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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

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| | |
|--|---|
| Title - Sujet LEISC | |
| Solicitation No. - N° de l'invitation W8486-184104/C | Amendment No. - N° modif. 007 |
| Client Reference No. - N° de référence du client W8486-184104 | Date 2018-01-17 |
| GETS Reference No. - N° de référence de SEAG PW-\$\$QD-038-26555 | |
| File No. - N° de dossier 038qd.W8486-184104 | CCC No./N° CCC - FMS No./N° VME |
| Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2018-03-02 | Time Zone Fuseau horaire Eastern Standard Time EST |
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The amendment 007 is raised to answer questions from potential bidders and update the RFP if necessary.

1- Questions from Potential Bidders and Answers from Canada:

Q9

Reference: Section 1.4 of Attachment 3 to Part 4 of the RFP

In sections 1.4 of Attachment 3 to Part 4 of the RFPs of both the Cyber Security Engineering Support (W8486-184083/C) and LTSSC (W8486-184111/C) RFPs, the term "recent" is defined as "on-going or completed work having been completed within the last five (5) years from the date of RFP release."

Question #4 of the December 21st Amendment to the LEISC RFP (W8486-184104/C) requested confirmation that recent was defined as "on-going or completed work". The GC's response refers to the amended Attachment 3 to Part 4 Bid Evaluation. However, the definition of "recent" in the LEISC RFP remains unchanged.

Can the GC confirm that the definition of "recent" in Attachment 3 to Part 4 of the LEISC RFP should state "Recent: Is defined as on-going or completed work having been completed within the last five (5) years from the date of RFP release"?

A9

See updated Att 3 to Part 4 Bid Evaluation attached to amendment 007

Q10

Reference: Annex B – Basis of Payment

Sections 2.3.2(b) and 2.4.2(b) contain credits to the government of 10% of Actual Costs for CPI and SPI respectively. Can the Crown confirm whether it is possible for both of these credits to be applied to the same task. Specifically, could a contractor be required to pay a 20% credit (2 x 10%) for missing both the CPI and SPI requirements on one specific task that has gone beyond the scheduled and agreed upon end date?

A10

The CPI is a KPI that applies only to the Management task, the credit for missing the CPI target is 6% of the Core Management Work Fee. The SPI is 1 of 4 Engineering KPIs that will be applied aggregately. All Engineering KPI elements would need to be breached for the credit to apply. The credit is 10% of the annual Core Engineering Work Fee. Note, CPI does not measure schedule performance.

Q11

Reference: Annex B – Basis of Payment

In Annex B Basis of Payment all incentives and credits are calculated upon x% of the Core Management Work fee. However, Table 1 – Core Work Cost calls for the cost breakout of the Monthly Fixed Rate (A). Is the term 'fee' correctly utilized in this section or does the GC really mean the Core Management Work Annual Cost for Year X?

A11

Yes, this is the correct interpretation.

Q12

Reference: Annex B – Basis of Payment

In a recent amendment, the Government of Canada added "and accepted" into sections 2.2.4.a, 2.2.4.b, 2.2.4.c, and 2.2.4.d. Industry has no control over the Government of Canada's internal approval processes and the insertion of GC-dependent acceptance criteria could result in delays that could trigger credits for the contractor for reasons that are ultimately outside of the contractor's control. Would the GC consider an "approval window" to ensure the GC provides approval in a timely manner? It would be reasonable that if approval was not provided in the prescribed period that the document in question not be counted as part of the contractor's KPI performance metrics.

A12

The acceptance of the deliverable is a mandatory condition at the time of KPI calculation. The Government approval time does not however form part of the time allocation to the contractor.

Q13

Reference: Annex B – Basis of Payment

Section 2.4.1 does not use the word "all" as other incentive/credit sections with similar wording (e.g. 2.2.1, 2.2.2, 2.4.2), state "For meeting or exceeding all the" (emphasis added). The current language implies "all" but contractors would appreciate clarification that the term all also applies to the Core Engineering Key Performance Indicators Payout in section 2.4.1.

A13

Yes, this is the correct interpretation.

Q14

Reference: Attachment 3 to Part 4 of the RFP Bid Evaluation

In follow-up to Question 9 of Amendment 4 to the LTSSC RFP, does the Crown only expect to see resumes for the resources identified in sections 1.4.5 and 1.4.6 (Table A3-5) of the LEISC RFP?

A14

This interpretation of the bid evaluation requirement is correct.

Q15

Can the Crown please provide the definition of “key personnel” as the term is not defined in the RFP.

A15

These Key personnel are the resources identified in Attachment 3 to Part 4, Table A3-5.

Q16

Reference: Part 7 - RESULTING CONTRACT CLAUSES, Section 7.9 Priority of Documents

The reference to Annex F in subparagraph (h) has the incorrect title. It should read "Insurance Requirements and Liability". The same applies in the Table of Contents.

A16

That is correct, see below modification 2.1 to the Request for Proposals.

Q17

Reference: PART 4.1 (d), page 13/311 of the RFP

Mandatory Requirements are identified with the word “will”. Several instances of “will” appear in the RFP. Is it necessary for proposals to explicitly address each “will” in the RFP, or would it possible to identify the “wills” that actually constitute mandatory obligation on behalf of the contractor?

A17

All instances of "will" are mandatory

Q18

Reference: APPENDIX 6 TO ANNEX A, page 150/311 of the RFP

The RFP states that, “The Contractor must provide a proportion of personnel that are able to communicate orally and in writing in both official languages of Canada (French and English).” Can you clarify what the proportion is?

A18

The proportion of bilingual positions will be identified in Task SOWs as required. There is no mandatory minimum for core work.

Q19

Reference: PART 4 OF THE RFP BID EVALUATION, Section 1.3.3, page 286/311 of the RFP

Mandatory Personnel Requirements: The RFP reference states, "Bidders shall provide resumes for the key personnel identified in Appendix 6 to Annex A." We have assumed that "key personnel" is exclusively the personnel specified in paragraphs 2.2 to 2.19 of APPENDIX 6 TO ANNEX A. Where multiple levels of experience are specified for a single resource category (for example the PM category specifies an Intermediate PM and a Senior PM) must resumes be provided for both?

A19

These Key personnel are the resources identified in Attachment 3 to Part 4, Table A3-5. Appendix 6 to Annex A establishes compliance requirement for each resource type.

Q20

Reference: ATTACHMENT 3 TO PART 4 OF THE RFP BID EVALUATION, Section 1.3.3, page 286/311 of the RFP

Mandatory Personnel Requirements: The RFP reference states, "Bidders shall provide resumes for the key personnel identified in Appendix 6 to Annex A." Must the quantity of resumes provided must be consistent with the submitted SEMP and PMP?

A20

These Key personnel are the resources identified in Attachment 3 to Part 4, Table A3-5

Q21

Reference: ATTACHMENT 3 TO PART 4 OF THE RFP BID EVALUATION, Section 1.3.3, page 286/311 of the RFP

"Mandatory Personnel Requirements: The RFP reference states, "Bidders shall provide resumes for the key personnel identified in Appendix 6 to Annex A." Can multiple resumes be submitted for a single resource (e.g., an Intermediate Level Systems Engineer)? If so would all submitted resumes need to be determined to be compliant by Canada?

A21

These Key personnel are the resources identified in Attachment 3 to Part 4, Table A3-5.

Q22

Reference: APPENDIX 6 TO ANNEX A

Mandatory Personnel Requirements: Criteria 2 for the listed resource categories typically specifies an Intermediate and a Senior resource. Some specifications for Senior resources do not include a "must" but the intent seems clear. Please clarify.

A22

The intent of not using "must" was specifically to provide some flexibility to bidders. This intent that this is the highly preferred requirement is however clear as identified in the question.

Q23

Reference: APPENDIX 6 TO ANNEX A, paragraph 2.5, Criteria 2, page 153/311 of the RFP

Mandatory Personnel Requirements: The Intermediate Systems Engineer requires a "Level 2/3 depth of knowledge", and the Senior Systems Engineer requires a "Level 3/4 Depth of Knowledge". Can you clarify how the DoK will be used to evaluate mandatory and rated candidates and in particular how that would apply for this instance where we have mixed levels of DoK?

A23

The Depth of knowledge is used as a part of the evaluation for the mandatory requirements, it is not used in the rated part of the evaluation.

Q24

Reference: APPENDIX 6 TO ANNEX A, paragraph 2.12, Criteria 2, page 158/311 of the RFP

As an example, a Senior Test Technician is specified thus: "At least four (4) years of system-of-system testing experience is required." As an observation, the requirement is clearly intended to be mandatory but does not include a "must". The question is this; can you confirm that the required "4 years of system-of-system testing experience" must be within the last 10 years?

A24

No. It does not have to be within the last 10 years. In this example, only four (4) years of relevant experience is the requirement.

Q25

Reference: APPENDIX 6 TO ANNEX A, paragraph 2.8, page 155/311 of the RFP

Mandatory Personnel Requirements: Please advise if the following statement is intended to be a mandatory requirement, "Experience with working on all levels of hardware stacks of embedded systems."

A25

This is not a mandatory requirement. This is only the introduction to the list of hardware stacks identified in 2.8.a.

Q26

Reference: APPENDIX 6 TO ANNEX A, paragraph 2.16, Criteria 2, page 161/311 of the RFP.

Mandatory Personnel Requirements: Technical Writer/Illustrator: The introduction to the tabular criteria states. "The Technical Writer/Illustrator must be capable of producing from diverse source material, any necessary engineering documentation, including interface control documents, system design documentation..." This is further supported in Criteria #2 where the senior level requires, "At least four (4) years of Technical Writing experience producing engineering documentation (e.g. technical specifications, interface control documents, design documents) is required. Level 3 Depth of Knowledge."

In some engineering companies this work is performed by engineers, and technical writers are more typically employed to generate user/operator documentation and in some cases help with the formatting and illustrations of the more detailed engineering products. There is no objection to the specification of the Technical Writer/Illustrator per the RFP, but a question would be if our SEMP evaluation by Canada would be negatively impacted if we identified engineering resources for producing engineering documentation like ICDs, design documents, and specifications?

A26

No, there would be no negative impact as this is a recognized best practice.

Q27

Reference: APPENDIX 6 TO ANNEX A, paragraph 2.19, Criteria #1, page 161/311 of the RFP.

Mandatory Personnel Requirements: Comment: Given the theoretical knowledge necessary to support a Level 4 Depth of Knowledge an E3 Specialist, the education requirements seem light.

A27

These are minimum levels and not maximum levels. Industry can offer resources with higher education.

Q28

Reference: ATTACHMENT 3 TO PART 4 OF THE RFP BID EVALUATION, Paragraph 1.4.6, page 13/34 of amendment 4.

"The referenced paragraphs states: "Breadth and depth of knowledge and experience will be evaluate based on 100 points for each resource. The breadth of experience will be marked based on the diversity of experience level when compared to the area identified in Appendix 6 to Annex A, item No. 2 within the table for each individual resource category:

- a. The proposed resources has relevant knowledge and experience in one of the areas identified in Appendix 6 - 20 points.
- b. The proposed resources has relevant knowledge and experience in less than half of the areas identified in Appendix 6 - 40 points..."

If I am reading this correctly, "Appendix 6 to Annex A, item No. 2" usually points to the Experience Criteria for a given resource. As an example, "Appendix 6 to Annex A, item No. 2"

for an Intermediate Hardware Engineer states, "Must have a minimum of three (3) years of experience within the last six (6) years in hardware and product engineering work applicable to the area of work." Can you confirm for this example what the "experience areas" are? It is a bit confusing as there are typically lists of subject matter areas outside the criterion tables. An explicit list for each rated resource would help."

A28

See updated Appendix 6 to Annex A LEISC Task Resource Categories attached to amendment 007.

Q29

Reference: ATTACHMENT 3 TO PART 4 OF THE RFP BID EVALUATION, Paragraph 1.4.6, page 13/34 of amendment 4.

"The referenced paragraphs states: "Breadth and depth of knowledge and experience will be evaluate based on 100 points for each resource. The breadth of experience will be marked based on the diversity of experience level when compared to the area identified in Appendix 6 to Annex A, item No. 2 within the table for each individual resource category:

While Table A6-1 of APPENDIX 6 TO ANNEX A provides a list of 'depth of knowledge' evaluation criteria, it is not clear how this is used or even if it is used for the rated resource evaluations. Can you provide by way of example how a resume would be score for "depth of knowledge" for both a mandatory and rated resource evaluation?

A29

See updated Appendix 6 to Annex A LEISC Task Resource Categories attached to amendment 007.

Q30

Reference: ATTACHMENT 3 TO PART 4 OF THE RFP BID EVALUATION, Paragraph 1.4.5, page 13/34 of amendment 4.

The referenced paragraphs states: "The Bidder's Team should provide documentary evidence of capability of eight (8) resources available to meet the requirement of task-based work, one for each of the eight (8) resource types listed in table A3-5 below." If the Experience Criteria (Appendix 6 to Annex A, item No. 2) is used as the basis for identifying and scoring a resource it is not clear that a fully compliant Senior Resource would outscore a fully compliant Intermediate Resource. Can you please clarify this?

A30

See updated Att 3 to Part 4 Bid Evaluation attached to amendment 007.

Q31

Reference: ATTACHMENT 3 TO PART 4 OF THE RFP BID EVALUATION, Paragraph 1.4, page 9/34 of amendment 4.

Typo: The last sentence in paragraph 1.4 states, "The experience identified by the Bidder to meet criterion 1.4 b and 1.4 c, identified above, must be for Work for which the Bidder's Team was directly responsible." Please confirm this should read "...1.4 a and 1.4 b..."

A31

See updated Att 3 to Part 4 Bid Evaluation attached to amendment 007.

Q32

Reference: APPENDIX 6 TO ANNEX A, paragraph 2.2, Criteria #1, page 151/311 of the RFP.

Typo: "Must have a minimum of a university undergraduate degree in project management, business, and engineering, science or information systems." Please confirm the "and" should be removed.

A32

See updated Att 3 to Part 4 Bid Evaluation attached to amendment 007.

Q33

Reference: APPENDIX 6 TO ANNEX A, paragraph 2.5, page 153/311 of the RFP.

Typo: "System Architects and System Engineering Managers must have experience with the following activities:"

Change ""System Architects and System Engineering Managers" the yellow text to "System Engineers"

A33

See updated Appendix 6 to Annex A LEISC Task Resource Categories attached to amendment 007.

Q34

Reference: APPENDIX 6 TO ANNEX A, paragraph 2.9, page 153/311 of the RFP.

"Typo: "An university degree as an Engineering, Science or Computer Science; or"
Change "as an" to "in"."

A34

See updated Appendix 6 to Annex A LEISC Task Resource Categories attached to amendment 007.

Q35

Reference: ATTACHMENT 3 TO PART 4 OF THE RFP BID EVALUATION, Paragraph 1.4.3
System Engineering Management Experience, Amendment 4, page 11/34

Rated System Engineering Management Experience: This Section of the RFP includes the statement: "The Bidder's Team must provide documentary evidence of two (2) recent examples of implementing the proposed Engineering Management Plan for a maximum of 100 points per example." We note that paragraph 1.3.2 of the Evaluation Plan indicates that the proposed Engineering Management Plan can be an evolution of a prior plan, as would be necessary to meet the requirement to 'implement and execute the proposed SEMP' in addressing the specificities of this RFP. Therefore any Engineering Management Plan that has been amended to satisfy the needs of the RFP per paragraph 1.3.2 can't be used as an example of something that has been done in the past. Can paragraph 1.4.3 (SEM Experience) be modeled on paragraph 1.4.1 (PM Experience) where recent examples of work of similar scope and scale are provided for evaluation?

A35

See updated Att 3 to Part 4 Bid Evaluation attached to amendment 007.

Q36

Reference: ATTACHMENT 3 TO PART 4 OF THE RFP BID EVALUATION, paragraph 1.4.5 and 1.3.3

Is it acceptable to propose the same person to satisfy a mandatory requirement (per paragraph 1.3.3) and a rated requirement (per paragraph 1.4.5)? If this is acceptable, do we need to ensure that the person is not planned for a 100% commitment to core work?

A36

The mandatory requirement at 1.3.3 are the threshold to enable to submit a resource to be rated based on 1.4.5. Furthermore Canada is not rating Core Task resources based on Appendix 6 to Annex A criteria.

Q37

Reference: ANNEX A TO CONTRACT W8486-184104, SOW, 1.7.2, 1.7.3, 4.1.3, 4.1.4.

Technical Leadership Roles: Four engineering leadership roles are specified:

Lead Systems-of-Systems Engineering Manager

Lead Tactical Communication Engineering Manager

Lead TacCOMS Architect

Lead System of Systems Architect

The first two roles relate to engineering management. The last two roles relate to the provision of architectural expertise plus the same managerial scope as the first two roles, i.e., "...the requisite authority within the Contractor's organization for all Engineering Program matters related to the engineering work of the SOW." This raises a few questions:

1. If these four leadership roles are mandatory (as would seem reasonable for the work) can you clarify the overlapping scope of control identified above?
2. Given the criticality of these roles, which resource categories apply? The System Architect/SEM appears an obvious choice, but we note that there may be some risk here in using a single resource category that fuses deep technical and managerial competencies. A further observation is that TacCOMS is a major body of work for the contract, but the specialized skills required to deliver it are not uniquely identified within the resource categories.
3. If these four leadership roles are mandatory, how many resumes must be provided in the proposal? Currently it seems that only one or two resumes are needed for each mandatory resource category.

A37

These roles are part of the Core work. The Contractor is responsible for detailing the description and areas of responsibilities for their resources in the PMP or SEMP.

Q38

Reference: ANNEX A TO CONTRACT W8486-184104, SOW, Paragraph 4.5, page 56/311

The reference paragraph includes this statement: "The Contractor must maintain the configuration of the contractor TacCOMS Integration facility." We note that among the facilities provided via Appendix 7 to Annex A that we supply, inter alia, facilities for E3, Tempest, and antenna ranges. Can you confirm that the "TacCOMS Integration facility" requirements as specified in this paragraph are satisfied through compliance with Appendix 7 to Annex A, LEISC Engineering and Integration Facilities?

A38

Yes, this is confirmed.

Q39

Reference: Summary Chart, Security Requirements Check List, COMSEC Requirements. COMSEC material is normally handled in accordance with the CSE Directive for the Control of COMSEC Material in the Canadian Private Sector (ITSD-06). Please confirm the need for this significantly increased level of processing of Information/Assets (COMSEC Level 3) over that required for the existing LEISC contract (CLASSIFIED Level 3).

A39

The requirement for COMSEC Level 3 for the level of processing of Information/Assets in the summary table identifies the maximum requirement that could be requested for task based work. These enhanced requirements in the SRCL are for specialized task based work where these special consideration would be identified in the task Statement of Work agreed to between Canada and the contractor. This security requirement does not need to be met at the time of contract award but for the work associated with the identified task to begin. The level of

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038qd
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security to meet the core work of the contract and satisfy the mandatory security requirements for contract award are detailed at Article 7.3 of the RFP. The requirements in the SRCL summary are identified for planning and policy reasons to provide the contractor with a full appreciation of the potential security requirements that may need to be satisfied throughout the performance of this contract.

2- Modifications to the Request for Proposals

2.1 At: Table of Contents and At: Part 7 - RESULTING CONTRACT CLAUSES, Section 7.9 (h) Priority of Documents.

Delete the title: Annex F - Insurance Requirements; and

Insert the title: Annex F - Insurance Requirements and Liability.

All other terms and conditions remain unchanged.

**APPENDIX 6
TO ANNEX A**

**TO CONTRACT
W8486-184104**

**LAND C4ISR
LAND C4ISR ENGINEERING INTEGRATION
SUPPORT CONTRACT**

TASK RESOURCE CATEGORIES

11 January 2018

| Depth of Knowledge | | | |
|---|--|--|--|
| Level 1 | Level 2 | Level 3 | Level 4 |
| Recall elements and details of assigned work. | Identify, plan and summarize work. | Support ideas with details and examples. | Conduct a project that requires specification, design, implementation and reporting results. |
| Conduct basic tasks. | Use context to explain an event/requirement. | Communicate with appropriate language to the purpose and audience. | Apply model to illustrate uses, problems or situations. |
| Represent in words or diagrams the behaviour or its relationship. | Solve routine problems. | Design investigations for a problem. | Analyze and synthesize information from multiple sources. |
| Perform routine procedures. | Describe cause/effect given data/conditions. | Develop a model for complex situation. | Design model to inform and solve uses, problems or situations. |
| Describe the behaviour or issue at hand. | Identify patterns in events or behavior. | Apply a concept in other contexts. | |
| | Organize, represent and interpret data. | | |

Table A6-1 Depth of Knowledge Evaluation Criteria

1.3 Personnel Labour Category Assignments

Table A6-1 below summarizes the categories to be assigned by the Contractor to personnel allocated by the Contractor to provide the support for work described in the SOW and authorized by individual task.

| Serial | Short Title | Personnel Position Description |
|--------|-------------|---|
| 1 | PM | Project Manager |
| 2 | PA | Project Administrator |
| 3 | SA/SEM | Systems Architect / Systems Engineering Manager |
| 4 | SE | System Engineer |
| 5 | HWE | Hardware Engineer |
| 6 | HTC | Hardware Technician |
| 7 | SWA | Software/Firmware Architect/Engineer |
| 8 | SWD | Software/Firmware Developer |

| Serial | Short Title | Personnel Position Description |
|--------|-------------|--|
| 9 | ILS | Integrated Logistics Support Specialist |
| 10 | TE | Test Engineer |
| 11 | TT | Test Technician |
| 12 | CMS | Configuration Management Specialist |
| 13 | QMS | Quality Management Specialist |
| 14 | HFS | Human Factors Specialist |
| 15 | TW | Technical Writer/Illustrator |
| 16 | FS | Field Support Specialist |
| 17 | CTP | Certified TEMPEST Professional |
| 18 | E3 | Electromagnetic Environment Effects Specialist |

Table A6-2: Personnel Requirements

2 Mandatory Personnel Requirements (Qualifications, Skill Sets and Experience)

2.1 General

2.1.1 Qualifications and Skills

The qualifications and skill sets specified below are the minimum required for contractor provided personnel. The SOW as a whole states the total breadth of capability and experience required of the contractor personnel to perform all the work required if, as and when tasked. For a specific task and skill set, the experience of tasked personnel in supporting different types of equipment and systems, software languages, applications, frameworks, operating systems, environments and standards will be narrower than the total breadth and will be specified. The Contractor must be capable of providing personnel with the needed capability and experience to perform the work at the contracted rates for the particular skill set. The senior level in each category type must have the demonstrated capability and experience to function as a team leader.

2.1.2 Bilingual Capability

Some tasks are expected to require Contractor personnel who are capable of working with CF personnel in their unit's official language. The Contractor must provide a proportion of personnel that are able to communicate orally and in writing in both official languages of Canada (French and English). This is intended to enable the provision of skilled personnel resource from as broad a spectrum as possible while maintaining access to a critical mass of people with user facing roles to work in both French and English.

2.2 Project Manager (PM)

Tasks include all aspects of managing a task and/or core work under this SOW and generally require the Project Manager to have:

- a. The responsibility and authority to plan, execute, and control the tasked project work on behalf of the Contractor; and
- b. The capability and experience to perform project management tasks with the applicable experience and responsibility necessary to successfully complete the work.

All project managers shall have the following minimum level of education, professional certification and experience:

| No. | Criteria |
|-----|--|
| 1. | <u>Education.</u> Must have a minimum of a university undergraduate degree in project management, business, engineering, science or information systems. Or, A college diploma (two or three year program) in a business or project management program. |
| 2. | <u>Professional Certification.</u> The Project Management Institute's PMP or equivalent certification must be held in good standing. |
| 3. | <u>Experience.</u> Junior: No requirement. Level 1 Depth of Knowledge. Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in hardware and product engineering work applicable to the area of work. Level 2 Depth of Knowledge. Senior: Seven (7) years of experience within the last ten (10) years in hardware and product engineering work applicable to the area of work. Level 3 Depth of Knowledge. |

2.3 Project Administrator (PA)

Tasks include all aspects of administrative support to a task and/or core work under this SOW and generally require the Project Support Assistant to:

- a. Assist with Process Management activities, for example for the coordination and tracking of files, deliverables, tasks, action items and meetings;
- b. Perform clerical duties, including the taking accurate and concise notes, e.g. for the production of meeting minutes, production of correspondence, etc.;
- c. Schedule and coordinate meetings and facilities in support of task or core work;

- d. Manage equipment assets and supplies needed in support of work, etc.

| No. | Criteria |
|-----|--|
| 1. | <u>Education.</u> Must have a college certificate, diploma, or degree in a specific relevant discipline from a post-secondary Canadian institution; or. Three (3) years of directly relevant job experience is an acceptable substitute for the education criteria. |
| 2. | <u>Experience.</u> Junior: No requirement. Level 1 Depth of Knowledge Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years project administration and project control. Level 2 Depth of Knowledge. Senior: Seven (7) years of experience within the last ten (10) years in project administration and project control. Level 2 Depth of Knowledge. |

2.4 System Architect / System Engineering Manager (SA/SEM)

There is no junior or intermediate level in this Labour Category.

Systems Architects and System Engineering Managers must be capable of:

- a. Understanding System Value - In the problem space (Enterprise and Operational);
- b. Understanding Systems Engineering Life Cycles - How systems are built;
- c. Understanding System Science - How systems work;
- d. Understanding of modelling via Methodologies, Techniques; and Tools;

System Architects and System Engineering Managers must have experience with the following activities:

- a. Analyzing, Designing and Implementing system architectures at the System-of-Systems level;
- b. Communication engineering and systems including radio systems and network security;
- c. Command, Control, Communications Information Systems;
- d. Distributed Systems;
- e. Interface Control Management and implementation;
- f. Data architecture definition, and implementation; and
- g. System Integration: hardware and software (commercial off-the-shelf (COTS) and/or custom developed) systems into new or existing systems-of-systems.

All System Architects and System Engineering Managers shall have the following minimum level of education, professional certification and experience:

| No. | Criteria |
|-----|---|
| 1. | <p><u>Education.</u></p> <p>Must have a university postgraduate degree in Systems Engineering, Software Engineering, Computer Engineering, Electrical or Electronic Engineering, Mechanical Engineering, Science or Computer Science; or</p> <p>Must have a university in Engineering, Science or Computer Science in combination with a minimum of 10 years' experience in System Architecture or System Engineering Management.</p> |
| 2. | <p><u>Experience.</u></p> <p>Must have a minimum of seven (7) years of experience within the last ten (10) years in systems engineering and architecture work clearly demonstrating a progression of increasing responsibility in the field of Systems Architecture and/or Systems Engineering Management, including at least four (4) years at the System-of-Systems level. Level 4 Depth of Knowledge.</p> |

2.5 System Engineer

There is no junior level in this Labour Category.

System Engineers must be capable of:

- a. Understanding System Value
- b. Understanding Systems Engineering Life Cycles - How systems are built;
- c. Understanding System Science - How systems work;
- d. Understanding of modelling via Methodologies, Techniques; and Tools;

System Engineers must have experience with the following activities:

- a. Analyzing, Designing and Implementing systems at the System level;
- b. Communications systems;
- c. Interface Control Management and implementation; and
- d. System Integration: hardware and software (commercial off-the-shelf (COTS) and/or custom developed) components into new or existing systems.

| No. | Criteria |
|-----|--|
| 1. | <p><u>Education.</u></p> <p>Must have a university degree in software engineering, computer engineering, Electrical or Electronic Engineering, Mechanical Engineering, Science or Computer Science.</p> |
| 2. | <p><u>Experience.</u></p> <p>Intermediate Level: Must have a minimum of three (3) years of experience within the last six (6) years in systems or product engineering work. Level 2/3 depth of knowledge.</p> <p>Senior Level: Seven (7) years of experience within the last ten (10) years in systems and product engineering work, at least four (4) years of which is in systems engineering.</p> |

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| | Level 3/4 Depth of Knowledge. |
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2.6 Hardware Engineers

Hardware Engineers must be capable of working on a system that has a broad variety of hardware including radios, antennas, network and optical equipment, computers, displays, general communications and sensor systems, in addition to specialized Canadian Army mission equipment. Tasks will include work requiring knowledge and skills in at least the following areas: electronics, radio frequency (RF) engineering, electro-magnetic environment, RF/data/electrical cabling, equipment installations in vehicles and human factors layouts of equipment in vehicles.

| No. | Criteria |
|-----|--|
| 1. | <u>Education.</u> Must have a university degree in Computer Engineering, Electrical or Electronic Engineering, Mechanical Engineering, Science or Computer Science. |
| 2. | <u>Experience.</u> Junior: No requirement. Level 1 Depth of Knowledge. Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in hardware and product engineering work applicable to the area of work. Level 2 Depth of Knowledge. Senior: Seven (7) years of experience within the last ten (10) years in hardware and product engineering work applicable to the area of work. Level 3 Depth of Knowledge. |

2.7 Hardware Technicians

Hardware Technicians must be capable of working on a system that has a broad variety of hardware including radios, antennas, network and optical equipment, computers, displays, general communications and sensor systems, in addition to specialized Canadian Army mission equipment. Tasks will include work requiring knowledge and skills in at least the following areas: electronics, radio frequency (RF) testing and characterization, electro-magnetic environment, RF/data/electrical cabling, equipment installations in vehicles and human factors layouts of equipment in vehicles.

| No. | Criteria |
|-----|---|
| 1. | <u>Education.</u> Must have a college certificate, diploma, or degree in a specific relevant discipline from a post-secondary Canadian institution; or. Seven (7) years of directly relevant job experience is an acceptable substitute for the education criteria. |
| 2. | <u>Experience.</u> Junior: No requirement. Level 1 Depth of Knowledge Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in hardware and product technical work applicable to the area of work. Level 2 |

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| | <p>Depth of Knowledge.</p> <p>Senior: Seven (7) years of experience within the last ten (10) years in hardware and product technical work applicable to the area of work. Level 3 Depth of Knowledge.</p> |
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2.8 Software/Firmware Architect

There is no junior level in this Labour Category.

The Software/Firmware Architect must be capable of designing, developing, and implementing software solutions to address complex systems of systems issues. The Software/Firmware Architect must be capable of working with different software languages tools including but not limited to Java, C++/object oriented programs, SQL, web application development, and security. Experience with working on all levels of hardware stacks of embedded systems. Tasks may include but not limited to:

- a. Activities in Client /Server architecture and related systems:
 - 1) Client /Server architecture and related technologies;
 - 2) Analyzing, Designing and Implementing system architectures;
 - 3) Communication engineering and systems and network security;
 - 4) Command, Control, Communications Information Systems;
 - 5) Real-Time or Distributed Systems;
 - 6) Data architecture definition, and implementation;
 - 7) System Integration: hardware and software, (commercial off-the-shelf (COTS) and/or custom developed) components into new or existing systems; and
 - 8) System life-cycle management for hardware and software systems.

| No. | Criteria |
|-----|---|
| 1. | <p><u>Education.</u></p> <p>Must have a university degree in Engineering, Science or Computer science.</p> |
| 2. | <p><u>Experience.</u></p> <p>Intermediate: Must have a minimum of three (3) years of experience within the last seven (7) years in software or firmware development or software engineering/architecture work. Must have experience in process frameworks and applicable standards (e.g. ISO/IEC 12207, ISO/IEC 15288, ISO 9001, Personal Software Process, CMMI, IEEE 1471, DODAF, and MODAF). Level 3 Depth of Knowledge.</p> <p>Senior Level: Must have a minimum of seven (7) years of experience within the last ten (10) years in software/firmware development and software engineering/architecture work, including at least four (4) years of software engineering/architecture experience. Must have experience in process frameworks and</p> |

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| | applicable standards (e.g. ISO/IEC 12207, ISO/IEC 15288, ISO 9001, Personal Software Process, CMMI, IEEE 1471, DODAF, and MODAF). Level 4 Depth of Knowledge. |
|--|---|

2.9 Software/Firmware Developer

The Software/Firmware Developer must be capable of working on a complex system that may include interfaces to a broad variety of software, firmware, applications, operating systems and environments. Must be familiar with programming languages (e.g. C, C++) and paradigms (e.g. Object Oriented, Functional, Procedural) applicable to the products under development, and coding best practices including rapid development processes (e.g. Agile), formal version management approaches (e.g. Subversion), code commenting, formal interface definition and management etc.

| No. | Criteria |
|-----|---|
| 1. | <u>Education.</u> A university degree in Engineering, Science or Computer Science; or A college diploma as an Electronic Technician, Computer Science, or other equivalent science diploma; or Seven (7) years of directly relevant job experience is an acceptable substitute for the education criteria. |
| 2. | <u>Experience.</u> Junior: No requirement. Level 1 Depth of Knowledge. Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in software/firmware development work. Level 2 Depth of Knowledge. Senior Level: Must have a minimum of (7) seven years within the last (10) ten years in software/firmware development work. Level 3 Depth of Knowledge. |

2.10 Integrated Logistic Support Specialist

The Integrated Logistics Support Specialist (ILS) must be capable of providing comprehensive support to complex systems and systems-of-systems with diverse requirements and elements. ILSS tasks include but are not limited to:

- a. Maintaining Integrated Logistics Support Plans (ILSP). The ILSP serves as the master logistics planning document that describes necessary logistic activities, assigns responsibility for those activities, and establishes a schedule for completion.
- b. Influencing Design. Integrated Logistic Support will provide important means to identify as early as possible RAMD (Reliability, Availability, Maintainability and Durability) criteria and optimization approaches. ILSS personnel participate in the design and support processes including contributing to and initiating proposals for system or part design improvements based on reliability, maintainability, testability or system availability analysis.
- c. Designing the Support Solution to achieve supportability requirements and value

- optimization within cost constraints. Ensuring that the Support Solution integrates the elements considered by ILS.
- d. Develop training material to support in service use of system elements, including participating in training needs analysis work, developing and delivering initial cadre training, and providing training materials.
 - e. Identifying Initial Support Package. These tasks include calculation of requirements for spare parts, special tools, and documentation in response to Canada's requirements. Support and develop plans and documents for initial provisioning including scaling calculations, procurement support, and delivery support.

The ILS specialist facilitates specification, design, development, acquisition, test, fielding, and support of systems.

| No. | Criteria |
|-----|---|
| 1. | <u>Education.</u> Must have a minimum of a college diploma or higher level degree in Asset Management, Logistics Support or Business Intelligence; or Seven (7) years of directly relevant job experience is an acceptable substitute for the education criteria. |
| 2. | <u>Experience.</u> Junior: No requirement. Level 1 Depth of Knowledge. Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in ILS work. Level 2 Depth of Knowledge. Senior Level: Must have a minimum of (7) seven years within the last (10) ten years in ILS work. Level 3 Depth of Knowledge. |

2.11 Test Engineer

Test Engineer (TE) must have the requisite experience in managing tests, directly supervising other test personnel and developing, performing and reviewing manual and automated testing, including investigative testing in support of debugging and system problem report resolution. The TE must also have experience in developing and implementing test strategies in conjunction with the development team to perform identified test program and tasks.

| No. | Criteria |
|-----------|---|
| 1. | <u>Education.</u> Must have a university degree in Engineering, Science or Computer Science. |
| And 3. | <u>Experience.</u> Junior: No requirement. Level 1 Depth of Knowledge. Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in test and product engineering work at the product and system levels. Level 3 Depth of Knowledge. Senior: Seven (7) years of experience within the last ten (10) years in test and product engineering work at the product, system and system-of-systems levels. At least four |

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| | (4) years of system-of-system test engineering experience is required. Level 4 Depth of Knowledge. |
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2.12 Test Technician

The Test Technician must be capable of performing various tasks to ensure products meet the specified standards and function properly. Typical testing methods include monitoring, assembling, improving and manipulating products to ensure it is in no way defective. The test technician must be capable of using Automated Test Equipment and other test, RF analysis, network analysis and similar test equipment as may be required for the tasks.

| No. | Criteria |
|-----|--|
| 1. | <u>Education.</u> Must have a college certificate, diploma, or degree in a specific relevant discipline from a post-secondary Canadian institution; or. Seven (7) years of directly relevant job experience is an acceptable substitute for the education criteria. |
| 2. | <u>Experience.</u> Junior: No requirement. Level 1 Depth of Knowledge. Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in test and evaluation work at the product and system levels. Level 2 Depth of Knowledge. Senior: Seven (7) years of experience within the last ten (10) years in in test and evaluation work at the product, system and system-of-systems levels. At least four (4) years of system-of-system testing experience is required. Level 3 Depth of Knowledge. |

2.13 Configuration and Data Management Specialist

The Configuration and Data Management Specialist must be capable maintaining product and system baselines throughout the engineering and support life cycle. Tasks will include but not limited to:

- a) Preparing and implementing CM plans, processes and procedures;
- b) Defining configuration management tools and techniques;
- c) Defining configuration identification requirements;
- d) Establishing a configuration change control process;
- e) Performing configuration status accounting;
- f) Managing a configuration - data management cell;
- g) Establishing configuration audit procedures;
- h) Performing Release planning;
- i) Software, Firmware and Document release process management and delivery; and
- j) Identifying CM requirements in SOWs, CDRLs and DIDs.

| No. | Criteria |
|-----|----------|
|-----|----------|

| | |
|----|---|
| 1. | <p><u>Education.</u></p> <p>Must have a minimum of a college diploma in a configuration and/or data management program or similar directly applicable field of study; or</p> <p>Seven (7) years of directly relevant job experience is an acceptable substitute for the education criteria.</p> |
| 2. | <p><u>Experience.</u></p> <p>Junior: No requirement. Level 1 Depth of Knowledge.</p> <p>Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in Configuration and/or Data Management work at the product and system levels. Level 2 Depth of Knowledge.</p> <p>Senior: Seven (7) years of experience within the last ten (10) years in Configuration and/or Data Management work at the product, system and system-of-systems levels. At least four (4) years of system-of-system level Configuration and/or Data Management experience is required. Level 2 Depth of Knowledge.</p> |

2.14 Quality Management Specialist

The Quality Management Specialist must be capable of ensuring projects are in compliance with requirements, standards, policies and procedures. QM Specialists provide internal Quality Assurance oversight and guidance. Tasks include but are not limited to:

- a. Implementing quality improvement programs;
- b. Employing quality assurance tools and techniques;
- c. Preparation of Quality Assurance plans and procedures;
- d. Conducting quality assurance measurements;
- e. Employing release planning techniques;
- f. Auditing requirements compliance, including the implementation of standards, plans and procedures;
- g. Auditing verification testing and processes; and
- h. Auditing the implementation of quality assurance standards, plans and procedures.

| No. | Criteria |
|-----|--|
| 1. | <p><u>Education.</u></p> <p>Must have a minimum of a college diploma in a quality management program or similar directly applicable field of study; or</p> <p>Seven (7) years of directly relevant job experience is an acceptable substitute for the education criteria.</p> |
| 2. | <p><u>Experience.</u></p> <p>Junior: No requirement. Level 1 Depth of Knowledge.</p> <p>Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in Quality Management and/or Quality Assurance work at the product and system levels. Level 2 Depth of Knowledge.</p> <p>Senior: Seven (7) years of experience within the last ten (10) years in Quality</p> |

| | |
|--|---|
| | Management and/or Quality Assurance work at the product, system and system-of-systems levels. At least four (4) years of system-of-system level Quality Management and/or Quality Assurance experience is required. Level 3 Depth of Knowledge. |
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2.15 Human Factors Specialist

Human Factors Specialists must be capable providing expert advice to system and product design teams on ergonomic and human-design issues, principles and approaches in order to optimize human performance, safety and usability. Investigate and analyze characteristics of system element behavior and performance as it relates to human interfaces. Human Factors Specialist tasks include but are not limited to:

- a. Advocate for end users in collaboration with other professionals including engineers, designers, managers, or customers.
- b. Collect data through direct observation of work activities or witnessing the conduct of tests.
- c. Conduct research to evaluate potential solutions related to changes in equipment design, procedures, personnel, or training.
- d. Design or evaluate human work systems, using human factors engineering and ergonomic principles to optimize usability, cost, quality, safety, or performance.
- e. Establish system operating or training requirements to ensure optimized human-machine interfaces.
- f. Prepare reports or presentations summarizing results or conclusions of human factors engineering or ergonomics activities, such as testing, investigation, or validation.
- g. Assess the user-interface or usability characteristics of products.
- h. Integrate human factors requirements into operational hardware.
- i. Provide human factors technical expertise on topics such as advanced user-interface technology development or the role of human users in automated or autonomous sub-systems in communications systems.

| No. | Criteria |
|-----|--|
| 1. | <u>Education.</u> Must have a university degree in Engineering, Psychology; or Ergonomic Design diploma or similar diploma directly applicable field of study. |
| 2. | <u>Experience.</u> Junior: No requirement. Level 1 Depth of Knowledge. Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in Human Factors work. Level 2 Depth of Knowledge. Senior: Seven (7) years of experience within the last ten (10) years in Human Factors work. Level 3 Depth of Knowledge. |

2.16 Technical Writer/Illustrator

The Technical Writer/Illustrator must be capable of producing from diverse source material, any necessary engineering documentation, including interface control documents, system design documentation training and reference material etc. in order to clearly and concisely explain in

writing, diagrams, drawings and other similar visual or text media the interfaces, design, installation, operations and maintenance of software, hardware, and electronic, mechanical and other equipment, at a technical level appropriate to the target audience.

| No. | Criteria |
|-----|---|
| 1. | <p><u>Education.</u></p> <p>Must have a minimum of a college diploma (two or three year program) in a technical writing or graphic design program or similar directly applicable field of study; or</p> <p>Seven (7) years of directly relevant job experience is an acceptable substitute for the education criteria.</p> |
| 2. | <p><u>Experience.</u></p> <p>Junior: No requirement. Level 1 Depth of Knowledge.</p> <p>Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in Technical writing/illustration work. Level 2 Depth of Knowledge.</p> <p>Senior: Seven (7) years of experience within the last ten (10) years in Technical Writing/Illustration work. At least four (4) years of Technical Writing experience producing engineering documentation (e.g. technical specifications, interface control documents, design documents) is required. Level 3 Depth of Knowledge.</p> |

2.17 Field Support Specialist (FS)

The FS must be capable of mentor or provide comprehensive support to users in the field on any supported system element. FS tasks include but not limited to:

- a) Provide mentoring and support to users at Canadian Forces bases;
- b) Assist with installation and maintenance issues and tasks;
- c) Communicate issues between users and members of the IPT;
- d) Reporting, diagnosing and developing workarounds for problems with the System, and all of the System's functionality, hardware, software, firmware, operating manuals, training and usage, and assisting in repairs of any aspect of the System and its use;
- e) Assessing the usage of the System and recommending changes to training and standard operating procedures as required; and
- f) Assisting with field upgrades, installation, re-installation and modification.

| No. | Criteria |
|-----|--|
| 1. | <p><u>Education.</u></p> <p>An university degree as an Engineering, Science or Computer Science; or</p> <p>A college diploma as an Electronic Technician, Computer Science, or other equivalent science diploma; or</p> <p>Seven (7) years of directly relevant job experience is an acceptable substitute for the education criteria.</p> |
| 2. | <p><u>Experience.</u></p> |

| | |
|--|--|
| | <p>Junior: No requirement. Level 1 Depth of Knowledge.</p> <p>Intermediate: Must have a minimum of three (3) years of relevant demonstrated experience in Field Support work in the last six (6) years. Level 2 Depth of Knowledge.</p> <p>Senior Level: Must have a minimum of seven (7) years of relevant demonstrated experience in Field Support work in the last ten (10) years. Level 3 Depth of Knowledge.</p> |
|--|--|

2.18 Certified Tempest Professional

A Certified Tempest Professional holds a valid Certified TEMPEST Professional, Level I or II (as applicable) qualification provided by Canada's Communications Security Establishment (CSE) or the US National Security Agency (NSA). Tasks include but are not limited to:

- Provide Subject Matter Expertise on TEMPEST and NONSTOP EMSEC engineering issues;
- Write and execute EMSEC test programs for system elements and Land C4ISR platforms;
- Monitor the System and subsystem EMSEC degradation with respect to changes in configuration, time and usage and,
- Review Land C4ISR system element modifications, engineering change requests, specification change notices, material change notices and parts substitutions and TEMPEST related data that have the potential to affect the EMSEC Qualification Baseline.

There is no junior level in this category.

| No. | Criteria |
|-----|--|
| 1. | <p><u>Professional Certification.</u></p> <p>Intermediate Level: valid Certified TEMPEST Professional, Level I qualification provided by Canada's Communications Security Establishment (CSE) or the US National Security Agency (NSA); Level 3 Depth of Knowledge.</p> <p>Senior Level: valid Certified TEMPEST Professional, Level II qualification provided by Canada's Communications Security Establishment (CSE) or the US National Security Agency (NSA). Level 4 Depth of Knowledge.</p> |

2.19 Electromagnetic Environment Effects (E3) Specialist

E3 Specialist must be capable of working as part of the IPT and product and system element development teams to ensure compliance with Canada's E3 related requirements, including development and execution of tests, evaluations and corrective and preventative engineering work related to: Electromagnetic Compatibility (EMC), External RF Electromagnetic Environment (EME), Electromagnetic Interference (EMI), Emission Control (EMCON), Radio Performance and Co-site evaluation, Power Quality, Grounding, Bonding, and Electrostatic Discharge issues.

E3 Specialist tasks include but are not limited to:

- Provide Subject Matter Expertise on E3 issues;

- b. Write and execute E3 test programs for system elements of the Land C4ISR SoS and Platforms;
- c. Monitor the System and subsystem E3 degradation with respect to changes in configuration, time and usage and,
- d. Review Land C4ISR system element modifications, engineering change requests, specification change notices, material change notices and parts substitutions and E3 related data that have the potential to affect the E3 Qualification Baseline.

| No. | Criteria |
|-----|--|
| 1. | <u>Education.</u> Must have a university degree in Engineering, or Science; or A college diploma as an Electronic Technician, or other equivalent science diploma; or Seven (7) years of directly relevant job experience is an acceptable substitute for the education criteria. |
| 2. | <u>Experience.</u> Junior: No requirement. Level 2 Depth of Knowledge. Intermediate: Must have a minimum of three (3) years of experience within the last six (6) years in E3 work. Level 3 Depth of Knowledge. Senior: Seven (7) years of experience within the last ten (10) years in E3 work. Level 4 Depth of Knowledge. |

**ATTACHMENT 3 TO
PART 4 OF THE RFP
BID EVALUATION**

**LAND C4ISR ENGINEERING AND INTEGRATION SUPPORT
CONTRACT (LEISC)**

11 January 2018

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1 TECHNICAL BID EVALUATION

1.1 Mandatory Technical Requirement Criteria

- a) Core Management Requirement Criteria; and
- b) Core Engineering Requirement Criteria.

Any bid that fails to meet even one mandatory requirement will be disqualified and given no further consideration.

1.2 Rated Requirement Criteria

- a) Program Management Plan Requirements;
- b) Performance Based Contracting Experience Requirements;
- c) Systems Engineering Management Plan Requirements;
- d) Process Experience Requirements; and
- e) Personnel Experience Requirements.

See section 2.4 of this annex for further details regarding rated criteria.

1.3 Mandatory Technical Bid Evaluation Criteria

1.3.1 Core Management Criteria

The Bidder must submit with their bid, a Program Management Plan (PMP) in accordance with Appendix 5, CDRL 100.001 and DID 100.001. The Bidder or Bidder's team must demonstrate how, when and where they have successfully implemented the proposed PMP, or a previous version of their proposed PMP, on an alternate contract or project of similar scope, scale and complexity. If past experience uses a prior version of the PMP, the bidder must provide documentary evidence of the evolution and rationale of the implemented changes of the new PMP being proposed. The bidder must provide at least one customer reference, in accordance with the Bid Preparation Instructions in Part 3 of the RFP. The customer reference may be contacted to confirm validity of the information provided. The winning Bidder must implement and execute their proposed PMP.

Definitions for this criterion:

- a. Similar Scope, Scale and Complexity means a minimum annual expenditure rate of 3 million per year or having as a minimum, the equivalent of 12 FTE positions throughout the duration of the contract or project and being of a minimum duration of 5 years, within the C4ISR industry.

- b. Successfully Implemented means the services were delivered on cost, schedule, service levels and performance agreement.

1.3.2 Core Engineering Requirement Criteria

The Bidder must submit with their bid, a Systems Engineering Management Plan (SEMP) in accordance with Appendix 5, CDRL 200.001 and DID 200.001. The Bidder or Bidder's team must demonstrate how, when and where they have successfully implemented the proposed SEM, or a previous version of their proposed SEM, on an alternate contract or project of similar scope, scale and complexity. If past experience uses a prior version of the proposed SEM, the bidder must provide documentary evidence of the evolution and rational of the implemented changes of the new SEM being proposed. The bidder must provide at least one customer reference, validated as accurate by the customer, with accurate customer contact information. The customer reference may be contacted to confirm validity of the information provided. The winning Bidder must implement and execute their proposed SEM.

Definitions for this criterion:

- a. Similar Scope, Scale and Complexity means a minimum annual expenditure rate of 3 million per year or having as a minimum, the equivalent of 12 FTE positions throughout the duration of the contract or project and being of a minimum duration of 5 years, within the C4ISR industry.
- b. Successfully Implemented means the services were delivered on cost, schedule, service levels and performance agreement.

1.3.3 Personnel Requirement Criteria

Mandatory Personnel qualifications will be assessed by evaluating resumes of key personnel. Bidders shall provide resumes for the key personnel identified in Appendix 6 to Annex A. As a minimum, the following information should be included in each resume and presented in a tabular form:

- a. General: name, company name, location of employee and the employee's government security clearance level status.
- b. Education and training: dates, locations, and names of the institutions where the qualification was acquired. Copies of diplomas shall be provided. This section may also include formal company in house or external courses and attendance at pertinent conferences or symposia. For educational requirements for a particular degree, designation or certificate, Canada will only consider educational programs that were completed by the resource by the time of bid closing. If the degree, designation or certification was issued by an educational institution outside of Canada, the Bidder must provide a copy of the results of the academic credential assessment and qualification recognition service issued by an agency or organization recognized by the Canadian Information Centre for International Credentials (CICIC).

- c. Employment history: presented in tabular form and include the duration (years and months), employer name and position held, in reverse chronological order. Self-employed consultants shall list major projects and assignments.
- d. Experience: presented in tabular form with three columns including experience area, months of experience in that area and dates (month and year) the experience was obtained; and key details of that experience (e.g. project outline, company, specific tasks performed by the person, number of persons supervised).

The Bidder may use identified team members to meet the Personnel requirements. The Bidder shall confirm that all key personnel will be available to perform the work at Contract award. The Bidders shall demonstrate compliance in response to Appendix 6 to Annex A - which provides specific position requirements. Bidders shall provide sufficient information to substantiate that the candidates meet the requirement. Bidders shall provide copies of diplomas for the highest level of educational qualification stated in the resumes to meet the educational requirement. The same individual must not be proposed for more than one Resource Category.

1.4 Rated Technical Bid Evaluation Criteria

For purposes of evaluating the rated criteria the following definitions will be used.

Recent: Is defined as on-going or completed work having been completed within the last five (5) years from date of RFP release.

Similar Scope and Scale: Is defined as being within the C4ISR industry, having a minimum annual expenditure rate of 3 million per year or having as a minimum, the equivalent of 12 FTE positions throughout the duration of the contract/project and being of a minimum duration of 5 years.

Significant: is defined as depth and breadth of experience associated with the delivery or support of C4ISR capabilities for a period of a minimum of five (5) years in the last 10 years, calculated from date of RFP release.

Complex: meaning of a multi-million dollar value, multi-stakeholders, and multi-year contract.

- a. For each Reference Project submitted for 1.4.1 to 1.4.4 below, the Bidder must provide a customer reference, in accordance with the Bid Preparation Instructions in Part 3 of the RFP. The customer may be contacted to confirm validity of the information provided.
- b. For each Reference Project submitted for 1.4.1 to 1.4.4 below, the Bidder should provide a detailed description, including but not limited to the following:
 - 1. Executive Summary;
 - 2. Problem statement;
 - 3. Project Management Strategy that includes at a minimum:

- i. Industry standard, best practice or corporate methodology used;
 - ii. Implementation strategy;
 - iii. Problem/Issue management;
 - iv. Communications management;
 - v. Risk mitigation;
 - vi. Technologies used or implemented;
 - vii. Resource management;
 - viii. Project schedule management (including complete project timeline).
4. Budget management;
 5. Performance management, including continuous improvement and performance incentives (if used);
 6. Description of users;
 7. Volumetrics, including number of internal users, number of transactional requests, and diversity of transactions; and
 8. Contract Disputes and Performance Issues

For the purpose of this solicitation, a “Team Member” or “Bidder’s Team” is the entity whose experience is being used to meet evaluation criteria of this bid. Where a Bidder cites the experience of a Team Member, Canada will only consider this experience if the experience is accessible to the Bidder and the Bidder can rely upon and use the experience in the performance of any resulting Contract. The Bidder is required to demonstrate this accessibility through the certification that cooperation agreement are in place at the time of bid closure. Experience listed without providing any supporting data to describe where, how and by whom such experience was obtained or failure to demonstrate that the Bidder has a teaming agreement with the Team Member whose experience satisfies the requirement may result in the experience not being considered for evaluation purposes. The experience identified by the Bidder to meet criterion 1.4 a and 1.4 b, identified above, must be for Work for which the Bidder’s Team was directly responsible.

1.4.1 Program Management Experience

The Bidder’s Team program management capability will be evaluated based on actual relevant recent experience. The Bidder’s Team should provide documentary evidence of two (2) recent examples in performing work of similar scope and scale for a maximum of 200 points per example. If more than two (2) examples are provided, only the first two (2) examples in the order listed in the bid will be evaluated. The minimum passing score for each example is 20 points. Recent experience is limited to the last five years. The rating scale is based on the following criteria:

- a. The work was performed outside of Canada in a Defence and Security context without the ability to perform a reference check by Canada -20 points
- b. The work was performed outside of Canada in a Defence and Security context with the ability to perform a reference check by Canada -40 points
- c. The work was performed in Canada in a Defence and Security context with an

- unsuccessful reference check. -60 points
- d. The work was performed outside of Canada in a C4ISR context with a successful reference check. -80 points
- e. The work was performed in Canada in a C4ISR context with an unsuccessful reference check. -100 points
- f. The work was performed in Canada in a C4ISR context with a successful reference check demonstrating the Bidder's Team met the contractual requirement -125 points
- g. The work was performed in Canada in a C4ISR context with a successful reference check demonstrating the Bidder's Team exceeded the contractual requirement of the example being provided. -150 points
- h. The work was performed in Canada in a Land C4ISR context with a successful reference check demonstrating the Bidder's Team met the contractual requirement of the example being provided. -175 points
- i. The work was performed in Canada in Land C4ISR context with a successful reference check demonstrating the Bidder's Team exceeded the contractual requirement of the example being provided. -200 points

Table A3-1 – Program Management Experience Total

| Example | Description | Maximum Score | Actual Score | Comments |
|---------|-------------|---------------|--------------|----------|
| 1 | | 200 | | |
| 2 | | 200 | | |
| Total | | 400 | | |

1.4.2 Performance Based Contracting Experience

The Bidder's Team performance based contracting (PBC) capability will be rated based on actual relevant recent experience. The Bidder's Team must provide documentary evidence of two (2) recent examples of work performed under a performance based contracting regime for a maximum of 250 points per example. If more than two (2) examples are provided, only the first two (2) examples in the order listed in the bid will be evaluated. PBC is define as a regime where the contractor's performance is rewarded through incentives based on Key Performance Indicators (KPI) or System Health Indicators (SHI). The minimum passing score for each example is 20 points. Recent experience is limited to the last five years. The rating scale is based on the following criteria:

- a. The work was performed outside of Canada in a Defence and Security context with an unsuccessful reference check. -20 points
- b. The work was performed outside of Canada in a Defence and Security context with a successful reference check. -40 points
- c. The work was performed in Canada in a Defence and Security context with an unsuccessful reference check. -60 points
- d. The work was performed outside of Canada in a C4ISR context with a successful reference check. -75 points

- e. The work was performed in Canada in a C4ISR context with an unsuccessful reference check. -100 points
- f. The work was performed in Canada in a C4ISR context with a successful reference check demonstrating the Bidder's Team met the contractual requirement of the example being provided. -150 points
- g. The work was performed in Canada in a C4ISR context with a successful reference check demonstrating the Bidder's Team exceeded the contractual requirement of the example being provided. -175 points
- h. The work was performed in Canada in a Land C4ISR context with a successful reference check demonstrating the Bidder's Team met the contractual requirement of the example being provided. -200 points
- i. The work was performed in Canada in a Land C4ISR context with a successful reference check demonstrating the Bidder's Team exceeded the contractual requirement of the example being provided. -250 points

Table A3-2 – Performance Based Contracting Experience Total

| Example | Description | Maximum Score | Actual Score | Comments |
|---------|-------------|---------------|--------------|----------|
| 1 | | 250 | | |
| 2 | | 250 | | |
| Total | | 500 | | |

1.4.3 System Engineering Management Experience

The Bidder's Team System Engineering Management capability will be rated based on actual relevant recent experience. The Bidder's Team must provide documentary evidence of two (2) recent examples in performing work of similar scope and scale to the proposed Engineering Management Plan for a maximum of 100 points per example. If more than two (2) examples are provided, only the first two (2) examples in the order listed in the bid will be evaluated. The minimum passing score for each example is 10 points. Recent experience is limited to the last five years. The rating scale is based on the following criteria:

- a. The work was performed outside of Canada in a Defence and Security context with an unsuccessful reference check. -10 points.
- b. The work was performed outside of Canada in a Defence and Security context with a successful reference check. -20 points
- c. The work was performed in Canada in a Defence and Security context with an unsuccessful reference check. -30 points
- d. The work was performed outside of C4ISR context with a successful reference check. -40 points
- e. The work was performed in Canada in a C4ISR context with an unsuccessful reference check. -50 points
- f. The work was performed in Canada in a C4ISR Context with a successful reference check demonstrating the Bidder's Team met the contractual requirement of the example being provided. -80 points

- g. The work was performed in Canada in a C4ISR Context with a successful reference check demonstrating the Bidder's Team exceeded the contractual requirement of the example being provided. -100 points
- h. The work was performed in Canada in a Land C4ISR context with a successful reference check demonstrating the Bidder's Team met the contractual requirement of the example being provided. -125points
- i. The work was performed in Canada in a Land C4ISR context with a successful reference check demonstrating the Bidder's Team exceeded the contractual requirement of the example being provided. -150 points

Table A3-3 – System Engineering Management Experience Total

| Example | Description | Maximum Score | Actual Score | Comments |
|---------|-------------|---------------|--------------|----------|
| 1 | | 150 | | |
| 2 | | 150 | | |
| Total | | 300 | | |

1.4.4 Core Engineering Experience

The Bidder's Team core engineering capability will be rated based on actual relevant recent experience. The Bidder's Team should provide documentary evidence of capability in the four (4) core engineering disciplines identified below for a maximum of 100 points per example. The minimum passing score for each example is 10 points. Recent experience is limited to the last five years. The rating scale is based on the following criteria:

- a. The work was performed outside of Canada in a defence and security context with an unsuccessful reference check. -10 points
- b. The work was performed outside of Canada in a defence and security context with a successful reference check. -20 points
- c. The work was performed in Canada in a defence and security context with an unsuccessful reference check. -30 points
- d. The work was performed outside of Canada in a C4ISR context with a successful reference check -40 points
- e. The work was performed in Canada in a C4ISR context with an unsuccessful reference check. -50 points
- f. The work was performed in Canada in a C4ISR context with a successful reference check demonstrating the Bidder's Team met the contractual requirement of the example being provided. -80 points
- g. The work was performed in Canada in a C4ISR context with a successful reference check demonstrating the Bidder's Team exceeded the contractual requirement of the example being provided. -100 points
- h. The work was performed in Canada in Land C4ISR context with a successful reference check demonstrating the Bidder's Team met the contractual requirement of the example being provided. -125 points

- i. The work was performed in Canada in a Land C4ISR context with a successful reference check demonstrating the Bidder's Team exceeded the contractual requirement of the example being provided. -150 points

Table A3-4 – Core Engineering Experience Total

| Example | Description | Maximum Score | Actual Score | Comments |
|---------|---|---------------|--------------|----------|
| 1 | System-of-Systems Engineering Architecture, Management, Integration and Testing | 150 | | |
| 2 | Harsh Environment Network/Communication Complex Electronic Product Development, Integration and Testing | 150 | | |
| 3 | Ground Mobile Platform – Electronic Networked Systems Installation Integration Engineering | 150 | | |
| 4 | EMSEC and E3 Engineering | 150 | | |
| Total | | 600 | | |

1.4.5 Resource Capability Experience

The Bidder's Team should provide documentary evidence of capability of eight (8) resources available to meet the requirement of task-based work, one for each of the eight (8) resource types listed in table A3-5 below. Canada must have the ability to perform reference checks based on the information provided in the bid. The minimum passing score for each resource type is 20 points. The rating scale is based on an evaluation of breadth and depth of knowledge and experience:

Breadth and depth of knowledge and experience will be evaluate based on 100 points for each resource. The breadth of experience will be marked based on the diversity of experience level when compared to the area identified in Appendix 6 to Annex A, item No. 2 within the table for each individual resource category:

- a. The proposed resources has relevant knowledge and experience in one of the areas identified in Appendix 6 - 20 points
- b. The proposed resources has relevant knowledge and experience in less than half of the areas identified in Appendix 6 - 40 points
- c. The proposed resources has relevant knowledge and experience in more than half but not all of the areas identified in Appendix 6 - 60 points

- d. The proposed resources has relevant knowledge and experience in all the areas identified in Appendix 6 - 80 points
- e. The proposed resources has relevant knowledge and experience that exceeds the areas identified in Appendix 6 - 100 points

Table A3-5 – Resource Capability Experience Total

| Example | Description | Max Score | Breadth | Total | Comments |
|----------------|--|------------------|----------------|--------------|-----------------|
| 1 | Systems Architect / Systems Engineering Manager (Senior) | 100 | | | |
| 2 | Certified Tempest Professional (Senior) | 100 | | | |
| 3 | Electromagnetic Environment Effects Specialist (Senior) | 100 | | | |
| 4 | System Engineer (Senior) | 100 | | | |
| 5 | Hardware Engineer (Senior) | 100 | | | |
| 6 | Software/Firmware Architect/Engineer (Senior) | 100 | | | |
| 7 | Project Manager (Senior) | 100 | | | |
| 8 | Test Engineer (Senior) | 100 | | | |
| Total | | 800 | | | |

1.5 Rated Total Score

Table A3-6 - Total Rated Criteria Point Summary

| Rated Criteria Elements | Max Points Available | Total Points |
|--|-----------------------------|---------------------|
| Program Management Experience Summary | 400 | |
| Performance Based Contracting Experience Summary | 500 | |
| Systems Engineering Management Experience Summary | 300 | |
| Core Engineering Experience Summary | 600 | |
| Resource Capability Experience Summary | 800 | |

| Rated Criteria Elements | Max Points Available | Total Points |
|-------------------------|----------------------------|-----------------|
| Total | 2,600 | |

2 FINANCIAL BID EVALUATION

The evaluated cost will be calculated using the firm all-inclusive rates and mark-ups proposed by the Bidder and the quantities indicated in the financial evaluation tables. The number of persons, units and days are based on “Proxy” usage rates. They are for evaluation purposes only and do not represent any promise or representation by Canada of any particular volume of work. Bidders shall complete and submit Tables A3-7 through Table A3-12 with their Financial Bid.

2.1 Personnel Costs

2.1.1 Hourly Rates

Bidders shall enter their rates, as defined by the Personnel Rate Category in Appendix 6 of the SOW, into A3-7. If Team Members are used, the hourly rates will also apply to any Work performed by the Team Members personnel during the Contract.

Table A3-7 – Hourly Rate

| Personnel (Pers) Rate Category | Qty Pers (A) | Contract Hourly Rate (B) | | | | | Evaluated Cost (Ax B x 7.5 hours/day x 235 days) | | | | |
|--|--------------------|--------------------------|--------|--------|--------|--------|---|---------------|---------------|---------------|---------------|
| | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 1 (C) | Year 2 (D) | Year 3 (E) | Year 4 (F) | Year 5 (G) |
| Senior Project Manager | 1 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Intermediate Project Manager | 1 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Junior Project Manager | 1 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Senior Project Administrator | 1 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Intermediate Project Administrator | 2 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Junior Project Administrator | 1 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Senior System Architect/System Engineering Manager | 1 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Senior System Engineer | 2 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |

[illegible]

[illegible]

2.1.2 Total Evaluated Personnel Cost Calculation

The total of the Per Diem Rate is calculated at Table A3-8. These are the personnel costs that will be used for the cost per point calculation determined at Table A3-12:

| Personnel (Pers) Category | Year 1 | Year 2 | Year 3 | Year 4 | Year 3 | Sub -Total |
|------------------------------|-----------------------------|--------|--------|--------|--------|----------------------------------|
| Sub Totals | \$ (C) | \$ (D) | \$ (E) | \$ (F) | \$ (G) | \$ (C+D+E+F+G) |
| | Total Evaluated Cost | | | | | \$(Enter Value into Table A3-12) |

2.2 Core Work

Bidders shall enter their rates, as defined by the Core Work Category in Annex A - SOW, into Table A3-9. The total value of the Core Work costs will be used for the cost per point calculation determined at Table A3-12. Core Work (combined value of Core Management Work and Core Engineering Work) must not exceed an annual rate of \$13 million dollars.

Table A3-9 - Total Evaluated Core Work Cost

| Core Work | Monthly Fixed Rate (A) | | | | | Annual Rate (B) (A*12) | | | | | 3 Year Cost | |
|-----------------------|------------------------|--------|--------|--------|--------|---------------------------|--------|--------|--------|--------|-----------------------------------|--|
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | SUM of B | |
| Core Management Work | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| Core Engineering Work | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| | | | | | | Total: | | | | | \$ (Enter Value into Table A3-12) | |

2.3 The Facility

The Bidder shall provide their proposed firm monthly rate for The Facility, as defined in Appendix 7 of the SOW, in Table A3-10.

Table A3-10 - The Facility – Firm Annual Rates Evaluation

| Facility 5.4 | Monthly Rate (A) | Annual Rate (A*12) |
|------------------------|---------------------|-----------------------------------|
| Facility rate – Year 1 | \$ | \$ |
| Facility rate – Year 2 | \$ | \$ |
| Facility rate – Year 3 | \$ | \$ |
| Facility rate – Year 4 | \$ | \$ |
| Facility rate – Year 5 | \$ | \$ |
| Total: | | \$ (Enter Value into Table A3-12) |

2.4 Mark-ups

Bidders shall propose firm mark-up rates, including overhead, general and Administration, profit and any other mark-up normally charged, for the acquisition of hardware, system equipment and software (HW/SE/SW), and the services of individuals with specialized knowledge (SK's) and Sub-Contracted services during the contract period utilizing Table A3-11. The mark-up amounts determined in the Table 4-5 below will be evaluated as part of the overall Bid price.

2.4.1 Acquisition of hardware, system equipment and software (HW/SE/SW) Mark-Up

For the purposes of bid evaluation only, acquisition costs for hardware, system equipment and software during the Contract period is hypothetically set at \$10,000,000.00. Bidders must provide a Mark-up rate for the acquisition of HW/SE/SW in Table A3-11. The Mark-up rate proposed must not exceed 20%.

2.4.2 Acquisition of the services of individuals with Specialized Knowledge (SK) and Sub-Contracted Services

For the purposes of bid evaluation only, the acquisition costs for SK and Sub-Contracted Services during the contract period is hypothetically set at \$20,000,000.00. Bidders must provide a Mark-up rate for the acquisition of SK and Sub-Contracted Services in Table A3-11. The Mark-up rate proposed must not exceed 20%.

Table A3-11 - Cost of Mark-ups

| Activity | Mark-up Rate (%) (A) | Acquisition Costs (Not a Guarantee) (B) | Evaluated Amount ((AxB)+B) |
|--|----------------------------|---|-------------------------------------|
| Acquisition of HW/SE/ SW | (A1) | \$10,000,000.00 | (C) |
| Acquisition of SK & Sub- Contractors | (A2) | \$20,000,000.00 | (D) |
| Total Evaluated Cost of Mark-ups = C+D: | | | \$(Enter Value into Table A3-12) |

2.5 Travel and Living Expenses

The cost of travel and living expenses for contractors is not considered in the bid pricing.

2.6 Financial Bid Worksheet

Table A3-12 is a summary of all evaluated costs as determined in Tables A3-8 through A3-11. Bidders shall populate this table using the totals determined in Tables A3-8 through A3-11 where indicated by “\$Enter Value into Table A3-12”. Bidders shall include Tables A3-7 through A3-12 with their Financial Bid. If there are any discrepancies between the amounts in Table A3-12 and those in Tables A3-8 through A3-11, the cost will be recalculated using the values determined in Tables A3-7 through A3-11.

Table A3-12 - Total Evaluated Cost of Bid

| Cost Summaries | Total Evaluated Cost |
|------------------------|----------------------|
| Personnel Cost Summary | \$ |
| Core Work Cost Summary | \$ |
| Cost of Facilities | \$ |
| Cost of Mark-ups | \$ |
| Total Evaluated Cost | \$ |

3 INDUSTRIAL AND TECHNOLOGICAL BENEFITS AND VALUE PROPOSITIONS

1. INTRODUCTION

- 1.1. The purpose of the Value Proposition (VP) Evaluation Plan (Evaluation Plan) is to describe the methodology that will be used to evaluate the VP Proposal (Bid) submitted by the Bidder.
- 1.2. The Bid will be evaluated as either responsive or not responsive. The Bid will be deemed responsive if it: i) meets all of the mandatory requirements outlined in Section 2; and, ii) meets the minimum assessment values outlined in Section 3.
- 1.3. All responsive bids will then be evaluated based on rated criteria, as outlined in Section 4.
- 1.4. The results of the evaluation will be conveyed to the Contracting Authority. The results will then be integrated into the overall bid evaluation results, as outlined in section 4 of the Land C4ISR Engineering and Integration Support Contract (LEISC) (the Project) Evaluation Plan.
- 1.5. The Bidder is strongly encouraged to closely review the entire Bidder Instructions document.
- 1.6. Defined terms not otherwise defined in this document have the meaning given to them in the ITB Terms and Conditions and the Request for Proposal, including appendices, to which this Evaluation Plan is attached.

2. MANDATORY REQUIREMENTS

- 2.1. The chart below details each mandatory requirement and how the ITB Authority will assess whether it has been met. The Bid will be assessed as responsive or not responsive. To be considered responsive, all mandatory requirements must be met.

Table 2-1, Mandatory Requirements Evaluation Chart

| Mandatory Requirement | Method to Confirm |
|--|--|
| 1. Bidder commits to achieving Transactions, measured in Canadian content value (CCV), valued at not less than 100 percent of the Contract Price (including options exercised) or the total CCV of identified Transactions, whichever is higher, to be achieved within the Achievement Period. | Mandatory requirements certificate is duly signed and submitted. |
| 2. Commits to achieving Direct Transactions valued at | Mandatory requirements |

| | |
|---|--|
| not less than 70 percent of the Contract Price in CCV, or the total CCV of Direct Transaction Commitments in the Bid, whichever is higher, including options exercised, to be achieved within the Achievement Period. . | certificate is duly signed and submitted |
| 3. Bidder has specified its Total Evaluated Cost of Bid , not including taxes, and not including options, and rounded to the nearest dollar. | Mandatory requirements certificate is duly signed and submitted, with Total Evaluated Cost of Bid provided. |
| 3a. Bidder has identified Transactions which are detailed, fully described and equal in total to not less than 30 percent of the Total Evaluated Cost of Bid in CCV. All Transactions identified in the Bid must align with one or more of the rated criteria specified in Sections 4.1.1 to 4.1.3 of the Evaluation Plan | Alignment of the Transaction with one or more of the rated criteria is confirmed. CCV value of each Transaction in the Bid is totalled, then compared against the Total Evaluated Cost of Bid . Mandatory requirements certificate is duly signed and submitted. |
| 3b. Bidder commits to identifying one (1) year after the Effective Date of Contract, Transactions that are detailed, fully described and bring the cumulative total of identified Transactions to not less than 60 percent of the Contract Price, measured in CCV. | Mandatory requirements certificate is duly signed and submitted. |
| 3c. Bidder commits to identifying three (3) years after Effective Date of Contract, and for each additional contract option year exercised, Transactions that are detailed, fully described and bring the cumulative total of identified Transactions to 100 percent of the Contract Price, measured in CCV | Mandatory requirements certificate is duly signed and submitted. |
| 4. Commits to achieving Small and Medium Business Transactions valued at not less than 10 percent of the Contract Price in CCV, or the total CCV of Small and Medium Business Commitments in the Bid, whichever is higher, including options exercised, to be achieved within the Achievement Period. | Mandatory requirements certificate is duly signed and submitted. |
| 5. Commits to achieving Research and Development Activity Transactions valued at not less than 1 percent of the Contract Price in CCV or the total CCV of Research and Development Commitments in the Bid, whichever is higher, including options exercised, to be achieved within the Achievement Period. | Mandatory requirements certificate is duly signed and submitted. |
| 6. Bidder accepts all of the ITB Terms & Conditions. | Mandatory requirements certificate is duly signed and submitted. |
| 7. Bidder submits all the required components in its | Presence of each required |

| | |
|---|---|
| Bid: <ul style="list-style-type: none">• Company Business Plan• ITB Management Plan• Regional Development Plan• Small and Medium Business Development Plan• Detailed transaction sheets, accompanied by a summary chart of all Transactions.• Signed Mandatory requirements certificate | component in the Bid and the Mandatory requirements certificate is duly signed and submitted. |
|---|---|

3. MINIMUM ASSESSMENT VALUES

3.1. The Plans will be evaluated to determine if they meet the minimum assessment values below.

3.1.1. The Bidder's four Plans will be evaluated to confirm that they are present in the Bid. The Plans are then assessed for quality and for risk, using the assessments in Tables 3-1 and 3-2.

3.1.2. Quality will be assessed as to whether the Plans respond to the requested components outlined in Section 5 of the Bidder Instructions, the level of detail in the component, and how well the content of the Plan meets the ITB Objectives outlined in Section 3 of the Bidder Instructions.

3.1.3. Quality will be assessed on a scale of one (1) to four (4), using the values below in Table 3-1.

Table 3- 1, Plan Quality Assessments

| VALUE | 3 PLAN – QUALITY ASSESSMENTS |
|--------------|---|
| 4 | SUPERIOR Plan contains detailed responses to four or more of the requested items in Section 5.4 to 5.7, both inclusive, as applicable, of the Bidder Instructions. The Plan demonstrates that many of Canada’s ITB Objectives will be met. |
| 3 | GOOD Plan contains detailed responses to three of the requested items in Section 5.4 to 5.7, both inclusive, as applicable, of the Bidder Instructions. The Plan demonstrates that several of Canada’s ITB Objectives will be met. |
| 2 | POOR Plan contains detailed responses to two of the requested items in Section 5.4 to 5.7, both inclusive, as applicable, of the Bidder Instructions. The Plan demonstrates that some of Canada’s ITB Objectives will be met. |
| 1 | VERY WEAK Plan contains detailed response to one or less of the requested items in the Section 5.4 to 5.7, both inclusive, as applicable, of the Bidder Instructions. The Plan does not demonstrate that Canada’s ITB Objectives will be met. |

3.1.4. Risk will be assessed as to whether the Plans respond to the risk areas outlined in Section 5 of the Bidder Instructions and the level of detail provided.

3.1.5. Risk will be assessed on a scale of one (1) to four (4), using the values below in Table 3-2

Table 3- 2, Plan Risk Assessments

| VALUE | PLAN - RISK ASSESSMENTS |
|--------------|---|
| 4 | SUPERIOR Plan contains a detailed response to four or more of the risk areas in Section 5.3 of the Bidder Instructions, such that the probability of failure to achieve is extremely low. |

| VALUE | PLAN - RISK ASSESSMENTS |
|-------|---|
| 3 | GOOD Plan contains a detailed response to three of the risk areas in Section 5.3 of the Bidder Instructions, such that the probability of failure to achieve is low. |
| 2 | POOR Plan contains a detailed response to two of the risk areas in Section 5.3 of the Bidder Instructions, such that the probability of failure to achieve is moderate. |
| 1 | VERY WEAK Plan contains a detailed response to one or less of the risk areas in Section 5.3 of the Bidder Instructions, such that the probability of failure to achieve is significant. |

3.1.6. The Quality and Risk assessments agreed to by evaluators will be multiplied together and the sums added together to determine the final Plans assessment value for the Bid.

3.1.7. The Bidder must achieve or exceed a final Plans assessment value of thirty-two (32) (out of a possible sixty-four (64)).

EXAMPLE:

Table 3-3 - Example

| Plan | Quality (A) | Risk (B) | Assessment Value (C) (C) = (A) x (B) |
|-------------------------------------|-------------|----------|---|
| Company Business Plan | 4 | 3 | 12 |
| ITB Management Plan | 2 | 3 | 6 |
| Regional Development Plan | 4 | 4 | 16 |
| SMB Development Plan | 4 | 2 | 8 |
| Final plans assessment value | | | 42 |

3.2. Evaluation of proposed Transactions

3.2.1. The Bidder's proposed Transactions will be evaluated to determine whether they comply with the Bidder Instructions and with the ITB Terms and Conditions, with respect to eligibility criteria, valuation, banking and transaction types.

- 3.2.2. If a proposed Transaction does not meet the criteria outlined in 3.2.1, it will be rejected and will receive no further consideration during the mandatory or rated evaluation, or in the Contract.
- 3.2.3. If a proposed Transaction meets the criteria outlined in 3.2.1, it will then be assessed in accordance with the Mandatory Requirements in Section 2, specifically paragraph 3a of Table 2-1 Mandatory Requirements Evaluation Chart.
- 3.2.4. Any Transactions identified in the Bid will be assessed to determine whether they align with one or more of the three rated evaluation criteria identified in sections 4.1.1 through 4.1.3. The Bidder should provide a level of detail sufficient to support the claim that the Transaction fits within a given criteria.
- 3.2.4.1. Transactions where the Bidder does not demonstrate alignment with the rated evaluation criteria will be rejected and will receive no further consideration during the mandatory or rated evaluation, or in the Contract.
- 3.2.4.2. Transactions where the Bidder demonstrates alignment with the rated evaluation criteria will be included as part of the Bidder's Commitments in the rated evaluation, outlined in Section 4 of the Evaluation Plan. These Transactions would also be included as an Obligation to be achieved in the Contract.

4. RATED EVALUATION

- 4.1. The Bidder's proposed Commitments will be evaluated against the rated criteria as described below.

| |
|--|
| Land C4ISR – Engineering and Integration Support Contract (LEISC) Value Proposition Strategic Objective |
|--|

| |
|--|
| <p>The strategic objective of the Value Proposition (VP) Framework for the Project is to ensure that Canadian capabilities are utilized directly on the procurement, while incentivizing high-quality research and development investments that support innovation and the competitiveness of Canada's Defence Sector, as well as supply chain integration opportunities for Canadian small and medium-sized businesses (SMB).</p> |
|--|

4.1.1 Direct Transactions

The Direct Transactions pillar will incentivize high-value work activities in Canada directly related to the Project. The Mandatory Requirement in this area ensures that a minimum amount of Canadian content is used for the provision of goods and services, where Canada has capabilities, while Value Proposition points seek to incentivize bidders to compete on the basis of maximizing Direct Transactions.

Table 4 – 1, Direct Transactions

| Criteria | Available Points | Basis of Evaluation |
|---|-------------------------|---|
| Direct Transactions | | |
| Commitments to undertake Direct Transactions above 70 percent of Contract Price, up to a maximum of 100 percent | 30 | <p>Points will be awarded for Commitments to achieve Direct Transactions based on the following:</p> <p>The Bidder with the highest commitment to undertake Direct Transactions above seventy (70) percent of Contract Price up to a maximum of one hundred (100) percent, stated as a percentage of the Bidder's Total Evaluated Cost of Bid , not including options and measured in CCV, will receive thirty (30) points. All other bidders will be pro-rated down.</p> <p>Formula: Bidders total Direct Transaction Commitment above 70 percent (up to a maximum of 100 percent) divided by the highest bidder's Direct Transaction Commitment above 70 percent (up to a maximum of 100 percent), multiplied by 30 points.</p> |

4.1.2 Research and Development:

The Research and Development (R&D) pillar will incentivize bidders to identify R&D Transactions with Canadian Companies, Canadian Post-Secondary Institutions, and/or Public Research Institutions that support Canada's high-value Defence Sector research capabilities.

Table 4 – 2, Research and Development

| Criteria | Available Points | Basis of Evaluation |
|--|-------------------------|--|
| Research and Development | | |
| Commitments to undertake R&D Activity Transactions with Canadian Companies and/or Post-Secondary Institutions or Public Research Institutions, above 1 | 50 | <p>Points will be awarded for Commitments to achieve R&D Transactions based on the following:</p> <p>Commitments for each category of R&D Activity Transactions should be expressed as a commitment to undertake R&D Activity Transactions above one</p> |

| | |
|---|--|
| percent of Contract Price, up to a maximum of 100 percent | <p>(1) percent of Contract Price.</p> <p>Commitment to R&D Activity Transactions in the Defence Sector with Canadian Post-Secondary Institutions or Public Research Institutions up to a maximum of one hundred (100) percent, stated as a percentage of the Bidder's Total Evaluated Cost of Bid, not including options and measured in CCV, will receive two (2) points for every percentage of Total Evaluated Cost of Bid committed.</p> <p>Commitment to R&D Transactions in the Defence Sector with Canadian Companies up to a maximum of one hundred (100) percent, stated as a percentage of the Bidder's Total Evaluated Cost of Bid , not including options and measured in CCV, will receive one (1) point for every percentage of Total Evaluated Cost of Bid committed.</p> <p>The R&D point accumulation is calculated by totaling the points accumulated in R&D Activities in the Defence Sector with Canadian Companies and Post-Secondary Institutions or Public Research Institutions. The Bidder with the highest point accumulation for such commitments above one (1) percent of Contract Price up to a maximum of one hundred (100) percent, will receive fifty (50) points. All other bidders will be pro-rated down.</p> <p>Formula: (Bidder's R&D Activity point accumulation divided by the highest bidder's R&D Activity point accumulation) multiplied by 50 points.</p> |
|---|--|

4.1.3. Small and Medium Sized Businesses (SMBs):

The Small and Medium-sized Business (SMB) pillar will incentivize bidders to work with SMB across Canada, to integrate them into supply chains, and invest in developing their skills, capacity, quality and productivity so they can remain competitive in the global market.

Table 4 – 3, Small and Medium Sized Businesses

| Criteria | Available Points | Basis of Evaluation |
|--|------------------|--|
| Small and Medium Sized Businesses | | |
| Commitments to undertake Transactions with SMBs above 10 percent of Contract Price, up to a maximum of 100 percent | 20 | <p>Points will be awarded for Commitments to achieve Transactions based on the following:</p> <p>The Bidder with the highest Commitment to undertake Transactions with SMBs above ten (10) percent of Contract Price up to a maximum of one hundred (100) percent, stated as a percentage of the Bidder's Total Evaluated Cost of Bid , not including options and measured in CCV, will receive twenty (20) points. All other bidders will be pro-rated down.</p> <p>Formula: Bidders total SMB Commitment above 10 percent (up to a maximum of 100 percent), divided by the highest bidder SMB Commitment above 10 percent (up to a maximum of 100 percent), multiplied by 20 points.</p> |

- 4.2. In the event that the Bidder identifies Commitments or proposed Transactions in its Bid valued at more than 100 percent of the Total Evaluated Cost of Bid , no additional points will be earned in the rated evaluation, above those outlined in the Evaluation Plan. Additionally in this event, the Obligation values in Article 3.1.1 of the Terms and Conditions (including the sub-obligations) would be increased to match the total value of those
- 4.3. One identified Transaction may be aligned with multiple criteria and will be scored as such, up to the maximum total points. All Transactions that meet the criteria in Section 3.2 and Commitments identified in the Bid will be included as an Obligation to be achieved in the ensuing Contract.
- 4.4. In the event that the Bidder's total identified Transactions in the Bid align with any of the three rated VP criteria, expressed as a percentage of Total Evaluated Cost of Bid , is greater than the Bidder's Commitment in the same VP criteria as expressed in the Rated Criteria Certificate, the higher value will both be considered as the Bidder's Commitment in the rated evaluation described in Section 4, and as the Obligation to be achieved in Article 3 of the ensuing Contract.

4.5. Table 4-4 below summarizes the rated evaluation scoring:

Table 4-4 – Transaction Scoring

| Criteria | Available Points | Basis of Evaluation |
|---|-------------------------|--|
| Direct Transactions | 30 | |
| Commitment | | Commitment above 70 percent, expressed as CCV percentage of Total Evaluated Cost of Bid on signed rated criteria certificate (or CCV percentage of identified Direct Transactions, whichever is higher) |
| Research and Development | 50 | |
| Commitment | | Commitment above 1 percent, expressed as CCV percentage of Total Evaluated Cost of Bid on signed rated criteria certificate (or CCV percentage of identified Research and Development Transactions, whichever is higher) |
| Portion of commitment involving Canadian Companies | | Commitment expressed as CCV percentage of Total Evaluated Cost of Bid on signed rated criteria certificate (or CCV percentage of identified Research and Development Transactions with Canadian Companies, whichever is higher) |
| Portion of commitment involving Post-Secondary Institutions or Public Research Institutions | | Commitment expressed as CCV percentage of Total Evaluated Cost of Bid on signed rated criteria certificate (or CCV percentage of identified Research and Development Transactions with Post-Secondary Institutions or Public Research Institutions, whichever is higher) |
| Small and Medium Sized Businesses | 20 | |
| Commitment | | Commitment above 10 percent, expressed as CCV percentage of Total Evaluated Cost of Bid on signed rated criteria certificate (or CCV percentage of identified SMB Transactions, whichever is higher) |
| | | |
| Total Points | 100 | |

4.6. Total VP Score: The Bidder's scores for commitments will be totaled to reach a Total VP Score, which will then be weighted at seventeen (17) percent of the total available score for the Project's overall bid evaluation.

5. PROCESS

- 5.1. The evaluation is led by the ITB Authority, with participation from representatives of the regional development agencies, and, if required, other subject matter experts.
- 5.2. Evaluation assessments and scoring will be carried out by consensus, wherein the Bid will be read, discussed and each evaluator will agree to a score for each rated element. Consensus on broader issues will be sought, such that evaluators agree on the need for and nature of any clarifying questions or advice sought from outside experts. Where consensus on scoring, issues or other questions cannot be reached following discussion, the ISED Evaluation Lead will make the final decision.
- 5.3. The ITB Authority will hold overall responsibility for ensuring that the members of the evaluation team carry out their responsibilities. The ITB Authority will act as the liaison between the evaluation team and outside officials.

ANNEX B
TO CONTRACT
W8486-184104

LAND C4ISR
ENGINEERING AND INTEGRATION SUPPORT CONTRACT

BASIS OF PAYMENT

11 January 2018

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1. Introduction

The Basis of Payment is established herein for the following considerations:

- a. Payment for Core Work;
- b. Payment for Tasks;
- c. Payment for Key Performance Indicators; and
- d. Payment for Acquisition of Hardware, System Equipment and Software, Specialized Knowledge & Sub-Contractors.

2. Basis of Payment

2.1 Core Work Payment

Payment for Core Work will be made in accordance with the Monthly Payment provisions of the Contract. Core Work charges must be based on Fixed Monthly Rates identified in Table 1 below.

Table 1 – Core Work Cost

| Core Work | Monthly Fixed Rate (A) | | | | |
|-----------------------|------------------------|--------|--------|--------|--------|
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| Core Management Work | \$ | \$ | \$ | \$ | \$ |
| Core Engineering Work | \$ | \$ | \$ | \$ | \$ |

2.2 Core Management Key Performance Indicator (KPI) Incentive Payment

2.2.1 Incentive

For meeting or exceeding all of the Core Management KPIs detailed in 2.2.4, an incentive payment of 4% of the annual Core Management Work fee will be issued to the Contractor.

2.2.2 Credit

For breaching all of the Minimum Core Management KPIs detailed in 2.2.4, a credit will be paid by the Contractor, to Canada, of 4% of the annual Core Management Work fee.

2.2.3 Setup Task

KPIs will not apply to the initial DND 626 Task Authorization to Setup the work to be done under the contract. The Task will be identified and issued by DND.

2.2.4 Core Management - Key Performance Indicators

The Core Management Key Performance indicators will be calculated on an annual basis from contract award. The incentive or credit payment will be settled as a line item on the first claim of the following contract year.

The contractor must meet the following performance criteria related to core management work:

- a. **Task Completion.** When DND confirms tasks are completed, they are finalized and accepted within 90 calendar days from the date work is finalized and all deliverables submitted as per CDRL 100.006 and DID 100.006 When this requirement is met at 90% throughout the contract year in question, the Contractor will be eligible for the Core Management Incentive Payment identified at paragraph 2.2.1. When the Contractor does not meet this requirement a minimum of 80% of the time, the Contractor will be subject

to the credit identified at paragraph 2.2.2. If a task completion date falls within 90 calendar days prior to the start of a new contract year, the task will count to the following years task completion Key performance indicator. If the contract is in the final year, the calculation will occur after all tasks have been finalized. The final score will be rounded to two decimal points.

| Example of Task Completion Calculation: | | | | |
|--|-----------------|------------------------------|-------|-------------------------------|
| In scenario 1, 19 tasks out of a total of 20 tasks for the contract year were finalized and accepted on time resulting in the eligibility of the Incentive Payment. In scenario 2, 17 tasks out of a total of 20 tasks for the contract year were finalized and accepted on time resulting in no incentive nor credit being paid (neutral scenario). In scenario 3, only 15 tasks out of a total of 20 tasks for the contract year were finalized and accepted on time resulting in the eligibility of the credit being applied. | | | | |
| Scenario | Completed Tasks | Finalized & Accepted on time | Score | Eligible for incentive/Credit |
| 1 | 20 | 19 | 0.95 | Incentive |
| 2 | 20 | 17 | 0.85 | Neither |
| 3 | 20 | 15 | 0.75 | Credit |

- b. **Monthly Progress Reports Delivery.** Monthly Progress Reports are delivered on time, complete and accepted by DND as per CDRL 100.002 and DID 100.002. When this requirement is met at 90% throughout the contract year, the Contractor will be eligible for the Core Management Incentive Payment identified at paragraph 2.2.1. When the Contractor does not meet this requirement a minimum of 80% of the time, the Contractor will be subject to the credit identified at paragraph 2.2.2. The final score will be rounded to two decimal points.

| Example of Monthly Progress Reports Delivery Calculation: | | | | |
|---|------------------|------------------------------|-------|-------------------------------|
| In scenario 1, 11 Monthly Progress Reports out of a total of 12 Monthly Progress Reports for the contract year were delivered and accepted on time resulting in the eligibility of the Incentive Payment. In scenario 2, 10 Monthly Progress Reports out of a total of 12 Monthly Progress Reports for the contract year were delivered and accepted on time resulting in no incentive nor credit being paid (neutral scenario). In scenario 3, only 9 Monthly Progress Reports out of a total of 12 Monthly Progress Reports for the contract year were delivered and accepted on time resulting in the eligibility of the credit being applied. | | | | |
| Scenario | Progress Reports | Delivered & Accepted on time | Score | Eligible for incentive/Credit |
| 1 | 12 | 11 | 0.92 | Incentive |
| 2 | 12 | 10 | 0.83 | Neither |
| 3 | 12 | 9 | 0.75 | Credit |

- c. **Level of Effort Task Estimation.** Task estimates are delivered and accepted by DND within 30 calendar days from receipt of a Statement of Work from Canada for standard level of effort tasks. When this requirement is met at a rate that is above 90% throughout the contract year, the Contractor will be eligible for the Core Management Incentive Payment identified at paragraph 2.2.1. When the Contractor does not meet this requirement, a minimum of 75% of the time, the Contractor will be subject to the credit identified at paragraph 2.2.2. The calculation will include all estimates provided to DND in the contract year for which they were delivered. The final score will be rounded to two decimal points.

| Example of Level of Effort Task Estimation Calculation: | | | | |
|--|----------------|------------------------------|-------|-------------------------------|
| In scenario 1, 18 Task estimates out of a total of 20 Task estimates for the contract year were delivered and accepted on time resulting in the eligibility of the Incentive Payment. In scenario 2, 16 Task estimates out of a total of 20 Task estimates for the contract year were delivered and accepted on time resulting in no incentive nor credit payment being paid (neutral scenario). In scenario 3, only 14 Task estimates out of a total of 20 Task estimates for the contract year were delivered and accepted on time resulting in the eligibility of the credit being applied. | | | | |
| Scenario | Task Estimates | Delivered & Accepted on time | Score | Eligible for incentive/Credit |
| 1 | 20 | 18 | 0.90 | Incentive |
| 2 | 20 | 16 | 0.80 | Neither |
| 3 | 20 | 14 | 0.70 | Credit |

- d. **Firm or Ceiling Priced Task Estimation.** Task estimates are delivered and accepted by DND within 60 calendar days from receipt of a Statement of Work where Canada is requesting a firm fixed priced or firm priced tasking with performance based measures. When this requirement is met at a rate that is above 90% throughout the contract year in question, the Contractor will be eligible for the incentive described in paragraph 2.2.1. When the Contractor does not meet this requirement, a minimum of 75% of the time, the Contractor will be subject to the credit identified at paragraph 2.2.2. The calculation will include all estimates provided to DND in the contract year for which they were delivered. The final score will be rounded to two decimal points.

| Example of Firm or Ceiling Priced Task Estimation Calculation: | | | | |
|--|--|--|--|--|
| In scenario 1, 18 Task estimates out of a total of 20 Task estimates for the contract year were delivered and accepted on time resulting in the eligibility of the Incentive Payment. In scenario 2, 16 Task estimates out of a total of 20 Task estimates for the contract year were delivered and accepted on time resulting in no incentive nor credit payment being paid (neutral scenario). In scenario 3, only 14 Task estimates out of a total of 20 Task estimates for the contract year were delivered and accepted on time resulting in the eligibility of the credit being applied. | | | | |

| Scenario | Task Estimates | Delivered on time | Score | Eligible for incentive/Credit |
|----------|----------------|-------------------|-------|-------------------------------|
| 1 | 20 | 18 | 0.90 | Incentive |
| 2 | 20 | 16 | 0.80 | Neither |
| 3 | 20 | 14 | 0.70 | Credit |

2.3 Core Management Cost Performance Indicator

2.3.1 Incentive

If the contractor obtains an annual CPI of 1.10 or greater, an incentive will be paid to the Contractor of 6% of the annual Core Management Work fee. Firm fixed priced tasks and core work will not be included in the calculation of this indicator. This indicator will be calculated on an annual basis from contract award. The credit payment will be settled as a line item on the first claim of the following contract year.

2.3.2 Credit

- a. If the contractor obtains an annual CPI below 0.90, a credit will be paid by the Contractor, to Canada, of 6% of the annual Core Management Work fee. Firm fixed priced tasks and core work will not be included in the calculation of this indicator. This indicator will be calculated on an annual basis from contract award. The credit payment will be settled as a line item on the first claim of the following contract year.
- b. For ongoing taskings where the task goes beyond the scheduled and agreed upon end date, if the CPI of a specific task drops below 0.90 as supported by the current progress claim, a credit will be provided by the Contractor to Canada. The credit will be calculated as 10% of the Actual Cost (AC) for the specific task, as supported by the current progress claim. The credit will be applied on the following month's progress claim. The application of this indicator will not be done for firm fixed priced tasks and core work.

2.3.3 Setup Task

KPIs will not apply to the initial DND 626 Task Authorization to Setup the work to be done under the contract. The Task will be identified and issued by DND. KPIs will not apply to the initial Setup task to be identified and issued by DND.

2.3.4 Cost Performance Index:

- a. The contract Cost Performance Index (CPI) measures how far ahead or behind the contract budget is at a given point in time. The calculation will occur each year from the date of contract award. The calculation will include all open DND 626 Task Authorizations and Tasks which have closed throughout the contract year which just ended. In order to obtain the incentive detailed in 2.3.1, the annual CPI must be above 1.10 for the contract year. If the annual CPI is below 0.90, the credit detailed in 2.3.2 will be applied.

- b. The annual CPI is determined using the baseline task budget, and estimated start and finish dates for all tasks. CPI is calculated as the Annual Earned Value (EV) divided by Annual Actual Cost (AC). EV is the amount of the work that is actually completed in terms of task budget. AC is the amount that has been spent on the task. It must include values for labor and any other item of cost that was necessary to complete the task. The CPI will be calculated on a task-by-task basis. The EV and AC are calculated on a task-by-task basis and summed to determine the overall contract CPI. $(CPI = \text{Sum}(EV) / \text{Sum}(AC))$.
- c. Any change in scope issued by DND will be taken into account and the revised proposal and task baseline will supersede prior proposals for the affected task. When this requirement is met, the Contractor will be eligible for the incentive described.

Example of CPI calculation.

This example shows CPI for individual tasks and the resulting annual CPI. In this example, the annual CPI ($CPI = \text{Sum}(EV) / \text{Sum}(AC)$) is greater than 1.10 and will result in the incentive being paid.

| ID | Task | Start date | End Date | Budget | % Delivered | EV | AC | CPI |
|--------------------------|--------|------------|----------|-----------|-------------|----------|----------|------|
| 1.1 | Task 1 | Nov 18 | Oct 19 | \$2,000K | 50% | \$1,000K | \$1,100K | 0.90 |
| 1.2 | Task 2 | Nov 18 | Oct 19 | \$4,000K | 60% | \$2,400K | \$2,000K | 1.25 |
| 1.3 | Task 3 | Jan 19 | May 19 | \$1,000K | 80% | \$800K | \$1,000K | 0.80 |
| 1.4 | Task 4 | Jan 19 | Oct 19 | \$3,000K | 50% | \$1,500K | \$1,000K | 1.50 |
| 1.5 | Task 5 | Apr 19 | Sep 19 | \$1,000K | 20% | \$200K | \$100K | 2.00 |
| TOTAL: Annual CPI | | | | \$11,000K | | \$6,000K | \$5,200K | 1.15 |

2.4 Core Engineering - Key Performance Indicators Payment

2.4.1 Incentive

For meeting or exceeding all the Core Engineering KPIs detailed in 2.4.4, an incentive payment of 10% of the annual Core Engineering Work fee will be issued to the Contractor. Firm fixed priced tasks and core work will not be included in the calculation of this indicator. This indicator will be calculated on an annual basis from contract award. The credit payment will be settled as a line item on the first claim of the following contract year.

2.4.2 Credit

- a. For breaching all of the minimum Core Engineering KPIs detailed in 2.4.4, a credit will be paid by the Contractor, to Canada, of 10% of the annual Core Engineering Work fee. Firm fixed priced tasks and core work will not be included in the calculation of this indicator. This indicator will be calculated on an annual basis from contract award. The credit payment will be settled as a line item on the first claim of the following contract year.

- b. For ongoing taskings where the task goes beyond the scheduled and agreed upon end date and the SPI drops below 0.90 in a given month as supported by the progress claim, a disincentive fee of 10% of the Actual Cost (AC) for the task, for that month will be applied. The application of this indicator will not be done for firm fixed priced tasks and core work.

2.4.3 Setup Task

KPIs will not apply to the initial DND 626 Task Authorization to Setup the work to be done under the contract. The Task will be identified and issued by DND.

2.4.4 Core Engineering - Key Performance Indicators Payment

The contractor must meet the following performance criteria related to core engineering work:

- Schedule Performance Index.** The contract Schedule Performance Index (SPI) measures how far ahead or behind the contract work is at a point in time. The calculation will occur each year from the date of contract award. The calculation will include all open DND 626 Task Authorizations and Tasks which have closed throughout the contract year which just ended. In order to obtain the incentive detailed in 2.4.1, the annual SPI must be above 1.10 for the contract year. If the annual SPI is below 0.90, the credit detailed in 2.4.2 will be applied.
- In order to calculate the SPI, task budget, start and finish dates must be baselined for all tasks. Schedule Performance Index (SPI) is the Annual Earned Value (EV) divided by Annual Planned Value (PV). EV is the amount of the work that is actually completed in term of task budget. PV is the amount of the task that is supposed to have been completed in terms of the task budget. The EV and PV are calculated on a task-by-task basis and summed to determine the overall contract SPI. ($SPI = \text{Sum}(EV) / \text{Sum}(PV)$)
- Any change in scope that occurs will be taken into account and the revised proposal and task baseline will supersede prior proposals for the affected task.

Example of SPI calculation.

This example shows SPI for individual tasks and the resulting annual SPI. In this example, the annual SPI ($SPI = \text{Sum}(EV) / \text{Sum}(PV)$) is greater than 1.10 and will result in the incentive being paid. The term 'Budget' is defined as the value of the DND 626 Task Authorization. The term '% Schedule' refers to the amount of time lapsed in the DND 626 Authorization divided by the length of the DND 626 Task Authorization.

| ID | Task | Start date | End Date | Budget | % Schedule | EV | PV | SPI |
|-----|--------|------------|----------|----------|------------|----------|----------|------|
| 1.1 | Task 1 | Nov 18 | Oct 19 | \$2,000K | 50% | \$1,500K | \$1,000K | 1.50 |
| 1.2 | Task 2 | Nov 18 | Oct 19 | \$4,000K | 60% | \$2,500K | \$2,400K | 1.04 |
| 1.3 | Task 3 | Jan 19 | May 19 | \$1,000K | 80% | \$800K | \$800K | 1.00 |
| 1.4 | Task 4 | Jan 19 | Oct 19 | \$3,000K | 40% | \$1,500K | \$1,200K | 1.25 |
| 1.5 | Task 5 | Apr 19 | Sep 19 | \$1,000K | 30% | \$200K | \$300K | 0.66 |

| | | | | | |
|--------------|-----------|--|----------|----------|------|
| TOTAL | \$11,000K | | \$6,500K | \$5,700K | 1.14 |
|--------------|-----------|--|----------|----------|------|

- d. **Problem Management.** The contract Problem Management Service Level Agreement is set at paragraph 4.7 of Annex A. When this requirement is met at a rate that is above 90% throughout the contract year, the Contractor will be eligible for the Core Management Incentive Payment identified at paragraph 2.4.1. When the Contractor does not meet this requirement a minimum of 80% of the time, the Contractor will be subject to the credit identified at paragraph 2.4.2. The calculation will include all closed problem reports approved by DND in the contract year for which they were processed and closed by DND. The final score will be rounded to two decimal points.

| Example of Problem Management Calculation: | | | | |
|--|-----------------|-----------------------------------|-------|-------------------------------|
| In each of the 3 scenarios below, a total of 150 Problem Reports have been reported throughout the contract year. In scenario 1, 140 problems have been processed and closed by DND on time resulting in a score of 93% and the incentive being paid. In scenario 2, 125 problems have been processed and closed by DND on time resulting in a score of 83% and no incentive nor credit being applied (neutral case). In scenario 3, only 115 problems have been processed and closed by DND on time resulting in a score of 77% and the credit being applied. | | | | |
| Scenario | Problem Reports | Processed & Closed by DND on time | Score | Eligible for incentive/Credit |
| 1 | 150 | 140 | 0.93 | Incentive |
| 2 | 150 | 125 | 0.83 | Neither |
| 3 | 150 | 115 | 0.77 | Credit |

- e. **Incident Management.** The contract Incident Management Service Level Agreement set in paragraph 4.8 of Annex A. When this requirement is met at a rate that is above 90% throughout the contract year, the Contractor will be eligible for the Core Management Incentive Payment identified at paragraph 2.4.1. When the Contractor does not meet this requirement a minimum of 80% of the time, the Contractor will be subject to the credit identified at paragraph 2.4.2. The calculation will include all closed incident reports approved by DND in the contract year for which they were processed and closed by DND. The final score will be rounded to two decimal points.

| Example of Incident Management Calculation: | | | | |
|--|--|--|--|--|
| In each of the 3 scenarios below, a total of 150 Incident Reports have been reported throughout the contract year. In scenario 1, 140 incidents have been processed and closed by DND on time resulting in a score of 93% and the incentive being paid. In scenario 2, 125 incidents have been processed and closed by DND on time resulting in a score of 83% and no incentive nor credit is being applied (neutral case). In scenario 3, only 115 incidents have been processed and closed by DND on time resulting in a score of 77% and the credit being | | | | |

| applied. | | | | |
|----------|------------------|-----------------------------------|-------|-------------------------------|
| Scenario | Incident Reports | Processed & Closed by DND on time | Score | Eligible for incentive/Credit |
| 1 | 150 | 140 | 0.93 | Incentive |
| 2 | 150 | 125 | 0.83 | Neither |
| 3 | 150 | 115 | 0.77 | Credit |

- f. **Problem Resolution Index.** The Problem Resolution Index (PRI) is a measure of the System maturity for Configuration Items that are mature and available to the user community for validation and use. A problem is deemed valid, for PRI calculation, if its resolution is the responsibility of a single OEM. A problem is deemed resolved when it reaches the OEM verification stage and is as agreed to by DND, meaning it is ready for OEM verification testing¹. In order to obtain the incentive detailed in 2.4.1, the annual PRI must be above 0.90 for the contract year. If the annual PRI is below 0.80, the credit detailed in 2.4.2 will be applied. The PRI is measured by dividing the number of closed problems during the contract year by the number of new problems identified during the contract year by priority and then adding the result by priority based on a weight of 3 for priority 1, 2 for priority 2 and 1 for priority 3 on an annual basis and then dividing the total by 6. A positive offset of 1 is applied to the number of problem report open or closed to avoid the numerator or denominator to be 0 ($PRI = (3 * (Pri\ 1\ closed + 1) / (Pri\ 1\ Open + 1) + 2 * (Pri\ 2\ closed + 1) / (Pri\ 2\ Open + 1) + 1 * (Pri\ 3\ closed + 1) / (Pri\ 3\ Open + 1)) / 6$). The calculation will include all problem reports identified in the contract year. The final scores will be rounded to two decimal points.

| Example of Incident Management Calculation: | | | | | | | |
|---|-----|------------|-----------------|-----------------|---------------|------------------------------------|-------------------------------|
| Scenario | PRI | Weight (A) | Closed PRIs (B) | Opened PRIs (C) | Score (A*B/C) | Sum of Scores for Pri 1, 2 & 3 / 6 | Eligible for incentive/Credit |
| 1 | 1 | 3 | 10 | 14 | 2.14 | 0.79 | Credit |
| | 2 | 2 | 30 | 35 | 1.71 | | |
| | 3 | 1 | 50 | 55 | 0.91 | | |
| 2 | 1 | 3 | 10 | 11 | 2.72 | 0.88 | Neither |
| | 2 | 2 | 30 | 35 | 1.71 | | |

¹ A problem may be in OEM resolution for an extended period awaiting resolution of a separate blocking problem assigned to another OEM. For the purpose of KPI measurement a problem in OEM verification stage even if blocked is deemed resolved for the PRI calculation.

| | | | | | | | |
|---|---|---|----|----|------|---|-----------|
| | 3 | 1 | 50 | 60 | 0.83 | | |
| 3 | 1 | 3 | 10 | 10 | 3 | 1 | Incentive |
| | 2 | 2 | 30 | 30 | 2 | | |
| | 3 | 1 | 50 | 50 | 1 | | |

2.5 Task Authorizations

Payment for Task Costs will be made in accordance with Progress Payment provisions of the Contract. Canada will make monthly payments for Task Costs as follows:

- Labour charges for authorized Work pursuant to the Contract must be based on Firm Fixed Hourly Labour Rates, for the Contractor and their Team Members, in Table 2 below, Goods and Services Tax or Harmonized Sales Tax extra as applicable.
- Mark-up charges for authorized acquisition of hardware, system equipment and software (HW/SE/SW), the Contractor will be paid for its cost reasonably and properly incurred in the performance of the Work, plus a mark-up, in accordance with the Basis of Payment, Table 3, applicable taxes are extra.
- For authorized services of individuals with Specialized Knowledge (SK) & sub-contracted services other than Team Members, the Contractor will be paid for its cost reasonably and properly incurred in the performance of the Work, plus a mark-up, in accordance with the Basis of Payment, Table 4, applicable taxes are extra.
- The Contractor will be paid its authorized travel and living expenses, reasonably and properly incurred in the performance of the Work, at cost, without any allowance for overhead or profit, in accordance with the meal, private vehicle and incidental allowances specified in Appendices B, C and D of the National Joint Council Travel Directive (<https://www.njc-cnm.gc.ca/directive/d10/en>) and with the other provisions of the directive referring to "travelers", rather than those referring to "employees". All travel must have prior authorization of the Technical Authority.

Table 2 – Firm Fixed Hourly Labour Rates

| Personnel Rate Category | Contract Firm Fixed Hourly Labour Rate | | | | |
|------------------------------|--|--------|--------|--------|--------|
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| Senior Project Manager | \$ | \$ | \$ | \$ | \$ |
| Intermediate Project Manager | \$ | \$ | \$ | \$ | \$ |
| Junior Project Manager | \$ | \$ | \$ | \$ | \$ |
| Senior Project Administrator | \$ | \$ | \$ | \$ | \$ |

| | | | | | |
|---|----|----|----|----|----|
| Intermediate Project Administrator | \$ | \$ | \$ | \$ | \$ |
| Junior Project Administrator | \$ | \$ | \$ | \$ | \$ |
| Sr. System Architect / System Engineering Manager | \$ | \$ | \$ | \$ | \$ |
| Intermediate Systems Engineer | \$ | \$ | \$ | \$ | \$ |
| Senior Systems Engineer | \$ | \$ | \$ | \$ | \$ |
| Junior Hardware Engineer | \$ | \$ | \$ | \$ | \$ |
| Intermediate Hardware Engineer | \$ | \$ | \$ | \$ | \$ |
| Senior Hardware Engineer | \$ | \$ | \$ | \$ | \$ |
| Junior Hardware Technician | \$ | \$ | \$ | \$ | \$ |
| Intermediate Hardware Technician | \$ | \$ | \$ | \$ | \$ |
| Senior Hardware Technician | \$ | \$ | \$ | \$ | \$ |
| Intermediate Software/Firmware. Architect | \$ | \$ | \$ | \$ | \$ |
| Senior Software/Firmware. Architect | \$ | \$ | \$ | \$ | \$ |
| Junior Software/Firmware. Developer | \$ | \$ | \$ | \$ | \$ |
| Intermediate Software/Firmware. Developer | \$ | \$ | \$ | \$ | \$ |
| Senior Software/Firmware. Developer | \$ | \$ | \$ | \$ | \$ |
| Junior ILS Specialist | \$ | \$ | \$ | \$ | \$ |
| Intermediate ILS Specialist | \$ | \$ | \$ | \$ | \$ |
| Junior Test Engineer | \$ | \$ | \$ | \$ | \$ |
| Intermediate Test Engineer | \$ | \$ | \$ | \$ | \$ |
| Senior Test Engineer | \$ | \$ | \$ | \$ | \$ |
| Junior Test Technician | \$ | \$ | \$ | \$ | \$ |
| Intermediate Test Technician | \$ | \$ | \$ | \$ | \$ |

| | | | | | |
|---|----|----|----|----|----|
| Senior Test Technician | \$ | \$ | \$ | \$ | \$ |
| Junior CM-DM Specialist | \$ | \$ | \$ | \$ | \$ |
| Intermediate CM-DM Specialist | \$ | \$ | \$ | \$ | \$ |
| Senior CM-DM Specialist | \$ | \$ | \$ | \$ | \$ |
| Junior Quality Management Specialist | \$ | \$ | \$ | \$ | \$ |
| Intermediate Quality Management Specialist | \$ | \$ | \$ | \$ | \$ |
| Senior Quality Management Specialist | \$ | \$ | \$ | \$ | \$ |
| Junior Human Factor Specialist | \$ | \$ | \$ | \$ | \$ |
| Intermediate Human Factor Specialist | \$ | \$ | \$ | \$ | \$ |
| Senior Human Factor Specialist | \$ | \$ | \$ | \$ | \$ |
| Junior Tech Writer/Illustrator Specialist | \$ | \$ | \$ | \$ | \$ |
| Intermediate Tech Writer/Illustrator Specialist | \$ | \$ | \$ | \$ | \$ |
| Senior Tech Writer/Illustrator Specialist | \$ | \$ | \$ | \$ | \$ |
| Junior Field Support Specialist | \$ | \$ | \$ | \$ | \$ |
| Intermediate Field Support Specialist | \$ | \$ | \$ | \$ | \$ |
| Senior Field Support Specialist | \$ | \$ | \$ | \$ | \$ |
| Certified TEMPEST Professional I | \$ | \$ | \$ | \$ | \$ |
| Certified TEMPEST Professional II | \$ | \$ | \$ | \$ | \$ |
| Junior E3 Specialist | \$ | \$ | \$ | \$ | \$ |
| Intermediate E3 Specialist | \$ | \$ | \$ | \$ | \$ |
| Senior E3 Specialist | \$ | \$ | \$ | \$ | \$ |

Table 3 – Acquisition of Hardware, System Equipment and Software Mark-up

| Activity | Percentage Mark-up Year 1 | Percentage Mark-up Year 2 | Percentage Mark-up Year 3 | Percentage Mark-up Year 4 | Percentage Mark-up Year 5 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Acquisition of hardware, system equipment and software (HW/SE/SW) | % | % | % | % | % |

Table 4 – Specialized Knowledge (SK) and Sub-contracted Services Mark-up

| Activity | Percentage Mark-up Year 1 | Percentage Mark-up Year 2 | Percentage Mark-up Year 3 | Percentage Mark-up Year 4 | Percentage Mark-up Year 5 |
|-------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Acquisition of SK & Sub-Contractors | % | % | % | % | % |

2.5.1 Pricing Options

- a. **Firm Price:** For Task Authorizations, the Contractor must submit a "Firm Price" excluding travel and living expenses to the PA when the scope of Work is clearly understood by both parties and no changes are anticipated in the scope of the Work. Where a firm price has been established, the Contractor will be obliged to complete the Work for the specified firm price. The Contractor will be paid its authorized travel and living expenses, reasonably and properly incurred in the performance of the Work, at cost, without any allowance for overhead or profit, in accordance with the meal, private vehicle and incidental allowances specified in Appendices B, C and D of the National Joint Council Travel Directive (<https://www.njc-cnm.gc.ca/directive/d10/en>) and with the other provisions of the directive referring to "travelers", rather than those referring to "employees".
- b. **Ceiling Price:** Task Authorizations, the Contractor may submit a "Ceiling Price" quote excluding travel and living expenses to the PA when the scope of the Work cannot be clearly defined. The term Ceiling Price is the maximum price that is to be paid to the Contractor and beyond which the Contractor will not receive additional compensation for the defined Work and in return for which the Contractor is obligated to complete the Work. No additional funds will be made available. When the "Ceiling Price" approach is used both parties agree prior to the Work authorization that the price is subject to downward revision on completion of the task, based on the actual cost and verification of the actuals. The Contractor will be paid its authorized travel and living expenses, reasonably and properly incurred in the performance of the Work, at cost, without any allowance for overhead or profit, in accordance with the meal, private vehicle and

incidental allowances specified in Appendices B, C and D of the National Joint Council Travel Directive (<https://www.njc-cnm.gc.ca/directive/d10/en>) and with the other provisions of the directive referring to "travelers", rather than those referring to "employees".

- c. **Limitation of Expenditure Price:** When it is not possible for the Contractor to submit a "Firm Price" or a "Ceiling Price" as described above, the Contractor may submit a "Limitation of Expenditure" quote. The Contractor will be paid its authorized travel and living expenses, reasonably and properly incurred in the performance of the Work, at cost, without any allowance for overhead or profit, in accordance with the meal, private vehicle and incidental allowances specified in Appendices B, C and D of the National Joint Council Travel Directive (<https://www.njc-cnm.gc.ca/directive/d10/en>) and with the other provisions of the directive referring to "travelers", rather than those referring to "employees".
- d. The "Firm Price", "Ceiling Price" and/or the "Limitation of Expenditure" quote must be based on the rates in Canadian Funds. All proposed prices and cost estimates must be supported by a detailed cost breakdown.
- e. All amounts charged on a "Ceiling price" or "Limitation of Expenditure" basis must be subject to Government audit before or after payment of an invoice.
- f. When identified by DND, additional performance based methods including incentives may be applied directly to a DND 626 Task Authorization. This will be identified to the Contractor when the SOW is provided.

2.5.2 Task Subject to Limitation of Expenditure

For a task which is subject to a "Limitation of Expenditure" the Contractor must:

- a. monitor the cost of Work and advise the PA and the CA when 75% of the funds authorized for each task have been expended, and provide an estimate with backup support indicating if the remaining 25% will be sufficient to cover the balance of the Work forecasted for the task;
- b. if at any time during the Work it becomes evident to the Contractor that the authorized level of expenditure will be exceeded, the Contractor must immediately submit a written request for a Task Authorization Amendment in accordance with the Contract sub-article entitled "Task Authorization";
- c. when expenditures reach the authorized level of the DND 626, the Contractor must stop Work, notify the PA and await further written instructions from the PA and/or CA. Under no circumstances must the authorized level of the DND 626 be exceeded without prior written approval by the PA and/or CA; and
- d. the Contractor must not be obliged to perform any Work or provide any services that would cause the total liability of Canada to be exceeded without the prior written approval of the PA and/or CA in accordance with the Contract article entitled "Task Authorization Limit".

2.5.3 Task Completion/Closure Procedures

The Contractor must monitor all tasks issued under the Contract. If at any time the Contractor believes that a specific task has been completed or has been inactive for a period of at least one (1) month, the Contractor must proceed as follows to request closure:

- a. The Contractor must determine the final costs to Canada, itemized as necessary for each individual task being considered for closure.
- b. The Contractor must submit a letter to the PA (one copy each to Technical Authority and CA) requesting closure of the task with reference to reports or letters concerning the task as applicable.
- c. In cases where authorized funds were not all expended to complete specific tasks, these funds are considered returned to the Contract funding baseline for re-issuance/re-distribution as necessary.

2.5.4 Canada's Obligation – Portion of the Work – Task Authorizations

Canada's obligation with respect to the portion of the Work under the Contract that is performed through Task Authorizations is limited to the total amount of the actual authorized tasks performed by the Contractor.

Canada reserves the right, at any time, to acquire the requested Work by other means including by selecting other suppliers. For example, Canada may decide to acquire the requested Work by other means when the Contractor provides a written proposal that has been rejected by Canada.