QUESTIONS AND ANSWERS #11 Updated on June 12, 2018 – 9:00 a.m.(EST) (BID –181301/CABW/2018) PAGE 1 of 1

The BACW's Bidding Commission hereby present questions made by companies with their respective answers.

<u>REMARK:</u> The questions presented in this "Questions and Answers" are numbered as they are answered by the Bidding Commission and may not match the numbering provided by the companies.

- 1. Question Please provide more clarity on how administrative sanctions will be applied.

  Specifically, ICA 12-23 is called out in relation to metrics established under 5.1.6 and 5.1.7 of the Basic Project Plan, but Section 6 of ICA-12/23 applies sanctions at rates associated with the length of delay in supplying goods and services, but does not apply to missing established metrics.

  ANSWER: In the case of KPI, it'll be applied the sanctions defined by Law 8.666/93 of Brazilian Laws. For the first time Contractor fails to keep KPI above minimum limits, a Warning letter will be presented and Contractor will justify. After presentation of a Warning letter that has received a justification that cannot be accepted, the contract Supervisor will apply a penalty on the following month. If Contractor fails to keep KPI even after penalties presentation, Client may terminate the contract.
- **Question** Additionally, while sections 6.1.12, 6.2.9, 6.3.10, and 6.4.5 apply penalties in relation to delays (tied to either the Contractor's quoted lead time or that established in the USAF maintenance manual), it is unclear, first, whether 6.1.5(a) or 6.1.5(b) is the appropriate category or work. Further, as this contract will be priced on a "cost per flight hour" basis, it is unclear how the "value corresponding to the stage or part of the service delayed" (under 6.1.5(a) and 6.1.5.1.1) or the "amount of the obligation" (under 6.1.5(b) and 6.1.5.1(a)) will be determined.

**ANSWER:** It's a flight hour basis contract and, if Contractor fails to keep the minimum limit, a sanction will be applied according to Law 8.666/93 of Brazilian Laws. If Contractor fails to deliver supplys, expandable or repaired material, according to TAT informed at commercial proposal, a sanction will be applied. If Contractor fails to return aircraft after ISOCHRONAL or PDM activity, according to USAF parameters, a sanction will be applied.

**Question** – If over and above services and materials are being provided to the FAB under modules 3 and 4, will the invoice payments for Modules 3 and 4 consist of 100% cash or will they consist of 75% cash and 25% inventory?

**ANSWER:** Invoices of modules #3 and #4 are also included in the payment method of part in cash and part in inventory.

**Question** – Please note that our company has a certificate from our Military Aviation Authority and a Certificate as a Service Center from [HIDDEN] to perform C130 maintenance. Unfortunately, our Military Aviation Authority does not currently have a bilateral agreement as requested by the "clause 7.5.2 Invitation for bid". THE QUESTION IS: CAN WE PARTICPATE WITH THESE TWO CERTIFICATES??

QUESTIONS AND ANSWERS #11 Updated on June 12, 2018 – 9:00 a.m.(EST) (BID –181301/CABW/2018) PAGE 2 of 1

**ANSWER:** If the company decides to present a certificate issued by a non-Brazilian aeronautical authority, independent of which is the organization (IFB item 7.5.1), it's mandatory that company presents the respective bilateral safety agreement (IFB item 7.5.2).

Notwithstanding, In accordance with the Invitation For Bid 181301/CABW/2018 item 37.1, Any doubts arising from the provisions of this Invitation for Bid may be the subject of consultation, in writing, to the <u>Bidding Commission</u> in charge of this bidding process, up to 48 hours before the delivery of the proposals.

Based on that, the BACW's Bidding Commission reinforces that questions shall be submitted to <a href="mailto:con@cabw.org">con@cabw.org</a> and no agents outside BACW should be copied in the e-mail. Thus, only answers published in BACW's website are considered official and part of the solicitation file.

Furthermore, the Brazilian Aeronautical Commission appreciates the question, and stands available to clarify and explain any doubts or concerns in order to increase the BID quality. Any questions or concerns must be submitted to *con@cabw.org* 

Note: This information has been made available at BACW website in the publishing for the related Bidding Process. <a href="http://www.cabwnews.com/index.php/solicitations.html">http://www.cabwnews.com/index.php/solicitations.html</a>