



NOTICE

This documentation has been reviewed by the Technical Authority and does not contain controlled goods.

AVIS

Cette documentation a été révisée par l'Autorité technique et ne contient pas de marchandises contrôlées.

Annex C – Pricing related to Annex A – Statement of Work – LSVW Alternator and Starter

The period of the contract is for a firm period of three (3) years from the effective date of the contract with the option to extend the contract for two (2) additional periods of one (1) year each.

Definitions:

- (a) Year 1 means the period from date of contract to *(to be inserted by DND)*;
Year 2 means the period from *(to be inserted by DND)* to *(to be inserted by DND)*;
Year 3 means the period from *(to be inserted by DND)* to *(to be inserted by DND)*;
Option Year 1 means the period from *(to be inserted by DND)* to *(to be inserted by DND)*;
Option Year 2 means the period from *(to be inserted by DND)* to *(to be inserted by DND)*

(b) *Hourly Rate* means a firm all inclusive hourly rate to be charged for each hour worked and prorated for any period less than an hour.

(c) *Laid-Down Cost* is the cost incurred by a supplier to acquire a specific product or service for resale to the government. This includes the supplier's invoice price (less trade discounts), plus any applicable charges for incoming transportation, foreign exchange, customs duty and brokerage, but excludes the applicable taxes.

(d) *Mark-up* includes applicable purchasing expense, internal handling and general and administrative expenses plus profit.

(e) *Ceiling Price* is the maximum price to be paid to the contractor as established in the contract and beyond for which the contractor will not receive additional compensation for the defined work. As provided in the contract, the ceiling price may be subject to downward revision based on a pre-established payment formula.

The Contractor will be paid the firm prices, firm all inclusive hourly rates and firm markups in effect on the date the work is authorized regardless of when it is performed as follows:

1. Pricing Table

Table 1 All level of efforts (labour) in order to bring the alternators and starters and related items to a fully serviceable condition in accordance with Annex A.

Nato Stock Number (NSN)	Firm Hourly Rate per NSN				
	Year 1	Year 2	Year 3	Extended Period 1	Extended Period 2
6115-21-910-4371					
2920-12-351-9633					
6115-21-913-0177					
6115-01-448-2953					

Table 2 Disassembly (Beyond Economic Repair)

The Contractor will be paid Firm Prices.

Nato Stock Number (NSN)	Firm Price per NSN				
	Year 1	Year 2	Year 3	Extended Period 1	Extended Period 2
6115-21-910-4371					
2920-12-351-9633					
6115-21-913-0177					
6115-01-448-2953					

Table 3 Special Investigation and Technical Studies (SITs)

The Contractor will be paid firm all inclusive hourly rate for the work performed, in accordance with Part 6 Basis of Payment, as follows:

	Year 1	Year 2	Year 3	Extended Period 1	Extended Period 2
Firm all inclusive hourly rate for Special Investigation and Technical Studies (SITs)					

Table 4 Technical Investigation and Engineering Support (TIES)

The Contractor will be paid firm all inclusive hourly rate for the work performed, in accordance with Part 6 Basis of Payment, as follows:

	Year 1	Year 2	Year 3	Extended Period 1	Extended Period 2
Firm all inclusive hourly rate for Technical Investigation and Engineering Support (TIES)					

2. Contractor Supplier / Furnished Parts and Materials

The Contractor must provide material and parts as required. The Contractor will be paid at the Contractor's laid-down cost plus a firm mark-up of _____ % and in accordance with Part 6 Basis of Payment.

The Firm Markup must be for Contractor supplied/furnished parts and materials to perform work not included in paragraph 5 and 8 of Annex A – Statement of Work – LSVW Alternator and Starter.

3. Travel and Living Expenses

The Contractor's personnel may be required to travel to National Defence Headquarters (NDHQ) and to other Contractor's plants and to Canadian Forces establishments within Canada or to deployed operations. Travel may also be required to various locations for meetings as authorized by a signed Task Authorization (DND 626) by the CA.

The Contractor will be reimbursed its authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for profit and/or administrative overhead, in accordance with the meal, and private vehicle allowances specified in Appendices B, C and D of the [National Joint Council Travel Directive](#), and with the other provisions of the directive referring to "travellers", rather than those referring to "employees". Canada will not pay the Contractor any incidental expense allowance for authorized travel.

All travel must have the prior authorization of the Technical Authority and Contracting Authority.

All payments are subject to government audit.