

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
Ship Construction, Refit and Related
Services/Construction navale, Radoubs et services
connexes
11 Laurier St. / 11, rue Laurier
6C2, Place du Portage
Gatineau
Québec
K1A 0S5

| | | |
|---|--|--|
| Title - Sujet R&O SMALL BOATS | | |
| Solicitation No. - N° de l'invitation W8482-129012/B | | Amendment No. - N° modif. 001 |
| Client Reference No. - N° de référence du client W8482-129012 | | Date 2013-07-05 |
| GETS Reference No. - N° de référence de SEAG PW-\$\$MD-027-23797 | | |
| File No. - N° de dossier 027md.W8482-129012 | CCC No./N° CCC - FMS No./N° VME | |
| Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2013-07-15 | | Time Zone Fuseau horaire Eastern Daylight Saving Time EDT |
| F.O.B. - F.A.B. Specified Herein - Précisé dans les présentes Plant-Usine: <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input checked="" type="checkbox"/> | | |
| Address Enquiries to: - Adresser toutes questions à: Haydock, mark | | Buyer Id - Id de l'acheteur 027md |
| Telephone No. - N° de téléphone (819) 956-1397 () | | FAX No. - N° de FAX (819) 956-7725 |
| 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 Amendment # 1

Question 1: Page 23 of 47 Clause 6.11 - Materials and Replacement Costs:

Is it the intent to apply the submitted labour rates to all labour invoiced to the client by the primary facilities (east and west coast locations) and the three identified affiliates (one each in Quebec, Ontario and Alberta)?.

Awnser 1: The labour rates submitted in the bid will apply to 1) the Contractor, 2) affiliates (as defined by the Canada Business Corporations Act) of the Contractor and 3) subcontractors performing work at the five facilities identified in Article 41 (West Coast, East Coast, Quebec, Ontario and Alberta).

Question 2:. Is the intent for COTS materials that all parties (including the primary facilities, the three identified affiliates and other Subcontractors) may add 10% only to the laid down cost?

Awnser 2: For commercial off the shelf parts from suppliers other than the Contractor, affiliates (as defined by the Canada Business Corporations Act) of the Contractor and subcontractors performing work at any of the five facilities, Canada will pay the laid down cost of the COTS materials plus a mark up of 10%.

Question 3:. Is it correct that the contractor may add 10% on top of the materials amount invoiced by the primary facilities, the three identified affiliates and other Subcontractors?

Awnser 3: For material and replacement parts supplied by the Contractor, the Contractor may charge Canada the lower of list price and most favoured customer price (or other lower price to which the Contractor's certification relates) plus transportation at cost (if applicable). The Contractor will also provide a discount against all such prices as per its bid.

For material and replacement parts supplied by any affiliate (as defined by the Canada Business Corporations Act) of the Contractor and subcontractors performing work at the five facilities, Canada shall be charged list price plus transportation at cost (if applicable). The Contractor will also provide a discount against all such prices as per its bid.

For material and replacement parts supplied by any other supplier, the Contractor will be paid its laid down costs of acquiring same, plus transportation (if applicable) plus a mark-up of 10%.

Question 4:. Is the laid down cost calculated by the contractor to include all associated internal management costs to provide the parts for use in a repair or sale to a 3rd party?

Awnser 4: The firm hourly rates below are all inclusive (including, without limitation, the cost of labour, fringe benefits, general and administrative expenses, profit and, overhead). Clerical, financial contract management and administrative support are included in the hourly rates.

Question 5:. Is the 10% mark-up on material and replacement parts from other suppliers intended to include transportation, G&A and profit?

Awnser 5: Canada will pay any applicable transportation costs.

Question 6: Would an alternative mark-up, over the 10% specified for materials and subcontractors invoices, be permitted in a submission and would it be considered?

Answer 6: The RFP states the requirements. If a Bidder does not accept the terms of the RFP, they will not be considered compliant

Question 7: Is it the intent for all subcontractors to use the same submitted hourly rates, and that the contractor may add 10% to this?

Answer 7: The labour rates submitted in the bid will apply to 1) the Contractor, 2) affiliates (as defined by the Canada Business Corporations Act) of the Contractor and 3) subcontractors performing work at the five facilities identified in Article 41 (West Coast, East Coast, Quebec, Ontario and Alberta). For any other subcontracts, the Contractor will be paid the laid down cost of the subcontracted work plus a mark-up of 10%. All subcontracts must be pre-approved by the Contracting Authority

Question 8: Is it mandatory for the contractor (both east and west coast repair facilities) to be certified to CWB CSA standard W47.2-M1987(R2003) in division 1 or 2.1?

It is acceptable for any of these facilities to subcontract welding work to appropriately certified suppliers? What about the identified affiliates located in Quebec, Ontario and Alberta?

Is supporting documentation for all required to be included with the RFP submission?

Answer 8:

Is it mandatory for the contractor (both east and west coast repair facilities) to be certified to CWB CSA standard W47.2-M1987(R2003) in division 1 or 2.1? Yes - Division 1

It is acceptable for any of these facilities to subcontract welding work to appropriately certified suppliers?

No

What about the identified affiliates located in Quebec, Ontario and Alberta?

Division 2 or sub contract. Sub contractor will require supporting documentation

Is supporting documentation for all required to be included with the RFP submission?

Yes

Question 9: Is it mandatory for the contractor (both east and west coast repair facilities) to be registered to the CGP?

What about the identified affiliates located in Quebec, Ontario and Alberta?

Is supporting documentation for all required to be included with the RFP submission??

Answer 9: Failure to provide proof, satisfactory to the Contracting Authority, that the successful Bidder and any subcontractor are registered, exempt or excluded under the CGP, within thirty (30) days from receipt of written notification of contract award, will be considered a default under the resulting contract except to the extent that Canada is responsible for the failure due to delay in processing the application.

Question 10: Is the contractor (both east and west coast repair facilities) required to comply with the Commercial General Liability Insurance and Environmental Impairment Liability Insurance requirements of clause 32 or the contractor only? What about the identified affiliates located in Quebec, Ontario and Alberta?

Awnser 10: The Contractor is required to comply with the insurance requirements of the contract. In accordance with the General Conditions 2035 06 Subcontracts, the Contractor must, unless the Contracting Authority agrees in writing, ensure that the subcontractor is bound by conditions compatible with and, in the opinion of the Contracting Authority, not less favourable to Canada than the conditions of the Contract.

1. At 6.11 Basis of Payment - Firm Hourly Rates

Delete: In its entirety

Replace With:

6.11 Basis of Payment

A) Contractor, Affiliates and Subcontractors Performing work at five main facilities

Subject to the exception below, the firm hourly rates shall be used to price work to be performed under a Task Authorization. Customs duties are included and Goods and Services Tax or Harmonized Sales Tax (GST/HST) is extra, if applicable

The firm hourly rates to be applied are those in effect at the time the Task Authorization is entered

For pricing of each Task Authorization, the firm hourly rates apply to the actual hours worked plus an initial half hour minimum charge calculated from the time the Contractor's technician arrives on-site. All additional chargeable time, over and above the first half hour, will be rounded to the nearest quarter hour. There will be no adjustment to the price for a firm price Task Authorization, and ceiling price Task Authorizations will be limited to a maximum of the ceiling price.

The firm hourly rates below are all inclusive (including, without limitation, the cost of labour, fringe benefits, general and administrative expenses, profit and, overhead). Clerical, financial contract management and administrative support are included in the hourly rates.

Any relocation expenses incurred by the Contractor as a consequence of satisfying the Contract are not reimbursable by Canada.

Work performed by the Contractor, affiliates (as defined in the Canada Business Corporations Act) of the Contractor and by subcontractors performing Work at any of the five facilities listed in the Contract (West Coast, East Coast, Quebec, Ontario and Alberta one on each coast) at Article 41 shall be priced at the firm hourly rates specified below, with no mark-up to the Contractor.

B) Other subcontracts for performance of the Work

All subcontract costs must be pre-approved by the Contracting Authority. For Work performed by subcontractors *other than* affiliates of the Contractor and other than the subcontractors performing work at any of the five main facilities as listed in the Contract at Article 41, the Contractor will be paid the laid down cost of the subcontracted work plus mark-up of 10 percent.

The mark-up rate will remain firm for the term of the Contract and any subsequent amendments.

6.11.1 Material and Replacement Costs

A) Contractor

The prices of material and replacement parts are subject to the Contractor's certification in the Contract as to price. Material and replacement parts will be charged to Canada at the lower of list price and most favoured customer price (or other lower price to which the Contractor's certification relates) plus transportation at cost (if applicable) for material and replacement parts supplied by the contractor. and for The Contractor shall not be entitled to charge any mark-up for parts supplied by its affiliates, or subcontractors performing work at any of the five facilities identified in the Contract.

The Contractor will also provide a discount against all such prices of _____ percent. The discount will remain firm for the term of the Contract and any subsequent amendments.

B) Affiliates and Subcontractors performing work at five facilities

Material and replacement parts supplied by any affiliate of the Contractor and by subcontractors performing Work at any of the mainfive facilities listed in the Contract at Article 41 , shall be charged to Canada at the affiliate's or subcontractor's list price plus transportation at cost (if applicable). The Contractor shall not be entitled to charge any mark-up for parts supplied by its affiliates, or subcontractors performing work at any of the five facilities identified in the Contract.

The Contractor will also provide a discount against prices for material and replacement parts supplied by affiliates, of _____ percent. The discount will remain firm for the term of the Contract and any subsequent amendments.

C) Other Subcontractors

Material and replacement parts supplied by other suppliers (i.e. suppliers other than those described in A and B) including commercial off the shelf parts, shall be supplied at the Contractor's laid-down cost of acquiring same, including transportation (if applicable) plus mark-up of 10 percent. All prices for parts and material are FOB destination. Customs duties are included and Goods and Services Tax or Harmonized Sales Tax (GST/HST) is extra, if applicable.

The mark-up rate will remain firm for the term of the Contract and any subsequent amendments

6.11.2 Firm Hourly Rates**Year 1 - FY13/14**

| Labour Category | Firm Hourly Rate | | |
|----------------------------|------------------|--------------|-------------------------------------|
| | Regular Time* | Overtime 1** | Overtime 2*** (premium overtime) |
| Level I Marine Engineer | /hr | /hr | /hr |
| Level II Mechanic | /hr | /hr | /hr |
| Level III Technician | /hr | /hr | /hr |

* regular time is defined as a 8 hours work day.

** overtime 1 is defined as time in excess of the regular time.

*** overtime 2 is defined as Sundays and Statutory Holidays. (premium overtime)

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Overtime: No premium overtime work will be charged to this Contract unless authorized in Writing by the Contracting Authority prior to the commencement of the Work. Such written Authorization will be a condition precedent for payment of the rate or rates specified herein for Premium overtime work. The Contractor will submit to the Contracting Authority a report with respect to the premium overtime work

Year 2 - FY14/15

| Labour Category | Firm Hourly Rate | | |
|----------------------------|------------------|--------------|-------------------------------------|
| | Regular Time* | Overtime 1** | Overtime 2*** (premium overtime) |
| Level I Marine Engineer | \$ ____/hr | \$ ____/hr | \$ ____/hr |
| Level II Mechanic | \$ ____/hr | \$ ____/hr | \$ ____/hr |
| Level III Technician | \$ ____/hr | \$ ____/hr | \$ ____/hr |

* regular time is defined as a 8 hours work day.

** overtime 1 is defined as time in excess of the regular time.

*** overtime 2 is defined as Sundays and Statutory Holidays. (premium overtime)

Overtime: No premium overtime work will be charged to this Contract unless authorized in Writing by the Contracting Authority prior to the commencement of the Work. Such written Authorization will be a condition precedent for payment of the rate or rates specified herein for Premium overtime work. The Contractor will submit to the Contracting Authority a report with respect to the premium overtime work

Year 3 - FY 15/16

| Labour Category | Firm Hourly Rate | | |
|----------------------------|------------------|--------------|-------------------------------------|
| | Regular Time* | Overtime 1** | Overtime 2*** (premium overtime) |
| Level I Marine Engineer | \$ ____/hr | \$ ____/hr | \$ ____/hr |
| Level II Mechanic | \$ ____/hr | \$ ____/hr | \$ ____/hr |
| Level III Technician | \$ ____/hr | \$ ____/hr | \$ ____/hr |

* regular time is defined as a 8 hours work day.

** overtime 1 is defined as time in excess of the regular time.

*** overtime 2 is defined as Sundays and Statutory Holidays. (premium overtime)

Overtime: No premium overtime work will be charged to this Contract unless authorized in Writing by the Contracting Authority prior to the commencement of the Work. Such written Authorization will be a condition precedent for payment of the rate or rates specified herein for Premium overtime work. The Contractor will submit to the Contracting Authority a report with respect to the premium overtime work

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Option Year 1 - FY16/17

| Labour Category | Firm Hourly Rate | | |
|----------------------------|------------------|--------------|-------------------------------------|
| | Regular Time* | Overtime 1** | Overtime 2*** (premium overtime) |
| Level I Marine Engineer | \$_____/hr | \$_____/hr | \$_____/hr |
| Level II Mechanic | \$_____/hr | \$_____/hr | \$_____/hr |
| Level III Technician | \$_____/hr | \$_____/hr | \$_____/hr |

* regular time is defined as a 8 hours work day.

** overtime 1 is defined as time in excess of the regular time.

*** overtime 2 is defined as Sundays and Statutory Holidays. (premium overtime)

Overtime: No premium overtime work will be charged to this Contract unless authorized in Writing by the Contracting Authority prior to the commencement of the Work. Such written Authorization will be a condition precedent for payment of the rate or rates specified herein for Premium overtime work. The Contractor will submit to the Contracting Authority a report with respect to the premium overtime work

Option Year 2 - FY17/18

| Labour Category | Firm Hourly Rate | | |
|----------------------------|------------------|--------------|-------------------------------------|
| | Regular Time* | Overtime 1** | Overtime 2*** (premium overtime) |
| Level I Marine Engineer | \$_____/hr | \$_____/hr | \$_____/hr |
| Level II Mechanic | \$_____/hr | \$_____/hr | \$_____/hr |
| Level III Technician | \$_____/hr | \$_____/hr | \$_____/hr |

* regular time is defined as a 8 hours work day.

** overtime 1 is defined as time in excess of the regular time.

*** overtime 2 is defined as Sundays and Statutory Holidays. (premium overtime)

2. At Annex C: Basis Of Payment**Delete:** In its entirety

Replace With:**Annex C: Basis Of Payment****Annex C: BASIS OF PAYMENT****1 Performance of the Work*****A) Contractor, Affiliates and Subcontractors Performing Work at Five Main Facilities***

- 1.1 The Firm Hourly Rates as per below are all inclusive (including, without limitation, the cost of labour, fringe benefits, general and administrative expenses, profit and , overhead). Clerical, financial, contract management and administrative support are included in the hourly rates.
- 1.2 Any relocation expenses incurred by the Contractor as a consequence of satisfying the Contract are not reimbursable by Canada.
- 1.3 Parts, and material used in the performance of work are reimbursable by Canada, as permitted by Section 4.2.

The firm hourly rates shall be used to price work to be performed in accordance with the Contract under a Task Authorization. Customs duties are included and Goods and Services Tax or Harmonized Sales Tax (GST/HST) is extra, if applicable.

The rates to be applied are those in effect at the time of the Task Authorization is entered into.

For pricing of each Task Authorization the firm hourly rates apply to the actual hours worked, plus an initial half hour minimum charge calculated from the time the Contractor's technician arrives on-site. All additional chargeable time, over and above the first half hour, will be rounded to the nearest quarter hour. There will be no adjustment to the price for a firm price Task Authorization, and ceiling price Task Authorizations will be limited to a maximum of the ceiling price.

Work performed by the Contractor, affiliates (as defined in the Canada Business Corporations Act) of the Contractor and by subcontractors performing work at any of the five facilities listed in the Contract (West Coast, East Coast, Quebec, Ontario, Alberta), shall be priced at the firm hourly rates specified below.

B) Other subcontracts for performance of the Work

All subcontract costs must be pre-approved by the Contracting Authority. For Work performed by subcontractors *other than* affiliates of the Contractor and other than the subcontractors performing work at any of the five main facilities as listed in the Contract at Article 41 , the Contractor will be paid the laid down cost of the subcontracted work plus mark-up of 10 percent.

The mark-up rate will remain firm for the term of the Contract and any subsequent amendments.

2.0 Financial Evaluation Example:

Note 1: All amounts in this example are fictitious and used as an example only.

Note 2: In the event that more than one bidder has the same hourly rate total and meets all the mandatory technical requirements, the bidder who provides the best discount to Canada for materials and replacement parts will be recommended for Contract award.

For evaluation purposes the rates by level will be added together to determine an average hourly rate. Then the average hourly rates will be added together to determine the overall average as per the example :

| Labour Category | Firm Hourly Rate | | |
|----------------------------|------------------|--------------|---------------|
| | Regular Time* | Overtime 1** | Overtime 2*** |
| Level I Marine Engineer | \$80.00/hr | \$100.00/hr | \$120.00/hr |
| Level II Mechanic | \$45.00/hr | \$65.00/hr | \$85.00/hr |
| Level III Technician | \$40.00/hr | \$60.00/hr | \$80.00/hr |

Level 1 The rates for the regular and overtime will be added together and divided by 3. For example $\$80.00 + \$100.00 + \$120.00 = \$300.00 / 3 = \$100.00$. (the Total).

Level 2 The rates for the regular and overtime will be added together and divided by 3. For example $\$45.00 + \$65.00 + \$85.00 = \$195.00 / 3 = \$65.00$. (the Total).

Level 3 The rates for the regular and overtime will be added together and divided by 3. For example $\$40.00 + \$60.00 + \$80.00 = \$180.00 / 3 = \$60.00$. (the Total).

Once the total of each level is determined, the totals will be added together and divided by 3 to determine the average rate. For example $\$100.00 + \$65.00 + \$60.00 = \$225.00 / 3 = \$75.00$. This calculation will be done for each year. The average rate for each year will be added together to determine the overall average rates.

3.0 Labour Rates

3.1 Year 1 - FY13/14

| Row/ Column | A | B | C | D | E | F |
|----------------|-------------------------------|------------------|--------------|------------------|---------------------------|-----------------------|
| | Labour Category | Regular Time* | Overtime 1** | Overtime 2*** | Total | Avg |
| 1 | Level I Marine Engineer | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B1+C1+D1 \$ _____ /hr | =E1/3 \$ _____ /hr |
| 2 | Level II | | | | | |

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| | | | | | | |
|---|----------------------|--------------|--------------|--------------|---------------------------|-----------------------|
| | Mechanic | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B2+C2+D2 \$ _____ /hr | =E2/3 \$ _____ /hr |
| 3 | Level III Technician | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B3+C3+D3 \$ _____ /hr | =E3/3 \$ _____ /hr |

3.2 Year 1 = F1 + F2 + F3 / 3 = \$ _____ /hr

3.3 Year 2 - FY14/15

| Row/ Coloumn | A | B | C | D | E | F |
|-----------------|-------------------------------|------------------|--------------|------------------|---------------------------|-----------------------|
| | Labour Category | Regular Time* | Overtime 1** | Overtime 2*** | Total | Avg |
| 1 | Level I Marine Engineer | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B1+C1+D1 \$ _____ /hr | =E1/3 \$ _____ /hr |
| 2 | Level II Mechanic | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B2+C2+D2 \$ _____ /hr | =E2/3 \$ _____ /hr |
| 3 | Level III Technician | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B3+C3+D3 \$ _____ /hr | =E3/3 \$ _____ /hr |

3.4 Year 2 = F1 + F2 + F3 / 3 = \$ _____ /hr

3.5 Year 3 - FY15/16

| Row/ Coloumn | A | B | C | D | E | F |
|-----------------|--------------------|------------------|--------------|------------------|-----------|-------|
| | Labour Category | Regular Time* | Overtime 1** | Overtime 2*** | Total | Avg |
| 1 | Level I | | | | =B1+C1+D1 | =E1/3 |

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| | | | | | | |
|---|----------------------|--------------|--------------|--------------|---------------------------|-----------------------|
| | Marine Engineer | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr |
| 2 | Level II Mechanic | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B2+C2+D2 \$ _____ /hr | =E2/3 \$ _____ /hr |
| 3 | Level III Technician | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B3+C3+D3 \$ _____ /hr | =E3/3 \$ _____ /hr |

3.6 Year 3 = F1 + F2 + F3 / 3 = \$ _____ /hr

3.7 Option Year 1 - FY16/17

| Row/ Coloumn | A | B | C | D | E | F |
|-----------------|-------------------------|---------------|--------------|---------------|---------------------------|-----------------------|
| | Labour Category | Regular Time* | Overtime 1** | Overtime 2*** | Total | Avg |
| 1 | Level I Marine Engineer | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B1+C1+D1 \$ _____ /hr | =E1/3 \$ _____ /hr |
| 2 | Level II Mechanic | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B2+C2+D2 \$ _____ /hr | =E2/3 \$ _____ /hr |
| 3 | Level III Technician | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B3+C3+D3 \$ _____ /hr | =E3/3 \$ _____ /hr |

3.8 Option Year 1 = F1 + F2 + F3 / 3 = \$ _____ /hr

3.9 Option Year 2 - FY17/18

| Row/ Coloumn | A | B | C | D | E | F |
|-----------------|-----------------|---------------|--------------|---------------|-----------|-----|
| | Labour Category | Regular Time* | Overtime 1** | Overtime 2*** | Total | Avg |
| 1 | Level I | | | | =B1+C1+D1 | |

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| | | | | | | |
|---|----------------------|--------------|--------------|--------------|---------------------------|-----------------------|
| | Marine Engineer | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =E1/3 \$ _____ /hr |
| 2 | Level II Mechanic | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B2+C2+D2 \$ _____ /hr | =E2/3 \$ _____ /hr |
| 3 | Level III Technician | \$ _____ /hr | \$ _____ /hr | \$ _____ /hr | =B3+C3+D3 \$ _____ /hr | =E3/3 \$ _____ /hr |

4.0 Option Year 2 = F1 + F2 + F3 / 3 = \$ _____ /hr

* regular time is defined as a 8 hours work day.

** overtime 1 is defined as time in excess of the regular time.

*** overtime 2 is defined as Sundays and Statutory Holidays. (premium overtime)

Overtime: No premium overtime work will be charged to this Contract unless authorized in Writing by the Contracting Authority prior to the commencement of the Work. Such written Authorization will be a condition precedent for payment of the rate or rates specified herein for Premium overtime work. The Contractor will submit to the Contracting Authority a report with respect to the premium overtime work

**4.1 Total Value = 3.2 (year 1) + 3.4 (year 2)+ 3.6 (year 3) + 3.8 (option year 1)+ 4.0 (option year 2)
= \$ _____ /hr**

4.2 Material and Replacement Parts

A) Contractor

The prices of material and replacement parts are subject to the Contractor's certification in the Contract as to price. Material and replacement parts will be charged to Canada at the lower of list price and most favoured customer price (or other lower price to which the Contractor's certification relates) plus transportation at cost (if applicable) for material and replacement parts supplied by the contractor. The Contractor shall not be entitled to charge any mark-up for parts supplied by its affiliates, or subcontractors performing work at any of the five facilities identified in the Contract.

The Contractor will also provide a discount against all such prices, of _____ percent. The discount will remain firm for the term of the Contract and any subsequent amendments.

B) Affiliates and Subcontractors performing work at five facilities

Material and replacement parts supplied by any affiliate of the Contractor and by subcontractors performing Work at any of the main five facilities listed in the Contract at Article 41, shall be charged to Canada at the affiliate's or subcontractor's list price plus transportation at cost (if applicable). The Contractor shall not be entitled to charge any mark-up for parts supplied by its affiliates, or subcontractors performing work at any of the five facilities identified in the Contract.

The Contractor will also provide a discount against all such prices for material and replacement parts supplied by affiliates (other than prices of subcontractors that are not affiliates of the Contractor), of _____ percent. The discount will remain firm for the term of the Contract and any subsequent amendments.

C) Other Subcontractors

Material and replacement parts from other suppliers (i.e. Suppliers other than those described in A & B), including commercial off the shelf parts, shall be supplied at the Contractor's laid-down cost of acquiring same, plus transportation (if applicable), plus mark-up of 10 percent. All prices for parts and material are FOB destination. Customs duties are included and Goods and Services Tax or Harmonized Sales Tax (GST/HST) is extra, if applicable.

3. At: Table of Contents, List of Annexes

Delete: In its entirety

Replace With:

| | |
|-----------|--|
| Annex "A" | Statement of Work for Repair and Overhaul of service boats and related equipment |
| Annex "B" | Annex B <i>TECHNICAL EVALUATION CRITERIA, SERVICE BOATS AND RELATED EQUIPMENT.</i> |
| Annex "C" | Basis of Payment |
| Annex "D" | Task Authorization (DND 626) |
| Annex "E" | Subcontractor List |
| Annex "F" | Bidders Questions and Answers |

4. At: 29. Priority of Documents

Delete: In its entirety

Replace With

29. 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 supplemental general conditions 1029 (2010-08-16) Ship Repairs;
- (c) 2035 (2013-04-25) General Conditions - Services (Higher Complexity);,
- (d) the general conditions 1031-2 (2012-07-16) Contract Cost Principles;

Solicitation No. - N° de l'invitation

W8482-129012/B

Amd. No. - N° de la modif.

001

Buyer ID - Id de l'acheteur

027md

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

W8482-129012

File No. - N° du dossier

027mdW8482-129012

CCC No./N° CCC - FMS No/ N° VME

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- (e) Annex "F" Bidders Questions and Answers
 - (f) Annex "A" - Statement of Work for Repair and Overhaul of service boats and related equipment;
 - (g) Annex "D" - Task Authorization (DND 626);
 - (h) the Contractor's bid dated, _____.