

U.S. Postal Service
SHORT FORM LEASE

Main Office, Station, Branch, Etc.

Main Office

THE UNDERSIGNED, hereinafter called the Lessor, hereby leases to the United States Postal Service, hereinafter called the Postal Service, the premises hereinafter described, pursuant to the terms and conditions described herein and contained in PS Form 7417-A, General Conditions to Short Form Lease, attached hereto.

1. Location. The premises are located at: Market Street # 3225 2899
(Number and Street)
Bonanza Klamath Oregon 97623-9998
(City) (County) (State) (ZIP + 4)

Upon which is or will be located a one story concrete block building and which property contains or will contain areas, spaces, improvements, and appurtenances as follows: See Exhibit "A", Legal Description, attached hereto.

Total Square Feet: 9,450

Area	Dimensions	Net Sq. Feet	Area	Dimensions	Net Sq. Feet
First Floor (5'x9'8")	26' x 28'8"	793	Driveway	N/A	N/A
Platform	5' x 10'	50	Parking and Maneuvering	---	5,000
Vehicle Storage (No. of Units)	N/A	N/A	Other (Describe)	N/A	N/A

2. Terms. In each case, two (2) of the following paragraphs "A," "B," and "C" must be deleted.

A Month-to-Month. This is a month-to-month tenancy for which no written notice is required. This agreement may be terminated at any time by either party giving to the other party written notice; any such notice given by Lessor to be directed to the Contracting Officer.

B Fixed-Term. To have and to hold said premises with its appurtenances for a term of Thirty-six (36) months beginning February 20, 19 89, and ending February 19, 19 92.

(1) The Postal Service may terminate this agreement at any time by giving thirty days written notice to the Lessor.
(2) This agreement may be renewed, at the option of the Postal Service, for the following separate and consecutive terms and at the following monthly rentals provided notice be given in writing to the Lessor at least 30 days before the end of the fixed term and each renewal term provided herein.

No. of Months (a.)	At (b.)	At (c.)
DELETED	DELETED	DELETED

C Automatic Renewal. To have and to hold the said premises with its appurtenances for a term of one year beginning February 20, 19 89, and ending February 19, 19 92. Thereafter this agreement shall renew itself from year to year until terminated by either party giving thirty days written notice of termination thirty days before the end of any annual term, delivered to the Contracting Officer. The Postal Service may terminate this agreement at any time by giving thirty days written notice to the Lessor.

3. Rental. The Postal Service shall pay the Lessor monthly rental of \$ 300.00 payable at the end of each month. Rent for part of a month shall be prorated. Rent checks shall be made payable to: Leroy F. Fernlund
P.O. Box 131, Bonanza, OR 97623-0131

4. Lessor, as part of the rental consideration shall furnish the following utilities, services, and equipment:

All utility systems, fixtures and equipment as presently installed. Water and sewer.

5. Other Provisions. The following additional provisions, modifications, riders, layouts and/or forms were agreed upon prior to execution and made a part hereof:

Exhibit "A", Legal Description.

6. The following paragraphs were deleted before signing: Paragraphs 2A, 2B(2)(a)(2)(b)(2)(c), and 2C. A portion of Paragraph 8 and 17 of the General Conditions, PS Form 7417-A.

7. The undersigned has completed and attached hereto Form 7319-B, Representations and Certifications, and Form 7319-C, Representations and Certifications (Business Data).

EXECUTED BY LESSOR June 22, 19 89

By: Leroy F. Fernlund
(Signature)

Leroy F. Fernlund, Owner
(Print or Type Name and Title)

Identifying No. SSN# 540-28-7161

Address: P.O. Box 131

Bonanza, OR 97623-0131 (City, State, and ZIP + 4) (503) 545-6427 (Telephone)

Witness: _____

ACCEPTANCE BY POSTAL SERVICE JUL 16 1989

By: Gailen R. Graessley
(Signature)

Gailen R. Graessley
(Print or Type Name and Title)

Title: _____

Post Office Contracting Officer
P.O. Box 2000, Klamath Falls, OR 97603-2000

Address: _____

(City, State, and ZIP + 4) (Telephone)

12956

EXHIBIT "A"
LEGAL DESCRIPTION
BONANZA, OR 97623-9998
MAIN POST OFFICE

Lot 7, Block 20, FIRST ADDITION TO BONANZA, Klamath County, Oregon and the following:

Beginning at the SW corner of Lot 7, Block 20, FIRST ADDITION TO THE TOWN OF BONANZA thence Southerly along Market Street, 35 feet; thence Easterly at right angles to Market Street, 70 feet; thence Northerly and parallel to Market Street 35 feet; thence Westerly along the Southerly line of Lot 7 to the place of beginning, in the NE1/4 SE1/4 of Section 10, Township 39 South Range 11 E.W.M., Klamath County, Oregon.

Bonanza, OR 97623
Main Post Office

Lessor's initials J.H.
Date 6-22-87

GENERAL CONDITIONS TO SHORT FORM LEASE

1. **Lessor's Successors.** The terms and provisions of this lease and the conditions herein shall bind the Lessor, and all heirs, executors, administrators, successors, and assigns.

2. **Applicable Codes and Ordinances.** The Lessor, as part of the rental consideration, agrees to comply with all codes and ordinances applicable to the ownership and operation of the building in which the rented space is situated and, at Lessor's own expense, to obtain all necessary permits and related items.

3. **Officials Not to Benefit.** (July, 1971) No member of or delegate to Congress, or resident Commissioner shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

4. **Covenant Against Contingent Fees.** The Lessor warrants that no person or selling agency has been employed or retained to solicit or secure this agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Lessor for the purpose of securing business. For breach or violation of this warranty the Postal Service shall have the right to annul this lease without liability or at its discretion to deduct from the rental price or consideration, or otherwise recover, the full amount of such commissions, percentage, brokerage or contingent fee. (Licensed real estate agents or brokers having listings on property for rent, in accordance with general business practice, and who have not obtained such licenses for the sole purpose of effecting this lease, may be considered as bona fide employees or agencies within the exception contained in this clause.)

5. **Alterations.** The Postal Service may make alterations, attach fixtures or signs and erect structures in or upon the premises, all of which shall be the property of the Postal Service and, if the Lessor requests, by notice in writing, within 30 days before termination of the Lease, the Postal Service will repair promptly or provide the Lessor payment in lieu thereof for any damage caused by its removal of such property.

6. **Examination of Records (March 1978).**

(This clause is applicable only if the total amount of this contract is in excess of \$10,000 and it was entered into by negotiation.)

(a) The Lessor agrees that the Postmaster General or any of his duly authorized representatives shall, until expiration of 3 years after final payment under this contract, or of any specified time periods for particular records, whichever expires earlier, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Lessor involving transactions related to this contract.

(b) The Lessor further agrees to include in all subcontracts hereunder a provision to the effect that the subcontractor agrees that the Postmaster General or any of his duly authorized representatives shall, until expiration of 3 years after final payment under the subcontract, or of any specified time periods for particular records, whichever expires earlier, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor,

involving transactions related to the subcontract. The term "subcontract" as used in this clause excludes: (1) purchase orders not exceeding \$10,000, and (2) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

7. **Recording.** This agreement shall be recorded at the expense of the Lessor, upon the request of the Postal Service Contracting Officer, said expense shall include all required fees.

8. **Maintenance; Fitness for Use.** The Lessor shall, except as otherwise specified and except for damage resulting from the act or negligence of Postal Service agents or employees, maintain the demised premises in good repair and tenantable condition. If the leased premises or any part thereof become unfit for use for the purposes for which leased, the Lessor shall put the same in satisfactory condition, as determined by the Postal Service, for the purposes for which leased. If Lessor fails to make repairs or otherwise restore the premises to tenantable condition within a reasonable time after receipt of notice from the Contracting Officer, the Postal Service shall have the right to perform the work, by contract or otherwise, and withhold the cost thereof from payments due or to become due under this contract. In addition, for any period the premises or any part thereof are unfit for the purposes for which leased, the rental shall be abated in proportion to the area determined by the Postal Service to have been rendered unavailable by reason of such condition. Unfitness for use does not include subsequent unsuitability arising from such matters as design, size, or location of the building.

During the continuance of the lease, the interior of the building, including but not limited to the walls and ceilings, shall be repaired and maintained for a period of five (5) years unless required more often because of damage from fire or other casualty, or unless the five year period is specifically extended in writing by the Contracting Officer.

The Lessor shall designate on Form 7426 emergency maintenance repair personnel for electrical, plumbing, heating, ventilating and air conditioning emergencies or other emergencies (window, doors, locks, etc.) that may be called in the event of an emergency situation involving maintenance of the property and/or equipment when the Lessor or a designated agent cannot be contacted within a reasonable time.

9. **Destruction of Premises.** Notwithstanding the provisions of Clause 8, if the premises are destroyed by fire or other casualty, this lease shall immediately terminate.

10. **Notice of Requirement for Certification of Nonsegregated Facilities.** The Lessor is cautioned as follows: By signing the offer, the Lessor will be deemed to have signed and agreed to the provisions of the "Certification of Nonsegregated Facilities" included in this solicitation. The certification provides that the Lessor does not maintain or provide for employees facilities which are segregated on a basis of race, creed, color, or national origin, whether such facilities are segregated by directive or on a de facto basis. The certification also provides that the Lessor will not maintain such segregated facilities. Failure of a Lessor to agree to the Certification of Nonsegregated Facilities will render the offer ineligible for acceptance if the payments thereunder exceed \$10,000 and the contract is not otherwise exempt from the provisions of the Equal Opportunity clause.

11. Equal Opportunity. *(The following clause is applicable unless this contract is exempt under the rules, regulations, and relevant orders of the Secretary of Labor (4) CFR, ch. 60.)*

During the performance of this contract, the Lessor agrees as follows:

- (a) The Lessor will not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, or national origin. The Lessor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, age, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessor agrees to post in conspicuous places, available to employees and applicants for employment notices to be provided by the Contracting Officer setting forth the provisions of this Equal Opportunity clause.
- (b) The Lessor will, in all solicitations or advertisements for employees placed by or on behalf of the Lessor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, age, sex, or national origin.
- (c) The Lessor will send to each labor union or representative of workers with which there is a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency Contracting Officer, advising the labor union or workers' representative of the Lessor's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The Lessor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (e) The Lessor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules and regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access of his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigating to ascertain compliance with such rules, regulations, and orders.
- (f) In the event of the Lessor's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the Lessor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation; or order of the Secretary of Labor, or as otherwise provided by law.
- (g) The Lessor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Lessor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: *Provided, however,* That in the event the Lessor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency; the Lessor may request the United States

to enter into such litigation to protect the interests of the United States.

12. Contract Work Hours and Safety Standards Act. (40 U.S.C. 327-332) - Overtime

(a) *Overtime requirements.* No Lessor or subcontractor contracting for any part of the work under this agreement which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek, unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(b) *Violation; liability for unpaid wages; liquidated damages.* In the event of any violation of the provision set forth in paragraph (a) of this clause, the Lessor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Lessor and subcontractor shall be liable to the United States Postal Service for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the provision set forth in paragraph (a) of this clause, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the provision set forth in paragraph (a) of this clause.

(c) *Withholding for unpaid wages and liquidated damages.* The Contracting Officer shall upon his or her own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the Lessor or subcontractor under this agreement, or the lease or any other Federal contract with the Lessor, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the Lessor, such sums as may be determined to be necessary to satisfy any liabilities of such Lessor or subcontractor for unpaid wages and liquidated damages as provided in the provision set forth in paragraph (b) of this clause.

(d) *Subcontracts.* The Lessor or subcontractor shall insert in any subcontracts the provisions set forth in paragraphs (a) through (e) of this clause and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The term "Lessor" as used in these provisions in any subcontract shall be deemed to refer to the subcontractor. The Lessor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the provisions set forth in paragraphs (a) through (e) of this section.

(e) *Records.* The Lessor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. The records to be maintained under this paragraph shall be made available by the Lessor or subcontractor for inspection, copying, or transcription by authorized representatives of the Postal Service and the Department of Labor, and the Lessor or subcontractor will permit such representatives to interview employees during working hours on the job.

13. **Compliance with OSHA Standards.** To the extent this agreement is for construction, alteration, and/or repairs, the Lessor shall: (i) comply with applicable Occupational Safety and Health Standards Title 29, Code of Federal Regulations, Part 1910, promulgated pursuant to the authority of the Occupational Safety and Health Act of 1970; (ii) comply with any other applicable Federal, State, or local regulation governing work place safety to the extent they are not in conflict with (i); and (iii) take all other proper precautions to protect the health and safety of (a) any laborer or mechanic employed by the Lessor in performance of this agreement, (b) Postal Service employees, and (c) the public. The Lessor shall include this clause in all subcontracts hereunder and to require its inclusion in all subcontracts of a lower tier. The term "Lessor" as used in this clause in any subcontract shall be deemed to refer to the subcontractor.
14. **Subcontract Provisions.** The Lessor agrees to insert Clauses 11, 12, 13, and this Subcontract Provisions clause in all subcontracts hereunder and to require their inclusion in all subcontracts of lower tier. The term "Lessor" as used in these clauses in any subcontract shall be deemed to refer to the subcontractor.
15. **Assignment of Contract and Claims (May 1972).**
 (a) Except as otherwise provided below, neither this contract nor any interest in or claims for monies due or to become due under this contract, may be transferred or assigned by the Lessor to any other party.
 (b) If this contract provides for payments aggregating \$1,000 or more, claims for monies due or to become due the Lessor from the Postal Service under this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. No assignment or reassignment will be recognized as valid and binding upon the Postal Service unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment, is filed with: (i) the Contracting Officer; (ii) the surety or sureties upon the bond or bonds, if any, in connection with this contract; and (iii) the disbursing officer, if any, designated in this contract to make payment, and the Contracting Officer has acknowledged the assignment in writing.
 (c) The Postal Service may at its discretion recognize a transfer of this contract incidental to the transfer of all of the Lessor's assets or all that part of the Lessor's assets involved in the performance of this contract.
 (d) Assignment of this contract or any interest in or claims for monies due or to become due under this contract other than in accordance with the provisions of this clause shall be grounds for annulment of this contract at the option of the Postal Service. The rights and remedies of the Postal Service under this clause are not exclusive and shall be in addition to any other rights and remedies provided by law or under this contract.
16. **Mortgagee's Agreement.** If there is now, or will be, a mortgage on the premises, the Lessor shall, if requested to do so, furnish a mortgagee's subordination agreement on Form 7450.
17. **Equipment, Utilities and Services.** Unless otherwise specified herein, the Lessor shall furnish suitable flag staff, proper post office sign and a ten pound multi-purpose fire extinguisher for all class fires, as well as other equipment as may be specified. The Lessor shall keep all such furnished items in good condition except that the Postal Service shall be responsible for recharging and shall procure testing the fire extinguisher with the Lessor remaining responsible for repair and replacement.
18. **Sublease.** The Postal Service may sublet all or any part of the premises or assign this lease but shall not be relieved from any obligation under this lease by reason of any subletting or assignment.
19. **Lessor Obligations.** The Lessor's obligations in regard to the services provided in the Short Form Lease are further defined as follows:
 (a) If fuel is furnished—Lessor shall furnish heating system of sufficient size and capacity to provide uniform temperature in all portions of the demised premises in accordance with contractual requirements, and if not specifically specified in the contractual requirements, to furnish a heating system of sufficient size and capacity to provide uniform temperature of 65 degrees F. in all portions of the demised premises, together with all fuel and filters required for proper operation of the system during the continuance of the lease.
 (b) If heat is furnished—Lessor agrees to maintain uniform heating temperature in all portions of the demised premises in accordance with contractual requirements during the continuance of the lease, and to furnish necessary filters. Unless otherwise specified in the contractual requirements, uniform heating temperature of 65 degrees F. shall be provided in all portions of the demised premises during the continuance of the lease.
 (c) If neither fuel nor heat is furnished—Lessor shall furnish heating system of sufficient size and capacity to provide uniform temperature in all portions of the demised premises in accordance with contractual requirements, and if not specifically specified in the contractual requirements, to furnish a heating system of sufficient size and capacity to provide uniform temperature of 65 degrees F. in all portions of the demised premises, together with all filters required for proper operation of the system during the continuance of the lease.
 (d) If light is furnished—Lessor agrees to provide and install light fixtures in accordance with contractual requirements and during the continuance of the lease shall provide and install all needed replacement parts including, but not limited to, necessary fluorescent tubes and incandescent lamps, as well as paying all lighting bills.
 (e) If light is not furnished and fluorescent lights are used—Lessor agrees to provide and install light fixtures in accordance with contractual requirements and to provide and replace during the continuance of the lease all replacement ballasts as needed.
 (f) If power is furnished—Lessor agrees to furnish and pay for all power during continuance of the lease.
 (g) If the water is furnished—Lessor agrees to furnish and pay for all water during continuance of the lease.
 (h) If sewerage service is furnished—Lessor agrees to furnish and pay for sewerage service during continuance of the lease.
 (i) If air conditioning equipment is furnished—Lessor agrees to furnish air conditioning equipment in accordance with contractual requirements, servicing of said equipment, including, but not limited to, the replacement of necessary refrigerant and filters as required for proper operation of the equipment.
 (j) If air conditioning is furnished—Lessor agrees to furnish air conditioning equipment in accordance with contractual requirements, servicing of said equipment, including, but not limited to, the replacement of necessary filters and refrigerant as required for proper operation of the equipment, together with power, water and other services for its operation.

20. **Payment for Labor and Material.** If the Lessor is required to furnish a Form 7414-E, Labor and Material Payment Bond, in connection with this Lease, the Lessor agrees to post at the job site in a prominent place, a photostat or certified copy of Form 7414-E, where it can easily be seen by all persons who have furnished, or have been requested to furnish labor, material, or both, used or reasonably required for use in the performance of this Lease.

21. **Clean Air and Water (July 1975).** Applicable only if (i) offer exceeds \$100,000, or (ii) the offer is for an indefinite quantity and it indicates that orders for estimated quantities will exceed \$100,000 in any year, or (iii) a facility to be used is listed on the EPA List of Violating Facilities due to a criminal conviction, or (iv) the contract is not otherwise exempt.)

The Contractor agrees as follows:

- (a) To comply with all the requirements of Section 114 of the Clean Air Act, as amended (42 U.S.C. 1857, et seq., as amended by Public Law 91-604) and Section 308 of the Federal Water Pollution Control Act (33 U.S.C. 1251, as amended by Public Law 92-500), respectively, and all regulations and guidelines issued thereunder.
- (b) That no portion of the work required by this contract will be performed in a facility listed on the Environmental Protection Agency (EPA) List of Violating Facilities on the date when this contract was awarded, unless and until the EPA removes the name of such facility from such listing.
- (c) To notify promptly the Contracting Officer of receipt of any communication from the EPA indicating that any facility proposed for or in use under this contract is under consideration to be listed on the EPA List of Violating Facilities.
- (d) To insert the substance (i) of any Clean Air and Water Certification contained in this solicitation, and (ii) of the provisions of this clause into every nonexempt subcontract, including this paragraph, and to take such steps as the Postal Service may direct as a means of enforcing these provisions.
- (e) That in the event the Contractor fails to comply with all the above requirements, the Lessor's right to perform may be canceled, terminated for default, or suspended for such failure, in whole or in part.

(Environmental Protection Agency regulations implementing the provisions for listing prescribed by the referenced statutes may be found at 40 CFR Part 15.)

22. **Claims and Disputes (May 1983).**

- (a) This contract is subject to the Contract Disputes Act of 1978 (P.L. 95-563, 41 USC 601-613).
- (b) All disputes arising under or relating to this contract shall be resolved under this clause, except for disputes arising out of the labor standards provisions of this contract. References to a Disputes clause in other clauses of this contract shall be understood to be references to this Claims and Disputes clause.
- (c) (i) "Claim," as used in this clause, means a written demand or assertion by one of the parties seeking, as a legal right, the payment of money, adjustment or interpretation of contract terms, or other relief arising under or relating to this contract.
- (ii) A voucher, invoice, or request for payment that is not in dispute when submitted is not a claim under the Act. However, where such submission is subsequently not acted upon in a reasonable time, or disputed either as to liability or amount, it may be converted to a claim under the Act.

(iii) A claim by the Lessor shall be made in writing and submitted to the Contracting Officer for decision. A claim by the Postal Service against the Lessor shall be in the form of a decision by the Contracting Officer.

(d) For Lessor claims of more than \$50,000, the Lessor shall submit with the claim a certification that: (i) the claim is made in good faith; (ii) supporting data are accurate and complete to the best of the Lessor's knowledge and belief; and (iii) the amount requested accurately reflects the contract adjustment for which the Lessor believes the Postal Service is liable. If the Lessor is an individual, the certification shall be executed by that individual. If the Lessor is not an individual, the certification shall be executed by a senior company official in charge at the Lessor's plant or location involved; or by an officer or general partner of the Lessor having overall responsibility for the conduct of the Lessor's affairs. Claims less than \$50,000 need not be certified.

(e) Any claim which is not disposed of by agreement shall be decided by the Contracting Officer who shall issue a decision in writing and shall mail or otherwise furnish a copy of the decision to the Lessor. For Lessor claims over \$50,000, the Contracting Officer must decide the claim within 60 days or notify the Lessor of the date when the decision will be made. For Lessor claims of \$50,000 or less, the Contracting Officer must render a decision within 60 days. The Contracting Officer's decision shall be final and conclusive and not subject to review by any forum, tribunal, or government agency unless:

- (i) The Lessor appeals such decision to the Postal Service Board of Contract Appeals within 90 days after the date the Lessor receives the Contracting Officer's final decision; or
- (ii) The Lessor brings an action directly on the claim in the United States Claims Court within 12 months after the date the Lessor receives the Contracting Officer's final decision.

(f) The authority of the Contracting Officer under the Act does not extend to claims or disputes which other agencies are expressly authorized by statute or regulation to decide.

(g) The Postal Service shall pay interest on the amount found due on a Lessor's claim from the date the Contracting Officer receives the claim (properly certified, if required, in accordance with d, above), or from the date payment would otherwise be due, if that date is later, until the date of payment. Simple interest will be paid at the rate, established by the Secretary of the Treasury, which is applicable when the Contracting Officer receives the claim and then at the rate fixed by the Secretary for each successive six-month period in which the claim is pending.

(h) Except as the parties may otherwise agree, pending final resolution of a claim by the Lessor arising under the contract, the Lessor shall proceed diligently with the performance of the contract in accordance with the Contracting Officer's decision.

23. **Disputes Concerning Labor Standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the Claims and Disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the Lessor (or any of the Lessor's subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

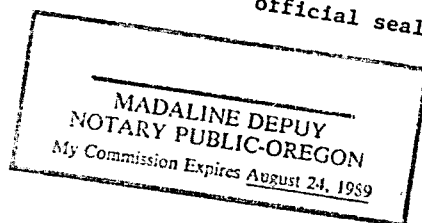
STATE OF OREGON

COUNTY OF KLAMATH

12961

On this 22nd day of June, 1987, personally appeared before me, a Notary Public in and for the County and State aforesaid, Leroy F. Fernlund who is known to me to be the same person who executed the foregoing instrument, and who acknowledged that he signed, sealed, and delivered the same as his free and voluntary act for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Madaline Depuy
Notary Public in and for the State of Oregon
residing at Bonanza in said County.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Leroy Fernlund
of July A.D., 19 87 at 10:58 o'clock A M., and duly recorded in Vol. M87
of Deeds on Page 12955

FEE \$29.00

By Evelyn Biehn, County Clerk
Phyllis Smith