



National Defence Headquarters  
Ottawa, Ontario  
K1A 0K2

Quartier général de la Défense nationale  
Ottawa (Ontario)  
K1A 0K2

**REQUEST FOR PROPOSAL  
DEMANDE DE PROPOSITION**

**RETURN BIDS TO:  
RETOURNER LES SOUMISSIONS À :**

Bid Receiving – PWGSC / Réception des  
soumissions - TPSGC  
11 Laurier St. / 11 rue Laurier  
Place du Portage, Phase III  
Core 0B2 / Noyau 0B2  
Gatineau  
Québec  
K1A 0S5  
Bid Fax/Numéro de télécopieur : (819) 997-9776

**Proposal To: National Defence Canada**

We hereby offer to sell to Her Majesty the Queen in right of Canada, in accordance with the terms and conditions set out herein, referred to herein or attached hereto, the goods and services listed herein and on any attached sheets at the price(s) set out therefore.

**Proposition à : Défense nationale Canada**

Nous offrons par la présente de vendre à Sa Majesté la Reine du chef du Canada, aux conditions énoncées ou incluses par référence dans la présente et aux annexes ci-jointes, les biens et services énumérés ici et sur toute feuille ci-annexée, au(x) prix indiqué(s).

**Solicitation Closes –  
L’invitation prend fin**  
  
At – à :2 :00 PM EST Eastern Daylight  
time, Heure avancée de l’Est  
  
On - le July 24, 2018 – 24 juillet 2018

<b>Title/Titre</b> Wheel Assembly	<b>Solicitation No – N° de l’invitation</b> W8486-195168/A/SV
<b>Date of Solicitation – Date de l’invitation</b> June 13, 2018	
<b>Address Enquiries to – Adresser toutes questions à</b>  National Defence Headquarters 101 Colonel By Dr Ottawa, Ontario K1A 0K2 Attn: DLP 4-3-1	
<b>Telephone No. – N° de téléphone</b> 819-939-6582	<b>FAX No – N° de fax</b> N/A
<b>Destination</b>  Specified Herein Précisé dans les présentes	

**Instructions:**

**Municipal taxes are not applicable. Unless otherwise specified herein all prices quoted must include all applicable Canadian customs duties, GST/HST, excise taxes and are to be delivered Delivery Duty Paid including all delivery charges to destination(s) as indicated. The amount of the Goods and Services Tax/Harmonized Sales Tax is to be shown as a separate item.**

**Instructions: Les taxes municipales ne s’appliquent pas. Sauf indication contraire, les prix indiqués doivent comprendre les droits de douane canadiens, la TPS/TVH et la taxe d’accise. Les biens doivent être livrés « rendu droits acquittés », tous frais de livraison compris, à la ou aux destinations indiquées. Le montant de la taxe sur les produits et services/taxe de vente harmonisée doit être indiqué séparément.**

<b>Delivery required - Livraison exigée</b> See Herein	<b>Delivery offered - Livraison proposée</b>
<b>Vendor Name and Address - Raison sociale et adresse du fournisseur</b>	
<b>Name and title of person authorized to sign on behalf of vendor (type or print) - Nom et titre de la personne autorisée à signer au nom du fournisseur (caractère d’imprimerie)</b>	
Name/Nom _____	Title/Titre _____
Signature _____	Date _____



---

## TABLE OF CONTENTS

### **PART 1 - GENERAL INFORMATION**

- 1.1 INTRODUCTION
- 1.2 SUMMARY
- 1.3 DEBRIEFINGS

### **PART 2 - BIDDER INSTRUCTIONS**

- 2.1 STANDARD INSTRUCTIONS, CLAUSES AND CONDITIONS
- 2.2 SUBMISSION OF BIDS
- 2.3 FORMER PUBLIC SERVANT
- 2.4 ENQUIRIES - BID SOLICITATION
- 2.5 APPLICABLE LAWS - BID SOLICITATION
- 2.6 IMPROVEMENT OF REQUIREMENT DURING SOLICITATION PERIOD

### **PART 3 - BID PREPARATION INSTRUCTION**

- 3.1 BID PREPARATION INSTRUCTION

### **PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION**

- 4.1 EVALUATION PROCEDURES
- 4.2 BASIS OF SELECTION

### **PART 5 - CERTIFICATIONS AND ADDITIONAL INFORMATION**

- 5.1 CERTIFICATIONS PRECEDENT TO CONTRACT AWARD AND ADDITIONAL INFORMATION
- 5.2 ADDITIONAL CERTIFICATIONS PRECEDENT TO CONTRACT AWARD

### **PART 6 - RESULTING CONTRACT CLAUSES**

- 6.1 REQUIREMENT
- 6.2 SECURITY REQUIREMEN
- 6.3 STANDARD CLAUSES AND CONDITIONS
- 6.4 TERMS OF CONTRACT
- 6.5 AUTHORITIES
- 6.6 PROACTIVE DISCLOSURE OF CONTRACTS WITH FORMER PUBLIC SERVANTS
- 6.7 PAYMENTS
- 6.8 SACC MANUAL CLAUSES
- 6.9 INVOICING INSTRUCTION
- 6.10 CERTIFICATIONS
- 6.11 APPLICABLE LAWS
- 6.12 PRIORITY OF DOCUMENTS
- 6.13 SACC MANUAL CLAUSES
- 6.14 INSPECTION AND ACCEPTANCE
- 6.15 PACKAGING REQUIREMENT
- 6.16 SHIPPING INSTRUCTIONS
- 6.17 MEETINGS
- 6.18 QUALITY PLAN

### **ANNEX A -STATEMENT OF REQUIREMENT**

### **ANNEX B - LOGISTICS STATEMENT OF WORK FOR WHEEL ASSEMBLY INCLUDING COMPONENT**

### **ANNEX C - PRICING**

### **ANNEX D - MANDATORY CRITERIA**

### **ANNEX E - ELECTRONIC PAYMENT INSTRUMENTS**

## **PART 1 - GENERAL INFORMATION**

### **1.1 Introduction**

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

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

The Annexes include the Statement of Work, Logistic Statement of Work for Wheel Assembly, the Basis of Payment, Technical Mandatory Criteria and the Electronic Payment Instruments and any other annexes.

### **1.2 Summary**

The Department of National Defence has a requirement to replace all the wheel assemblies on a fleet of vehicles. The requirement includes the storage of a large number of tires and wheels prior to assembling, the testing and the balancing of the final product. The Department of National will provide the following components: a total quantity of 2500 of tires, of alloy wheels and of valves as detailed in Annex A – Statement of Work – Assembly and Balancing of wheel, with inflation valve and tire.

Production at the Contractor's facility must commence within 5 working days of receipt of 100% of the tires, Government Supplied Material (GSM).

Phase delivery to the Contractor facility: DND will deliver to the Contractor facility up to 2500 wheels and valves as a single delivery and 500 tires at a time. Frequency of tire delivery will be agreed upon at the Post-Contract Award meeting.

#### **1.2.1 Trade Agreements**

- Canadian Free Trade Agreement (CFTA)
- Canada-Chile Free Trade Agreement (CCFTA)
- Canada-Columbia Free Trade Agreement (CCoFTA)
- Canada-Honduras Free Trade Agreement (CHFTA)
- Canada-Korea Free Trade Agreement (CKFTA)
- North American Free Trade Agreement (NAFTA)
- Canada-Panama Free Trade Agreement (CPanFTA)
- Canada-Peru Free Trade Agreement (CPFTA)

### **1.3 Debriefings**

Bidders may request a debriefing on the results of the bid solicitation process. Bidders should make the request to the Contracting Authority within 15 working days from receipt of the results of the bid solicitation process. The debriefing may be in writing, by telephone or in person.

---

## PART 2 - BIDDER INSTRUCTIONS

### 2.1 Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the Standard Acquisition Clauses and Conditions Manual (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada (PWGSC).

Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contract.

The 2003 (2017-04-27) Standard Instructions – Goods and Services – Competitive Requirements, are incorporated by reference into and form part of the bid solicitation, with the following modifications:

a) Section 02, Procurement Business Number is deleted in its entirety.

**Subsection 5.4**, of 2003, Standard Instructions - Goods or Services - Competitive Requirements, is amended as follows:

**Delete:** Bids will remain open for acceptance for a period of not less than **sixty (60) days** from the closing date of the bid solicitation;

**Insert:** Bids will remain open for acceptance for a period of not less than **ninety (90) calendar days** from the closing date of the bid solicitation.

**Subsection 20.2** of 2003, Standard Instructions - Goods or Services - Competitive Requirements, is amended as follows:

**Delete:** For bid solicitations issued out of PWGSC headquarters, enquiries concerning receipt of bids may be addressed to the Bid Receiving Unit, Procurement Operational Support Division, telephone 819-420-7200. For bid solicitations issued out of PWGSC regional offices, enquiries concerning receipt of bids may be addressed to the Contracting Authority identified in the bid solicitation.

### 2.2 Submission of Bids

Bids must be submitted only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit by the date, time and place indicated on page 1 of the bid solicitation.

### 2.3 Former Public Servant

Contracts awarded to former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny, and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts awarded to FPSs, bidders must provide the information required below before contract award. If the answer to the questions and, as applicable the information required have not been received by the time the evaluation of bids is completed, Canada will inform the Bidder of a time frame within which to provide the information. Failure to comply with Canada's request and meet the requirement within the prescribed time frame will render the bid non-responsive.

#### Definitions

For the purposes of this clause, "former public servant" is any former member of a department as defined in the Financial Administration Act, R.S., 1985, c. F-11, a former member of the

---

Canadian Armed Forces or a former member of the Royal Canadian Mounted Police. A former public servant may be:

- a. an individual;
- b. an individual who has incorporated;
- c. a partnership made of former public servants; or
- d. a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the size of the Public Service. The lump sum payment period does not include the period of severance pay, which is measured in a like manner.

"pension" means a pension or annual allowance paid under the *Public Service Superannuation Act* (PSSA), R.S., 1985, c. P-36, and any increases paid pursuant to the *Supplementary Retirement Benefits Act*, R.S., 1985, c. S-24 as it affects the PSSA. It does not include pensions payable pursuant to the *Canadian Forces Superannuation Act*, R.S., 1985, c. C-17, the *Defence Services Pension Continuation Act*, 1970, c. D-3, the *Royal Canadian Mounted Police Pension Continuation Act*, 1970, c. R-10, and the *Royal Canadian Mounted Police Superannuation Act*, R.S., 1985, c. R-11, the *Members of Parliament Retiring Allowances Act*, R.S. 1985, c. M-5, and that portion of pension payable to the *Canada Pension Plan Act*, R.S., 1985, c. C-8.

#### **Former Public Servant in Receipt of a Pension**

As per the above definitions, is the Bidder a FPS in receipt of a pension? **Yes ( ) No ( )**

If so, the Bidder must provide the following information, for all FPSs in receipt of a pension, as applicable:

- a. name of former public servant;
- b. date of termination of employment or retirement from the Public Service.

By providing this information, Bidders agree that the successful Bidder's status, with respect to being a former public servant in receipt of a pension, will be reported on departmental websites as part of the published proactive disclosure reports in accordance with Contracting Policy Notice: 2012-2 and the Guidelines on the Proactive Disclosure of Contracts.

#### **Work Force Adjustment Directive**

Is the Bidder a FPS who received a lump sum payment pursuant to the terms of the Work Force Adjustment Directive? **Yes ( ) No ( )**

If so, the Bidder must provide the following information:

- a. name of former public servant;
- b. conditions of the lump sum payment incentive;
- c. date of termination of employment;

- 
- d. amount of lump sum payment;
  - e. rate of pay on which lump sum payment is based;
  - f. period of lump sum payment including start date, end date and number of weeks;
  - g. number and amount (professional fees) of other contracts subject to the restrictions of a work force adjustment program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is \$5,000, including Applicable Taxes.

#### **2.4 Enquiries - Bid Solicitation**

All enquiries must be submitted in writing to the Contracting Authority no later than seven (7) calendar days before the bid closing date. Enquiries received after that time may not be answered.

Bidders should reference as accurately as possible the numbered item of the bid solicitation to which the enquiry relates. Care should be taken by Bidders to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a proprietary nature must be clearly marked "proprietary" at each relevant item. Items identified as "proprietary" will be treated as such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the question(s) or may request that the Bidder do so, so that the proprietary nature of the question(s) is eliminated and the enquiry can be answered to all Bidders. Enquiries not submitted in a form that can be distributed to all Bidders may not be answered by Canada.

#### **2.5 Applicable Laws**

Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in Ontario.

Bidders may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the Bidders.

#### **2.6 Improvement of Requirement during Solicitation Period**

Should bidders consider that the specifications or Statement of Work contained in the bid solicitation could be improved technically or technologically, bidders are invited to make suggestions, in writing, to the Contracting Authority named in the bid solicitation. Bidders must clearly outline the suggested improvement as well as the reason for the suggestion. Suggestions that do not restrict the level of competition nor favor a particular bidder will be given consideration provided they are submitted to the Contracting Authority at least ten (10) days before the bid closing date. Canada will have the right to accept or reject any or all suggestions.



---

## **PART 3 - BID PREPARATION INSTRUCTIONS**

### **3.1 Bid Preparation Instructions**

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

Section I: Technical Bid (1 hard copies)

Section II: Financial Bid (1 hard copies)

Section III: Certifications (1 hard copies)

Section IV: Additional Information (1 hard copies)

Prices must appear in the financial bid only. No prices must be indicated in any other section of the bid.

Canada requests that Bidders follow the format instructions described below in the preparation of their bid:

- (a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
- (b) use a numbering system that corresponds to the bid solicitation.

In April 2006, Canada issued a policy directing federal departments and agencies to take the necessary steps to incorporate environmental considerations into the procurement process [Policy on Green Procurement](http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html) (<http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html>). To assist Canada in reaching its objectives, Bidders should:

- 1) use 8.5 x 11 inch (216 mm x 279 mm) paper containing fibre certified as originating from a sustainably-managed forest and containing minimum 30% recycled content; and
- 2) use an environmentally-preferable format including black and white printing instead of colour printing, printing double sided/duplex, using staples or clips instead of cerlox, duotangs or binders.

#### **Section I: Technical Bid**

In their technical bid, Bidders should demonstrate their understanding of the requirements contained in the bid solicitation and explain how they will meet these requirements. Bidders should demonstrate their capability in a thorough, concise and clear manner for carrying out the work.

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

The Bidder should include a written narrative for each mandatory criterion described in Annex D – Mandatory Technical Evaluation Criteria. Responses consisting of a simple statement of compliance or lacking narrative, should be avoided.

## **Section II: Financial Bid**

**3.1.1** Bidders must submit their financial bid in accordance with the Basis of Payment specified in Part 6 and at Annex C - Pricing . Prices should appear only in Annex C – Pricing. The total amount of Applicable Taxes must be shown separately.

Bids must be submitted in Canadian dollars.

### **3.1.2 Electronic Payment of Invoices – Bid**

If you are willing to accept payment of invoices by Electronic Payment Instruments, complete Annex “E” Electronic Payment Instruments, to identify which ones are accepted.

If Annex “E” Electronic Payment Instruments is not completed, it will be considered as if Electronic Payment Instruments are not being accepted for payment of invoices.

Acceptance of Electronic Payment Instruments will not be considered as an evaluation criterion.

### **3.1.3 SACC Manual Clauses**

#### **3.1.3.1 Exchange Rate Fluctuation**

The requirement does not offer exchange rate fluctuation risk mitigation. Requests for exchange rate fluctuation risk mitigation will not be considered. All bids including such provision will render the bid non-responsive.

### **3.1.4 SACC Manual Clauses**

D5401T (2007-11-30) Quality Plan – Solicitation

The Bidder must submit a Quality Plan with the bid. The Quality Plan must be in the same format that will be used after award of contract.

The Quality Plan may reference other documents. Where referenced documents do not already exist, but are required by the Quality Plan, the plan must identify them and also identify when, how and by whom they will be prepared and approved. The documents referenced in the Quality Plan must be made available when requested by Public Works and Government Services Canada or the Department of National Defence.

## **Section III: Certifications**

Bidders must submit the certifications and additional information required under Part 5.

## **Section IV: Additional Information**

Canada requests that bidders submit the following information:

### **3.1.5 Bidder's Representatives**

Canada requests that Bidders provide information for the contact person responsible for:

**General enquiries**

Name:  
Telephone No:  
Facsimile No:  
E-mail address:

**Delivery follow-up**

Name:  
Telephone No:  
Facsimile No:  
E-mail address:

## **PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION**

### **4.1 Evaluation Procedures**

(a) Bids will be assessed in accordance with the entire requirement of the bid solicitation including the technical and financial evaluation criteria.

(b) An evaluation team composed of representatives of Canada will evaluate the bids.

#### **4.1.1 Technical Evaluation**

##### **4.1.1.1. Mandatory Technical Evaluation Criteria**

Bidders meet all mandatory technical evaluation criteria "Annex D" Mandatory Evaluation Criteria.

#### **4.1.2 Financial Evaluation**

##### **4.1.2.1 Mandatory Financial Criteria**

Bids must be completed in full and provide all financial information requested in the bid solicitation and at Annex C – Pricing.

The price of the bid must be in Canadian dollars, FCA Free Carrier at Contractor Canadian Facility, Incoterms 2010, Canadian custom duties and excise taxes included and Applicable Taxes excluded.

### **4.2 Basis of Selection**

A bid must comply with the requirements of the bid solicitation and meet all mandatory technical and financial evaluation criteria to be declared responsive. The responsive bid with the lowest evaluated price will be recommended for award of a contract.

---

## PART 5 – CERTIFICATIONS AND ADDITIONAL INFORMATION

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

The certifications provided by Bidders to Canada are subject to verification by Canada at all times. Unless specified otherwise, Canada will declare a bid non-responsive, or will declare a contractor in default if any certification made by the Bidder is found to be untrue, whether made knowingly or unknowingly, during the bid evaluation period or during the contract period.

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

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

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

#### 5.1.1 Integrity Provisions – Required Documentation

In accordance with the *Ineligibility and Suspension Policy* (<http://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html>), the Bidder must provide the required documentation, as applicable, to be given further consideration in the procurement process.

#### 5.1.2 Federal Contractors Program for Employment Equity - Bid Certification

By submitting a bid, the Bidder certifies that the Bidder, and any of the Bidder's members if the Bidder is a Joint Venture, is not named on the Federal Contractors Program (FCP) for employment equity "FCP Limited Eligibility to Bid" list available at the bottom of the page of the *Employment and Social Development Canada (ESDC) - Labour's website* ([http://www.esdc.gc.ca/en/jobs/workplace/human\\_rights/employment\\_equity/federal\\_contractor\\_program.page?&\\_ga=1.229006812.1158694905.1413548969#afed](http://www.esdc.gc.ca/en/jobs/workplace/human_rights/employment_equity/federal_contractor_program.page?&_ga=1.229006812.1158694905.1413548969#afed)).

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

### 5.2 Additional Certifications Precedent to Contract Award

#### 5.2.1 Status and Availability of Resources

The Bidder certifies that, should it be awarded a contract as a result of the bid solicitation, every individual proposed in its bid will be available to perform the Work as required by Canada's representatives and at the time specified in the bid solicitation or agreed to with Canada's representatives. If for reasons beyond its control, the Bidder is unable to provide the services of an individual named in its bid, the Bidder may propose a substitute with similar qualifications and experience. The Bidder must advise the Contracting Authority of the reason for the substitution and provide the name, qualifications and experience of the proposed replacement. For the purposes of this clause, only the following reasons will be considered as beyond the control of the Bidder: death, sickness, maternity and parental leave, retirement, resignation, dismissal for cause or termination of an agreement for default.

If the Bidder has proposed any individual who is not an employee of the Bidder, the Bidder certifies that it has the permission from that individual to propose his/her services in relation to the Work to be performed and to submit his/her résumé to Canada. The Bidder must, upon request from the Contracting Authority, provide a written confirmation, signed by the individual, of the permission given to the Bidder and of his/her availability. Failure to comply with the request may result in the bid being declared non-responsive.

---

## PART 6 - RESULTING CONTRACT CLAUSES

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

### 6.1 Requirement

The Contractor must perform the Work in accordance with the Statement of Work at Annex A Statement of Work – Assembly and Balancing of Wheel, with Inflation Valve and Tire, Annex B – Logistics Statement of Work for Wheel Assembly Including Component and Annex C - Pricing.

Production at the Contractor's facility must commence within 5 working days of receipt of 100% of the tires, Government Supplied Material (GSM).

Phase delivery to the Contractor facility: DND will deliver to the Contractor facility up to 500 tires at a time. Frequency of tire delivery will be agreed upon at the Post-Contract Award Meeting.

### 6.2 Security Requirements

There is no security requirement applicable to this Contract.

### 6.3 Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the Standard Acquisition Clauses and Conditions Manual(<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

#### 6.3.1 General Conditions

2010C (2016-04-04), General Conditions – Services (Medium Complexity), apply to and form part of the Contract, with the following modifications:

a. Definition of Minister is modified as follows:

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada as represented by the Minister of National Defence and any other person duly authorized to act on behalf of that minister or, if applicable, an appropriate minister to whom the Minister of National Defence has delegated his or her powers, duties or functions and any other person duly authorized to act on behalf of that minister.

Insert : 2010A 09 (2014-09-25) Warranty

1. Despite inspection and acceptance of the Work by or on behalf of Canada and without restricting any provisions of the Contract or any condition, warranty or provision imposed by law, the Contractor, if requested by Canada to do so, must replace, repair or correct, at its own option and expense any work that becomes defective or fails to conform to the requirements of the Contract, where applicable. The warranty period will be 12 months after delivery and acceptance of the Work or the length of the Contractor's or manufacturer's standard warranty period, whichever is longer.
2. Canada must pay the transportation cost associated with returning the Work or any part of the Work to the Contractor's plant for replacement, repair or making good, and the Contractor must pay the transportation cost associated with forwarding the replacement or returning the Work or part of the Work when rectified to the delivery point specified in the Contract or to another location as directed by Canada. If, in the opinion of Canada, it is not expedient to remove the

- 
- Work from its location, the Contractor must carry out any necessary repair or making good of the Work at that location and will be reimbursed its reasonable travel and living expenses.
3. The warranty period is automatically extended by the duration of any period or periods where the Work is unavailable for use or cannot be used because of a defect or non-conformance during the original warranty period. The warranty applies to any part of the Work replaced, repaired or corrected pursuant to subsection 1, for the greater of:
    - a. the warranty period remaining, including the extension, or
    - b. 90 days or such other period as may be specified for that purpose by agreement between the Parties.

#### **6.4 Term of Contract**

##### **6.4.1 Period of the Contract**

The period of the Contract is from date of Contract to March 31, 2019 inclusive.

#### **6.5 Authorities**

##### **6.5.1 Contracting Authority**

The Contracting Authority for the Contract is:

Name: Chantal Bourassa  
Directorate: DLP 4-3-1-5  
National Defence Headquarters  
Mgen. George R. Pearkes Building  
101 Colonel By Drive  
Ottawa, Ontario  
K1A 0K2  
Telephone: (819) 939-6582  
E-mail: chantal.bourassa@forces.gc.ca

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

##### **6.5.2 Technical Authority**

The Technical Authority for the Contract is: *(To be inserted at Contract Award)*

Name:  
Title:  
Organization  
Address:  
Telephone:  
E-mail:

The Technical Authority named above is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Technical Authority; however the Technical Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.



---

### 6.5.3 Contractor's Representative

#### General Enquiries

Name: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

Facsimile No.: \_\_\_\_\_

E-mail address: \_\_\_\_\_

#### Delivery Follow-up

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### 6.6 Proactive Disclosure of Contracts with Former Public Servants

By providing information on its status, with respect to being a former public servant in receipt of a **Public Service Superannuation Act** (PSSA) pension, the Contractor has agreed that this information will be reported on departmental websites as part of the published proactive disclosure reports, in accordance with Contracting Policy Notice: 2012-2 of the Treasury Board Secretariat of Canada.

### 6.7 Payment

#### 6.7.1 Basis of Payment

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid a firm price as specified in Annex C for a cost of \$ \_\_\_\_\_ *insert the amount at contract award*) in Canadian dollars FCA Free Carrier at Contractor's Canadian facilities, Incoterms 2010, Customs duties are included and Applicable Taxes are extra.

Canada will not pay the Contractor for any design changes, modifications or interpretations of the Work, unless they have been approved, in writing, by the Contracting Authority before their incorporation into the Work.

#### 6.7.2 Electronic Payment of Invoices – Contract

The Contractor accepts to be paid using any of the following Electronic Payment Instrument(s):

- a. Visa Acquisition Card;
- b. MasterCard Acquisition Card;
- c. Direct Deposit (Domestic and International);
- d. Electronic Data Interchange (EDI);
- e. Wire Transfer (International Only);
- f. Large Value Transfer System (LVTS) (Over \$25M)

### 6.8 SACC Manual Clauses

SACC Reference	Title	Date
C0710C	Time and Contract Price Verification	2007-11-30
C0711C	Time Verification	2008-05-12
H1001C	Multiple Payments	2008-05-12

### 6.9 Invoicing Instructions

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

- 
2. The contractor is requested to provide invoices in electronic format to the Contracting Authority and Procurement Authority unless otherwise specified by the Contracting Authority or Procurement Authority, thereby reducing printed material.
  
  3. The Contractor must submit invoices on its own form, and must include the following information:
    - a. Date;
    - b. Name and address of the consignee(s);
    - c. Contract number, and DND financial coding.

Invoices must be distributed as follows:

The original must be forwarded or e-mailed to the Contracting Authority identified under the section entitled 'Authorities' of the Contract.

Note 1: The Contractor must not submit and invoice prior to shipment of the items or prior to completion of the work.

Note 2: The original invoice must be sufficiently detailed in order that easy reference can be made between the amounts claimed and Annex C – Pricing.

Note 3: The Contractor must submit a revised invoice copy when correction(s) or modification(s) have been identified by the Contracting Authority.

## **6.10 Certifications**

### **6.10.1 Compliance**

Unless specified otherwise, the continuous compliance with the certifications provided by the Contractor in its bid or precedent to contract award, and the ongoing cooperation in providing additional information are conditions of the Contract and failure to comply will constitute the Contractor in default. Certifications are subject to verification by Canada during the entire period of the Contract.

### **6.11 Applicable Laws**

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in "\_\_\_\_\_".

### **6.12 Priority of Documents**

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

- (a) the Articles of Agreement;
- (b) the general conditions 2010C General Conditions – Medium Complexity - Services 2016-04-04;
- (c) Annex A, Statement of Work Assembly and Balancing of Wheel, With Inflation Valve and Tire;
- (d) Annex B, Logistics Statement of Work for Wheel Assembly Including Component;
- (e) Annex C, Pricing;
- (f) the Contractor's bid dated \_\_\_\_\_, (*insert date of bid*) (*If the bid was clarified or amended, insert at the time of contract award:*"), as clarified on \_\_\_\_\_ " **or** ", as amended on \_\_\_\_\_ " *and insert date(s) of clarification(s) or amendment(s)*).

### 6.13 SACC Manual Clauses

SACC Reference	Title	Date
A9006C	Defence Contract	2012-07-16
B7500C	Excess Goods	2006-06-16
C2800C	Priority Rating	2013-01-28
C2801C	Priority Rating - Canadian-based Contractors	2014-11-27
D5545C	ISO 9001-2008 – Quality Management Systems – Requirements (QAC C)	2010-08-16
D6010C	Palletization	2007-11-30
D9002C	Incomplete Assemblies	2007-11-30
G1005C	Insurance	2016-01-28

### 6.14 Inspection and Acceptance

The Technical Authority is the Inspection Authority. All reports, deliverable items, documents, goods and all services rendered under the Contract are subject to inspection by the Inspection Authority or representative. Should any report, document, good or service not be in accordance with the requirements of the Statement of Work and to the satisfaction of the Inspection Authority, as submitted, the Inspection Authority will have the right to reject it or require its correction at the sole expense of the Contractor before recommending payment.

#### 6.14.1 Prior to First Delivery:

The Technical Authority in conjunction with the National Defence Quality Assurance Representative will complete a random inspection of up to 10 wheel assemblies to determine correct balance, tire pressure and no visible damage to either the tire or wheel. This inspection must be completed prior to transport being requested by the Contractor to ensure the Contractor is in compliance with their Quality Plan.

### 6.15 Packaging Requirement

The Contractor must prepare the balanced wheel assemblies for shipment in stacks of qty five (5) with either one or two stacks per commercial skids.

Preparation must be by wrapping with clear plastic film. No straps can be used to secure the stack(s) to the skid.

### 6.16 Shipping Instructions (DND) – Canadian-based Contractor

1. Delivery will be FCA Free Carrier at Contractor's facility Incoterms 2000. The Contractor must load the goods onto the carrier designated by the Department of National Defence (DND). Onward shipment from the delivery point to the consignee will be Canada's responsibility.
2. Before shipping the goods, the Contractor must contact the following DND Inbound Logistics Coordination Center by facsimile or e-mail, to arrange for shipment, and provide the information detailed at paragraph 3.
  - b. *where the Contractor is located between Kingston inclusive and westward to the Ontario/Manitoba border:*  
Inbound Logistics Central Area (ILCA)  
Telephone: 1-866-371-5420 (toll free)

Facsimile: 1-866-419-1627 (toll free)  
E-mail: [ILCA@forces.gc.ca](mailto:ILCA@forces.gc.ca)

- c. *where the Contractor is located in Manitoba, Saskatchewan, Alberta, British Columbia, and the National Capital Region inclusive to east of Kingston:*

Inbound Logistics Coordination Center (ILCC)  
Telephone: 1-877-877-7423 (toll free)  
Facsimile: 1-877-877-7409 (toll free)  
E-mail: [ILHQOttawa@forces.gc.ca](mailto:ILHQOttawa@forces.gc.ca)

- d. *where the Contractor is located in Quebec:*

Inbound Logistics Quebec Area (ILQA)  
Telephone: 1-866-935-8673 (toll free), or  
1-514-252-2777, ext. 4673, 2852  
Facsimile: 1-866-939-8673 (toll free), or  
1-514-252-2911  
E-mail: [25DAFCTrafficQM@forces.gc.ca](mailto:25DAFCTrafficQM@forces.gc.ca)

- e. *where the Contractor is located in Atlantic (New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador):*

Inbound Logistics Atlantic Area (ILAA)  
Telephone: 1-902-427-1438  
Facsimile: 1-902-427-6237  
E-mail: [BlogILAA@forces.gc.ca](mailto:BlogILAA@forces.gc.ca)

3. The Contractor must provide the following information to the DND Inbound Logistics Coordination Center when arranging for shipment:

- a. the Contract number;
- b. consignee address (for multiple addresses, items must be packaged and labelled separately with each consignee address);
- c. description of each item;
- d. the number of pieces and type of packaging (i.e., carton, crate, drum, skid);
- e. actual weight and dimensions of each piece type, including gross weight;
- f. full details of dangerous goods/hazardous products, as required for the applicable mode of transportation, signed certificates for dangerous goods/hazardous products as required for shipment by the International Maritime Dangerous Goods Code, the International Air Transport Association regulations or the applicable Canadian *Transportation of Dangerous Goods Regulations*, and a copy of the safety data sheet in English and French.

- 
4. Following receipt of this information by Canada, Canada will provide the appropriate shipping instructions, which may include the requirement for specific consignee address labelling, and the marking of each piece with a Transportation Control Number.
  5. The Contractor must not ship the goods before receiving shipping instructions from the DND Inbound Logistics contact.
  6. If the Contractor delivers the goods at a place and time which are not in accordance with the given delivery instructions or fail to fulfill reasonable delivery instructions given by Canada, the Contractor must reimburse Canada any additional expenses and costs incurred.

If Canada is responsible for delays in delivering the goods, ownership and risk will be transferred to Canada upon expiry of either 30 days following the date on which a duly completed shipping application is received by Canada or by its appointed forwarding agent, or 30 days following the delivery date specified in the Contract, whichever is later.

## **6.17 Meetings**

### **6.17.1 Post-Contract Award Meeting**

Within ten (10) calendar days from the effective date of the Contract, the Contractor must contact the Contracting Authority to determine if a post-contract award meeting is required. A meeting will be convened at the discretion of the Technical Authority after contract award to review technical and contractual requirements. The Contractor shall be responsible for the preparation and distribution of the minutes of meeting within five (5) calendar days after the meeting has been held. The meeting will be held at the Contractor's facilities or at the Department of National Defence facility or via teleconference, at Canada's discretion at no additional cost to Canada, with representatives of the Contractor and the Department of National Defence.

## **6.18 Quality Plan**

No later than sixty (60) days after the effective date of the Contract, the Contractor must submit for acceptance by the Department of National Defence (DND) a Quality Plan prepared according to the latest issue (at contract date) of ISO 10005:2005 'Quality management systems – Guidelines for quality plans'. The Quality Plan must describe how the Contractor will conform to the specified quality requirements of the Contract and specify how the required quality activities are to be carried out, including quality assurance of subcontractors. The Contractor must include a traceability matrix from the elements of the specified quality requirements to the corresponding paragraphs in the Quality Plan.

The documents referenced in the Quality Plan must be made available when requested by the Department of National Defence.

If the Quality Plan was submitted as part of the bidding process, the Contractor must review and, where appropriate, revise the submitted plan to reflect any changes in requirements or planning which may have occurred as a result of pre-contract negotiations.

Upon acceptance of the Quality Plan by DND, the Contractor must implement the Quality Plan. The Contractor must make appropriate amendments to the Quality Plan throughout the term of the contract to reflect current and planned quality activities. Amendments to the Quality Plan must be acceptable to DND.

---

## ANNEX A

### STATEMENT OF WORK

#### ASSEMBLY AND BALANCING OF WHEEL, WITH INFLATION VALVE AND TIRE

Date: 22-01-2018

#### 1. SCOPE

##### 1.1. OBJECTIVE

1.1.1. There is a requirement to replace the all the wheel assemblies on a fleet of vehicles. The Department of National Defence (DND) is seeking a supplier who can store a large number of tires and wheels prior to assembling, testing and balancing the final product.

##### 1.2. BACKGROUND.

1.2.1. The present tires for a fleet of DND vehicles are no longer manufactured and the width of tire is no longer an industry standard. DND has purchased new wheels, tires and inflation valves to outfit the complete domestic portion of the fleet of up to 950 vehicles.

1.2.2. The present wheels are two piece design and are being replaced by a single piece alloy wheel.

##### 1.3. TERMINOLOGY

1.3.1. The following terminology will be used throughout this Statement of Work:

1.3.1.1. SOW refers to Statement of Work

1.3.1.2. p.s.i refers to the pressure measured in pounds per square inch

1.3.1.3. Qty refers to quantity.

1.3.1.4. "IAW" refers to a type of wheel balancing weight.

#### 2. REQUIREMENTS

##### 2.1. Scope of Work

2.1.1. The Contractor must have the capacity of receiving and storing up to 500 wheels and 500 tires in a dry secure area. The use of locked sea container(s) or 5<sup>th</sup> wheel semi-trailer(s) located on the Contractor's property is acceptable.

2.1.2. The Contractor must be capable of assembling, pressure testing and balancing the final wheel assembly.

2.1.3. The contractor must be capable of preparing for shipping the wheel assembly in groups of five or ten depending on the skid size selected.

##### 2.2. Tasks

2.2.1. DND will provide as Government Supplied Material (GSM) the following components:

2.2.1.1. Qty 2,500 Goodyear Wrangler MT/R (Kevlar) LT265/75R16 tires NSN 2610-01-666-4145

2.2.1.2. Qty 2,500 Daimler 461 401 10 02 - 7.5Jx16 one piece Alloy wheels NSN 2530-12-383-7182

2.2.1.3. Qty 2,500 Dill Air Control Products Tire Inflation Valve VS-902-GWAG NSN 2640-01-668-5361

2.2.2. The Contractor must assemble the valve into the wheel by inserting the valve body from the inside of the wheel, sliding the metal washer seal over the valve body and securing the valve with the body coupler. The body coupler must be torqued to 35 in-lbs using a 12mm deep socket. The cap shall be installed to protect the valve threads.



2.2.3. The Contractor must install the tire onto the wheel/valve assembly using Ken-Tool 35847 Tire Lubricant or equivalent industry standard lubrication. A commercial tire machine must be used to install the tire onto the wheel to reduce the risk of damage to either the wheel or tire.

2.2.4. The Contractor must inflate tire to 70 p.s.i. and the cap reinstalled.

2.2.5. The Contractor must balance the wheel tire assembly on an industry standard balancing machine using required coated clip-on balancing weights of the type known as "IAW". The balancing weight must be installed only on the inside of the wheel.

2.2.6. The Contractor is to provide the clip-on balancing weights.

2.2.7. The Contractor must prepare the balanced wheel assemblies for shipment in stacks of qty 5 (five) with either one or two stacks per commercial skids. Preparation must be by wrapping with clear plastic film. No straps can be used to secure the stack(s) to the skid.

**Annex B**

**LOGISTICS STATEMENT OF WORK**

**For**

**Wheel Assembly Including Component**

**OPI: DSVPM 3**



---

**Record of Changes**

Identification of changes		Date Entered	Signature
CH #.	Date		

---

**TABLE OF CONTENTS**

1.1.	AIM (INFORMATION ONLY).....	25
2.	GENERAL INTRODUCTION (INFORMATION ONLY) .....	26
2.1.	AIM (INFORMATION ONLY).....	26
2.2	EXTENT OF WORK/TYPES OF EQUIPMENT (Information Only) .....	27
3.	RECEIPT (MANDATORY).....	28
3.1	DISCREPANCIES IN SHIPMENTS (Mandatory) .....	29
3.2	INITIAL INSPECTION OF REPAIRABLE MATERIAL (MANDATORY) .....	29
4.0	WORK CONTROL (MANDATORY) .....	29
4.1	COMPLETION OF WORK (Mandatory) .....	30
5.0	SUPPLY SUPPORT/SUSTAINMENT SUPPORT .....	30
5.1	TRANSACTION DOCUMENTATION (Mandatory) .....	30
5.2	CONTRACTOR SUPPLY ACCOUNTING.....	31
5.3	STOCKTAKING .....	32
6.0	PACKAGING (Mandatory).....	36
7.0	TRANSPORTATION/SHIPMENT IDENTIFICATION/MODE OF SHIPMENT/LOSS OR DAMAGE IN TRANSIT/ GENERAL CLAIMS PROCEDURES (Mandatory).....	36
6.0	OFFICE SERVICES (MANDATORY) .....	37
7.0	MINUTES OF MEETINGS (MANDATORY).....	38
8.0	PLANT SHUTDOWN/VACATION PERIOD (MANDATORY).....	38
ANNEX G	STOCKTAKING PLAN .....	40

1. **GENERAL INTRODUCTION**

1.1. **AIM (INFORMATION ONLY)**

This LOG SOW will entail contract conditions for Repair and Overhaul contracts for:

**Component R&O:** This document will describe the roles and responsibilities in the end to end repair process.

**The following Chapters will be identified as mandatory or information only**

---

## 2. GENERAL INTRODUCTION (Information Only)

### 2.1. AIM (Information Only)

This section will describe the system of record for use by DND (DRMIS). It will explain the various supply accounts/Plants/ Storage Locations (SLOCs) that all Contractors may use and the different types of spares involved.

DRMIS:

Defence Resource Management Information System (DRMIS) provides total asset visibility of all Canadian Forces (CF) materiel, whether it is in use, in stock, or on a repair line. As a fundamental policy, all supply transactions and movement of materiel must be visible and traceable. All transactions for goods movements must be supported by appropriate computer transactions. The Contractors responsibilities related to management of the accounts in DRMIS are explained and outlined below. Contractor NDQAR will assist those Contractors with no DRMIS access and will provide detailed instruction, guidance and training on DRMIS transaction processing and on DRMIS account management to all Contractors.

**RMA: (Repairable Material Account)** is an account that will be allocated to the Contractor to hold the authorized material for repair that is approved on the contract. The RMA is represented within the system by a three Alpha character format followed by a number "1" i.e. "WAL1". There will be two storage locations (SLOC) allocated. One will be a Serviceable storage location and the other will be an Unserviceable Storage Location (SLOC).

**CIS (Contract Issue Spares):**

CIS are DND-owned materiel issued to repair and overhaul Contractor facilities for incorporation into DND equipment undergoing repair, overhaul and modification. This materiel is catalogued and is in DND inventory. This inventory will be managed in a Contractor Repair Parts Account (CRPA). Catalogued serviceable spare parts salvaged by the Contractor on NDHQ authority are included. Prior to approval of the CIS being issued to a Contractor the Procurement Authority must ensure

- All spare parts issued to a Contractor as part of CIS are to be catalogued and are visible in the system of record (DRMIS) for National Defence.
- DND stocked inventory is to be used prior to Contractor procuring commercially. There are exceptions to this rule and the procurement authority has to authorize this procurement and justify why DND stocked inventory is not being used first. For instance, there may be spares reserved for other operations and may not be available to use as CIS or it may be more economical for DND to allow commercial procurement. (Contract furnished materiel) CFM.
- DND is prepared to accept the scheduled risk consequential to the late delivery of CIS from DND supporting facilities (CFSD).

**CRPA (Contractor Repair Parts Account):** DRMIS provisioning account (\_P) with a Serviceable and an Unserviceable storage location. It records all managed spare parts pre-propositioned within that CRPA Plant /Serviceable Storage Location. The spares are located at the Contractor repair facility and are to be used to assist on the repair of the repairable items contracted out for repair. These spares are called Contract Issue Spares (CIS) because they are DND spares issued to the Contractor in order to affect the repair or overhaul of DND equipment.

**GFOS (Government Furnished Overhaul Spares)**

- Non-catalogued spares that are provided to an R&O Contractor from AAS held by another Contractor;
- A Contractor by the prime manufacturer or a representative holding a contract to provide spares to Contractors engaged in R&O
- A Contractor as a result of procurement action by PSPC (Public Services and Procurement Canada) with the US Government

- Non-catalogued spare parts that are salvaged by the Contractor, on NDHQ or CFQAR authority, from DND materiel undergoing repair, overhaul, re-life or modification.

Refer to the Supply Support Section 8.2.6 for more information on GFOS

#### **GFE/GFI:**

- **Government Furnished Equipment (GFE)** is DND-owned equipment provided by DND to a Contractor, on a loan agreement, to be used during the contract period and returned in essentially the same condition (subject to fair wear & tear) at the end of the contract. The equipment included in GFE is any equipment used in the production process, such as machine tools, special production tooling, tooling, ground handling equipment, and any other items or equipment that are considered to be in the best interest of DND. Any equipment used in testing process, such as prototypes, sealed samples, models, and any other items or equipment that are considered to be in the best interest of DND. The equipment NOT normally included in GFE is: materiel to be consumed or used in the manufacture or maintenance process, or materiel that will be used for any purpose that would prevent it being returned in substantially the same condition as when loaned, subject to fair wear and tear.
- **Government Furnished Information (GFI)** is any information that DND will provide, on a loan agreement, to the Contractor to enable contract fulfillment. This normally includes items such as DND specifications, NATO (North Atlantic Treaty Organization) codification requirements, and Technical Data Packages (TDP). GFE/GFI clauses will be included in original contract; otherwise a contract amendment will be required. Refer to Section 8.4.1 for more information on the loan of GFE/GFI.

## **2.2 EXTENT OF WORK/TYPES OF EQUIPMENT (Information Only)**

This Chapter outlines the extent of work and the different types of equipment repair. The Contractor will repair or overhaul only those items for which they have received authorization. This authority is in accordance with the Selection Notice and Priority Summary (SNAPS), Stores Removal Request (SRR), an approved Repairable Materiel Request (RMR) for a Repairable Materiel Account (RMA) or Task Authorization/DND 626.

**The different types of DND equipment to be repaired are categorized as either:**

- **Selected Equipment.** "A" accountable equipment's/components that have received authorization for repair or overhaul and appears on the Selection Notice and Priority Summary (SNAPS) for a Repair Materiel Account (RMA).
- **Non Selected Equipment.** "A" Accountable equipment that has received authorization on an approved Repairable Materiel Request (RMR), an approved Stores Removal Request (SRR) or a DND 626 (Task Authorization).
- **Major Equipment.** "M for vehicles" (replace "A" Class) equipment's which, in themselves, fulfil prime operational functions and which do not lose their identity or become integral parts of other equipment or installations, e.g., ships, tanks, aircraft, engines, etc.
- **Repair of sub-components and accessories.** A component or accessory received as part of the major equipment and having a repair potential, is to be repaired as part of the major equipment by the Contractor without any replacement from the DND. The following are exceptions to this replacement procedure:
  - The component or the accessory is beyond economical repair (BER) and is conditioned as scrap;
  - The contract to repair or overhaul the major equipment does not include the particular component or accessory as part of the contract pricing arrangement;
  - The component is selected to a different repair facility; and

- 
- The particular component or accessory is categorized as Repairable Reserve (RR) or has been designated surplus to requirements.

When the contract calls for the major equipment to be overhauled, a separate Statement of Work will be required. The Contractor must monitor and ensure that the total costs of the overhaul remains within the approved Maximum Repair Cost (MRC). Any repairable component that is removed for the major equipment that is on the Contractor's SNAP list will be subject to selected process as per paragraph 1.2.

### **2.1.1. Protection of DND Material (Mandatory)**

The Contractor must ensure that storage and maintenance facilities provide sufficient protection to DND material to minimize the risk of:

- Unauthorized use;
- Theft or misappropriation;
- The elements including special handling requirements for sensitive and shelf-life items;
- An excess of dust and dirt;
- A possible breach of security; and
- Animal droppings and infestation.

### **3. RECEIPT (Mandatory)**

Upon receipt of DND equipment for repair, the Contractor must:

- a. Identify the equipment and ensure they are authorized to repair (SNAPS, RMR, SRR, DND 626, EPM Fax or Email);
  - b. Open a separate work order for each repairable E tracked item. For remaining items, a work order is created, for each line item reflected by the shipping paperwork;
  - c. Carry out a physical check to ensure that the item is complete and is in accordance with the accompanying vouchers;
  - d. complete receipt documentation, including any adjustment transactions or work order number;
  - e. Carry out a physical check to ensure that the item is complete according to any Material Authorization Document (MA) checklists provided by NDQAR.
  - f. Action warranty materiel. (If warranty repair required refer to Ch. 9); and
- The Contractor must contact NDQAR advising that the item has been received for repair and obtain the DND Work Order. The turnaround time will start once the DND Work Order is created. The part will be sent to the Contractor and remain on charge in DRMIS until such a time as it is issued out to the sub-Contractor/OEM. For in country contracts NDQAR will raise the DND work order and issue the parts out of stock to commence the work order process. If the required information is missing or insufficient to proceed with the repair, the Contractor must send an email, notifying the supporting NDQAR.

For those items where the basis of payment is other than firm fixed price, and based upon available information or inspection of the item, the Contractor must determine the extent of work required, prepare a cost estimate, and if cost to repair is below the maximum repair cost (MRC), proceed with the repair. Whenever cost to repair threatens to exceed the MRC, the Contractor must request authority using a SNOM (Selection Notice Observation Message) / email to proceed with the repair in accordance with Annex B Contractor Upon receipt of DND "**non-selected**" equipment, the Contractor has no authority to repair and the item should be referred to the Procurement Authority via a (SNOM)/email including all

---

pertinent information. See template for SNOM in Annex B The Contractor, within 5 days after DRMIS receipt must check the completeness of the major equipment against the appropriate check lists and the consignor's issue voucher, and report any discrepancy to the consignor with an information copy to the National Defence Quality Assurance Region (NDQAR) and the Procurement Authority. The Contractor must notify their supporting NDQAR, by email stating the applicable Stock Transport Order/Vehicle Movement Order (QTO/EMO) message, type and model, CFR, serial number(s)/EMR and date of receipt.

### **3.1 DISCREPANCIES IN SHIPMENTS (Mandatory)**

The Contractor must report discrepancies to the NDQAR and they are to contact the consignor. A discrepancy in shipment can consist of any of the following:

- Quantity;
- Serial/Equipment Number;
- Substitute material;
- Improper Packaging;
- Condition.

The Contractor must contact their supporting NDQAR to report and action discrepancies in shipments. If the discrepant item is one of the commodities listed below the supporting NDQAR must be contacted within 24 hours.

#### **Commodity**

- Weapons, Ammunition, Explosive Ordnance, Self-Contained Weapons Systems, and Guided Missiles;
- Classified Equipment including Crypto and accountable COMSEC Materiel;
- Deficient Controlled Goods as defined in DAOD 3003-0; and
- Night Vision Devices (NVD).

### **3.2 INITIAL INSPECTION OF REPAIRABLE MATERIAL (Mandatory)**

Where it is impossible to determine the cost to repair, the Contractor must be granted authority by the Procurement Authority (PA) to strip the equipment so as to assess its repair or overhaul potential and to estimate the costs. Unless otherwise specified, and regardless of the value of the equipment, the cost of the work involved in estimating repair is chargeable to the item whether or not it is subsequently repaired.

### **4.0 WORK CONTROL (Mandatory)**

The Contractor must ensure that the repair of all DND equipment is controlled by an internal serial numbered work order. Upon completion of work, the work order must include as a minimum the following:

- a. a contract serial number against which all costs incurred are chargeable;
- b. the MMR, description, quantity and serial number, if any, of item repaired;

- 
- c. A cross reference to all Supply Documents. This includes receipt, issues and returns, including scrap activity, finalization of repair, inspection, and final acceptance;
  - d. reference to the applicable technical data;
  - e. details of the work performed;
  - f. a list of all the parts, by part number and description, found unserviceable and requiring repair or overhaul, ensuring that the repair scheme is referenced;
  - g. a list of parts used in repair, identifying the type of stores from which they were issued (e.g., CIS, GFOS, AAS or CFM);
  - h. repair cost estimate; and
  - i. The identity of the person opening the work order.

The Contractor must provide to the NDQAR, and as necessary amend, a list of Contractor personnel authorized to open work orders. A work order must be opened for each repairable E tracked item. For remaining items, a work order is created, for each line item reflected by the shipping paperwork.

#### 4.1 COMPLETION OF WORK (Mandatory)

On completion of Repair or Overhaul, the Contractor must notify NDQAR who will transfer the material from unserviceable Storage Location to the serviceable Storage Location.

The following "Contractor Certification" must be stamped on the Supply Document DND 2227 and signed \_\_\_\_\_

#### Contractor Certification

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

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

**(Contractor QC)**

---

Once the DND 2227 is signed and stamped on completion of work by the Contractor it is sent to the NDQAR sup tech. The Contractor must keep a copy for audit purposes. An additional copy of the DND2227 (signed and stamp) would be required to be attached with the item in the shipment.

### 5.0 SUPPLY SUPPORT/SUSTAINMENT SUPPORT

#### 5.1 TRANSACTION DOCUMENTATION (Mandatory)

The DND 2227 is the supply document used by all Contractors when performing supply related transactions.

The Document Control Group (DCG) facilities must file and retain auditable transaction documentations by applicable Storage location/account either by MMR or by Requisition Number:

Items that cannot be requisitioned through NDQAR because of special circumstances must be submitted to the NDQAR for furtherance to the supply manager. .

When a requisition requires amending or cancelling, the Contractor must notify NDQAR.



---

## 5.2 CONTRACTOR SUPPLY ACCOUNTING

**5.2.1 RMA (Information Only)** When company is awarded a contract for the Repair or Overhaul of DND materiel, a Storage Location (SLOC) Repairable Materiel Account (RMA) code will be allocated to the Contractor and represented within the system by a three Alpha SLOC character format followed by a Number "1" i.e. "WAL1". It will have a Serviceable and Non-Serviceable Storage Location (SLOC). All pre-authorized **repairable** materiel shipped to that Contractor will be identified and documented on the Selection Notice and Priority Summary (SNAPS) for the associated RMA. This is known as "selected" materiel.

In many circumstances a Contractor will need spare parts from DND. These spare parts are either called Contract Issue Spares (CIS), GFOS or AAS and the contract will specify what spares will be used. To account for the CIS, the Contractor will be allocated a Contractor Repair Parts Account (CRPA). Account structure can be found in Annex D.

### 5.2.2 CRPA/CIS (Contract Issued Spares) (Information Only)

Contract Issued Spares are DND-owned materiel issued to Contractors exclusively for use on the repair line in support of DND equipment. DND must authorize vendors to use or request CIS when Spare Parts are catalogued, and managed in by DND using a CRPA account.

CIS is also catalogued salvaged parts from R&O activities.

Prior to approval of the CIS being issued to a Contractor the Procurement Authority must ensure:

- Initial Max and Min levels are to set by DQA R&O (where applicable) on authority of the PA for MMR's held on a CRPA. Subsequent amendments to levels will be actioned by NDQAR/ Contractor upon PA approval,
- DND stocked inventory is to be used prior to Contractors procuring commercially. There are exceptions to this rule and the procurement authority has to authorize this procurement and justify why DND stocked inventory is not being used first. For instance, there may be spares reserved for other operations and may not be available to use as CIS or it may be more economical for DND to allow commercial procurement. (Contract furnished material) CFM
- DND is prepared to accept the schedule risk consequential to the late delivery of CIS from DND supporting facilities. Deviations to the foregoing may be acceptable in the following circumstances and if authorized by the contract authority:
  - a. Urgent operational requirements may justify the use DND inventory even though the spare part would normally be obtained by the Contractor through other means.
  - b. Safety considerations may require the use of DND inventory.

### 5.2.3 CONTRACTOR ISSUE SPARES (CIS) MATERIEL RECEIVED OFF CONTRACT/PROCUREMENT (Mandatory)

Receipts of CIS materiel from a purchase order that was generated by normal spare parts demands or pushed by the Supply Mangers directly to the Contractor, will be performed by the Contractor and supporting NDQAR.

### 5.2.4 SHORTAGE OF CONTRACT ISSUE SPARES (CIS) (Mandatory)

When DND cannot satisfy a requisition for a consumable (C) MMR CIS, and the lack of this spare has a negative impact on the repair line, the PA may exceptionally authorize the spare to be procured using AAS funding, if available. Sufficient quantities may be procured to satisfy the Contractor's requirement up to the time when DND may again satisfy the requisition (s). In the event that a surplus was purchased because of economic order quantities, the remaining stock will be immediately converted to CIS and brought on charge using the un-forecasted receipt process, cross referencing the original purchase order used to procure the items.

---

### 5.2.5 GOVERNMENT FURNISHED OVERHAUL SPARES (GFOS) (As Applicable)

**Government Furnished Overhaul Spares (GFOS)** are non-catalogued spare parts that are salvaged by the vendor/Contractor, on PA/NDQAR authority, from DND materiel undergoing repair, overhaul, re-life or modification. GFOS will be accounted for by the Contractor electronically or a manual stock record system.

GFOS received from external sources and initially entering the system are to be brought on charge by the Contractor through NDQAR with a stock adjustment using the CRPA Serviceable Storage Location. A DND 2227 will support this transaction. The DND 2227 has to be signed and approved prior to processing the transaction

The Contractor is responsible for accounting of the GFOS to the repair operation, maintaining custody of the item and disposing of the item. See Disposal Model at Annex L for step by step instruction. The Technical authority is responsible to provide all disposal instructions.

The Contractor is to contact supporting NDQAR for assistance

The Contractor establishes a price for the GFOS item. Price will reflect as laid down price in the contract or book value. The Procurement Authority is the final authority on the pricing.

If a GFOS item needs to be repaired so it can be utilized in the repair of a main catalogued item (repairable), a work order must be opened against the main catalogued item, and all catalogued components will be issued into this work order thus ensuring the cost of the GFOS repair will be charged against the repair of the main catalogued item.

The Contractor is responsible for maintaining stock records for both repairable and serviceable GFOS. The Contractor must not establish the re-provisioning levels. GFOS stock will be reduced to the lowest level possible.

There is a continuing need to guard against the build-up of catalogued materiel in GFOS inventory. The Contractor must establish and maintain a stock control (inventory control) section for GFOS.

All catalogued MMRs found in GFOS stores, which then becomes CIS must be brought on charge to the CRPA with a DND 2227 to support the transaction.

It is possible to have the same line items in both GFOS and AAS stores so the Contractor will ensure that serviceable GFOS are used first and the records are cross referenced.

The Contractor must determine which items of GFOS are no longer fit for use by DND. Examples of such material are:

- Batch considered contaminated;
- Items rendered unusable because of corrosion attributable to factors beyond the control of the Contractor or Complete inability to establish serviceability at a viable cost, etc.;
- Or items that fail to meet the quality assurance standards;
- Material unfit for use because of unserviceable conditions; and
- Shelf life expired.

For these items listed above the Contractor must remove these items from stock and prepare a DND 2227 to correct their stock record accordingly.

### 5.3 STOCKTAKING (Mandatory)

The procurement authority working with the supporting NDQAR must initiate and have the Contractor carry out a one hundred per cent (100%) manual stocktaking of in country RMAs, CRPAs(CIS), GFOS, AAS and Loan Accounts as a minimum once every two years in accordance with this Chapter . The PA will be responsible to monitor all stocktaking activity for in RMAs working with NDQAR for in country RMAs and OCRS in both depots for out of country RMAs. In the event of discrepancies between the

---

DRMIS and the Contractor's records, DRMIS is the source record. DGMSSC is responsible for conducting random stock verifications of DND owned materiel and equipment as part of its mandate and in support of OAG audits. In order to carry out these stock verifications the Contractor must provide DGMSSC personnel with access to the DND owned materiel and equipment being held.

The stocktaking process consists of (Information Only):

- Verifying stock integrity. This is measured by comparing DND Owned material held under the Contractor's responsibility with all records and documentation;
- Adjusting the associated records or documents according to the materiel held;
- Investigating discrepancies; and, if required,
- Action write-off reports in conjunction with Loans and NDQAR sections.

The Contractor is responsible for must (Mandatory):

- Any discrepancies in stockholdings versus stock records;
- Initiating and completing stocktaking IAW the stocktaking plan;
- Note: Some repairable items, because of their material types will require stocktaking on a more frequent basis. (Refer to Annex E - Stocktaking Security Requirements for material types);
- Contacting the NDQAR to adjust stock records ensuring that the quantity on stock records is reconciled with the quantity on hand;
- Investigating discrepancies as requested by NDQAR;
- Conducting adhoc stocktaking upon DND's request;
- Verifying serial numbers; and
- Holding all transactions from the cut-off date until completion of the stocktaking. Local co-ordination will be required to ensure which transactions were not processed by the cut-off date because of mail delays, machine downtime, etc. in order for them to include these transactions when doing the stocktaking and reconciliation.

The supporting NDQAR will assist in the stocktaking process for Contractor facilities.

#### Adhoc Stocktaking (Mandatory)

The Contractor must initiate an adhoc stocktaking no later than 48 hours after a discrepancy is found or reported, or is suspected either for a single or a range of MMRs or part numbers. The Contractor must investigate discrepancies identified by the NDQAR or the Out-of-Country Repair Section (OCRS), and if such discrepancies are not resolved, submit a supply document to adjust the Contractor's DND records. DND will determine the action to be taken to either report surpluses or deficiencies using a write-off report, or request reimbursement from the Contractor for shortages, depending on the circumstances.

In instances where the stocktaking indicates that the Contractor's inventory management system is inadequate, DND will request that improvements be implemented. Failure to rectify these problems over a period of time may result in cancellation of the contract with cause.

The contract authority will receive all DND requests for financial recovery or other action against the Contractor.

#### 5.3.1 Stocktaking Plan (Mandatory)

No later than 2 months after contract award and every year thereafter, on or before the first of March, the Contractor must prepare and submit to the PA and the NDQAR/OCRS, a two-year stocktaking plan. The stocktaking plan will provide information on the Contractor's planned stocktaking schedule for the next two year period, calculated from the time responsibility of DND Owned material has been assumed. The Contractor will ensure that 100% of the DND Owned material is planned to undergo stocktaking

---

at least one time during this two year period or more frequently as dictated at Annex E. The Stocktaking Plan template is attached Annex F.

The Contractor must provide a copy of the Stocktaking Plan to the Procurement Authority and the NDQAR for review and concurrence. The Contractor will not initiate any 100% stocktaking unless PA approval has been given. Once the approval has been given NDQAR must provide further directions on using the applicable reports to provide visibility of material into Work Orders.

Changes to the stocktaking plan must be submitted to the PA, through the NDQAR, for approval.

#### 5.3.2 Scheduled Stocktaking Notice (Mandatory)

Two weeks prior to the planned stocktaking start date, the Contractor will send a Stocktaking Notice to the NDQAR/OCRS, advising of the scheduled stocktaking. The Stocktaking Notice will also direct the NDQAR to produce Count Sheets for the materiel maintained and held in the (serviceable and unserviceable storage locations) for the RMA, CRPA and, Loan storage location.

The Stocktaking Notice submitted to the NDQAR must include the following:

- Storage location (Serviceable or unserviceable);
- Date the first stock count will be completed; (should be 15 days , refer to 8.5.7) and
- Range of MMRs to be counted.

If the materiel is not on charge (GFOS or AAS) the Contractor must also include the following details with the Stocktaking Notice:

- Date information extracted;
- Account Type (GFOS, AAS, Loans);
- MMR;
- Part Number;
- Description;
- Unit of Issue;
- Unit Price;
- Qty. (held in Contractor accounting system);
- Inventory Category Code;
- Location; and
- Serial Number if directed by NDQAR/OCRS.

Stock movements and stock transactions that could affect computer or manual record balances will be stopped or reduced to the minimum from the time the count sheets are produced by DRMIS until the count sheets are populated and confirmed; or any other system used by the Contractor to manage its inventory. If during the stocktaking, stock transactions that affect computer or manual record balances cannot be stopped, the Contractor is required to keep track of all transactions on a separate register.

#### 5.3.3 COUNT SHEETS (Mandatory)

One day prior to the start date reported on the Stocktaking Notice the Contractor must receive count sheets from the NDQAR for inventory recorded in DND records

For GFOS and AAS (inventory not recorded in DND) the Contractor must produce count sheets using their own system. The Contractor must provide a copy of the count sheets to the NDQAR. The count sheets will, as a minimum, contain the following

- MMR or/and Part Number;
- Description;
- Stock location;
- Condition / Status recorded; and
- Qty. counted (to be filled-out on materiel count).

---

### **5.3.4 STOCK COUNT (Mandatory)**

The Contractor must proceed to carry out the first stock count of all materiel and report quantity on first count sheets within fifteen days. Materiel found not listed on the count sheets will be identified and reported on a separate count sheet.

The Contractor must submit a copy of each completed first stock count sheets to NDQAR. Refer to Annex G for count sheet template.

### **5.3.5 REPORT AND RESOLVE STOCKTAKING DISCREPANCIES**

#### **5.3.5.1 For inventory recorded in DRMIS (Mandatory)**

The NDQAR is responsible for entering the stocktaking counts into the system of record. They must confirm all the counts, in accordance with the count sheets. For discrepancies, the NDQAR must submit to the Contractor a list of all MMRs and identify the materiel requiring a second count. If necessary, this process can be repeated for a third count which is physically performed by NDQAR at the Contractor's location(s).

#### **5.3.5.2 Third Count Investigations (Mandatory)**

For in country Contractors the investigation may include an onsite visit from the supporting NDQAR to review supply related Contractor records and carry out physical stock checks.

#### **5.3.5.3 For inventory not recorded in DRMIS (Mandatory)**

The Contractor will compare the count results with the actual quantities recorded in the Contractor's local system, immediately adjust their records and forward to the NDQAR on a Stock Discrepancy Report. The NDQAR will notify the latter to proceed in identifying the materiel that will require a second count.

The Contractor must:

- Provide an explanation/justification for each discrepancy;
- List referenced documents, referenced computer transactions, corrective actions taken and, where possible, the reasons for surpluses or deficiencies;
- Adjust, when possible, computer balances or inventory control cards when the discrepancy is the result of an error that can be corrected locally; and
- Prepare a Supply Document when a stock balance will require adjustment for approval by the NDQAR/OCRS.

Once all investigations have been completed for each discrepancy found at the first count, the Contractor will submit to the NDQAR, a Stocktaking Investigation Report within one month. The report must contain the following information:

- Inventory materiel type;
- MMR / Part Number;
- Description;
- Unit price (Use average price method for AAS);
- Stock balance before stocktaking (First Count);
- Stock quantity counted (First Count);
- Stock Quantity Adjusted;
- Stock balance after adjustment;
- Stock balance before (Second count);
- Stock counted (Second count);
- Stock quantity adjusted (if required); and
- Corrective actions, reference transaction and justification.

---

Prices for deficiencies and surpluses must be entered and extended. Netting is not authorized.

The Contractor will prepare a Stocktaking Summary Report for each account type (see Annex N).

NDQAR on behalf of the Contractor will submit the original copy of the Write-off Report CF 152 and the Stocktaking Summary Report to the R&O Support cell for vetting prior to R&O Support cell forwarding to PA.

#### **5.3.5.4 WRITE OFF REPORT- CF 152 (Mandatory)**

For in country contracts, NDQAR on behalf of the Contractor will perform all adjustment transactions, then raise and submit the original copy of the CF 152 including the Stocktaking Summary Report to the R&O Support cell for vetting and furtherance to applicable EPMs. The NDQAR will include a covering letter with their submission.

### **6.0 PACKAGING (Mandatory)**

6.1 The Contractor must comply with the packaging instruction detailed in D-LM-008-001/SF001 Method of Packaging, which include:

1. Method of packaging;
2. Level of packaging detailed and the use of Reusable Container; and
3. Quality assurance.

The Contractor must pack each item individually. The Contractor must mark each individual package and intermediate container in accordance with the specification for marking for storage and shipment detailed in D-LM-008-002/SF-001 Specification for marking for storage and shipment.

### **7.0 TRANSPORTATION/SHIPMENT IDENTIFICATION/MODE OF SHIPMENT/LOSS OR DAMAGE IN TRANSIT/ GENERAL CLAIMS PROCEDURES (Mandatory)**

#### **7.1 SHIPMENT IDENTIFICATION**

If Contractors are required to return equipment back to DND, they must follow the terms and conditions of the contract in place. When it comes to transportation of R&O from the Contractor, two terms are used in the contract to establish responsibilities. Uniform Commercial Codes (UCC) Free on Board (FOB) Plant or Incoterms 2000/2010 Free Carrier (FCA, insert named place of delivery). In either case, the Contractor must contact the appropriate Inbound Logistics (IL) (ILEA Germany, ILUK England, ILQA Montreal, ILAA Halifax, ILCA Toronto and ILHQ Ottawa) for transportation and customs clearance as required. The contract will specify which IL the Contractor must be contacted

- **SHIPMENT IDENTIFICATION**

The Contractor is responsible for the preparation of the shipment, while the appropriate IL is responsible for the preparation of the shipping documentation:

- Consignment Authorization and Receipt Form (CARF) Refer to A-LM-158-004/AG-001 for sample;
- Waybill Straight Bill of Lading (WSBL) Refer to A-LM-158-004/AG-001 for sample; and
- Shipping Label - Refer to A-LM-158-004/AG-001 for sample.

The completed documentation will then be forwarded to the Contractor. A copy of the CARF and WSBL will be given to the carrier and a copy of the label will be attached to the item being shipped.

#### **7.2 MODE OF SHIPMENT**

When the contract stipulates FOB Point or FCA, the Contractor must call or email the proper IL with all the information pertaining to the shipment for direction on the carrier to be used. At no time is the Contractor to select or change the carrier stipulated on the WSBL provided by the Transportation Agent (TA).

#### **7.3 LOSS OR DAMAGE IN TRANSIT (Mandatory)**

---

Depending on the type of contract being used Duty Delivery Paid (DDP) or used Duty Delivery Unpaid (DDU), the Contractor is responsible for all shipping related activities including claims procedures for loss or damages.

If the contract is FCA, then the DND is responsible for all shipping related activities including claims procedures for loss or damages in accordance with Chapter 12 of the A-LM-158-004/AG-001.

#### **7.4 GENERAL CLAIMS PROCEDURES (Mandatory)**

All shipments must be checked carefully for discrepancies against the shipping documents both at the time of shipment and on receipt.

Claims and tracing action for loss or damage must be made against the carrier without delay. Claims must be processed in a manner that will support any legal action thought necessary by NDHQ /D Law/C. The TA must undertake an investigation with the responsible carrier(s) in all cases of in transit loss or damage of DND materiel.

The consignor, or the consignee (Contractor) when applicable, is responsible for:

- investigating the discrepancy through the NDQA;
- evaluating and pricing the loss or damage in accordance with supply instructions and providing the appropriate TA with the correct documentation; and
- Finalizing the discrepancy IAW A-LM-007-100/AG-001 Supply Administration Manual.

The DTA, or OTA when applicable, is responsible for:

- notifying the carrier of loss or damage;
- initiating tracing action;
- investigating the loss or damage with the carrier; and
- Initiating the claim against the carrier.

The appropriate comptroller/accounting officer is responsible for:

- local recovery from carriers for loss or damage; and
- Referral of unsettled claims to NDHQ in accordance with financial instructions.

**NOTE: RESPONSIBILITIES CONCERNING LOSS OR DAMAGE MUST BE ASSUMED BY THE CONSIGNOR OR CONSIGNEE AS APPLICABLE FOR DND SHIPMENTS WHERE AN OTA OR DTA HAS NOT BEEN INVOLVED.**

#### **7.5 DOCUMENTATION AND RECORDS**

Contractors must maintain records of all shipments. A Transportation Control Number (TCN) located on the CARF and WSBL will be issued for each shipment by the appropriate IL.

SAMPLE LOSS/DAMAGE REPORT can be found in:  
A-LM-158-004/AG-001 Chapter 12 Annex B12, page 12B-1

SAMPLE LETTER OF A NOTICE OF INTENT TO CLAIM can be found in:  
A-LM-158-004/AG-001 Chapter 12 Annex C12, page 12C-1

#### **8.11.6 Customs Clearance**

DND is responsible for clearing Customs of all DND materiel consigned to R&O s.

#### **6.0 OFFICE SERVICES (Mandatory)**

The Contractor must perform the secretarial and clerical work necessary to carry out the terms of this contract with respect to the preparation, filing and transmission of all forms, reports and correspondence, relating to the movement, accounting, storage, repair, overhaul, quality control and

---

investigation of materiel covered by this contract. The provision of these office services must be deemed to be work as defined in PSPC clause (1) of 2035 General Conditions – Higher Complexity – Services.

#### **7.0 MINUTES OF MEETINGS (Mandatory)**

When minutes of meetings are required, the Contractor must be responsible for taking them and preparing them in a format approved by the Procurement Authority. The Contractor must submit the minutes to the contract authority or the Procurement Authority as directed at the meeting, within ten (10) working days following the meeting.

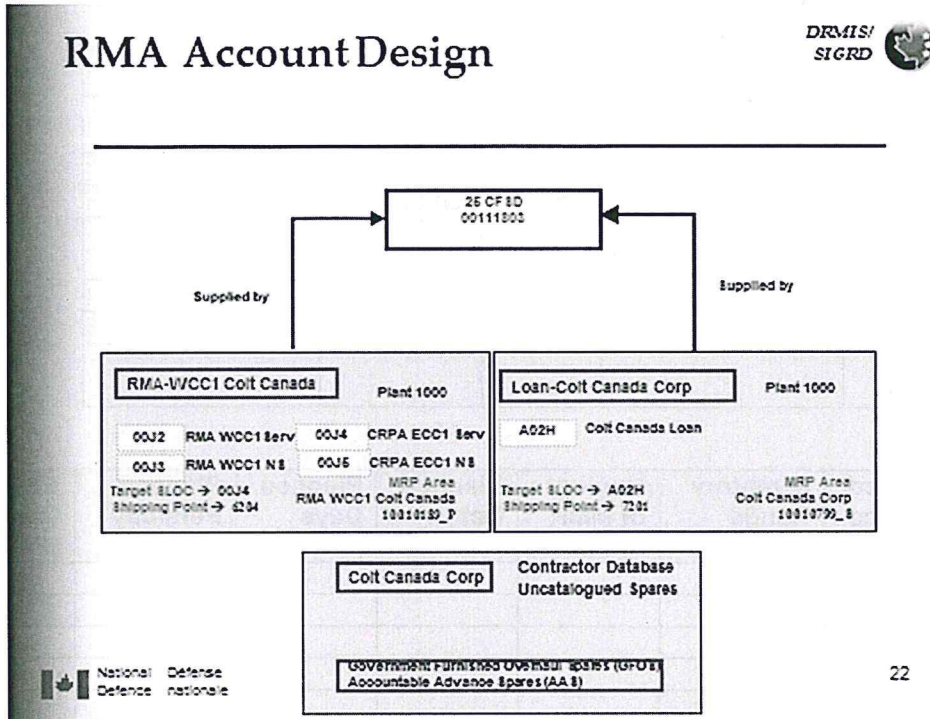
#### **8.0 PLANT SHUTDOWN/VACATION PERIOD (Mandatory)**

During plant shutdown and /or vacation periods, the Contractor must ensure that adequate facilities/personnel are available to ensure the satisfaction of High Priority Requirements (HPRs). If Contractor personnel are not on site during shutdown, a list of names and home phone numbers of those Contractor personnel to be contacted during plant closure must be provided to the NDQAR. It is the Contractor's responsibility to ensure that personnel are available to satisfy PRR requirements once identified.



**ANNEX E RMA ACCOUNT DESIGN**

A Repairable Material Account is an account that will be allocated to the Contractor to hold the authorized material for repair that is approved on the contract. The RMA is represented within the system by a three Alpha character format followed by a number "1" i.e. "WAL1". There will be two storage locations (SLOC) allocated. One will be a Serviceable storage location and the other will be an Unserviceable Storage Location (SLOC).



**ANNEX G STOCKTAKING PLAN**

The Contractor will ensure that 100% of the DND Owned material is planned to undergo stocktaking at least one time during this two year period or more frequently as dictated at Annex I

**Annual Stocktaking Plan**

<b>Supplier</b>		<b>PWSGC Contract number</b>		
<b>Supplier Inventory Responsible Person</b>				
<b>Name</b>	<b>Telephone</b>	<b>Fax</b>	<b>Email</b>	
<b>DND Supply Representative</b>				
<b>Name</b>	<b>Telephone</b>	<b>Fax</b>	<b>Email</b>	

Account Code	Stock Type	Site Location	Record Source	Inventory Range	Number of MMR or P/N	Planned Date	Planned Days	Planned Pers/day	Estimated Cost to DND

---

**ANNEX C**

**PRICING**

The Contractor will be paid the firm price, in accordance with Article 6.7.1 Basis of Payment.

**Item 001 – Wheel Assembly**

<b>Wheel Assembly</b>	<b>Firm Fixed Price</b>
	<b>Per quantity of 5 wheel assemblies, skidded and wrapped.</b>
Storage, assembly, testing and balancing for a total quantity of 2500 assemblies.	\$ _____
Total	\$ _____

---

**ANNEX "D"**

**MANDATORY EVALUATION CRITERIA**

Mandatory Criteria	Requirement	Assessment
Storage	The Bidder must be capable of storing up to 2500 wheels and 500 tires in a secure and dry condition as specified in Annex A 2.1.1	
Core Business	The Bidder must demonstrate that the assembly of tires, rims and inflation valves is their core business.	
Production Rate	The Bidder must demonstrate that they are capable of producing up to 100 assembled and package wheel assemblies in one day.	
Quality Control	The Bidder must demonstrate how they are to apply quality control to the end product and packaging	

## **ANNEX "E" to PART 3 OF THE BID SOLICITATION**

### **ELECTRONIC PAYMENT INSTRUMENTS**

Canada requests that Bidders complete option 1 or 2 below:

1.  Electronic Payment Instruments will be accepted for payment of invoices.  
The following Electronic Payment Instrument(s) are accepted:

- VISA Acquisition Card;
- MasterCard Acquisition Card;
- Direct Deposit (Domestic and International);
- Electronic Data Interchange (EDI);
- Wire Transfer (International Only);
- Large Value Transfer System (LVTS) (Over \$25M)

2.  Electronic Payment Instruments will not be accepted for payment of invoices.

The Bidder is not obligated to accept payment by Electronic Payment Instruments. Acceptance of Electronic Payment Instruments will not be considered as an evaluation criterion.

