

**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

**REQUEST FOR PROPOSAL
DEMANDE DE PROPOSITION**

**Proposal To: Public Works and Government
Services Canada**

We hereby offer to sell to Her Majesty the Queen in right of Canada, in accordance with the terms and conditions set out herein, referred to herein or attached hereto, the goods, services, and construction listed herein and on any attached sheets at the price(s) set out therefor.

**Proposition aux: Travaux Publics et Services
Gouvernementaux Canada**

Nous offrons par la présente de vendre à Sa Majesté la Reine du chef du Canada, aux conditions énoncées ou incluses par référence dans la présente et aux annexes ci-jointes, les biens, services et construction énumérés ici sur toute feuille ci-annexée, au(x) prix indiqué(s).

Comments - Commentaires

Title - Sujet PROVISIONS OF THIRD LINE MAINTENANC	
Solicitation No. - N° de l'invitation W8485-100400/B	Date 2013-01-30
Client Reference No. - N° de référence du client W8485-100400	
GETS Reference No. - N° de référence de SEAG PW-\$\$BF-132-23543	
File No. - N° de dossier 132bf.W8485-100400	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2013-03-12	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: Mosher, Jeff	Buyer Id - Id de l'acheteur 132bf
Telephone No. - N° de téléphone (819) 956-9137 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: Specified Herein Précisé dans les présentes	

Instructions: See Herein

Instructions: Voir aux présentes

Vendor/Firm Name and Address

Raison sociale et adresse du

fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution

Airframes / Aero Engines R&O Division / Division de la
réparation de la révision des cellules et des moteurs

11 Laurier St. / 11, rue Laurier

8C1, Place du Portage

Gatineau

Québec

K1A 0S5

Delivery Required - Livraison exigée See Herein	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

THIS DOCUMENT CONTAINS A SECURITY REQUIREMENT

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PART 1 - GENERAL INFORMATION

1 Security Requirement

There is a security requirement associated with the requirement. For additional information, consult Part 4 - Evaluation Procedures and Basis of Selection, Part 6 - Resulting Contract Clauses and Annex "E".

2 Statement of Work

SACC Manual Clause B4007C (2006-06-16)

The contractor must perform the work in accordance with the Statement of Work at Annex "A".

3 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.

4 Post Contract Award Meetings

Within five (5) working days of receipt of a firm Contract, the contractor will contact the Contracting Authority to determine if a pre-production meeting is required. All pre-production meetings will be held at PWGSC's or DND's facilities.

PART 2 - BIDDER INSTRUCTIONS

1 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](https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual) (<https://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 Contract.

1.1 SACC Manual Clauses

Standard Instructions, Clauses and Conditions

The 2003 (2012-11-19) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

2 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 Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority no later than eight (8) 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 Applicable Laws

Any resulting Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in Ontario.

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 Bid Preparation Instructions

The Proposal shall consist of one (1) Master Copy and three (3) copies each certified by the Bidder as being a "True Copy" on the title page under a signature of an authorized company official. The Proposal will also include a virus and malware free electronic copy readable in PDF. Any conflict or inconsistency between the electronic copy and the Master Copy will defer to the Master Copy. For the electronic copy submitted by the Bidder, the documents, which are required to have a signature, an additional copy may be submitted in PDF format.

The Bidder's proposal shall certify that the electronic copy is virus and malware free in accordance with Part 5 - Certifications.

Bidders are instructed to provide their bid in separately bound sections as follows:

Section I: Technical Bid (4 hard copies including master, and 1 soft copies on CD or DVD)

Section II: Financial Bid (4 hard copies including master, and 1 soft copies on CD or DVD)

Section III: Certifications (4 hard copies including master, and 1 PDF soft copies on CD or DVD)

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

Bidders are instructed to follow the format instructions described below in the preparation of their bid:

- a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
- b) use a numbering system that corresponds to the bid solicitation.

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) (<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:

- 1) use 8.5 x 11 inch (216 mm x 279 mm) paper containing fibre certified as originating from a sustainably-managed forest and/or containing minimum 30% recycled content; and
- 2) use an environmentally-preferable format including black and white printing instead of colour printing, printing double sided/duplex, using staples or clips instead of cerlox, duotangs or binders.

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 the Lowest Price Per Point Evaluation Plan, Appendix 3 to Annex D. The total amount of Goods and Services Tax (GST) or Harmonized Sales Tax (HST) must be shown separately, if applicable.

3.1.1 SACC Manual Clauses

C3011T (2010-01-11), Exchange Rate Fluctuation

Section III: Certifications

Bidders must submit the certifications required under Part 5.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

1 Evaluation Procedures

- a) Bids will be assessed in accordance with the entire requirement of the bidsolicitation including the technical and financial evaluation criteria.
- b) An evaluation team composed of representatives of Canada will evaluate the bids.

1.1 Technical Evaluation

1.1.1 Mandatory Technical Criteria

Mandatory technical criteria shall be evaluated in accordance with Appendix 1 Mandatory Requirements.

1.1.2 Point Rated Technical Criteria

Point rated technical criteria shall be evaluated in accordance with Appendix 2 Rated Requirements.

1.2 Financial Evaluation

Financial evaluation shall be evaluated in accordance with Costing Evaluation Appendix 3.

SACC Manual Clause A0222T (2010-01-11) Evaluation of Price.

SACC Manual Clause C2000C (2007-11-30) Taxes - Foreign-based contractor.

2 Basis of Selection

2.1 SACC Manual Clause A0034T (2007-05-25) Basis of Selection - Minimum Point Rating.

2.1.1 To be declared responsive, a bid must:

- a) comply with all the requirements of the bid solicitation; and
- b) meet all mandatory technical evaluation criteria; and
- c) obtain the required minimum of 40 overall of the points for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of 60 points.

2.1.2 Bids not meeting (a) or (b) or (c) will be declared non-responsive. The responsive bid with the lowest evaluated price per point will be recommended for award of a Contract.

3 Security Requirement

3.1. Before award of a Contract, the following conditions must be met:

- a) the Bidder must hold a valid organization security clearance as indicated in Part 6 - Resulting Contract Clauses;
- b) the Bidder's proposed individuals requiring access to classified or protected information, assets or sensitive work site(s) must meet the security requirement as indicated in Part 6 - Resulting Contract Clauses;
- c) the Bidder must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites.

3.2 Bidders are reminded to obtain the required security clearance promptly. Any delay in the award of a Contract to allow the successful Bidder to obtain the required clearance will be at the entire discretion of the Contracting Authority.

3.3 For additional information on security requirements, Bidders should consult the "[Security Requirements for PWGSC Bid Solicitations - Instructions for Bidders](http://www.tpsgc-pwgsc.gc.ca/app-acq/lc-pl/lc-pl-eng.html#a31)" (<http://www.tpsgc-pwgsc.gc.ca/app-acq/lc-pl/lc-pl-eng.html#a31>) document on the Departmental Standard Procurement Documents Website.

PART 5 - CERTIFICATIONS

Bidders must provide, where applicable, a copy of 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 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 Code of Conduct Certifications - Certifications Required Precedent to Contract Award

- 1.1** Bidders should provide, with their bids or promptly thereafter, a complete list of names of all individuals who are currently directors of the Bidder. If such a list has not been received by the time the evaluation of bids is completed, the Contracting Authority will inform the Bidder of a time frame within which to provide the information. Bidders must submit the list of directors before contract award, failure to provide such a list within the required time frame will render the bid non-responsive.

The Contracting Authority 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) for any or all individuals named in the aforementioned list within a specified delay. Failure to provide such Consent Forms within the delay will result in the bid being declared non-responsive.

2 Federal Contractors Program - Certification

SACC Manual Clause A3030T (2010-08-16) Federal Contractors Program - \$200,000 or more.

- 2.1** The Federal Contractors Program (FCP) requires that some suppliers, employing 100 or more people, 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.

- 2.2** If the Bidder does not fall within the exceptions enumerated in 5.1.1.3 (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.

- 2.3** 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.

3 Former Public Servant Certification

SACC Manual Clause A3025T (2012-11-19) Former Public Servant Certification

Contracts with former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny, and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts with FPS, bidders must provide the information required below.

Definitions

For the purposes of this clause, "former public servant" is any former member of a department as defined in the Financial Administration Act, R.S., 1985, c. F-11, a former member of the Canadian Armed Forces or a former member of the Royal Canadian Mounted Police. A former public servant may be:

- a) an individual;
- b) an individual who has incorporated;
- c) a partnership made of former public servants; or

d. a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the size of the Public Service. The lump sum payment period does not include the period of severance pay, which is measured in a like manner.

"pension" means, a pension or annual allowance paid under the Public Service Superannuation Act (PSSA), R.S., 1985, c.P-36, and any increases paid pursuant to the Supplementary Retirement Benefits Act, R.S., 1985, c.S-24 as it affects the PSSA. It does not include pensions payable pursuant to the Canadian Forces Superannuation Act, R.S., 1985, c.C-17, the Defence Services Pension Continuation Act, 1970, c.D-3, the Royal Canadian Mounted Police Pension Continuation Act, 1970, c.R-10, and the Royal Canadian Mounted Police Superannuation Act, R.S., 1985, c.R-11, the Members of Parliament Retiring Allowances Act, R.S., 1985, c.M-5, and that portion of pension payable to the Canada Pension Plan Act, R.S., 1985, c.C-8.

Former Public Servant in Receipt of a Pension

As per the above definitions, is the Bidder a FPS in receipt of a pension?

Yes ()

No ()

If so, the Bidder must provide the following information, for all FPS in receipt of a pension, as applicable:

- a) name of former public servant;
- b) date of termination of employment or retirement from the Public Service.

By providing this information, Bidders agree that the successful Bidder's status, with respect to being a former public servant in receipt of a pension, will be reported on departmental websites as part of the published proactive disclosure reports in accordance with Contracting Policy Notice: 2012-2 and the Guidelines on the Proactive Disclosure of Contracts.

Work Force Reduction Program

Is the Bidder a FPS who received a lump sum payment pursuant to the terms of a work force reduction program?

Yes ()

No ()

If so, the Bidder must provide the following information:

- a) name of former public servant;
- b) conditions of the lump sum payment incentive;
- c) date of termination of employment;
- d) amount of lump sum payment;
- e) rate of pay on which lump sum payment is based;
- f) period of lump sum payment including start date, end date and number of weeks;
- g) number and amount (professional fees) of other contracts subject to the restrictions of a work force reduction program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is \$5,000, including the Goods and Services Tax or Harmonized Sales Tax.

4 Canadian Content Certification

4.1 SACC Manual Clause A3050T (2010-01-11) Canadian Content Definition.

4.2 SACC Manual Clause A3063T (2010-01-11) Canadian Content Certification.

This procurement is conditionally limited to Canadian goods.

Subject to the evaluation procedures contained in the bid solicitation, Bidders acknowledge that only bids with a certification that the good(s) offered are Canadian goods, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the bid will result in the good(s) offered being treated as non-Canadian goods.

The Bidder certifies that:

- () a minimum of 80 percent of the total bid price consist of Canadian goods as defined in paragraph 1 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the Supply Manual.

5 Status and Availability of Resources

SACC Manual Clause A3005T (2010-08-16) Status and Availability of Resources.

6 Education and Experience

SACC Manual Clause A3010T (2010-08-16) Education and Experience.

SACC Manual Clause A3015C (2008-12-12) Certifications.

7 Financial Capability

SACC Manual Clause A9033T (2012-07-16).

PART 6 - RESULTING CONTRACT CLAUSES

1 Security Requirement

See Annex E, Security Requirement Check List (SRCL).

- i. The Contractor/Offeror must, at all times during the performance of the Contract, hold a valid Designated Organization Screening (DOS), with approved: Document Safeguarding at the level of PROTECTED A, issued by the Canadian Industrial Security Directorate, Public Works and Government Services Canada.
- ii. The Contractor/Offeror personnel requiring access to PROTECTED information, assets or sensitive work site(s) must EACH hold a valid RELIABILITY STATUS, granted or approved by the Canadian Industrial Security Directorate (CISD), Public Works and Government Services Canada (PWGSC).
- iii. Processing of PROTECTED materiel electronically at the Contractor/Offeror's site is NOT permitted under this Contract/Standing Offer.
- iv. Subcontracts which contain security requirements are NOT to be awarded without the prior written permission of CISD/PWGSC.
- v. The Contractor/Offeror must comply with the provisions of the:
 - a) Security Requirements Check List and security guide (if applicable), attached at Annex E;
 - b) Industrial Security Manual (Latest Edition).

- 1.1** This Procurement Instrument (PI) is unclassified. No classified information, equipment, or material will be released or removed from DND controlled premises in support of the requirement identified by this PI. Contractor personnel requiring:
- a) access to classified DND sites; and/or
 - b) access to classified material, equipment or documents under DND control, shall, in consideration of a bona fide need to know, be security cleared by PWGSC Industrial Security Branch to the requisite level before such access is allowed. The requisite lever for this PI is "Unclassified". Contractor personnel requiring access to DND sites in support of PIs involving no access to classified material must be escorted if potential exists for inadvertent access to classified material.
- 1.2** Depending on local circumstances the requirement may exist for introduction of escorts or other physical security measures to prevent access, inadvertent or otherwise, to classified or otherwise sensitive material by cleared contractor personnel (beyond that required to fulfil the objectives of this PI where no "need to know" exists).
- 1.3** Should the requirement arise for classified equipment, material or documents to be released to the contractor for removal from DND premises, a Security Requirements Check list shall be raised by the applicable OPI, and subsequently approved and signed by Director Security Operations (D Secur Ops) before any such release occurs.
- 1.4** Names of visitors, place and date of birth and their National Security Clearance, if any, and proposed dates of visits are to be reported to:

National Defence Headquarters
 MGen George R. Pearkes Building
 101 Colonel By Dr.
 Ottawa, Ontario
 K1A 0K2
 Attn: DPM Secur 3-4

2 Statement of Work

The Contractor must perform the Work in accordance with the Statement of Work at Annex "A".

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

3.1 General Conditions

SACC Manual Clause 2035 (2012-11-19) General Conditions - Higher Complexity
 - Services apply to and form part of the Contract.

4 Term of Contract

4.1 Period of the Contract

The period of performance for this Contract shall be for three (3) years from the date of Contract Award and shall include five (5) one-year options, to be exercised at Canada's discretion.

4.2 Option to Extend the Contract

These five (5) one-year options may be exercised separately or in combination as determined by the DND Procurement Authority, subject to the provisions of the OWSM clause detailed therein.

5 Authorities

5.1 Contracting Authority (CA)

The Contracting Authority for the Contract is:

Name: Jeff Mosher
Title: Supply Specialist
Organization: Public Works and Government Services Canada

Directorate: Defence and Major Projects Sector, Acquisitions Branch

Address: 11 Laurier Street,
Portage III, 8C1-39
Gatineau QC K1A 0S5

Telephone: 819-956-9137
Facsimile: 819-956-9110
E-mail address: jeffrey.mosher@pwgsc.gc.ca

The Contracting Authority 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 Procurement Authority (PA)

SACC Manual Clause A1031C (2008-05-12)

The Procurement Authority for the Contract is:

Organization: Department of National Defence

Address: National Defence Headquarters
101 Colonel By Drive
MGen George R. Pearkes Bldg.
Ottawa, Ontario
K1A 0K2

Attention: DAP 4-4

Telephone: 819-939-4531

Facsimile: 613-990-9960

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

5.3 Technical Authority (TA)

SACC Manual Clause A1030C (2007-05-25)

The Technical Authority for the Contract is:

Organization: Department of National Defence

Address: National Defence Headquarters
101 Colonel By Drive
MGen George R. Pearkes Bldg.
Ottawa, Ontario
K1A 0K2

Attention: DAEPM(TH) 6-2

Telephone: 613-949-1087

Facsimile: 613-998-4946

The Technical Authority named above is the DND 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 Technical Authority, however the Technical 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.

5.4 Quality Assurance Authority (QA)

The Quality Assurance Authority for the Contract is:

Organization: Director General Material Systems and Supply Chain

Address: Director Quality Assurance
National Defence Headquarters
Major-General George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A 0K2

Attention: DQA 3-2

Telephone: 819-994-9172

Facsimile: 819-994-1652

The Quality Assurance Authority is responsible for all quality assurance matters pertaining to this Contract.

5.5 Contractor's Representative

The contractor's representative for the Contract is:

Name: TBD

Title: TBD

Address: TBD

Telephone: TBD

Facsimile: TBD

E-mail address: TBD

6 Payment

6.1 Basis of Payment - Actual Costs

SACC Manual Clause C0206C (2011-05-16) Basis of Payment - Limitation of Expenditure

The contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work, and profit, as determined in accordance with the Basis of Payment in Annex "G", to a limitation of expenditure of \$_____ (insert the amount at Contract award). Customs duties are subject to exemption and Harmonized Sales Tax extra.

6.2 Limitation of Expenditure

SACC Manual Clause C6001C (2011-05-16)

Canada's total liability to the contractor under the Contract must not exceed \$_____ (insert the amount at Contract award). Customs duties are subject to exemption 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 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.

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 Limitation of Expenditure - Task Authorizations

SACC Manual Clause C0204C (2011-05-16) Basis of Payment

The contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work specified in the authorized Task Authorization (TA), as determined in accordance with the Basis of Payment, to the limitation of expenditure specified in the authorized TA.

Canada's liability to the contractor under the authorized TA must not exceed the limitation of expenditure specified in the authorized TA. Customs duties are subject to exemption and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

No increase in the liability of Canada or in the price of the Work specified in the authorized TA 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 authorized, in writing, by the Contracting Authority before their incorporation into the Work.

6.4 Progress Payments

SACC Manual Clause H1003C (2010-01-11) - Progress Payments

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, up to 100 percent of the amount claimed and approved by Canada 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) the total amount for all progress payments paid by Canada does not exceed 100 percent of the total amount to be paid under the Contract;
- d) all certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives.

The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of the item if the Work has been accepted by Canada and a final claim for the payment is submitted.

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.

6.5 Price Certification - Canadian Suppliers

SACC Manual Clause C0003T (2008-12-12) Price Certification - Canadian Suppliers

The Bidder certifies that the price proposed is based on costs computed in accordance with Contract Cost Principles 1031-2, and includes an estimated amount of profit of _____% .

6.6 SACC Manual Clauses

SACC Manual Clause A9117C (2007-11-30) T1204 Direct Request by Customer Department.

SACC Manual Clause C0101C (2010-01-11) Discretionary Audit - Non-commercial Goods and/or Services.

SACC Manual Clause C2000C (2007-11-30) Taxes - Foreign-based Contractor.

SACC Manual Clause A0222T (2010-01-11) Evaluation of Price.

SACC Manual Clause C2605C (2008-05-12) Canadian Customs Duties and Sales Tax - Foreign-based Contractor.

SACC Manual Clause C2608C (2012-07-16) Canadian Customs Documentation.

SACC Manual Clause B4058C (2008-05-12) Publications - Specifications and Standards.

SACC Manual Clause B4059C (2008-05-12) Government Supplied Technical Documents.

7 Invoicing Instructions - Progress Payment Claim

SACC Manual Clause H3022C (2010-01-11)

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;
- d) expenditures plus pro-rated profit or fee;

e) the description and value of the milestone claimed as detailed in the Contract.

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.

Support documentation to the monthly progress claim shall be submitted as per CDRL 011.

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.

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 Quality Authority identified under the section entitled "Authorities" of the Contract for appropriate certification after inspection and acceptance of the Work takes place.

The Quality Authority will then forward the original and two (2) copies of the claim to the Contracting Authority for certification and onward submission to DAP 4-4-3 for the remaining certification and payment action.

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

The contractor will include an electronic version of the progress claim (on CD or DVD) with the hard copy, when the total value of a claim is \$500,000.00 or more, Goods and Services Tax or Harmonized Sales Tax (GST/HST) included.

8 Certifications

8.1 Compliance with the certifications provided by the contractor in its bid is a condition of the Contract, for the term 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.

8.2 SACC Manual Clauses

SACC Manual Clause A3060C (2008-05-12) Canadian Content Certification.

9 Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in Ontario.

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) the general conditions - Services (Higher Complexity), 2035 (2012-11-19);
- c) Annex "A", Statement of Work;
- d) Annex "E", Security Requirements Check List; and
- e) the Contractor's bid dated _____

11 Defence Contract

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

12 SACC Manual Clauses

SACC Manual Clause A1009C (2008-05-12) Access

SACC Manual Clause A2000C (2006-06-16) Foreign Nationals (Canadian Contractor)

SACC Manual Clause A2001C (2006-06-16) Foreign Nationals (Foreign Contractor)

SACC Manual Clause G1005C (2008-05-12) Insurance

13 Travel and Living Expenses

SACC Manual Clause C4005C (2012-07-16)

The Contractor will be reimbursed its authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for profit and/or administrative overhead, in accordance with the meal, private vehicle and incidental expenses provided in Appendices B, C and D of the National Joint Council Travel Directive and with the other provisions of the directive referring to "travellers", rather than those referring to "employees".

All travel must have the prior authorization of the Project Authority.

All payments are subject to government audit.

Estimated Cost: \$ _____ .

14 Cash Flow

The Limitation of Expenditure provided in accordance with this Contract, is to be phased as follows, and not to be exceeded without the prior written approval of the Contract Authority. In addition, the contractor shall advise the Contract Authority when 75% of the funds in a fiscal year have been expended/committed under Work In Progress (WIP), and provide an estimate indicating if the remaining 25% will be sufficient to cover the balance of the expenditures forecasted for the fiscal year in question.

	Year 1	Year 2	Year 3	Option Year	Option Year	Option Year	Option Year	Option Year	
	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	Total
R&O	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
TIES	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
AAS	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

Note: The Cash Flow, and the Contract Limitation of Expenditure, are only an estimate of the Forecasted workload that may or may not actually occur under this Contract. In addition, total Contract funding, as well as funding for each of the years identified in the Cash Flow, has been established at levels that are higher than anticipated requirements, to cover costs that may occur due to unforecasted requirements/arising.

15 Delivery

Unless otherwise specified by the Procurement Authority delivery shall be made to:

25 Canadian Forces Supply Depot
6769 Notre Dame East
Building # 2
Montreal, PQ
H1N 2E1

Attn: Receipts Section

16 Shipping Instructions (DND) - Canadian Based contractor

SACC Manual Clause D0037C (2011-05-16) Shipping Instructions (DND) - Canadian-based Contractor

16.1 Delivery will be FCA Free Carrier at _____ (Insert the named place, e.g. Contractor's facility) Incoterms 2000. The contractor must load the goods onto the carrier designated by the Department of National Defence (DND). Onward shipment from the delivery point to the consignee will be Canada's responsibility.

16.2 Before shipping the goods, the contractor must contact the following DND Inbound Logistics Coordination Center by facsimile or e-mail, to arrange for shipment, and provide the information detailed at paragraph 6.14.3.

Inbound Logistics Quebec Area (ILQA)

Telephone: 1-866-935-8673 (toll free), or
1-514-252-2777, ext. 2323, 2852 or 4673

Facsimile: 1-866-939-8673 (toll free), or
1-514-252-2911

E-mail: 25DAFCTrafficQM@forces.gc.ca

16.3 The contractor must provide the following information to the DND Inbound Logistics Coordination Center when arranging for shipment:

- a) the Contract number;
- b) consignee address (for multiple addresses, items must be packaged and labelled separately with each consignee address);
- c) description of each item;
- d) the number of pieces and type of packaging (i.e., carton, crate, drum, skid);
- e) actual weight and dimensions of each piece type, including gross weight;
- f) full details of dangerous material, as required for the applicable mode of transportation, signed certificates for dangerous material as required for shipment by the International Maritime Dangerous Goods Code, the International Air Transport Association regulations or the applicable Canadian Dangerous Goods Shipping Regulations, and a copy of the materiel safety data sheet.

16.4 Following receipt of this information by Canada, Canada will provide the appropriate shipping instructions, which may include the requirement for specific consignee address labelling, and the marking of each piece with a Transportation Control Number.

16.5 The contractor must not ship the goods before receiving shipping instructions from the DND Inbound Logistics contact.

16.6 If the contractor delivers the goods at a place and time which are not in accordance with the given delivery instructions or fail to fulfill reasonable delivery instructions given by Canada, the contractor must reimburse Canada any additional expenses and costs incurred.

16.7 If Canada is responsible for delays in delivering the goods, ownership and risk will be transferred to Canada upon expiry of either thirty (30) days following the date on which a duly completed shipping application is received by Canada or by its appointed forwarding agent, or thirty (30) days following the delivery date specified in the Contract, whichever is later.

17 Custom Duties

SACC Manual Clause C2611C (2007-11-30)

18 Controlled Goods Program

SACC Manual Clause A9131C (2011-05-16) Controlled Goods Program

SACC Manual Clause B4060C (2011-05-16) Controlled Goods

19 Turn Around Time (TAT)

While the Selection Notice and Priority Summary (SNAPS) shall be used as a basis for determining Turn Around Time, the Canadian Government expects items to be repaired and returned as soon as possible. Unless specified otherwise in the Contract, the repair and overhaul turn-around-time (TAT) shall not exceed 90 calendar days. The TAT is calculated from the date a repairable item is received at the contractor's facilities, to the date on which the repairable item is made fully serviceable, Quality Assurance is performed, and transportation arrangements have been made for return shipment. The principal of first in, first out (FIFO), shall apply except when requested to do otherwise by the Procurement Authority.

Note: In the event the contractor believes a 90 day TAT can not be met for any of the items at Annex A Appendix 1, a revised TAT is to be proposed. In addition, an explanation detailing why a greater than 90 day TAT is required, shall be provided for each of the items so identified. A review of the items in question will be conducted by the Contracting, Procurement and Technical Authorities with the intent of negotiating /determining revised TATs as necessary. Revised TATs will be negotiated prior to Contract award and placed on a separate Annex to the Contract.

20 Quality Assurance

20.1 Quality Assurance Authority

SACC Manual Clause D5510C (2012-07-16) - Canadian based contractor.

SACC Manual Clause D5515C (2010-01-11) - Foreign based and US contractor.

20.2 Quality Assurance ISO 9001:2008 Quality Management Systems

SACC Manual Clause D5540C (2010-08-16) - ISO 9001:2008 Quality Management Systems -Requirements (QAC Q).

20.3 Quality Plan

SACC Manual Clause D5401T (2007-11-30) - Quality Plan - Solicitation.

SACC Manual Clause D5402C (2010-01-11) - Quality Plan.

No later than 60 days after the effective date of the Contract, the contractor must submit for acceptance by the Department of National Defence (DND) a Quality Plan prepared according to the latest issue (at Contract date) of ISO 10005:2005 "Quality management systems - Guidelines for quality plans". The Quality Plan must describe how the contractor will conform to the specified quality requirements of the Contract and specify how the required quality activities are to be carried out, including quality assurance of subcontractors. The contractor must include a traceability matrix from the elements of the specified quality requirements to the corresponding paragraphs in the Quality Plan. The documents referenced in the Quality Plan must be made available when requested by Public Works and Government Services Canada or DND.

If the Quality Plan was submitted as part of the bidding process, the contractor must review and, where appropriate, revise the submitted plan to reflect any changes in requirements or planning which may have occurred as a result of pre-contract negotiations.

Upon acceptance of the Quality Plan by DND, the contractor must implement the Quality Plan. The contractor must make appropriate amendments to the Quality Plan throughout the term of the Contract to reflect current and planned quality activities. Amendments to the Quality Plan must be acceptable to DND.

If the Contract includes the option for software design, development or maintenance of software, the contractor must interpret the requirements of ISO 9001:2008 "Quality management systems - Requirements", according to the guidelines of the latest issue (at Contract date) of ISO/IEC 90003:2004 "Software engineering - Guidelines for the application of ISO 9001:2000 to computer software".

20.4 Release Documents (DND)

SACC Manual Clause D5604C (2008-12-12) Foreign based contractor

SACC Manual Clause D5605C (2010-01-11) US based contractor

SACC Manual Clause D5606C (2012-07-16) Canadian based contractor

20.5 Release Documents - Distribution

SACC Manual Clause D5620C (2012-07-16)

The Contractor must prepare the release documents in a current electronic format and distribute them as follows:

- a) One (1) copy mailed to consignee marked: "Attention: Receipts Officer";
- b) Two (2) copies with shipment (in a waterproof envelope) to the consignee;
- c) One (1) copy to the Contracting Authority;
- d) One (1) copy to:

National Defence Headquarters
Mgen George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A 0K2
Attention: DAP 4-4

- e) One (1) copy to the Quality Assurance Representative;
- f) One (1) copy to the Contractor; and
- g) For all non-Canadian contractors, one (1) copy to:

DQA/Contract Administration
National Defence Headquarters
Mgen George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A 0K2

E-mail: ContractAdmin.DQA@forces.gc.ca.

21 Optimized Weapon System Support

Canada is presently planning and implementing an Optimized Weapon System Support (OWSS) concept for its core weapons systems. The contractor agrees to assist Canada in any way requested and to use its best efforts to facilitate the OWSS transition process. Consequently, the contractor agrees that Canada may, at its entire discretion, terminate either part or the entire Contract in order to transfer the Work to any of the OWSS prime contractors. Should Canada decide to terminate the Contract either in part or in its entirety, the contractor hereby renounces to any claims against Canada, for any damages or costs whatsoever resulting from such termination, be they direct, indirect, or consequential.

22 Task Authorization

The Work or a portion of the Work to be performed under the Contract will be on an "as and when requested basis" using a Task Authorization (TA). The Work described in the TA must be in accordance with the scope of the Contract.

22.1 Task Authorization Process

- a) The Technical Authority will provide the Contractor with a description of the proposed task by e mail or telephone with written proposal to follow.
- b) The proposed task request will contain the details of the activities to be performed, a description of the deliverables, and a schedule indicating completion dates for the major activities or submission dates for the deliverables. The request may include the an estimated budget based upon methods of payment as specified in the Contract.
- c) The Contractor must provide the Technical Authority, within 10 calendar days of its receipt, the proposed total estimated cost for performing the task and a breakdown of that cost, established in accordance with the Basis of Payment specified in the Contract.
- d) The Contractor must not commence work until the receipt of an authorized DND 626, Task Authorization Form, signed by the Procurement Authority. The Contractor acknowledges that any work performed before a TA has been received will be done at the Contractor's own risk.

22.2 Task Authorization Limit

The Procurement Authority may authorize individual task authorizations up to a limit of \$50,000.00, Goods and Services Tax or Harmonized Sales Tax included, inclusive of any revisions.

Any Task Authorization in excess of that limit must be authorized by the Contracting Authority before issuance.

22.3 Periodic Usage Reports - Contracts with Task Authorizations

The Contractor must compile and maintain records on its provision of services to the federal government under authorized Task Authorizations issued under the Contract.

The Contractor must provide this data in accordance with the reporting requirements detailed below or in Annex "A". If some data is not available, the reason must be indicated. If services are not provided during a given period, the Contractor must still provide a "NIL" report.

The data must be submitted monthly to the Contracting Authority with the monthly Progress Claim in the contractors format.

Reporting Requirement- Details

A detailed and current record of all authorized tasks must be kept for each contract with a task authorization process. This record must contain:

For each authorized task:

- (i) the authorized task number or task revision number(s);
- (ii) a title or a brief description of each authorized task;
- (iii) the total estimated cost specified in the authorized Task Authorization (TA) of each task, GST or HST extra;
- (iv) the total amount, GST or HST extra, expended to date against each authorized task;
- (v) the start and completion date for each authorized task; and
- (vi) the active status of each authorized task, as applicable.

22.4 Task Authorization - Department of National Defence

The administration of the Task Authorization process will be carried out by DAEPM (DAP) 4-4. This process includes monitoring, controlling and reporting on expenditures of the contract with task authorizations to the Contracting Authority.

23 Time Verification

Time charged and the accuracy of the Contractor's time recording system are subject to verification by Canada, before or after payment is made to the Contractor. If verification is done after payment, the Contractor must repay any overpayment, at Canada's request.