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Gatineau

Québec

K1A 0S5

Bid Fax: (819) 997-9776

SOLICITATION AMENDMENT

MODIFICATION DE L'INVITATION

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

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

Comments - Commentaires

Vendor/Firm Name and Address

Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution

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

11 Laurier St. / 11, rue Laurier

8C1, Place du Portage

Gatineau

Québec

K1A 0S5

Title - Sujet TWIN OTTER R&O	
Solicitation No. - N° de l'invitation W8485-163203/A	Amendment No. - N° modif. 002
Client Reference No. - N° de référence du client W8485-163203	Date 2016-11-04
GETS Reference No. - N° de référence de SEAG PW-\$\$BF-126-26008	
File No. - N° de dossier 126bf.W8485-163203	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2016-12-07	
Time Zone Fuseau horaire Eastern Standard Time EST	
F.O.B. - F.A.B. Specified Herein - Précisé dans les présentes Plant-Usine: <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input checked="" type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: White, John	Buyer Id - Id de l'acheteur 126bf
Telephone No. - N° de téléphone (613) 420-1749 ()	FAX No. - N° de FAX (819) 956-9110
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction:	

Instructions: See Herein

Instructions: Voir aux présentes

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

The purpose of this amendment is to:

A) Revise the closing date of the bid

On the cover page of the Request for Proposal

Delete: November 23 2016

Insert: December 7 2016

B) Delete: Annex B
Insert: Annex B version 1

C) Delete: Annex I
Insert: Annex I version 1

D) Respond to questions 3 to 8

3. Reference: Annex A, Tech SOW, Appendix 1, DID CC138-006 PMP, Para c. i.

Question: Could PWGSC/DND clarify what “heightened states of readiness” means and how it would be apply in practice to a third-party, third-level, service provider facility?

Answer: A heightened State of readiness for the CC138 Twin Otter would be in any case where the Sqn is called out to do a major operation (Army, Rangers, Gov’t Tasking). This would affect the Third-party, third-level, service provider facility as the Technical Authority may require parts to be robbed from the in-house aircraft, push for components at the contractor to be delivered quicker, MRP support etc.

4. Annex A, Tech SOW, Appendix 1, DID CC138-006 PMP, Para c. i.

Question: Could PWGSC/DND also clarify what “scrap recovery” means and how it would be apply in practice to a third-party, third-level, service provider facility?

Answer: Scrap Recovery would be anytime a component is deemed Beyond Economical Repair (BER) and the intent would be for the third line facility to reduce the components to sub-components and parts retained/recovered vice being thrown as scrap. These recovered parts would either return to the supply system or stay at third line to aid in component repair, etc.

5. Annex A, Tech SOW, Sect 3, Para 3.1.2 & 3.1.4

Question: 3.1.2 The contractor must hold a current Transport Canada (TC) Accredited Design Organization (ADO) certification in accordance with TC Airworthiness Manual Chapter 505.

3.1.4 The Contractor must submit their TC approved Design Approval Procedures Manual (DAPM), ADO TC certificates and all TC Design Engineers(DE) letters of authorization at the request of the TA.

3.1.3 The Contractor must hold a current Transport Canada Accredited Training Organization (ATO) certification or have a written agreement with a certified Training Organization that can provide the appropriate DHC-6 aeroplanes training requirements

Can these two items (3.1.2 & 3.1.4) be subcontracted as the ATO requirements defined in Item 3.1.3?

Answer: These items cannot be sub-contract as para 3.1.2 is a mandatory requirement in accordance with Annex I – Technical Bid Evaluation.

6. Appendix 3 To Annex I, BIDDER'S SCORE FOR MATERIAL MANAGEMENT, RO #2, Parts Obsolescence Management

Question: Can the Crown clarify why the evaluation criteria and the evaluation guidelines don't match?

Answer: The Annex I has been updated so that the evaluation criteria and the evaluation guidelines match. See Annex I version 1 for amendment.

7. Annex B, Para 4.5.11, When Unable To Locate a Supplier.

Question: Is it possible to remove the reference to the Obsolescence Life-Cycle Material Support as it's not called for within the Technical SOW Annex A? If the requirement is required, please provide the required details to complete the bid submission.

Answer: Yes, the Annex B has been updated to reflect the removal of the reference to the Obsolescence LCMS. See Annex B version 1 for amendment.

8. Reference 1 - Annex "A" Para 3.1.7 and Reference 2 - Annex I, Appendix 3, Technical and Logistics Evaluation Scoring Matrix; Bidder's Score For Material Management, R & O Support; RO #3

Question: Is it possible to remove the RO#3 criterion detailed in Annex I, Appendix 3 under R&O Support?

Answer: Yes, criterion #3 has been removed and consequently the point scale has been adjusted. See Annex I version 1 for update.

All other conditions remain unchanged

Solicitation No. - N° de l'invitation
W8485-163203
Client Ref. No. - N° de réf. du client
W8485-163203A

Amd. No. - N° de la modif.
2
File No. - N° du dossier
W8485-163203

Buyer ID - Id de l'acheteur
126bf
CCC No./N° CCC - FMS No./N° VME

**LOGISTICAL
STATEMENT OF WORK
FOR THE CC138 TWIN OTTER AIRCRAFT
IN-SERVICE SUPPORT PROGRAM**

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LIST OF ACRONYMS

AAS	Accountable Advance Spares
APL	Applicable Part List
AWR	Additional Work Request
BER	Beyond Economical Repair
CA	Contract Authority
CDRL	Contract Data Requirements List
CF	Canadian Forces
CFM	Contractor Furnished Materiel
CFSS	Canadian Forces Supply System
CFTO	Canadian Forces Technical Order
CIS	Contract Issue Spares
CMSG	Canadian Materiel Support Group
CRPA	Contract Repair Parts Account
DID	Data Item Description
DND	Department of National Defence
DQA	Director of Quality Assurance
DRMIS	Defence Resource Management Information System
DSCO-DSAL	Director of Supply Chain Operations-Department Sales and Loans
EDD	Estimated Delivery Date
ETAT	Turn Around Time
FIFO	First-In / First-Out
GFOS	Government Furnished Overhaul Spares
LOG	Logistics
MPC	Material Priority Code
MRC	Maximum Repair Cost
MRP	Mobile Repair Party
NDHQ	National Defence Headquarters
NDQAR	National Defence Quality Assurance Regional
NSCM	NATO Supply Code for Manufacturers

PA	Procurement Authority
PIF	Pre-Installation Failure
PRR	Priority Repair Request
PWGSC	Public Works and Government Services of Canada
QTO	Queen's Transfer Order
R&O	Repair and Overhaul
RMA	Repairable Materiel Account
RMR	Repairable Materiel Request
RPC	Repair Priority Code
RR	Repairable Reserve
RSA	Repair Shop Account
SLOC	Supply Location
SM	Supply Manager
SNAPS	Selection Notice and Priority Summary
SNOM	Selection Notice Observation Message
SOW	Statement of Work
SRD	Stop Repair Delete
SRR	Stores Removal Request
SRT	Stop Repair Transfer
TA	Technical Authority
TCN	Transportation Control Number
TIES	Technical Investigation and Engineering Services
TLIR	Third Line Inspection and Repair
TPC	Transportation Shipping Code
UCR	Unsatisfactory Condition Report
WRB	Warranty Review Board

REFERENCES

- A. A-LM-117-001/FP-001 Transportation of Dangerous Materials by CF Aircraft
- B. D-LM-008-001/SF-001 Method of Packaging
- C. D-LM-008-002/SF-001 Specification for Marking for Storage and Shipment
- D. A-LM-008-040/FP-001 Transportation of Dangerous Goods Regulations
- E. D-LM-008-011/SF-001 Preparation and Use of Packaging Requirements Codes
- F. D-LM-008-035/SF-001 Electrostatic Discharge Protective Packaging – Electronic Parts Assemblies and Equipment
- G. D-LM-008-036/SF-000 DND Minimum Requirements for Manufacturer's Standard Pack
- H. A-LM-158-004/AG-001 Transportation Manual Volume 4 Movement of Materiel
- I. A-LM-184-001/JS-001 Special Instructions - Repair And Overhaul Contractors
- J. The Transportation of Dangerous Goods Act, 1992
- K. The Hazardous Products Act
- L. CAN/CGSB Specification 1-GP-12, Standard Paint Colours
- M. CAN/CGSB Specification 1-GP-47, Paint, Obliterating
- N. CAN/CGSB-43.31-M86, Label and Label Tapes, Adhesive, Pressure Sensitive.

1.0 GENERAL

1.0.1 This section outlines the purpose of the Logistics Statement of Work (LOG SOW) along with the authorities, definitions, general conditions and reports that apply to this contract.

1.1 Purpose of the LOG SOW

1.1.1 The Contractor must conform to all supply procedures in this LOG SOW related to the management of DND equipment and stores in his possession. Repair and Overhaul (R&O) priorities will be maintained as advised by the Selection Notice and Priority Summary (SNAPS) List for free flow repairs or the Contract Schedule for Major Equipment unless otherwise advised by the Procurement Authority (PA).

1.1.2 DND reserves the right to exercise surveillance over all aspects of the Contractor's performance and supply operation. Management of DND owned materiel, held at the Contractor's location, is subject to audit by Canada.

1.2 Authorities

1.2.1 Contract. Public Works and Government Services Canada (PWGSC) is the official Contracting Authority (CA) for DND requirements and has prime responsibility for all contractual matters, including contract pricing. Therefore, any questions having contractual implications are normally addressed to PWGSC. However, the contract and its supplementary documents allow direct communication between the Contractor and DND on all matters related to the performance of the work.

1.2.2 Quality. The National Defence Quality Assurance Region (NDQAR) is authorized to act on behalf of the Director of Quality Assurance (DQA) for Canadian Contracts. In order to ensure that the interests of DND are protected, the NDQAR reserves the right to carry out performance checks on the Contractor's materiel management system.

1.2.3 Loans. The Director of Supply Chain Operations-Department Sales and Loans (DSO-DSAL), on behalf of Canada, must sign all Loan Agreements between DND and the Contractor. The agreement must be in place before any DND owned equipment will be loaned to the Contractor.

1.2.4 Transportation. The Canadian Materiel Support Group (CMSG) is the DND authority on transportation and customs. CMSG is responsible for arranging all inbound transportation of materiel from DND to the Contractor's location and all outbound transportation from the Contractor's named location shown in the Shipping Instructions contract clause.

1.3 Definitions

1.3.1 Average Repair Cost. True cost pro-rated over the number of items produced in a time period.

1.3.2 Contract Repair Parts Account (CRPA). Is a Canadian Forces Supply System (CFSS) warehouse account that is used to record the issue of government furnished

spare parts, required in support of Repairable Materiel Accounts (RMA), into and out of Civilian Contractor repair facilities.

1.3.3 Free-Flow Equipment. Accountable equipment and/or components that have received authorisation for repair and /or overhaul in accordance with the SNAPS List for a Repair Materiel Account (RMA).

1.3.4 Major Equipment. This is equipment, which fulfils a prime operational function and does not lose its identity or become an integral part of other equipment or installations (e.g., ships, tanks, aircraft, engines, etc).

1.3.5 Maximum Repair Cost (MRC). The maximum amount authorised, which includes all labour and material costs, to be expended to repair an item. MRC is a standard established by NDHQ to guard against the possibility of an item being repaired at a cost that exceeds value to DND. The MRC is not the cost DND necessarily intends to pay for repairs.

1.3.6 Repairable Materiel Account (RMA). An RMA is the type of supply account in which CFSS assets are recorded when undergoing repair, overhaul, modification or investigation at Civilian Contractor maintenance facilities.

1.3.7 Repairable Materiel Request (RMR). An RMR is authorization for one time repair of a stock number that is not forecasted for repair on the SNAPS. The RMR will contain specific instructions for the repair as well as the MRC.

1.3.8 Repair Shop Account (RSA). A RSA account is set up for each CRPA account to record issues to the repair work order and to track the return of accountable items being removed from equipment on the repair line. This account must not hold any stock.

1.3.9 Repairable Reserve (RR). The RR is the repairable materiel stored in reserve for future requirements, pending the availability of repair facilities or disposal authorization.

1.3.10 Service Charge Work Order. The service charge work order is raised by the NDQAR to request the Contractor to provide a specific service in accordance with the financial limitation specified in the contract.

1.3.11 Stores Removal Request (SRR). A SRR is authorization for one time repair, investigation, modification or testing of a stock number that is not forecasted for repair on the SNAPS. The SRR will contain specific instructions for the work to be done as well as the MRC.

1.3.12 True Cost of Repair. The total cost of repair or overhaul in plant or by subcontract including all labour charges, overhead, and all material spares costs (by spares type with their applicable profit mark-ups or embodiment fees).

1.4 General

1.4.1 Task authorization. The Authority to perform work will be authorized by a DND 626 Task Authorization, IAW the Task Authorization process, as specified in the contract.

1.4.2 Administrative Services.

- a. Minutes of Meetings. When minutes of meetings are required, the Contractor must be responsible for taking them and preparing them in a format approved by the PA. The Contractor must submit the minutes to PWGSC or the PA as directed at the meeting, within ten (10) working days following the meeting.
- b. Office Services. The Contractor must perform the secretarial and clerical work necessary to carry out the terms of this contract with respect to the preparation, filing and transmission of all forms, reports and correspondence, relating to the movement, accounting, storage, repair, overhaul, quality control and investigation of materiel covered by this contract.

1.4.3 Contractor Use of DND Equipment/Publications.

- a. The Contractor must not use DND publications, tools, test-equipment, or jigs and fixtures for commercial work without the written consent of DND. In instances where DND has provided such consent, PWGSC will negotiate suitable compensation for DND. All requests must be directed to the PA through PWGSC.
- b. Outstanding Purchase Orders. On contract expiry or termination, the Contractor must provide a listing of outstanding purchase orders to the PA. Only those purchase orders listed will be accepted for payment. This list of outstanding purchase orders is to identify the supplier, cost and estimated delivery date. The listing is to be received by the PA no later than 30 days after the contract expires.

1.4.4 Loan of Equipment.

- a. All requests for Loan will be submitted to the PA for approval. Once approved, DSCO-DSAL will prepare the Loan Agreement on behalf of DND and list the items included in the loan, the terms and conditions of the loan and the return process. Once DSCO-DSAL and the Contractor have signed the loan agreement, the equipment will be issued.
- b. The Contractor will notify the PA when loaned equipment is no longer required and is ready for return.
- c. DND has the right to recall any equipment on Loan to meet a DND requirement and the Contractor will return the equipment when requested by DND.
- d. The Contractor must report to the NDQAR all instances of loss or damage to DND owned Tooling in his custody within two (2) working days of confirmation of its discovery. The Contractor may be authorized to make repairs to DND-owned equipment on loan. All requests must be forwarded to the PA for approval. If the Contractor is authorized to repair damaged DND Tooling, he must notify the NDQAR before any repair commences to enable adequate quality assurance of the repair.

1.4.5 Management of DND Materiel. The Contractor must be responsible for:

- a. Designating, allocating and preparing a storage area in the plant to accommodate DND-owned spares;

- b. Segregating DND-owned spares by type, with either a manual or an automated accounting procedure;
- c. Ensuring that DND-owned spares are afforded optimum protection in case of strike or lock-out action; and
- d. Ensuring that DND materiel is protected against:
 - i. Unauthorised use;
 - ii. Theft or misappropriation;
 - iii. The elements;
 - iv. Excessive dust and dirt; and
 - v. Potential breach of security.

1.4.6 Priority Repair Requests (PRR) During Plant Shutdown/Vacation Period. The Contractor must ensure that adequate facilities/personnel are available to ensure the completion of PRRs. If Contractor personnel are not on site during shutdown, a list of names and home phone numbers of those Contractor personnel to be contacted during plant closure must be provided to the NDQAR. It is the Contractor's responsibility to ensure that personnel are available to satisfy PRR requirements once identified.

1.4.7 Repair and Overhaul.

- a. Equipment Turn Around Time. Unless specified otherwise, equipment Turn Around Time (TAT) to a serviceable state must be achieved in 90 Calendar days. TAT is defined as that period of time from "date of receipt to date item is reported serviceable". Repair priority is governed by the Repair Priority Code (RPC) on the SNAPS. The principle of "first-in / first-out" (FIFO) within each priority, must be observed whenever possible.
- b. Extent of Work. The complete overhaul of all arising's (except life items that are time expired) is not permitted under the terms of this Statement of Work. The intent is that repair work will be done and overhaul resorted to only where such is economically and technically justifiable, or where required by technical specifications. The following definitions will apply:
 - i. Repair: The identification and correction of those specific defects which degrade the performance of an item causing it to function below the specifications;
 - ii. Overhaul: The restoration of an item to its original condition/near life expectancy. It includes the replacement of worn, damaged or life expired parts; the incorporation of approved modifications; and the rework of components as necessary;
 - iii. Interchangeability: Following repair, the article must remain fully interchangeable (form, fit and function) with articles 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 waveforms and components layout in order to ensure full compatibility with automatic test equipment software and automatic probing; and

- iv. Serviceable Condition: The condition of an equipment which allows it to be used, shipped or held in stores without being subjected to any limitations not applicable to new equipment.
- c. Priority Repair Request.
 - i. A PRR is a direction to the contractor to repair an item on a priority basis. These requests originate from NDHQ/Supply managers and are communicated to NDQAR by message, fax or e-mail. The SM forwards the information to the contractor for action.
 - ii. On receipt of a PRR, the contractor is to determine whether DND's Required Delivery Date (RDD) can be met. If not, the contractor is required to provide to the appropriate Supply Manager at NDHQ and the consignee designated on the PRR message fax or e-mail with a realistic Estimated Delivery Date (EDD). The format of the message fax or e-mail to be forwarded by the contractor is illustrated in Annex E of A-LM-184-001/JS-001. Correspondence in response to PRRs is the contractor's responsibility. Messages, fax or e-mail other than cancellation of PRRs are to be prepared by the contractor and released by the NDQAR.
 - iii. The contractor is required to take all necessary measures to satisfy PRRs. This may necessitate rescheduling production, contacting PWGSC or DND PA. for assistance in procuring spares, and taking decisive action in expediting work at either the contractor's or the subcontractor's plant, etc.
 - iv. Unless otherwise specified in accordance with the contract, overtime may be authorized by applicable Equipment Program Manager (EPM) (informing the NDQAR rep). However, overtime will not be authorized to clear any backlog resulting from unsatisfactory contractor performance.
 - v. On completion of repairs or overhaul, NDQAR or contractor will return repairable item using T code (IW8W-Perform GR with refurbishment WO IAW A-LM-184-001/JS-001). The contractor will then prepare the items for shipment to the consignee as instructed in the PRR. The Contractor must notify the PA/SM and LCMM by email of shipping details.
- d. Selection Notice and Priority Summary (SNAPS).
 - i. The SNAPS is a report found in the DRMIS BI Portal application and is designed to show all MMRs which are selected for repair to that RMA/SLOC, the Maximum Repair Cost (MRC) and the 24-month

forecast of arising's. The information on the SNAPS plus the R&O contract provides the contractor with the authority to repair. Example format shown at Appendix 1 to Annex B.

- ii. The Contractor will use the Selection Notice and Observation Message (SNOM) format IAW A-LM-184-001/JS-001 to report observations to DND on the information contained in the SNAPS; to request changes to the repair forecast, the MRC or to report items Beyond Economical Repair (BER). SNOMs can be sent by email to the PA.

1.4.8 Stop Repair Request. The Contractor must comply immediately with all stop repair instructions received from Canada.

1.5 Reports

1.5.1 The Contractor will provide the following reports using the formats identified and deliver within the time frames required.

1.5.2 Component Repair and Overhaul Activity Report

- a. The Contractor must submit a Component Repair and Overhaul Activity Report in the Contractor's format acceptable to the PA. It is to be submitted to the PA, TA and NDQAR along with the progress claim every month.
- b. As a minimum, the report will contain a listing of Component R&O line items with the following:
 - i. Work order;
 - ii. NSN and description of the item;
 - iii. Status of the repair;
 - iv. Cost to date; and
 - v. Estimated final cost.

1.5.3 MRP Reports. The Contractor must submit a Mobile Repair Party (MRP) report in electronic format in accordance with C-02-005-011/AM-000 to:

- a. PA;
- b. TA; and
- b. NDQAR.

1.5.4 PAYE Annual Report. Annually, by no later than 7 April, the Contractor must, in a Contractor format approved by the PA, provide an estimate to the PA of the total cost for work completed by 31 March but not yet invoiced to DND.

1.5.5 Contractor Held Inventory (CHI) Year End Report. The Contractor must complete a CHI report (IAW Appendix 2) for all DND owned spares that are held by the Contractor

outside the CFSS. The Contractor must ensure that the PA receives this report no later than ten (10) working days after the 31st of March each year.

1.5.6 Tasks Report.

- a. The Contractor must submit a Task Report including all task authorizations received by DND 626 and all TIES Engineering Support (ES tasks) as per contract. The report will be in the Contractor's format acceptable to the PA and must be submitted to the PA, TA and NDQAR along with the progress claim every month.
- b. As a minimum, the report must contain the following:
 - i. Work order number;
 - ii. Task authorization number;
 - iii. Description of the task;
 - iv. Financial report detailing costs incurred to date;
 - v. Estimated final cost or financial limit; and
 - vi. Comments, including activity status, delays or potential increase in cost must be reported in this column. When a task is closed and invoiced, it should be identified as "closed" and refer to the progress claim number.

1.5.7 Goods Procurement Report. The Contractor must submit a Goods Procurement Report in a Contractor's format acceptable to the PA. It must be submitted with the progress claim every month.

- a. As a minimum, the report must contain the following:
 - i. DND order number and line number;
 - ii. Sales order number;
 - iii. NSN and quantity ordered;
 - iv. Due date and recovery date;
 - v. Date shipped; and
 - vi. Comments, including if the goods were not delivered by due date, the Contractor must explain the reason of the delay. Partial deliveries should be clearly identified.

1.5.8 Inventory Reports.

- a. The contractor will be required to report annually to the PA on the value of all non-catalogued Accountable Advance Spares (AAS) and Government Furnished Overhaul Spares (GFOS) inventory held on March 31. Within A-LM-184-

001/JS-001, Annex M will provide reporting requirements, and Annex N is to report dollar value for each account type.

b. Annual Inventory Report. The contractor will be required to report annually to the PA on the value of all AAS and GFOS inventory held on March 31 using the report listed at Appendix 2 to Annex B.

c. Stocktaking Summary Report. The Contractor will prepare a Stocktaking Summary Report for each account type using the report listed at Appendix 3 to Annex B.

1.5.9 Other Reports and Additional Requirements. The Contractor may be required to submit other reports with respect to the work as requested by Canada. For those reports the Contractor must submit a cost estimate for approval by Canada prior to commencement of working on the report.

2.0 COST CONTROL

This section covers the cost control activities to be performed by the Contractor and the types of information to be provided in support of payments under this contract.

2.1 Contractor Responsibilities

2.1.1 The Contractor must:

- a. Have appropriate management control procedures in place;
- b. Ensure all costs related to the repair are tracked on the work order (e.g. parts used, embodiment fees, labour);
- c. Monitor the cost of each repair to ensure that total repair costs remain within the approved repair cost limits;
- d. Ensure that purchase of spares are within the approved contract cash flow for the fiscal year; and
- e. Maintain costing records (as defined in 2.2) that must be available on request for review and/or audit.

2.2 Costing Records

2.2.1 The Contractor must maintain records, which provide:

- a. A cost listing, by serial number if applicable, of each item or job lot going through the repair line;
- b. A detail of the extent of work carried out, in-process inspections completed and materiel embodied at any stage of the repair process;
- c. The average cost of repair and/or overhaul, by stock number; and

- d. The total repair cost for an item (stock number), by work order.

2.2.2 This data must be provided to the PA when requested.

2.3 Invoices / Claims For Payments for AAS Contracts

2.3.1 AAS must only be purchased when specifically authorized by the PA using the DND 626 process.

2.3.2 The Contractor must submit monthly invoices/claims for AAS, but only after receipt and acceptance of the materiel. For purchased AAS, supplier's invoices must support the invoice/claim. For manufactured AAS, invoices must reflect the item price in accordance with the contract.

2.4 Embodiment Fees

2.4.1 Embodiment fees, or materiel handling fees, which the Contractor may charge for AAS, will be as negotiated by Canada and identified in the Basis of Payment. These fees must be included in the total cost of repair under the MRC. Embodiment fees will only be paid once and only upon actual embodiment, which is when, the part is incorporated into a higher assembly.

2.4.2 On normal transfer or issue of items (spares) between AAS, Contractor Issue Spares (CIS) or GFOS, applicable embodiment fees as defined in the Basis of Payment must only be paid once and only upon actual embodiment or transfer.

2.4.3 On bulk transfer/disposal of items in CIS, GFOS or AAS accounts, embodiment fees, if applicable, are subject to a separate, negotiated rate.

2.4.4 Canada will not pay costs nor embodiment fees for AAS which are obsolete or surplus as a result of inadequate Contractor materiel management (i.e., AAS purchased in excess of requirements, AAS purchased which do not meet the limitations of this contract, etc.)

3.0 REPAIR AND OVERHAUL

3.0.1 This section covers the steps in the Repair & Overhaul (R&O) process from receipt to completion of repair of Major Equipment and materiel received for repair that is other than Major Equipment (Free Flow, RMR, SRR).

3.0.2 The specific CFSS Procedures used by R&O Contractors are covered in A-LM-184-001/JS-001 Special Instructions for R&O Contractors.

3.0.3 The A-LM-184-001/JS-001 will be provided through the supporting NDQAR and the Contractor should request the assistance from the NDQAR to establish procedures or resolve difficulties with supply transactions.

3.1 Contractor Responsibilities

3.1.1 The Contractor must:

- a. Report Discrepancies in shipments;
- b. Validate the requirement for Repair and/or Overhaul from the CF942, as identified on the applicable component. If there is a discrepancy between approved maintenance program and information on the CF942, then the contractor is to contact TA for clarification;
- c. Open a work order within 48 hours of receipt;
- d. Schedule repair work in accordance with the RPC & PRR;
- e. Establish a system that will monitor production and materiel flowing through the plant and provide an audit trail;
- f. Establish and promulgate detailed procedures to cover the movement of supply documentation;
- g. Maintain Supply accounting records for DND materiel separate from other company records; and
- h. Perform a 100% manual stocktaking of the RMA account every two years, or when requested by DND, following the instructions for stocktaking in A-LM-184-001/JS-001.

3.2 Repair and Overhaul Process

3.2.1 Physical Check.

- a. Upon receipt the Contractor must carry out a physical check of the item(s).
- b. Validate the requirement for Repair and/or Overhaul from the CF942, as identified on the applicable component. If there is a discrepancy between approved maintenance program and information on the CF942, then the contractor is to contact TA for clarification;
- c. To verify that the item is complete according to any applicable Application Part Listing (APL), check-list description and is in accordance with the accompanying supply documents.
- d. If the required information is either missing or insufficient to determine the repair potential, the Contractor will acquire a CF1092 Discrepancy Report from the NDQAR representative. Identify what is missing, and ensure the CF1092 has the following:
 - i. Stock Code;
 - ii. Description;
 - iii. Requisition Number;
 - iv. Serial Number;

- v. Transportation Control Number (TCN) or Waybill Number;
 - vi. Required Documents / Additional Info; and
 - vii. Documents / Info Required before item can proceed to R&O.
- e. The CF1092 will be submitted to the NDQAR representative for processing. If no reply is received within a reasonable time period, consistent with the repair priority and turn-around time, then the Contractor will request the PA to provide direction.
- f. Complete supply receipt documentation and any other necessary processes.

3.2.2 Report Shipment Discrepancies to DND.

- a. When a significant discrepancy is discovered, the Contractor will prepare a CF 1092 and forward three copies to the consignor with a copy of the original issue instruction attached. A separate CF 1092 is required for each line item.
- b. When the Contractor identifies equipment received as having the same form, fit and function as other equipment but is misidentified, the Contractor will send an email/fax to the Consignor with info to the NDQAR (Canadian Contractors) or the OCSR (Non Canadian contractors) providing the following information:
- i. Discrepancy in identification;
 - ii. Supply document number;
 - iii. NSN and quantity on voucher;
 - iv. NSN and quantity actually received;
 - v. No CF 1092 action taken; and
 - vi. Suggest stock verification and consider completed.
- c. Report any other discrepancies to the DND PA with info to NDQAR within 45 calendar days of delivery of shipment, referring to the original supply document.
- d. Report any loss or damage to materiel during transportation in accordance with instructions in Section 7.

3.2.3 Confirm Authority to Repair.

- a. When an item is selected for repair (SNAPS) or authorised via an RMR or SRR; and a contract is in place to cover this repair, this constitutes work authorisation. Therefore, all items listed on the SNAPS or RMR/SRR may be inducted for repair, without the further approval of the PA, as long as:
- i. The Repair Cost Estimate is within the MRC on the SNAPS/RMR/SRR;

- ii. For items on the SNAPS, the quantity is within the forecast; and
- iii. The repair scheme has been approved for that item.
- b. The Contractor must carry out the work in accordance with the following:
 - i. Repair contract;
 - ii. Applicable Canadian Forces Technical Orders (CFTO); and
 - iii. Applicable DND-approved specifications and/or Repair Schemes approved by the equipment TA.
- c. The Contractor will request clarification, on any conflicts between the above, from the TA.
- d. If the stock codes shipped are not authorized for repair (i.e., not on the SNAPS or on an approved RMR/SRR), the Contractor will segregate materiel that was improperly sent and request disposition instructions from the PA making reference to the incoming Supply Document.

3.2.4 Complete Receipt Procedures. The Contractor will complete supply transactions as outlined in A-LM-184-001/JS-001

3.2.5 Open Work Order (Contractor's system).

- a. The Contractor must ensure that a serial numbered work order controls the repair of all DND equipment. Within two (2) working days of shipment being accepted the Contractor must open a serial numbered work order in the Contractor's system to keep track of the cost of the repair against that item. The work order will accompany the item through all the steps in the repair process.
- b. Upon completion of work, the work order must include at least the following:
 - i. A contract serial number against which all costs incurred are chargeable;
 - ii. The NATO Stock Number (NSN) and/or Part Number (PN), description, quantity and serial number, if any, of item repaired;
 - iii. A cross-reference to all Supply Documents. This includes receipt, issues and returns, including scrap activity, finalization of repair, inspection, and final acceptance;
 - iv. Reference to the applicable technical data;
 - v. Details of the work performed;
 - vi. A list of all the parts, by part number and description, found unserviceable and requiring repair and/or overhaul, ensuring that the repair scheme is referenced;

- vii. A list of parts required, identifying the stores from which issued and the cost, e.g. CIS, GFOS, AAS or Contractor Furnished Material (CFM);
 - viii. Embodiment fees;
 - ix. Repair cost estimate;
 - x. The identity of the person opening the work order; and
 - xi. The final cost of repair.
- c. The Contractor must provide to the NDQAR a list of Contractor personnel authorized to open work orders along with any amendments to this list.

3.2.6 Open the DRMIS Work Order. The Contractor will open the DRMIS work order and reference the Contractor's work order following the supply transactions as outlined in A-LM-184-001/JS-001. The Contractor will be required to quote the DRMIS work order number against all transactions, which impact the work order. (Note: Batching on a Work Order is not authorized).

3.2.7 Estimate Repair Cost. The Contractor will then inspect the item to determine the extent of work required and prepare a repair cost estimate based on current cost data, previous experience or a detailed strip and inspection. Cost estimates must include at a minimum the total anticipated material, sub-contract and labour costs. Based on the information available, and if estimated repair cost is within the Maximum Repair Cost (MRC), the Contractor will commence repair work.

3.2.8 Detailed Inspection. Where it is impossible, from inspection, to determine the repair cost, the Contractor may be granted authority to strip the equipment to assess its repair 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 charged against the item whether or not it is subsequently repaired.

3.2.9 Scheduling Work.

- a. The Contractor is responsible for scheduling work. However, materiel must be scheduled in the following order:
- i. PRR;
 - ii. RPC C;
 - iii. RPC U;
 - iv. RPC R; and
 - v. RPC P.
- b. Within each category, the principle of First in-First out (FIFO) must apply. Repair priority for RMR/SRR must be "Routine" unless otherwise stipulated.

3.2.10 Maximum Repair Cost Exceeded. In circumstances where the final cost of repair will exceed the MRC, contractors are required to cease repair and report complete details to the PA. Where the final cost has exceeded the MRC without prior authorization from the PA, the Contractor is required to report to the PA full details of their corrective action for exceeding the MRC. DND will not pay costs which exceed the MRC without prior authorisation.

3.2.11 Repair of Integral Parts Of Item Shown On SNAPS. Certain equipment, because of its construction or use, may include sub-components or assemblies that are also repair components in their own right, and selected for repair to the same RMA. The Contractor should not automatically replace these sub-components from CIS but should consider them for repair if it is cost effective.

3.2.12 Completion Of Work. On completion of Repair and/or Overhaul, the Contractor must prepare and complete the supply transactions as outlined in A-LM-184-001/JS-001 and Stamp the following Contractor certification on all Supply documents and sign before completing the supply transactions in DRMIS or sending them to the supporting NDQAR:

Contractor Notification

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:

3.2.13 Stop Repair-Temporarily Suspend the Forecast (Repairable Reserve).

a. When serviceable assets in DND for a stock code are sufficient to meet requirements for 24 months DND may advise the Contractor by a Selection Notice and Amendment List (SNAL) that the repair forecast is temporarily suspended and will show as "0000" on the next SNAPS. Instructions on what to do with the unserviceable materiel already in plant will be provided on the SNAL or by the PA. Repair parts, tools, test equipment and technical data required to reactivate the repair line will be retained by the repair facility unless otherwise advised by the PA.

b. When advised by DND, the Contractor must return spares and equipment to the supply system following instructions in the A-LM-184-001/JS-001.

3.2.14 Stop Repair Delete (SRD).

a. When DND determines that a repair pipeline is no longer necessary because the equipment is obsolete; being phased out of service in the immediate future; designated as beyond economical repair; or downgraded to consumable status the Contractor must be advised by SNAL to stop repair. Instructions on what to do with the work in process will be provided on the SNAL or by the PA.

b. On receipt of the SNAL for SRD the Contractor must provide the following to the PA:

- i. The quantity of work in process (open work orders) and the approximate percentage of work completed on each;
 - ii. Value of repair parts required to complete these work orders and whether the parts are in stock or are on order and the estimated time to complete;
 - iii. The value of open Purchase Orders for AAS;
 - iv. A list of all DND owned spares that support only this equipment and the quantity of each which are held in the plant; and
 - v. A list of loaned equipment and technical data that supports only this equipment.
- c. The Contractor must quarantine all holdings and await direction from the PA. When advised by DND, the Contractor must return spares and equipment to the Supply System following instructions in the A-LM-184-001/JS-001.

3.2.15 Stop Repair Transfer (SRT).

- a. This will occur when the work under this contract is awarded to another Contractor following a competitive process. The Contractor must identify to the PA all the open work orders and a list of outstanding purchase orders as defined in 1.4.4.2. The Contractor will be advised by SNAL, which repair work is to be completed.
- b. The PA, in consultation with PWGSC, must advise the Contractor to move the spares and tooling not required for the authorized completion of work in process, to the new Contractor on completion of the existing contract. The remaining tooling and spares must be moved to the new Contractor on completion of the authorized repair(s) following instructions in the A-LM-184-001/JS-001. The costs for transfer must be negotiated by PWGSC.

3.2.16 Supply History Cards.

- a. Each R&O facility must maintain an historical record for each item selected which must contain, as a minimum:
 - i. First Year Forecast for the Period From;
 - ii. Stock Code (SC) and Part Number;
 - iii. Description;
 - iv. MFG Code and Name;
 - v. Forecast and RPC;
 - vi. Balance on Hand End of Last Repro Year;
 - vii. Date of Change;

- viii. Maximum Repair Cost (MRC);
- ix. Financial Limitation (FL);
- x. Average Repair Cost (ARC);
- xi. PWGSC Control Number;
- xii. Transaction Date;
- xiii. Document Number;
- xiv. Receipts Quantity and Total;
- xv. Consignor/Consignee;
- xvi. Shipment Quantity: and Total;
- xvii. Wastage;
- xviii. Balance; and
- xix. Remarks.

b. This "Historical Record" is to be reproduced locally and is subject to PA approval. These records are required for warranty consideration and for reconciliation of material on RMA.

3.2.17 Action Warranty Repair. The Contractor must action materiel identified as Warranty Repair in accordance with Section 9.

3.3 Major Equipment

3.3.1 In addition to the R&O process described above, Major Equipment is subject to special procedures.

3.3.2 Movement Orders. DND controls the movement of major equipment by issuing a QTO (Quartermaster Transfer Order) Message for aircraft, aero-engines and other selected equipment. When engines that are used to ferry major equipment require repair and overhaul, DND will issue a separate QTO Message to the repair Contractor and the Contractor is to remove the engines and forward for repair IAW Supply Instructions in A-LM-184-001/JS-001.

3.3.3 Receipt Procedure.

a. Checklist. The major equipment supply document describes the equipment by type, make, serial and registration numbers, including reference to applicable checklist and items that are surplus or deficient. Check the equipment for completeness against the consignor's checklist and report discrepancies to the consignor.

b. Receipt of QTO. Upon receipt of QTO complete Supply transactions and identify any discrepancies as outlined in A-LM-184-001/JS-001.

3.3.4 Engines Removed and Reinstalled. When engines are removed for repair separately the Contractor will reinstall the engines when they are returned. The cost of removing and reinstalling the engines is chargeable to the major equipment contract. If on installation minor repairs to the engines are necessary, the Contractor is to identify the Additional Work Requirement (AWR) as per Annex A Technical SOW, for authorization prior to commencing work.

3.3.5 Notification Prior to Completion of Major Equipment. Ten (10) calendar days prior to the expected date of completion of work, the Contractor, is to notify DND by email. A QTO will then be issued by NDHQ detailing the necessary information required for disposition of the goods.

3.3.6 DND Technical Authority (TA) Acceptance of Major Equipment. After the Contractor has prepared the equipment for presentation to the DND TA, including refuelling and oil replenishment (as required) to DND specifications, the TA will carry out acceptance of the applicable Major Equipment at the Contractor's facility.

3.3.7 Notification Following Dispatch of Major Equipment. Within three (3) working days after the equipment is dispatched, the Contractor is to notify all concerned stating the applicable QTO reference number, the equipment type and model, serial number(s), date of dispatch and shipping details. Note: These messages are not to be delayed because of incomplete action, e.g., documentation incomplete, logbooks not yet shipped, etc.

3.3.8 Repair or Replacement of Repairable Components approved as CIS.

a. When a NATO stock-code component or accessory, approved by the LCMM as CIS (see para 4.3), is received as part of the major equipment and has repair potential, it is to be repaired as part of the major equipment without any replacement from the CRPA. The following are exceptions to this replacement procedure:

- i. The component or the accessory is beyond economical repair and is conditioned as scrap;
- ii. The contract to repair or overhaul the major equipment does not include the particular component or accessory as part of the contract pricing arrangement;
- iii. The component is selected to a different repair facility;
- iv. The particular component or accessory is categorised as Repairable Reserve (RR) or has been designated surplus to requirements; or,
- v. The repair would cause excessive delay in completing the R&O of the major equipment and the equipment is identified as urgently required;

b. Under these conditions it is the Contractor's responsibility to bring the unserviceable component on charge to the applicable Supply Location (SLOC) following Supply Instructions in the A-LM-184-001/JS-001 and replace it with a serviceable CIS part from the CRPA.

4.0 DND OWNED SPARES

4.1 Contractor Materiel Accounting System

4.1.1 Materiel authorized as CIS and held on CRPA and materiel issued for repair to the RMA must be accounted for as per the procedures in the A-LM-184-001/JS-001. The Contractor, in either a manual or an automated system, will account for GFOS (Government Furnished Overhaul Spares see para 4.4) and AAS.

4.1.2 Regardless of the system used, the Contractor must maintain an audit trail acceptable to DND. Further, any automated or manual materiel accounting system must first be approved by DND. Supply accounting records for DND materiel must be maintained separate from other company records.

4.2 Priority of Spares Usage

4.2.1 As it is possible to have the same line items in both GFOS and AAS stores, the Contractor will ensure that serviceable GFOS are used first and GFOS and AAS records are cross-referenced.

- a. Spares must be used in the following order:
 - i. CIS;
 - ii. GFOS;
 - iii. AAS; and
 - iv. CFM.

4.3 Contract Issue Spares

4.3.1 Authority to Hold CIS.

- a. Under normal circumstances, Canadian contractors holding a defence contract to repair or overhaul major equipment and components are authorised to maintain a stock of spares, approved by the LCMM as CIS. These spares are called CIS because they are DND spares issued to the Contractor in order to complete the repair or overhaul of DND equipment. CIS are authorised when they meet the following criteria:
 - i. For military application only;
 - ii. Catalogued in DRMIS;
 - iii. Not available from commercial sources off the shelf; and
 - iv. For embodiment in those items which have received repair authorization in the SNAPS.
- b. Deviations to the foregoing may be acceptable in the following circumstances and to a limit of \$5,000.00 per transaction. Requests above the limit require authorization from the PA. Deviations are as follows:

- i. Urgent operational requirements may justify the use of DND assets even though the Contractor through other means would normally obtain the spare part;
 - ii. Safety considerations may require the use of DND assets; and
 - iii. Prices are found to be excessive through commercial means.
- c. DND will record the approved stock numbers against the DRMIS Contractor Repair Parts Account (CRPA) warehouse established in support of this contract. Should the Contractor require spares not identified on the CRPA they will submit a request, with substantiation, to the PA.
- d. The Repair Shop Account (RSA) warehouse is the account used by the Contractor to record all transactions related to work orders. The RSA does not record or accumulate balances on the computer. A WO number or project number must control issues to this account.

4.3.2 Contractor Responsibilities for CIS.

- a. The Contractor must:
- i. Follow the requisition, receipt and issue processes in A-LM-184-001/JS-001;
 - ii. Create and maintain appropriate stock levels on the CRPA for each stock number as directed in A-LM-184-001/JS-001;
 - iii. Record the CIS spares against the R&O work order where they will be consumed as directed in A-LM-184-001/JS-001;
 - iv. Perform the 100% manual stocktaking every two years, or more often when requested by DND, following the instructions for stocktaking in A-LM-184-001/JS-001;
 - v. Perform Stock Review as defined in 4.3.3; and
 - vi. Dispose of spares, when authorized by DND, in accordance with instructions in A-LM-184-001/JS-001.

4.3.3 Stock Review. In conjunction with the scheduled stocktaking, the Contractor must carry out a review of CIS and identify to the PA stock numbers which:

- a. Are surplus to requirement as a result of removal of the end item from the SNAPS;
- b. Are in excess of usage requirements;
- c. Are redundant because of a modification, change notice, product improvement, etc; and

4.3.4 Contract Issue Spares – Not Available. When DRMIS cannot satisfy a requisition for a consumable CIS stock code, and the lack of this spare has a negative impact on

the repair line, the Contractor is to use CFM and inform the PA that the stock level in DRMIS is insufficient.

4.4 Government Furnished Overhaul Spares

4.4.1 Establishing GFOS. The Contractor must establish and maintain a GFOS inventory if any of the following conditions are met:

- a. Non-catalogued spares are provided to the Contractor from the AAS or GFOS held by another Contractor or previous contracts;
- b. Non-catalogued spares are provided to the Contractor as a result of DND procurement action with the US government; and
- c. Non-catalogued spares, serviceable and unserviceable, are authorized by DND to be salvaged by the Contractor from DND material.

4.4.2 Contractor Responsibilities.

- a. The Contractor must:
 - i. Establish a price for each line item of GFOS using the book value or the cost laid down as defined in the contract;
 - ii. Advise on the applicability of the GFOS to the repair operation;
 - iii. Maintain stock records for both unserviceable and serviceable GFOS;
 - iv. Provide Stock control of the items;
 - v. Establish and maintain an issue system in order to track the issue of GFOS to the work order for embodiment in DND equipment undergoing repair;
 - vi. Issue GFOS to Work Order where it will be consumed;
 - vii. Complete a 100% manual stocktaking every 2 years, or sooner as requested by DND, following the instructions in A-LM-184-001/JS-001;
 - viii. Perform a stock review as described in 4.4.4 below; and
 - ix. Dispose of items, when authorized by DND, in accordance with instructions in A-LM-184-001/JS-001.

4.4.3 In the event of a dispute, the PA will make the final determination (e.g., if the item is unserviceable, it has a nominal value of one (1) dollar and if the item is serviceable or if it is made serviceable, it has a specific value based on replacement cost/cost of repair).

4.4.4 Stock Control. There is a continuing need to guard against the build-up of catalogued materiel in GFOS inventory. The Contractor will establish and maintain a

stock control (inventory control) section for GFOS. The section should contain the following features:

- a. Stock Records for GFOS containing the information below. These records should be kept separate from all other records:
 - i. NATO Supply Code for Manufacturers (NSCM);
 - ii. Manufacturer's part number;
 - iii. Description;
 - iv. Management information (e.g., shelf life: Yes/No?);
 - v. UM;
 - vi. Supply source code (supplier);
 - vii. Cost;
 - viii. Location (for serviceable and repairable);
 - ix. Card number;
 - x. End item applicability;
 - xi. Date of transactions;
 - xii. Consignee/consignor;
 - xiii. Voucher number;
 - xiv. Receipts (for serviceable and repairable);
 - xv. Issues (for serviceable and repairable);
 - xvi. Stock balances (for serviceable and repairable);
 - xvii. Current usage; and
 - xviii. Cross-reference to AAS.
- b. Each transaction involving GFOS will bear a control number;
- c. All transactions involving GFOS will be posted to records immediately;
- d. The Contractor will retain records of all transactions, to permit internal and external audit by authorized DND, PWGSC or Auditor General personnel. Documents/records must be retained for six (6) years after contract completion
- e. The Contractor is responsible for maintaining stock record for both repairable and serviceable GFOS. The Contractor will not establish ROP/ROQ levels. GFOS stock will be reduced to the lowest level possible; and

- f. NDQAR or the PA may authorize the repair or overhaul of unserviceable GFOS. A maximum repair cost will be included in the instruction. The Contractor will, charge the costs of such work to the R&O contract. Upon completion of work, the spares will be returned to GFOS stores as serviceable or issued to a repair work order for embodiment.

4.4.5 Stock Review. In conjunction with the stocktaking schedule, the Contractor must carry out a review of GFOS to identify to the PA stock holdings which:

- a. Have become surplus to requirements as a result of removal of the end item from the SNAPS;
- b. Have become redundant because of a modifications, change notices, product improvements, etc;
- c. Are held in excess of usage requirements;
- d. Are catalogued items that should be transferred to CIS. All spares with a stock code found in GFOS stores must be brought on CRPA following directions in A-LM-184-001/JS-001; and
- e. Are no longer fit for use by DND.

4.4.6 Unserviceable/Condemned/Obsolete GFOS Material. The Contractor must determine which items of GFOS are no longer fit for use and make a recommendation to the TA as to their status. Upon certification (from DND) that an item is no longer suitable for use the Contractor must:

- a. Remove the total quantity of the item from stores and place in quarantine;
- b. Make stock adjustments to the GFOS record of inventory; and
- c. Dispose of spares following the instructions in Ref H. A-LM-184-001/JS-001.

4.4.7 Excess GFOS. The Contractor will identify excess holdings to the PA by email using the following headers:

- a. Part Number;
- b. Condition code;
- c. Usage (Current FY/Previous FY);
- d. Quantity in holding;
- e. Quantity in excess; and
- f. Request redistribution/disposal instructions and process a Surplus Declaration form in accordance with Ref H. A-LM-184-001/JS-001.

4.5 Accountable Advance Spares

4.5.1 Authority to Purchase AAS.

a. The PA will authorize the Contractor to purchase AAS on an as required basis. When the Contractor identifies a need for AAS, the Contractor must submit a quote to the TA for technical concurrence and to the PA for DND 626 approval. A quote for AAS must include the following headings:

- i. Name of Contractor's supplier;
- ii. NSCM of the part;
- iii. Part number;
- iv. Basic name of spare;
- v. Quantity to be ordered or manufactured;
- vi. Prices to be identified as Economic Order Quantity (EOQ), lifetime or multi-year buys;
- vii. Unit Price Quantity;
- viii. Procurement lead-time;
- ix. Stock Number of end item. When there is more than one item, Stock Number of all end items is to be included;
- x. The forecast indicated in latest SNAPS;
- xi. Usage data for spare for previous two (2) years;
- xii. The Contractor's estimate of the requirement for this part to repair the end item until Estimated Life Expectancy (ELE);
- xiii. Quantity committed to work orders or job cards; and
- xiv. Quantity of spares held in AAS or GFOS.

4.5.2 Contractor Responsibilities.

- a. The Contractor is responsible for determining the requirement for AAS, and providing their recommendation to the TA for approval;
- b. Provide Stock Control of the items as defined in 4.5.7 below;
- c. Establish and maintain an issue system in order to track the issue of AAS to the R&O work order for embodiment in DND equipment undergoing repair;
- d. Record issue of AAS against the Work Order where it is consumed;
- e. Complete a 100% manual stocktaking every 2 years, or sooner as requested by DND, following the instructions in A-LM-184-001/JS-001;

- f. Perform a Stock Review as described in 4.5.8 below;
- g. Dispose of items, when authorized by DND, in accordance with instructions in A-LM-184-001/JS-001; and
- h. Perform level review at least once quarterly.

4.5.3 Importation of AAS/Priority Rating AAS.

- a. Canadian contractors ordering spares from US suppliers to fulfil PWGSC contracts should apply on PWGSC form 1451-1 for a US Defense Priority Rating. Once the rating has been granted, the Contractor must ensure that purchase orders and enquiries about price and availability show the priority rating or indicate the urgency of the defence requirement by using the appropriate clause as suggested by PWGSC. The orders or enquiries must also contain the appropriate PWGSC contract numbers.
- b. Contractor Purchase Orders, which are placed with Canadian Suppliers for AA spares, are to include the following clause:

"This is an urgent defence requirement. If you are importing materiel from the United States to fulfil this contract, obtain a United States Defence Priority Rating or a United States Controlled Materials Allotment from the Materiel Priorities Officer, Materiel Data Management Branch, 4B1, PWGSC Hull, Quebec, K1A 0S5. The rating or allotment number is to be entered on the purchase order that you send to the United States supplier."

4.5.4 Receipts.

- a. The Contractor must:
 - i. Record the receipt of AAS in the stock record;
 - ii. Bring AAS on charge using the supplier's release notes or vouchers;
 - iii. Permit the NDQAR to inspect all AAS;
 - iv. Ensure that the AAS have the supplier's certification required to meet DND's Airworthiness requirements as defined in the contract; and
 - v. Resolve any discrepancies with the supplier before submitting the claim.

4.5.5 Issued Stock Failing To Meet Quality Standards. Certain spares, because of their construction or use, need a protective packaging until they are used. This packaging could obstruct the Contractor's inspectors in determining the condition or quality of the spares when they are received from the supplier. Therefore, spares may be found to be inadequate only when they are installed. The Contractor will quarantine these spares and obtain replacements at no cost to DND. The Contractor will resolve the problem with the supplier, independently of DND.

4.5.6 Audit Records. The Contractor will retain on file for audit purposes all purchasing and/or production documents for AAS together with the approval from the PA.

4.5.7 Stock Control. There is a continuing need to guard against the build-up of catalogued materiel in AAS inventory. The Contractor will establish and maintain a stock control (inventory control) section for AAS. The section should contain the following features:

- a. Stock Records for AAS containing the information below. These records should be kept separate from all other records:
 - i. NSCM;
 - ii. Manufacturer's part number;
 - iii. Description;
 - iv. Management Information (e.g. shelf life);
 - v. Unit of Measure;
 - vi. Supplier;
 - vii. Cost;
 - viii. Minimum Order Quantity;
 - ix. Location;
 - x. Card Number;
 - xi. End Item applicability;
 - xii. Date of transactions;
 - xiii. Consignee/consignor;
 - xiv. Requisition number (All AAS requisitions purchase orders must include the applicable R&O contract number);
 - xv. Receipts;
 - xvi. Issues;
 - xvii. Stock balances;
 - xviii. Current Usage; and
 - xix. Cross reference to GFOS.
- b. Each transaction involving AAS will bear a control requisition number;
- c. All transactions involving AAS will be posted to records immediately;

d. The Contractor will retain records of all transactions to permit internal and external audit by authorized DND, PWGSC or Auditor General personnel. Documents/records must be retained for six (6) years after contract completion; and

e. Authority with the full details on why a spare with a stock code is held in AAS stores.

4.5.8 Stock Review.

a. In conjunction with the stocktaking schedule, the Contractor must carry out a review of AAS to determine if stock holdings include any item which should be transferred/disposed because it:

- i. Has become surplus to requirement as a result of removal of the end item from the SNAPS;
- ii. Has become redundant because of modification, change notice, product improvement etc;
- iii. Is held in excess of usage requirements (4.5.10);
- iv. Is a catalogued item, which should have been transferred to CIS. All spares with a CFSS stock Code, found in AAS stores, must be brought on CRPA warehouse charge using instructions in A-LM-184-001/JS-001; and
- v. Is no longer fit for use by DND as defined in 4.5.9.

4.5.9 Unserviceable/Condemned/Obsolete Material.

a. The Contractor will determine which items of AAS are no longer fit for use by DND.

b. Immediately upon certification that an item of AAS is no longer suitable for use the Contractor will:

- i. Remove the total quantity of the item from stores and place in quarantine;
- ii. Make stock adjustments to AAS record of Inventory;
- iii. Cancel any outstanding purchase or production orders; and
- iv. Dispose of items in accordance with instructions in A-LM-184-001/JS-001.

4.5.10 Excess AAS.

a. The Contractor will identify excess holdings to the PA by email using the following headers:

- i. SC;

- ii. Condition code;
- iii. Usage (Current FY/Previous FY);
- iv. Quantity in holding;
- v. Quantity in excess; and
- vi. Request redistribution/disposal instructions and process a Surplus Declaration form in accordance with Ref H. A-LM-184-001/JS-001.

4.5.11 When Unable To Locate a Supplier.

- a. If the Contractor is unable to locate a supplier, the Contractor will advise the PA, giving the part numbers, descriptions, manufacturers and end-item application of the spares. If no supplier can be found the TA may have to mitigate the issue.
- b. Special assistance procedures should never be considered a substitute for placing orders with suppliers in a timely manner and do not relieve the Contractor from taking the normal hastening action.

4.6 Sale of DND owned materiel to R&O Contractors

4.6.1 DND may give first right of refusal to a Contractor, holding a DND contract, when disposing of surplus materiel held at the Contractor's plant. Civilian contractors, holding DND contracts, may also submit a written request to the PA; to purchase specific DND owned spares for their commercial operation.

4.6.2 These types of sales will only be considered when it is of benefit to DND and the sale will not cause any interruptions of DND work. When the PA receives a request, the request will be handled as per the policy identified in the A-LM 184-001/JS-001.

5.0 **PACKAGING**

5.0.1 Introduction.

- a. This section provides contractors with:
 - i. Instructions on packaging DND equipment and materiel;
 - ii. Packaging specifications; and
 - iii. Approved methods used in the protection of military supplies
- b. Unless otherwise stated, the DND packaging specialist at DSCO (Director Supply Chain Operations) is the approval authority for packaging design.

5.1 Contractor Responsibilities

5.1.1 Responsibilities.

- a. The Contractor must carry out packaging IAW the applicable, currently approved Canadian Forces Packaging Data available in DRMIS.
- b. When it has been established that a specific item is to be repaired against a given contract for which an approved packaging data is not held, or for which there is no entry in DRMIS, the Contractor must notify the applicable DND Supply Manager.
- c. The Contractor is encouraged to submit recommendations when an item, which is already covered by an approved process, could be packaged more effectively or with substantial savings in cost, cube or weight.
- d. The Contractor must forward all correspondence concerning packaging details to the applicable DND Supply Manager.

5.2 General Packaging Requirements

5.2.1 Contractor Repair Parts Account. Material obtained for repair parts accounts are to be preserved and packaged in accordance with D-LM-008-036/SF-000.

5.2.2 Repairable Material Account. The following applies:

- a. Interpretation of packaging codes are contained in D-LM-008-011/SF-001;
- b. The methods and procedures specified in the packaging code are those detailed in D-LM-008-001/SF-001; and
- c. Items categorized as RR may be repackaged for shipment as they were received or in accordance with D-LM-008-036/SF-000. Forms CF 271 are not required for items in RR.

5.2.3 Priority Repair Request. Subject to approval of the PA, items required to fill PRRs are to be packaged in accordance with existing, approved CF 271s or the packaging data contained in card files of the Packaging Database, except that moisture barriers and desiccant, if called for, may be omitted.

5.3 Preservation and Packaging Failure

5.3.1 The Contractor must report equipment that is received damaged due to preservation and packaging failures, to the DSCO packaging specialist using Unsatisfactory Condition Report (UCR) form CF 777, supported by photographs, in accordance with CFTO C-02-015-001/AG-000.

5.4 Reusable Containers

5.4.1 Process.

- a. Surplus reusable containers, identified by NSN must be brought on charge to the CRPA, in accordance with instructions in A-LM-184-001/JS-001. As part of this contract the Contractor must:

- i. Inspect, repair and/or repaint reusable metal or wooden containers as part of this contract;
 - ii. Obtain replacement for damaged metal containers conforming to Specification MIL-D-6054 or MIL-D-6055;
 - iii. Replace wooden containers damaged beyond economical repair; and
 - iv. Replace metal containers by requisitioning from DRMIS.
- b. Costs incurred for this work may be recovered by use of service charge work order in accordance with the contract or as negotiated by PWGSC.

5.5 Marking

5.5.1 Marking will be in accordance with D-LM-008-002/SF-001.

5.5.2 Reusable Metal Containers.

- a. The Stock Code, description and quantity may be marked by stencilling, or by using pressure-sensitive labels conforming to CGSB Specification 43.31-M86, or by labels adhered to the container by means of clear, pressure-sensitive vinyl or mylar tape. The tape must cover the label surface completely and extend beyond the label on each edge by at least 13 millimetres.
- i. All markings are to be affixed by using pressure-sensitive labels conforming to CGSB Specification 43.31-M86, or by using labels adhered to the container by means of clear, pressure-sensitive vinyl or mylar tape;
 - ii. All applicable markings will be shown in both French and English;
 - iii. Before application of required markings, all non-applicable stencilled markings will be obliterated from blocking, bracing, cushioning and containers; and
 - iv. Blocking, bracing and fasteners, which must be removed to unpack the item, are to be painted yellow.

5.5.3 Interior Containers. The following markings are to be applied to all interior containers:

- a. Stock Code;
- b. Description, unit of measure, including serial number;
- c. Quantity, method and level of protection, and date;
- d. PWGSC serial number;
- e. Manufacturer's part number;
- f. Shipping instruction for shipping container;

- g. Handling, markings; and
- h. Equipment set numbers, where applicable. If set number is not available or allotment is unknown, annotate containers and documents to this effect:
 - i. Date of R and O: All R and O contractors;
 - ii. R and O Contractor: All R and O contractors;
 - iii. Method of unit protection: All packs;
 - iv. Cautionary markings: Nature of item;
 - v. Special markings: When specified on contract;
 - vi. Dangerous markings: Nature of item; and
 - vii. Reusable: All reusable containers.

5.5.4 Shipping Containers.

- a. The following markings are to be applied to all shipping containers:
 - i. Stock Code (SC);
 - ii. Description, unit of measure, including serial number;
 - iii. Quantity, method and level of protection, and date; and
 - iv. PWGSC serial number.
- b. In addition, the following markings are to be applied to shipping containers under the circumstances indicated:
 - i. Date of R&O: All R and O contracts;
 - ii. R&O Contractor: All R and O contracts;
 - iii. Method of unit protection: All packs;
 - iv. Special markings: When specified on contract;
 - v. Dangerous markings: Nature of item;
 - vi. Reusable: All reusable containers;
 - vii. Set or assembly markings.

5.6 Guide to Selection of Packaging

5.6.1 General.

- a. All materiel will be preserved and packaged to provide adequate protection against corrosion, deterioration and physical damage during shipment and handling. Adequate protection will also be provided for the following situations:
 - i. Three years storage and worldwide distribution in all climates (Level A);
 - ii. One year storage in covered accommodation and distribution in a temperate zone (Level B); or
 - iii. Determination of the level to be used will be made by the approval authority.
- b. Economies are to be effected by using packaging and shipping containers of a tare weight and minimum cube.
- c. Items packaged in accordance with this part normally require packaging in reusable type containers. Moulds, cushioning, blocking, bracing and other fittings should be designed to facilitate reuse.
- d. Methods of cleaning and drying should be selected from the methods listed in D-LM-008-001/ SF-001.

5.6.2 Preservation. The preservation used should be selected from one of the following:

- a. 31-GP-1, Corrosion Preventive Compound, Cold Application, Hard Film (only to be used when removal prior to use of an item would not be required);
- b. 31-GP-3, Corrosion Preventive Compound, Cold Application, Soft Film;
- c. 31-GP-4, Corrosion Preventive Compound, Water Displacing, Soft Film;
- d. VV-L-800, Lubricating Oil, General Purpose, Preservative (Water-displacing, Low Temperature);
- e. Other preservative compounds and lubricants may be used subject to prior approval of packaging specialist at the NDQAR. Request for such approval is to state the type of preservation specification number, where it would be used and the method of removal (if required to be removed) prior to use of the item; and
- f. Preservative lubricating oil conforming to Specification VV-L-800 may be used for preservation of internal combustion engines where a viscosity below SAE 10 is required. This oil may not be used as an operating lubricant in internal combustion engines and must be removed prior to operation.

5.6.3 Selection of Method of Unit Protection.

- a. Methods of unit protection should be selected from one of the following (as found in D-LM-008-001/SF-001):

- i. Is the item chemically critical or has it any chemically critical surfaces? If no, use Method III or IC;
- ii. If Yes – Can the item or all its chemically critical surfaces be preserved with contact preservatives? If yes, use Method I;
- iii. If No – Can film type, as opposed to oil type, preservative be used for the item or for all its chemically critical surfaces? If yes, use Method I or IC; and
- iv. If No – Can oil type preservative be used for the item or for all its chemically critical surfaces? If yes, use Method IA.

5.6.4 Chemically Critical. For packaging purposes, items are considered chemically critical when any degree of chemical action in the form of rust, stain or other corrosion on the items, or on any integral surface, renders them unfit for use. The following list contains the more commonly used metals ranked from the most susceptible to chemical reaction to the least susceptible or more “noble” metals, and is presented to provide some assistance in determining the need for applying appropriate protective measures:

- i. Magnesium alloys;
- ii. Magnesium, bare and critical;
- iii. Steel or iron, or any of their alloys except stainless steel, bare or critical;
- iv. Steel or iron, plated with chromium, nickel, copper, silver, or tin for other than decorative purposes;
- v. Construction steel, low alloy, high yield paint type;
- vi. Silver, copper, brass, bronze, beryllium, lead, cadmium, zinc, babbitt and all aluminium alloys, bare and critical;
- vii. Steel, iron, magnesium or their alloys except stainless steel, bare and non-critical;
- viii. Steel or iron, plated with cadmium, zinc, terne or lead;
- ix. Stainless steel, monel metal, alclad aluminium, or titanium, bare and critical;
- x. Silver, copper, bronze, brass, beryllium, lead, babbitt, cadmium, tin and all aluminium alloys, bare and non-critical;
- xi. Any plating for decorative purposes;
- xii. Stainless steel, monel metal, alclad aluminium, and titanium, bare and non-critical; and
- xiii. Painted surfaces.

5.6.5 Basic Pack Quantities. The basic pack quantity is one or one set as catalogued. The gross weight and cube of containers are to be kept to a minimum consistent with providing adequate protection for the item.

5.6.6 Reusable Containers.

- a. Reusable containers should be considered in relation to attainment of adequate packaging, protection during shipment and economy of storage during the programmed life of such items. Interior and exterior containers should be selected from the following list:
 - i. MIL-D-6055, Drums, Metal, Reusable, Shipping and Storage;
 - ii. CAN/CGSB-43.21-N91, Boxes, Fibreboard, Style 5 or 6;
 - iii. CAN/CGSB-43.80-M90, Cleated Plywood Boxes, Style A;
 - iv. PPP-B-640, Boxes, Fibreboard, Corrugated, Triple-wall;
 - v. PPP-C-650, Crates, Wood, Open and Covered;
 - vi. PPP-D-723, Drums, Fibre;
 - vii. MIL-C-104, Crate, Wood, Lumber and Plywood, Sheathed, Nailed and Bolted;
 - viii. MIL-C-3774, Crates, Wood, Open, 12 000 and 16 000 Pound Capacity (5.5 and 7.3 metric tons);
 - ix. MIL-C-25731, Crate, Wood (for lightweight bulky airframe items);
 - x. MIL-D-6054, Drum, Metal, Shipping and Storage;
 - xi. MIL-B-26195, Box, Wood, Cleated, Skidded, Load Bearing Base; and
 - xii. CSA Z102.10-1954, Skidding of Machinery for Shipment.
- b. Reusable containers should be of a type, grade or class that permits the opening and closing of the containers without impairing their future use.
- c. Reusable fibreboard containers of all types, should be closed by using strapping or filament-reinforced, gummed tape (Specifications 43-GP-1 or 43-GP-28).
- d. Reusable wooden containers should be closed by using Rosan Knife Thread inserts or captive screws. Spring clamp fasteners, screws or nails must not be used.
- e. Crates should be of a type and style that permit unpacking the item by the removal of sides, ends or top, which are held in place by means of bolts or lag screws.

- f. Certain items that are sufficiently rugged may be shipped loose or on skids. Skidding must be in accordance with Specification CSA Z102.10.

5.6.7 Selection of Cushioning, Blocking and Bracing.

- a. Cushioning, blocking, bracing, moulds and other fittings used in reusable containers should be designed to facilitate reuse and should be selected from the following specifications:

- i. PPP-C-1120, Cushioning Material, Bound;
- ii. 43-GP-22, Corrugated Fibreboard Products;
- iii. MIL-R-5001, Rubber Cellular Sheet, Molded and Hand-built Shapes, Latex Foam;
- iv. MIL-P-26514, Polyurethane Foam, Rigid or Flexible for Packaging;
- v. PPP-C-795, Cushioning Material, Flexible, Cellular Plastic Film for Packaging Application;
- vi. PPP-C-850, Cushioning Material, Polystyrene Expanded, Resilient;
- vii. CSA 0121-M1978, Douglas Fir Plywood;
- viii. CSA 0151-M1978, Western Softwood Plywood;
- ix. CSA 0115-M1982, Hardwood Plywood;
- x. CSA 0153-M1980, Poplar Plywood; and
- xi. 4-GP-35, Felt Sheet, Low Density.

- b. The methods of applying cushioning, blocking and bracing are listed below in order of preference:

- i. Rectangular cushioning material (including wrap applications);
- ii. Rectangular and circular cushioning pieces;
- iii. Die cut cushioning material;
- iv. Plywood blocking and bracing, with or without shock mounts;
- v. Plywood/lumber blocking and bracing, with or without shock mounts;
- vi. Lumber blocking and bracing, with or without shock mounts;
- vii. Moulds;
- viii. Metal inserts, with or without shock mounts;
- ix. Item bolted to base of the container, with or without shock mounts; and

- x. Spring suspension.
- c. Machine, carriage or step bolts are to be used when securing materiel to the base of the container or to metal or plywood inserts. If non-precision boltholes are involved, the diameter of the bolt is to be the nearest standard size consistent with the diameter of the hole. If precision bolts are used, precautions are to be taken to ensure that precision bolts of the proper fit and characteristics are used to prevent marring or elongation.
- d. Holes bored through containers, inserts or mounting bases are to be the same size as the diameter of the bolt used. Standard cut washers are to be used under the nuts or bolt heads to decrease the possibility of the bolt pulling through the wood.
- e. To prevent nuts from coming loose in transit, the following action is to be taken:
 - i. Tighten the nuts securely on the bolt (lag bolts are not to be used);
 - ii. Apply asphaltum, paint or lacquer on the threads; and
 - iii. Use lock nuts, lock washers or cotter pins (lock washers, when used, are not to bear against the item).

5.6.8 Safety. Safety precautions are to be taken when handling fuel system assemblies, as follows:

- a. Fuel system assemblies must be thoroughly drained and preserved, as required, prior to packaging; and
- b. Reusable metal containers, received by contractors that contain fuel system assemblies must be grounded during unpacking to prevent possible fire or explosion.

6.0 TRANSPORTATION

6.0.1 This section covers the instructions to the Contractor on documenting and reporting lost or damaged in bound shipments from DND.

6.1 Contractor's Responsibilities

6.1.1 The Contractor must:

- a. Follow the instructions in the contract to arrange outbound transportation of materiel back to DND;
- b. Prepare the shipment and the required documentation (as specified in the contract clauses) for release to a DND driver or a commercial carrier on behalf of DND;
- c. Mark shipments in accordance with A-LM-158-004/AG-001;

- d. Prepare *CF1000* shipping Label or *CF 1001* Shipping Tag as described in 6.2;
- e. Report loss or damage as described in 6.3; and
- f. Maintain records as described in 6.4.

6.2 Shipping Label or Tag – Preparation

6.2.1 The Contractor will complete the label or tag by inserting the following information:

- a. The name and address of the Contractor shipping the materiel or equipment;
- b. A control number from a register maintained by the Contractor. For shipments handled by DND transport, the control number may be assigned by the transportation agency;
- c. The container number. This is in relation to the number of containers in the shipment, e.g., Box or Crate 1 of 4 in total shipment;
- d. The weight of the container and its cubic dimensions; and
- e. Transportation Priority Code (TPC). The priority assigned is normally associated with the code of the requisition for the materiel or equipment (see A-LM-007-014/AG-001), Procurement. Contractors will determine the materiel priority codes for shipments as follows:
 - i. MPC 1: Operational Critical;
 - ii. MPC 2: Essential;
 - iii. MPC 3: Routine; and
 - iv. MPC 4: System Replenishment / Redistribution.

6.3 Loss or Damage in Transit

6.3.1 The Contractor must not be held liable for equipment or material lost or damaged in transit, either by DND or the Canadian Materiel Support Group (CMSG) approved commercial carrier, if in possession of a receipt. The procedure that follows will be taken when the Contractor discovers the loss or damage of DND material.

6.3.2 Damage in Transit. The Contractor will raise a Loss/damage report using the format in A-LM-184-001/JS-001.

6.3.3 Partial Loss. In the event of the partial loss of an item shipped to the Contractor within Canada, the Contractor (as consignee) will carry out the following procedures:

- a. Notify the carrier by telephone detailing the shortage or loss encountered and requesting that tracing action be taken;

- b. Raise a loss/damage report in the format shown in A-LM-184-001/JS-001;
- c. When the item cannot be traced within two days send the carrier a letter of intent to claim in the format of A-LM-184-001/JS-001; the letter must contain the following information:
 - i. Originating point;
 - ii. Destination;
 - iii. Date of shipment;
 - iv. Date of receipt;
 - v. Pro bill or waybill number;
 - vi. Description of the loss or damage; and
 - vii. Estimated amount of the claim, if known.
- d. Forward a copy of the loss/damage report, the letter of intent to claim and all supporting documentation to the CMSG for review if no reply has been received from the carrier within seven working days, or if the carrier has advised that the missing pieces or shipment cannot be located.

6.3.4 Total Loss. In the event of a total loss (i.e., non-receipt of a forecast delivery), the Contractor (consignee) must advise the consignor by email/fax and request that the consignor initiate tracing action.

6.4 Maintain Records

6.4.1 Contractors must maintain records of all shipments. A TCN and waybill numbers will be assigned by CMSG Traffic Section Toronto.

- a. Characters 1 and 2 equal the logical terminal of the NDQAR;
- b. Characters 3 to 6 equal the Julian date of the shipment;
- c. Characters 7 and 8 equal the last two characters of the RMA warehouse account; and
- d. Characters 9 and 10 are sequential numbers, e.g., 01, 02, etc.

6.4.2 A TCN sheet, format shown in A-LM-184-001/JS-001, must be raised for each shipment and attached to the Bill of Lading or other shipping documents, such as packing note, copy of a release note, etc, and maintained on a TCN file in control number sequence.

6.4.3 The Contractor must retain the shipping documents for one (1) year following the date of contract closing or immediately following a PWGSC audit.

7.0 PUBLICATIONS AND DND FORMS

7.1 Contractor's Responsibilities

7.1.1 The Contractor must:

- a. Request DND publications from DND as stated in section 7.2;
- b. Control and maintain DND publications in their possession up to date, as defined in section 7.3;
- c. Dispose of DND publications and forms as defined in section 7.4; and
- d. Not use DND publications for commercial work without written consent as outlined in section 1.4.3

7.2 Availability of Publications and DND Forms

7.2.1 Upon the selection of work, the Contractor must provide the NDQAR with a list of all DND publications obtained from PWGSC prior to signing the contract.

7.2.2 The Contractor must request other publications listed in the Technical Data Package through PWGSC and PWGSC must forward the request to the PA. Once the request is approved the NDQAR will raise a supply document DND 2227 on behalf of the Contractor. The Contractor must acknowledge receipt of the publication from the NDQAR by signing the accompanying documents.

7.2.3 Publications are part of DND owned Government Furnished Information and on transfer of work from one Contractor to another, must be included with the DND-owned materiel or equipment being transferred. Transfer of responsibility for the control of the publications must be required at that time.

7.2.4 DND must, upon request from the Contractor, supply the necessary forms. However, because of the limited use of certain forms, it is neither practical nor economical to provision for and stock all forms. Therefore, where appropriate, forms are to be reproduced locally by the Contractor.

7.2.5 Publications and forms provided to contractors must be issued, without charge, by DND.

7.3 Control and Maintenance of Publications

7.3.1 The Contractor must develop procedures to control all DND publications in their possession and be responsible for amending all DND publications in his custody. The Record of amendments must be maintained as indicated in the applicable area of each publication.

7.3.2 Unless otherwise specified, publications may be copied and/or extracts taken from them.

7.3.3 As these copies/extracts are not subject to follow-up amendment action, they are not valid for use as a reference document and must be stamped "FOR INFORMATION ONLY".

7.3.4 Contractors must ensure that any classified documents are provided with the appropriate security, consistent with the provisions of A-SJ-100-001/AS-000.

7.4.5 The Contractor must respond to any request for "verification of publication holdings" which may be requested periodically by DND.

7.4 Disposal of Publications and DND Forms

7.4.1 When a publication is no longer needed, the Contractor must request disposal instructions from the NDQAR and take action as directed. In cases where the publication is returned to stock or transferred to another user, the Contractor is to ensure that all the amendments are included or that a deficiency listing (and explanations) accompanies the publication(s).

7.4.2 Forms that have been superseded or cancelled and DND have ordered destroyed, are to be disposed of by the Contractor. No certification is necessary and, since the forms are not on charge, there is no requirement to raise disposal vouchers.

7.4.3 Unused current forms and office supplies such as DND stamps, seals, labels, markings considered surplus to requirements are to be returned to the issuing agency.

APPENDICES

- Appendix 1 SNAPS List Example
- Appendix 2 DND Owned Inventory Held By Contractors
- Appendix 3 Stocktaking Summary Report
- Appendix 4 Contract Data Requirements List (CDRL)
- Appendix 5 Data Item Description (DID)

Appendix 1
to Annex B

Appendix 1 SNAPS List Example

1. First Row:

Contract	Contract Description	Contract Item	Material Number	Plant	MRP controller	Storage Location	Acct. Assign Category	Maximum Repair Cost
4600002392	FY 12/13 BUFFALO CC 2182ZZ	34	00-0202564 NSN DOOR,ACCESS,AIRCRAFT	1000 ADM (Mat)	001 Default MRP Ctr	006C RMA SBC1 NS	U Unknown	5,000.00 CAD
4600002392	FY 12/13 BUFFALO CC 2182ZZ	34	00-0456623 NSN HAND PUMP	1000 ADM (Mat)	001 Default MRP Ctr	006C RMA SBC1 NS	U Unknown	1,600.00 CAD
4600002392	FY 12/13 BUFFALO CC 2182ZZ	34	00-0817844 NSN POWER SUPPLY	1000 ADM (Mat)	001 Default MRP Ctr	006C RMA SBC1 NS	U Unknown	5,500.00 CAD

- a. Contract: The outline purchase agreement is often referred to as a blanket or umbrella purchase order;
- b. Contract Description: Description of the outline agreement;
- c. Contract Item:
- d. Material Number & Descriptor: NATO Stock Number and item description;
- e. Plant & Descriptor: The plant is a four-digit identifier for a production facility or branch office within a company. ADM (Mat)'s plant is 1000;
- f. MRP Controller: MRP Controller is the person who is responsible for a group of materials in a MRP in a plant or company;
- g. Storage Location: Storage location is a place where physical inventory is kept within a plant;
- h. Acct. Assignment Category: An account assignment is a one-character identifier used in creating a purchase requisition and a purchase order to link the document to the financial data. Four different codes exist, they are:
 - (1) "K" for cost center;
 - (2) "P" for capital project (capital stand alone and major crown projects);
 - (3) "F" for internal order; and
 - (4) "U" for unassigned (only used to create funds earmarked for future activities). Account assignment blank is used to procure material as inventory and it can be consumable or accountable.
- i. Maximum Repair Cost:

2. Second Row:

DMC	CFSS UOI Price	SMC	RQ Month	Spin Number	Vendor	Location	Postal Code	Street Name	Telephone 1	Validity End date	Material group
Controlled/Demil-mutilate unrepairable	8,477.30 CAD	52W (A) DAP4-4-2-3	#	#	1207039 KELOWNA FLIGHTCRAFT LTD	KELOWNA	V1V 1S1	5655 AIRPORT WAY	#	31.03.2013	1560 Airframe Structural
Controlled/Demil refer to tech auth	2,710.00 CAD	52W (A) DAP4-4-2-3	#	#	1207039 KELOWNA FLIGHTCRAFT LTD	KELOWNA	V1V 1S1	5655 AIRPORT WAY	#	31.03.2013	1560 Airframe Structural
Controlled/Demil-mutilate unrepairable	10,000.00 CAD	52W (A) DAP4-4-2-3	#	#	1207039 KELOWNA FLIGHTCRAFT LTD	KELOWNA	V1V 1S1	5655 AIRPORT WAY	#	31.03.2013	8130 Converters, Electric

- a. DMC Descriptor:
- b. CFSS UOI Price:
- c. SMC & Descriptor:
- d. RQ Month:
- e. Spin Number:

Appendix 1
to Annex B

- f. Vendor: The vendor is a person or company that does legal business (sales) with DND. There are four types of vendors in FMAS:
- (1) supplier (companies);
 - (2) non-supplier (individuals);
 - (3) other government department; and
 - (4) onetime (template): Externally assigned vendors are created by DMAC 4 and include: Onetime (CPDL) and other government department (ZOGD). Internally assigned vendors are created by Section 34 users and include: supplier (VNDR); and non-supplier (NONS).
- g. Location: City for delivery address;
- h. Postal Code: Postal code for delivery address;
- i. Street Name: Number and Street name for delivery address;
- j. Telephone: Telephone number for delivery address;
- k. Validity End Date: Forecast validity; and
- l. Material Group:

Third Row:

Technical Auth. Code	Repairable Reserve	Repair Priority Code	Repairability Code	RMR	Process (R/O)	Changed On	Changed By	Current Year Forecast	Next Year Forecast	SU	CAD	CAD
A57G	N	R	G	#	D	27.09.2013	RGSNOW	0001	0001	1.000	0.00	7,760,000.00
A57G	N	C	B	#	D	27.09.2013	RGSNOW	0004	0002	1.000	0.00	7,760,000.00
A57E	N	R	B	#	D	30.09.2013	RGSNOW	0008	0008	1.000	0.00	7,760,000.00

- a. Technical Auth. Code:
- b. Repairable Reserve:
- c. Repair Priority Code:
- d. Repairability Code:
- e. RMR: Presently not used;
- f. Process (R/O/D): This defines whether WO is Repair (R Linked), Overhaul (O), Delinked (D). Note:
- (1) R=Repair IW81 Type R001 Control Key ZP12;
 - (2) D=Delink IW81 Type R001 Control Key ZP02; and
 - (3) O=Overhaul IW31 Type R002 Control Key ZP08.
- g. Changed On: Last date when repair data was changed in ZEMM_RO_MANAGED;

- h. Changed By: Last person user ID who changed any repair data in ZEMM_RO_MANAGED;
- i. Current Year Forecast (CYF) & Next Year Forecast (NYF): The SM, in consultation with the LCMM, shall compute a forecast of the number of MMRs that will arrive at the repair contractor over the next 2 –12 months provisioning periods. This Current Year Forecast (CYF) and Next Year Forecast (NYF) become the basis for R&O funding provided to the PA and for planning purposes by the contractor. The current year forecast is also the maximum quantity the contractor is authorized to receive and repair unless there is an amendment to the SNAPS or CYF. Because quantities forecasted have a direct impact on funds expenditure, care shall be exercised to ensure that forecast quantities are based on accurate data of past usage, future activity and/ or the manufacturers input in the case of initial procurement. The following principles shall apply when calculating a forecast:
- (1) Repair Forecasts shall cover a 24-month period commencing at the beginning of the current fiscal year for each MMR. The forecast shall be expressed in terms of two 12-month periods. Components shall be counted against the CYF for the fiscal year during which they were inducted;
 - (2) The forecast will indicate the number of unserviceable items that the LCMM / SM forecast would arrive at the repair facility in each of the 12-month periods. This will be determined by looking at the historical data (how many arrived last year) and the expected usage of the end equipment over the next 2 years; and
 - (3) The forecast will show against the FH (Family Head). But will include the forecast for the subordinate MMR. The forecast for the subordinate item will be shown as 00SN when the repair will not change the MMR. The forecast will be 00RW when it is to be reworked to become the same as the FH or into another number as identified in the contract. When completing the annual review it is important that the SM check the forecast against all the subordinates to ensure it shows 00SN. (Under review with DRMIS).
- j. SU: Standard unit of Issue;
- k. CAD (Order Amount Net): Not used;
- l. CAD (Order Amount Gross): Standard Unit Price;

Appendix 2 DND Owned Inventory

Part A: DND Owned Inventory Holdings Held By Contractors

[illegible]

1. Notes:

- a. 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 or CAMMS;
- b. 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;
- c. 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;
- d. Note 3: If the inventory item has a NSN or SC, please provide the number, if you have it readily available in your inventory System;
- e. Note 4: Report in one currency only and specify the currency if it is not Canadian;
- f. Note 5: If known, enter the program under which the inventory is held (e.g., GFOS, AAS, Bonded Stock, etc.); and
- g. Note 6: Please identify repair flag Y for a repairable item and N for a consumable item.

2. Details:

- a. Content: The DND Inventory Report shall report on “DND Owned Inventory Holdings held by Contractors as at 31 Mar 20XX” (each fiscal year);

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- b. Repairable: 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 versus repairable, please state what the majority of the inventory would be classified as repairable or consumable;
- c. Loaned equipment from DND must be authorized through a DND-authorized loan agreement. Reporting shall be as per the conditions of the loan agreement;
- d. Whole Capital assets are not to be reported to DND. Whole Capital Assets are equipment that has been purchased by DND for not inventory, such as vehicles, test equipment, etc.
- e. 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.
- f. 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.
- g. Provide the inventory report in electronic format, MS Excel being the preferred software, advise the Procurement Authority (PA) if not available.

Part B: Repairable and Consumable Report Templates

1. Input / Output Repairable Inventory Report

Repairable Template / Gabarit des biens réparables	
Input/Output Repairable Inventory Report / Rapport d'inventaire des entrées et sorties des biens réparables	
For the year ending 31 March 20xx / Pour l'exercice se terminant le 31 mars 20xx	
Opening Inventory as at 1 April 20xx / Stock d'ouverture au 1er avril 20xx:	
Plus: Cost of Goods Purchased or Acquired / Plus : Coût des biens achetés ou acquis :	
Minus: Consumption/Removals / Moins : Consommation/Retraits :	
Closing Inventory as at 31 March 20xx / Stock de clôture au 31 mars 20xx :	\$ -
<u>Notes / Remarques:</u>	
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.	
Doit équivaloir à la liste par article des biens réparables fournie dans la Partie A : Inventaire du MDN détenu par les entrepreneurs tel qu'il apparaît au 31 mars 20xx.	
A separate Input / Output inventory report is required for consumable inventory and repairable inventory.	
Un rapport distinct de l'inventaire des entrées et sorties est requis pour les biens renouvelables et les biens réparables.	

2. Input / Output Consumable Inventory Report

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Consumable Template / Gabarit des biens renouvelables	
Input/Output Consumable Inventory Report / Rapport d'inventaire des entrées et sorties des biens	
For the Year Ending 31 March 20xx / Pour l'exercice se terminant le 31 mars 20xx	
Opening Inventory as at 1 April 20xx / Stock d'ouverture au 1er avril 20xx :	
Plus: Cost of Goods Purchased or Acquired / Plus : Coût des biens achetés ou acquis :	
Minus: Consumption/Removals / Moins : Consommation/Retraits :	
Closing Inventory as at 31 March 20xx / Stock de clôture au 31 mars 20xx :	\$ -
Notes / Remarques:	
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.	
Doit équivaloir à la liste par article des biens renouvelables fournie dans la Partie A : Inventaire du MDN détenu par les entrepreneurs tel qu'il apparaît au 31 mars 20xx.	
A separate Input / Output inventory report is required for consumable inventory and repairable inventory.	
Un rapport distinct de l'inventaire des entrées et sorties est requis pour les biens renouvelables et les biens réparables.	

Part C: Additional Information Requirements

Additional Information / Renseignements supplémentaires		
		Response / Réponse
Description of the activities performed under the Repair & Overhaul (R&O) contract(s) supported by the inventory holdings if not supplied on the Part A spreadsheet (i.e. R&O on Hercules engines).	Description des activités effectuées en vertu du ou des contrat(s) de réparation et révision (R et R) soutenu(s) par l'inventaire détenu, si ces détails ne figurent pas dans la partie A du tableau de ventilation (c.-à-d. les contrats de R et R effectués sur les moteurs Hercules).	
How often is a stocktaking performed on the contractor holdings of DND owned inventory?	À quelle fréquence effectue-t-on la prise de l'inventaire du MDN?	
What is the date of last stocktaking?	À quelle date remonte la dernière prise d'inventaire?	
What accounting method is used by the contractor to value the inventory reported (FIFO, LIFO, historical cost or moving weighted average)?	Quelle méthode de comptabilisation est utilisée pour évaluer l'inventaire (méthode du premier entré, premier sorti [PEPS], méthode du dernier entré, premier sorti [DEPS], coûts d'origine, moyenne mobile pondérée)?	
Is this a sub-contractor to another company? If so, who?	L'entrepreneur est-il sous-contractant d'une autre société? Si oui, laquelle?	
DND and Contractor points of contact for the inventory report as at 31 March 2016.	Points de contact des entrepreneurs et du MDN pour l'inventaire déclaré au 31 mars 2016.	
NOTES	REMARQUES	
1: inventory reports will be subject to audit by the Office of the Auditor General (OAG) and internal audits	1. Les rapports d'inventaire seront soumis à une vérification par le Bureau du vérificateur général (BVG) et à des vérifications internes.	

Appendix 3 Stocktaking Summary Report

Supplier Name	
PWGSC Contract Number	
Count starting date	
Count Completed date	
Account name	
Account type : RMA, CRPA, GFOS AAS	
Number of line items counted	
Inventory valuation after stocktaking	
Deficiency value on CF 152	\$ CAN
Surplus value on CF 152	\$ CAN

Justification for discrepancies :

Contractor's corrective actions taken :

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Appendix 4 Contract Data Requirements List (CDRL)

CONTRACT DATA REQUIREMENTS LIST (CDRL)									
A. System / Item				B. Contract / RFP Number					
TBD				W8485-163203					
C. SOW Identifier		D. DATA Category		E. Contractor					
Annex B: LOG SOW		Management Data		TBD					
1. Item Number		2. Title or Description Data		3. Sub Title					
CDRL CC138-007		Logistics Process Manual (LPM)		N/A					
4. Authority (Data Item Number)		5. Contract Reference		6. Requiring Office					
DID CC138-007		Annex B: LOG SOW Sections: 2.1 / 3.1 / 4.3.2 / 4.4.2 / 4.5.2 / 5.1 / 6.1 / 7.1		PA / TA					
7. Inspection		9. Input		10. Frequency		12. Date of 1st Submission		14. Distribution and Addressees	
N/A				Revisions as Required		Six (6) Month after Contract award			
8. App Code		11. As of Date		13. Date of Subsequent Submission / Event		a. Address		b. Copies	
A								Initial	
								Hard	
								Soft	
								Hard	
								Soft	
16. Remarks						PA			
The Contractor shall submit their Logistics Process Manual to PA/TA six Months After Contract (MAC) award with details in DID-CC138-7. Follow on submissions will be agreed upon between contractor, PA and TA.						TA			
Prepared By		Date		Approved By		15. Total			
Capt R.E. Fox		Apr 2016		DAP 4-4-2		0		2	
17. Contract File / Document Number		18. Estimated No. of Pages		19. Estimated Price					
TBD		TBD		N/A					

Appendix 5 Data Item Description (DID)



National Défense
Defence nationale

DATA ITEM DESCRIPTION - DESCRIPTION DE DONNÉES

1. TITLE - TITRE Logistics Process Manual (LPM)		2. IDENTIFICATION NUMBER - NUMÉRO D'IDENTIFICATION DID CC138-007	
3. DESCRIPTION/PURPOSE - DESCRIPTION/OBJET To describe the Contractor's administrative and logistics procedures as well as the interaction between support procedures and the Repair and Overhaul (R&O) of DND materials.			
4. APPROVAL DATE DATE D'APPROBATION	5. OFFICE OF PRIMARY INTEREST (OPI) BUREAU DE PREMIERE RESPONSABILITÉ (BPR) DAP 4-4-2		6. GIDEP APPLICABLE D'ÉCHANGE DE DONNÉES PERTINENT
7. APPLICATION/INTERRELATIONSHIP - APPLICATION/INTERDÉPENDANCE The Draft LPM is required as part of the Contractor's undertaking to implement procedures identified within the LOG SOW, sections 2.1, 3.1, 4.3.2, 4.4.2, 4.5.2, 5.1, 6.1, and 7.1.			
8. ORIGINATOR - AUTEUR DAP 4-4-2		9. APPLICABLE FORMS - FORMULES PERTINENTES	
10. PREPARATION INSTRUCTIONS – INSTRUCTIONS SUR LA PRÉSENTATION DES DONNÉES 1. In the Contractor's own format, the Logistics Management Plan (LMP) must document and describe the contractor's processes and systems for carrying out the work required under the contract including cost control, the R&O process, Inventory Management, Packaging, Shipping & Transportation and Publications Management. The plan must demonstrate how the contractor proposes to meet the requirements of the LOG SOW. The plan must include but not be limited to: a. Cost Control i. Have appropriate management control procedures in place; ii. Ensure all costs related to the repair are tracked on the applicable work order, such as parts used, embodiment fees, labour, etc.; iii. Monitor the cost of each repair to ensure that the total repair costs remain within the approved repair cost limits; iv. Ensure that purchases of spares are within the approved contract cash flow for the applicable fiscal year; and v. Maintain costing records that must be available on request for review and/or audit. b. Repair and Overhaul i. Report discrepancies in shipments, including any errors in documentation; ii. Open a work order within 48 hours of receipt; iii. Validate the requirement for Repair and/or Overhaul from the CF942, as identified on the applicable component. If			

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there is a discrepancy between approved maintenance program and information on the CF942, then the contractor is to contact TA for clarification;

- iv. Schedule repair work in accordance with the RPC & PRR;
 - v. Establish a system that will monitor production and materiel flowing through the plant and provide an audit trail;
 - vi. Maintain Supply accounting records for DND materiel separate from other company records; and
 - vii. Perform a manual 100% stocktaking of the RMA account every two years, or when requested by DND, following the instructions for stocktaking in the A-LM-184-001/JS-001 Special Instructions – Repair and Overhaul Contractors.
- c. Contract Issue Spares (CIS)
- i. Follow the requisition, receipt and issue processes in A-LM-184-001/JS-001;
 - ii. Create and maintain appropriate stock levels on the CRPA for each stock number as directed in A-LM-184-001/JS-001;
 - iii. Record the CIS spares against the R&O work order where they will be consumed as directed in A-LM-184-001/JS-001;
 - iv. Perform the 100% manual stocktaking every two years, or more often when requested by DND, following the instructions for stocktaking in A-LM-184-001/JS-001;
 - v. Perform Stock Review in conjunction with a 100% stocktaking; and
 - vi. Dispose of spares, when authorized by DND, IAW instructions in A-LM-184-001/JS-001.
- d. Government Furnished Overhaul Spares (GFOS)
- i. Establish a price for each line item of GFOS using the book value or the cost laid down as defined in the contract;
 - ii. Advise on the applicability of the GFOS to the repair operation;
 - iii. Maintain stock records for both unserviceable and serviceable GFOS;
 - iv. Provide Stock control of the items;
 - v. Establish and maintain an issue system in order to track the issue of GFOS to the work order for embodiment in DND equipment undergoing repair;
 - vi. Issue GFOS to a Work Order where it will be consumed;
 - vii. Complete a 100% manual stocktaking every 2 years, or sooner as requested by DND, following the instructions in A-LM-184-001/JS-001;
 - viii. Perform a stock review in conjunction with a 100% stocktaking; and
 - ix. Dispose of items, when authorized by DND, IAW instructions in A-LM-184-001/JS-001.
- e. Accountable Advance Spares (AAS)
- i. The Contractor is responsible for determining the requirement for AAS and providing their recommendations to DND;
 - ii. Provide Stock Control for AAS;
 - iii. Establish and maintain an issue system in order to track the issue of AAS to the R&O work order for embodiment in DND equipment undergoing repair;
 - iv. Record issue of AAS against a Work Order where it is consumed;
 - v. Complete a 100% manual stocktaking every 2 years, or sooner as requested by DND, following the instructions in A-LM-184-001/JS-001;
 - vi. Perform a stock review in conjunction with a 100% stocktaking;
 - vii. Dispose of items, when authorized by DND, IAW instructions in A-LM-184-001/JS-001; and
 - viii. Perform a level review at least once quarterly.
- f. Packaging
- i. The Contractor must carry out packaging in accordance with the applicable currently approved Canadian Forces Packaging Data available in DRMIS;
 - ii. When it has been established that a specific item is to be repaired against a given contract for which an approved packaging data is not held or for which there is no entry in DRMIS, the Contractor must notify the DND Supply Manager;
 - iii. The Contractor is encouraged to submit recommendations when they consider that an item, which is already covered by an approved process, could be packaged more effectively or with substantial savings in cost, cube or weight; and
 - iv. The Contractor must forward all correspondence concerning packaging details to the applicable DND Supply

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Manager.

- g. Transportation
 - i. Follow the instructions in the contract to arrange outbound transportation of materiel back to DND;
 - ii. Prepare the shipment of the required documentation, as specified in the contract, for release to a DND driver or a commercial carrier on behalf of DND;
 - iii. Mark shipments IAW A-LM-158-004/AG-001;
 - iv. Prepare CF1000 shipping Label or CF 1001 Shipping Tag as described in the contract;
 - v. Report loss or damage as described in the contract; and
 - vi. Maintain records as described in the contract.
 - h. Publications
 - i. Request DND publications from DND as required;
 - ii. Control and maintain DND publications, in the Contractor's possession, up to date;
 - iii. Dispose of DND Publications and forms IAW the contract; and
 - iv. Restrict the use of DND Publications to work directed by DND, unless provided with written consent IAW the contract.
- 2. Upon the PA's acceptance of the Logistics Management Plan, the Contractor must implement the approved plan.
 - 3. As required, the Contractor must make appropriate amendments to the plan throughout the term of the contract to reflect current and planned activities (including process re-engineering, continuous improvement initiatives, or other innovations affecting the plan). The Contractor must submit amendments to the plan to the PA for approval.

**TECHNICAL EVALUATION PLAN
FOR THE CC138 TWIN OTTER AIRCRAFT
IN-SERVICE SUPPORT PROGRAM**

1.1 Evaluation Plan Overview

The purpose of this Evaluation Plan is to document the overall evaluation methodology and processes that will be followed by evaluators while assessing the Bidder's proposal for award of the CC138 Twin Otter In-Service Support Contract.

1.2 – Evaluation Objectives

The specific objectives of this Evaluation Plan are to facilitate the evaluation of the Bidder's Proposal in a consistent, unbiased, fair, transparent and structured approach that will lead to a well supported recommendation for contract award.

2 EVALUATION CONCEPT

2.1. Evaluation Team:

Prior to the RFP closing date, the evaluation team will review the RFP to familiarize themselves with the requirements and the evaluation criteria. The evaluation team will consist of members from the Government of Canada.

2.2 Bid Receipt:

Bids received prior to the RFP closing date and time will be evaluated. All bids received after the closing date and time will be determined to be non-responsive and will not be evaluated.

2.2.1 All responsive Technical proposals will be distributed by PWGSC to the Technical Evaluation team members. Financial proposals will only be disclosed to the Financial Evaluation Team after the Technical Evaluation team has completed the technical evaluation process and provided an evaluation report to the Contracting Authority.

2.3. Technical Evaluation:

2.3.1 The technical evaluation team will review the Bidder's technical proposal to determine if the Mandatory technical requirements (M1-M4) identified in appendix 2 Table 3.1 - Mandatory Technical Criteria Requirements Matrix, have been met. If any one of these mandatory requirements has not been met, the technical proposal will be found non-compliant and no further evaluation of the proposal will take place.

2.3.2 The technical evaluation team will conduct the evaluation for the Point Rated technical requirements for each proposal that has met the mandatory requirements as identified in appendix 3 Table 3.2 - Point Rated Technical Criteria Requirements Matrix.

2.3.3 In order to be compliant, a bid must have a minimum score of 60% in each individually rated factor and achieving an overall result of 75% or better when all rated requirements are combined (M5). There is a total of 283 points available hence 213 points are required to meet this overall 75% rated requirement pass mark.

2.3.5 The results of the entire evaluation process will be recorded in an Evaluation Summary detailed at Appendix 1. This summary will list the compliant and non-compliant proposals for submission to the Contracting Authority.

3. EVALUATION METHODOLOGY

3.1 Contractor Selection Method

3.1.1 The bidder's submission will be evaluated as stated in the Request for Proposal Solicitation # W8485-163201A, Part 4 – Evaluation Procedures and Basis of Selection.

APPENDIX 1 - Technical and Logistics Evaluation Summary

TECHNICAL AND LOGISTICS EVALUATION SCORING REPORT

RANK: _____

NAME: _____

BIDDER: _____

PART 1 - MANDATORY CRITERIA

MET / NOT MET

PART 2 - RATED REQUIREMENTS FACTOR CATEGORIES AND SCORES

a. Aircraft Maintenance, Engineering and Corporate Experience:

_____ POINTS (min 44/73)

b. Program Management:

_____ POINTS (min 45/75)

c. Personnel:

_____ POINTS (min 45/75)

d. Material Management:

_____ POINTS (min 21/35)

| e. R&O Support:

_____ POINTS (min 15/25)

| Total Points Received

_____ POINTS (min 213 / 283)

Print: _____

Print: _____

Signature: _____

Witness: _____

Date: _____

Date: _____

Note: In order to be compliant, a bid must obtain the required minimum of 60 percent of the points for each section of the technical evaluation criteria that are subject to point rating and obtain the required minimum of 75 percent of the overall points for the technical evaluation criteria that are subject to point rating.

SYNOPSIS OF FINDINGS

PART 1 - MANDATORY CRITERIA

PART 2 - RATED REQUIREMENTS FACTOR CATEGORIES AND SCORES

Print: _____

Print: _____

Signature: _____

Witness: _____

Date: _____

Date: _____

Appendix 2 - Technical and Logistics Evaluation Scoring Matrix

Table 3.1 – Mandatory Technical Criteria Requirements Matrix						
Mandatory Requirements (Technical)		RFP Reference	Met	Not Met	Proposal Reference	Comments
M1	TC Accredited Maintenance Organization (AMO) certificate for “DeHavilland DHC-6” series aeroplanes, must be provided at bid submission.	Tech SOW 3.1.1				
M2	TC approved Accredited Design Organization (ADO) certification in accordance with TC Airworthiness Manual Chapter 505, must be provided at bid submission	Tech SOW 3.1.2				
M3	The Bidder must hold a current Transport Canada Accredited Training Organization (ATO) certification or have a written agreement with a certified Training Organisation that can provide the appropriate DHC-6 aeroplanes training requirements. This documentation must be provided at bid submission.	Tech SOW 3.1.3				
M4	The Bidder must provide documented proof, that a quality system appropriate to the scope of the work to be performed is in place. It is not necessary to be ISO 9001 compliant, but it is recommended that the quality system be based on ISO 9001:2008 "Quality management systems - Requirements."	Tech SOW 3.1.5				
M5	The bidder must achieve a minimum score of 60% in each rated factor (Table 3.2) and achieve an overall result of 75% or better when all rated requirements are combined.					
Met Mandatory Requirements						
Failure to meet any of the Mandatory Requirements as stated above will result in the Bidder being declared non-compliant.						

Appendix 3 - Technical and Logistics Evaluation Scoring Matrix

Table 3.2 Point Rated Technical Criteria Requirements Matrix

Point Rated Criteria Requirements

The Bidder must obtain the required minimum points for the technical evaluation criteria which are subject to point rating and obtain the required minimum of 75 percent overall of the points for the technical evaluation criteria which are subject to point rating.

The five (5) factors selected for assessment are as follows:

- a. Aircraft Maintenance, Engineering and Corporate Experience (min 44 points / max 73 points)
(min 45 points / max 75 points)
- b. Program Management (min 45 points / max 75 points)
- c. Personnel (min 21 points / max 35 points)
- d. Material Management (min 15 points / max 25 points)
- e. R&O Support

EXP Aircraft Maintenance, Engineering and Corporate Experience

1 Experience in aircraft engineering/ maintenance							
a)	Years of experience in aircraft engineering.	Excellent – (25)	Very good – (20)	Satisfactory – (15)	Poor – (10)	Very Poor – (5)	Not addressed – (0)
	Bidder will detail its years of experience in the aircraft engineering field per type of engineering activity: maintenance support, design, supplemental type approvals, aircraft modifications, etc.						
	Evaluation Guideline	ADO has 15+ years of aircraft engineering experience	ADO has 11-14 years with aircraft engineering experience	ADO has 7-10 years of aircraft engineering experience	ADO has 3-6 years of aircraft engineering experience	ADO has less than 3 years of aircraft engineering experience	No information provided by the bidder
	SCORE						
	PROPOSAL REFERENCE AND COMMENTS						

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b)	Years of experience as accredited TC Aircraft Maintenance Organization	Excellent – (25)	Very good – (20)	Satisfactory – (15)	Poor – (10)	Very Poor – (5)	Not addressed – (0)
	Bidder will detail its years of experience as a TC accredited maintenance organization. Note: Experience is not cumulative between contractors/subcontractors. Experience is calculated as the maximum individual amount of any one company or its subcontractors.						
	Evaluation Guideline	AMO has 15+ years of experience as a TC accredited aircraft maintenance organization	AMO has 11-14 years of experience as a TC accredited aircraft maintenance organization	AMO has 7-10 years of experience as a TC accredited aircraft maintenance organization	AMO has 3-6 years of experience as a TC accredited aircraft maintenance organization	AMO has less than 3 years of experience as a TC accredited aircraft maintenance organization	No information provided by the bidder
	SCORE						
c)	PROPOSAL REFERENCE AND COMMENTS						
	Amount of experience in aircraft maintenance for the DHC-6 series aeroplane	Excellent – (18)	Very good – (12)	Satisfactory – (6)	Poor – (0)		
	Bidder will detail its years of experience as an accredited maintenance organization for the DHC-6 series aeroplane. Note: Experience is not cumulative between contractors/subcontractors. Experience is calculated as the maximum individual amount of any one company or its subcontractors.						
	Evaluation guidelines	Bidder has 5+ years' experience as an accredited aircraft maintenance organization for the DHC-6 series aeroplane.	Bidder has 3-4 years' experience as an accredited aircraft maintenance organization for the DHC-6 series aeroplane.	Bidder has 1-2 years' experience as an accredited aircraft maintenance organization for the DHC-6 series aeroplane.	Bidder has less than 1 years' experience as an accredited aircraft maintenance organization for the DHC-6 series aeroplane.		
	SCORE						
	PROPOSAL REFERENCE AND COMMENTS						

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d)	Letters of reference	3 References - (5)	2 References - (3)	1 Reference - (1)	Not Addressed - (0)	
Bidders should provide 3 Letters of Reference from current/previous customers detailing their level of satisfaction with the Aircraft Maintenance and Engineering received.						
	Evaluation guidelines	Bidder has provided 3 references that confirm the bidder has carried out the requirements for Aircraft Maintenance Services to the customer's satisfaction.	Bidder has provided 2 references that confirm the bidder has carried out the requirements for Aircraft Maintenance Services to the customer's satisfaction.	Bidder has provided 1 reference that confirm the bidder has carried out the requirements for Aircraft Maintenance Services to the customer's satisfaction.	Bidder has provided 0 references	
	SCORE					
	PROPOSAL REFERENCE AND COMMENTS					
BIDDER'S SCORE FOR EXPERIENCE						
		MAXIMUM SCORE			MINIMUM SCORE	BIDDER'S SCORE
		73			44	PASS OR FAIL
PROGRAM MANAGEMENT						
PM	Program Management Plan					
1	Rating	Excellent – (25)	Very good – (20)	Satisfactory – (15)	Poor – (10)	Very Poor – (5)
The Bidder should describe how they plan to perform the Management Services in support of this contract. Management Services include the processes of planning, organizing and co-ordinating all activities and services related to maintenance, engineering, supply and financial as described within CDRL/DID CC138-006.						
	Evaluation guidelines	The proposal meets all and exceeds most of the requirements. The Bidder has provided a detailed draft management plan addressing all the requirements defined in the DID. There are no uncertainties that will significantly impact accomplishment of the requirements.	The proposal meets all and has exceeded some of the requirements. The Bidder has provided a detailed draft management plan addressing the majority of the requirements defined in the DID. There is low probability that uncertainties will significantly impact accomplishment of the requirement.	The proposal meets the requirements. The Bidder has provided a draft management plan addressing some of the key requirements defined in the DID. There is a moderate probability that uncertainties will significantly impact accomplishment of the requirement.	The proposal fails to meet some of the requirements. The Bidder has provided only a high level draft management plan addressing only a few requirements defined in the DID. There is a high probability that uncertainties will significantly impact accomplishment of the requirement.	The proposal fails to meet most of the requirements. The Bidder has provided a draft management plan that doesn't properly address the requirements defined in the DID. There is a very high probability that uncertainties will significantly impact accomplishment of the requirement.
	SCORE					Not addressed
	PROPOSAL REFERENCE AND COMMENTS					

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2	Project Management						
	Rating	Excellent – (15-13)	Very good – (12-10)	Satisfactory – (9-7)	Poor – (6-1)	Not addressed – (0)	
	The bidder shall provide a description of their ability to conduct options analysis, develop solutions and implement modifications for customer specific requirements. Bidder shall provide details of 3 Projects managed in the last 5 years, including a description of each project, complexity, level of resources required, project management tools used for planning and controlling activities, and how airworthiness regulations compliance was achieved. (Examples of compliance plans, analysis reports and test plans developed by the Bidder shall be provided). Each project is worth 5 pts and will be independently reviewed and assessed. (totals summed up for max of 15pts)						
	Evaluation guidelines	Bidder's processes are mature, developed and they have provided an abundance of supporting documents and are such that the level of risk to the program is deemed negligible. Bidder has clearly demonstrated that DND's program requirements will be expertly managed.	Bidder's processes are well developed, proven effective and they have provided adequate supporting documentation and are such that the level of risk to the program is deemed minimal. Bidder has clearly demonstrated that DND's program requirements will be effectively managed.	Bidder's processes are adequately developed and they have provided these processes for evaluation and are such that the level of risk to the program is deemed acceptable. Bidder has clearly demonstrated that DND's program requirements will be satisfactorily managed.	Bidder's processes are in development and the evaluation has deemed the risk to the program to be high but manageable. Bidder has clearly demonstrated that DND's program requirements will be adequately managed.	Not addressed	
	SCORE						
	PROPOSAL REFERENCE AND COMMENTS						
3	Transition Plan						
	Rating	Excellent – (15)	Very good – (12)	Satisfactory – (9)	Poor – (6)	Very poor – (3)	Not addressed – (0)
	The Bidder to provide a plan that clearly address how all transition plan activities in the DID CC138-006 will be executed and implemented to allow for a seamless transfer of work from past contractor to new contractor.						
	Evaluation guidelines	Bidder has submitted a plan that addresses all of the requirements defined in the DID CC138-006. There are no uncertainties that all requirements will be achieved within 3 months after contract award.	Bidder has submitted a plan that addresses all of the requirements defined in the DID CC138-006. There is a low probability of uncertainty that all requirements will be achieved within 3 months after contract award.	Bidder has submitted a plan that addresses all of the requirements defined in the DID CC138-006. There is a moderate probability of uncertainties that all requirements will be achieved within 3 months after contract award.	Bidder has submitted a plan that addresses most of the requirements defined in the DID CC138-006. There is a high probability of uncertainties that could significantly impact the capability to complete transition within 3 months after contract award.	Bidder has submitted a plan that addresses some of the requirements defined in the DID CC138-006. There is a very high probability of uncertainties that will significantly impact the capability to complete transition within 3 months after contract award.	Not addressed
	SCORE						
	PROPOSAL REFERENCE AND COMMENTS						

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4							Material Management Processes				
Rating		Excellent – (20)		Very good – (16)		Satisfactory – (12)		Poor – (8)		Not addressed – (0)	
The Bidder must describe the material management processes to include configuration control and configuration management (modification status), visibility of CF material, scrap recovery, and contingencies for heightened states of readiness, etc.											
Evaluation guidelines		Bidder has provided a description as required, with documented evidence that procedures are already a part of the company's standard practices.		Bidder provided a description as required, with documented evidence that procedures are drafted and ready to be implemented.		Bidder provided a description that addresses some of the material management processes. Evaluators have assessed that the risk to service performance is acceptable.		Bidder has failed to address many of the material management processes. Evaluators have documented flaws to support their assessment that risk to the service is high but manageable.		Not addressed	
SCORE											
PROPOSAL REFERENCE AND COMMENTS											
BIDDER'S SCORE FOR PROGRAM MANAGEMENT											
				MAXIMUM SCORE		MINIMUM SCORE		BIDDER'S SCORE		PASS OR FAIL	
				75		45					
HR Personnel											
1 Qualified Design Engineers (DE)											
a)		Rating		Excellent – (5)		Very good – (4)		Satisfactory – (3)		Poor – (2)	
The bidder is to identify by name all Structures engineering personnel, their qualifications and their Transport Canada airworthiness delegations as well as years of experience. Note: 2 points will be given for the first DE and 1 points will be given for substitutes, up to a maximum of 5 points.											
Evaluation guidelines		Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (4 DE)		Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (3 DE)		Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (2 DE)		Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (1 DE)		Not addressed	
SCORE											
PROPOSAL REFERENCE AND COMMENTS											

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b)	Rating	Excellent – (5)	Very good – (4)	Satisfactory – (3)	Poor – (2)	Not addressed – (0)
	The bidder is to identify by name all Electrical Systems engineering personnel, their qualifications and their Transport Canada airworthiness delegations. Note: 2 points will be given for the first DE and 1 points will be given for substitutes, up to a maximum of 5 points.					
	Evaluation guidelines	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (4 DE)	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (3 DE)	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (2 DE)	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (1 DE)	Not addressed
	SCORE					
c)	PROPOSAL REFERENCE AND COMMENTS					
	Rating	Excellent – (5)	Very good – (4)	Satisfactory – (3)	Poor – (2)	Not addressed – (0)
	The bidder is to identify by name all Mechanical Systems engineering personnel, their qualifications and their Transport Canada airworthiness delegations. Note: 2 points will be given for the first DE and 1 points will be given for substitutes, up to a maximum of 5 points.					
	Evaluation guidelines	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (4 DE)	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (3 DE)	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (2 DE)	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (1 DE)	Not addressed
	SCORE					
	PROPOSAL REFERENCE AND COMMENTS					

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d)	Rating	Excellent – (5)	Very good – (4)	Satisfactory – (3)	Poor – (2)	Not addressed – (0)
	The bidder is to identify by name all Avionics Systems engineering personnel, their qualifications and their Transport Canada airworthiness delegations. Note: 2 points will be given for the first DE and 1 points will be given for substitutes, up to a maximum of 5 points.					
	Evaluation guidelines	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (4 DE)	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (3 DE)	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (2 DE)	Bidder has provided all names, quals and authorization of the engineering requested in above that could be used to support the requirements specified within the Tech SOW. (1 DE)	Not addressed
	SCORE					
	PROPOSAL REFERENCE AND COMMENTS					
2	<u>Qualified Aircraft Maintenance Engineers</u>					
	Rating	Excellent – (25)	Very good – (20)	Satisfactory – (15)	Poor – (10)	Very poor – (5) Not addressed – (0)
	The bidder is to identify by name all authorized technicians, their qualifications, a description of their endorsements and scope, and how they will meet the maintenance requirements of 1 aircraft TLIR completed within 4 mths, while conducting all remaining contracted activities. The bidder to describe its ability to surge to 2 aircraft on-site for 2 mths if/when tasked by DND.					
	Evaluation guidelines	Bidder has provided all names, quals and authorization of personnel that will be used to support the requirements specified within the Tech SOW. The bidder has the ability to surge for a large period (1 mth +) without degradation of service to the program.	Bidder has provided all names, quals and authorization of personnel that will be used to support the requirements specified within the Tech SOW. The bidder has the ability to surge for a large period (1 mth +) of time with limited degradation of service to the program.	Bidder has provided all names, quals and authorization of personnel that will be used to support the requirements specified within the Tech SOW. The bidder has the ability to surge for a limited time (< 1 mth) without degradation of service to the program.	Bidder has provided all names, quals and authorization of personnel that will be used to support the requirements specified within the Tech SOW. The bidder does not have the ability to surge.	Not addressed
	SCORE					
	PROPOSAL REFERENCE AND COMMENTS					

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3	Program Manager	Excellent – (10)	Very good – (8)	Satisfactory – (6)	Poor – (4)	Very poor – (2)	Not addressed (0)
a)	The bidder is to provide the name of the Program Manager who will be the single point of contact for all aspects of the Contract. The bidder is to provide the individual's Curriculum Vitae (CV) describing their experience in managing maintenance programs or large scope programs.						
	Evaluation guidelines	The Program Manager named has 10+ yrs experience managing aircraft maintenance programs or large scale complex programs.	The Program Manager named has 8-9 yrs experience managing aircraft maintenance programs or large scale complex programs.	The Program Manager named has 6-7 yrs experience managing aircraft maintenance programs or large scale complex programs.	The Program Manager named has 4-5 yrs experience managing aircraft maintenance programs or large scale complex programs.	The Program Manager named has less than 3 yrs experience managing aircraft maintenance programs or large scale complex programs.	Not addressed
	SCORE						
	PROPOSAL REFERENCE AND COMMENTS						
b)	The bidder to describe how the individual named above will be the single point of contact for all aspects of the Contract and the plan must clearly demonstrate that this position will be delegated all of the requisite responsibilities and authorities to manage all aspects of the program.	Excellent – (5)	Satisfactory – (3)	Poor – (1)	Not addressed – (0)		
	Evaluation guidelines	The bidder has provided a clear and detailed plan that meets all the requirements requested above and within the statements of work in this contract.	The bidder has provided a plan that meets some of the key requirements requested above and within the statements of work in this contract.	The bidder has provided a plan that doesn't properly address requirements requested above and within the statements of work in this contract.	Not addressed		
	SCORE						
	PROPOSAL REFERENCE AND COMMENTS						
4	Head Storesperson	Excellent – (10)	Very good – (8)	Satisfactory – (6)	Poor – (4)	Very poor – (2)	Not addressed (0)
	The bidder is to provide the name of the Head Storesperson and the individual's CV describing their experience in managing warehouses and using SAP-type software programs.						
	Evaluation guidelines	The Head Storesperson named has 10+ yrs experience managing stores warehouses and SAP type software experience.	The Head Storesperson named has 8-9 yrs experience managing stores warehouses and SAP type software experience.	The Head Storesperson named has 6-7 yrs experience managing stores warehouses and SAP type software experience.	The Head Storesperson named has 4-5 yrs experience managing stores warehouses and SAP type software experience.	The Head Storesperson named has less than 4 yrs experience managing stores warehouses and SAP type software experience.	Not addressed
	SCORE						
	PROPOSAL REFERENCE AND COMMENTS						

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5 Personnel Staffing						
	Rating	Excellent – (10)	Very good – (8)	Satisfactory – (6)	Poor – (4)	Very poor – (2) Not addressed – (0)
	The bidder should describe in detail their human resource staffing requirements for third line maintenance, engineering and component Repair and Overhaul as well as all other direct and indirect activities.					
	Evaluation guidelines	All HR available and qualified on contract award	Staffing plan to ensure all HR will be hired and qualified within 3 months after contract award	Staffing plan to ensure that all HR will be hired and qualified within 3- 6 months after contract award	Staffing plan to ensure that all HR will be hired and qualified within 6-12 months after contract award	Staffing expected to take longer than 12 months to complete after contract award
	SCORE					Not addressed
PROPOSAL REFERENCE AND COMMENTS						
BIDDER'S SCORE FOR PERSONNEL						
				MAXIMUM SCORE	MINIMUM SCORE	BIDDER'S SCORE
				75	45	PASS OR FAIL
MM Material Management						
1 Inventory Management Software Experience						
	Rating	Excellent – (5)	Very good – (4)	Satisfactory – (3)	Poor – (1)	Not addressed – (0)
	The bidder to provide a description of the company's inventory management software and the amount of time that system has been in use by the company.					
	Evaluation guidelines	Bidder has demonstrated extensive experience with their current inventory management software for the aerospace industry, with greater than 5 years of ongoing use.	Bidder has demonstrated significant experience with their current inventory management software for the aerospace industry, with 4 years of ongoing use.	Bidder has demonstrated experience with their current inventory management software for the aerospace industry, with 3 years of ongoing use.	Bidder has demonstrated some inventory management software experience for the aerospace industry, with less than 3 years of ongoing use.	Not addressed
	SCORE					
PROPOSAL REFERENCE AND COMMENTS						

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2	Material Management Transfer				
	Rating	Excellent – (10)	Satisfactory – (6)	Poor – (3)	Not addressed – (0)
	The Bidder to provide a description of the material transfer process, including but not limited to receipt, inventory handover, support arrangements, etc.				
	Evaluation guidelines	Bidder has described the processes, identifying required human resources, IM/IT resources, facility resources, schedules, timelines and priorities, to handle the inventory handover and transfer of sub-contract work. The impact to the in-service support is negligible.	Bidder has described the processes, identifying required human resources, IM/IT resources, facility resources, schedules, timelines and priorities, to handle the inventory handover and transfer of sub-contract work. The impact to the in-service support is manageable.	Bidder has described the processes, identifying required human resources, IM/IT resources, facility resources, schedules, timelines and priorities, to handle the inventory handover and transfer of sub-contract work. The impact to the in-service support is unacceptable.	Not addressed
	SCORE				
	PROPOSAL REFERENCE AND COMMENTS				
3	High Priority Requests				
	Rating	Excellent – (10)	Satisfactory – (6)	Poor – (3)	Not addressed – (0)
	The bidder to provide their process for High Priority Requests (HPR), and the procedures for monitoring the effectiveness of the material management system. Schedule response is evaluated on sourcing and providing a quote for the requested part.				
	Evaluation guidelines	The Bidder has fully addressed the HPR requirements and has demonstrated the ability to respond to HPR requests within 1 working day.	The Bidder has somewhat addressed the HPR requirements and has demonstrated the ability to respond to HPR requests within 2 working days.	The Bidder has failed to address some of the HPR requirements and has demonstrated the ability to respond to HPR requests within 3 working days.	Not addressed
	SCORE				
	PROPOSAL REFERENCE AND COMMENTS				

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4	Stocktaking					
	Rating	Excellent – (10)	Very good – (8)	Satisfactory – (5)	Poor – (3)	Not addressed – (0)
	The bidder is to provide their internal inventory management process to include physical inventory count, stocktaking procedures, a stocktaking schedule, CHI reporting, stock records, and reconciliation processes IAW the Logistics SOW.					
	Evaluation guidelines	Bidder provided a detailed plan exceeding requirements, with documented evidence that procedures exceed DND requirements as well as best accounting practices and a schedule for accomplishing the required stocktakings.	Bidder provided a detailed plan meeting requirements, with documented evidence that procedures meet DND requirements as well as best accounting practices and a schedule for accomplishing the required stocktakings.	Bidder provided a plan as requested, with documented evidence that procedures may meet most of DND requirements as well as best accounting practices and a schedule for accomplishing the required stocktakings.	Bidder's plan fails to meet some of DND requirements <u>or</u> the schedule for accomplishing the required stocktakings does not meet DND requirements.	Not addressed
	SCORE					
	PROPOSAL REFERENCE AND COMMENTS					
BIDDER'S SCORE FOR MATERIAL MANAGEMENT						
			MAXIMUM SCORE	MINIMUM SCORE	BIDDER'S SCORE	PASS OR FAIL
			35	21		
RO	R&O Support					
1	Subcontractor					
	Percentage of component list Sub-contracted	Excellent – (15)	Very good – (12)	Satisfactory – (9)	Poor – (6)	Very poor – (3)
						Poor – (0)
	The bidder is to identify (percentage) of the components on the SNAPS list that will be sub-contracted out. Identification of proposed sub-contractors including a description of credentials, qualifications, assigned work and number of years in business.					
	Evaluation guidelines	0-29% of Component R&O Subcontracted out	30-44% of Component R&O Subcontracted out	45-59% of Component R&O Subcontracted out	60-74% of Component R&O Subcontracted out	75-89% of Component R&O Subcontracted out
	SCORE					90-100% of Component R&O Subcontracted out
	PROPOSAL REFERENCE AND COMMENTS					

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Avionics Software and Firmware Reporting Management					
Rating	Excellent – (10)	Satisfactory – (6)	Poor – (3)	Not addressed – (0)	
—	The Bidder to provide a detailed description of the avionics software and firmware status reporting program.				
—	Evaluation guidelines	A clear and detailed plan covering all the aspects mentioned in ES task 12 of the technical SOW and demonstrates a reasonable expectation that a comprehensive review of applicability can be conducted.	A detailed plan covering most of the aspects mentioned in ES task 12 of the technical SOW and demonstrates an expectation that a detailed review of applicability can be conducted.	A plan covering some of the aspects mentioned in ES task 12 of the technical SOW and demonstrates that a review of applicability can possibly be conducted.	Not addressed
—	SCORE				
PROPOSAL REFERENCE AND COMMENTS					
BIDDER'S SCORE FOR R&O SUPPORT					
		25	15		