areas identified by PYA as deficient; and 3) provide marketing logistics support; 4) assist in product detailing and merchandising; and 5) assist in developing and marketing of new products. The Agreement between the parties with respect to this arrangement is attached to this MBA.

3. Objectives. The parties have the mutual objective to increase sales of ground beef and cut steaks products to PYA. PYA had purchases of \$380,829.10 from Six Points during the last calendar year ending December 31, 1996. The parties hope that purchases will reach \$1,000,000 during the first year of the MBA, depending upon the demand from PYA's customers as well as Six Point's ability to supply products at competitive prices and to provide an acceptable level of service to PYA. It is also the hope of the parties that, once SIX POINTS establishes itself as a consistently acceptable supplier to PYA, PYA hopes to expand its purchases from SIX POINTS to include products that PYA will distribute and sell to its non-government customers.

If the arrangement progresses as it is currently intended, the benefits to SIX POINTS should help it become a more experienced and financially secure business.

With a regular source of monthly orders, SIX POINTS should be able to operate more efficiently because regular orders should eliminate the fluctuations in employee scheduling, as well as the extra costs incurred in freezing time, cold store, transportation and other expenses resulting from short run or irregular orders. Administrative procedures should also become more efficient. Another benefit to SIX POINTS will be the experience it will gain from being a supplier to a major foodservice company like PYA. SIX POINTS should gain experience on how to produce, package and market its products to other foodservice companies, which should help SIX POINTS expand its business to other foodservice distributors.

4. Monitoring the MBA Relationship. Following the submission of this MBA, the parties will jointly develop a process of regular reports to document the progress of their arrangement. It is expected that reports will be prepared monthly, with quarterly and annual summaries, and will include SIX POINTS sales to PYA, a breakdown of sales to PYA's government and, if any, commercial customers, review of performance and service goals, identification of any problem areas, and a plan to address any problem areas. Monthly and quarterly reports will also be submitted to the DPSC, as required by applicable regulations.

SUBMITTED JOINTLY AS OF THIS 25 TH DAY OF March, 1997.

PYAMONARCH, INC.

George T. Watson

Printed Name: George T. Watson

Title: President

SIX POINTS, INC.

John D. Woolf

Printed Name: John D. Woolf

Title: President

AGREEMENT

THIS AGREEMENT is made this _____ th day of _____ 199____, by and between PYA/Monarch, Inc., a Delaware corporation ("PYA"), and SIX POINTS, INC., a Nebraska corporation ("SIX POINTS").

WITNESSETH

WHEREAS, PYA is engaged in the business of distributing food and related products to restaurants, hotels, hospitals, schools and other businesses, as well as to governmental entities; and

WHEREAS, SIX POINTS is in the business of manufacturing and marketing ground beef products and cut steak products; and

WHEREAS, SIX POINTS and PYA have submitted to the Department of Defense a Mentoring Business Program and Agreement ("MBA Agreement") and are entering into this Agreement to further the purposes of the MBA Agreement.

NOW THEREFORE, PYA and SIX POINTS, in consideration of the mutual covenants and obligations as set forth herein, the receipt and sufficiency of which is hereby acknowledged, agree as follows:

1. Implementation of MBA Agreement. As soon as practicable following the execution of this Agreement, PYA and SIX POINTS shall jointly develop a plan by which PYA shall purchase, subject to the terms and conditions of this Agreement, SIX POINTS products and realize the objectives developed pursuant to the MBA Agreement. Such plan shall include the terms and conditions of sale, pricing, product specifications, service levels and similar terms. Notwithstanding anything to the contrary in this agreement or the above-described plan, nothing herein shall be deemed to be a commitment on the part of PYA to purchase any products from SIX POINTS. PYA's commitment, if any, to purchase products shall arise only upon PYA's issuance of a purchase order for SIX POINTS products. The parties agree to cooperate, at their own expense, with respect to (a) the submission of the MBA Agreement, the resolution of any issues raised by the government contracting agent, and the implementation of any government modifications to the MBA Agreement and (b) providing timely and accurate information to the government with respect to SIX POINTS products, PYA's government contracts or similar issues. PYA shall have the right, during regular business hours and upon advance notice, to (i) inspect any of SIX POINTS facilities (or those of any contract manufacturer or packer of SIX POINTS products) where products are produced or stored, and (ii) audit the books and

records of SIX POINTS in order to determine compliance with SIX POINTS obligations hereunder.

2. **Term.** The term of this Agreement shall commence on the Effective Date, and shall continue until one party provides the other written notice of termination, such termination to be effective 30 days following the date the terminating party receives written notice of termination to the non-terminating party.

3. **Representations, Warranties, Covenants and Other Agreements**

(a) **PYA.** PYA hereby represents and warrants to SIX POINTS that (i) PYA has the necessary power and authority to enter into this Agreement and to perform the obligations to be performed by it hereunder, (ii) this Agreement is valid and binding upon PYA and enforceable in accordance with its terms and (iii) the execution and delivery of this Agreement by PYA does not and its performance will not violate any provisions or result in a default under any agreement, instrument, indenture, judgment, order, award or decree to which PYA is a party or is bound. PYA further covenants that it shall, in performing its obligations hereunder, comply with all applicable federal, state and local laws, rules and regulations, including without limitation any requirements of the government with respect to contracting requirements.

(b) **SIX POINTS.** SIX POINTS hereby represents and warrants to PYA that (i) SIX POINTS has the necessary power and authority to enter into this Agreement and to perform the obligations to be performed by it hereunder, (ii) this Agreement is valid and binding upon SIX POINTS and enforceable in accordance with its terms, (iii) the execution and delivery of this Agreement by SIX POINTS does not and its performance will not violate any provisions or result in a default under any agreement, instrument, indenture, judgment, order, award or decree to which SIX POINTS is a party or is bound, (iv) SIX POINTS has the resources to perform its obligations hereunder the performance of such obligations shall not, to SIX POINTS knowledge require any additional capital investments to be made by SIX POINTS, and (v) SIX POINTS is a qualifying small disadvantaged business as such term is defined in the applicable federal government regulations. SIX POINTS further covenants that it shall, in performing its obligations hereunder, comply with all applicable federal, state and local laws, rules and regulations, including without limitation any requirements of the government with respect to contracting requirements.

(c) **Supplier Guidelines.** SIX POINTS acknowledges that it has received a copy of the Sara Lee Corporation Supplier Selection Guidelines (the "Guidelines"), which have been issued by Sara Lee Corporation, PYA's parent. SIX POINTS hereby represents and warrants that (i) it has reviewed and understands the Guidelines and (ii) it is presently in compliance and will remain in compliance with the Guidelines during the term of this

Agreement. SIX POINTS agrees to notify PYA immediately if SIX POINTS becomes aware of a breach of the Guidelines.

(d) Vendor Indemnity. SIX POINTS has heretofore executed a Vendor Guaranty and Indemnification Agreement with PYA, and agrees to comply with the terms of such agreement. Nothing in this Agreement shall be deemed to modify or forgive any of SIX POINTS obligations under the Vendor Guaranty and Indemnification Agreement.

(e) Confidential Information. During the term of this Agreement, each party shall receive, have access to and learn of information of a confidential and proprietary nature relating to the other party, including without limitation customers, marketing, promotional and business plans, pricing policies and procedures. Each party acknowledges that such information is of a confidential and proprietary nature, is an asset of the other party, and to preserve such party's goodwill must be kept strictly confidential and used only in connection with the performance of this Agreement. During the term of this Agreement and after the expiration or termination thereof, each party shall keep confidential such information of the other party and not disclose or make it available to any third party unless it becomes known to the public through no fault of the disclosing party, is disclosed to such party without the other party's consent by a third party who does not have an obligation to keep it confidential, or is information of which the disclosing party has knowledge, as evidenced by written documentation in its possession, prior to the time of disclosure.

(f) Independent Contractor. PYA shall at all times during the term of this Agreement be and remain an independent contractor of SIX POINTS, solely responsible for the manner in, and the form by, which it performs this Agreement, and in no event shall the relationship created by this Agreement constitute a joint venture or partnership between SIX POINTS and PYA. PYA shall at all times during the term of this Agreement remain solely responsible for its costs and expenses, and the withholding and payment of applicable taxes.

5. Miscellaneous Provisions.

(a) Notices. Any notice required to be given under this Agreement shall be deemed validly given and effective only if given in writing personally delivered, or sent by telecopier or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to PYA: PYA/Monarch, Inc.
 P.O. Box 1328
 Greenville, South Carolina 29602
 Attention: Ed Anderson
 Telephone: 864-676-8891
 Telecopier: 864-676-8912

If to SIX POINTS: SIX POINTS, INC.
1227 Lincoln Mall, 3rd Floor
Lincoln, Nebraska 68508
Attention: John Woolf
Telephone: 800-894-9191
Telecopier: 402-476-9911

Or to such other address as designated by a party in writing.

(b) Assignment. Neither SIX POINTS nor PYA may assign their respective rights and obligations under this agreement without the prior written consent of the other party which consent shall not be unreasonably withheld, provided however, that PYA may assign this Agreement to any of its wholly-owned subsidiaries or wholly-owned affiliates, including any wholly-owned subsidiary or affiliate of PYA Corporation, PYA's ultimate parent corporation. The parties further agree that a transfer of 50 percent or more of the outstanding voting shares of SIX POINTS (other than a transfer by reason of the laws of descent or distribution) shall be deemed to be an assignment requiring approval of PYA.

(c) Severability. If any provision of this Agreement is held to be unenforceable or invalid in any respect, such provision shall be carried out and enforced only to the extent to which it shall be valid and enforceable, and any such invalidity or unenforceability shall not affect any other provision of this Agreement, all of which shall be fully carried out and enforced as if such invalid or unenforceable provision had not been set forth herein.

(d) Waiver. No waiver of any provision contained in this Agreement shall be binding upon any party hereto unless in writing and signed by the party against whom the waiver operates. No waiver of any provision under this Agreement shall affect the right of either party hereto to thereafter enforce said provision or to exercise any right or remedy under this Agreement unless the waiver thereof expressly so provides.

(e) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, without regard to conflicts of law principles. The parties agree that any lawsuit brought by either party with respect to the enforcement of this Agreement or otherwise shall be brought in the state court of Greenville County, South Carolina, and each party hereby consents to the jurisdiction of such courts..

(f) Entire Agreement. This Agreement, including the exhibits attached hereto, constitute the entire agreement of the parties with respect to the subject matter hereof, and supersedes any prior agreements or understandings between the parties, whether written or

oral, with respect thereto. This Agreement may only be amended by a writing signed by a duly authorized officer or representative of both of the parties hereto.

(g) Exhibits. All of the Exhibits which are referenced in this Agreement shall be deemed to be incorporated into this Agreement and shall become a part hereof.

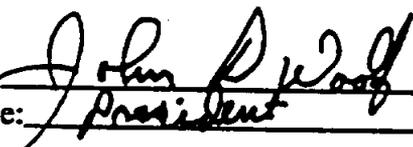
(h) Force Majeure. Delay or failure of performance of either party shall be excused to the extent that such failure shall be caused by an act of God, strike or other labor dispute, riot, civil disorder, government regulation or action, or other casualty not resulting from the acts of any party hereto. The party invoking the provisions of this Section shall provide the other party immediate written notice in writing of the occurrence of any such cause.

IN WITNESS WHEREOF, SIX POINTS and PYA, by their respective duly authorized officers or representatives, have entered into this Agreement as of the date first written above.

PYA/MONARCH, INC.

SIX POINTS, INC.

By: 
Title: President

By: 
Title: President

I.D.3 Subcontracting Goals

	Base Year		Option Year 1		Option Year 2		Option Year 3		Option Year 4		
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	
1	Total Contract Price	\$18.25	100%	\$18.25	100%	\$18.25	100%	\$18.25	100%	\$18.25	100%
2	Total to be Subcontracted										
	To Large Business	\$10.93	60%	\$10.93	60%	\$10.93	60%	\$10.93	60%	\$10.93	60%
	To Small Business	\$7.32	40%	\$7.32	40%	\$7.32	40%	\$7.32	40%	\$7.32	40%
	To SDB	\$1.278	7.0%	\$1.323	7.25%	\$1.369	7.5%	\$1.414	7.75%	\$1.460	8.0%
	To WOSB	\$.219	1.2%	\$.256	1.4%	\$.292	1.6%	\$.329	1.8%	\$.365	2%
	To other SB's	\$5.804	31.8%	\$5.721	31.35%	\$5.639	30.90%	\$5.557	30.45%	\$5.475	30%

Dollars = \$ X,000,000

Table I.D.2.e.-1

Subcontracting Goals CHART

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