



**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 0B2 / Noyau 0B2**

**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**

**THIS DOCUMENT CONTAINS A SECURITY  
REQUIREMENT**

**CE DOCUMENT CONTIENT DES EXIGENCES  
RELATIVES À LA SÉCURITÉ**

**Vendor/Firm Name and Address**

**Raison sociale et adresse du**

**fournisseur/de l'entrepreneur**

**Issuing Office - Bureau de distribution**

**Armoured Vehicles Support/Soutien des véhicules blindés**

**11 Laurier St./11, rue Laurier**

**Place du Portage Phase III 6C1**

**Gatineau**

**Québec**

**K1A 0S5**

<b>Title - Sujet</b> R&O - TRACK & SUSPENSION (LEO 2)		
<b>Solicitation No. - N° de l'invitation</b> W8486-151767/A	<b>Date</b> 2015-11-06	
<b>Client Reference No. - N° de référence du client</b> W8486-151767		
<b>GETS Reference No. - N° de référence de SEAG</b> PW-\$\$BL-299-25466		
<b>File No. - N° de dossier</b> 299bl.W8486-151767	<b>CCC No./N° CCC - FMS No./N° VME</b>	
<b>Solicitation Closes - L'invitation prend fin</b> <b>at - à 02:00 PM</b> <b>on - le 2015-12-22</b>		<b>Time Zone</b> <b>Fuseau horaire</b> Eastern Standard Time EST
<b>F.O.B. - F.A.B.</b> Specified Herein - Précisé dans les présentes <b>Plant-Usine:</b> <input type="checkbox"/> <b>Destination:</b> <input type="checkbox"/> <b>Other-Autre:</b> <input checked="" type="checkbox"/>		
<b>Address Enquiries to: - Adresser toutes questions à:</b> Proulx, Sylvain		<b>Buyer Id - Id de l'acheteur</b> 299bl
<b>Telephone No. - N° de téléphone</b> (819) 956-8958 ( )		<b>FAX No. - N° de FAX</b> ( ) -
<b>Destination - of Goods, Services, and Construction:</b> <b>Destination - des biens, services et construction:</b> DEPARTMENT OF NATIONAL DEFENCE CFSD MONTREAL 6363 RUE NOTRE DAME ST E. MONTREAL Quebec H1N2E9 Canada		

**Instructions: See Herein**

**Instructions: Voir aux présentes**

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

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W8486-151767/A  
Client Ref. No. - N° de réf. du client  
W8486-151767

Amd. No. - N° de la modif.  
File No. - N° du dossier  
299BL.W8486-151767

Buyer ID - Id de l'acheteur  
299BL  
CCC No./N° CCC - FMS No./N° VME

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## **ANNEXES**

Annex A – Technical Statement of Work,  
Appendix 1 –Candidates List  
Appendix 2 - Certificate of Demilitarization

Annex B –In-Country Logistics Statement of Work  
Appendix 1 – Reporting Requirements  
Appendix 2 – Report Templates,

**or**

Annex B –Out-of-Country Logistics Statement of Work  
Appendix 1 - Contractor-Held Inventory Reporting Requirements  
Appendix 2 - GSSC Report Template

Annex C - Basis of Payment,

Annex D - Security Requirements Check List,

Annex E- Federal Contractors Program for Employment Equity – Certification

Annex F - DND 626 Task Authorization Form;

Annex G - Evaluation Plan;  
Appendix 1 – Microsoft Excel® workbook

Annex H – Certificate of Compliance; and

Annex I – List of Proposed Subcontractors.

## PART 1 - GENERAL INFORMATION

### 1.1 Introduction

The bid solicitation is divided into seven parts plus attachments and annexes, as follows:

- Part 1 General Information: provides a general description of the requirement;
- Part 2 Bidder Instructions: provides the instructions, clauses and conditions applicable to the bid solicitation;
- Part 3 Bid Preparation Instructions: provides bidders with instructions on how to prepare their bid;
- Part 4 Evaluation Procedures and Basis of Selection: indicates how the evaluation will be conducted, the evaluation criteria that must be addressed in the bid, and the basis of selection;
- Part 5 Certifications: includes the certifications to be provided;
- Part 6 Security, Financial and Other Requirements: includes specific requirements that must be addressed by bidders; and
- Part 7 Resulting Contract Clauses: includes the clauses and conditions that will apply to any resulting contract.

The Annexes include the [Annex A – Technical Statement of Work](#), [Annex B - Logistics Statement of Work](#), [Annex C - Basis of Payment](#), [Annex D Security Requirements Check List](#), [Annex E- Federal Contractors Program for Employment Equity – Certification](#), [Annex F - DND 626 Task Authorization Form](#) and [Annex G– Evaluation Plan](#). [Annex H – Certificate of Compliance – Annex I – List of Proposed Subcontractors](#).

### 1.2 Summary

- 1.2.1 The Department of National Defence (DND) has a requirement for Repair and Overhaul (R&O) services for the Leopard 2 Main Battle Tank (MBT) Track and suspension Components as per the Statement of Work attached under Annex A and the R&O and Upgrade Candidate List attached under Appendix 1 to Annex A.

The Contractor must provide Repair and Overhaul (R&O) including, but not limited to: inspection, disassembly, repair, reassembly, testing, use of Original Equipment Manufacturer (OEM) parts, packaging, technical data management, integrated logistics and maintenance support, labour and materials on an as and when required basis for all items listed in [Appendix 1 to Annex A](#).

The period of performance will be for a duration of three (3) firm years from the date of contract award with an option to extend the period of performance by three (3) additional one (1) year periods.

- 1.2.2 There are security requirements associated with this requirement. For additional information, consult Part 6 - Security, Financial and Other Requirements, and Part 7 - Resulting Contract Clauses. For more information on personnel and organization security screening or security clauses, bidders should refer to the Industrial Security Program (ISP) of Public Works and Government Services Canada (<http://ssi-iss.tpsgc-pwgsc.gc.ca/index-eng.html>) website”.

1.2.3 The requirement is subject to the provisions of the World Trade Organization Agreement on Government Procurement (WTO-AGP), the North American Free Trade Agreement (NAFTA), and the Agreement on Internal Trade (AIT).

1.2.4 This procurement is subject to the Controlled Goods Program. The [Defence Production Act](#) defines Canadian Controlled Goods as certain goods listed in Canada's Export Control List, a regulation made pursuant to the Export and Import Permits Act (EIPA).

1.2.5 The Federal Contractors Program (FCP) for employment equity applies to this procurement; see Part 5 - Certifications, Part 7 - Resulting Contract Clauses and the annex titled [Federal Contractors Program for Employment Equity - Certification](#).

### 1.3 Debriefings

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 from receipt of the results of the bid solicitation process. The debriefing may be in writing, by telephone or in person.

## PART 2 - BIDDER INSTRUCTIONS

### 2.1 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.

The [2003, \(2015-07-03\) Standard Instructions - Goods or Services - Competitive Requirements](#), are incorporated by reference into and form part of the bid solicitation.

Subsection 5.4 of [2003, Standard Instructions - Goods or Services - Competitive Requirements](#), is amended as follows:

Delete: 60 days  
Insert: **120 days**

#### 2.1.1 SACC Manual Clauses

B3000T 2006/06/16 Equivalent Products

### 2.2 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.

## 2.3 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 question(s) or may request that the Bidder do so, so that the proprietary nature of the question(s) is eliminated and the enquiry can be answered to all bidders. Enquiries not submitted in a form that can be distributed to all bidders may not be answered by Canada.

## 2.4 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

### 3.1 Bid Preparation Instructions

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

- Section I: Technical Bid – one (1) original hard copies and one (1) soft copy on USB key.
- Section II: Management bid – one (1) original hard copies and one (1) soft copy on USB key.
- Section III: Financial Bid – one (1) original hard copies and one (1) soft copy on USB key.
- Section IV: Certifications – one (1) hard copy.

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 (216 mm x 279 mm) paper; and
- (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 should:

- 1) use 8.5 x 11 inch (216 mm x 279 mm) paper containing fibre certified as originating from a sustainably-managed forest and 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 demonstrate their understanding of the requirements contained in the bid solicitation and explain how they will meet these requirements. Bidders should demonstrate their capability and describe their approach in a thorough, concise and clear manner for carrying out the work.

The technical bid should address clearly and in sufficient depth the points that are subject to the evaluation criteria against which the bid will be evaluated. Simply repeating the statement contained in the bid solicitation is not sufficient. In order to facilitate the evaluation of the bid, Canada requests that bidders address and present topics in the order of the evaluation criteria under the same headings. To avoid duplication, bidders may refer to different sections of their bids by identifying the specific paragraph and page number where the subject topic has already been addressed.

## Section II: Management bid

In their management bid, bidders must describe their capability and experience, the project management team and provide client contact (s).

## Section III: Financial Bid

Bidders must submit their financial bid in accordance with [Annex G - Evaluation Plan](#). The total amount of Applicable Taxes must be shown separately.

## Section IV: Certifications

Bidders must submit the certifications required under Part 5 of this solicitation and submit a signed copy of [Annex H - Certificate of Compliance](#).

### 3.2 SACC Manual Clauses

A9130T 2014/11/27 Controlled Goods Program - Bid  
C3011T 2013/11/06 Exchange Rate Fluctuation  
D5401T 2007/11/30 Quality Plan – Solicitation

## PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

### 4.1 Evaluation Procedures

- (a) Bids will be assessed in accordance with the entire requirement of the bid solicitation including the, Technical, Financial, certifications and other RFP mandatory requirements. The evaluation will be conducted in accordance with [Annex G - Evaluation Plan](#) attached herein.
- (b) An evaluation team composed of representatives of Canada will evaluate the bids.
- (c) During the proposal evaluation process, it may be necessary for the Contracting Authority to seek clarifications from the Bidder in order to gain a better understanding of their proposal. If

clarification is required, the Bidder is to provide the information requested, in writing, within the period specified in the clarification request.

- (d) Where supporting documentation is required, the evaluation team will assess the information using the following word picture: "Does the information provided in the response clearly demonstrate compliance with the requirement?"
- (e) The onus is on the Bidder to provide information and data in sufficient detail to demonstrate compliance.

#### 4.1.1 Technical Evaluation

4.1.1.1 Technical Evaluation Criteria: The method of evaluation will be on the basis of a combination of mandatory and point rated criteria.

- a. **Mandatory Technical Requirements:** The mandatory requirements of this bid solicitation are signified by the words "must", "compliance", "mandatory", or by the phrase "Canada requires" or "Bidder(s) is/are required".
- b. **Rated Technical Requirements:** The rated requirements are evaluated using the published evaluation criteria and given a score. Rated criteria are used to assess various elements of the technical proposal so that relative merits of each proposal can be used to comparing them against the evaluation criteria and requirements. The rated criteria are signified by the word "rated" or "desirable"

4.1.1.2 The mandatory technical and rated technical criteria are included in Appendix G.

4.1.1.3 Where supporting documentation, analysis data, specification data, or a test report is required, the evaluation team will assess the information using the following word picture: "Does the information provided in the response clearly demonstrate compliance with the requirement?"

4.1.1.4 The onus is on the Bidder to provide information and data in sufficient detail to demonstrate compliance.

#### 4.1.2 Financial Evaluation

4.1.2.1 The Bidder's Financial proposal will be evaluated in accordance with appendix 1 [Annex G - Evaluation Plan](#) attached herein.

4.1.2.2 The prices of the responsive bids will be evaluated in Canadian dollars, the Goods and Services Tax or the Harmonized Sales Tax excluded, FCA Free Carrier at the Contractor's facility Incoterms 2000.

4.1.2.3 For the purpose of the bid solicitation, Bidders who are registered to conduct business in Canada are considered Canadian-based Bidders and Bidders who are registered to conduct business outside of Canada are considered foreign-based Bidders

#### 4.2 Basis of Selection

4.2.1 To be declared responsive, a bid must:

- (a) comply with all the requirements of the bid solicitation;
- (b) meet all technical mandatory and compliance requirements; and
- (c) obtain the required minimum of 24 points overall for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of 50 points.



4.2.2 Bids not meeting (a), (b) and (c) will be declared non-responsive.

4.2.3 The selection will be based on the compliant bid with the highest combined technical and cost score as defined in [Annex G – Evaluation Plan](#).

4.2.4 IMPORTANT: Notwithstanding that a Bidder may have been recommended for contract award, issuance of any contract will be contingent upon internal approval in accordance with Canada's Laws and policies. If such approval is not given, no contract will be awarded.

## **PART 5 - CERTIFICATIONS**

Bidders must provide the required certifications and associated information to be awarded a contract.

The certifications provided by bidders to Canada are subject to verification by Canada at all times. Canada will declare a bid non-responsive, or will declare a contractor in default in carrying out any of its obligations under the Contract, if any certification made by the Bidder is found to be untrue, whether made knowingly or unknowingly, during the bid evaluation period or during the contract period.

The Contracting Authority will have the right to ask for additional information to verify the Bidder's certifications. Failure to comply and to cooperate with any request or requirement imposed by the Contracting Authority may render the bid non-responsive or constitute a default under the Contract.

### **5.1 Certifications Precedent to Contract Award and Additional Information**

The certifications and additional information listed below should be submitted with the bid but may be submitted afterwards. If any of these required certifications or additional information is not completed and submitted as requested, the Contracting Authority will inform the Bidder of a time frame within which to provide the information. Failure to provide the certifications or the additional information listed below within the time frame specified will render the bid non-responsive.

### **5.2 Integrity Provisions - List of Names**

Bidders who are incorporated, including those bidding as a joint venture, must provide a complete list of names of all individuals who are currently directors of the Bidder.

Bidders bidding as sole proprietorship, as well as those bidding as a joint venture, must provide the name of the owner(s).

Bidders bidding as societies, firms or partnerships do not need to provide lists of names.

### **5.3 Federal Contractors Program for Employment Equity - Bid Certification**

By submitting a bid, the Bidder certifies that the Bidder, and any of the Bidder's members if the Bidder is a Joint Venture, is not named on the Federal Contractors Program (FCP) for employment equity "[FCP Limited Eligibility to Bid](http://www.labour.gc.ca/eng/standards_equity/eq/emp/fcp/list/inelig.shtml)" list ([http://www.labour.gc.ca/eng/standards\\_equity/eq/emp/fcp/list/inelig.shtml](http://www.labour.gc.ca/eng/standards_equity/eq/emp/fcp/list/inelig.shtml)) available from [Employment and Social Development Canada \(ESDC\) - Labour's](#) website.

Canada will have the right to declare a bid non-responsive if the Bidder, or any member of the Bidder if the Bidder is a Joint Venture, appears on the "[FCP Limited Eligibility to Bid](#)" list at the time of contract award.

Canada will also have the right to terminate the Contract for default if a Contractor, or any member of the Contractor if the Contractor is a Joint Venture, appears on the "[FCP Limited Eligibility to Bid](#)" list during the period of the Contract.

The Bidder must provide the Contracting Authority with a completed [Annex E - Federal Contractors Program for Employment Equity - Certification](#), before contract award. If the Bidder is a Joint Venture, the Bidder must provide the Contracting Authority with a completed Annex General Contractors Program for Employment Equity - Certification, for each member of the Joint Venture.

## **PART 6 - SECURITY, FINANCIAL AND OTHER REQUIREMENTS**

### **6.1 Security Requirements**

6.1.1 At the date of bid closing, the following conditions must be met:

- (a) the Bidder must hold a valid organization security clearance as indicated in Part 7 - 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 requirements as indicated in Part 7 - 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;
- (d) the Bidder's proposed location of work performance and document safeguarding must meet the security requirements as indicated in Part 7 - Resulting Contract Clauses;
- (e) the Bidder must provide the address(es) of proposed site(s) or premises of work performance and document safeguarding as indicated in Part 3 - Section IV Additional Information.

6.1.2 For additional information on security requirements, bidders should refer to the [Industrial Security Program \(ISP\)](http://ssi-iss.tpsgc-pwgsc.gc.ca/index-eng.html) of Public Works and Government Services Canada (<http://ssi-iss.tpsgc-pwgsc.gc.ca/index-eng.html>) website.

### **6.2 Controlled Goods Requirement**

#### **6.2.1 Controlled Goods Program - Bid**

6.2.1.1 As the resulting contract will require the production of or access to controlled goods that are subject to the Defence Production Act, R.S. 1985, c. D-1, bidders are advised that within Canada only persons who are registered, exempt or excluded under the Controlled Goods Program (CGP) are lawfully entitled to examine, possess or transfer controlled goods. Details on how to register under the CGP are available at: Controlled Goods Program and registration is carried out as follows:

- a. When the bid solicitation includes controlled goods information or technology, the Bidder must be registered, exempt or excluded under the CGP before receiving the bid solicitation. Requests for technical data packages or specifications related to controlled goods should be made in writing to the Contracting Authority identified in the bid solicitation and must contain the CGP registration number or written proof of exemption or exclusion of the Bidder and of any other person to whom the Bidder will give access to the controlled goods.
- b. When the bid solicitation does not include controlled goods information or technology but the resulting contract requires the production of or access to controlled goods, the successful Bidder and any subcontractor who will be producing or accessing controlled goods must be registered, exempt or excluded under the CGP before examining, possessing or transferring controlled goods.
- c. When the successful Bidder and any subcontractor proposed to examine, possess or transfer controlled goods are not registered, exempt or excluded under the CGP at time of contract award, the successful Bidder and any subcontractor must, within seven (7) working days from receipt of written notification of contract award, ensure that the required application(s) for registration or exemption are submitted to the CGP. No examination, possession or transfer of controlled goods must be performed until the successful Bidder has provided proof, satisfactory to the Contracting Authority, that the successful Bidder and any subcontractor are registered, exempt, or excluded under the CGP.

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.

- 6.2.1.2 Bidders are advised that all information on the Application for Registration (or exemption) Form will be verified and errors or inaccuracies may cause significant delays and/or result in denial of registration or exemption.

## PART 7 - RESULTING CONTRACT CLAUSES

The following clauses and conditions apply to and form part of any contract resulting from the bid solicitation.

### 7.1 Statement of Work

The Contractor must perform the Work in accordance with the Technical Statement of Work at [Annex "A"](#) and the Logistic Statement of Work at [Annex "B"](#).

### 7.2 Task Authorization – Additional Work Request (AWR)

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.

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### 7.2.1 Task Authorization Process

- 7.2.1.1 The Contracting Authority will provide the Contractor with a description of the task using the "DND 626, Task Authorization Form" at [Annex F](#).
- 7.2.1.2 The Task Authorization (TA) 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 TA will also include the applicable basis (bases) and methods of payment as specified in the Contract.
- 7.2.1.3 The Contractor must provide the Contracting Authority within 30 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.
- 7.2.1.4 The Contractor must not commence work until a TA authorized by the Contracting Authority has been received by the Contractor. The Contractor acknowledges that any work performed before a TA has been received will be done at the Contractor's own risk.

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

### 7.4 General Conditions

2035 (2015-07-03), General Conditions - Higher Complexity - Services, apply to and form part of the Contract.

### 7.5 Warranty

- 7.5.1 Despite inspection and acceptance of the Work by or on behalf of Canada and without restricting any other provision of the Contract or any condition, warranty or provision imposed by law, the Contractor warrants that, for 12 months (or any other period stated in the Contract), the Work will be free from all defects in design, material or workmanship, and will conform to the requirements of the Contract. The warranty period begins on the date of delivery, or if acceptance takes place at a later date, the date of acceptance. With respect to Government Property not supplied by the Contractor, the Contractor's warranty will extend only to its proper incorporation into the Work.
- 7.5.2 In the event of a defect or non-conformance in any part of the Work during the warranty period, the Contractor, at the request of Canada to do so, must as soon as possible repair, replace or otherwise make good at its own option and expense the part of the Work found to be defective or not in conformance with the requirements of the Contract.
- 7.5.3 The Work or any part of the Work found to be defective or non-conforming will be returned to the Contractor's plant for replacement, repair or making good. However, when in the opinion of Canada it is not expedient to remove the Work from its location, the Contractor must carry out any necessary repair or making good of the Work at that location. In such cases, the Contractor

will be paid the fair and reasonable Cost (including reasonable travel and living expenses) incurred in so doing, with no allowance for profit, less an amount equal to the Cost of rectifying the defect or non-conformance at the Contractor's plant.

- 7.5.4 Canada must pay the transportation cost associated with returning the Work or any part of the Work to the Contractor's plant pursuant to subsection 3. The Contractor must pay the transportation cost associated with forwarding the replacement or returning the Work or part of the Work when rectified to the delivery point specified in the Contract or to another location directed by Canada.
- 7.5.5 The Contractor must remedy all data and reports pertaining to any correction or replacement under this section, including revisions and updating of all affected data, manuals, publications, software and drawings called for under the Contract, at no cost to Canada.
- 7.5.6 If the Contractor fails to fulfill any obligation described in this section within a reasonable time of receiving a notice, Canada will have the right to remedy or to have remedied the defective or non-conforming work at the Contractor's expense. If Canada does not wish to correct or replace the defective or non-conforming work, an equitable reduction will be made in the Contract Price.
- 7.5.7 The warranty period is automatically extended by the duration of any period or periods where the Work is unavailable for use or cannot be used because of a defect or non-conformance during the original warranty period. The warranty applies to any part of the Work repaired, replaced or otherwise made good pursuant to subsection 2, for the greater of:
- a. the warranty period remaining, including the extension, or
  - b. 90 days or such other period as may be specified for that purpose by agreement between the Parties.

## 7.6 Security Requirements

7.6.1 The following security requirements apply and form part of the Contract.

### 7.6.1.1 Security Requirement for Canadian Supplier

- 7.6.1.1.1 The Contractor/Bidder must, at all times during the performance of the Contract/Standing Offer, hold a valid Facility Security Clearance at the level of **NATO SECRET** with approved Document Safeguarding and Production Capabilities at the level of **NATO SECRET**, issued by the Canadian Industrial Security Directorate (CISD), Public Works and Government Services Canada (PWGSC).
- 7.6.1.1.2 The Contractor/Bidder personnel requiring access to CLASSIFIED information, assets or sensitive work site(s) must EACH hold a valid personnel security screening at the level of **NATO SECRET**, granted or approved by the CISD, PWGSC.
- 7.6.1.1.3 Processing of CLASSIFIED information electronically at the Contractor/Bidder's site is NOT permitted under this Contract/Standing Offer.
- 7.6.1.1.4 Subcontracts which contain security requirements are NOT to be awarded without the prior written permission of CISD/PWGSC.
- 7.6.1.1.5 The Contractor must complete and submit a Foreign Ownership, Control and Influence (FOCI) Questionnaire and associated documentation identified in the FOCI Guidelines for Organizations prior to contract award to identify whether a third party individual, firm or government can gain unauthorized access to INFOSEC or CLASSIFIED NATO/FOREIGN information/assets. Public Works and Government Services Canada (PWGSC) will determine if the company is "Not Under FOCI" or "Under FOCI". When an organization is determined to be

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"Under FOCI", PWGSC will ascertain if mitigation measures exist or must be put in place by the company so it can be deemed *"Not Under FOCI through Mitigation"*.

7.6.1.1.6 The contractor should at all times during the performance of the contract possess a letter from PWGSC identifying the results of the FOCI assessment with a FOCI designation of *Not Under FOCI* or *Not Under FOCI through Mitigation*.

7.6.1.1.7 All changes to Questionnaire and associated FOCI evaluation factors must immediately be submitted to the Industrial Security Sector (ISS) to determine if the changes impact the FOCI designation.

7.6.1.1.8 The Contractor/Bidder must also comply with the provisions of the:

- (a) Security Requirements Check List, attached at [Annex D](#); and
- (b) Industrial Security Manual (latest edition).

## **7.7 Term of Contract**

### **7.7.1 Period of the Contract**

The period of the Contract is for three (3) firm years from the date of contract award.

### **7.7.2 Option to Extend the Contract**

7.7.2.1 The Contractor grants to Canada the irrevocable option to extend the term of the Contract by up to three (3) additional one (1) year period(s) 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.

7.7.2.2 Canada may exercise this option at any time by sending a written notice to the Contractor at least fifteen (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.

## **7.8 Authorities**

### **7.8.1 Contracting Authority**

The Contracting Authority for the Contract is:

Name: Sylvain Proulx  
Title: Supply Team Leader  
Public Works and Government Services Canada  
Acquisitions Branch  
Directorate: Armoured Vehicles  
Address: 11 Laurier, Place du Portage, Phase 3, Tower C, Floor 6C1.

Telephone: 819-956-8958  
Facsimile: 819-956-0648  
E-mail address: [sylvain.proulx@pwgsc-tpsgc.gc.ca](mailto:sylvain.proulx@pwgsc-tpsgc.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

Solicitation No. - N° de l'invitation  
W8486-151767/A  
Client Ref. No. - N° de réf. du client  
W8486-151767

Amd. No. - N° de la modif.  
File No. - N° du dossier  
299BL.W8486-151767

Buyer ID - Id de l'acheteur  
299BL  
CCC No./N° CCC - FMS No./N° VME

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.

### **7.8.2 Requisitioning Authority (*To be inserted at contract award*)**

The Requisitioning Authority for the Contract is:

National Defence Headquarters  
MGen George R. Pearkes Building  
Ottawa, Ontario K1A 0K2

Attention: \_\_\_\_\_  
Tel.: \_\_\_\_\_  
Fax: \_\_\_\_\_

The Requisitioning Authority is the representative of the department or agency for whom the Work is being carried out under the Contract. The Requisitioning 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 Requisitioning Authority however the Requisitioning 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.

### **7.8.3 Technical Authority (*To be inserted at contract award*)**

The Technical Authority for the Contract is:

National Defence Headquarters  
MGen George R. Pearkes Building  
Ottawa, Ontario K1A 0K2

Attention: \_\_\_\_\_  
Tel.: \_\_\_\_\_  
Fax: \_\_\_\_\_

The Technical Authority named above 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 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.

### **7.8.4 Quality Assurance Authority (QAR) (*To be inserted at contract award*)**

The Quality Assurance Authority is responsible for quality assurance of all work received under this contract.

National Defence Headquarters  
MGen George R. Pearkes Building  
Ottawa, Ontario K1A 0K2

Attention: \_\_\_\_\_  
Tel.: \_\_\_\_\_  
Fax: \_\_\_\_\_



### 7.8.5 Contractor's Project Manager

The Contractor must, by written notice to the Contracting Authority, designate a Project Manager who may act on behalf of and with the authority of the Contractor under this Contract. The Contractor's Project Manager is the authorized representative of the Contractor for all purposes of the Contract.

The Contractor must designate to Canada, by Notice, within fifteen (15) days of the date of this Contract, its Project Manager. Such Notice will include postal and e-mail addresses, telephone and facsimile numbers. The Contractor may, from time to time, by Notice, change such Representative. These Notices must not be effective until receipt thereof by Canada. The Contractor's Project Manager must have the right to delegate its authority and to act through its duly appointed representative(s).

To be effective, such delegation must be in writing and must specify the nature and extent of the authority given, the name of the representative, with a copy delivered to Canada through the Contracting Authority, it being understood that a person to whom responsibilities have been delegated cannot further delegate such responsibilities.

Name:  
Title:  
Company:  
Address:  
Telephone:  
E-mail address:

### 7.9 Payment

#### 7.9.1 Basis of Payment

7.9.1.1 For the Work described in [Annex A – Technical Statement of Work](#) and [Annex B – Logistic Statement of work](#):

The Contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work in accordance with [Annex C - Basis of Payment](#), to a limitation of expenditure of (**To be inserted at contract award**). Customs duties are excluded and Applicable Taxes are extra.

7.9.1.2 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 Contracting Authority.

All payments are subject to government audit.

#### 7.9.2 Late Delivery – Turn-Around-Time (TAT)

7.9.2.1 The Contractor must meet the proposed firm (TAT) for any given item(s) in accordance with [Annex C - Basis of Payment](#),



**7.9.2.2** If the proposed firm (TAT) is not met, cost reduction percentages identified in [Annex C - Basis of Payment](#) will apply accordingly.

### **7.9.3 Limitation of Expenditure – [Repair and Overall \(R&O\)](#)**

7.9.3.1 Canada's total liability to the Contractor under the Contract must not exceed \$ \_\_\_\_\_. Customs duties are excluded and Applicable Taxes are extra.

7.9.3.2 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.

7.9.3.3 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.

### **7.9.4 Limitation of Expenditure – Task Authorization (TA)**

7.9.4.1 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 - Annex C](#) to the limitation of expenditure specified in the authorized TA.

7.9.4.2 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 excluded and Applicable Taxes are extra.

7.9.4.3 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.

### **7.10 Multiple Payments**

Canada will pay the Contractor upon completion and delivery of units in accordance with the payment provisions of the Contract if:

- a. an accurate and complete invoice and any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;

- b. all such documents have been verified by Canada;
- c. the Work delivered has been accepted by Canada.

## 7.11 Invoicing Instructions

### A. "Covering" Invoices:

Invoices, which may "Cover" several work orders must be submitted on the supplier's own invoice form and must be prepared to show:

- a. the date;
- b. list of the individual work orders including work order number, date and amount of each work order, applicable GST/HST and total amount of each individual work order;
- c. total amount of "covering" invoice;
- d. Contract Serial Number: \_\_\_\_\_;
- e. Client Reference Number:
- f. Financial Coding:
- g. GST Code:
- h. Procurement Business Number.

### B. "Individual" Work Order:

"Individual" work orders must be submitted on the supplier's own invoice and must be prepared to show:

- a. the date;
- b. name and address of the consignee;
- c. contract item number, quantity, part number, reference number and description;
- d. breakdown of costs as itemized in the Basis of Payment of the contract document;
- e. Contract Serial Number:
- f. Any separate charges (example: GST/HST).

C. The Contractor must submit invoices in accordance with the section entitled "Invoice Submission" of the general conditions. Invoices cannot be submitted until all work identified in the invoice is completed.

#### 1. Each invoice must be supported by:

- (a) a copy of the DND Waybill/Straight Bill of Lading;
- (b) a copy of the release document and any other documents as specified in the Contract;

#### 2. Invoices must be distributed as follows:

- (a) The original and one (1) copy must be forwarded to the Requisitioning Authority identified under the section entitled "Authorities" of the Contract for certification and payment; and
- (b) One (1) copy must be forwarded to the Contracting Authority identified under the section entitled "Authorities" of the Contract.

## 7.12 Certifications

### 7.12.1 Compliance

The continuous compliance with the certifications provided by the Contractor in its bid and the ongoing cooperation in providing associated information are conditions of the Contract. Certifications are subject to verification by Canada during the entire period of the Contract. If the Contractor does not comply with any certification, fails to provide the associated information, 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.

### 7.12.2 Federal Contractors Program for Employment Equity - Default by the Contractor

The Contractor understands and agrees that, when an Agreement to Implement Employment Equity (AIEE) exists between the Contractor and Employment and Social Development Canada (ESDC)-Labour, the AIEE must remain valid during the entire period of the Contract. If the AIEE becomes invalid, the name of the Contractor will be added to the "[FCP Limited Eligibility to Bid](#)" list. The imposition of such a sanction by ESDC will constitute the Contractor in default as per the terms of the Contract.

## 7.13 Applicable Laws

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

## 7.14 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 2035 (2015-07-03);
- (c) Annex A, Technical Statement of Work;
- (d) Annex B, Logistics Statement of Work;
- (e) Annex C, Basis of Payment;
- (f) Annex D, Security Requirements Check List;
- (g) Annex E, Federal Contractors Program for Employment Equity – Certification;
- (h) Annex F, Task Authorization (DND 626);
- (i) Annex G - Evaluation Plan;
- (j) Annex H - Certificate of Compliance;
- (k) Annex I –List of potential Subcontractors;
- (l) the signed Task Authorizations (including all of its annexes, if any); and
- (m) the Contractor's bid dated (TBD) , as clarified on \_\_\_\_\_ and as amended on \_\_\_\_\_.

## 7.15 Defence Contract

The Contract is a defence contract within the meaning of the [Defence Production Act](#), R.S.C. 1985, c. D-1, and must be governed accordingly.

Title to the Work or to any materials, parts, work-in-process or finished work must belong to Canada free and clear of all claims, liens, attachments, charges or encumbrances. Canada is entitled, at any time, to remove, sell or dispose of the Work or any part of the Work in accordance with section 20 of the [Defence Production Act](#).

## 7.16 Insurance

SACC Manual clause [G1005C](#) (2008-05-12) Insurance

## 7.17 SACC Manual Clauses

A9131C	2014/11/27	Controlled Goods Program – Contract
B4060C	2011/05/16	Controlled Goods
D5540C	2010/08/16	ISO 9001:2008 - Quality Management Systems - Requirements (QAC Q)
D5510C	2014/06/26	Quality Assurance Authority (DND) - Canadian Based Contractor
D5515C	2010/01/11	Quality Assurance Authority (DND) - Foreign-based and United States Contractor
D5604C	2008/12/12	Release Documents (DND) - Foreign-based
D5605C	2010/01/11	Release Documents (DND) - United States-based Contractor
D5606C	2012/07/16	Release Documents (DND) - Canadian-based Contractor
D2025C	2013/11/06	Wood Packaging Materials
D3010C	2014/06/26	Delivery of Dangerous Goods/Hazardous Products
D6010C	2007/11/30	Palletization
D9002C	2007-11-30	Incomplete Assemblies

## 7.18 Preparation for Delivery – Canadian-based Contractor

- 7.18.1 Preservation and packaging for items listed in appendix 1 to [Annex A – SOW](#) must be in accordance with the Canadian Forces packaging specification [D-LM-008-001/SF-001](#), and must be marked to [D-LM-008-002/SF-001](#). **Form Level B Pkg Data Form Req'd** must be in accordance with [D-LM-008-011/SF-001](#).
- 7.18.2 Packaging data forms previously approved by Canadian authorities are acceptable.
- 7.18.3 Approved coded packaging data is shown immediately below the description of the item to which it applies. Where no data is shown, the Contractor must submit a packaging data form for approval.

**OR**

## 7.18 Preparation for Delivery – United States - based Contractor

- 7.18.1 Preservation and packaging for items in appendix 1 to [Annex A – SOW](#) must be in accordance with the current issue of United States (U.S.) Department of Defense Military Standard MIL-STD-2073 and must be marked to [MIL-STD-129](#).
- 7.18.2 Packaging data forms previously approved by Canadian authorities are acceptable.

7.15.3 Approved coded packaging data is shown immediately below the description of the item to which it applies. Where no data is shown, the Contractor must submit a packaging data form for approval.

**OR**

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## 7.18 Preparation for Delivery – European Union

- 7.18.1 The Contractor must prepare items listed in appendix 1 to [Annex A – SOW](#) for preservation and packaging in accordance with NATO Marking and Packaging Standards as contained in the latest issue of [TL8100-0101/NATO-4](#).
- 7.18.2 The Contractor must use packaging data forms previously approved or contained in [NATO-4](#).
- 7.18.3 The Contractor must ensure approved coded packaging data is shown immediately below the description of the corresponding item. Where no packaging data is shown, the Contractor must submit a packaging data form for approval.

## 7.19 Shipping Instructions (Department of National Defence) - Canadian-based Contractor

- 7.19.1 Delivery will be FCA Free Carrier at 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.
- 7.19.2 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 7.16.3
- a. *Where the Contractor is located between Kingston inclusive and westward to the Ontario/Manitoba border:* 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](mailto:25DAFCTrafficQM@forces.gc.ca)  
**OR**
  - b. *Where the Contractor is located in Manitoba, Saskatchewan, Alberta, British Columbia, and the National Capital Region inclusive to east of Kingston:* Inbound Logistics Coordination Center (ILCC)  
Telephone: 1-877-877-7423 (toll free)  
Facsimile: 1-877-877-7409 (toll free)  
E-mail: [ILHQOttawa@forces.gc.ca](mailto:ILHQOttawa@forces.gc.ca)  
**OR**
  - c. *Where the Contractor is located in Quebec:*  
Telephone: 1-866-935-8673 (toll free), or  
1-514-252-2777, ext. 4673, 2852  
Facsimile: 1-866-939-8673 (toll free), or  
1-514-252-2911  
E-mail: [25DAFCTrafficQM@forces.gc.ca](mailto:25DAFCTrafficQM@forces.gc.ca)  
**OR**
  - d. *Where the Contractor is located in Atlantic (New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador):* Inbound Logistics Atlantic Area (ILAA)  
Telephone: 1-902-427-1438  
Facsimile: 1-902-427-6237  
E-mail: [BloglLAA@forces.gc.ca](mailto:BloglLAA@forces.gc.ca)

- 7.19.3 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 material safety data sheet.
- 7.19.4 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.
- 7.19.5 The Contractor must not ship the goods before receiving shipping instructions from the DND Inbound Logistics contact.
- 7.19.6 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.
- 7.19.7 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.

**OR**

#### **7.19 Shipping Instructions (Department of National Defence) - Foreign-based Contractors**

- 7.19.1 Delivery will be FCA Free Carrier at CFB Montréal, Québec, Canada 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
- 7.19.2 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 7.19.3.
- a. *when the Contractor is located in the United States (U.S.):*

Inbound Logistics Coordination Center (ILCC):  
Telephone: 1-877-447-7701 (toll free)  
Facsimile: 1-877-877-7409 (toll free)  
E-mail: [ILHQOttawa@forces.gc.ca](mailto:ILHQOttawa@forces.gc.ca)  
**OR**

- b. *when the Contractor is located in United Kingdom (UK) and Ireland:*

Inbound Logistics United Kingdom (ILUK):  
Telephone: 011-44-1895-613023, or 011-44-1895-613024, or  
Facsimile: 011-44-1895-613047  
E-mail: [CFSUEDetUKMovements@forces.gc.ca](mailto:CFSUEDetUKMovements@forces.gc.ca)  
In addition, the Contractor must send to ILUK the completed form "Shipping Advice and Export Certificate" by e-mail to: [CFSUEDetUKMovements@forces.gc.ca](mailto:CFSUEDetUKMovements@forces.gc.ca).

The shipment of any items above the value of 600 GBP (pound sterling) being exported from the United Kingdom and Ireland will be cleared by DND using Her Majesty's Customs & Excise (HMCE) New Export Systems (NES). The Contractor must comply with HMCE requirements by registering with HMCE or by having a freight forwarder complete the entry. A printed copy of the NES entry Export Declaration clearly displaying the Declaration Unique Consignment Reference Number must be provided by the Contractor and attached to the consignment. The Contractor must ensure that this procedure is carried out for all stores whether they be initial purchase or repair and overhaul export items. HMCE will authorize Canadian Forces Support Unit (Europe) to ship the goods only if the procedure has been adhered to completely and properly by the Contractor.

**OR**

- c. *when the Contractor is located in a country other than Canada, the U.S., the UK and Ireland:*

Inbound Logistics Europe Area (ILEA):  
Telephone: +49-(0)-2451-717199 or 717200  
Facsimile: +49-(0)-2451-717189  
Email: [ILEA@forces.gc.ca](mailto:ILEA@forces.gc.ca)

- 7.19.3 The Contractor must provide the following information to the DND Inbound Logistics contact when arranging for shipment:

- a. the Contract number;
- b. consignee address (if multiple addresses, items must be packaged and labeled separately with each consignee address);
- c. description of each item;
- d. the number of pieces and type of packaging (e.g. carton, crate, drum, skid);
- e. actual weight and dimensions of each piece type, including gross weight;



- f. copy of the commercial invoice (in accordance with clause [C2608C](#), section 4, of the [Standard Acquisition Clauses and Conditions Manual](#)) or a copy of the Canada Border Services Agency form CI1 [Canada Customs Invoice](#) (PDF 429KB) - ([Help on File Formats](#));
  - g. [Schedule B](#) codes (for exports) and the Harmonized Tariff Schedule codes (for imports);
  - h. North American Free Trade Agreement Certificate of Origin (in accordance with clause C2608C, section 2) for the U.S. and Mexico only;
  - i. 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, or International Air Transport Association regulations or the applicable Canadian [Dangerous Goods Shipping Regulations](#) and a copy of the material safety data sheet.
- 7.19.4 Following receipt of this information by Canada, Canada will provide the appropriate shipping instructions, which may include the requirement for specific consignee address labelling, the marking of each piece with a Transportation Control Number and customs documentation.
- 7.19.5 The Contractor must not ship goods before receiving shipping instructions from the DND Inbound Logistics contact.
- 7.19.6 If the Contractor delivers the goods at a place and time that 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.
- 7.19.7 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.

## **7.20 Release Documents – Distribution**

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: \_\_\_\_\_*

- e. One (1) copy to the Quality Assurance Representative;



Solicitation No. - N° de l'invitation  
W8486-151767/A  
Client Ref. No. - N° de réf. du client  
W8486-151767

Amd. No. - N° de la modif.  
File No. - N° du dossier  
299BL.W8486-151767

Buyer ID - Id de l'acheteur  
299BL  
CCC No./N° CCC - FMS No./N° VME

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

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

E-mail: [ContractAdmin.DQA@forces.gc.ca](mailto:ContractAdmin.DQA@forces.gc.ca).

#### **7.21 Work Site Access – Canada's Access to Contractor's Facilities and Equipment**

Authorized representatives of Canada must have access to any site where any part of the Work is being carried out at any time during working hours to make examinations and such tests of the Work as they may think fit.

**ANNEX A**

**TECHNICAL STATEMENT OF WORK  
FOR THE  
REPAIR & OVERHAUL  
OF  
LEOPARD 2 MAIN BATTLE TANK  
TRACK AND SUSPENSION COMPONENTS**

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## 1.0 SCOPE

1.1 **Background.** The Department of National Defence (DND) has a requirement for the Repair and Overhaul (R&O) of Leopard 2 Main Battle Tank (MBT) track and suspension components.

1.2 **Purpose.** The purpose of this Statement of Work (SOW) is to outline the work required to R&O track and suspension components on the Leopard 2 A4 CAN, Leopard 2 A4M CAN and Leopard 2 A6M CAN listed in Appendix 1 of this Annex. The Work is required to ensure a continuous supply of serviceable equipment for the Canadian Armed Forces.

1.3 **Authority.** The Work performed must comply with the most recent Original Equipment Manufacturer (OEM) configuration and specifications (including all Engineering Change Proposal (ECP's)). Any proposed amendment or changes to the original specification must be pre-authorized by the Technical Authority (TA) who will provide explicit guidance to the Contractor through the Contracting Authority (CA). DND does not possess the required technical information or specifications to complete any part of the Work outlined in this SOW. The Contractor must obtain all rights and specifications directly from the OEM.

## 2. TERMINOLOGY, DEFINITIONS and PUBLICATIONS

### 2.1 Terminology

Term	Description
CA	Contracting Authority
CoC	Certificate of Conformity
DDIR	Detailed Diagnostic Inspection Report
DND	Department of National Defence
ECP	Engineering Change Proposal
EDD	Estimated Delivery Date
IAW	In Accordance With
FIFO	First-in / First-out
GQAR	Government Quality Assurance Representative
MBT	Main Battle Tank
MRC	Maximum Repair Cost
MSDS	Material Safety Data Sheet
NSN	NATO Stock Number
OEM	Original Equipment Manufacturer
PRR	Priority Repair Requests
RA	Requisitioning Authority
RDD	Required Delivery Date
R&O	Repair and Overhaul
SOW	Statement of Work
SPTD	Supplementary Provisioning Technical Documentation
TA	Technical Authority
TAT	Turn Around Time

### 2.2 Definitions

2.2.1 **Repair and Overhaul (R&O):** In this SOW, R&O refers to the restoration of an item to its original condition or near life expectancy. It includes the replacement

of worn, damaged, scrapped, obsolete, missing or life-expired parts, the incorporation of approved modifications software upgrade and the rework of components as required by OEM specifications.

- 2.2.2 Serviceable/Serviceability: The condition of an equipment which allows it to be available for immediate use, shipped or held in storage without being subjected to any limitations not applicable to new equipment.
- 2.2.3 Interchangeability: Following the R&O, the item must remain fully interchangeable (form, fit and function) with items catalogued under the same reference number, part number and of the same modification status. This concept of interchangeability must be extended to include internal characteristics such as wave forms and components' layout in order to ensure full compatibility with automatic test equipment software and automatic probing.
- 2.2.4 Demilitarization: Demilitarization involves the total destruction of an item by mutilation, smelting, cutting, tearing, scratching, breaking, punching, neutralizing, et cetera. Total destruction means that an item cannot be restored or repaired to a useable condition and that no information on the characteristics, performance or manufacturing of the item can be extracted.
- 2.2.5 Maximum Repair Cost (MRC): The MRC is the maximum amount authorized, which includes all labour, material and other costs to R&O an item and its specialized container. When cost to R&O is below the MRC the Contractor must proceed with the Work. Whenever cost to R&O exceeds the MRC, the Contractor must request prior written authorization from the CA and Requisitioning Authority (RA) to proceed with the Work or disposal of the item.
- 2.2.6 Turn Around Time (TAT): The TAT for each item must not exceed the proposed TAT. TAT is defined as the period of time from "date of receipt", to the date the item is reported serviceable and accepted by the GQAR.

### 2.3 Applicable Documents

- 2.3.1 The following documents form part of this Annex to the extent specified herein. Unless otherwise stated in the Contract, the effective dates of issue or amendment will be those in effect on the date of award of the Contract. The documents listed below can be obtained from Canada by submitting a request to the CA. The Contractor must perform the Work In Accordance With (IAW) the following publications:

Publication	Name
D-LM-008-001/SF-001	METHODS OF PACKAGING
D-LM-008-002/SF-001	SPECIFICATION FOR MARKING FOR STORAGE AND SHIPMENT – REVISED 1991-08-01
C-02-006-001/AF-001	PRESERVATION AND PACKAGING OF MATERIAL
D-02-002-001/SG-001	IDENTIFICATION MARKING OF CANADIAN MILITARY PROPERTY
C-02-005-011/AM-000	MOBILE REPAIR PARTIES MANNED BY CONTRACTOR PERSONNEL

- 2.3.2 The associated Technical Data Packages and Intellectual Property Rights required for the R&O are not available from Canada. It is the Contractor's responsibility to obtain the documents required to execute this Contract. No German Military Specifications, TDv or Standards will be provided by Canada.

- 2.3.3 Discrepancies. The Contractor must notify the CA, RA and TA of discrepancies discovered within or among any documents, which form part of this SOW.

### 3.0 REQUIREMENTS

- 3.1 **General:** The Contractor must provide R&O including but not limited to: inspection, disassembly, repair, reassembly, calibration, testing, use of OEM parts, packaging, disposal, technical data management and integrated logistics and maintenance support, labour and materials on an as and when requested basis for all items listed in Appendix 1 of this Annex.
- 3.2 **Inspection.** For all items listed in Appendix 1 of this Annex;
- 3.2.1 The Contractor must perform a Detailed Diagnostic Inspection utilizing OEM inspection criteria and methods that will allow the Contractor to ascertain the required parts and labour hours required for the R&O, and replacement of worn, damaged, scrapped, obsolete, missing or life-expired parts necessary to return the item to serviceable condition.
- 3.2.2 If based on the Detailed Diagnostic Inspection, the MRC is exceeded the Contractor must provide the Detailed Diagnostic Inspection Report (DDIR) which must include as a minimum the date, the NATO stock number and serial number of the item, the problem or cause of failure and required parts and labour for the R&O. The report must be submitted to CA, RA, TA and the Government Quality Assurance Representative (GQAR) for review and approval no later than forty five (45) calendar days after the Work Order has been opened. For items that are under the MRC, a DDIR is still required but only after the Work has been completed and does not need approval from the GQAR.
- 3.2.3 After the inspection is performed, the Contractor must put a condition tag (CF 942 NSN 9005-21-872-2435) on all the items. One tag must be on the item and one tag must be on the outside of the specialized container. The condition tags must be legible, written in English and include the Component Name, NSN, Serial number, Condition of part or assembly, date and signature of the inspector.
- 3.2.4. The Contractor must provide a Certificate of Conformity (CoC) once the R&O is completed. The certificate must be in English and include, at a minimum, the applicable serial number and a description of the quality verifications performed on the items repaired.
- 3.3 **Repair & Overhaul.** For items listed at Appendix 1 to this Annex, a complete R&O must be performed IAW applicable OEM specifications. The final price must include the cost to complete the R&O of the item and its specialized container as applicable. The MRC is the maximum amount authorized for the Contractor to perform the Work. The Work is to include all labour, material, overheads, handling, packaging and profit to repair an item and its specialized container. When cost to R&O is below the MRC, the Contractor must proceed with the Work. DND reserves the right to request the item(s) be sent back to 25 CFSD in "AS IS" condition. No further Work is to be performed by the Contractor until approved by the CA. Within ten (10) business days of the Contractor's request, the CA will coordinate with the Contractor and specify the recommended course of action.
- 3.3.1 For all hydraulic components, the Contractor must replace all the seals, packing and gaskets, regardless of their condition. New seals, packing and gaskets must have a current year of repair cure date.

3.3.2 The Contractor must refinish or repaint components IAW OEM specifications.

3.3.3 Calibration and Testing. The Contractor must perform the calibration and testing after the R&O is completed IAW OEM specifications.

#### 3.4 **Specialized Container Repairs and Packaging**

3.4.1 Equipment must be returned in the same packaging as received. If no specialized packaging was provided then packaging guidelines as detailed in D-LM-008-001/SF-001, minimum level B, must be followed. A copy of the CF 942 and a CoC must be added to the container exterior and one copy inside the container.

3.4.2 The Contractor must inspect, repair, repaint reusable containers or replace them if non-repairable. Should a container need to be replaced because it is not repairable or of a non-conforming configuration, a Task Authorization will be raised IAW 7.2.1 of the Resulting Contract Clauses. All odd, non-pertinent markings must be obliterated by the use of a suitable masking paint; loose or curled labels must be removed prior to the application of new labels.

3.5 **Identification Plate and Labels.** All items requiring identification markings, nameplates and labels must be identified IAW D-02-002-001/SG-001. When applicable, the Contractor must manufacture the identification plates and labels and install them prior to delivery of the equipment. All identification markings, nameplates and labels must be in both official languages as per the Canadian Official Languages Act, unless otherwise specified. Any original identification markings, nameplates and labels which need to be translated must be submitted to the CA and TA for approval.

3.6 **Supplementary Provisioning Technical Documentation (SPTD).** The Contractor must prepare and deliver SPTD for any item that has not already been assigned a NSN. The data elements required are: Item Number, Item Name, Reference No., (manufacturer's part), NSCM/CAGE Code, Quantity Per Assembly, Standard Unit Price, Unit of Issue (UOI), Procurement Lead Time (PLT), Recommended Buy Quantity, Economic Order Quantity (EOQ), Demilitarization Code, Reparability Indicator (REP), Shelf Life, Original Equipment Manufacturer (OEM)'s Part Number, Weights, Dimensions and a level one drawing or a sketch of the item to be catalogued. Drawing or sketch must clearly display the CAGE Code and OEM Part Number in the title box.

3.7 **Material Safety Data Sheet (MSDS).** The Contractor must submit a MSDS for each hazardous material. Hazardous materials include, but are not limited to dangerous goods identified in Dangerous Goods Act. The MSDS must be submitted to Canada at least seven (7) calendar days prior to the delivery to Canada of any dangerous goods.

#### 4.0 **SCRAP OR DEMILITARIZATION**

4.1 **Disposal Guidance.** After the Detailed Diagnostic Inspection of an item is completed, if the cost of R&O and upgrade exceeds the MRC value of that item, DND will advise the Contractor to perform demilitarization or to send the item back to 25 CFSD "AS IS".

4.2 **Demilitarization Authorization.** The TA will authorize all demilitarization activities of an item and/or its parts, in writing to the Contractor.

- 4.3 **Demilitarization.** The Contractor must complete the Certificate of Demilitarization at Appendix 2 of this Annex for all parts and assemblies that have been demilitarized, as per Para. 2.2.4. The Contractor must forward the original Certificate of Demilitarization to the TA and a copy to the CA, RA and GQAR, within thirty (30) calendar days after demilitarization has been carried out. The GQAR may witness the demilitarization activity. The Contractor must advise Canada at least 10 calendar days in advance of any demilitarization activities.
- 4.4 **Disposal.** The Contractor must dispose of scrap materiel that is not Controlled Items IAW Part 7 of A-LM-184-001/JS-001.

## **5.0 QUALITY ASSURANCE PROVISIONS**

- 5.1 **Compliance.** The Contractor must organize and conduct all activities required to demonstrate compliance with all of the requirements in the Contract.
- 5.2 **Inspection, Control.** Canada reserves the right to perform any additional tests and inspections when such tests and inspections are considered necessary to ensure that the Contractor has met the requirements of this Contract. These additional tests and inspections will be at Canada's expense and may be performed by a DND's representative. If during these additional tests and inspections Canada finds the items to be non-compliant, the Contractor will be responsible at its own cost to undertake the necessary corrective action(s) to achieve compliance with the requirements of this Contract.

## **6.0 MAINTENANCE SUPPORT**

- 6.1 **Mobile Repair Parties (MRPs).** As and when required by the TA and authorized by the CA through the issue of a formal task (DND 626), the Contractor must provide an MRP. There are two types of MRP:
- 6.1.1 A scheduled Mobile Repair Party (MRP). A scheduled MRP is categorized as a routine support activity that is planned well in advance and does not require an immediate response from the Contractor. It follows the standard procedures and guidelines for Mobile Repair Parties Manned by Contractor Personnel detailed in C-02-005-010/AM-000.
- 6.1.2 An unscheduled, Immediate Operational Requirement (IOR), extraordinary and exceptional Mobile Repair Party (MRP). The unscheduled IOR MRP happens under exceptional and extraordinary circumstances (for example: pre-deployment preparations for an unexpected extended operational mission) and requires an immediate response from DND. The process to action an unscheduled IOR MRP is as follows:
- 6.1.2.1 The TA will write the detailed SOW for the unscheduled IOR MRP request and submit it to the RA for action.
- 6.1.2.2 The RA will review the requirement IAW the Procedures and Guidelines for Mobile Repair Parties Manned by Contractor Personnel" detailed in C-02-005-011/AM-000.
- 6.1.2.3 The CA will approve the unscheduled IOR MRP by issuing a formal task (DND 626) authorizing the Contractor to proceed with the work.
- 6.1.3 If requested, the Contractor must submit two (2) copies of a monthly progress report covering MRP activities to the CA and the TA. The level of detail and format will be stipulated in the individual DND 626 tasking should such a report deemed to be necessary.



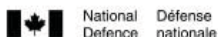
- 6.2 **Special Investigations and Technical Studies (SITS)**. As and when required by the TA and authorized by the CA through the issue of a formal task (DND 626), the Contractor must undertake special investigations and technical studies. The scope of work normally covered under special investigation and technical studies is to cater for equipment not meeting specification performance standards or due to repetitive failures.
- 6.3 **Technical Investigations and Engineering Support (TIES)**. As and when required by the TA and authorized by the CA through the issue of a formal task (DND 626), the Contractor must undertake technical investigations and engineering support studies. This activity includes the provision of system and maintenance support and management services. It includes the requirement analysis and planning to ensure current reliability availability of specifications can be met, the scheduling of maintenance, the identification of spares and support, as well as the development of policies and maintenance procedures. It also includes the contract management activities as well as the validation/acceptance of deliverables when maintenance activity is contracted.

## **7.0 PROJECT MANAGEMENT**

- 7.1 **Kick-Off Meeting**. The Contractor must host a Kick-off meeting at its facilities, within 30 calendar days (or a mutually agreed date) after Contract award.
- 7.1.1 **Agenda**. The Contractor must produce an agenda and forward it to the CA within five (5) calendar days prior the kick-off meeting.
- 7.1.2 **Meeting Minutes**. The Contractor must record meeting minutes to be provided upon completion of the meeting. The meeting minutes must be approved and signed by all parties within ten (10) days following the meeting.
- 7.1.3 This meeting will include a detailed review of the Contractors response to the RFP and amendment of the SOW where the Contractor has offered services in excess of the requirements laid out in the SOW.
- 7.2 **Progress Review Meetings**. The Contractor must host, as a minimum, annual Progress Review meetings at its facilities.
- 7.2.1 **Agenda**. The Contractor must produce an agenda and forward it to the CA within five (5) calendar days prior to all meetings.
- 7.2.2 **Meeting Minutes**. The Contractor must record meeting minutes to be provided upon completion of the meeting. The meeting minutes must be approved and signed by all parties no later than ten (10) calendar days following the meeting.
- 7.3 **Additional Meetings**. Additional meetings/teleconferences may be held at the request of the Canada or the Contractor as required and mutually agreed.

## ITEM 001 - REPAIR &amp; OVERHAUL

[illegible]



## Certificate of Demilitarization Certificat de démantèlement

**Part 1A (applicable only to items with a DMC of B or D)**  
**Partie 1A (applicable seulement aux articles avec un CDM de B ou D)**

Stock code - Code de matériel	Quantity - Quantité	Demilitarization method used Méthode utilisée pour la démantèlement
References applicable to informal/generic demilitarization instructions: Références applicables aux instructions de démantèlement informelle/générique :		
Remarks: - Remarques :		

**Part 1B (applicable only to items with a DMC other than B or D)**  
**Partie 1B (applicable seulement aux articles avec un CDM autre que B ou D)**

Stock code - Code de matériel	Quantity - Quantité	Demilitarization method used Méthode utilisée pour la démantèlement
References applicable to informal/generic demilitarization instructions: Références applicables aux instructions de démantèlement informelle/générique :		
Remarks: - Remarques :		

**Part 2 - Signatures**  
**Partie 2 - Signatures**

<input type="checkbox"/> I certify that the above item/items (attached list) was/were demilitarized in accordance with INFORMAL/GENERIC demilitarization instructions or proposed demilitarization method and criteria received or authorized by the item's TA. Je certifie que l'article/les articles ci-dessus (liste ci-jointe) a/ont été démantelés(s) conformément à l'instruction de démantèlement informelle/générique ou selon la méthode de démantèlement et les critères proposés qui ont été reçus ou autorisés par l'AT de l'article.	
<b>OR</b>	
<input type="checkbox"/> I certify that the above item/items (attached list) was/were demilitarized in accordance with FORMAL/GENERIC demilitarization instructions provided by the item's TA. Je certifie que l'article/les articles ci-dessus (liste ci-jointe) a/ont été démantelés(s) conformément à l'instruction de démantèlement informelle/générique fournie par l'AT de l'article.	
Demilitarization Performed by Démantèlement accompli par	Demilitarization Witnessed by Démantèlement témoiné par
Signature :	Signature :
Print name: Nom en lettre moulée :	Print name: Nom en lettre moulée :
Position title: Titre du poste :	Position title: Titre du poste :
Organization name: Nom de l'organisation :	Organization name: Nom de l'organisation :
Date of demilitarization: Date de la démantèlement :	Date witnessed: Date témoinée :

DND 2586 (12-2010)  
Design: Forms Management 613-993-4050  
Conception: Gestion des formulaires 613-993-4062



### CERTIFICATE OF DEMILITARIZATION

Certificate of Demilitarization			
<p>"I certify that (identify by line item and quantity, See Note 2) were demilitarized in accordance with Demilitarization part of Contract W8486XXXX. These instructions comply with in the (insert applicable regulations, See Note 3)."</p>			
Item	NSN/Part Number /Serial Number	Quantity	Complied With
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%; text-align: center;"> <p>(Print name and sign)</p> <p>Signature of person who performed demilitarization</p> <p>Print Name</p> </div> <div style="width: 45%; text-align: center;"> <p>(Print name and sign)</p> <p>Signature of Witness</p> <p>Print Name</p> </div> </div>			

**Notes:**

1. The Contractor's representative who conducts the demilitarization must attest that demilitarization was completed IAW the Contract. The Contractor's representative shall be a supervisor with sufficient technical competency to determine that the item was indeed demilitarized to sign the "Certificate of Demilitarization" for all items. The witness must clearly determine that the item was indeed demilitarized (must, as a minimum, be able to recognize the residue or witness the action) before signing the certificate.
  
2. Ensure that the items on the certification form are clearly identified. This shall include the name, the part number (NSN, Manufacturer P/N or Serial No) and the quantity of each item that will be destroyed.
  
3. This section indicates compliance with the appropriate demilitarization regulation. The Contractor shall make reference to the applicable Canada's Export Control List (ECL) group, the United States Munitions List (USML) category and the category in DoD 4160.21-M-1, Appendix 6.

**ANNEX B**

**IN-COUNTRY LOGISTICS STATEMENT OF WORK**

**FOR THE**

**REPAIR AND OVERHAUL**

**OF**

**LEOPARD 2 TURRET**

**CHASSIS TRACK AND SUSPENSION COMPONENTS**

**DISCLAIMER: This template SOW is only to be used in conjunction with Annex A. Failure to do so could result in further delays and issues.**

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- 1.3 Terminology

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- 2.4 Work Control
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#### **Appendix 1 – Reporting Requirements**

#### **Appendix 2 – Report Templates**

## 1.0 GENERAL

**1.1 AIM:** The Contractor must Repair and Overhaul **Chassis Track and Suspension components** on the Leopard 2 Main Battle Tanks and only those items for which they have received authorization IAW the Selection Notice and Priority Summary (SNAPS) for Repairable Materiel Account (RMA) code(s) \_\_\_\_\_ and/or an approved Repairable Materiel Request (RMR). The Contractor must conform to such supply procedures as are advised in this SOW related to the management of DND equipment and stores in their possession. DND reserves the right to visit and inspect all parts of the Contractor's supply operation. Repair and/or Overhaul priorities will be maintained as advised in the SNAPS. Repair priority for RMRs must be "Routine" unless otherwise stipulated.

**1.2 APPLICABLE DOCUMENTS:** The following documents form part of this Annex to the extent specified herein. Unless otherwise stated in the Contract, the effective dates of issue or amendment will be those in effect on the date of award of the Contract. The documents listed below can be obtained from Canada by submitting a request to the CA. The Contractor must perform the Work IAW the following publications:

Publication	Name
A-LM-184-001/JS-001	SPECIAL INSTRUCTIONS REPAIR AND OVERHAUL CONTRACTORS – REVISED 2010-08-25

## 1.3 TERMINOLOGY

Term	Description
CA	Contracting Authority
DND	Department of National Defence
GFOS	Government Furnished Overhaul Spares
IAW	In Accordance With
MRC	Maximum Repair Cost
NDQAR	National Defence Quality Assurance Representative
NSN	NATO Stock Number
OCRS	Out of Country Repairs Section
RA	Requisition Authority
PN	Part Number
R&O	Repair and Overhaul
SHC	Stock Holding Code
SNAPS	Selection Notice and Priority Summary
SNOM	Selection Notice Observation Message
SOW	Statement of Work
TA	Technical Authority

## **2.0 ADMINISTRATION**

### **2.1 RECEIPT**

2.1.1 Upon receipt of DND equipment, the Contractor must:

- 2.1.1.1 Identify the equipment and ensure authority to repair (SNAPS, RMRs);
- 2.1.1.2 Open a work order within 48 hours of delivery to plant;
- 2.1.1.3 Carry out a physical check to ensure that the item is complete and is IAW the company vouchers;
- 2.1.1.4 Complete receipt documentation, including any adjustment transactions, work order number; and
- 2.1.1.5 Action warranty materiel.

2.1.2 If the Contractor is missing any information or documentation, he must request it through the National Defence Quality Assurance Representative (NDQAR).

2.1.3 For those items where the basis of payment is other than Firm Fixed price, and based upon available information and/or inspection of the item, the Contractor must determine the extent of work required, prepare a cost estimate, and if cost to repair is below the Maximum Repair Cost (MRC), proceed with the repair. Whenever cost to repair threatens to exceed the MRC, the Contractor must request authority in writing to proceed with the repair in accordance with PART 2 of A-LM-184-001/JS-001.

2.1.4 Where it is impossible to determine the cost to repair, the Contractor may be granted authority by the Contracting Authority (CA) after consultation with both the Technical Authority (TA) and Requisition Authority (RA) to strip the equipment so as to assess its repair and/or overhaul potential and to estimate the costs. Unless otherwise specified, and regardless of the value of the equipment, the cost of the work involved in estimating repair is chargeable to the item whether or not it is subsequently repaired.

### **2.2 DISCREPANCIES IN SHIPMENTS**

2.2.1 If upon initial inspection, the Contractor identifies equipment as having the same form, fit and function as other equipment, but as being misidentified, the Contractor must forward a detailed message to the Consignor and to their NDQAR representative with a recommendation for corrective action. A discrepancy in shipment can consist of any of the following:

- 2.2.1.1 In-condition;
- 2.2.1.2 Surplus; or
- 2.2.1.3 Shortage.

2.2.2 The Contractor must action discrepancies in shipments in accordance with PART 3 of A-LM-184-001/JS-001.

### **2.3 COMPLETION OF WORK**

2.3.1 On completion of R&O, the Contractor must prepare and transmit a Stock Holding Code (SHC) change notification in accordance with PART 2 of A-LM-184-001/JS-001.



2.3.2 The following "Contractor Certification" must be stamped on the Supply Document (DND Form 2227) and signed prior to the Contractor transmitting the SHC Change Notification.

---

#### **Contractor Certification**

**I certify that the item(s) listed above have been inspected, tested and conform to all specifications and requirements detailed in the contract or purchase order.**

**Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**(Contractor QC)**

---

#### **2.4 WORK CONTROL**

2.4.1 The Contractor must ensure that the R&O of all DND equipment is controlled by a serial numbered work order in accordance with PART 2 of A-LM-184-001/JS-001. Upon completion of work, the work order must include as a minimum the following:

- 2.4.1.1 A Contract serial number against which all costs incurred is chargeable;
- 2.4.1.2 The NATO Stock Number (NSN) and/or Part Number (PN), description, quantity and serial number, if any, of item repaired;
- 2.4.1.3 A cross reference to all Logistics and Supply Documents. This includes receipt, issues and returns, including scrap activity, finalization of repair, inspection, and final acceptance;
- 2.4.1.4 Reference to the applicable technical data;
- 2.4.1.5 Details of the work performed;
- 2.4.1.6 A list of all the parts, by PN and description, found unserviceable and requiring repair and/or overhaul, ensuring that the repair scheme is referenced
- 2.4.1.7 A list of parts required from Contractor Held Inventory, identifying the stores from which issued (e.g.: GFOS);
- 2.4.1.8 Repair cost estimate; and
- 2.4.1.9 The identity of the person opening the work order; and
- 2.4.1.10 It must be noted that DND will not provide any Government Supplied Material, Government Furnished Equipment and Government Furnished Information in support of this requirement.

2.4.2 The Contractor must provide to the NDQAR, a list of Contractor personnel authorized to open work orders, and as necessary amend.

#### **2.5 ANNUAL REPAIR FORECAST – Selection Notice and Priority Summary (SNAPS):**

The Contractor must notify the CA when the receipt for a selected repairable line item exceeds the Current (fiscal) Year Forecast in the SNAPS report. The contractor must not induct the line item until written approval is received from the CA or the SNAPS forecast is amended.

**2.6 COST CONTROL:** The Contractor must monitor the cost of each repair to ensure that total repair costs remain within approved limits. Appropriate management control procedures must be in place and records maintained. These control procedures and records must be available for review and/or audit on request.

**2.7 COSTING RECORDS:** The Contractor must prepare forms and maintain records which will provide:

- 2.7.1 A cost listing, by serial number if applicable, of each item or job lot going through the repair line;
- 2.7.2 A detail of the extent of work carried out, in-process inspections completed and materiel embodied at any stage of the repair process;
- 2.7.3 The average cost of repair and overhaul by NSN;
- 2.7.4 The total repair cost for an item (NSN) by work order; and
- 2.7.5 It must be noted that this data will be provided as requested by either the RA and/or NDQAR

### **3.0 SUPPLY SUPPORT**

#### **3.1 TRANSACTION DOCUMENTATION**

3.1.1 The Contractor's Document Control Group facilities will file and retain the following auditable transaction documentations by applicable account (RMA) warehouse either by Stock Code or by Requisition Number, in accordance with Part 3 of A-LM-184-001/JS-001:

- 3.1.1.1 Stock Code sequence followed by requisition number; or
- 3.1.1.2 Requisition number.

**3.2 CONTRACTOR SUPPLY ACCOUNTING:** Materiel held on the RMA must be accounted for as per the Defence Resource Management Information System (DRMIS) automated procedures in accordance with A-LM-184-001/JS-001. The NDQAR Supply Representative will make arrangements with the contractor to process transactions in DRMIS and to provide the contractor with required DRMIS reports to manage the RMA inventory. Government Furnished Overhaul Spares (GFOS) will be accounted for in either a manual or an automated system. Regardless of the system used, the Contractor must maintain an audit trail which will identify at a minimum the Stock Transfer Order Number and the Waybill Number. Furthermore, any automated or manual materiel accounting system must first be approved by the PA. Supply accounting records for DND materiel must be maintained separate from other company records.

**3.3 MANAGEMENT OF DND-OWNED SPARES:** The Contractor is responsible for determining the requirement for spares, obtaining the spares, maintaining custody of the spares, accounting for the spares in an approved manner for use on the R&O line and for the disposal (when so directed) of the spares IAW A-LM-184-001/JS-001.

3.3.2 Spares must be used in the following order:

- 3.3.2.1 Government Furnished Overhaul Spares (GFOS).

### **3.4 SPARES REVIEW**

3.4.1 In conjunction with the stocktaking schedule, the Contractor must carry out a review of GFOS to determine if holdings of any particular item:

- 3.4.1.1 Have become surplus to requirements as a result of a modification, disposal, obsolescent or transfer of the major equipment; and/or
- 3.4.1.2 Are no longer fit for use in the R&O of DND equipment.

3.4.2 In conjunction with the stocktaking schedule, the Contractor must carry out a review of GFOS to determine if stock holdings include any item which:

- 3.4.2.1 Has become surplus to requirement as a result of removal of the end item from the SNAPS; and/or
- 3.4.2.2 Has become redundant because of a technical reason.

3.4.3 The Contractor must dispose of and/or transfer spares which meet the criteria above and must prepare and handle the necessary documentation associated with the disposal function IAW PART 7 of A-LM-184-001/JS-001.

**3.5 STOCKTAKING:** The Contractor must initiate and complete a one hundred per cent (100%) manual stocktaking of any stock being held by the Contractor which is GFOS as a minimum once every two years IAW PART 6 of A-LM-184-001/JS-001.

**3.6 SELECTION NOTICE OBSERVATION MESSAGE (SNOM):** Contractors wishing to make observations on information contained in the SNAPS, including MRC, must do so by submitting their observations using the SNOM IAW PART 2 of A-LM-184-001/JS-001

**3.7 LOSS OR DAMAGE TO DND MATERIEL:** The Contractor must report to the NDQAR all instances of loss or damage to DND owned materiel in his custody within two (2) working days of confirmation of its discovery.

3.7.1 Loss or damage of materiel in transit must be actioned in accordance with Part 8 of A-LM-184-001/JS-001.

### **4.0 REPORTS**

**4.1 MRP PROGRESS REPORTS:** The Contractor must submit one (1) copy of the monthly progress report covering Mobile Repair Party (MRP) activities in accordance with PWGSC Form (7139) to the Procurement Authority, and one (1) copy to the supporting NDQAR.

**4.2 TECHNICAL INVESTIGATION AND ENGINEERING STUDIES (TIES) REPORTS:** Technical Investigations and Engineering Studies may only be authorized by the Contracting Authority. The Contractor must complete a Technical Investigation Report as stipulated under a DND 626 on an as required basis when so directed.

**4.3 ACCIDENT/INCIDENT REPORTS:** The Contractor must submit accident/incident reports in accordance with Chapter 7 Para 32(b) and Chapter 7 Para 41 (f) of CFTO A-GA-135-001/AA-001, through the supporting NDQAR.

**4.4 R&O CONTRACTOR EFFECTIVENESS REPORT:** The R&O Effectiveness Report is described in PART 2 of A-LM-184-001/JS-001. The Procurement Authority will monitor Contractor's Turn-Around-Time using the R&O Effectiveness Report.

Leopard 2 Equipment Management  
Team Repair and Overhaul Leopard 2  
Chassis Track and Suspension

Annex B  
to  
Request for Proposal W8486-151767

**4.5 ANNUAL CONTRACTOR HELD INVENTORY REPORT:** The contractor will be required to report annually to the CA and RA on the value of all GFOS inventory held on March 31.

Annex A provides details on how to report this inventory, and Annex B is a sample copy of the report proforma.

Appendix 1 – Reporting Requirements

Appendix 2 – Report Templates

**Appendix 1 to Annex B**

**Contractor-Held Inventory Reporting Requirements**

**NOTE:** DND will not be providing any spares, components or sub-assemblies for the line items listed in Annex A, Appendix 1, but any non-catalogued serviceable parts kept as a result of the R&O and/or Upgrade must be held as GFOS Inventory and reported on a yearly basis on the Contractor Held Inventory Report.

The instructions to complete the Contractor-Held Inventory Reporting templates are as follows:

1.0 Definitions

1.1 GFOS: Non-catalogued inventory spares which are not purchased by the contractor but arise from: AA spares transferred from another contractor; DND procurement with the US government; spares salvaged from DND equipment; or de-catalogued CIS spares which are for 3<sup>rd</sup> line use only. GFOS spares are not recorded in the CFSS;

1.2 Repairable Inventory: An item of supply designated as capable of being repaired.

1.3 Consumable items: An item of supply that is not repairable.

2.0 DND Owned Inventory Holdings held by Contractors as at 31 Mar 20XX, as detailed in Appendix 2 at Annex B.

2.1 A separate Inventory Holdings report is required for Consumable Inventory and Repairable Inventory. If your inventory cannot be reported or separated on the basis of consumable vs repairable, please state what the majority of the inventory would be classified as repairable or consumable based on the definitions above.

2.2 The reports provided by the company inventory system are acceptable for reporting purposes to DND, as long as they contain the essential information requested in the template provided.

2.3 Provide any alternate part number or manufacture part number in addition to the part number listed above. Provide the class also, if available, as well as any additional field information you have that may help to classify the data.

2.4 Provide the inventory report in electronic format, MS Excel being the preferred software, advise RA if not available.

3.0 Repairable Template Input/Output Repairable Inventory Report for the Year Ending 31 March 20XX and Repairable Template Input/Output Repairable Inventory Report for the Year Ending 31 March 20XX, as detailed at Appendix 2 at Annex B.

3.1 The closing inventory as at 31 Mar 20XX must be equal to the itemized listings provided in the consumables and repairable reports of 'DND Owned Inventory Holdings as at 31 Mar 20XX'.

3.2 A separate Input/Output Inventory Report is required for Consumable Inventory and Repairable Inventory.

3.3 It is preferable to provide the data in a part number level format detailing the equipment platform supported, but the summary level report as outlined in the template is acceptable.

3.4 Report in one currency only and specify the currency if it is not Canadian.

4.0 Additional Information Requested for Year-End Reporting as detailed at Appendix 2 at Annex B.

4.1 Description of the activities performed under the Repair and Overhaul (R&O) contract(s) supported by the inventory holdings if not supplied on the Appendix 2 at Annex B spreadsheet.

4.2 How often stocktaking is performed on the contractor holdings of DND owned inventory.

4.3 Date of last stocktaking.

4.4 The accounting method used by the contractor to value the inventory reported first-in-first-out, last-in-first-out, historical cost or moving weighted average.

DND OWNED INVENTORY HOLDINGS HELD BY CONTRACTORS  
AS AT 31 MARCH 20XX

COMPANY	CONTRACT NUMBER	ITEM / PART NUMBER (NOTE 1)	EQUIPMENT PLATFORM ITEM SUPPORTS (NOTE 2)	NATO STOCK NUMBER (NSN) (NOTE 3)	STOCK CODE (NOTE 3)	ITEM DESCRIPTION	QTY	UNIT OF MEASURE	UNIT COST	EXTENDED VALUE	CURRENCY (NOTE 4)	REPAIR FLAG "Y" CONSUMABLE FLAG "N" (NOTE 5)

NOTES

**General Note:** Inventory reported here should include all items that a Contractor holds that belong to DND and that **are not already accounted for** in the CFSS.

**Note 1:** If you have an alternate part number or manufacture part number in addition to the part number listed, please provide that detail if possible. Also provide the Group Class if available. We would like any additional field information you have that may help to classify the data.

**Note 2:** Please specify if possible the equipment platform the inventory item supports. For example, if your inventory pertains to three aircraft types, put the specific aircraft type beside each inventory item part number.

**Note 3:** If the inventory item has a NSN or Stock Code, please provide the number, if you have it readily available in your inventory system.

**Note 4:** Report in one currency only and specify the currency if it is not Canadian.

**Note 5:** Please identify repair flag Y for a repairable item and N for a consumable item

REPAIRABLE TEMPLATE  
INPUT / OUTPUT REPAIRABLE INVENTORY REPORT  
FOR THE YEAR ENDING 31 MARCH 20XX

Opening Inventory as at 1 April 20XX:	
Plus: Cost of Goods Purchased or Acquired:	
Minus: Consumption / Removals:	
Closing Inventory as at 31 March 20XX:	\$ -

NOTES

- Note 1:** The closing inventory as at 31 March 20XX must be equal to the itemized listing of repairable items provided through Appendix 2, DND Owned Inventory Holdings Held by Contractors as at 31 March 20XX.
- Note 2:** A separate Input / Output Inventory Report is required for Consumable Inventory and Repairable Inventory.
- Note 3:** Report in one currency only and specify the currency if it is not Canadian.

CONSUMABLE TEMPLATE  
INPUT / OUTPUT CONSUMABLE INVENTORY REPORT  
FOR THE YEAR ENDING 31 MARCH 20XX

Opening Inventory as at 1 April 20XX:	
Plus: Cost of Goods Purchased or Acquired:	
Minus: Consumption / Removals:	
Closing Inventory as at 31 March 20XX:	\$ -

NOTES

- Note 1:** The closing inventory as at 31 March 20XX must be equal to the itemized listing of consumable items provided through Appendix 2, DND Owned Inventory Holdings Held by Contractor s as at 31 March 20XX.
- Note 2:** A separate Input / Output Inventory Report is required for Consumable Inventory and Repairable Inventory.
- Note 3:** Report in one currency only and specify the currency if it is not Canadian.



ADDITIONAL INFORMATION REQUESTED FOR YEAR END REPORTING

Description of the activities performed under this Contract supported by the inventory holdings if not supplied on the Appendix 2 spreadsheet (i.e. R&O on Hercules engines).	
How often is a stocktaking performed on the Contractor holdings of DND owned inventory?	
What is the date of last stocktaking?	
What accounting method is used by the Contractor to value the inventory reported (first-in/first-out, last-in/first-out, historical cost or moving weighted average)?	
Is this a sub-Contractor to another company? If so, who?	
DND and Contractor points of contact for the inventory report as at 31 March 20XX.	

## **ANNEX B**

# **OUT-OF-COUNTRY LOGISTICS STATEMENT OF WORK FOR THE REPAIR AND OVERHAUL OF THE CHASSIS TRACK AND SUSPENSION LEOPARD 2 FOV**

**DISCLAIMER: This template SOW is only to be used in conjunction with Annex A. Failure to do so could result in further delays and issues.**

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### **1.0 General**

- 1.1 Aim
- 1.2 Applicable Documents
- 1.3 Terminology

### **2.0 Administration**

- 2.1 Receipt Procedures
- 2.2 Discrepancies in Shipments.
- 2.3 Completion of Work
- 2.4 Work Control
- 2.5 Annual Repair Forecast – SNAPS
- 2.6 Cost Control
- 2.7 Costing Records

### **3.0 Supply Support**

- 3.1 Loss or Damage of DND Material
- 3.2 Stocktaking
- 3.3 Contractor Supply Accounting

### **4.0 Reports**

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- 4.5 Annual Contractor Held Inventory Reports

- Appendix 1 - Contractor-Held Inventory Reporting Requirements**
- Appendix 2 - GSSC Report Template**

## 1.0 GENERAL

**1.1 AIM:** As described in Annex A, the Department of National Defence (DND) has a requirement for the repair and overhaul of the Leopard 2 Chassis Track and Suspension components IAW the forecast in Appendix 1 to Annex A. The Contractor must repair and overhaul only those items for which the Contractor has received authorization IAW the Selection Notice and Priority Summary (SNAPS) for Repairable Materiel Account (RMA) code(s) \_\_\_\_\_, and/or an approved Repairable Materiel Request (RMR). The Contractor must conform to all supply procedures as advised in this SOW in relation to the management of DND equipment and stores in the Contractor's possession. DND reserves the right to exercise surveillance over all aspects of the Contractor's supply operation. Work priorities will be maintained as advised in the SNAPS. Repair priority for RMRs must be "Routine" unless otherwise stipulated.

**1.2 APPLICABLE DOCUMENTS:** The following documents form part of this Annex to the extent specified herein. Unless otherwise stated in the Contract, the effective dates of issue or amendment will be those in effect on the date of award of the Contract. The documents listed below can be obtained from Canada by submitting a request to the CA. The Contractor must perform the Work IAW the following publications:

Publication	Name
A-LM-184-001/JS-001	SPECIAL INSTRUCTIONS REPAIR AND OVERHAUL CONTRACTORS – REVISED 2010-08-25

## 1.3 TERMINOLOGY

Term	Description
CA	Contracting Authority
CFSD	Canadian Forces Supply Depot
DND	Department of National Defence
DRMIS	Defence Resource Management Information System
GFOS	Government Furnished Overhaul Spares
IAW	In Accordance With
ILEA	Inbound Logistics Europe Area
LIFO	Last In / First Out
MRC	Maximum Repair Cost
NATO	North Atlantic Treaty Organization
NSN	NATO Stock Number
OCRS	Out of Country Repairs
RA	Requisition Authority
PN	Part Number
RMA	Repairable Materiel Account
RMR	Repairable Material Request
R&O	Repair and Overhaul
SNAPS	Selection Notice and Priority Summary
SOW	Statement of Work
STO	Stock Transfer Order
TA	Technical Authority

## **2.0 ADMINISTRATION**

### **2.1 RECEIPT PROCEDURES**

2.1.1 The Contractor must acknowledge receipt by email of all materiel to 25 Canadian Forces Supply Depot Out-of Country Section (25CFSD/OCRS) as identified below as well as the Government plant representative.

☐ **25 Canadian Forces Supply Depot (25 CFSD)**

Phone: 514-252-2525 / Fax: 514-252-2175

Email: [25DAFCoutofcountryre@forces.gc.ca](mailto:25DAFCoutofcountryre@forces.gc.ca)

2.1.2 The Contractor must ensure that any losses or damage to materiel are reported by email to the applicable RA: **Name: Derek Parent, DLP 4-2-5**

Email: [derek.parent@forces.gc.ca](mailto:derek.parent@forces.gc.ca)

**Tel: 819-997-3368**

2.1.3 Prior to acknowledging receipt of materiel the Contractor must specifically:

- 2.1.3.1 Verify that the materiel received correspond with the packing slip that accompanies the shipment and report any discrepancies to 25CFSD/OCRS and inform the RA;
- 2.1.3.2 Inspect such materiel to ensure that it is a candidate for servicing under the current Contract;
- 2.1.3.3 Segregate materiel which was improperly sent to the Contractor and request disposition instructions from the RA this is materiel that is not identified in the SNAPs report or for which prior written approval has not been received; and
- 2.1.3.4 When required, provide adequate and segregated storage area for materiel awaiting work authorization.

2.1.4 The Contractor must acknowledge receipt of materiel to the CFSD/OCRS within **10 working days** by emailing (scanned) a copy of the Stock Transfer Order number (STO) and the Outbound Delivery number that accompanies the shipment(s). The Contractor is to ensure that the signs the form (as having received the materiel) and records his work order number before releasing it. The Contractor is to email the following information to 25CFSD/OCRS:

- 2.1.4.1 Contractor's RMA;
- 2.1.4.2 Repair Order Number/STO Number;
- 2.1.4.3 NATO Stock Number(s) (NSN);
- 2.1.4.4 Item Name;
- 2.1.4.5 Quantity shipped;
- 2.1.4.6 Serial Number(s) (if applicable);
- 2.1.4.7 Date materiel received; and
- 2.1.4.8 Location where the item was shipped from.

## 2.2 Discrepancies in Shipments

2.2.1 If upon initial inspection, the Contractor identifies equipment as having same form, fit and function as other equipment but as being misidentified, the Contractor must forward an email to the RA and inform 25CFSD/OCRS with a recommendation for corrective action. A discrepancy in shipment can consist of any of the following:

- 2.2.1.1 Discrepancy in identification;
- 2.2.1.2 Order number;
- 2.2.1.3 Item name;
- 2.2.1.4 NSN and quantity vouchered
- 2.2.1.5 NSN and quantity actually received; and
- 2.2.1.6 Location where the item was shipped from.

2.2.2 When other discrepancies are discovered, the Contractor must advise 25CFSD/OCRS and the RA by email and within **ten (10) working days** of delivery of shipment referring to the original issue instruction. The Contractor must action discrepancies in shipments IAW PART 3 of A-LM-184-001/JS-001. A separate fax or email is required for each line item.

## 2.3 Completion of Work

2.3.1 The Contractor must contact the designated Inbound Logistics at section 2.3.3 by email or fax at least **ten (10) working days** prior to the materiel (repairable(s)) being available for shipment; providing cube, weight, and number of pieces.

2.3.2 When the Contractor receives the shipping details back from Inbound Logistics the Contractor is to advise 25CFSD/OCRS by fax or email (prior to shipping) of the arrangements and is to ensure that the following information is also included:

- 2.3.2.1 RMA;
- 2.3.2.2 NSN(s);
- 2.3.2.3 Item Name;
- 2.3.2.4 Quantity being shipped; and
- 2.3.2.5 Serial Number(s) (if applicable); and
- 2.3.2.6 Contractor's Work Order number.

2.3.3 On completion of the R&O, the Contractor must prepare and transmit the necessary release documentation as identified in the Contract. The necessary paperwork identified within the Contract must be forwarded with the shipment as it is the support documentation for the invoice payment action.

Inbound Logistics Europe Area (ILEA)

Tel +49(0)2203-908-5304 or +49-(0)-2203-908-2748

[ILEA@forces.gc.ca](mailto:ILEA@forces.gc.ca)

## 2.4 Work Control

2.4.1 The Contractor must ensure that the R&O of all DND equipment is controlled by a serial numbered work order IAW PART 2 of A-LM-184-001/JS-001. Upon completion of R&O, the work order must include as a minimum the following:

- 2.4.1.1 The Contract serial number against which all cost incurred are chargeable;
- 2.4.1.2 The NSN and/or Part Number (PN), description, quantity and serial number, if any, of items repaired;
- 2.4.1.3 A cross reference to all Logistics and Supply Documents. This includes receipt, issues and returns, including scrap activity, finalization of repair, inspection, and final acceptance;
- 2.4.1.4 The reference to the applicable technical data;
- 2.4.1.5 Details of the Work performed;
- 2.4.1.6 A list of all the parts, by PN and description, found unserviceable and requiring repair and/or overhaul, ensuring that the repair scheme is referenced;
- 2.4.1.7 A list of parts required, identifying the stores from which issued (GFOS);
- 2.4.1.8 The R&O cost estimate; and
- 2.4.1.9 The identity of the person opening the work order.

2.4.2 For those items where the basis of payment is other than firm fixed price (where applicable/contractually stipulated) and is based on available information and/or inspection of the item, the Contractor must determine the extent of work required, prepare a cost estimate, and if cost to R&O is below the Maximum Repair Cost (MRC), proceed with the repair and overhaul. Whenever cost to R&O threatens to exceed the MRC, the Contractor must request prior written authorization from the CA to proceed with the R&O.

2.4.3 Where it is impossible to determine the cost the of R&O, the Contractor may be granted authority by the CA, to strip the equipment so as to assess its repair potential and to estimate the costs. Unless otherwise specified, and regardless of the value of the equipment, the cost of the work involved in estimating R&O is chargeable to the item whether or not it is subsequently repaired and overhauled.

## **2.5 Annual Repair Forecast - SNAPS**

2.5.1 The Contractor must notify the CA when the receipt for a selected repairable line item exceeds the Current (fiscal) Year Forecast in the SNAPS report. The Contractor must not induct the line item until written approval is received from the CA or the SNAPS forecast is amended.

## **2.6 Cost Control**

2.6.1 The Contractor must monitor the cost of each repair and overhaul to ensure that the total cost remain within the approved limits. Appropriate management control procedures must be in place and records maintained. These control procedures and records must be available for review and/or audit on request.

## **2.7 Costing Records**

2.7.1 The Contractor must prepare forms and maintain records which will provide:

- 2.7.1.1 A cost listing, by serial number if applicable, of each item or job lot going through the R&O line;
- 2.7.1.2 Details of the extent of work carried out, in-process inspections completed and materiel embodied at any stage of the R&O process;
- 2.7.1.3 The average cost of R&O by NSN;
- 2.7.1.4 The total cost of R&O by NSN; and
- 2.7.1.5 The work order, NSN, total cost and MRC.

### **3.0 SUPPLY SUPPORT**

#### **3.1 Loss or Damage of DND Material**

3.1.1 The Contractor must report to the RA and 25CFSD/OCRS all instances of loss or damage to DND owned materiel in the Contractor's custody within **two (2) working days** of confirmation of its discovery.

3.1.2 The Contractor may be authorized to make repairs to DND owned equipment on loan. All requests must be forwarded to the RA for approval. If the Contractor is authorized to repair damaged DND materiel, the Contractor must notify 25CFSD/OCRS before any R&O commences to enable adequate quality assurance of the R&O.

3.1.3 The Contractor must report to the RA and 25CFSD/OCRS, by email, all materiel/ shipments loss or damaged in plant and/or in transit from the R&O facility IAW Part 8 of A-LM-184-001/JS-001.

#### **3.2 Stocktaking**

3.2.1 The Contractor must initiate and complete a one hundred per cent (100%) manual stocktaking of RMA, RSA, and GFOS as a minimum once **every two (2) years** IAWPART 6 of A-LM-184-001/JS-001.

#### **3.3 Contractor Supply Accounting**

3.3.1 Materiel held on the RMA must be accounted for as per the Defence Resource Management Information System (DRMIS) automated procedures IAW A-LM-184-001/JS-001. 25CFSD/OCRS will make arrangements with the Contractor to process transactions in DRMIS and to provide the Contractor with required DRMIS reports to manage the RMA inventory. Regardless of the system used, the Contractor must maintain an audit trail which will identify at a minimum the waybill # and stock transfer order #. Furthermore, any automated or manual materiel accounting system must first be approved by the RA. Supply accounting records for DND materiel must be maintained separate from other company records.

### **4.0 REPORTS**

#### **4.1 Annual Contractor Held Inventory Reports**

4.1.1 The Contractor will be required to report annually to the CA and RA on the value of all GFOS inventory held on March 31.

4.1.2 Appendix 1 to Annex B provides details on how to report the inventory and Appendix 2 to Annex B is a sample copy of the report templates.



## **Appendix 1 to Annex B**

### **Contractor-Held Inventory Reporting Requirements**

**NOTE:** DND will not be providing any spares, components or sub-assemblies for the line items listed in Annex A, Appendix 1, but any non-catalogued serviceable parts kept as a result of the R&O and/or Upgrade must be held as GFOS Inventory and reported on a yearly basis on the Contractor Held Inventory Report.

The instructions to complete the Contractor-Held Inventory Reporting templates are as follows:

#### 1.0 Definitions

1.1 GFOS: Non-catalogued inventory spares which are not purchased by the contractor but arise from: AA spares transferred from another contractor; DND procurement with the US government; spares salvaged from DND equipment; or de-catalogued CIS spares which are for 3<sup>rd</sup> line use only. GFOS spares are not recorded in the CFSS;

1.2 Repairable Inventory: An item of supply designated as capable of being repaired.

1.3 Consumable items: An item of supply that is not repairable.

2.0 DND Owned Inventory Holdings held by Contractors as at 31 Mar 20XX, as detailed in Appendix 2 to Annex B.

2.1 A separate Inventory Holdings report is required for Consumable Inventory and Repairable Inventory. If your inventory cannot be reported or separated on the basis of consumable vs repairable, please state what the majority of the inventory would be classified as repairable or consumable based on the definitions above,

2.2 The reports provided by the company inventory system are acceptable for reporting purposes to DND, as long as they contain the essential information requested in the template provided.

2.3 Provide any alternate part number or manufacture part number in addition to the part number listed above. Provide the class also, if available, as well as any additional field information you have that may help to classify the data.

2.4 Provide the inventory report in electronic format, MS Excel being the preferred software, advise PA if not available.

3.0 Repairable Template Input/Output Repairable Inventory Report for the Year Ending 31 March 20XX and Repairable Template Input/Output Repairable Inventory Report for the Year Ending 31 March 20XX, as detailed at Appendix 2 at Annex B.

3.1 The closing inventory as at 31 Mar 20XX must be equal to the itemized listings provided in the consumables and repairable reports of 'DND Owned Inventory Holdings as at 31 Mar 20XX'.

3.2 A separate Input/Output Inventory Report is required for Consumable Inventory and Repairable Inventory.

- 3.3 It is preferable to provide the data in a part number level format detailing the equipment platform supported, but the summary level report as outlined in the template is acceptable.
- 3.4 Report in one currency only and specify the currency if it is not Canadian.
- 4.0 Additional Information Requested for Year-End Reporting as detailed at Appendix 2 at Annex B.
- 4.1 Description of the activities performed under the Repair and Overhaul (R&O) contract(s) supported by the inventory holdings if not supplied on the Appendix 2 spreadsheet.
- 4.2 How often stocktaking is performed on the contractor holdings of DND owned inventory.
- 4.3 Date of last stocktaking.
- 4.4 The accounting method used by the contractor to value the inventory reported first-in-first-out, last-in-first-out, historical cost or moving weighted average.

[illegible]

**General Note:** Inventory reported here should include all items that a Contractor holds that belong to DND and that are not already accounted for in the CFSS.

**General Note:** Inventory reported here should include all items that a Contractor holds that belong to DND and that **are not already accounted for** in the CFSS.

**Note 1:** if you have an alternate part number or manufacture part number in addition to the part number listed, please provide that detail if possible. Also provide the Group Class if available. We would like any additional field information you have that may help to classify the data.

**Note 2:** Please specify if possible the equipment platform the inventory item supports. For example, if your inventory pertains to three aircraft types, put the specific aircraft type beside each inventory item part number.

**Note 3:** If the inventory item has a NSN or Stock Code, please provide the number, if you have it readily available in your inventory system.

**Note 4:** Report in one currency only and specify the currency if it is not Canadian.

**Note 5:** Please identify repair flag Y for a repairable item and N for a consumable item

.....

REPAIRABLE TEMPLATE  
INPUT / OUTPUT REPAIRABLE INVENTORY REPORT  
FOR THE YEAR ENDING 31 MARCH 20XX

Opening Inventory as at 1 April 20XX:	
Plus: Cost of Goods Purchased or Acquired:	
Minus: Consumption / Removals:	
Closing Inventory as at 31 March 20XX:	\$ -

NOTES

**Note 1:** The closing inventory as at 31 March 20XX must be equal to the itemized listing of repairable items provided through Part A, DND Owned Inventory Holdings Held by Contractors as at 31 March 20XX.

**Note 2:** A separate Input / Output Inventory Report is required for Consumable Inventory and Repairable Inventory.

**Note 3:** Report in one currency only and specify the currency if it is not Canadian.

CONSUMABLE TEMPLATE  
INPUT / OUTPUT CONSUMABLE INVENTORY REPORT  
FOR THE YEAR ENDING 31 MARCH 20XX

Opening Inventory as at 1 April 20XX:	
Plus: Cost of Goods Purchased or Acquired:	
Minus: Consumption / Removals:	
Closing Inventory as at 31 March 20XX:	\$ -

NOTES

**Note 1:** The closing inventory as at 31 March 20XX must be equal to the itemized listing of consumable items provided through Part A, DND Owned Inventory Holdings Held by Contractors as at 31 March 20XX.

**Note 2:** A separate Input / Output Inventory Report is required for Consumable Inventory and Repairable Inventory.

**Note 3:** Report in one currency only and specify the currency if it is not Canadian.

ADDITIONAL INFORMATION REQUESTED FOR YEAR END REPORTING

Description of the activities performed under the repair and overhaul Contract supported by the inventory holdings if not supplied on the Part A spreadsheet.	
How often is a stocktaking performed on the Contractor holdings of DND owned inventory?	
What is the date of last stocktaking?	
What accounting method is used by the Contractor to value the inventory reported (FIFO, LIFO, historical cost or moving weighted average)?	
Is this a sub-Contractor to another company? If so, who?	
DND and Contractor points of contact for the inventory report as at 31 March 20XX.	

NOTES

**Note 1:** Inventory reports may be subject to audit by the Office of the Auditor General (OAG).

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Id de l'acheteur - Buyer ID  
299bl  
Annexe  
C

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## **ANNEX C**

### **BASIS OF PAYMENT**

### **FOR THE REPAIR & OVERHAUL OF LEOPARD 2 MAIN BATTLE TANK TRACK AND SUSPENSION COMPONENTS**

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**CLIN 001      REPAIR AND OVERHAUL SERVICES FOR THE LEOPARD 2 MAIN BATTLE TANK (MBT) TRACK AND SUSPENSION**

The contractor will be paid for (1) actual direct and indirect labour at the following firm hourly labour rates, for (2) Laid Down Cost of material furnished and the (3) material mark-up (including profit), up to the Maximum Repair Cost (MRC) or higher if approved by Canada. This will be established for each line item for the Repair and Overhaul services for the Leopard 2 Main Battle Tank (MBT) Track and suspension Components in accordance with Annexes A and B of the contract.

**1) Actual direct and indirect labour cost:**

The R&O actual direct and indirect labour firm hourly prices includes all labour required by the Contractor and its Sub Contractors to perform Repair and Overhaul services including shipping cost and the inspection and repair of containers;

**2) \*Laid Down Cost of Contractor Furnished Materials**

The Contractor Furnished Materials includes but not limited to the Original Equipment Manufacturer (OEM) parts or acceptable substitutes and packaging material; and

**3) Material mark-up.**

***CLIN 001 –R&O Firm Hourly Labour Rate and Firm Material Mark-Up Rates (inclusive of profit)***

	Contract Award Year 1	Year 2	Year 3	Option year 1	Option year 2	Option year 3
<b><i>R&amp;O Firm Hourly Labour Rate</i></b>						
<b><i>% Firm Material Mark-up</i></b>						

**Delivery – Firm Turn-Around-Time (TAT)**

For CLIN 001, the Contractor must comply with the proposed firm Turn-Around-Time (TAT) at table 1 below

**Table 1**

LINE ITEM	Description	Turn Around Time (TAT) (Number of Days)
1	TRACK TENSIONER, LEFT	
2	TRACK TENSIONER, RIGHT	
3	SUSPENSION ARM ASSY, RIGHT and LEFT	
4	SUSPENSION ARM ASSY, RIGHT	
5	SUSPENSION ARM ASSY, LEFT	
6	WHEEL, SOLID RUBBER TIRE (ALUMINIUM)	
7	IDLER WHEEL (STEEL)	
8	SUPPORT ROLLER	
9	TRACK PAD	
10	ARM ASSY, PIVOT IDLER (RIGHT)	



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11	ARM ASSY, PIVOT IDLER (LEFT)	
12	TENSION DEVICE,TRAC, LEFT	
13	TENSION DEVICE,TRAC, RIGHT	
14	PAD,TRACK SHOE (New)	

#### **Late Delivery – Turn-Around-Time (TAT)**

- 1) For CLIN 001, the Contractor must meet the proposed firm (TAT) for any given item(s) listed in Table 1 above.
- 2) If not met, the following cost reduction percentages identified in table 2 below will apply accordingly.

**Table 2**

<b>Late Delivery (Calendar Days)</b>	<b>Cost Reduction Rates</b>
Under 30	0%
31 to 60	-2%
61 to 90	-6%
Over 91	-10%

#### **CLIN 002      ADDITIONAL WORK REQUIREMENTS (AWR)**

Additional Work Requirements can only be authorized by the Contracting Authority or its delegated representative. Additional Work is defined as work beyond the scope of the Repair and Overhaul services for the Leopard 2 Main Battle Tank (MBT) Track and Suspension Components (CLIN001), the authorized removal and reclamation for re-use of serviceable parts from condemned equipment, the demilitarization of scrap, MRPs, TIES, SITS.

##### **1) Actual direct and indirect labour cost:**

The AWR actual direct and indirect labour firm hourly rates include all labour required by the Contractor and its Sub Contractors to perform AWR services;

##### **2) \*Laid Down Cost of Contractor Furnished Materials**

The Contractor Furnished Materials includes but not limited to the Original Equipment Manufacturer (OEM) parts or acceptable substitutes and packaging material; and

##### **3) Material mark-up**

#### ***CLIN 002 –Firm Hourly Labour Rates and Firm Material Mark-Up Rates (inclusive of profit)***

<b><u>Labour Category</u></b>	<b>Contract Award Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Option Year 1</b>	<b>Option Year 2</b>	<b>Option Year 3</b>
<b>% Firm Material Mark-Up</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>

***\*LDC is defined as “The cost incurred by; a supplier to acquire a specific product or service for resale to Canada. This includes the supplier’s invoice price (less trade discount), plus any applicable charges for incoming transportation, foreign exchange and brokerage, but excludes Canadian Customs Duty and the GST/HST”***

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## **ANNEX D**

### **SECURITY REQUIREMENT CHECK LIST (SRCL)**

#### **FOR THE**

#### **REPAIR & OVERHAUL**

#### **OF**

#### **LEOPARD 2 MAIN BATTLE TANK**

#### **TRACK AND SUSPENSION COMPONENTS**



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SECURITY REQUIREMENTS CHECK LIST (SRCL)

LISTE DE VÉRIFICATION DES EXIGENCES RELATIVES À LA SÉCURITÉ (LVERS)

PART A - CONTRACT INFORMATION / PARTIE A - INFORMATION CONTRACTUELLE		
1. Originating Government Department or Organization / Ministère ou organisme gouvernemental d'origine		2. Branch or Directorate / Direction générale ou Direction Adm (MAT/DGLEPM/DASPM 4
3. a) Subcontract Number / Numéro du contrat de sous-traitance		3. b) Name and Address of Subcontractor / Nom et adresse du sous-traitant
4. Brief Description of Work / Brève description du travail Repair and Overhaul, Technical Investigation Engineering Support and Spares Procurement of Les 2 Chassis Track & Suspension components		
5. a) Will the supplier require access to Controlled Goods? Le fournisseur aura-t-il accès à des marchandises contrôlées? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes Non Oui		
5. b) Will the supplier require access to unclassified military technical data subject to the provisions of the Technical Data Control Regulations? Le fournisseur aura-t-il accès à des données techniques militaires non classifiées qui sont assujetties aux dispositions du Règlement sur le contrôle des données techniques? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Non Oui		
6. Indicate the type of access required / Indiquer le type d'accès requis		
6. a) Will the supplier and its employees require access to PROTECTED and/or CLASSIFIED information or assets? Le fournisseur ainsi que les employés auront-ils accès à des renseignements ou à des biens PROTÉGÉS et/ou CLASSIFIÉS? (Specify the level of access using the chart in Question 7. c) (Préciser le niveau d'accès en utilisant le tableau qui se trouve à la question 7. c) <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes Non Oui		
6. b) Will the supplier and its employees (e.g. cleaners, maintenance personnel) require access to restricted access areas? No access to PROTECTED and/or CLASSIFIED information or assets is permitted. Le fournisseur et ses employés (p. ex. nettoyeurs, personnel d'entretien) auront-ils accès à des zones d'accès restreintes? L'accès à des renseignements ou à des biens PROTÉGÉS et/ou CLASSIFIÉS n'est pas autorisé. <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Non Oui		
6. c) Is this a commercial courier or delivery requirement with no overnight storage? S'agit-il d'un contrat de messagerie ou de livraison commerciale sans entreposage de nuit? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Non Oui		
7. a) Indicate the type of information that the supplier will be required to access / Indiquer le type d'information auquel le fournisseur devra avoir accès		
Canada <input type="checkbox"/>	NATO / OTAN <input checked="" type="checkbox"/>	Foreign / Étranger <input type="checkbox"/>
7. b) Release restrictions / Restrictions relatives à la diffusion		
No release restrictions Aucune restriction relative à la diffusion <input type="checkbox"/>	All NATO countries Tous les pays de l'OTAN <input checked="" type="checkbox"/>	No release restrictions Aucune restriction relative à la diffusion <input type="checkbox"/>
Not releasable À ne pas diffuser <input type="checkbox"/>	Restricted to: / Limité à: <input type="checkbox"/>	Restricted to: / Limité à: <input type="checkbox"/>
Specify country(ies): / Préciser le(s) pays:	Specify country(ies): / Préciser le(s) pays:	Specify country(ies): / Préciser le(s) pays:
7. c) Level of information / Niveau d'information		
PROTECTED A PROTÉGÉ A <input type="checkbox"/>	NATO UNCLASSIFIED NATO NON CLASSIFIÉ <input type="checkbox"/>	PROTECTED A PROTÉGÉ A <input type="checkbox"/>
PROTECTED B PROTÉGÉ B <input type="checkbox"/>	NATO RESTRICTED NATO DIFFUSION RESTREINTE <input type="checkbox"/>	PROTECTED B PROTÉGÉ B <input type="checkbox"/>
PROTECTED C PROTÉGÉ C <input type="checkbox"/>	NATO CONFIDENTIAL NATO CONFIDENTIEL <input type="checkbox"/>	PROTECTED C PROTÉGÉ C <input type="checkbox"/>
CONFIDENTIAL CONFIDENTIEL <input type="checkbox"/>	NATO SECRET NATO SECRET <input checked="" type="checkbox"/>	CONFIDENTIAL CONFIDENTIEL <input type="checkbox"/>
SECRET SECRET <input type="checkbox"/>	COSMIC TOP SECRET COSMIC TRÈS SECRET <input type="checkbox"/>	SECRET SECRET <input type="checkbox"/>
TOP SECRET TRÈS SECRET <input type="checkbox"/>		TOP SECRET TRÈS SECRET <input type="checkbox"/>
TOP SECRET (SIGINT) TRÈS SECRET (SIGINT) <input type="checkbox"/>		TOP SECRET (SIGINT) TRÈS SECRET (SIGINT) <input type="checkbox"/>





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**PART A (continued) / PARTIE A (suite)**

8. Will the supplier require access to PROTECTED and/or CLASSIFIED COMSEC information or assets?  
Le fournisseur aura-t-il accès à des renseignements ou à des biens COMSEC désignés PROTÉGÉS et/ou CLASSIFIÉS? ☒ No ☐ Yes  
Non Oui

If Yes, indicate the level of sensitivity:

Dans l'affirmative, indiquer le niveau de sensibilité :

9. Will the supplier require access to extremely sensitive INFOSEC information or assets?  
Le fournisseur aura-t-il accès à des renseignements ou à des biens INFOSEC de nature extrêmement délicate? ☒ No ☐ Yes  
Non Oui

Short Title(s) of material / Titre(s) abrégé(s) du matériel :

Document Number / Numéro du document :

**PART B - PERSONNEL (SUPPLIER) / PARTIE B - PERSONNEL (FOURNISSEUR)**

10. a) Personnel security screening level required / Niveau de contrôle de la sécurité du personnel requis

- |  |   |  |  |
|--|---|--|--|
| <input type="checkbox"/> RELIABILITY STATUS<br>COTE DE FIABILITÉ     | <input type="checkbox"/> CONFIDENTIAL<br>CONFIDENTIEL           | <input type="checkbox"/> SECRET<br>SECRET                      | <input type="checkbox"/> TOP SECRET<br>TRÈS SECRET               |
| <input type="checkbox"/> TOP SECRET - SIGINT<br>TRÈS SECRET - SIGINT | <input type="checkbox"/> NATO CONFIDENTIAL<br>NATO CONFIDENTIEL | <input checked="" type="checkbox"/> NATO SECRET<br>NATO SECRET | <input type="checkbox"/> COSMIC TOP SECRET<br>COSMIC TRÈS SECRET |
| <input type="checkbox"/> SITE ACCESS<br>ACCÈS AUX EMPLACEMENTS       |   |  |  |

Special comments:

Commentaires spéciaux :

NOTE: If multiple levels of screening are identified, a Security Classification Guide must be provided.

REMARQUE : Si plusieurs niveaux de contrôle de sécurité sont requis, un guide de classification de la sécurité doit être fourni.

10. b) May unscreened personnel be used for portions of the work?  
Du personnel sans autorisation sécuritaire peut-il se voir confier des parties du travail? ☒ No ☐ Yes  
Non Oui  
If Yes, will unscreened personnel be escorted?  
Dans l'affirmative, le personnel en question sera-t-il escorté? ☐ No ☐ Yes  
Non Oui

**PART C - SAFEGUARDS (SUPPLIER) / PARTIE C - MESURES DE PROTECTION (FOURNISSEUR)**

INFORMATION / ASSETS / RENSEIGNEMENTS / BIENS

11. a) Will the supplier be required to receive and store PROTECTED and/or CLASSIFIED information or assets on its site or premises?  
Le fournisseur sera-t-il tenu de recevoir et d'entreposer sur place des renseignements ou des biens PROTÉGÉS et/ou CLASSIFIÉS? ☐ No ☒ Yes  
Non Oui

11. b) Will the supplier be required to safeguard COMSEC information or assets?  
Le fournisseur sera-t-il tenu de protéger des renseignements ou des biens COMSEC? ☒ No ☐ Yes  
Non Oui

PRODUCTION

11. c) Will the production (manufacture, and/or repair and/or modification) of PROTECTED and/or CLASSIFIED material or equipment occur at the supplier's site or premises?  
Les installations du fournisseur serviront-elles à la production (fabrication et/ou réparation et/ou modification) de matériel PROTÉGÉ et/ou CLASSIFIÉ? ☐ No ☒ Yes  
Non Oui

INFORMATION TECHNOLOGY (IT) MEDIA / SUPPORT RELATIF À LA TECHNOLOGIE DE L'INFORMATION (TI)

11. d) Will the supplier be required to use its IT systems to electronically process, produce or store PROTECTED and/or CLASSIFIED information or data?  
Le fournisseur sera-t-il tenu d'utiliser ses propres systèmes informatiques pour traiter, produire ou stocker électroniquement des renseignements ou des données PROTÉGÉS et/ou CLASSIFIÉS? ☒ No ☐ Yes  
Non Oui

11. e) Will there be an electronic link between the supplier's IT systems and the government department or agency?  
Disposera-t-on d'un lien électronique entre le système informatique du fournisseur et celui du ministère ou de l'agence gouvernementale? ☒ No ☐ Yes  
Non Oui

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**PART C (continued) / PARTIE C (suite)**

For users completing the form manually use the summary chart below to indicate the category(ies) and level(s) of safeguarding required at the supplier's site(s) or premises.

Les utilisateurs qui remplissent le formulaire manuellement doivent utiliser le tableau récapitulatif ci-dessous pour indiquer, pour chaque catégorie, les niveaux de sauvegarde requis aux installations du fournisseur.

For users completing the form online (via the Internet), the summary chart is automatically populated by your responses to previous questions.

Dans le cas des utilisateurs qui remplissent le formulaire en ligne (par Internet), les réponses aux questions précédentes sont automatiquement saisies dans le tableau récapitulatif.

**SUMMARY CHART / TABLEAU RÉCAPITULATIF**

Category Catégorie	PROTECTED PROTÉGÉ			CLASSIFIED CLASSIFIÉ			NATO				COMSEC					
	A	D	C	CONFIDENTIAL CONFIDENTIEL	SECRET	TOP SECRET TRÈS SECRET	NATO RESTRICTED NATO DIFFUSION RESTREINTE	NATO CONFIDENTIAL	NATO SECRET	COSMIC TOP SECRET COSMIC TRÈS SECRET	PROTECTED PROTÉGÉ			CONFIDENTIAL	SECRET	TOP SECRET TRÈS SECRET
											A	B	C			
Information / Assets Renseignements / Biens Production										✓						
										✓						
IT Media / Support II																
IT Link / Lien électronique																

12. a) Is the description of the work contained within this SRCL PROTECTED and/or CLASSIFIED?

La description du travail visé par la présente LVERS est-elle de nature PROTÉGÉE et/ou CLASSIFIÉE?

☒ No  
Non

☐ Yes  
Oui

If Yes, classify this form by annotating the top and bottom in the area entitled "Security Classification".

Dans l'affirmative, classifiez le présent formulaire en indiquant le niveau de sécurité dans la case intitulée « Classification de sécurité » au haut et au bas du formulaire.

12. b) Will the documentation attached to this SRCL be PROTECTED and/or CLASSIFIED?

La documentation associée à la présente LVERS sera-t-elle PROTÉGÉE et/ou CLASSIFIÉE?

☒ No  
Non

☐ Yes  
Oui

If Yes, classify this form by annotating the top and bottom in the area entitled "Security Classification" and indicate with attachments (e.g. SECRET with Attachments).

Dans l'affirmative, classifiez le présent formulaire en indiquant le niveau de sécurité dans la case intitulée « Classification de sécurité » au haut et au bas du formulaire et indiquez qu'il y a des pièces jointes (p. ex. SECRET avec des pièces jointes).





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**PART D - AUTHORIZATION / PARTIE D - AUTORISATION**

**13. Organization Project Authority / Chargé du projet de l'organisme**

Name (print) - Nom (en lettres moulées)

Jacques Beaudoin

Title - Titre

DASPM OSA Leo 2

Signature

Telephone No. - N° de téléphone  
819-997-4067

Facsimile No. - N° de télécopieur  
819-994-1573

E-mail address - Adresse courriel  
jacques.beaudoin@forces.gc.ca

Date

22 July 2014

**14. Organization Security Authority / Responsable de la sécurité de l'organisme**

Name (print) - Nom (en lettres moulées)

Dawn Murray  
SRCL Team Lead  
Tel: 613-996-0274

Signature

Telephone No. - N° de téléphone

Facsimile No. - N° de télécopieur

E-mail address - Adresse courriel

Date

23 Dec 14

15. Are there additional instructions (e.g. Security Guide, Security Classification Guide) attached?  
Des instructions supplémentaires (p. ex. Guide de sécurité, Guide de classification de la sécurité) sont-elles jointes?

☒ No

☐ Yes

☐ Out

**16. Procurement Officer / Agent d'approvisionnement**

Name (print) - Nom (en lettres moulées)

Title - Titre

Signature

Telephone No. - N° de téléphone

Facsimile No. - N° de télécopieur

E-mail address - Adresse courriel

Date

**17. Contracting Security Authority / Autorité contractante en matière de sécurité**

Name

Paul Lepinski

Signature

Telephone

Agent à la Sécurité des contrats | Contract Security Officer  
Secteur de la Sécurité industrielle | Industrial Security Sector  
Paul.Lepinski@tpsgc-pwgsc.gc.ca  
Telephone - 613 957-1294

E-mail address - Adresse courriel

Date

29 - JAN - 2015

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AnnexX

**E**

## **ANNEX E**

### **FEDERAL CONTRACTORS PROGRAM FOR EMPLOYMENT EQUITY - CERTIFICATION**

#### **FOR THE**

#### **REPAIR & OVERHAUL**

#### **OF**

#### **LEOPARD 2 MAIN BATTLE TANK**

#### **TRACK AND SUSPENSION COMPONENTS**

Solicitation No. – N° de l'invitation W8486-151767/A	Amendement No. - N° de la modif. 	Buyer ID - Id de l'acheteur 299BL
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## FEDERAL CONTRACTORS PROGRAM FOR EMPLOYMENT EQUITY – CERTIFICATION

I, the Bidder, by submitting the present information to the Contracting Authority, certify that the information provided is true as of the date indicated below. The certifications provided to Canada are subject to verification at all times. I understand that Canada will declare a bid non-responsive, or will declare a contractor in default, if a certification is found to be untrue, whether during the bid evaluation period or during the contract period. Canada will have the right to ask for additional information to verify the Bidder's certifications. Failure to comply with any request or requirement imposed by Canada may render the bid non-responsive or constitute a default under the Contract.

For further information on the Federal Contractors Program for Employment Equity visit [Employment and Social Development Canada \(ESDC\) – Labour's website](#).

Date: \_\_\_\_\_(YYYY/MM/DD) (If left blank, the date will be deemed to be the bid solicitation closing date.)

Complete both A and B.

A. Check only one of the following:

- ☐ A1. The Bidder certifies having no work force in Canada.
- ☐ A2. The Bidder certifies being a public sector employer.
- ☐ A3. The Bidder certifies being a federally regulated employer being subject to the Employment Equity Act.
- ☐ A4. The Bidder certifies having a combined work force in Canada of less than 100 employees (combined work force includes: permanent full-time, permanent part-time and temporary employees [temporary employees only includes those who have worked 12 weeks or more during a calendar year and who are not full-time students]).

A5. The Bidder has a combined workforce in Canada of 100 or more employees; and

- ☐ A5.1. The Bidder certifies already having a valid and current Agreement to Implement Employment Equity (AIEE) in place with ESDC-Labour.

**OR**

- ☐ A5.2. The Bidder certifies having submitted the Agreement to Implement Employment Equity (LAB1168) to ESDC-Labour. As this is a condition to contract award, proceed to completing the form Agreement to Implement Employment Equity (LAB1168), duly signing it, and transmit it to ESDC-Labour.

B. Check only one of the following:

- ☐ B1. The Bidder is not a Joint Venture.

**OR**

- ☐ B2. The Bidder is a Joint venture and each member of the Joint Venture must provide the Contracting Authority with a completed Annex General Contractors Program for Employment Equity - Certification. (Refer to the Joint Venture section of the Standard Instructions)



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**ANNEX F**

**TASK AUTHORIZATION - DND 626 FORM**

**FOR THE**

**REPAIR & OVERHAUL**

**OF**

**LEOPARD 2 MAIN BATTLE TANK**

**TRACK AND SUSPENSION COMPONENTS**

TASK AUTHORIZATION  
AUTORISATION DES TÂCHES

<b>ALL INVOICES/PROGRESS CLAIMS MUST SHOW THE REFERENCE CONTRACT AND TASK NUMBERS.</b> <b>Toutes les factures doivent indiquer les numéros du contrat et de la tâche.</b>		Contract no. - N° du contrat Task no. - N° de la tâche
Amendment no. - N° de la modification	Increase/Decrease - Augmentation/Réduction	Previous value - Valeur précédente
<b>TO THE CONTRACTOR</b> You are requested to supply the following services in accordance with the terms of the above reference contract. Only services included in the contract shall be supplied against this task. Please advise the undersigned if the completion date cannot be met. Invoices/progress claims shall be prepared in accordance with the instructions set out in the contract. <b>À L'ENTREPRENEUR</b> Vous êtes prié de fournir les services suivants en conformité des termes du contrat mentionné ci-dessus. Seuls les services mentionnés dans le contrat doivent être fournis à l'appui de cette demande. Prière d'aviser le signataire si la livraison ne peut se faire dans les délais prescrits. Les factures doivent être établies selon les instructions énoncées dans le contrat.		
Delivery/Completion date - Date de livraison/d'achèvement <div style="display: flex; justify-content: space-between;"> <span>Date</span> <span>for the Department of National Defence pour le ministère de la Défense nationale</span> </div>		
Contract Item no. N° d'article du contrat	Services	Cost Prix
	GST/HST TPS/TVH	
	<b>Total</b>	
APPLICABLE ONLY TO PWGSC CONTRACTS: The Contract Authority signature is required when the total value of the DND 928 exceeds the threshold specified in the contract. NE S'APPLIQUE QU'AUX CONTRATS DE TPSGC : La signature de l'autorité contractante est requise lorsque la valeur totale du formulaire DND 928 est supérieure au seuil précisé dans le contrat.		
<div style="display: flex; justify-content: space-between; font-size: small;"> <span>for the Department of Public Works and Government Services pour le ministère des Travaux publics et services gouvernementaux</span> <span>Design: Forms Management 693-0080 Conception: Direction des formulaires 923-0080</span> </div>		

**Instructions for completing  
DND 626 - Task Authorization**

**Contract no.**  
Enter the PWGSC contract number in full.

**Task no.**  
Enter the sequential Task number.

**Amendment no.**  
Enter the amendment number when the original Task is amended to change the scope or the value.

**Increase/Decrease**  
Enter the increase or decrease total dollar amount including taxes.

**Previous value**  
Enter the previous total dollar amount including taxes.

**To**  
Name of the contractor.

**Delivery location**  
Location where the work will be completed, if other than the contractor's location.

**Delivery/Completion date**  
Completion date for the task.

for the Department of National Defence  
Signature of the DND person who has delegated Authority for signing DND 626 (level of authority based on the dollar value of the task and the equivalent signing authority in the PAM 1.4). Note: the person signing in this block ensures that the work is within the scope of the contract, that sufficient funds remain in the contract to cover this task and that the task is affordable within the Project/Unit budget.

**Services**  
Define the requirement briefly (attach the SOW) and identify the cost of the task using the contractor's quote on the level of effort. The Task must use the basis of payment stipulated in the contract. If there are several basis of payment then list here the one(s) that will apply to the task quote (e.g. milestone payments; per diem rates/labour category hourly rates; level and living rates; firm price/celling price, etc.). All the terms and conditions of the contract apply to this Task Authorization and cannot be ignored or amended for this task. Therefore it is not necessary to restate those general contract terms and conditions on the DND 626 Task form.

**Cost**  
The cost of the Task broken out into the individual costed items in Services.

**GST/HST**  
The GST/HST cost as appropriate.

**Total**  
The total cost of the task. The contractor may not exceed this amount without the approval of DND indicated on an amended DND 626. The amendment value may not exceed 50% (or the percentage for amendments established in the contract) of the original value of the task authorization. The total cost of a DND 626, including all amendments, may not exceed the funding limit identified in the contract.

**Applicable only to PWGSC contracts**  
This block only applies to those Task Authorization contracts awarded by PWGSC. The contract will include a specified threshold for DND sole approval of the DND 626 and a percentage for DND to approve amendments to the original DND 626. Tasks that will exceed these thresholds must be passed to the PWGSC Contracting Authority for review and signature prior to authorizing the contractor to begin work.

**Note:**  
Work on the task may not commence prior to the date this form is signed by the DA Authority - for tasks within the DND threshold; and by both DND and PWGSC for those tasks over the DND threshold.

**Instructions pour compléter le formulaire  
DND 626 - Autorisation des tâches**

**N° du contrat**  
Inscrivez le numéro du contrat de TPSGC en entier.

**N° de la tâche**  
Inscrivez le numéro de tâche séquentiel.

**N° de la modification**  
Inscrivez le numéro de modification lorsque la tâche originale est modifiée pour en changer la portée.

**Augmentation/Réduction**  
Inscrivez le montant total de l'augmentation ou de la diminution, y compris les taxes.

**Valeur précédente**  
Inscrivez le montant total précédent, y compris les taxes.

**A**  
Nom de l'entrepreneur.

**Expédiez à**  
Endroit où le travail sera effectué, et celui-ci diffère du lieu d'affaires de l'entrepreneur.

**Date de livraison/d'achèvement**  
Date d'achèvement de la tâche.

pour le ministère de la Défense nationale  
Signature du représentant du MDN auquel on a délégué le pouvoir d'approbation en ce qui a trait à la signature du formulaire DND 626 (niveau d'autorité basé sur la valeur de la tâche et le signataire autorisé équivalent mentionné dans la MAA 1.4). Note : la personne qui signe cette attache de signature confirme que les travaux respectent la portée du contrat, que suffisamment de fonds sont prévus au contrat pour couvrir cette tâche et que le budget alloué à l'unité ou pour le projet le permet.

**Services**  
Définissez brièvement le besoin (joignez l'ET) et établissez le coût de la tâche à l'aide de la soumission de l'entrepreneur selon le niveau de difficulté de celle-ci. Les modalités de paiement stipulées dans le contrat s'appliquent à la tâche. Si plusieurs d'entre elles sont prévues, énumérez-les toutes celles qui s'appliqueront à la soumission pour la tâche à accomplir (p.ex. : accompli fondé sur les étapes franchies; taux quotidiens ou taux horaires établis selon la catégorie de main-d'œuvre; frais de déplacement et de séjour; prix fixe ou prix pléfond; etc.). Toutes les modalités du contrat s'appliquent à cette autorisation de tâche et ne peuvent être négligées ou modifiées quant à la tâche en question. Il n'est donc pas nécessaire de répéter ces modalités générales au contrat sur le formulaire DND 626.

**Prix**  
Mentionnez le coût de la tâche en la répartissant selon les frais afférents à chaque item mentionné dans la rubrique Services.

**TPS/TVH**  
Mentionnez le montant de la TPS/TVH, s'il y a lieu.

**Total**  
Mentionnez le coût total de la tâche. L'entrepreneur ne peut dépasser ce montant sans l'approbation du MDN, formulaire DND 626 modifié à l'appui. Le coût de la modification ne peut pas être supérieur à 50 p. 100 du montant initial prévu dans l'autorisation de tâche (ou au pourcentage prévu dans le contrat pour les modifications). Le coût total spécifié dans le formulaire DND 626, y compris toutes les modifications, ne peut dépasser le plafond de financement mentionné dans le contrat.

**Ne s'applique qu'aux contrats de TPSGC**  
Le présent paragraphe s'applique uniquement aux autorisations de tâche accordées par TPSGC. On inscrit dans le formulaire DND 626 un plafond précis qui ne pourra être approuvé que par le MDN et un pourcentage selon lequel le MDN pourra approuver des modifications au formulaire DND 626 original. Les tâches dont le coût dépasse ces plafonds doivent être soumises à l'autorité contractante de TPSGC pour examen et signature avant qu'on autorise l'entrepreneur à débiter les travaux.

**Note :**  
Les travaux ne peuvent commencer avant la date de signature de ce formulaire par le responsable du MDN, pour les tâches dont le coût est inférieur au plafond établi par le MDN, et par le MDN et TPSGC pour les tâches dont le coût dépasse le plafond établi par le MDN.

**ANNEX G**

**EVALUATION PLAN**

**FOR THE**

**REPAIR AND OVERHAUL**

**OF**

**LEOPARD 2 CHASSIS**

**TRACK AND SUSPENSION COMPONENTS**

## EVALUATION PLAN

### 1.0 INTRODUCTION

- 1.1 The Evaluation Plan defines the process and methodology to be followed for the evaluation of proposals provided in response to Solicitation #: W8486-151767/001/BL It includes [Appendix 1, Microsoft Excel® workbook](#) with the following tables:

1.1.1 **Summary Table**

1.1.2 **Table 1 - Mandatory Matrix – Technical**

1.1.3 **Table 2 - Compliancy Matrix– Technical**

1.1.4 **Table 3 - Point Rated Criteria – Technical**

1.1.5 **Table 4 – Point Rated Delivery– Technical**

1.1.6 **Table 5 – Rates - R&O, Labour & Material Mark Up – Financial**

- 1.2 All proposals will be evaluated in accordance with the RFP requirements and the evaluation plan to determine their responsiveness. A responsive proposal is a proposal that meets all the requirements stipulated in this RFP document.
- 1.3 All contact between Bidders and Canada must be done only through the PWGSC Contracting Authority named in the Solicitation cover page or its delegated representatives.
- 1.4 All proposed data and rates into [Appendix 1.xls” Microsoft Excel® workbook](#) will become contractual and will be exported into the [Annex C – Basis of Payment](#) in Part 7 of the Solicitation - Resulting Contract Clauses.

### 2.0 EVALUATION PROCESS

#### 2.1 Evaluation Team

The evaluation team will be responsible for the review of each proposal as well as making the recommendation for the selection of the proposal. The evaluation team will be comprised of the following individuals:

- 2.1.1 One Technical Authority Representative

2.1.2 One Requisitioning Authority Representative

2.1.3 One Contracting Authority Representative

## 2.2 Clarifications

During the bid evaluation process, it may be necessary to seek clarifications from Bidders in order to gain a better understanding of their proposals. A clarification is an explanation of some existing aspect of the proposal. Bid improvement will not be permitted. If clarification is required before contract award, the Bidder must provide the information requested within 24 hours from the receipt of a written request, or within the period specified in the clarification request.

## 2.3 Appendix 1 - Microsoft Excel ® Workbook (Financial)

Bidders must complete and submit a firm hourly rate, inclusive of profit, and Material Mark-up Rate (%) for all years including option years in Appendix 1 of this Annex as identified in Table 5 - RATES.

2.3.1 RATE A - R&O Proposed Firm Hourly Rates

2.3.2 RATE B - Proposed Firm Hourly Rates for all labour categories - AWR (MRP/SITS/TIES)

2.3.3 RATE C - Proposed Material Mark up Rate (%), the Bidder must provide a percentage rate for the Material Mark-Up Rate, inclusive of profit.

## 2.4 Guidelines for Completing Microsoft Excel ® Workbook in Appendix 1

### 2.4.1 INTRODUCTION

2.4.1.1 [Annex G Appendix 1.xls](#) Microsoft Excel® workbook has been prepared in order for the Bidder to provide a response for the worksheet tabs identified as Table 1 to Table 5 for the requirements found in Appendix 1 of this Annex.

2.4.1.2 The worksheet tabs listed as Table 1 to Table 5 of the “[Annex G Appendix 1.xls](#)” Microsoft Excel® workbook, contains cells that are shaded in **blue** which are the only editable cells within the worksheet.

2.4.1.3 All other cells within [Annex G Appendix 1.xls](#)” Microsoft Excel® workbook are locked for read only access.

### 2.4.2 PREPARATION INSTRUCTIONS



- 2.4.2.1 **Table 1 – Mandatory Matrix:** The Bidder must respond by clicking on the MET or NOT MET radio buttons in the sheet and must provide the location of the justification in their proposal.
- 2.4.2.2 **Table 2 – Compliance Matrix:** The Bidder must respond by clicking on the COMPLIANT or NON-COMPLIANT check boxes in the sheet and must provide the location of the justification for their proposal.
- 2.4.2.3 **Table 3 - Point Rated Criteria:** The Bidder must respond by clicking on one of the radio buttons for mandates P1 and P2.
- 2.4.2.4 **Table 4 – Point Rated Delivery:** The Bidder must enter a Turn-Around-Time (TAT) in Calendar days for all items identified in Table 4.
- 2.4.2.5 **Table 5 – Rates – R&O, AWRs and Material Mark Up:**  
The Bidder must provide the following information for table 5, RATE A, B and C:
- 2.4.2.5.1 **RATE A:** for the R&O rates the Bidder must enter a firm hourly rate, inclusive of profit, for all firm years and all option years.
- 2.4.2.5.2 **RATE B:** for the Additional Work Requests (AWRs) the Bidder must enter a firm hourly rate, inclusive of profit, for all firm years and all option years. Under **LABOUR CATEGORY** the Bidder must provide the resource title matching the hourly rates. (\*\***RATE B WILL NOT BE EVALUATED**)
- 2.4.2.5.3 **RATE C:** for the Material Mark-up Rate, the bidder must enter a **percentage**, inclusive of profit, for all firm years and all option years.
- 2.4.2.6 **Summary Table (No input required from the Bidder)**
- 2.4.2.6.1 **Line 1 - Point Rated Technical: Points allocated is equal to the SUM of Table 3.** The maximum amount of points that can be obtained is 40.
- 2.4.2.6.2 **Line 2 - Point Rated Technical – Delivery: Points will be determined IAW Table 4.** The maximum amount of points that can be obtained is 10. The evaluation methodology for Turn Around Time (TAT) will be the total awarded points divided by the total maximum points (140) multiplied by the weighting factor of 10 %.

- 2.4.2.6.3 **Line 3 - Financial - Level of Effort Estimated Cost (6yrs):** The total estimated Level of Effort (LOE) for RATE A of Table 5 is 80,000 hours. The estimated LOE for each year is calculated by dividing the total estimated LOE (80,000 hours) by 6 years which equals 13,333 hours. .. The total estimated R&O cost will be the sum of the yearly estimated cost, The points will be allocated by dividing the "Best Price Proposal" out of all the bids received by the "Bidders' Price Proposal" multiplied by a weighting factor of 40%. The Estimated LOE and the cost are for evaluation purposes only. The maximum amount of points that can be obtained is 40.
- 2.4.2.6.4 **Line 4 - Financial - Material Mark-up Rates:** The average of the proposed percentages for year 1 to 6 provided by the bidder is multiplied by the estimated value of the material to determine the Cost Allocated. The estimated value of the material is \$1M which is for evaluation purposes only. The maximum amount of points that can be obtained is 10.

### 3.0 EVALUATION METHOD

#### 3.1 STEP 1 – Initial Screening

Canada will screen the proposals to determine compliance with the Solicitation Part 1 – Bidder Instructions. Proposals that do not provide the information requested will be given no further consideration. The onus is on the Bidder to provide data in sufficient detail to demonstrate that its proposal is responsive.

#### 3.2 STEP 2 – Table 1 - Mandatory Matrix

Following the successful initial screening, the proposal will be subject to a detailed evaluation to determine compliance with the mandatory requirements. The mandatory requirements are evaluated on a simple pass/fail basis and identify the minimum requirements for proposals to be considered. The proposal must meet all mandatory requirements to be considered compliant. Bidders are required to address each requirement in sufficient depth to permit a complete analysis and assessment by the evaluation team. Failure to provide a duly completed [Appendix 1, Table 1 – Mandatory Matrix](#) with sufficient detail could result in a proposal being declared technically *NON-COMPLIANT* and would be given no further consideration.

Bidders must clearly indicate where in the bid the supporting documentation can be found.

#### 3.3 STEP 3 – Table 2 - Compliance Matrix

Failure to provide a duly completed [Appendix 1, Table 2 Compliance Matrix](#), could result in a proposal being declared *NON-COMPLIANT* and will be given no further consideration.



Bidders must clearly indicate where in the bid the supporting documentation can be found.

3.4 STEP 4 – Table 3 - Point Rated Criteria and Table 4 – Point Rated Delivery – Turn Around Time (TAT)

- 3.4.1 The proposals meeting all the mandatory criteria will be subject to point rating. The point rated evaluation criteria are the requirements identified in [Appendix 1 Table 3 and Table 4](#).
- 3.4.2 The total minimum score required in Table 3 to be found responsive is twenty-four (24) points
- 3.4.3 The Bidder TAT points will be allocated between zero (0) and ten (10) points for each line item in accordance with the points allocation grid identified in the **Proposed TAT** column in Table 4.

3.5 STEP 5 – Table 5 - Rates

- 3.5.1 The bidder's proposed R&O rates for all firm years and option years (provided in Table 5, Rate A) will be multiplied by the estimated Level of Effort (LoE) identified in [Appendix 1 Microsoft Excel® workbook](#) of this Annex.
- 3.5.2 The bidder's proposed Mark up rates for all firm years and option years (provided in Table 5, Rate C) will be multiplied by the estimated amount identified for the evaluation only by Canada in [Appendix 1](#) of this Annex.
- 3.5.3 The results of the bidder's proposed R&O and Mark up rates will generate a total estimated cost for all six (6) years in the Summary Table sheet located in [Appendix 1 Microsoft Excel® workbook](#) of this Annex..

**4.0 CONTRACTOR SELECTION METHOD**

- 4.1 The proposal that obtains the highest overall combined score will be considered for award.
- 4.2 The scoring of technical merit will be derived by prorating the technical score on the point-rated criteria against the stipulated total available points. The scoring of price will be derived by giving full marks to the lowest priced technically compliant proposal and prorating all other compliant proposals accordingly.
- 4.3 The following example illustrates how the total combined rating is determined using a ratio of 50% technical and 50% price.

4.4

The overall score will be determined as the following example:

**Example**

	B		C	D	E	F	
	Technical Score (Max 50 points)		Financial Score (Max 50 points)				
Bidder	Point Rated Technical (max 40 points)	Turn Around Time (max 10 points )	Financial Cost R&O	Financial Score (max 40 points R&O	Financial Cost Material Mark up	Financial Score (max 10 points) Material Mark up	Total Combined Score <b>A+B+D+F</b>
<b>**A</b>	40	5	\$31,000,000.00	$\frac{\$31,000,000.00}{\$31,000,000.00 \times 40} = 40$	\$77,000.00	$\frac{\$55,000.00}{\$77,000.00} \times 10 = 7.14$	$40 + 5 + 40 + 7.14 = 92.14$
<b>B</b>	35.5	10	\$37, 000,000.00	$\frac{\$31,000,000.00}{\$37, 000,000.00 \times 40} = 33.51$	\$55,000.00	$\frac{\$55,000.00}{\$55,000.00} \times 10 = 10$	$35.5 + 10 + 33.51 + 10 = 89.0$
<b>*C</b>	30	7	\$34, 000,000.00	$\frac{\$31,000,000.00}{\$34,000,00.00 \times 40} = 36.47$	\$95,000.00	$\frac{\$55,000.00}{\$95,000.00} \times 10 = 5.79$	$30 + 7 + 36.47 + 5.79 = 79.1$
Results: Bidder A would be recommended for contract award with a total combine points for technical and financial of 92.14 points.							

\* lowest priced technical compliant proposal

**\*\*winning proposal**

4.5

Where two or more proposals achieve the identical overall score, the bidder who achieves the highest Cost Score must be recommended for contract award.

4.6

In the event there are two or more proposals that achieve the identical overall score and the identical Cost Score, the bidder who achieves the highest Delivery Score must be recommended for contract award.

4.7

In the event there are two or more proposals that achieve the identical overall score, the identical Cost Score, and the identical Delivery Score, the bidder who achieves the highest Technical Score must be recommended for contract award.

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Client Reference No. - N° de réf. du client <b>W8486-151767</b>	File No. - N° du dossier <b>299BL.W8486-151767</b>	AnnexX <b>H</b>

## **ANNEX H**

### **CERTIFICATE OF COMPLIANCE**

#### **FOR THE**

#### **REPAIR & OVERHAUL**

#### **OF**

#### **LEOPARD 2 MAIN BATTLE TANK**

#### **TRACK AND SUSPENSION COMPONENTS**

Solicitation No. – N° de l'invitation <b>W8486-151767/A</b>	Amendement No. - N° de la modif.	Buyer ID - Id de l'acheteur <b>299BL</b>
Client Reference No. - N° de réf. du client <b>W8486-151767</b>	File No. - N° du dossier <b>299BL.W8486-151767</b>	AnnexX H

## CERTIFICATE OF COMPLIANCE

We \_\_\_\_\_ (***insert company name and address***) have thoroughly reviewed and understood the requirements of the complete Solicitation: **W8486-151767/A**

By signing this "Certificate of Compliance", we certify that

- 1) we will satisfy the requirements for which this certificate was required as proof of compliance during the Request for Proposal stage; and
- 2) we will comply with all of the mandatory requirements

Furthermore, it represents and warrants that we have accepted, without deviation, all other terms and conditions and processes of the Solicitation except as explicitly permitted in the Solicitation.

\_\_\_\_\_  
Signature of Bidders' Designated Authority

\_\_\_\_\_  
Date

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I

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## **ANNEX I**

### **LIST OF PROPOSED SUBCONTRACTORS**

**FOR THE**

**REPAIR & OVERHAUL**

**OF**

**LEOPARD 2 MAIN BATTLE TANK**

**TRACK AND SUSPENSION COMPONENTS**

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### *List of Proposed Subcontractors*

Subcontractor	Address	Description	Type of Agreement
			<i>Letter of intent, exclusive rights...</i>