

Exhibit BB



Department of Defense

DIRECTIVE

NUMBER 5105.22

May 17, 2006

DA&M

SUBJECT: Defense Logistics Agency (DLA)

- References:
- (a) Title 10, United States Code
 - (b) DoD Directive 5105.22, "Defense Logistics Agency," December 6, 1988 (hereby canceled)
 - (c) DoD Directive 5134.01, "Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L))," December 9, 2005
 - (d) DoD Directive 5101.1, "DoD Executive Agent," September 3, 2002
 - (e) through (o), see Enclosure 1

1. REISSUANCE AND PURPOSE

Under the authority vested in the Secretary of Defense by sections 113, 191, 193, and 197 of Reference (a), this Directive reissues Reference (b) to update the mission, responsibilities, functions, relationships, and authorities of the DLA, under the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)).

2. APPLICABILITY

This Directive applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities in the Department of Defense (hereafter referred to collectively as the "DoD Components").

3. MISSION

The DLA shall function as an integral element of the military logistics system of the Department of Defense to provide effective and efficient worldwide logistics support to the Military Departments and the Combatant Commands under conditions of peace and war, as well as to other DoD Components and Federal agencies, and, when authorized by law, State and local government organizations, foreign governments, and international organizations.

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4. ORGANIZATION AND MANAGEMENT

The DLA is a Combat Support Agency of the Department of Defense, in accordance with section 193 of Reference (a). The Deputy Under Secretary of Defense for Logistics and Materiel Readiness (DUSD(L&MR)), under the USD(AT&L), exercises authority, direction, and control over the DLA, in accordance with DoD Directive 5134.01 (Reference (c)). The DLA shall consist of a Director and subordinate organizational elements as established by the Director within resources assigned by the Secretary of Defense.

5. RESPONSIBILITIES AND FUNCTIONS

The Director, DLA, shall:

5.1. Organize, direct, and manage the DLA and all assigned resources; procure assigned items; and administer, supervise, and control all programs, services, and items assigned to the DLA.

5.2. Provide staff advice and assistance on logistics matters to OSD; the Chairman of the Joint Chiefs of Staff and the Commanders of the Combatant Commands; the Military Departments; other DoD Components; and other designated organizations, as appropriate.

5.3. Support the USD(AT&L) in his or her role as the Defense Logistics Executive to integrate and improve the global supply chain through collaboration with key stakeholders, including the Military Departments and the U.S. Transportation Command (USTRANSCOM).

5.4. Provide materiel commodities and supply chain management for items of supply and services that have been determined, through the application of approved criteria, to be appropriate for integrated management by a single agency on behalf of all of the DoD Components, or that have been otherwise specifically assigned by appropriate authority.

5.5. Perform logistics services associated with furnishing materiel commodities and items of supply (hereafter referred to as "items").

5.6. Administer DoD-wide logistics management systems, programs, and activities, as assigned, including the provision of technical assistance, support services, supply chain integration, and information, consistent with applicable DoD information technology (IT) policies.

5.7. Maintain a DoD worldwide distribution system and accomplish all logistics management functions required to ensure responsive, integrated support of the associated logistics requirements of the Military Departments and the Combatant Commands, including the following: item management classification; cataloging; requirements determination; supply control; procurement; quality assurance; industrial responsiveness and mobilization planning; receipt, storage, preservation and packaging, issue, kit assembly, inventory accountability,

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transportation management and distribution control; disposal management; hazardous material/waste management; maintenance and manufacture; shelf-life control; provisioning; technical logistics data and information; engineering support; value engineering; standardization; reutilization and marketing; management of the strategic reserves and the National Defense Stockpile Program; document automation and production; and other related logistics management functions, as appropriate.

5.8. Prescribe a schedule of fees for recovering the costs of providing logistics information data products to the Federal government, to a State or subdivision of a State, or to any person, pursuant to section 197 of Reference (a).

5.9. Perform systems analysis and design, procedural development, and maintenance for supply and service systems (consistent with applicable DoD IT policies) and other logistics matters assigned by the Secretary of Defense.

5.10. Develop, monitor, and maintain effective supply relationships with the General Services Administration (GSA) to ensure the timely availability of GSA items required by the DoD Components.

5.11. Regarding support to the Combatant Commands:

5.11.1. Establish DLA Regional Commands (DRC) and appoint DLA Regional Commanders to support the geographic Combatant Commands. The DRC shall provide coordinated and responsive logistics support; develop policies, plans, and procedures; develop resource requirements; ensure security compliance; and provide for the management and direction of DLA overseas activities.

5.11.2. Establish support organizations to serve the geographic Combatant Commanders and subordinate DLA Contingency Support Teams (DCSTs), which shall be designed to forward deploy during contingency operations. The DCSTs shall provide liaison officers, logistics operations and plans officers, and other logistical support officers to the Combatant Command, as the DLA Regional Commander directs.

5.11.3. Provide personnel augmentation to Combatant Command Joint Deployment Distribution Operations Center as established.

5.12. Provide data management, data standards, and standard information to support DoD enterprise logistics capabilities. Additionally, establish and maintain appropriate information technology support organizations to provide transactional hubs to support DoD logistical infrastructure, such as the Defense Automatic Addressing System Center and the Defense Logistics Information Service.

5.13. Manage logistics transformation programs to improve logistics data interoperability (Integrated Data Environment) and logistics data visibility (for example, Joint Total Asset Visibility, Automatic Identification Technology, and DoD Electronic Mall).

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5.14. Manage, independent of GSA's Federal Supply Schedule/Multiple Award Schedule contracting program, multiple-award contracts providing for DoD-wide ordering.

5.15. Execute assigned DoD Executive Agent (DoD EA) responsibilities by providing end-to-end support for the warfighter, consistent with applicable law and DoD Directive 5101.1 (Reference (d)). Serve as:

5.15.1. The DoD EA for Bulk Petroleum, consistent with DoD Directive 5101.8 (Reference (e)).

5.15.2. The DoD EA for Medical Materiel, consistent with DoD Directive 5101.9 (Reference (f)).

5.15.3. The DoD EA for Subsistence, consistent with DoD Directive 5101.10 (Reference (g)).

5.15.4. The DoD EA for Construction/Barrier Materiel, consistent with DoD Directive 5101.12 (Reference (h)).

5.15.5. The DoD EA for such other responsibilities as may be assigned.

5.16. Keep the DUSD(L&MR) apprised of key performance indicators, as necessary.

5.17. Through the Document Automation and Production Service (a DLA field activity), serve as the DoD single manager for printing and high speed-high volume duplicating, including both the operation of DoD in-house facilities and the procurement of these services from outside the Department of Defense, and as the preferred provider of document conversion and/or automation services in the Department of Defense, excluding Intelligence Agencies, tactical activities, and National Guard and Reserve organizations.

5.18. Design and manage DLA programs and activities to improve standards of performance, economy, and efficiency, and demonstrate DLA's attention to the requirements of its organizational customers, both internal and external to the Department of Defense.

5.19. Perform such other duties as may be assigned by the Secretary of Defense, the USD(AT&L), or the DUSD(L&MR).

6. RELATIONSHIPS

6.1. In the performance of assigned responsibilities and functions, the Director, DLA, shall:

6.1.1. Report directly to the DUSD(L&MR).

6.1.2. Maintain appropriate liaison with the other DoD Components, the agencies and departments of the Executive Branch, State and local government organizations, foreign

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governments, and international organizations for the exchange of information on programs and activities in the field of assigned responsibilities. Communications with foreign governments for the purpose of entering into international agreements shall be conducted consistent with DoD Directive 5530.3 (Reference (i)).

6.1.3. Maintain close working relationships with weapon systems managers of the Military Departments to ensure integration of effort and exchange of technical programs and reference data.

6.1.4 Collaborate with the Commander, USTRANSCOM, in support of distribution process improvement efforts to ensure consistency with Defense Logistics and Global Supply Chain Management System requirements.

6.1.5. Use existing systems, facilities, and services of the Department of Defense and other Federal agencies, when practicable, to avoid duplication and to achieve maximum efficiency and economy. Preserve the capability of assigned facilities and other assets to accomplish the organizational mission.

6.2. The Chairman of the Joint Chiefs of Staff shall:

6.2.1. Review DLA planning and programming documents, assess their responsiveness to operational requirements, and recommend any needed revisions, through the DUSD(L&MR), to the Director, DLA.

6.2.2. Include the DLA in joint training exercises.

6.2.3. Provide recommended taskings related to defense readiness, through the DUSD(L&MR), to the Director, DLA.

6.2.4. Develop and submit proposed joint logistics requirements and priorities, through the DUSD(L&MR), to the Director, DLA.

6.3. The Commanders of the Combatant Commands are authorized to, and, as appropriate, shall:

6.3.1. In a major emergency, assume temporary operational control of all DLA elements in the contingency area of operations, with notification immediately following to the Secretary of Defense through the Chairman of the Joint Chiefs of Staff, the appropriate operational commander, and the Director, DLA.

6.3.2. Ensure the DLA is included in Crisis Action Planning and that DCSTs are validated in the Time Phased Force Deployment Data developed for contingencies.

6.3.3. Review the antiterrorism status of DLA activities within the Geographic Area of Responsibility in accordance with DoD Directive 2000.12 (Reference (j)).

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6.3.4. Provide recommended taskings, through the DUSD(L&MR), to the Director, DLA, to participate in major exercises that support the Joint Training Program.

6.3.5. Ensure that the Commanders of the respective Component Commands:

6.3.5.1. Exercise such responsibilities and authorities pertinent to DLA elements as may be assigned or delegated to them by the relevant Combatant Command.

6.3.5.2. Provide for the physical security and administrative and logistic support of DLA elements as agreed to by the Director, DLA, and the Commanders of the Component Commands concerned under inter-Service support agreements and performance-based agreements.

6.4. The Chairman of the Joint Chiefs of Staff, the Commanders of the Combatant Commands, the Secretaries of the Military Departments, and the Heads of the other DoD Components, within their respective areas of responsibility, shall provide to the Director, DLA, support and logistical planning information that affect the responsibilities and functions assigned to DLA.

7. AUTHORITY

The Director, DLA, is hereby delegated authority to:

7.1. Meet the needs of the Military Departments and other authorized customers by conducting, directing, supervising, or controlling all procurement activities regarding property, supplies, and services assigned to the DLA for procurement in accordance with applicable laws, DoD Regulations, the Federal Acquisition Regulation (FAR) (Reference (k)), and the Defense FAR Supplement (DFARS) (Reference (l)). To the extent that any law or Executive Order specifically limits the exercise of such authority to persons at the secretarial level, such authority shall be exercised by the USD(AT&L).

7.2. Communicate with the Heads of the DoD Components, as necessary, to carry out assigned responsibilities and functions, including the transmission of requests for advice and assistance. Communications to the Military Departments shall be transmitted through the Secretaries of the Military Departments, their designees, or as otherwise provided in law or directed by the Secretary of Defense in other DoD issuances. Communications to the Commanders of the Combatant Commands normally shall be transmitted through the Chairman of the Joint Chiefs of Staff.

7.3. Communicate with other Government officials, representatives of the Legislative Branch, members of the public, and representatives of foreign governments, as appropriate and according to DoD policy, in carrying out assigned responsibilities and functions. Communications with representatives of the Legislative Branch shall be coordinated with the Assistant Secretary of Defense for Legislative Affairs or the Under Secretary of Defense

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(Comptroller)/Chief Financial Officer, as appropriate, and be consistent with the DoD Legislative Program.

7.4. Obtain reports and information, consistent with DoD Directive 8910.1 (Reference (m)), as necessary, to carry out assigned responsibilities and functions.

7.5. Establish new DLA facilities, or recommend to the DUSD(L&MR) the reassignment to the DLA, or use by the DLA, of existing facilities of the Military Departments, as deemed necessary for improved effectiveness and economy, and as authorized by law.

7.6. Provide membership on the Defense Acquisition Regulations Council; participate with the Military Departments, the Defense Contract Management Agency (DCMA), and other Federal agencies in developing and publishing the FAR; and participate with the Military Departments and the DCMA in developing and publishing the DFARS, consistent with DoD Instruction 5000.63 (Reference (n)).

7.7. Exercise the administrative authorities contained in Enclosure 2.

8. ADMINISTRATION

8.1. The Director, DLA, shall be an active duty, commissioned officer in the Armed Forces of the United States of General or Flag grade, recommended to the President by the Secretary of Defense with the advice of the Chairman of the Joint Chiefs of Staff and the USD(AT&L).

8.2. The Secretaries of the Military Departments shall assign military personnel to the DLA according to approved authorizations and established procedures for assignment to joint duty.

8.3. Programming, budgeting, funding, auditing, accounting, pricing, and reporting activities of the DLA shall be in accordance with the DoD Financial Management Regulation (Reference (o)) and established DoD policy and procedures.

9. EFFECTIVE DATE

This Directive is effective immediately.



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Enclosures - 2

- E1. References, continued
- E2. Delegations of Authority

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E1. ENCLOSURE 1

REFERENCES, continued

- (e) DoD Directive 5101.8, "DoD Executive Agent (DoD EA) for Bulk Petroleum," August 11, 2004
- (f) DoD Directive 5101.9, "DoD Executive Agent for Medical Materiel," August 23, 2004
- (g) DoD Directive 5101.10, "DoD Executive Agent (DoD EA) for Subsistence," September 27, 2004
- (h) DoD Directive 5101.12 "DoD Executive Agent (DoD EA) for Construction/Barrier Materiel," July 16, 2005
- (i) DoD Directive 5530.3, "International Agreements," June 11, 1987
- (j) DoD Directive 2000.12, "DoD Antiterrorism (AT) Program," August 18, 2003
- (k) Federal Acquisition Regulation, current edition
- (l) DoD Federal Acquisition Regulation Supplement, current edition
- (m) DoD Directive 8910.1, "Management and Control of Information Requirements," June 11, 1993
- (n) DoD Instruction 5000.63, "Defense Acquisition Regulations (DAR) System," July 31, 2002
- (o) DoD 7000.14-R, "Department of Defense Financial Management Regulation," current edition

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E2. ENCLOSURE 2

DELEGATIONS OF AUTHORITY

E2.1.1. Under the authority vested in the Secretary of Defense, and subject to the authority, direction, and control of the USD(AT&L) and the DUSD(L&MR), and in accordance with DoD policies, DoD Directives, and DoD Instructions; the Director, DLA, or in the absence of the Director, the person acting for the Director, is hereby delegated authority as required in the administration and operation of the DLA to:

E2.1.1.1. Exercise the powers vested in the Secretary of Defense by 5 United States Code (U.S.C.) 301, 302(b), 3101, and 5107 on the employment, direction, and general administration of DLA civilian personnel.

E2.1.1.2. Fix rates of pay for wage-rate employees exempted from the Classification Act of 1949 by 5 U.S.C. 5102 on the basis of rates established under the Federal Wage System. In fixing such rates, the Director, DLA, shall follow the wage schedule established by the DoD Wage Fixing Authority.

E2.1.1.3. Establish advisory committees and employ temporary or intermittent experts or consultants for the performance of DLA functions, consistent with 10 U.S.C. 173 and 174; 5 U.S.C. 3109(b); DoD Directive 5105.4; and DoD Directive 5105.18.

E2.1.1.4. Administer oaths of office to those entering the Executive Branch of the Federal Government or any other oath required by law in connection with employment therein, in accordance with 5 U.S.C. 2903, and designate in writing, as may be necessary, officers and employees of DLA to perform this function.

E2.1.1.5. Establish a DLA Incentive Awards Board and pay cash awards to, and incur necessary expenses for the honorary recognition of, civilian employees of the Government whose suggestions, inventions, superior accomplishments, or other personal efforts, including special acts or services, benefit or affect the DLA or its subordinate activities, in accordance with 5 U.S.C. 4503, Office of Personnel Management (OPM) regulations, and DoD 1400.25-M.

E2.1.1.6. Enforce regulatory procedures in accordance with Executive Order 10450, "Security Requirements for Government Employment," April 27, 1953; Executive Order 12333, "United States Intelligence Activities," December 4, 1981; Executive Order 12968, "Access to Classified Information," August 2, 1995; and DoD Directive 5200.2, as appropriate:

E2.1.1.6.1. Designate any position in the DLA as a "sensitive" position.

E2.1.1.6.2. Authorize, in case of emergency, the appointment of a person to a sensitive position in DLA for a limited time even though a full field investigation or other appropriate investigation, including the National Agency Check, has not been completed.

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E2.1.1.6.3. Initiate personnel security investigations and, if necessary, in the interest of national security, suspend a security clearance for personnel assigned to, detailed to, or employed by DLA. Any actions under this subparagraph shall be taken in accordance with DoD 5200.2-R.

E2.1.1.6.4. Authorize the suspension, or termination, of a DLA employee in the interest of national security.

E2.1.1.7. Act as agent for the collection and payment of employment taxes imposed by Chapter 21 of the Internal Revenue Code of 1954, as amended; and, as such agent, make all determinations and certifications required or provided for under the Internal Revenue Code of 1954, as amended (26 U.S.C 3122), and the Social Security Act, as amended (42 U.S.C. 405(p)(1) and (2)), with respect to DLA employees.

E2.1.1.8. Authorize and approve overtime work for DLA civilian personnel in accordance with Subchapter V of Chapter 55 of 5 U.S.C. and applicable OPM regulations.

E2.1.1.9. Authorize and approve:

E2.1.1.9.1. Travel for DLA civilian personnel in accordance with the Joint Travel Regulations (JTR), Volume 2, "DoD Civilian Personnel," current edition.

E2.1.1.9.2. Temporary duty travel for assigned or detailed DLA military personnel in accordance with Joint Federal Travel Regulations, Volume 1, "Uniformed Service Members," current edition.

E2.1.1.9.3. Invitational travel to non-DoD persons whose consultative, advisory, or other highly specialized technical services are required in a capacity that is directly related to, or in connection with, DLA activities, in accordance with the JTR, Volume 2.

E2.1.1.10. Approve the expenditure of funds available for travel by assigned or detailed DLA military personnel for expenses incident to attending meetings of technical, scientific, professional, or other similar organizations when the approval of the Secretary of Defense, or a designee, is required by 37 U.S.C. 412 and 5 U.S.C. 4110 and 4111.

E2.1.1.11. Develop, establish, and maintain an active and continuing Records Management Program, pursuant to 44 U.S.C. 3102 and DoD Directive 5015.2.

E2.1.1.12. Utilize the Government purchase card for making micropurchases of material and services, other than personal services, for the DLA when it is determined more advantageous and consistent with the best interests of the Government.

E2.1.1.13. Authorize the publication of advertisements, notices, or proposals in newspapers, magazines, or other public periodicals as required for the DLA administration and operation, consistent with 44 U.S.C. 3702.

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E2.1.1.14. Establish and maintain appropriate property accounts for the DLA and appoint Boards of Survey, approve reports of survey, relieve personal liability, and drop accountability for DLA property contained in the authorized property accounts that has been lost, damaged, stolen, destroyed, or otherwise rendered unserviceable, in accordance with applicable laws and regulations.

E2.1.1.15. Promulgate the necessary security regulations for the protection of property and places under the jurisdiction of the Director, DLA, pursuant to DoD Directive 5200.8.

E2.1.1.16. Establish and maintain, for the functions assigned, an appropriate publications system for the promulgation of common supply and service regulations, instructions, and reference documents, and changes thereto, pursuant to the policies and procedures prescribed in DoD 5025.1-M.

E2.1.1.17. Enter into support and service agreements and performance-based agreements with the Military Departments, the other DoD Components, other Federal Government agencies, and foreign governments consistent with DoD Directive 5530.3, as required for the effective performance of DLA functions and responsibilities.

E2.1.1.18. Exercise the authority delegated to the Secretary of Defense by the Administrator of the General Services Administration under Federal Management Regulation 102-75.1055 for the disposal of surplus personal property.

E2.1.1.19. Exercise the powers and duties of the Secretary of Defense for the Defense Industrial Reserve, pursuant to 10 U.S.C. 2535.

E2.1.1.20. Designate an officer or employee of the DLA to serve as the DLA Competition Advocate, pursuant to 10 U.S.C. 2318.

E2.1.1.21. Maintain an official seal and attest to the authenticity of official DLA records under that seal.

E2.1.1.22. Exercise all authorities of the Secretary of Defense under 10 U.S.C. 2404.

E2.1.2. The Director, DLA, may redelegate these authorities as appropriate, and in writing, except as otherwise indicated above or provided by law or regulation.