

AREA DETECTION AND IDENTIFICATION SYSTEM (ADIS)

VOLUME 3

ADIS IN-SERVICE SUPPORT - DRAFT RESULTING CONTRACT

W8476-165477

IMPORTANT INFORMATION REGARDING THIS RFP:

This RFP has multiple volumes. Bidders must bid on the work to be conducted in volumes 2 and 3 in accordance with the instructions stipulated in Volume 1.

SUMMARY OF CHANGES

From previous bid solicitation number W8476-18ADIS/C dated 2020/07/08.

Volume 3 – changes Highlighted in yellow

- 1) Annex B, Basis of Payment , Page 39, 40 &41

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THIS CONTRACT CONTAINS A SECURITY REQUIREMENT

The following clauses and conditions may apply to, and form part of, any contract resulting from the bid solicitation. As bidders are anticipated to be from Canada, the United States and Europe, and some terms and conditions associated with the contract will vary depending upon the physical location of the bidder, multiple options have been included. Once the bidder is selected, based on the Basis of Selection detailed herein, the extraneous clauses will be removed.

1.0 Requirement**1.1 Statement of Work**

The Contractor must perform the Core Services Work in accordance with Annex A, Statement of Work – ADIS In-Service Support, and the Task Authorized Work including, but not limited to, the repair, overhaul, modification, conversion, upgrade and / or reduction to spares and other support services for the equipment and associated components such as Technical Investigation and Engineering Services (TIES), Field Service Representative (FSR), Submission of reports, meetings, as appropriate, storage and parts provisioning and training.

1.2 Change to the Work or Services

- A. At any time during the performance of the Work or Services, Canada may issue requests for changes to the Work or Services of the whole or any part of the Work or Services, if the changes are deemed by Canada to be consistent with the general intent of the Contract. Such changes can include additions, deletions or other revisions to the Work or Services.
- B. A request for a change to the Work or Services will be provided in writing to the Contractor by the Contracting Authority or by the Procurement Authority via the Task Authorization process.

1.3 Non-exclusivity for Spare Parts Sales

- A. From time to time opportunities to purchase the ADIS Contractor's sub-systems, ancillaries or spare parts from non-commercial organizations such as the NATO Maintenance and Supply Agency (NAMSA) or Cooperative Logistics (COLOG) may be available to DND.
- B. DND reserves the right to make these purchases from these organizations without penalty from the Contractor throughout the life of the Contract.

1.4 Delivery Points for Repaired Units

All repaired unit must be delivered to:

Receipt Section
25 Canadian Forces Supply Depot (25 CFSD)
6363, Rue Notre-Dame Est
Montréal, Québec, Canada
H1N 3V9

1.5 Industrial and Technological Benefits (ITB) Obligations

The Contractor must achieve all the ITB Obligations in accordance with the schedule and commitments set out in Annex D – ISS ITB Terms and Conditions.

1.6 Optional Goods and/or Services

The Contractor grants to Canada the irrevocable option to acquire the goods, services or both described at Annex B, Basis of Payment of the Contract under the same conditions and at the prices and/or rates stated in the Contract.

The Contractor also grants to Canada the option to procure spare parts at prices stated in Annex B, Basis of Payment or, if the spare part is not listed, at a cost to be determined with price support in the form of invoices for the same part and model to other clients.

The exercise of this option (s) is solely at Canada's discretion, and without limiting that discretion, Canada, may consider the performance of the Contractor in meeting its ITB & VP Commitments, as determined by the annual reports. Canada may also take into consideration whether or not the Contractor has maintained the level of activities/commitments required to meet the mandatory requirement at Annex D – Acquisition ITB Terms and Conditions.

The option may only be exercised by the Contracting Authority and will be evidenced, for administrative purposes only, through a contract amendment.

1.7 Task Authorization (TA)

The Work or a portion of the Work to be performed under the Contract will be on an "as and when requested basis" using a Task Authorization (TA). The Work described in the TA must be in accordance with the scope of the Contract.

1.7.1 Task Authorization Process

- A. The Project Authority will provide the Contractor with a description of the task using DND 626, Task Authorization Form specified in Annex E.
- B. The Task Authorization (TA) will contain the details of the activities to be performed, a description of the deliverables, and a schedule indicating completion dates for the major activities or submission dates for the deliverables. The TA will also include the applicable basis (bases) and methods of payment as specified in the Contract.
- C. The Contractor must provide the Project Authority, within five calendar days of its receipt, the proposed total estimated cost for performing the task and a breakdown of that cost, established in accordance with the Basis of Payment specified in the Contract.
- D. The Contractor must not commence work until a TA authorized by the Project Authority has been received by the Contractor. The Contractor acknowledges that any work performed before a TA has been received will be done at the Contractor's own risk.

1.7.2 Task Authorization Limit

- A. The Project Authority will authorize all individual task authorizations for the first six months of the contract term. All other task authorization will have a limit of up to of \$100,000.00 for the remaining period of the contract, [CC1] Applicable Taxes included, inclusive of any revisions.
- B. Any task authorization to be issued in excess of that limit must be authorized by the Contracting Authority before issuance.

1.7.3 Canada's Obligation - Portion of the Work - Task Authorizations

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

1.7.4 Periodic Usage Reports - Contracts with Task Authorizations

- A. The Contractor must compile and maintain records on its provision of services to the federal government under authorized Task Authorizations issued under the Contract.
- B. The Contractor must provide this data in accordance with the reporting requirements detailed below. If some data is not available, the reason must be indicated. If services are not provided during a given period, the Contractor must still provide a "nil" report.
- C. The data must be submitted on a quarterly basis to the Contracting Authority and the Procurement Authority with a copy to the Procurement Authority. The quarterly periods are defined as follows:
 - 1st quarter: April 1 to June 30;
 - 2nd quarter: July 1 to September 30;
 - 3rd quarter: October 1 to December 31; and
 - 4th quarter: January 1 to March 31.
- D. The data must be submitted to the Contracting Authority no later than 15 calendar days after the end of the reporting period.

1.7.5 Reporting Requirement- Details

- A. A detailed and current record of all authorized tasks must be kept for each contract with a task authorization process. This record must contain:
- B. **For each authorized task:**
 - i. the authorized task number or task revision number(s);
 - ii. a title or a brief description of each authorized task;
 - iii. the total estimated cost specified in the authorized Task Authorization (TA) of each task, exclusive of Applicable Taxes;
 - iv. the total amount, exclusive of Applicable Taxes, expended to date against each authorized task;

- v. the start and completion date for each authorized task; and
- vi. the active status of each authorized task, as applicable.

C. For all authorized tasks:

- i. the amount (exclusive of Applicable Taxes) specified in the contract (as last amended, as applicable) as Canada's total liability to the contractor for all authorized TAs; and
- ii. the total amount, exclusive of Applicable Taxes, expended to date against all authorized TAs.

2.0 Clauses and Conditions

2.1 Standard Clauses and Conditions

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

2.2 General Conditions

2035 (2020-05-28), General Conditions - Higher Complexity - Services, apply to and form part of the Contract.

The general conditions are amended by deleting in its entirety the section entitled "Copyright", and replacing it with the following:

Contractor to own IP: No Explicit License Rights for Canada

Without affecting any existing intellectual property rights or relating to information or data supplied by Canada for purposes of the Contract, copyright in anything conceived, developed, or produced as part of the Work under the Contract will belong to the Contractor.

2.3 Supplemental General Conditions

4002 (2010-08-16), Software Development or Modifications Services

4006 (2010-08-16), Contractor to Own Intellectual Property Rights in Foreground Information

4012 (2012-07-16), Goods - Higher Complexity

2.4 License to Material Subject to Copyright

- A. In this section, "Material" means anything that is created or developed by the Contractor as part of the Work under the Contract, and in which copyright subsists.
- B. The Contractor grants to Canada a non-exclusive, perpetual, irrevocable, world-wide, fully-paid and royalty-free license to exercise all rights comprised in the copyright in the Material, for any government purposes. Canada may use independent contractors in the exercise of Canada's license pursuant to this clause.

- C. Copyright in any translation of the Material made by or for Canada belongs to Canada. Canada agrees to reproduce the Contractor's copyright notice, if any, on all copies of the Material, and to acknowledge the Contractor's title to the copyright in the original Work on all copies of translations of the Material effected by or for Canada.
- D. No restrictions other than those set out in this section must apply to Canada's use of copies of the Material or of translated versions of the Material.
- E. At the request of Canada, the Contractor must provide to Canada, at the completion of the Work or at such other time as Canada may require, a written permanent waiver of moral rights, in a form acceptable to Canada, from every author that contributed to the Material. If the Contractor is an author of the Material, the Contractor permanently waives its moral rights in respect of the Material.

3.0 Security Requirements

3.1 Security Requirements for Canadian Contractors

- A. The Contractor/Offeror must, at all times during the performance of the Contract/Standing Offer, hold a valid Designated Organization Screening (DOS), issued by the Canadian Industrial Security Directorate (CISD), Public Works and Government Services Canada (PWGSC).
- B. The Contractor/Offeror personnel requiring access to sensitive work site(s) must EACH hold a valid RELIABILITY STATUS, granted or approved by CISD/PWGSC. Until the security screening of the Contractor personnel required by this Contract has been completed satisfactorily by CISD, PWGSC, the Contractor personnel **MAY NOT ENTER** sites without an escort.
- C. Subcontracts which contain security requirements are NOT to be awarded without the prior written permission of CISD/PWGSC.
- D. The Contractor/Offeror must comply with the provisions of the:
 - a) Security Requirements Check List and security guide (if applicable), attached at Annex C;
 -) *Industrial Security Manual* (Latest

Edition). **OR**

3.1 Security Requirements for Foreign Contractors

- A. The Canadian Designated Security Authority (Canadian DSA) for industrial security matters in Canada is the Industrial Security Sector (ISS), Public Works and Government Services Canada (PWGSC), administered by International Industrial Security Directorate (IISD), PWGSC. The Canadian DSA is the authority for confirming **Contractor/Subcontractor** compliance with the security requirements for foreign suppliers. The following security requirements apply to the foreign recipient **Contractor/Subcontractor** incorporated or authorized to do business in a jurisdiction other than Canada and delivering outside of Canada the services listed and described in the subsequent **contract/subcontract**.
- B. The Foreign recipient **Contractor/Subcontractor** must be from a Country within the North Atlantic Treaty Organization (NATO), the European Union (EU) or from a country with which Canada has

an international bilateral security instrument. The Contract Security Program (CSP) has international bilateral security instruments with the countries listed on the following PWGSC website: <http://www.tpsgc-pwgsc.gc.ca/esc-src/international-eng.html>.

- C. The Foreign recipient **Contractor/Subcontractor** must, at all times during the performance of the **contract/subcontract**, hold an equivalence to a valid Designated Organization Screening (DOS), issued by the Canadian DSA as follows:
- i. The Foreign recipient **Contractor/Subcontractor** must provide proof that they are incorporated or authorized to do business in their jurisdiction.
 - ii. The Foreign recipient **Contractor/Subcontractor** must not begin the work, services or performance until the Canadian Designated Security Authority (DSA) is satisfied that all contract security requirement conditions have been met. Canadian DSA confirmation must be provided, in writing, to the foreign recipient **Contractor/Subcontractor** in an Attestation Form, to provide confirmation of compliance and authorization for services to be performed.
 - iii. The Foreign recipient **Contractor/Subcontractor** must identify an authorized Contract Security Officer (CSO) and an Alternate Contract Security Officer (ACSO) (if applicable) to be responsible for the overseeing of the security requirements, as defined in this **contract/subcontract**. This individual will be appointed by the proponent foreign recipient **Contractor's/Subcontractor's** Chief Executive officer or Designated Key Senior Official, defined as an owner, officer, director, executive, and or partner who occupy a position which would enable them to adversely affect the organization's policies or practices in the performance of the **contract/subcontract**.
- D.. The Foreign recipient **Contractor/Subcontractor** must not permit access to Canadian restricted sites, except to its personnel subject to the following conditions:
- a. Personnel have a need-to-know for the performance of the **contract/subcontract**;
 - b. Personnel have been subject to a Criminal Record Check, with favourable results, from a recognized governmental agency or private sector organization in **their country** as well as a Background Verification, validated by the Canadian DSA;
 - c. The Foreign recipient **Contractor/Subcontractor** must ensure that personnel provide consent to share results of the Criminal Record and Background Checks with the Canadian DSA and other Canadian Government Officials, if requested; and
 - d. The Government of Canada reserves the right to deny access to Canadian restricted sites to a foreign recipient **Contractor/Subcontractor** for cause.
- F. The foreign recipient **Contractor/Subcontractor** requiring access to Canadian restricted sites, under this **contract/subcontract**, must submit a Request for Site Access to the Departmental Security Officer of the Department of National Defence.

- G. In the event that a Foreign recipient **Contractor/Subcontractor** is chosen as a supplier for this contract, subsequent country-specific foreign security requirement clauses must be generated and promulgated by the Canadian DSA, and provided to the Government of Canada Contracting Authority, to ensure compliance with the security provisions, as defined by the Canadian DSA, in relation to equivalencies.
- H. Subcontracts which contain security requirements are **NOT** to be awarded without the prior written permission of the Canadian DSA.
- I. The Foreign recipient **Contractor/Subcontractor** must comply with the provisions of the Security Requirements Check List attached at Annex C.

4.0 Term of Contract

4.1 Period of the Contract

The period of services will be 2 years from < *date to be determined* > to < *date to be determined* >.

4.2 Option to Extend the Contract

- A. The Contractor grants to Canada the irrevocable option to extend the term of the Contract by up to four additional two year period(s) under the same conditions. The Contractor agrees that, during the extended period of the Contract, it will be paid in accordance with the applicable provisions as set out in Annex B, Basis of Payment.
- B. The exercise of this option(s) is solely at Canada's discretion and without in anyway limiting that discretion, Canada in making its decision to extend the period of the Contract, amongst other factors, may consider the performance of the Contractor in meeting its Industrial and Technological Benefit (ITB) and Value Proposition (VP) Obligations, as determined by the annual reports. Canada may also take into consideration whether or not the Contractor has maintained the level of activities/commitments required to meet the mandatory requirement at Annex D - ISS ITB Terms and Conditions (T&Cs).
- C. Canada may exercise this option at any time by sending a written notice to the Contractor *within* ninety (90) calendar days before the expiry date of the Contract. The option may only be exercised by the Contracting Authority, and will be evidenced for administrative purposes only, through a contract amendment.

5.0 Authorities

5.1 Contracting Authority

The Contracting Authority for the Contract is:

Public Works and Government Services Canada
Acquisitions Branch
Innovation Procurement Directorate
Les Terrasses de la Chaudière

10 Wellington, 4th Floor
Gatineau, Quebec
K1A 0S5
Tel:
E-mail:

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.

5.2 Technical Authority

The Technical Authority for the Contract is:

(To be inserted at contract award)

The Technical Authority 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 related to the Optional Goods/Services associated with the Work under the Contract and the ADIS – In-Service Support 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.

5.3 Project Authority

The Project Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is the primary approving authority for ADIS – Acquisition. Technical matters may be discussed with the Project Authority; however, the Project 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.

5.4 Procurement Authority

(To be inserted at contract award)

The Procurement Authority is the representative of the department or agency for whom the Work is being carried out under the Contract. The Procurement Authority is responsible for the implementation of tools and processes required for the administration of the Contract. The Contractor may discuss administrative matters identified in the Contract with the Procurement Authority however the Procurement Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of Work can only be made through a contract amendment issued by the Contracting Authority.

5.5 Industrial and Technological Benefits Authority

(To be inserted at contract award)

The Industrial Technological Benefits Authority means the Minister of Innovation, Science and Economic Development or any other person designated by that Minister to act on the Minister's behalf under the Contract and is responsible for evaluating, accepting, monitoring, verifying and crediting ITB, and for assessing the Contractor's ITB performance under this Contract. Industrial and Technological Benefits matters may be discussed with the Industrial and Technological Benefits Authority; however, the Industrial and Technological Benefits 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.

5.6 Contractor's Representative

(To be inserted at contract award)

Legal Authority

Technical Project Manager

The Legal Authority should be the individual who has the legal authority to sign documents on behalf of the Contractor and address contractual matters.

The Technical Project Manager must be available by phone or E-Mail for routine business during the working hours of 0800-1700 hours Eastern Standard Time.

The Technical Project Manager must provide as a minimum, an E-Mail address and a dedicated toll free phone number. The Contractor must respond within 24 hours of contact being initiated by Canada. This includes holidays and periods of plant shut down.

6.0 Payment

6.1 Basis of Payment

- a) For the replacement of any part or component no longer under warranty of the 32 base units, Canada will pay the Contractor the firm unit price(s) detailed in Annex B, Basis of Payment, FOB Plant, including all customs duty, applicable taxes extra.
- b) For the repair and overhaul of parts or components no longer under warranty, Canada will pay the Contractor the firm fixed fee(s) detailed in Annex B, Basis of Payment, applicable taxes extra.
- c) For the professional services detailed in Annex A, Canada will pay the Contractor the firm, all-inclusive hourly rates, applicable taxes extra.
- d) For the delivery of training, Canada will pay the Contractor the firm price per session as detailed in Annex B, Basis of Payment, travel & living expenses and applicable taxes extra.
- e) For travel and living 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 Project Authority. All payments are subject to government audit.

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.

Canada reserves the right to review costs associated with maintenance and repair and overhaul work prior to the completion of the initial period of the contract and prior to exercising the first option period to determine if the costs accurately represent the work. At the request of the Contracting Authority, the Contractor must provide a Cost Submission, as detailed in article 7.5. Should the audit of the cost submission identify a disparity between actual costs and the rates identified in Annex B, Basis of Payment, the rates may be adjusted accordingly.

6.2 Limitation of Expenditure

- A. Canada's total liability to the Contractor under the Contract must not exceed \$. Customs duties are included and Applicable Taxes are extra.
- B. No increase in the total liability of Canada or in the price of the Work resulting from any design changes, modifications or interpretations of the Work, will be authorized or paid to the Contractor unless these design changes, modifications or interpretations have been approved, in writing, by the Contracting Authority before their incorporation into the Work. The Contractor must not perform any work or provide any service that would result in Canada's total liability being exceeded before obtaining the written approval of the Contracting Authority. The Contractor must notify the Contracting Authority in writing as to the adequacy of this sum:
 - a. when it is 75% committed, or
 - b. four months before the contract expiry date, or
 - c. as soon as the Contractor considers that the contract funds provided are inadequate for the completion of the Work,whichever comes first.
- C. If the notification is for inadequate contract funds, the Contractor must provide to the Contracting Authority a written estimate for the additional funds required. Provision of such information by the Contractor does not increase Canada's liability.

6.3 Basis of Payment – Task Authorizations

For the work described in Annex A, Statement of Work, article 4, Task Authorized Requirements, one of the following types of basis of payment will form part of the approved Task Authorization (TA).

6.3.1 Firm Unit Price(s) or Firm Lot Price TA

- A. In consideration of the Contractor satisfactorily completing all of its obligations under the authorized Task Authorization (TA), the Contractor will be paid the firm lot price or the firm unit price(s), in accordance with the basis of payment, in Annex “B”, as specified in the authorized TA. Customs duties are included and Applicable Taxes are extra.

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

6.3.2 Ceiling Price TA

- A. The Contractor will be reimbursed its costs reasonably and properly incurred in the performance of the Work, as determined in accordance with the Basis of Payment in Annex "B", to the ceiling price specified in the approved TA. Customs duties are included and Applicable Taxes are extra.
- B. The ceiling price is subject to downward adjustment so as not to exceed the actual costs reasonably incurred in the performance of the Work and computed in accordance with the Basis of Payment.
- C. 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.

6.3.3 TA subject to a Limitation of Expenditure

- A. The Contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work specified in the authorized Task Authorization (TA), as determined in accordance with the Basis of Payment in Annex "B", to the limitation of expenditure specified in the authorized TA.
- B. Canada's liability to the Contractor under the authorized TA must not exceed the limitation of expenditure specified in the authorized TA. Customs duties are included and Applicable Taxes are extra.
- C. No increase in the liability of Canada or in the price of the Work specified in the authorized TA resulting from any design changes, modifications or interpretations of the Work will be authorized or paid to the Contractor unless these design changes, modifications or interpretations have been authorized, in writing, by the Contracting Authority before their incorporation into the Work.

6.3.4 Limitation of Expenditure - Cumulative Total of all Task Authorizations

- A. Canada's total liability to the Contractor under the Contract for all authorized Task Authorizations (TAs), inclusive of any revisions, must not exceed the sum of \$ __ **(insert the amount at contract award or at a later date)**. Customs duties are included and Applicable Taxes are extra.
- B. No increase in the total liability of Canada will be authorized or paid to the Contractor unless an increase has been approved, in writing, by the Contracting Authority.
- C. The Contractor must notify the Contracting Authority in writing as to the adequacy of this sum:
 - i. when it is 75 percent committed, or
 - ii. four (4) months before the contract expiry date, or

- iii. as soon as the Contractor considers that the sum is inadequate for the completion of the Work required in all authorized TAs, inclusive of any revisions,

whichever comes first.

- D. If the notification is for inadequate contract funds, the Contractor must provide to the Contracting Authority, a written estimate for the additional funds required. Provision of such information by the Contractor does not increase Canada's liability.

6.3.5 Exchange Rate Fluctuation Adjustment

1. The foreign currency component (FCC) is defined as the portion of the price or rate that will be directly affected by exchange rate fluctuation. The FCC should include all related taxes, duties and other costs paid by the Bidder and which are to be included in the adjustment amount.
2. For each line item where a FCC is identified, Canada assumes the risks and benefits for exchange rate fluctuation, as shown in the Basis of Payment. For such items, the exchange rate fluctuation amount is determined in accordance with the provision of this clause.
3. The total price paid by Canada on each invoice will be adjusted at the time of payment. The exchange rate adjustment amount will be calculated in accordance with the following formula:

$$\text{Exchange rate adjustment} = \text{FCC} \times \text{Qty} \times (i_1 - i_0) / i_0$$

where formula variables correspond to:

FCC

Foreign currency component (per unit)

Qty

quantity of units

i0

Initial exchange rate (CAN\$ per unit of foreign currency [for example US\$1]).

The initial exchange rate is set as the Bank of Canada rate on the solicitation closing date. The

Bank of Canada publishes its rates each business day by 16:30 Eastern Time.

i1

Exchange rate for adjustments (ERA) (CAN\$ per unit of foreign currency [for example US\$1]). The

Bank of Canada publishes its rates each business day by 16:30 Eastern Time.

- a. The ERA for goods will be the Bank of Canada rate on the date the goods were delivered.
- b. The ERA for services will be the Bank of Canada rate on the last business day of the month for which the services were performed.
- c. The ERA for advance payments will be the Bank of Canada rate on the last business day prior to the payment. The last published business day rate will be used for non-business days.

4. The Contractor must indicate the total exchange rate adjustment amounts (whether they are upward, downward or present no change) as a separate item on each invoice or claim for payment submitted under the Contract. Where an adjustment applies, the Contractor must submit with their invoice form [PWGSC-TPSGC 450](#) , Claim for Exchange Rate Adjustments.
5. The exchange rate adjustment will only impact the payment to be made by Canada where the exchange rate fluctuation is greater than 2% (increase or decrease), calculated in accordance with column 8 of form [PWGSC-TPSGC 450](#) (that is $[i_1 - i_0] / i_0$).
6. Canada reserves the right to audit any revision to costs and prices under this clause.

7.0 Method of Payment

7.1 Multiple Payments

Canada will pay the Contractor upon delivery of repaired or replaced units and for work performed during the period of service covered by the invoice in accordance with the payment provisions of the Contract if:

- a. an accurate and complete invoice and any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
- b. all such documents have been verified by Canada;
- c. the Work delivered has been accepted by Canada.

7.2 Task Authorized Requirements

One if the following Methods of Payment will be used for individual Task Authorizations.

A. Single Payment - TA

Canada will pay the Contractor upon completion and delivery of the Work in accordance with the payment provisions of the Task Authorization if:

- (a) an accurate and complete invoice and any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
- (b) all such documents have been verified by Canada;
- (c) the Work delivered has been accepted by Canada.

B. Monthly Payments – TA

Canada will pay the Contractor on a monthly basis for work performed during the month covered by the invoice in accordance with the payment provisions of the Contract if:

- a. an accurate and complete invoice and any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
- b. all such documents have been verified by Canada;
- c. the Work performed has been accepted by Canada.

7.3 Time Verification

Time charged and the accuracy of the Contractor's time recording system are subject to verification by Canada, before or after payment is made to the Contractor. If verification is done after payment, the Contractor must repay any overpayment, at Canada's request.

7.4 Work in Progress

For Work in Process and not completed by the end of the contract period the prices, rates and markups of the last fiscal period will apply. In the event no follow-on contract is issued, the completion of any "work-in-process" will be in accordance with the Contract and the basis of payment period in effect on the date the "work-in-process" was inducted into the Contractor's plant.

7.5 Cost Submission

- A. If requested by the Contracting Authority or auditor designated by the Contracting Authority, the Contractor must submit to the Contracting Authority or the auditor as applicable, a cost submission, upon completion of the Contract or annually for multi-year contracts spanning more than one contractor fiscal year.
- B. The cost submission must contain a breakdown of all applicable cost elements as detailed in the Contract and must be signed and certified accurate by the Contractor's Senior Financial Officer, unless stated otherwise in writing by the Contracting Authority.
- C. Supporting information must be available in sufficient detail for each cost element to allow for an in-depth audit.

7.6 Discretionary Audit

- A. The following are subject to government audit before or after payment is made:
 - a. The amount claimed under the Contract, as computed in accordance with the Basis of Payment, including time charged.
 - b. The accuracy of the Contractor's time recording system.
 - c. The estimated amount of profit in any firm-priced element, firm time rate, firm overhead rate, or firm salary multiplier, for which the Contractor has provided the appropriate certification. The purpose of the audit is to determine whether the actual profit earned on a single contract if only one exists, or the aggregate of actual profit earned by the Contractor on a series of negotiated contracts containing one or more of the prices, time rates or multipliers mentioned above, during a particular period selected, is reasonable

and justifiable based on the estimated amount of profit included in earlier price or rate certification(s).

- d. Any firm-priced element, firm time rate, firm overhead rate, or firm salary multiplier for which the Contractor has provided a "most favoured customer" certification. The purpose of such audit is to determine whether the Contractor has charged anyone else, including the Contractor's most favoured customer, lower prices, rates or multipliers, for like quality and quantity of goods or services.
- B. Any payments made pending completion of the audit must be regarded as interim payments only and must be adjusted to the extent necessary to reflect the results of the said audit. If there has been any overpayment, the Contractor must repay Canada the amount found to be in excess.

7.7 SACC Manual Clauses

A9117C (2007-11-30), T1204 - Direct Request by Customer Department

C2000C (2007-11-30), Taxes - Foreign-based Contractor

C2610C (2007-11-30), Customs Duties – Department of National Defence – Importer

C2800C (2013-01-28), Priority Rating **OR**

C2801C (2017-08-17), Priority Rating - Canadian-based Contractors

7.8 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.

Each invoice must be supported by:

- a. a copy of time sheets to support the time claimed;
 - b. a copy of the release document and any other documents as specified in the Contract;
 - c. a copy of the invoices, receipts, vouchers for all direct expenses, and all travel and living expenses.
2. Electronic Invoices must be distributed as follows:
 - a. Contracting Authority;
 - b. Procurement Authority;
 - c. Technical Authority.

7.9 Electronic Payment of Invoices

The Contractor accepts to be paid using 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)

8.0 Industrial and Technological Benefits Commitments

8.1 Holdback

If the Contractor fails to meet any of its ITB Obligations under this Contract, the performance guarantees, in the form of holdbacks and/or stop payment detailed in Annex D, In-Service Support Industrial and Technological Benefits Terms and Conditions, section 18.3 will apply.

8.2 Liquidated Damages

In respect of the failure to achieve any of the Commitments specified in Annex D –In-Service Support **Industrial and Technological Benefits** Terms and Conditions Article 3.1 by the end of the ITB Achievement Period, the Contractor shall pay to Canada liquidated damages as detailed in Annex D- Industrial and Technological Benefits Terms and Conditions – section 18.4.

9.0 Certifications

9.1 Compliance

The continuous compliance with the certifications provided by the Contractor in its bid and the ongoing cooperation in providing additional information are conditions of the Contract. Certifications are subject to verification by Canada during the entire period of the Contract. If the Contractor does not comply with any certification, fails to provide the additional information, or if it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.

9.2 Federal Contractors Program for Employment Equity - Default by the Contractor

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

9.3 Proactive Disclosure of Contracts with Former Public Servants (2013-03-21) A3025C

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.

10.0 Applicable Laws

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

11.0 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 supplemental general conditions 4002 (2010-08-16), Software Development or Modifications Services;
- (c) the supplemental general conditions 4006
- (d) the supplemental general conditions 4012 (2012-07-16), Goods - Higher Complexity;
- (e) the general conditions 2035 (2020-05-28), General Conditions - Higher Complexity – Services;
- (f) Annex A, Statement of Work – In-Service Support ;
- (g) Annex B, Basis of Payment;
- (h) Annex C, Security Requirements Check List;
- (i) Annex D, ISS Industrial and Technological Benefits Terms and Conditions;
- (j) Annex E, DND 626 Task Authorizations;
- (k) the Contractor's bid dated _____;
- (l) A-LM-184-001/KS-001

12.0 Defence Contract

A9006C (2012-07-16) Defence Contract

13.0 Foreign Nationals (Canadian Contractor **OR** Foreign Contractor)

A2000C (2006-06-16) Foreign Nationals (Canadian Contractor)

OR

A2001C (2006-06-16) Foreign Nationals (Foreign Contractor)

14.0 Insurance

G1005C (2008-05-12), Insurance

15.0 Controlled Goods Program

A9131C (2014-11-27), Controlled Goods Program

B4060C (2011-05-16) Controlled Goods

16.0 Canadian Forces Site Regulations

The Contractor must comply with all standing orders or other regulations, instructions and directives in force on the site where the Work is performed.

17.0 SACC Manual Clauses

B4042C (2008-05-12), Identification Markings

D2025C (2017-08-17), Wood Packaging Materials

D3010C (2016-01-28), Delivery of Dangerous Goods/Hazardous Products

D3015C (2014-09-25), Dangerous Goods / Hazardous Products – Labelling and Packaging Compliance

D6010C (2007-11-30), Palletization

17.1 Quality Assurance – SACC Manual Clauses

D5540C (2019-05-30), ISO 9001:2015 Quality Management Systems – Requirements (Quality Assurance Code Q) D5545C (2019-05-30), ISO 9001:2015 - Quality Management Systems - Requirements (Quality Assurance Code C)

D5510C (2017-08-17), Quality Assurance Authority (DND) - Canadian-based Contractor

OR

D5515C (2010-01-11), Quality Assurance Authority (DND) - Foreign-based and United States Contractor

D5606C (2017-11-28) Release Documents, (Department of National Defence) - Canadian-based Contractor

OR

D5604C (2008-12-12), Release Documents (Department of National Defence) - Foreign-based Contractor

OR

D5605C (2010-01-11), Release Documents (Department of National Defence) - United States-based Contractor

18.0 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.

19.0 Release Documents - Distribution

The Contractor must prepare the release documents in a current electronic format and distribute them as follows:

- a. One (1) copy mailed to consignee marked: "Attention: Receipts Officer";
- b. Two (2) copies with shipment (in a waterproof envelope) to the consignee;
- c. One (1) copy to the Contracting Authority;
- d. One (1) copy to:

National Defence Headquarters
MGen George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A 0K2

Attention: *(Technical Authority name to be provided at Contract award)*

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

- g. For all non-Canadian contractors, one (1) copy to:

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

E-mail: ContractAdmin.DQA@forces.gc.ca

20.0 Shipping

- A. Goods must be consigned to the destination specified in the Contract and delivered: Delivered Duty Paid (DDP) Montreal, QC, Incoterms 2010 for shipments from a commercial contractor.
- B. The Contractor shall deliver the goods to Canadian Forces (CF) Supply Depots by appointment only. The Contractor or its carrier shall arrange delivery appointments by contacting the Depot Traffic Section at the appropriate location shown above. The consignee may refuse shipments when prior arrangements have not been made.
- C. For hard copy versions of contract reports and publication deliverables (including manuals), Goods shall be consigned to the destination specified in the Contract (refer to Appendix AB Contract Data Requirements List), DDP (Gatineau QC or Ottawa ON), Incoterms® 2000.

21.0 Use and Translation of Written Material

- A. Unless provided otherwise in the Contract, copyright in any written material used, produced or delivered under the Contract belongs to its author or rightful owner. Canada has the right to use, copy and disclose, for government purposes, the written material related to the Work that is delivered to Canada.
- B. If the Contract does not require the delivery of any written material in both of Canada's official languages, Canada may translate the written material into the other official language. The Contractor acknowledges that Canada owns the rights on the translation and that Canada is under no obligation to provide the translation to the Contractor. Canada agrees that any translation must include any copyright and any proprietary right notice that was part of the original. Canada acknowledges that the Contractor is not responsible for any technical errors or other problems that may arise as a result of the translation.

22.0 Work Site Access

The Contracting, Procurement or Technical Authorities must have access to the plant or premises where the Work is being conducted. This includes all aspects of the Work e.g. fabrication, manufacture, testing, packaging, etc. In addition, there may be a requirement for representatives of these Authorities (e.g. Cataloguing personnel) to have the same access for purposes related to their functions carried out under the terms and conditions of this Contract.

23.0 Government Supplied Technical Documents

- A. If required, the Contractor must obtain the government drawings and publications or other technical documents from the nearest National Defence Quality Assurance Region office.
- B. At contract completion, the Contractor must provide the Technical Authority with a list of all Department of National Defence-owned Canadian Forces Technical Orders and electronic data material, with a request for disposal instructions.

ANNEX A
Statement of Work (SOW)

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ADIS Acronyms and Abbreviations

The following list of acronyms and abbreviations will be applicable to this document:

ACMP	Allied Configuration Management Publication
ADIS	Area Detection & Identification System
CBRN	Chemical, Biological, Radiological, and Nuclear
CDRL	Contract Data Requirements List
CAF	Canadian Armed Forces
CFSS	Canadian Forces Supply System
CFTO	Canadian Forces Technical Order
CFM	Contractor Furnished Material
CIS	Contract Issue Spares
CM	Configuration Management
CRPA	Contractor Repair Parts Account
DID	Data Item Description
DND	Department of National Defence
FSR	Field Service Representative
FTP	File Transfer Protocol
GFE	Government Furnished Equipment
GFOS	Government Furnished Overhaul Spares
GFM	Government Furnished Material
GOM	Government Owned Materiel
ISS	In-service Support
ILS	Integrated logistics Support
ITC	Initial Cadre Training
LBS	Logistical Breakdown Structure
LCMM	Life Cycle Material Manager
LIR	LCMM Investigation Report
MCN	Material Change Notice
MRC	Maximum Repair Cost
NDQAR	National Defence Quality Assurance Representative
PBL	Product Baseline
PIF	Pre-Installation Failure
PPB	Provisioning Parts Breakdown
PR	Problem Report
QA	Quality Assurance
QC	Quality Control
R&O	Repair and Overhaul
RMA	Repair Material Account
RSA	Repair Shop Account
RSPL	Recommended Spare Parts List
SC	Stock Code
SI&DS	Sensor Integration and Decision Support
SITS	Special Investigations and Technical Studies
SNAPS	Selection Notice and Priority Summary
SNR	Serial Number Register
SOW	Statement of Work
TA	Technical Authority
TAT	Turn Around Time
TIES	Technical Investigation and Engineering Support
UCR	Unsatisfactory Condition Report

1. INTRODUCTION

1.1 Summary

Work requirements for the ISS contract are divided into Core Services and Task Authorized Services.

1.1.1 Core Services

ISS core service requirements encompass ADIS hardware, software and test equipment. Core Work encompasses those activities that are performed by the Contractor to achieve the ISS work requirements. Core Work includes management, engineering design, maintenance, provisioning, updates to engineering and ILS deliverables of ADIS as per Section 3. R&O, as it pertains to core work, encompasses all authorized repairs and alterations required to return ADIS to a serviceable condition. This includes the identification and correction of defects that cause ADIS to function below its specifications. It also includes the replacement of worn, damaged or life expired parts, the incorporation of approved modifications and the rework of components as necessary.

1.1.2 Task Authorized Services

Task Authorized Work encompasses those activities performed by the Contractor on a standalone and as required basis after obtaining authorization from the Technical Authority through a Task Authorization as per Section 4.

ISS Task Authorized service requirements may include, but not be limited to: Repair and Overhaul (R&O), supply support, configuration management, maintenance of Contract Data Requirements List (CDRL) and their respective Data Item Description (DID) per Table 2, repair and maintenance of reusable metal or wooden containers and any other activity authorized by the Technical Authority (TA) on an as and when requested basis. ISS reporting requirements are detailed in Appendix AA, In-Service Support (ISS) Contract Data Deliverables List (CDRL) and Appendix AB In-Service Support (ISS) Data Item Description (DID).

R&O services include the completion of all preventive and corrective maintenance tasks beyond the scope of Department of National Defence (DND) performed first line preventive and corrective maintenance tasks as defined in the approved Maintenance Plan (CDRL IL-502). It includes, but is not limited to, all necessary disassembly, inspection, cleaning, repair or replacement of faulty parts, reassembly, adjustments, calibration, recertification, packaging and shipping tasks necessary to return the equipment to DND in a fully serviceable condition. Whereas repair normally entails the correction of specific defects only, overhaul entails not only the replacement of worn and damaged parts, but also of parts whose service life has expired or is about to expire, in order to return the item to its original performance and an acceptable life expectancy.

1.1.3 Receipt and Control of R&O Materiel

ADIS may be employed in environments where there is a risk that these systems will be exposed to Chemical, Biological, Radiological and Nuclear (CBRN) threats. All materiel sent to the Contractor for R&O work will be decontaminated by DND to a thorough level as defined in CFTO B-GJ-005-311/FP-020.

A procedure will be established by DND whereby no ADIS materiel requiring R&O will be sent to the Contractor without an accompanying DND 2589 Certification of Decontamination certificate. The certificate will identify whether the materiel has been exposed/not exposed to CBRN contamination. The certificate will be completed and approved by a DND authorized representative. If the materiel has been exposed to

CBRN contamination, the certificate will identify the contaminant and what decontamination procedures have been performed.

For instances where a DND 2589 certification has not been sent with the materiel, or the information in the certificate is incomplete, the Contractor must immediately isolate the materiel, advise the TA accordingly by e-mail, and wait for further instructions.

Prior to acknowledging receipt of materiel the Contractor must:

- a. Confirm that a DND 2589 certificate is included and completed;
- b. Verify that materiel received corresponds with the packing slip that accompanies the shipment and report any discrepancies to the National Defence Quality Assurance Representative (NDQAR);
- c. Inspect such materiel to ensure that it is a candidate for R&O work under the ISS contract;
- d. Segregate materiel which were improperly sent to the Contractor and request disposition instructions from the TA; and
- e. Provide adequate and segregated storage area for materiel pending authorization for commencement of R&O work.

Upon receipt of materiel, the Contractor must:

- a. Identify the equipment and obtain approval authority from the TA to repair;
- b. Open a work order within two (2) working days of delivery;
- c. Carry out a physical check to ensure that the item is complete and is in accordance with the accompanying documentation;
- d. Complete receipt including any adjustment transactions and work orders;
- e. Action warrantied materiel; and
- f. Inform the TA if equipment under warranty was damaged as a result of misuse, neglect, or anything beyond normal wear and tear.

If there is any missing information or documentation required for ADIS R&O materiel, the Contractor must make a request through NDQAR.

For repairable items not under warranty, 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 the cost to repair threatens to exceed the MRC, the Contractor must request authority in writing from the TA to proceed with the repair in accordance with Chapter 2 of A-LM-184-001/JS-001.

MRC is 50% of the items replacement cost (unless stated otherwise by the TA).

Where it is impossible to determine the cost to repair, the Contractor may be granted authority by the TA to disassemble 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.

1.2 Maintenance and Support Concept

The ADIS Maintenance and Support Concept is contained in Appendix AD.

1.2.1 Support Concept

The ADIS support concept is based on minimizing the direct workload to DND personnel and resources in supporting the ADIS for the expected duration of its in-service lifecycle.

1.2.2 Maintenance Concept

The Maintenance Concept for ADIS comprises a hybrid maintenance environment, using a combination of DND and contracted maintenance resources.

- a) DND will complete all user maintenance and first-line repair tasks as defined in the approved Maintenance Plan.
- b) The Contractor will complete all other maintenance/repair tasks beyond the scope of a) above.

DND will normally ship equipment to the Contractor's maintenance facility, however, the Contractor will provide in-situ maintenance on an as and when requested basis through the issuance of a DND 626 Task Authorization.

2. **APPLICABLE DOCUMENTS**

2.1 **Relevant Information**

The following documentation must be used for the preparation of deliverables as identified in this SOW.

- a. A-LM-184-001/JS-001 Special Instructions Repair and Overhaul Contractors;
- b. D-LM-008-036/SF-000 – DND Minimum Requirements for Manufacturer's Standard Pack;
- c. C-66-020-001/NC-000, Inspection Procedures for Electro-Mechanical Equipment;
- d. D-01-100-215/SF-000, Preparation of Material Change Notice;
- e. A-EN-007-000/FP-001, Allied Configuration Management Publication (ACMP), NATO Requirements for Configuration Status Accounting, ACMP-4;
- f. A-P9-000 and A-P9-050, Manuals of Individual Training and Education;
- g. C-01-100-100/AG-006, Specification – Writing, Format and Production of Technical Documents;
- h. C-66-010-003/TP-001, Cleaning Mechanical Components of Instruments;

In the event of a conflict between the text of this SOW and the references stated herein, the SOW must take precedence.

Wherever the phrase "Contract Authority" or "Contracting Authority" appears in any of the above documents, replace with "Technical Authority."

2.2 **References**

The following websites hold the standards referenced in this SOW and associated attachments.

MIL-STD, MIL-SPEC, MIL-HDBK, NATO-AECTP:

<http://everyspec.com/>

ISO standards:

<https://www.iso.org/standards.html>

NATO STANAG:

<https://nso.nato.int/nso/nsdd/listpromulg.html>

ANSI/ASME laser standards:

<https://www.ansi.org/>

CEPA :

<https://www.canada.ca/en/environment-climate-change/services/canadian-environmental-protection-act-registry/related-documents.html>

CSA standards :

<https://store.csagroup.org/>

OHSAS :

<https://www.bsigroup.com/en-CA/BS-OHSAS-18001-Occupational-Health-and-Safety/>

In the event of a conflict between the text of this SOW and the references stated herein, the SOW must take precedence.

3. CORE WORK REQUIREMENTS

3.1 General

3.1.1 Contract Data Requirements

The Contractor must prepare and deliver the required data in accordance with the ISS CDRL and ISS DIDs. The timing of the contract data deliveries, reviews by the TA, the provision of comments, and submission of the final data items are detailed in the ISS CDRL. The required content of each data item is provided in the corresponding ISS DID.

3.1.2 Data Format

Unless otherwise specified, all data delivered as part of the ISS contract must be prepared in Microsoft Office readable electronic formats. Unless otherwise specified explicitly in an ISS CDRL or ISS DID, the Contractor must deliver all initial and interim submissions of data deliverables via electronic mail or CD-R media, at the discretion of the TA.

The Contractor must provide a File Transfer Protocol (FTP) site allowing sharing of large documents (greater than 10MB) with DND.

3.2 Contractor ISS Management

3.2.1 ISS Manager

The Contractor must designate an ISS Manager. The ISS Manager must have sufficient responsibility and authority within the Contractor's organization to plan, organize, direct, coordinate, execute, monitor and control all work under the contract.

3.2.2 ISS Status Report

DND requires periodic reports detailing the performance of the Contractor in completing ISS contract work for the reporting period. The report will be used by the TA to assist with monitoring the performance of the Contractor and as a historical record of performance.

The Contractor must prepare and submit a quarterly ISS Status Report in accordance with CDRL ISS-001.

3.2.3 Quality Assurance (QA) Program

The Contractor must implement and maintain a QA Program and a Quality Management System in accordance with the ISS contract QA Clauses for the duration of the ISS contract.

The Contractor must retain all Quality Control (QC) inspection and test records for a minimum of three (3) years following completion of the ISS contract.

The Contractor must make the QC inspection and test records available to the NDQAR upon request. DND reserves the right to conduct additional testing to verify product compliance with any or all of the performance requirements defined in the ADIS prior to acceptance.

The Contractor must allow DND's authorized personnel to conduct QA inspections and audits at any time to verify the Contractor's QA procedures, practices and methods during any other work associated with the ISS contract.

3.3 **Engineering / Technical Support**

3.3.1 ADIS Upgrades

The Contractor must be proactive in keeping abreast of new technologies and practices applicable to ADIS and must advise the TA accordingly. These new technologies and practices include but are not limited to improved detection, performance, capabilities, robustness, features, software and hardware upgrades, reliability, availability, maintainability, quality, calibration, standards, and test equipment.

If improvements or upgrades are necessary the Contractor must inform the TA, and provide both a timeline and cost estimate, to execute the work. The TA will determine whether a task will be issued.

3.3.2 Problem Reports (PR) Management

The Contractor must set up and maintain a registry of PRs in accordance with CDRL ISS-002. PRs will be provided by the TA to the Contractor and include the following types of documents:

- a. Unsatisfactory Condition Report (UCR);
- b. Pre-Installation Failure (PIF); and
- c. Life Cycle Material Manager (LCMM) Investigation Request (LIR).

The Contractor must recommend appropriate corrective action to the LCMM for each PR on the ADIS. New tasks will be generated when the corrective action is accepted.

3.3.3 Configuration Management (CM)

The start point for Configuration Management (CM) activities is the final Product Baseline (PBL) established for the delivery of ADIS in the acquisition contract.

The Contractor must complete CM services by managing and maintaining the technical data of ADIS and all sub-systems down to the first line spare parts level and record all changes to the configuration of the equipment.

The Contractor must maintain the documents shown in Table 1 below, which identifies the reference in the acquisition SOW. The initial version of these documents will be the approved version from the acquisition contract.

Table 1: Documents to be maintained

DID	Document	Format
SE-313	Equipment Specifications	MS Office (or other approved by TA)
IL-526	Logistical Breakdown Structure (LBS)	MS Office (or other approved by TA)
IL-504	Serial Number Register (SNR)	MS Office (or other approved by TA)
IL-510	Provisioning Parts Breakdown (PPB) / Recommended Spare Parts List (RSPL)	MS Office (or other approved by TA)
IL-005	Configuration Status Accounting Report (CSAR)	MS Office (or other approved by TA)

Updates to these documents must be completed by the Contractor and the updated documents provided to DND within twenty (20) working days of the requirement to change the document being identified. The TA will review the updates and provide comments. Once the Contractor has received comments from the TA, the Contractor must complete the necessary changes and provide the updated document either through e-mail, CD-ROM or through the Contractor's FTP site within fifteen (15) working days.

The Contractor must retain current master copies of the above documents, in both hard and electronic copy, suitable for reproduction. The TA will remain the approval authority for all changes to these documents.

3.3.4 Obsolescence Management and Materiel Change Notice

Throughout the in-service life of ADIS, it is anticipated that several components of the system may become obsolete or no longer be manufactured. The Contractor must establish a proactive system to ensure that all ADIS components are available throughout its service life.

Over the period of the ISS contract, the Contractor must work with parts suppliers and vendors to ensure current knowledge on the availability of all components in ADIS and to recommend to the TA appropriate resolution such as lifetime procurement or a materiel change when it becomes aware that components are becoming obsolete or no longer available.

When necessary, the Contractor must submit proposed changes in the form of a Material Change Notice (MCN) to the ADIS configuration to the TA for approval in accordance with CDRL ISS-003.

The Contractor must track and report the status of proposed configuration changes and maintain the status of the implementation of approved changes in accordance with the CM section of this SOW.

3.4 **Maintenance Support**

3.4.1 General

The DND approved Maintenance Plan will outline the division of maintenance tasks performed by DND and the Contractor. Contractor maintenance support activities includes conduct and management of maintenance support, warranty work, and R&O including repair, modification and overhaul.

3.4.2 Equipment Advisories

The Contractor must alert the TA of any problem, process or situation that may affect the system, by providing Equipment Advisories in accordance with CDRL ISS-004, with an impact assessment for the CAF specific configuration, so that appropriate action and follow-up may be taken.

3.4.3 General Core Work

The core work requirements for core activities are detailed below.

The management procedures and work tasks to be followed in processing ADIS materiel subject to R&O is deemed as core work.

The Contractor must follow the procedures described in DND CFTO A-LM-184-001/JS-001 and the work requirements to complete R&O core work under the ISS contract.

For all R&O core work, the Contractor must maintain the configuration of the ADIS as defined by the Product Baseline (PBL) in effect at the time of commencement of the R&O core work, unless otherwise approved by the TA.

Following the completion of Contractor R&O core activities, the Contractor must demilitarize and dispose of non-serviceable or non-repairable components in accordance with applicable regulations, the Defence Production Act, and applicable environmental laws and regulations as per section 4.6.4.

3.4.4 Delivery Location

DND will only ship ADIS or ADIS components requiring service to and from the designated Contractor Canadian facility. DND will ship to and from a DND facility and the designated Contractor Canadian facility. The Contractor will be responsible to ship and receive parts outside of Canada, if required.

3.4.5 Preservation and Packaging Failure

The Contractor must report R&O materiel damaged due to preservation and packaging failures in shipments to the TA using form CF 777, Unsatisfactory Condition Report (UCR), supported by photographs in accordance with CFTO C-02-015-001/AG-000.

3.4.6 Completion of Work

On completion of R&O work, the Contractor must prepare and submit a Stock Code (SC) change notification from "Repairable" to "Available".

The Contractor must stamp, sign and submit the following "Contractor Certification" on the Canadian Forces Supply System (CFSS) supply document prior to transmitting the SC change notification.

Contractor Certification	
I certify that the item(s) listed above have been inspected, tested and conform to all specifications and requirements detailed in the ISS contract or purchase order:	
Signature _____ (Contractor Quality Control (QC))	Date _____

3.4.7 Transportation

The Contractor must action all transportation requirements in accordance with Chapter 8.12 of A-LM-184-001/JS-001.

3.4.8 Warranty Consideration

The Contractor must action materiel which has been returned for warranty consideration in accordance with Chapter 9 of A-LM-184-001/JS-001.

3.4.9 Stop Repair Action

The Contractor must comply with all stop repair instructions from the TA as detailed in Chapter 3.2 of A-LM-184-001/JS-001.

3.4.10 Return of Materiel following R&O

When applicable, the Contractor must use shipping containers provided by DND to return materiel from R&O work in accordance with Chapter 8.11 of A-LM-184-001/JS-001.

The Contractor must inspect, repair and/or repaint reusable metal or wooden containers, as required. A requirement to repair, replace or provide a reusable container or other packaging material will be identified through a Task Authorization.

The Contractor must provide preservation, packaging, and packing in accordance with D-LM 008-036/SF-000, DND Minimum Requirements for Manufacturer's Standard Pack if the materiel was not sent by DND in its own shipping container.

3.4.11 Reporting

The Contractor must report all R&O activities as part of the ISS Status Report in accordance with CDRL ISS-001.

3.5 Supply Support

3.5.1 General

A key factor in ensuring effective ISS for ADIS is the capability to provide spare parts and consumables for the system in a timely and effective manner.

Core work for supply support includes but is not limited to the following activities:

- a. Management of supply support;
- b. Acquisition of first line repair parts and consumables;
- c. Warehousing of Government Owned Material (GOM); and
- d. Annual verification of GOM stock integrity.

3.5.2 Acquisition of First Line Spare Parts and Consumables

The Contractor must acquire spare parts as well as consumables, and be capable of delivering all replenishment materiel to depot.

The issue of first line spare parts and consumables is addressed in tasking work in section 4.6.2.

3.5.3 Contractor Spare Parts

Contractor spare parts are those parts, and consumables, required to complete Contractor repair to ADIS sub-systems and or major assemblies. DND will not be providing Contract Issue Spares (CIS) for Contractor repair work.

The Contractor must acquire any and all spare parts required for Contractor maintenance to enable completion of Contractor repair within required Turn Around Time (TAT) of 90 calendar days, as defined in section 4.5.2.

DND will pay for Contractor spare parts as they are consumed and in accordance with the pricing structure of the spare parts list.

3.5.4 Stocktaking

The Contractor must plan, initiate, complete and report a one hundred percent (100%) manual stocktaking of Repairable Materiel Account (RMA), Repair Shop Account (RSA), CRPA, Government

Furnished Overhaul Spares (GFOS), and any Government Furnished Material (GFM) provided to the Contractor, as a minimum once every year in accordance with Chapter 8.5 of A-LM-184-001/JS-001.

The Contractor must record the results of verifications for review by the TA as and when requested as well as retain the results for a minimum of five (5) years from when the record was created.

The Contractor must report all discrepancies (i.e. differences between actual GOM and associated records and documentation) in accordance with Chapter 8.5 of A-LM-184-001/JS-001 as well as report to the NDQAR within 24 hours of the discrepancy being identified.

In the event of discrepancies between the Contractor's and DND records, the records of DND must be considered the official records unless otherwise agreed upon by the TA.

The Contractor must be responsible for all discrepancies between stocks held and its records. In the event of a discrepancy, the Contractor must replace the item(s) in question at the Contractor's own expense.

3.5.5 Transaction Documentation

The Contractor must document and archive the following auditable transaction documentation by applicable account (RMA or RSA) warehouse either by Stock Code or by requisition number, in accordance with Chapter 8.1 of A-LM-184-001/JS-001:

- e. Stock Code sequence followed by requisition number; and
- f. Requisition number/DND 626 number.

3.5.6 Contractor Supply Accounting

Material held on Contractor Repair Accounts Account (CRPA), RSA and RMA must be accounted for as per the Canadian Forces Supply System (CFSS) automated procedures in accordance with Chapter 8.2 of A-LM-184-001/JS-001.

Government Furnished Equipment (GFE) and Government Furnished Overhaul Spares (GFOS), per A-LM-184-001/JS-001, will be accounted for by the Contractor, in either a manual or an automated system.

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

4. TASK AUTHORIZED WORK REQUIREMENTS

4.1 General

Task Authorized work is defined as work that is required on an as and when required basis and must be approved in advance prior to the work commencing.

This approval of Task Authorized work will be in one of the following forms:

- a. Completed DND 626 authorizing a specific work task to be completed;
- b. Pre-authorized R&O repair using a Selection Notice and Priority Summary (SNAPS) procedure that does not exceed the MRC; or
- c. Authorized Task Authorization for first line spare parts and consumables from base/unit.

4.2 Configuration Management

As part of the DND 626, the Contractor may be tasked to update the following deliverables.

Table 2: Documents to be updated

DID	Document	Format
IL-518	ADIS Kit List	MS Office (or other approved by TA)
IL-515	Operators Manual	MS Office /Adobe PDF (or other approved by TA)
IL-516	First-line Maintenance Manual	MS Office /Adobe PDF (or other approved by TA)
IL-517	User Guide	MS Office /Adobe PDF (or other approved by TA)
IL-521	Training Plan	MS Office (or other approved by TA)
IL-522	Courseware	MS Office (or other approved by TA)

Unless otherwise specified by the Task Authorization, updates to these documents must be completed by the Contractor and the updated documents provided to DND within twenty (20) working days of the requirement to change the document being identified. The TA will review the updates and provide comments.

Once Canada submits comments, the Contractor must provide the updated document within fifteen (15) working days either through e-mail, CD-ROM or through the Contractor's FTP site.

4.3 Operations and Training Exercise Support

4.3.1 General

When ADIS is deployed, either for operations or for training exercises, the Contractor must provide immediate access to fully bilingual (Canadian French and Canadian English) technical personnel with advanced knowledge on the operation and maintenance of ADIS, through either help desk support or Field Service Representative (FSR) support.

4.3.2 Help Desk

The Contractor must provide help desk tasking services if, and only if, authorized through the issue of a DND 626.

When tasked, the Contractor must provide a help desk service staffed with qualified technical personnel to assist DND personnel in resolution of their operational or technical/maintenance queries. The Contractor must respond to help desk queries from DND within four (4) hours of receipt of query.

The Contractor must provide a toll free telephone number, a toll free fax number, and an e-mail address to access the help desk for a period specified in the DND 626.

4.4 **Engineering / Technical Support**

4.4.1 Technical Investigation and Engineering Studies (TIES)

This activity includes the provision of system and maintenance support and management services. It includes the requirement analysis and planning to ensure current requirements are continually met, the scheduling of maintenance, the identification of spares and support, as well as the development of policies and maintenance procedures. It also includes validation and acceptance of deliverables when maintenance activity is contracted.

The TIES may also include additional work such as integration into the CAF Sensor Integration and Decision Support (SI&DS) system.

The Contractor must complete a TIES report if stipulated on the DND 626.

4.4.2 Special Investigations and Technical Studies (SITS)

The scope of work normally covered under special investigation and technical studies is to cater for equipment not meeting fit, form and function specification standards or due to repetitive failures. This excludes studies and investigations which have or will have fleet fitment application.

The Contractor must complete a SITS report if specified on the DND 626.

4.4.3 Contractor Field Service Representatives (FSRs) Support

Bilingual Canadian French and Canadian English FSR support includes but is not limited to any of the following activities: system operation, maintenance, installations, modifications, and operator or maintenance training on ADIS and sub-systems.

FSR support could be required both nationally and internationally, including areas where CAF deployments are subject to hostile activities.

The Contractor must ensure that the Contractor's equipment, spare parts and consumables which are anticipated as being required for the Task Authorization, are available for shipping simultaneously with the deployment of the FSR.

4.5 Maintenance Support

4.5.1 General

The Contractor must complete repairs to repairable ADIS material in accordance with the procedures defined in DND CFTO A-LM-184-001/JS-001 and in accordance with the SNAPS for an RMA.

In the event that the estimated cost of repair exceeds the MRC identified under SNAPS, the Contractor must advise the TA accordingly and request direction from the TA. The Contractor must not exceed the MRC unless otherwise authorized by the TA.

Loss or damage of materiel in transit must be actioned in accordance with Chapter 8.8 of A-LM-184-001/JS-001.

The Contractor must report to the NDQAR all instances of loss or damage to GOM in its custody within two (2) working day of confirmation of its discovery in accordance with Chapter 8.8 of A-LM-184-001/JS-001.

The Contractor must report to the NDQAR all instances of materiel being incorrectly delivered to its facility within two (2) working day of its delivery in accordance with Chapter 2.1 of A-LM-184-001/JS-001.

4.5.2 Turn Around Time (TAT)

TAT is defined as that period of time from the date of receipt of ADIS materiel at the Contractor's designated Canadian facility to the date the item is reported serviceable to the designated NDQAR. If applicable, the time required to complete customs clearances and to ship as well as return the item to the designated Canadian facility is included when determining the TAT.

The Contractor must inform the Technical Authority of receipt of the R&O item within one working day of delivery to its facility.

The Contractor must complete all Contractor repair work within the assigned TAT of 90 calendar days from receipt.

4.5.3 Priority for Contractor Repair

Unless otherwise advised by the TA, the Contractor should process repairs on a first in, first out basis.

4.5.4 Operator and First Line Maintenance

The Contractor will not normally be tasked to complete operator and first line maintenance as identified in the approved operator and maintenance manual.

However, when Contractor work is being completed, there may be a requirement for operator and/or first line maintenance work to be completed concurrently with the completion of the Contractor work. This includes but is not limited to all necessary disassembly, inspection, cleaning, repair or replacement of faulty parts, re-assembly, adjustments, calibration, recertification, and packaging and shipping tasks to return the ADIS to Canada in a fully operational condition.

The Contractor must provide all kit components and complete all necessary operator and first line maintenance work, to ensure ADIS equipment sent by DND is fully serviceable before being returned to DND. The cost to complete this work is to be included in the MRC identified in the SNAPS.

4.5.5 Upgrades and Modifications

Throughout the in-service life of the ADIS, there may be requirements to upgrade and/or modify the system including software, firmware and interface specifications. When appropriate, the Contractor will be tasked under the TIES provisions in the ISS contract to develop the modification/upgrade. When the modification/upgrade is finalized, the Contractor may be tasked to complete its implementation on ADIS under the R&O provisions.

The Contractor must complete all modifications/upgrades to the ADIS system.

4.5.6 Overhaul

There may be a requirement to conduct a thorough serviceability and completeness inspection to identify faults and deficiencies in ADIS and to take corrective action to ensure the system is completely serviceable and available for deployment on short notice.

The Contractor must complete overhaul activities to ADIS units and sub-systems.

4.5.7 Performance

The Contractor must ensure that after maintenance, the ADIS system meets the current configuration at the time the system is repaired as defined in the configuration management (CM) data items. If the equipment does not meet the current configuration, the Contractor must perform the work required to bring the equipment into conformance with the system current configuration.

4.6 Supply Support

4.6.1 General

Unless otherwise authorized by the TA, the Contractor must only use new parts which are to the design criteria defined in the PBL in effect at the time of repairs.

4.6.2 First Line Spare Parts and Consumables

The Contractor must deliver spare parts and consumables for first line maintenance.

When authorized, the Contractor must deliver the demanded first line spare parts or consumables to the required destination within 30 calendar days of the order being received by the contractor.

Pricing for spare parts, and consumables will be in accordance with the parts list pricing in effect at the time of demand.

4.6.3 Issue of Shelf Life Items

Materiel issued by the Contractor must have a minimum of 90 percent shelf life remaining on its designated shelf life unless approved by the TA.

4.6.4 Demilitarization and Disposal of ADIS Materiel

The Contractor must demilitarize and/or dispose ADIS materiel, including consumables, components, sub-components and the complete system only when authorized by the TA.

All demilitarization and disposal activities must be performed in accordance with applicable regulations, the Defence Production Act, and applicable environmental laws and regulations.

4.7 Training Support

4.7.1 General

The Contractor must maintain and update the steady state training course and materials developed for Initial Cadre Training (ICT).

The Contractor may be tasked to provide the training materials for the ICT.

4.7.2 Provision of Training Courses

The Contractor must conduct operator or first line maintainer courses with qualified instructors either in Canadian English or Canadian French, as directed in the DND 626 and provide the necessary training materials in the language requested in the Task Authorization.

4.8 Publications Support

4.8.1 Maintenance and Upgrading of Publications

The Contractor must follow the general procedures with respect to management of publications as contained in Chapter 10 of A-LM-184-001/JS-001. The Contractor must confirm the TA requirements for publications and submit them to the TA for approval. The Contractor must develop procedures to control all DND publications in their possession and be responsible for amending all DND publications in their custody. The record of amendments must be maintained as indicated in the applicable area of each publication.

Unless otherwise specified, publications may be copied and/or extracts taken from them. As these copies/extracts are not subject to follow-up amendment action, they are not valid for use as a reference document and must be stamped "FOR INFORMATION ONLY". The Contractor must ensure that any classified documents are provided with the appropriate security markings and controls, consistent with the provisions of A-SJ-100-001/AS-000.

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

4.9 ADIS Storage

The Contractor must provide secure storage for one or more ADIS units. The Contractor must ensure that ADIS is available and fully operational for DND use within thirty (30) calendar days after notification by the TA

BASIS OF PAYMENT

All Inclusive rates or prices include Overhead and Profit.

1. LABOUR

For the professional services detailed at Annex A, Statement of Work, representing the Core, Task Authorized and Optional services, the Contractor will be paid the following Firm, All-Inclusive Hourly Rates, applicable taxes extra:

IN-SERVICE SUPPORT (Core and Task Authorisation) For the Core Services, the Estimated Level of Effort will be multiplied to the hourly rate to determine the Core Services Estimated Bid Price. For the Task Authorized Work, the Hourly Rate will be multiplied by a factor of 1 and summed to determine the Total Estimated Bid Price. The Core Services Cost and the Task Authorized Cost for the Initial Period and Option Periods (sum of A through E) will be totalled to determine the Total Bid Price, ISS									
* OPTION PERIOD :									
Category of Work	Unit of Measure	Third Party or Subcontractor (v)	Est. Annual Level of Effort (A)	Firm, All-Inclusive Hourly Rate (B)	Sub-Total (C) (A * B)	OPTION PERIOD 1 (D) C + 3%	OPTION PERIOD 2 (E) D + 3%	OPTION PERIOD 3 (F) E + 3%	OPTION PERIOD 4 (G) F + 3%
Administrative Support	hours			\$	\$				
Database Administrator	hours			\$	\$				
Field Service Representatives (FSRs)	hours			\$	\$				
Help Desk	hours			\$	\$				
ILS Manager	hours			\$	\$				
Integrated Logistical Support (ILS) Manager	hours			\$	\$				
Integrated Logistical Support (ILS) Software Engineer	hours			\$	\$				
ISS Management	hours			\$	\$				
ISS Manager	hours			\$	\$				
Project Manager	hours			\$	\$				
Project Manager	hours			\$	\$				
Project Support Specialist	hours			\$	\$				
Provisioning Manager	hours			\$	\$				
Systems Engineer	hours			\$	\$				
Training Developer	hours			\$	\$				
Other (please specify)	hours			\$	\$				
Other (please specify)	hours			\$	\$				
Total 2000 hours					Sub-Total - C	Sub-Total - D	Sub-Total - E	Sub-Total - F	Sub-Total - G
					\$	\$	\$	\$	\$
TOTAL ESTIMATED IN-SERVICE SUPPORT (Core and Task Authorized) (C + D + E + F + G):									\$

1.2 Task Authorization Services

IN-SERVICE SUPPORT (Core and Task Authorisation) For the Core Services, the Estimated Level of Effort will be multiplied to the hourly rate to determine the Core Services Estimated Bid Price. For the Task Authorized Work, the Hourly Rate will be multiplied by a factor of 1 and summed to determine the Total Estimated Bid Price. The Core Services Cost and the Task Authorized Cost for the Initial Period and Option Periods (sum of A through E) will be totalled to determine the Total Bid Price, ISS									
* OPTION PERIOD :									
Category of Work	Unit of Measure	Third Party or Subcontractor (v)	Est. Annual Level of Effort (A)	Firm, All-Inclusive Hourly Rate (B)	Sub-Total (C) (A * B)	OPTION PERIOD 1 (D) C + 3%	OPTION PERIOD 2 (E) D + 3%	OPTION PERIOD 3 (F) E + 3%	OPTION PERIOD 4 (G) F + 3%
Administrative Support	hours			\$	\$				
Database Administrator	hours			\$	\$				
Field Service Representatives (FSRs)	hours			\$	\$				
Help Desk	hours			\$	\$				
ILS Manager	hours			\$	\$				
Integrated Logistical Support (ILS) Manager	hours			\$	\$				
Integrated Logistical Support (ILS) Software Engineer	hours			\$	\$				
ISS Management	hours			\$	\$				
ISS Manager	hours			\$	\$				
Project Manager	hours			\$	\$				
Project Manager	hours			\$	\$				
Project Support Specialist	hours			\$	\$				
Provisioning Manager	hours			\$	\$				
Systems Engineer	hours			\$	\$				
Training Developer	hours			\$	\$				
Other (please specify)	hours			\$	\$				
Other (please specify)	hours			\$	\$				
Total 2000 hours					Sub-Total - C	Sub-Total - D	Sub-Total - E	Sub-Total - F	Sub-Total - G
					\$	\$	\$	\$	\$
TOTAL ESTIMATED IN-SERVICE SUPPORT (Core and Task Authorized) (C + D + E + F + G):									\$

1.4 Training Sessions (Task Authorized)

The Contractor will be paid the following Firm, All-Inclusive Unit Price per training session excluding Travel & Living expenses:

Description	Option Period 1 Firm, All-Inclusive, Unit Price	Option Period 2 Firm, All-Inclusive, Unit Price	Option Period 3 Firm, All-Inclusive, Unit Price	Option Period 4 Firm, All-Inclusive, Unit Price
Cadre Training 1 - Operator	\$	\$	\$	\$
Cadre Training 1 - Maintainer	\$	\$	\$	\$
Cadre Training 2 – Operator	\$	\$	\$	\$
Cadre Training 2 – Maintainer	\$	\$	\$	\$
Steady State Training	\$	\$	\$	\$

2. DIRECT COSTS**2.1 Repair and Overhaul**

A. Goods - The Contractor will be paid the following Firm Unit Prices, applicable taxes extra, for the Repair and Overhaul:

B. Services - The Contractor will be paid the following firm, All-Inclusive Fixed Fee per Repair of the Repair and Overhaul listed below, applicable taxes extra:

The Bidder must identify all system components, consumables, spare and replacement parts that Canada may be expected to purchase over the 10 year lifecycle of the System excluding items under warranty. The Bidder should identify the lifespan of the part and indicate if the item is Manufactured (M) by the Bidder or acquired through a Third Party / Subcontractor (TP).

IN-SERVICE SUPPORT: <i>The Bidder must identify a firm, all inclusive unit price for repair and overhaul.</i>	INITIAL PERIOD												Lifespan Expentancy (in years)
	Unit of Mesure	Estimate d # of units	Firm Unit Price B	Total (A *B)	Unit of Mesure	Estimate d # of units	Firm Unit Price B	Total (A *B)	Unit of Mesure	Estimate d # of units	Firm Unit Price B	Total (A *B)	
		Year 1				Year 2				Year 3			
B. SPARE and REPLACEMENT PARTS*	each			\$0.00	each			\$0.00	each			\$0.00	
	each			\$0.00	each			\$0.00	each			\$0.00	
	each			\$0.00	each			\$0.00	each			\$0.00	
	each			\$0.00	each			\$0.00	each			\$0.00	
	each			\$0.00	each			\$0.00	each			\$0.00	
	each			\$0.00	each			\$0.00	each			\$0.00	
	each			\$0.00	each			\$0.00	each			\$0.00	
	each			\$0.00	each			\$0.00	each			\$0.00	
TOTAL ESTIMATED BID PRICE, All prices in Canadian Dollars, applicable taxes extra:												\$0.00	
				\$0.00					\$0.00				0

2.2 Travel & Living Expenses

The Contractor will be paid its actual costs with no provision for markup for the following goods and services, applicable taxes extra to a limitation of expenditure of:

Initial Term: \$ _____

Option Period 1: **\$ UNFUNDED**

Option Period 2: **\$ UNFUNDED**

Option Period 3: **\$ UNFUNDED**

Option Period 4: **\$ UNFUNDED**

Total Estimated Cost to a Limitation of Expenditure: \$ _____

Total Contract Cost to a Limitation of Expenditure: \$ _____ applicable taxes extra

The following Annexes are appended to this bid solicitation package and form part of this document:

**ANNEX C
SECURITY REQUIREMENTS CHECK LIST**

**ANNEX D
INDUSTRIAL AND TECHNOLOGICAL BENEFITS (ITB)
VALUE PROPOSITION TERMS AND CONDITIONS**

**ANNEX E
DND 626 TASK AUTHORIZATION FORM**