

Annex G-ACQ V2: Basis of Payment
MRR Acquisition Contract

1 Basis of Payment

The Contractor shall be paid firm prices, in Canadian dollars, delivered duty paid (DDP) to the destinations identified below (FOB DDP or FCA DDP), GST/HST extra, Custom Duties and Excise Taxes included, where applicable. Prices include travel and living expenses.

No overtime is claimable or payable under this Contract.

2 Technical Investigation Engineering Services (TIES)

For TIES (as described in Annex A-ACQ (SOW)) which are provided pursuant to authorized Task Authorizations, the Contractor will be paid monthly in arrears in accordance with the following rates:

2.1 For TIES work as described in Annex A-ACQ (SOW), **firm hourly rates by labour category of:**

	Engineering Manager	Engineer	Technologist	Technician	Technical Writer
Year 1	\$	\$	\$	\$	\$
Year 2	\$	\$	\$	\$	\$
Year 3	\$	\$	\$	\$	\$
Year 4	\$	\$	\$	\$	\$
Year 5	\$	\$	\$	\$	\$

3. Medium Range Radar (MRR) System Acquisition

3.1 A **firm lot price** shall be paid for the supply, installation, integration, and testing of eight (8) MRR systems, including special test and support equipment to 7 CFSD, Edmonton, Alberta, Canada and all associated equipment, publications, services and training as described in Annex “A-ACQ” SOW (excluding AWR and TIES work paid for in accordance with Section 2.0 above).

For the first eight (8) MRR systems, **a firm lot price of:**

\$ _____

3.2 This firm lot price shall be payable in accordance with Table 3.2: MRR Systems Milestone Payments.

Table 3.2: MRR Systems Milestone Payments

Milestone No.	Deliverable References	Deliverable	Schedule (MACA)	Percent (%)
1	CDRLs 1278-PMP-001 1278-SES-001 1278-SES-006 1278-SES-007 1278-SWS-001 1278-ILS-005 1278-ILS-0011 1278-ILS-0012	Acceptance of all CDRL, Publications & Drawings		4
2	CDRLs 1278-SES-002 1278-SES-003 1278-HWT-007 1278-HWT-008 1278-HWT-009	First Article test of 1 st Medium Range Radar (MRR)		20
3	CDRLs 1278-ILS-001 1278-ILS-002 1278-ILS-006 1278-ILS-007 1278-ILS-008 1278-ILS-009 1278-ILS-0010	Conduct 1 st and 2 nd Training Course		1
4	CDRLs 1278-ILS-003 1278-ILS-004	Satisfactory Completion of Delivery of Spares		5
5	CDRL: 1278-HWT-009	Acceptance of 2 nd Medium Range Radar (MRR)		20
6	CDRL: 1278-HWT-009	Acceptance of 3 rd Medium Range Radar (MRR)		7
7	CDRL: 1278-HWT-009	Acceptance of 4 th Medium Range Radar (MRR)		7
8	CDRL: 1278-HWT-009	Acceptance of 5 th Medium Range Radar (MRR)		7
9	CDRL: 1278-HWT-009	Acceptance of 6 th Medium Range Radar (MRR)		7

10	CDRL: 1278-HWT-009	Acceptance of 7 th Medium Range Radar (MRR)		7
11	CDRL: 1278-HWT-009	Acceptance of 8 th Medium Range Radar (MRR)		7
12	CDRL: 1278-HWT-009	Optional Buy of two (2) Medium Range Radars (MRR)		
13		Project Close-out (All discrepancies cleared and all milestones delivered and accepted by Canada); <u>AND</u> <u>All Value Proposition</u> <u>requirements have been</u> <u>determined, by Canada,</u> <u>to have been met in</u> <u>accordance with the</u> <u>Contract</u>		8
	Total:			100%

Notes:

- A. MACA = Months After Contract Award
- B. Percentage of firm lot price for the delivery of eight (8) MRR systems as per this Annex G-ACQ
- C. An Acceptance Test Report is required for each MRR system delivered.
- D. Indicates a No Later Than (NLT) timing for deliveries.

3.3 Purchase of Two (2) Additional MRR Systems

Should Canada exercise its option to purchase two (2) additional MRR systems, a **firm lot price** shall be paid for the supply, installation, integration, and testing of the acquired MRR system(s), including special test and support equipment to 7 CFSD, Edmonton, Alberta, Canada and all associated equipment, publications, services and training as described in Annex "A-ACQ" SOW (excluding AWR and TIES work paid for in accordance with Section 2.0 above).

Table 3.3: Pricing for Optional Acquisition of MRR Systems

Notice of option to purchase from Contracting Authority for :	Firm Lot Price
One (1) MRR system, exercised within 1 month of Contract award	
A second (2 nd) MRR system, exercised 2 to 12 months after Contract award	
Two (2) MRR systems, exercised within 1 month of Contract award	
Two (2) MRR systems, exercised 2 to 12 months after Contract award	