

RETURN BIDS TO:
RETOURNER LES SOUMISSIONS À:
Bid Receiving - PWGSC / Réception des soumissions -
TPSGC
11 Laurier St. / 11, rue Laurier
Place du Portage , Phase III
Core 0A1 / Noyau 0A1
Gatineau, Québec K1A 0S5
Bid Fax: (819) 997-9776

SOLICITATION AMENDMENT MODIFICATION DE L'INVITATION

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

Comments - Commentaires

Vendor/Firm Name and Address
Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution
Land Projects and Communication System Support
Division/Div des projets terrestres et support de
systèmes de communication
11 Laurier St. / 11, rue Laurier
8C2, Place du Portage, Phase III
Gatineau
Québec
K1A 0S5

Title - Sujet MUAV SYSTEMS	
Solicitation No. - N° de l'invitation W8476-133748/A	Amendment No. - N° modif. 001
Client Reference No. - N° de référence du client W8476-133748	Date 2012-12-10
GETS Reference No. - N° de référence de SEAG PW-\$\$RA-053-23390	
File No. - N° de dossier 053ra.W8476-133748	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2012-12-21	Time Zone Fuseau horaire Eastern Standard Time EST
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Springs(ra div.), Brent	Buyer Id - Id de l'acheteur 053ra
Telephone No. - N° de téléphone (819) 956-7889 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction:	

Instructions: See Herein

Instructions: Voir aux présentes

Delivery Required - Livraison exigée	Delivery Offered - Livraison proposée
Vendor/Firm Name and Address Raison sociale et adresse du fournisseur/de l'entrepreneur	
Telephone No. - N° de téléphone Facsimile No. - N° de télécopieur	
Name and title of person authorized to sign on behalf of Vendor/Firm (type or print) Nom et titre de la personne autorisée à signer au nom du fournisseur/ de l'entrepreneur (taper ou écrire en caractères d'imprimerie)	
Signature	Date

Solicitation No. - N° de l'invitation

W8476-133748/A

Amd. No. - N° de la modif.

001

Buyer ID - Id de l'acheteur

053ra

Client Ref. No. - N° de réf. du client

W8476-133748

File No. - N° du dossier

053raW8476-133748

CCC No./N° CCC - FMS No/ N° VME

Note this draft RFP replaces the English draft RFP.

DRAFT REQUEST FOR PROPOSAL

FOR MINIATURE UNMANNED AIRCRAFT SYSTEMS

Section 1

INSTRUCTIONS TO BIDDERS

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PART 1 - GENERAL INFORMATION

1.0 Security Requirement

There are no security requirement associated with this requirement

2.0 Requirement - Miniature Unmanned Aircraft Systems (MUAS)

This bid solicitation is being issued to satisfy the requirement of the Department of National Defence of Canada for Miniature Unmanned Aircraft Systems (MUAS). It is intended to result in the award of two (2) contracts to one successful Bidder. The bid solicitation is divided into three (3) Sections. Section (1) is the bid solicitation, annexes and appendixes. Section (2) is the Miniature Unmanned Aircraft Systems Acquisition Contract and Section (3) is Miniature Unmanned Aircraft Systems Support Contract.

The first contract, called the MUAS Acquisition Contract (MUAS-A) will be for a period of three (3) years plus two (1) year options and will consist of a qualification of the MUAS and then, if successfully qualified, the purchase of a firm quantity of MUAS totaling fifteen (15) as complete system along with associated preliminary Integrated Logistics Support (ILS) such as technical documentation, training and initial provisioning of spares with the option to purchase an additional seventy - five (75) MUAS as complete system or component by component.

The second contract, called the Miniature Unmanned Aircraft Systems Support Contract (MUAS-S), will be for the ISS In-Service Support and Improvement Activities for a period of five (5) years plus five (5) one 1 year irrevocable options. The In-Service Support includes: Program Management Services, Supply Support Services, Technical Support Services and Engineering Support Services. The Improvement Activities will consist of incremental design and implementation of improvements to the initial ISS configuration and equipment disposal on an if, as, and when requested basis.

3.0 Debriefings

After contract award, bidders may request a debriefing on the results of the bid solicitation process. Bidders should make the request to the Contracting Authority within 15 working days of receipt of the results of the bid solicitation process. The debriefing may be in writing, by telephone or in person.

PART 2 - BIDDER INSTRUCTIONS

1.0 Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the Standard Acquisition Clauses and Conditions Manual (<http://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contracts.

The 2003 (2012-07-11) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

1.1 SACC Manual Clause

B1006T (2007-11-30) Condition of Material

A9130T (2011-05-16) Controlled Goods Program

2.0 Submission of Bids

Bids must be submitted only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit by the date, time and place indicated on page 1 of the bid solicitation.

Due to the nature of the bid solicitation, bids transmitted by facsimile to PWGSC will not be accepted.

3.0 Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority no later than fifteen (15) calendar days before the bid closing date. Enquiries received after that time may not be answered. Bidders should reference as accurately as possible the numbered item of the bid solicitation to which the enquiry relates. Care should be taken by bidders to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a "proprietary" nature must be clearly marked "proprietary" at each relevant item. Items identified as "proprietary" will be treated as such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the questions or may request that the Bidder do so, so that the proprietary nature of the question is eliminated, and the enquiry can be answered with copies to all bidders. Enquiries not submitted in a form that can be distributed to all bidders may not be answered by Canada.

4.0 Applicable Laws

Any resulting contracts must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____.(insert name of province or territory)

Bidders may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the Bidders.

PART 3 - BID PREPARATION INSTRUCTIONS

1.0 Bid Structure

Canada requests that bidders provide their bid in separately bound sections as follows:

- Section I: Technical Bid (2 hard copies) and 2 soft copies on CD or 1 DVD
- Section II: Financial Bid (2 hard copies) and 2 soft copies on CD or 1 DVD
- Section III: Certification 2 hard copies

If there is a discrepancy between the wording of the soft copy and the hard copy, the wording of the hard copy will have priority over the wording of the soft copy.

Prices must appear in the financial bid only. No prices must be indicated in any other section of the bid.

Canada requests that bidders follow the format instructions described below in the preparation of their bid

- (a) use 8.5 x 11 inch paper;
- (b) use numbering system that corresponds to the bid solicitation;
- (c) include a title page at the beginning of each volume of the bid that include the title, date, solicitation number, bidder's name and address and contact information of the representative;
- (d) include a table of contents; and
- (e) include a glossary of all abbreviations and acronyms used;

In April 2006, Canada issued a policy directing federal departments and agencies to take the necessary steps to incorporate environmental considerations into the procurement process Policy on Green Procurement(<http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html>). To assist Canada in reaching its objectives, bidders are encouraged to use paper containing fibre certified as originating from a sustainably-managed forest and/or containing minimum 30% recycled content.

Section I: Technical Bid

In their technical bid, bidders should explain and demonstrate how they propose to meet the requirements and how they will carry out the Work.

Section II: Financial Bid

Bidders must submit their financial bid in accordance with the Basis of Payment. The total amount of Goods and Services Tax (GST) or harmonized Sales Tax (HST) must be shown separately, if applicable.

Section III: Certification Bid

Bidders must submit certification required under Part 5.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

1.0 Evaluation Procedures

(a) Bids will be assessed in accordance with the entire requirement of the bid solicitation including the bid set, general, technical, management and financial.

(b) An evaluation team composed of representatives of Canada will evaluate the bids.

1.1 Technical Evaluation

1.1.1 Mandatory Technical Criteria

The Mandatory Technical Evaluation for the MUAVs is provided in Annex F and Appendix 3 and 4.

1.1.2 Point Rated Technical Criteria

The Point Rated Technical Criteria for the MUAV's is provided in Annex F Appendix 3 and 4.

1.2 Financial Evaluation

The Financial Evaluation for the acquisition and service support of the MUAS is included in RFP Annex A.

A0220T 2007-05-25, Evaluation of Price.

The price of the bid will be evaluated in US dollars, the Goods and Services Tax or the Harmonized Sales Tax excluded, FCA destination, Canadian customs duties and excise taxes included.

A9033T (2011-05-16) Financial Capability

2.0 Basis Of Selection

SACC Manual Clause A0027T (2012-07-16) Basis of Selection - Highest Combined Rating of Technical Merit and Price

1. To be declared responsive, a bid must:
 - A. comply with all the requirements of the bid solicitation; and
 - B. meet all mandatory criteria
 - C. obtain the required minimum points specified in Annex F Appendix 3, for the technical evaluation, and
 - D. obtain the required minimum of 400 points overall for the technical evaluation criteria which are subject to point rating.

The rating is performed on a scale of 1240 points.

2. Bids not meeting (a) or (b) or (c) and (d) will be declared non-responsive.
3. The selection will be based on the highest responsive combined rating of technical merit and price. The ratio will be 70 % for the technical merit and 30% for the price.
4. To establish the technical merit score, the overall technical score for each responsive bid will be determined as follows: total number of points obtained / maximum number of points available multiplied by the ratio of 70%.
5. To establish the pricing score, each responsive bid will be prorated against the lowest evaluated price and the ratio of 30%.
6. For each responsive bid, the technical merit score and the pricing score will be added to determine its combined rating.

7. Neither the responsive bid obtaining the highest technical score nor the one with the lowest evaluated price will necessarily be accepted. The responsive bid with the highest combined rating of technical merit and price will be recommended for award of a contract.

The table below illustrates an example where all three bids are responsive and the selection of the contractor is determined by a 70/30 ratio of technical merit and price, respectively. The total available points equals 1240 and the lowest evaluated price is \$50,000 (50).

Bids ranking example:

The following example, which assumes a scenario involving three (3) bids, demonstrates how the Technical merit of 70% and Price of 30%, referred to above, will be applied:

Bidder	Bidder 1	Bidder 2	Bidder 3
Overall Technical Score	1000/1240	900/1240	950/1240
Bid Evaluation Price	\$60,000.00	\$55,000.00	\$50,000.00
Calculation	Bidder 1	Bidder 2	Bidder 3
Technical Merit Score	$1000/1240 \times 70 = 56.45$	$900/1240 \times 70 = 50.80$	$950/1240 \times 70 = 53.62$
Pricing Score	$50/60 \times 30 = 25.00$	$50/55 \times 30 = 27.27$	$50/50 \times 30 = 30$
Combined Rating	81.45	78.07	83.62
Overall Rating	2nd	3rd	1st

3.0 Demonstration Flight Evaluation (DFE)

3.1 This solicitation includes a requirement for Bidders to undergo a hands-on evaluation of their proposed MUAS. This overall activity is titled the Demonstration Flight Evaluation (DFE).

3.2 The highest rated compliant Bidders will be invited to perform the system DFE.

3.3 Bidders must provide two (2) MUAS which will be used for the DFE activities. Bidders must be prepared to support them throughout the demonstration period.

3.4 Bidder must demonstrate some features of their proposed MUAS (Bid) during the DFE Evaluation Appendix 5. Despite the Technical evaluation, if Canada determines during the DFE that the Bidder's proposed solution does not meet the mandatory requirements of this bid solicitation, the bid will be declared non-responsive. Canada may, as a result of the DFE, reduce the score of the Bidder on any rated requirement, if the evaluation indicates that the score

provided to the Bidder on the basis of the bid evaluation is not validated by the DFE. The Bidder's score will not be increased as a result of the DFE.

3.5 Details regarding the dates, timings, locations, and contact information for the subsequent MUAS evaluations, will be provided no later than four weeks after bid closing. The invitation to DFE will be directed to the point of contact in your bid.

3.6 Canada reserves the right to amend the details of the DFE, such as dates, times and locations, when applicable. Canada will provide notice of change no fewer than 10 working days before the scheduled date for the DFE.

3.7 The DFE must be conducted at no cost to Canada. Canada will pay its own travel and salary costs associated with the DFE.

3.8 During the DFE the bidder will be required to perform 100 Demonstration Flights. The Demonstration Flights will be evaluated based on 500 points. Points will be deducted up to a maximum of 500 points based on the number of spare parts and the associated points per spare part. Once the 100 Demonstration Flights have been completed any spare parts required to replenish the 2 MUAVS back to 100% serviceable will be identified. The costs associated with the spare parts will be calculated based on the bidders proposal price list. The total cost will be added to the overall bidder's price. In the event no spare parts are required for the 100 Demonstration Flights from the 2 MUAVS the bidders price will remain unchanged and will receive 500 points.

Bids ranking after DFE example:

Bidder 1

Total Bid Price \$ 60,000.00

Spares Replacement Price \$10,000.00

Revised Total Bid Price \$70,000.00

Technical DFE score of 200 out of 500 point:

Bidder 2

Bidders Total Price \$ 55,000.00

Spares Peplacement price \$5,000.00

Total Bid Price \$60,000.00

Technical DFE score of 100 out of 500 point:

Bidder 3

Bidders Total Price \$ 50,000.00

Spares Peplacement price \$0.00

Total Bid Price \$50,000.00

Technical DFE score of 500 out of 500 point:

The following example, which assumes a scenario involving three (3) bids, demonstrates how the Technical merit of 70% and Price of 30%, will be applied after the DFE:

Bidder	Bidder 1	Bidder 2	Bidder 3
Overall Technical Score Including DFE Evalaution	1200/1740	1000/1740	1450/1740
Bid Evaluation Price	\$70,000.00	\$60,000.00	\$50,000.00
Calculation	Bidder 1	Bidder 2	Bidder 3
Technical Merit Score	$1200/1740 \times 70 = 48.27$	$1000/1740 \times 70 = 40.23$	$1450/1740 \times 70 = 58.33$
Pricing Score	$50/70 \times 30 = 25.00$	$50/60 \times 30 = 25.00$	$50/50 \times 30 = 30$
Combined Rating	73.27	65.23	88.33
Overall Rating	2nd	3rd	1st

PART 5 - CERTIFICATIONS

Bidders must provide the required certifications to be awarded a contract. Canada will declare a bid non-responsive if the required certifications are not completed and submitted as requested.

Compliance with the certifications bidders provide to Canada is subject to verification by Canada during the bid evaluation period (before award of a contract) and after award of a contract. The Contracting Authority will have the right to ask for additional information to verify the Bidders'

compliance with the certifications before award of a contract. The bid will be declared non-responsive if any certification made by the Bidder is untrue, whether made knowingly or unknowingly. Failure to comply with the certifications or to comply with the request of the Contracting Authority for additional information will also render the bid non-responsive.

1 Mandatory Certifications Required Precedent to Contract Award

1.1 Code of Conduct and Certifications - Related documentation

1.1.1 By submitting a bid, the Bidder certifies, for himself and his affiliates, to be in compliance with the Code of Conduct and Certifications clause of the Standard instructions. The related documentation hereinafter mentioned will help Canada in confirming that the certifications are true. By submitting a bid, the Bidder certifies that it is aware, and that its affiliates are aware, that Canada may request additional information, certifications, consent forms and other evidentiary elements proving identity or eligibility. Canada may also verify the information provided by the Bidder, including the information relating to the acts or convictions specified herein, through independent research, use of any government resources or by contacting third parties. Canada will declare non-responsive any bid in respect of which the information requested is missing or inaccurate, or in respect of which the information contained in the certifications is found to be untrue, in any respect, by Canada. The Bidder and any of the Bidder's affiliates, will also be required to remain free and clear of any acts or convictions specified herein during the period of any contract arising from this bid solicitation.

Bidders who are incorporated, including those bidding as a joint venture, must provide with their bid or promptly thereafter a complete list of names of all individuals who are currently directors of the Bidder. Bidders bidding as sole proprietorship, including those bidding as a joint venture, must provide the name of the owner with their bid or promptly thereafter. Bidders bidding as societies, firms, partnerships or associations of persons do not need to provide lists of names. If the required names have not been received by the time the evaluation of bids is completed, Canada will inform the Bidder of a time frame within which to provide the information. Failure to comply will render the bid non-responsive. Providing the required names is a mandatory requirement for contract award.

Canada may, at any time, request that a Bidder provide properly completed and Signed Consent Forms (Consent to a Criminal Record Verification form- PWGSC-TPSGC 229) (<http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/formulaires-forms-eng.html>) for any or all individuals aforementioned within the time specified. Failure to provide such Consent Forms within the time period provided will result in the bid being declared non-responsive.

The certifications listed below should be completed and submitted with the bid. If any of these required certifications is not completed and submitted as requested, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to meet the

requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within that time period will render the bid non-responsive.

2. Federal Contractors Program - \$200,000 or more

The Federal Contractors Program (FCP) requires that some suppliers, including a supplier who is a member of a joint venture, bidding for federal government contracts, valued at \$200,000 or more (including all applicable taxes), make a formal commitment to implement employment equity. This is a condition precedent to contract award. If the Bidder, or, if the Bidder is a joint venture and if any member of the joint venture, is subject to the FCP, evidence of its commitment must be provided before the award of the Contract.

Suppliers who have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive government contracts over the threshold for solicitation of bids as set out in the Government Contracts Regulations. Suppliers may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any bids from ineligible contractors, including a bid from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

If the Bidder does not fall within the exceptions enumerated in 3.(a) or (b) below, or does not have a valid certificate number confirming its adherence to the FCP, the Bidder must fax (819-953-8768) a copy of the signed form LAB 1168, Certificate of Commitment to Implement Employment Equity, to the Labour Branch of HRSDC.

The Bidder, or, if the Bidder is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

The Bidder or the member of the joint venture

- (a) ☐ is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, and/or temporary employees having worked 12 weeks or more in Canada;
- (b) ☐ is not subject to the FCP, being a regulated employer under the Employment Equity Act, S.C. 1995, c. 44;
- (c) ☐ is subject to the requirements of the FCP, having a workforce of 100 or more full-time or part-time permanent employees, and/or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC (having not bid on requirements of \$200,000 or more), in which case a duly signed certificate of commitment is attached;

(d) () is subject to the FCP, and has a valid certificate number as follows: _____ (e.g. has not been declared an ineligible contractor by HRSDC.)

Further information on the FCP is available on the HRSDC Web site.

AUTHORIZED SIGNATURE _____

2.1 Canadian Content Certification

SACC Manual clause A3050T 2010-01-11 Canadian Content Definition

3.0 Certification of Compliance

Bidders must sign a Certificate of Compliance to certify that the Bidder's equipment does meet all requirements, regardless of whether they are evaluated as part of the bids evaluation or after Contract Award.

1. We _____
(Insert company name and address)

have been given opportunity to provide feedback in the establishment of the technical and other work requirements for the Miniature Unmanned Aircraft Systems procurement.

2. We have also thoroughly reviewed and understood the requirements of the complete Request for Proposal (Sections 1, 2 & 3) and if selected, agree to comply with all requirements detailed therein.

3. By signing this "Certification of Compliance", we certify that we will satisfy all Miniature Unmanned Aircraft Systems (MUAS-A) and Miniature Unmanned Aircraft Systems Support (MUAS-S) Contracts requirements, and our products to be delivered against the MUAS-A Contract will comply with all MUAS-A contract requirements and will be fit for use as defined in the Resulting MUAS-A Contract.

(Name of Bidders' Designated Authority in print)

(Date in print)

(Signature of Bidders' Designated Authority)

4.0 Status and Availability of Resources

The Bidder must present and warrant, in their proposal " Financial Bid" that, should it be awarded a contract as a result of the bid solicitation, all of the labour categories in RFP Annex A will be available, at the time required by Canada, to perform the Work as required by Canada's representatives.

Status and Availability of Resources:

We, _____(Name of bidder), hereby present and warrant that should we be awarded the MUAS-S contract as a result of the bid solicitation, all of the labour categories in RFP Annex A will be available, at the time required by Canada, to perform the Work as required by Canada's representatives.

Name of bidder:

Per: _____
(Name and Title)

5.0 Pre-Certified Radio Frequency (RF) Equipment.

If the Bidder's RF equipment is already certified in Canada, Bidders must provide via email, a copy of their Industry Canada Technical Acceptance Certificate (TAC) to the Contracting Authority as early as possible, but no later than 02:00 PM Eastern Daylight Saving Time, on 13 - ----- 2013. If the Bidder's RF equipment is in use by the United States military, Bidder's must provide a copy of US Department of Defence (DoD) Form 1494 within the same time frame as the TAC. If either of these conditions is applicable, Bidders are not required to provide the information required to complete form DND 552.

PART 6 - RESULTING CONTRACT CLAUSES

Section (2)

The Miniature Unmanned Aircraft Systems Acquisition Contract (MUAV-A)

Section (3)

Solicitation No. - N° de l'invitation

W8476-133748/A

Amd. No. - N° de la modif.

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Buyer ID - Id de l'acheteur

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053raW8476-133748

CCC No./N° CCC - FMS No/ N° VME

The Miniature Unmanned Aircraft Systems Support Contract (MUAV-S)

SECTION (2)

RESULTING CONTRACT CLAUSES

THE MINIATURE UNMANNED AIRCRAFT SYSTEMS

ACQUISITION CONTRACT

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Annexes:

Annex A MUAS-A Basis Of Payment

Annex B MUAS-A Statement of Work

Appendix 1 SOW for MUAS- Acquisition

Annex C Miniature Unmanned Aircraft Systems (MUAS) Performance Specifications

Annex D Acronyms and Glossary

RESULTING CONTRACT CLAUSES

The following clauses and conditions apply to and form part of any contract for the acquisition of the Miniature Unmanned Aircraft Systems (MUAS), resulting from the bid solicitation.

1. Security Requirement

There is no security requirement associated with the requirement.

2 Statement of work

2.1. The Contractor must supply to the Department of National Defence the goods and services described in the Contract in accordance with, and at the prices set out in, the Contract.

2.2. After the Contractor must provide a firm quantity of MUAS's totaling fifteen (15) units with accessories, and associated preliminary Integrated Logistics Support (ILS) such as technical documentation, training and initial provisioning of spares.

2.3. Upon exercising the option for two (2), one (1) year periods, Canada has the option to purchase up to an additional seventy five (75) MUAVs in accordance with contract article 3.1.

2.4. Without limiting any of its other obligations under this Contract, the Contractor must:

a. Perform the Work in accordance with Annex A of the contract.

2.5. The Contractor agrees to accept and be bound by Canada's interpretation of the meaning of the specifications.

The MUAS-A must be the Contractor's MUAS used in the Demonstration Flight Evaluation (DFE).

The work to be performed is detailed under Annex "B" of the resulting Contract. B4007C (2066-06-16) Statement of Work.

3. Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the Standard Acquisition Clauses and Conditions Manual.

<http://buyandsell.gc.ca/policy-and-guidelines/standards-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada (PWGSC).

3.1. General Conditions

2010A 2012-07-16, General Conditions - Medium Complexity - Goods, apply to and form part of the Contract;

4. Term of Contract

The period of the contract is from date of contract till _____2015

4.1 Delivery of MUAS Acquisition

The complete delivery of the all initial MUASs which includes initial spare parts and training must be must be received on or before ____ (NOTE: Canada to insert, at contract award final delivery in months from contract award date)

4.2 Option to Extend The Contract

The Contractor hereby grants to Canada an irrevocable option to extend the term of the contract, for two (2) one (1) year options for the purchase of up to an additional seventy-five (75) MUASs as complete systems or component by component with accessories up to the maximum quantities stipulated in Annex A Basis of Payment. This option may be exercised in whole or in multiple purchases provided that the aggregate of all purchases does not exceed the maximum quantities stipulated Annex A Basis of Payment. The exercise(s) of this option may only be done by the Contracting Authority through contract amendment(s). The Contractor agrees that it will be paid in accordance with the same conditions and at the prices stated in the Contract. The purchases are on an if, as, and when requested basis and Canada makes no representation that it will exercise any part of this option.

5. Authorities

5.1. Contracting Authority

The Contracting Authority for the Contract is:

Mr. Brent Sprigings
Supply Team Leader
Public Works and Government Services Canada
Acquisitions Branch
Defence Communication Division
8C2 Place du Portage, Phase III
11 Laurier Street
Gatineau, Québec
K1A 0S5

Telephone: (819) 956-7889
Facsimile: (819) 956-0636
E-mail address: brent.springs@pwgsc.gc.ca

The Contracting Authority (CA) is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

5.2. Requisitioning Authority or Procurement Authority

The Requisitioning Authority, also called Procurement Authority, for the Contract is:

Name Mr Stephan Ayotte, DLP 5-4-1

Address

Telephone:
Facsimile:
E-mail address

The Requisition Authority of the department or agency for whom the Work is being carried out under the Contract. The Requisition Authority is responsible for the implementation of tools and processes required for the administration of the Contract. The Contractor may discuss administrative matters defined in the Contract with the Requisition Authority however the Requisition Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

5.3. Project Manager and Technical Authority

The Project Manager and Technical Authority for the Contract is:

Name

Address

Telephone: (819)
Facsimile: (819)
E-mail address

Project Manager is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Project Manager; however, the Project Manager has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

5.4. Contractor's Representative(s)

The Contractor has appointed

Name

Address

Telephone:

Facsimile:

E-mail address

(NOTE: Bidders to insert representative) as the only point of contact(s) for all enquiries or issues raised by the Consignees or the Contracting Authority during the execution of the work.

6. Payment

6.1. Basis of Payment

In consideration of the Contractor satisfactorily completing its obligations under the Contract, the Contractor will be paid a Firm Price in accordance with the Basis of Payment in Annex A, for all items identified for a cost of \$_____ (NOTE: Canada to insert the amount at contract award). Customs duties are included and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

No increase in the total liability of Canada or in the price of the Work resulting from any design changes, modifications or interpretations of the Specifications, will be authorized or paid to the Contractor unless such design changes, modifications or interpretations have been approved, in writing, by the Contracting Authority prior to their incorporation in the Work.

6.1.2 Limitation of Price

SACC Manual clause C6000C (2011-05-16) Limitation of Price

6.2 Limitation of Expenditure

Canada's total liability to the Contractor under the Contract must not exceed \$_____ (NOTE: Canada to insert the amount at contract award). Customs duties are included and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

No increase in the total liability of Canada or in the price of the items resulting from any design changes, modifications or interpretations of the Work, will be authorized or paid to the Contractor unless these design changes, modifications or interpretations have been approved, in writing, by the Contracting Authority before their incorporation into the item. The Contractor must not perform any work or provide any service that would result in Canada's total liability being exceeded before obtaining the written approval of the Contracting Authority. The Contractor must notify the Contracting Authority in writing as to the adequacy of this sum:

- (a) When it is 75 percent committed, or
- (b) Four (4) months before the contract expiry date, or
- (c) As soon as the Contractor considers that the contract funds provided are inadequate for the completion of the Work, whichever comes first.

If the notification is for inadequate contract funds, the Contractor must provide to the Contracting Authority a written estimate for the additional funds required. Provision of such information by the Contractor does not increase Canada's liability.

6.3 Multiple Payments H1001C (2008-05-12).

6.4 SACC Manual Clauses

C0305C	(2008-05-12) Cost Submission
C0705C	(2010-01-11) Discretionary Audit
C2000C	(2007-11-30) Taxes Foreign - based Contractor
C2604C	(2010-01-11) Customs Duties, Excise Taxes and GST/HST- non-resident

7. Invoicing Instructions

The Contractor must submit invoices in accordance with the information required in Section 10 of 2010A (2012-07-16), General Conditions - Goods (Medium Complexity). Claims cannot be submitted until all the work identified in the claim is completed.

7.1 The invoice must contain the following information:

- a) date;
- b) name and address of consignee;
- c) item/reference number, deliverable and/or quantity or description of work
- d) contract/purchase order number and financial codes;

- e) all separate charges detailed individually;
- f) the amount invoiced;
- g) the Client Reference Number (CRN);
- h) the Contractor's Vendor Code or Procurement Business Number (PB); and
- i) all invoices must have original signatures and be stamped as original

7.2 Invoices must be distributed as follows:

- a) The original and one (1) copy must be forwarded for certification and payment to the following address:

Name
Department of Defence

Ottawa, Ontario, K2H 8S2

- b) One (1) copy must be forwarded to the "Consignee" identified in this document.
- c) One (1) copy must be forwarded to the Contracting Authority identified under section entitled "Authorities" of the Contract.

8. Certification

8.1 Compliance

Compliance with the certifications and related documents by the Cocontractor in its bid is a condition of the Contract and subject to verification by Canada during the term of the Contract. If the Contractor does not comply with any certification, provide the related documentation or if it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.

9. Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____. (NOTE: Canada to insert the province at contract award, as specified by the Bidder).

10. Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

- (a) the Articles of Agreement;
- (b) Annex C Miniature Unmanned Aircraft Systems (MUAS) Performance Specifications
- (c) Annex B Statement of Work
- (d) the Contractor's bid solicitation, annexes and appendixes dated _____ (NOTE: Canada to insert date of bid at contract award);

11. Defence Contract

SACC Manual clause A9006C (2012-07-16) Defence Contract

12. SACC Manual Clauses

A9117C	(2007-11-30), T1204 - Direct Request by Customer Department;
H4500C	(2010-01-11) Lien - Section 427 of the Bank Act (Canadian-based Suppliers);
B7500C	(2006-06-16) Excess Goods
D2000C	(2007-11-30) Marking
D2001C	(2007-11-30) Labeling
D3018C	(2007-11-30) Preparation for Delivery
D6010C	Palletization
D5328C	(2007-11-30) Inspection and Acceptance
D5515C	(2010-01-11) Quality Assurance (DND) - Foreign based and US
D5540C	(2010-08-16), ISO 9001:2008 Quality Management Systems -Req'ments(QAC Q)
D5510C	(2011-05-16), Quality Assurance Authority (DND) - Canadian-based Contractor;
D5606C	(2007-11-30) Release Documents (DND) - Canadian-based Contractor.
D5604C	(2008-12-12) Release Documents (DND) - Foreign-based Contractor; or
D5605C	(2010-01-11) Release Documents (DND) - United States-based Contractor.
D9002C	(2007-11-30) Incomplete Assemblies
G1005C	(2008-05-12) Insurance
A90628C	(2010-01-11) Site Regulations
B1501C	(2006-06-16) Electrical Equipment
B7500C	(2006-06-16) Excess Goods
A9131C	(2011-05-16) Controlled Goods Program
B4060C	(2011-05-16) Controlled Goods
4001	(2010-08-16) Hardware Purchase, Lease and Maintenance
4002	(2010-08-16) License Software
4004	(2010-08-16) Maintenance and Support Services for Licenced software
D3015C	(2007-11-30) Dangerous Goods/Hazardous Products
D4001C	(2008-12-12) Delivery, Inspection and Acceptance

Goods must be consigned to the destination specified in the Contract and delivered:

Solicitation No. - N° de l'invitation

W8476-133748/A

Amd. No. - N° de la modif.

001

Buyer ID - Id de l'acheteur

053ra

Client Ref. No. - N° de réf. du client

W8476-133748

File No. - N° du dossier

053raW8476-133748

CCC No./N° CCC - FMS No/ N° VME

-
- A. Free on Board (Destination) common carrier _____ (insert the place of destination) for shipments from the United States government; or
- B. Delivered Duty Paid (DDP) _____ (insert the named place of destination) Incoterms 2000 for shipments from a commercial contractor.

Annexes:

Annex A MUAS-A Basis Of Payment

Annex B Statement of Work (SOW)

Appendix 1 SOW For MUAS- Acquisition

Annex C System Performance Specifications (SPS)

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PART (6)

SECTION (3)

THE MINIATURE UNMANNED AIRCRAFT SYSTEMS

SUPPORT CONTRACT

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Annex D References, Acronyms and Glossary

RESULTING CONTRACT CLAUSES

1. Security Requirement

There is no security requirement associated with the requirement.

2. Statement of work

The Contractor must supply to the Department of National Defence, Miniature Unmanned Aircraft Systems Support (MUAS-S) for the Miniature Unmanned Aircraft Systems in accordance with the terms and conditions of the Contract. The MUAS-S Contract has two main components namely, MUAS In-Service Support and MUAS Improvement Activities.

With the MUAS In-Service Support, the Contractor must provide: Program Management, Technical Investigations and Engineering Support, In Plant Repair, Configuration Management, Technical Data Management, training, storage of spare MUAS systems and spares provisioning.

With the MUAS Improvement Activities, the Contractor must provide: Engineering Services for DND initiated Improvement Activities consisting of incremental design and implementation of improvements to the initial MUAS configuration, on an if, as, and when requested basis.

Without limiting any of its other obligations under this Contract, the Contractor must:

- a. Perform the Work in accordance with Annex A and Annex B of the Contract.

The Contractor agrees to accept and be bound by Canada's interpretation of the meaning of the specifications.

2.1 Work Authorization (WA)

This Contract contains the requirement for the Department of National Defence (DND) to authorize the Contractor to perform work on an if, as, and when requested basis using the terms and conditions of the contract. DND will issue a different types of work authorizations such as Selection Notice and Priority Summary (SNAPS), Repair Material Request (RMR), DND626 Task Authorization and Spare Parts Order (SPO) to authorize the work to be performed.

2.2 Approval limitation of WAs:

2.2.1 SNAPS & RMR Limit:

DND has full authority to assign Repair work (SNAPS & RMR) to the Contractor. The approval of work by DND will be in accordance with the relevant section of A-LM-184-001/JS-001 Special instructions for Repair and Overhaul Contractors.

2.2.2 Spare Parts Orders (SPO) Limit:

DND is not authorized to issue SPO. PWGSC shall approve all SPOs.

2.2.3 Task Authorization Limit:

DND may authorize individual Task Authorization up to a limit of \$50,000.00 CAN, Goods and Services Tax or Harmonized Sales Tax included, inclusive of any revisions. Any task authorization to be issued in excess of that limit must be authorized by the Contracting Authority before issuance. Furthermore, the Contracting Authority shall approve any Task Authorizations where the cost estimate for goods is in excess of \$25,000.00 CAN Goods and Services Tax or Harmonized Sales Tax included, inclusive of any revisions.

2.2.4 Task Authorization & SPO authorization process:

The process to be followed in the issuance of Task Authorization & SPO is as follows:

- i. The Technical Authority prepares a Statement of Work (SOW) describing the work;
- ii. The DND Requisitioning Authority verifies that the work required is within the scope of the Contract;
- iii. The DND Requisitioning Authority submits the SOW to the Contractor and requests a Task Proposal;
- iv. The Contractor must, within fifteen (15) working days upon receipt of the proposed work, provide a proposal and/or notify the DND Requisitioning Authority of the status of the proposal for the proposed work. Should the fifteen (15) working days period not be

-
- sufficient the Contractor must submit the proposal within a time period that is mutually acceptable to DND Procurement Authority and the Contractor.
- v. The Contractor reviews, or prepares and submits in writing a proposed SOW, as may be required, which defines the scope of the work, starting and completion dates, phased deliveries of work packages and deliverables and the level of effort (LOE) to complete the work, including details of the labour categories to the DND Requisitioning Authority, using the financial tools available in the Contract. The Contractor will not be paid for providing the quotation or for providing other information required to prepare and issue the WA;
 - vi. The DND Requisitioning Authority reviews the LOE quote, negotiate with the Contractor and insert in the WA form the appropriate "Price and terms of payment" as per contract articles 6.1.3 and 6.2.2.
 - vii. The DND Requisitioning Authority reviews the LOE quote with the Technical Authority and seeks approval to proceed;
 - viii. If the LOE quote is within the DND work approval ceiling, the DND Requisitioning Authority signs the WA form and forward copies to the Contractor and the PWGSC Contracting officer;
 - ix. If the quote exceeds DND Requisitioning Authority 's work approval ceiling, the WA form will be passed to the PWGSC Contracting officer for review and approval/signature prior to DND releasing it to the Contractor;
 - x. Amendments to the WA form require completion of a WA amendment form. The DND Requisitioning Authority approves WA where the amended value is within the threshold established in the Contract article 1.2.2. Any amendment that exceeds the threshold must be passed to the PWGSC Contracting officer for review and approval/signature before the DND Requisitioning Authority releases it to the Contractor.
 - xi. The Contractor must not begin work before receiving the approved WA form.

2.2.5 Task Authorization - Department of National Defence

The administration of the Task Authorization process will be carried out by the Requisitioning Authority. This process includes monitoring, controlling and reporting on expenditures of the contract with Task Authorizations to the Contracting Authority.

3. Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the Standard Acquisition Clauses and Conditions Manual (<http://buyandsell.gc.ca/policy-and-guidelines/standards-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

3.1 General Conditions

2010C (2012-07-16), General Conditions - Medium Complexity - Services, apply to and form part of the Contract;

4. Term of Contract

The period of the Contract is from the date of the Contract plus 5 years. The Contract Starting Date is _____ (NOTE: Canada to insert the Contract Starting Date.). The Contract Starting Date is the same as the date of the MUAS-A contract (Contract number W8476-133748/004/RA).

4.1 Option to Extend the Contract

The Contractor grants to Canada the irrevocable option to extend the term of the Contract up to five (5) additional 1 year periods under the same conditions. The Contractor agrees that, during the extended period of the Contract, it will be paid in accordance with the applicable provisions as set out in the Basis of Payment.

Canada may exercise this option at any time by sending a written notice to the Contractor at least 15 calendar days before the expiry date of the Contract. The option may only be exercised by the Contracting Authority, and will be evidenced for administrative purposes only, through a contract amendment.

5. Authorities

5.1. Contracting Authority

The Contracting Authority for the Contract is:

Mr. Brent Sprigings
Supply Team Leader
Public Works and Government Services Canada
Acquisitions Branch
Communication Division
8C2 Place du Portage, Phase III
11 Laurier Street
Gatineau, Québec
K1A 0S5

Telephone: (819) 956-7889
Facsimile: (819) 956-0636
E-mail address: brent.sprigings@pwgsc.gc.ca

The Contracting Authority (CA) is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

5.2. Requisitioning Authority or Procurement Authority

The Requisitioning Authority, also called Procurement Authority, for the Contract is:

Name

Address

Telephone:

Facsimile:

E-mail address

The Requisitioning Authority (RA) is responsible for the financial and administrative control of the DND project management for the contract. The terms PA and RA are interchangeable.

5.3. Project Manager and Technical Authority

The Project Manager and Technical Authority for the Contract is:

DSSPM

Department of National Defence

101 Colonel By Drive,

Ottawa, ON

K1A 0K2

Telephone: (819) 994-

Facsimile: (819) 997-

E-mail address:

The Project Manager is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Project Manager; however, the Project Manager has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

5.4. Contractor's Representative

The Contractor has appointed Mr./Mrs (Name, Phone & Fax numbers, Internet address)_ as the only point of contact(s) for all enquiries or issues raised by the Consignees or the Contracting Authority during the execution of the work.

6. Payment

6.1. Basis of Payment

In consideration of the Contractor satisfactorily completing its obligations under the Contract, the Contractor will be paid a Firm Price in accordance with the Basis of Payment in Annex A for all items identified with the Basis of Payment (BP) Payment in Annex A, for a cost of \$_____ (NOTE: Canada to insert the amount at contract award). Customs duties are excluded and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

For the firm price portion of the Work only, Canada will not pay the Contractor for any design changes, modifications or interpretations of the Work unless they have been approved, in writing, by the Contracting Authority before their incorporation into the Work.

6.1.1. Basis of Payment for Task Authorizations and SPOs

The Contractor may submit a "Firm Price", a "Ceiling Price" or a "Limitation of Expenditure" quote to the DND Requisitioning Authority. The Contractor shall be paid in accordance with the Annex A Basis of payment of this Contract. For each of the above cases, the following clauses must be completed and added to the work authorization form.

6.1.1.1. For a "Firm Price" quote:

SACC Manual clause C0207C 2011-05-16, Basis of Payment - Firm Price or Firm Lot Price; and SACC Manual clause C6000C 2011-05-16, Limitation of Price;

6.1.1.2. For a "Ceiling Price" quote:

SACC Manual clause C1200C 2008-05-12, Basis of Payment - Ceiling Price; and SACC Manual clause C6000C 2011-05-16, Limitation of Price;

6.1.1.3. For a "Limitation of Expenditure" quote:

SACC Manual clause C0206C 2011-05-16, Basis of Payment - Limitation of Expenditure; and SACC Manual clause C6001C 2011-05-16, Limitation of Expenditure;

6.2 Method of Payment

6.2.1. Method of Payment - Progress Payments (Without holdback)

6.2.1.1. Canada will make progress payments in accordance with the payment provisions of the Contract, no more than once a month, for cost incurred in the performance of the Work, if:

(a) an accurate and complete claim for payment using form PWGSC-TPSGC 1111, Claim for Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;

(b) the amount claimed is in accordance with the basis of payment;

(c) all certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives.

6.2.1.2. Progress payments are interim payments only. Canada may conduct a government audit and interim time and cost verifications and reserves the rights to make adjustments to the Contract from time to time during the performance of the Work. Any overpayment resulting from progress payments or otherwise must be refunded promptly to Canada.

6.2.2. Method of Payment for Task Authorizations and SPOs

The Contractor may submit a "Firm Price", a "Ceiling Price" or a "Limitation of Expenditure" quote to the DND Requisitioning Authority. The Contractor shall be paid in accordance with the Annex A Basis of payment of this contract. For each of the above cases, the following clauses must be completed, when applicable, and added to Task Authorization 626.

6.2.2.1. For a "Firm Price" quote, some of the following clauses may apply:

SACC Manual clause H1000C 2008-05-12, Single Payment;

OR

SACC Manual clause H1001C 2008-05-12, Multiple payments;

OR

SACC Manual clause H3010C 2010-01-11, Milestone Payments; and

SACC Manual clause H4012C 2010-01-11, Schedule of Milestones;

6.2.2.2. For a "Ceiling Price" or a "Limitation of Expenditure" quote, some of the following clauses may apply:

SACC Manual clause H1000C 2008-05-12, Single Payment;

OR

SACC Manual clause H1003C 2010-01-11, Progress Payments;

6.3. Limitation of Expenditure

6.3.1. Canada's total liability to the Contractor under the Contract must not exceed \$_____ (NOTE: Canada to insert the amount at contract award). Customs duties are excluded and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

6.3.2. No increase in the total liability of Canada or in the price of the Work resulting from any design changes, modifications or interpretations of the Work, will be authorized or paid to the Contractor unless these design changes, modifications or interpretations have been approved, in writing, by the Contracting Authority before their incorporation into the Work. The Contractor must not perform any work or provide any service that would result in Canada's total liability being exceeded before obtaining the written approval of the Contracting Authority. The Contractor must notify the Contracting Authority in writing as to the adequacy of this sum:

- (a) When it is 75 percent committed, or
- (b) Four (4) months before the contract expiry date, or
- (c) As soon as the Contractor considers that the contract funds provided are inadequate for the completion of the Work, whichever comes first.

6.3.3. If the notification is for inadequate contract funds, the Contractor must provide to the Contracting Authority a written estimate for the additional funds required. Provision of such information by the Contractor does not increase Canada's liability.

6.4 SACC Manual Clauses:

C2000C (2007-11-30), Taxes - Foreign-based Contractor; AND
 C2605C (2008-05-12), Canadian Customs Duties and Sales Tax - Foreign-based Contractor;
 C2604C (2010-01-11), Customs Duties, Excise Taxes and GST/HST - Non-resident
 C0305C (2008-05-12), Cost Submission;
 C0307C (2008-05-12), Cost Submission (For R&O);
 C0705C (2010-01-11), Discretionary Audit;
 C0710C (2007-11-30), Time and Contract Price Verification;

6.5 Economic Price Adjustment

The prices applicable for a coming year will be calculated during the last month of the preceding year for which the Contract had firm prices and will be the firm prices from that preceding year adjusted on account of fluctuations in the Canadian economy over the most recent consecutive 12 months period for which economic indicators are available. The adjusted Price(s) for the coming year shall remain fixed for that period except for the condition at paragraph 6.6.6. In the Contract, a "year" is a period from Contract Starting Date Anniversary to next Contract Starting Date Anniversary minus 1 day. Economic price adjustments will be done as per the following.

6.5.1. Firm Hourly Rates (FHR):

The economic indicator that must be used to account for the actual fluctuations in the economy is the Canadian Consumer Price Index (CPI). For purposes of this article, the most recent Statistics Canada monthly Catalogue "62-001-X" CPI will be used. The relevant CPI shall be from the Statistical Tables, Table 1, namely "The Consumer Price Index, major components and special aggregates, Canada, not seasonally adjusted". The CPI for "All Items (2002=100)" shall be used under column "Percentage change (month z) 201y from (month z) 201x". The indexation is calculated as follows:

- a) Percentage change = "the CPI Percentage change (month z) 201y from (month z) 201x" + 1%;
- b) FHR(s) applicable for the coming 12-month period = The FHR(s) for the preceding 12-month period of the contract multiplied by '(1+ "Percentage change")';
- c) FHR(s) applicable for the coming 12-month period will be rounded up to 2 decimals (Example: \$2.571 or \$2.579 will be rounded up to \$2.58);

6.5.2. Firm Price:

The prices for a coming year shall not exceed the lesser of:

- a) Price indexation:

The economic indicator that must be used to account for the actual fluctuations in the economy is the Canadian Consumer Price Index (CPI). For purposes of this article, the most recent Statistics Canada monthly Catalogue "62-001-X" CPI will be used. The relevant CPI shall be from the Statistical Tables, Table 1, namely "The Consumer Price Index, major components and special aggregates, Canada, not seasonally adjusted". The CPI for "All Items (2002=100)" shall be used under column "Percentage change (month z) 201y from (month z) 201x". The indexation is calculated as follows:

- i) Percentage change = "the CPI Percentage change (month z) 201y from (month z) 201x";
- ii) Firm Price (s) (FP) applicable for the coming 12-month period = The FP(s) for the preceding 12-month period of the contract multiplied by '(1+ "Percentage change")'; or
- iii) FP(s) applicable for the coming 12-month period will be rounded up to 2 decimals (Example: \$2.571 or \$2.579 will be rounded up to \$2.58);

or

- b) the Contractor current Commercial Published Price List (CPPL), less discount (s) for the year in question;

6.5.3. Mark-ups:

There will be no adjustments made to the firm mark-ups contained in the Annex A Basis of Payment.

6.5.4. Economic price adjustments (either upwards or downwards) shall be limited of a maximum of 5% of the previous year's price(s). In the event the change in the chosen index is negative, the price(s) in effect will be adjusted downward accordingly. Economic price adjustments shall be calculated over a consecutive 12 months period.

6.5.5. If the CPI referred to in articles 6.6.1 and 6.6.2 is discontinued, or if the basis for reporting the index is changed from that in existence on or after the award date of the Contract, the Minister shall immediately thereafter establish replacement indices, or formulate adjustments, consistent with the intent of those set forth in these articles.

6.5.6. Should the Contractor publish or publicly announce a price decrease, it shall provide the benefit of the decrease to Canada.

6.6. Price negotiation:

Under some circumstances, firm prices may not be readily available or items may be added in the Contract basis of payment on an on going basis for the purchase of some Goods and Services. A review of the Contractor proposed pricing will be required by Canada. Detailed supporting data may be requested to validate the prices and other charges proposed. Cost and profit negotiations with the Contractor will be in accordance with Canadian Government policy.

6.7. Definitions of "Actual Cost":

6.7.1. For Contractor Manufactured Parts, "actual cost" is the Direct Material, Material Handling, Direct Manufacturing Labour and Direct Manufacturing Labour Overhead, calculated in accordance with Contract Cost Principle 1031-2; Exclusive of G&A and Profit.

6.7.2. For Contractor Acquired Parts, "actual cost" is the laid down cost incurred by the supplier to acquire a specific product for resale to Canada. This includes the invoiced Cost (less trade discounts) plus Freight In, Customs and Duties; Exclusive of G&A, O/H(s), Handling and Profit.

7. Invoicing Instructions

The Contractor must submit invoices in accordance with the information required in Section 10 2010C (2012-07-16), General Conditions - Service (Medium Complexity). Claims cannot be submitted until all the work identified in the claim is completed.

7.1 The invoice must contain the following information:

- a) date;
- b) name and address of consignee;
- c) item/reference number, deliverable and/or quantity or description of work
- d) contract/purchase order number and financial codes;

- e) all separate charges detailed individually;
- f) the amount invoiced;
- g) the Client Reference Number (CRN);
- h) the Contractor's Vendor Code or Procurement Business Number (PB); and
- i) all invoices must have original signatures and be stamped as original

7.2 Invoices must be distributed as follows:

- a) The original and one (1) copy must be forwarded for certification and payment to the following address:

Name
Department of Defence
Ottawa, Ontario, K2H 8S2

- b) One (1) copy must be forwarded to the "Consignee" identified in this document.
- c) One (1) copy must be forwarded to the Contracting Authority identified under section entitled "Authorities" of the Contract.

Invoicing Instructions - Progress Payment Claim

- 7.3. The Contractor must submit a claim for payment using form PWGSC-TPSGC 1111, Claim for Progress Payment.

Each claim must show:

- (a) all information required on form PWGSC-TPSGC 1111;
- (b) all applicable information detailed under the section entitled "Invoice Submission" of the general conditions;
- (c) a list of all expenses, details of the items repaired including NSN, Description of Item, Labour hours, materiel costs, Other applicable Costs, DND 626 or Work order numbers, Stock holding code change notification, and document number;

Each claim must be supported by:

- (a) a copy of time sheets to support the time claimed;
- (b) a copy of the invoices, receipts, vouchers for all direct expenses, travel and living expenses;
- (c) a copy of the monthly progress report;

- 7.4. The Goods and Services Tax or Harmonized Sales Tax (GST/HST), as applicable, must be calculated on the total amount of the claim before the holdback is applied. At the time the

holdback is claimed, there will be no GST/HST payable as it was claimed and payable under the previous claims for progress payments.

7.5. The Contractor must prepare and certify one original and two (2) copies of the claim on form PWGSC-TPSGC 1111, and forward it to the Requisitioning Authority identified under the section entitled "Authorities" of the Contract for appropriate certification after inspection and acceptance of the Work takes place.

The Requisitioning Authority will then forward the original and two (2) copies of the claim to the Contracting Authority for certification and onward submission to the Payment Office for the remaining certification and payment action.

7.6. The Contractor must not submit claims until all work identified in the claim is completed.

8. Certifications

8.1. Compliance with the certifications provided by the Contractor in its bid is a condition of the Contract and subject to verification by Canada during the term of the Contract. If the Contractor does not comply with any certification or it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.

9. Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____. (NOTE: Canada to insert the province at contract award, as specified by the Bidder under Request for Proposal (RFP) article 2.4 to Volume 1)

10. Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

- (a) the Articles of Agreement;
- (b) Annex C Miniature Unmanned Aircraft Systems (MUAS) Performance Specifications
- (c) Annex B Statement of Work
- (d) the signed Task Authorizations (including all of their annexes, if any);
- (e) the Contractor's bid solicitation, annexes and appendixes dated _____ (NOTE: Canada to insert date of bid at contract award);

11. Defence Contract

SACC Manual Clause A9006C (2012-07-16) Defence Contract.

12. SACC Manual Clause

B9031C (2011-05-16), Canada's Obligation - Portion of the Work - Task Authorizations;
 A9117C (2007-11-30), T1204 - Direct Request by Customer Department;
 H4500C (2010-01-11), Lien - Section 427 of the Bank Act (Canadian-based suppliers);
 C2608C (2010-08-16), Canadian Customs Documentation;
 C2610C (2007-11-30), Customs Duties - DND - Importer;
 4004 (2010-01-11) Maintenance and Support Services For Licensed Software
 4002 (2010-08-16), Software Development or Modification Services
 4003 (2010-08-16), Licensed Software,
 4006 (2010-08-16), Contractor to Own Intellectual Property Rights in Foreground
 Information
 A9006C (2008-05-12) Defence Contract
 C2801C (2011-05-16) Priority Rating - Canadian-based Contractors
 C2800C (2011-05-16) Priority Rating
 A9068C (2010-01-11) Site Regulations
 B1501C (2006-06-16), Electrical Equipment
 B7500C (2006-06-16), Excess Goods
 A9131C (2011-05-16), Controlled Goods Program
 B4060C (2011-05-16), Controlled Goods
 D5540C (2010-08-16), ISO 9001:2008 Quality Management Systems - Requirement (QAC Q)
 D1501C (2006-06-16) Electrical Equipment
 C4001C (2010-01-11) Travel and Living Expenses
 A3010T (2007-11-30) Education and Experience
 A7017C(2008-05-12) replacement of Specific Individuals
 Canadian Contractor:
 D3015C (2007-11-30) Dangerous Goods/Hazardous Products
 D0035C 2010-01-11, Shipping Instructions (DND) - Foreign-based Contractors e before contract
 award);
 OR
 D0037C (2011-05-16) Shipping Instructions (DND) - Canadian-based Contractor (NOTE:
 Canada to complete before contract award);
 D5606C (2007-11-30), Release Documents (DND) - Canadian-based Contractor;
 D5604C (2008-12-12), Release Documents (DND) - Foreign-based Contractor; or
 D5605C (2010-01-11), Release Documents (DND) - United States-based Contractor;
 A9016C (2011-05-16), Hazardous Waste Disposal

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Annex A	MUAS-S Basis of Payment
Annex B	MUAS-S Statement of Work (SOW)
	Appendix 1 - SOW for R&O and Services
Annex C	System Performance Specification (SPS)
Annex D	References, Acronyms and Glossary

Annex A

BASIS OF PAYMENT - MUAS-A and MUAS-S

The bidder must complete the pricing table below for MUAS-A and MUAS-S

The pricing will be evaluated in US dollars. Should there be any discrepancy between the total price and the unit price quoted, the unit price shall prevail and be extrapolated for financial evaluation purposes.

The labour rates are to be all-inclusive except for travel. They are to include Canadian customs and duties and excise taxes, the cost of labour, general and administrative expenses, overhead, profit and the like, excepting only GST (5%) and HST (13%) if applicable. All payments are subject to government audit.

Bidders will be assessed on the TOTAL bid price.

In addition to completing Pricing Tables below, bidders are to submit a current Price List for all labour categories and parts applicable to the requirement. Bidders are responsible for calculating the total of the Pricing Tables.

Bidders should submit prices for each item in the MUVS-A and MUVS-S as per the instructions of this annex. If some items are not part of the proposal, bidders should insert "N/A" for "Not Applicable" in the item's price field. Bidders should insert "\$0.00" for any item for which it does not intend to charge because the items are already included in other prices set out in the proposal. If the Bidder leaves any price blank, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to confirm the field price status. Failure to comply with the request of the Contracting Authority and confirm the field price status within that time period will render the bid non-responsive. No bidders will be permitted to add or change a price as part of this confirmation.

FINANCIAL PROPOSAL EVALUATION

The formulas used below to calculate the overall Bidder's price proposal in each category is based on an estimation of the work to be performed, as follows:

Item A - System And Spare Parts:

The Bidder shall purpose a Firm Fixed Price for delivery of the Systems and associated documentation and Spare Parts.

Suppliers are to provide a price breakdown based on the individual components within the System proposed. If the proposed MUAV comes with a turret consisting of an Electronic Optical (EO) and Infired Red (IR) camera Table one (1) below is to be completed.

If the MUAV is **NOT** equipped with a turret comprised of an (EO) and (IR) camera then Table two (2) - No Turret Individual EO and IR Payload Configuration is to be completed.

Suppliers are only to complete one (1) Table below. Completing both Table 1 and 2 will result in bid disqualification. Suppliers that have both a Turret system and non Turret system are only to complete Table 1 -Turret EO / IR Payload System Parts Configuration.

The sum of the individual components must **EQUAL** the proposed Firm Fixed Price of the System.

The Contractor will be paid a firm fixed price for the following:

MUAS-A Contract

Table 1 - Price List For UAVS With Turret EO / IR Payload System Parts Configuration

Equipment List	Minimum Equipment Quantity	Bidder Equipment Quantity	Equipment Price	Total Price
Ground Control Stations (GCS) including the data link primary operational display equipment and computer (if other than a ruggedized computer) cables and any associated components.	1			
Ruggedized Computer	1			
AV Batteries	12			
Battery GCS	1			
Battery Charger System	1			
Fuselage	2			
Left Wing (if applicable)	2			

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Centre Wing or complete wing assembly (as applicable)	2			
Right Wing (if applicable)	2			
Payload (EO plus IR in a stabilized steerable installation)	3			
Propulsion assembly (if it is not an integral part of the fuselage)	3			
Tool set for Operator Maintenance (provide an itemized list)	1			
Backpack/Operational Transport System	1			
Shipping Case(s)	1			
Propellers	NA			
Antennas	NA			
Tape	NA			
Fasteners	NA			
If Applicable List Any Additional Components Below That Comprise Your System				

Total System Price**MUAS-A Contract****Table 2 - Price List For UAVS No Turret - Individual EO and IR Payload System Parts Configuration**

Equipment List	Minimum Equipment Quantity	Bidder Equipment Quantity	Equipment Price	Total Price
Ground Control Stations (GCS) including the data link primary operational display equipment and computer (if other than a ruggedized computer) cables and any associated components	1			
Ruggedized Computer	1			
Batteries	12			
Battery Charging System	1			
Battery GCS	1			
Fuselage	3			
Left Wing (if applicable)	3			
Centre Wing or complete wing assembly (as applicable)	3			
Right Wing (if applicable)	3			
EO Payload	2			

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IR Payload	2			
Propulsion assembly (if it is not an integral part of the fuselage)	3			
Tool set for Operator Maintenance (provide an itemized list)	1			
Backpack/Operational Transport System	1			
Shipping Case(s)	1			
Propellers	NA			
Antennas	NA			
Tape	NA			
Fasteners	NA			
If Applicable List Any Additional Components Below That Comprise Your System				
Total System Price				

MUAS-A Contract

The Bidder shall complete Table 3 based on the proposed System Configuration in Table 1 or Table 2.

Table 3 - Total UAV System Price

System Quantities	System Price
15 - Firm	\$

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75 - Optional	\$
TOTAL PRICE	\$

MUAS-A and MUAS-S Contract

The Bidder shall identify in Table 4 below a Spare Parts List required for (one thousand) 1,000 flights along with Firm Unit Prices:

Table 4: Additional Spare Parts

Spares Part List	Quantity	Unit Price	Total Part Price
Total Price of Spares for 1000 Flights			

MUAS-S Contract

The Bidder shall identify a Firm Fixed Hourly Rates for each class of labour listed in Table 5 below:

Table 5 - Labour Price

No	Labour Categories	Hourly	Forecasted Hours	Total Price
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		Rate		
1	Field Service Representative		120	
2	Sr Engineer		20	
3	Jr Engineer		40	
4	Software Engineer		40	
5	Technican		250	
6	Program Manager		80	
7	Technical Writer		40	
8	Instructor (hourly rate for work other than contracted long term fixed price support tasks)		100	
	TOTAL LABOUR PRICE			\$

MUAS-A Contract

The Bidder shall identify Firm Fixed Prices for all training in accordance with (IAW) Annex B (SOW) as follows:

Table 6 - Individual Instructor and Operator Training

Labour Categories	Firm Fixed Price	Forecasted Frequency	Total Price
Instructor trainee of up to twelve (12) personnel at CFB Gagetown		1	
One (1) Instructor Supervisor for each of two CF Operator training courses The estimated number of CF trainees per group will be 16 trainees in each course.		2	
TOTAL PRICE			

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TOTAL PRICE	
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TABLE 9 - Bidder's Overall Price Proposal:

Bidders are to insert the Total Price under "Extended Total Price" for the Tables identified below. We now have the value of the Bidder's bid price for the eventual MUAV Acquisition and Service Contracts. Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

MUAS-Aquisition

TABLE NUMBER	EXTENDED TOTAL PRICE
Table 3	
Table 4	
Total Acquisition Price Row A	

MUAS-Support

TABLE NUMBER	EXTENDED TOTAL PRICE
Table 5	
Table 6	
Table 7	
Table 8	
Table 9	
Total Service Support Price Row B	

Total Acquisition Price - Identified in Row A	\$
Total Service Support Price - Identified in Row B	\$
TOTAL PRICE A plus B	\$