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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** Ref 181301 Questions and Answers 6 Question 2 Attachment B Price Presentation Table Technical Aspects:
- i- Please define what do you mean by TAT (Door To Door)
- ii- In the TAT (door to Door), Do we need to consider the time to clear customs in Brazil for the imp/exp of the components/spare parts?
- iii- How should we declare the TAT time based on our location: For example if our TAT time is 20 days, should we declare in the table the following: a. 20 days of TAT + 4 days due to our location b. 24 days total that chapter 6.1.11 of the Basic Project PB 001/SDFC/2018 BSC (herein after referred to as "Basic Project") indicates the limit of 50% of man/hours and 50% of material above the programed man/hours and material as a parameter to be included in the price of the flight hour, we kindly request FAB to formally define those limits in man/hour quantity and material value.

  ANSWER:
- i-TAT (Turn Around Time) starts at the moment Contractor receives the at Brazilian Air Force premises and finishes when Contractor delivers the material at Brazilian Air Force premises, according to Basic Project.
- ii- No custom clearance time must not be included.
- iii- Company must inform TAT in a closed answer, i. e, TAT = X days, where X = A + B. A = days due to company location defined at Basic Project, and B = time that starts when component or equipment arrives from Brazilian Air Force at company's premises and finishes when component or equipment leaves company's premises towards Brazilian Air Force premises..

COULD YOU INFORM US THE TIME NEEDED TO IMPORT AND EXPORT GOODS IN AND OUT FROM BRAZIL. THE TIME REQUIRED TO CLEAR CUSTOMS IS BEYOND OUR CONTROL.

**ANSWER:** It's correct. Time needed to export and import goods at Brazilian Custom is beyond company's and FAB's control. This time should not be considered as part of term A or B defined at previous answer.

**Question** – Ref 181301 - Questions and Answers 5, Question 5, Given that Module nr. 1 will have its cost estimation substantially affected by the regular annual consumption of; consumable, repairable and/or workable material and, on the other hand, the annual consumption of repairable and/or workable items for an operational aircraft (available in flight line) is closely related to the type and quality of maintenance provided throughout the lifetime of each item, we kindly request FAB to please inform in monetary amounts or a part number list the regular annual consumption of consumable, repairable and/or workable material for an operational aircraft.

ANSWER: According Brazilian Air Force statistics records, C-130 fleet has a historical expense of USD 1,683.65 / Flight hour, for consumables, and USD 1,891.15 / Flight hour, for repairables and workables

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CONSIDERING THAT 1,683.65+1,891.15= 3,574.80 USD PER FLIGHT HOUR AND THAT ACCORDING TO ATTACHMENT A - CONTRACT BUDGET ESTIMATE TABLE THE ESTIMATED COST PER FLIGHT HOUR SHOULD BE AROUND 3,857.99 USD. WE WILL HAVE ONLY USD 283,19 PER FLIGHT HOUR (3,857.99-3,574.80) LEFT TO COVER FOR MODULE 1 AND MANAGE THE CONTRACT AND HAVE A MARGIN COULD YOU CHECK THE ABOVE NUMBERS AND PROVIDE A BREAKDOWN OF WHAT YOU ARE INLUDING IN THIS ESTIMATES? ARE CONSUMABLES INCLUDED IN PDM AND ISOCRONICAL INSPECTIONS INCLUDED?

WE CAN'T PROVIDE AN OFFER WITH ONLY USD 283,19 PER FLIGHT HOUR TO COVER FOR MODULE 1 AND MANAGE THE CONTRACT AND HAVE A MARGIN?

**ANSWER:** Please, be advised that it's Brazilian Air Force costs. Company's costs are expected to be much lower than those, because companies have different prices according their contracts with their suppliers. USD 3,857.99 is a reference price taken from the MRO Market, after a research done with a Request for Information presented to many companies around the world, as established by Brazilian Law and Air Force practices.

**3. Question** – Ref 181301 - Questions and Answers 6, 18. Question - Given that there is no provision as per Basic Project for additional services to those corresponding to the object of the contract, we kindly ask FAB to confirm if those may be requested by the Contractor and whether they will be considered as an on-demand service to be paid as additional or Over & Above upon formal request, formal presentation of a proposal and payment of specific invoice. As an example included but not limited in this condition: modifications or upgrades to aircraft or aircraft components, needs to comply with service bulletins or old TCTOs, as well as, the appearance of new service bulletins or TCTOs for the aircraft or components to be complied with.

ANSWER: Mandatory modifications related to airworthiness are included at the flight hour price. Recommended modifications must be approved by Air Force and will be paid by dedicated invoices.

PLEASE CONFIRM IF THIS ANSWER IS CORRECT AS IT IS VERY DIFFICULT TO PREDICT THE COST OF A NEW SERVICE BULLETIN OR TCTO. NEW SBs / TCTOs could demand mayor repair or changes to the aircraft

**ANSWER:** It's correct. Company must remember that flight-hour price includes a quota for man-hour and material related to FINDINGS. This quota is equal to 50% of the man-labour and 50% of cost material, that are predicted to the on going inspection. In this case presented by company, the mandatory SB or TCTO is considered a FINDING, an activity not predicted, and it'll use the Over & Above established by FINDINGS quota defined according to the rule above.

**Question** – Please note that our company has a certificate from our Military Aviation Authority and a Certificate as a Service Center from Lockheed Martin to perform C130 maintenance. Unfortunately the 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?



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**ANSWER:** Company must present a Certificate for Cell Category, Class 4, RBAC 145, issued by ANAC (Brazil) or an equivalent document from a civil certification agency or from COMAER, specifically for C-130 maintenance, or from other agencies outside Brazil that issues equivalent certificates (clause 7.5.1). Clause 7.5.2 details clause 7.5.1 defining that it must exist a respective bilateral safety agreement between ANAC (Brazil), COMAER or equivalent agency, and the agency that issued the certificate presented for the process.

**Question** – The Basic Project Plan attachment A estimates a cost per flight hour of USD 3857,99-THE QUESTION IS: IF THE BIDDER QUOTE A HIGHER COST PER FLIGHT HOUR THAN THE ONE MENTIONED IN THE BASIC PROJECT PLAN, WILL IT BE CONSIDERED OR WILL IT BE DISQUALIFIED?

**ANSWER:** The bidders which present a superior cost per flight hour described in the Basic Project will be disqualified.

**Question-** "PB 6.1.12 & 6.3.10" Please clarify. "" ... Should the CONTRACTED PARTY FAIL with the comply with such time..."" Is this time referred to the TAT proposed by the contractor or is the TAT estimated by the USAF maintenance manual?

**ANSWER:** The reference is the time estimated by USAF maintenance manual for the ISCHRONAL inspections or PDM inspections.

**Question** - Please confirm our understanding that FAB will issue invoices to the contractor corresponding to the quantities and amount of the inventory items to be transferred to the contractor as part of payment (up to 25%). The invoices are needed for fiscal purposes?

**ANSWER:** FAB inventory will be transferred to future Contractor according to practice defined by Brazilian Air Force Administration Instructions and Brazilian Law.

- **8. Question** Please clarify how the material transfer will be treated from a fiscal / customs point of view:
- Will there be an invoice with the value of the goods transferred to the contractor? There must be a reference value to be used for the corresponding discount due prior to payment settlement.
- Are there any export taxes or fees mandated by Brazilian Law / FAB rules for the export of parts whose property is transferred to the contractor / sub-contractor?
- Are there any objections to the transfer of property from FAB directly to subcontractors?

**ANSWER:** A) Yes, there will be invoices with the value of inventory transferred to the Contractor. The value on the invoice will be defined by PAMAGL, according to the method of depreciation.

- B) Customs taxes and fees will be paid by Brazilian Air Force.
- C) Yes, inventory must be transferred to Contractor, because inventory, by force of contract, must be transferred to Contractor.

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**9. Question** - The version of the ICA 12-23 referred in Basic Project is the 2014 or 2017?

**ANSWER:** ICA 12-23 Revision 2017 revokes Revision 2014. So Contractor must consider the information provided at the latest issue.

**10. Question** - Please confirm our assumption that there will be no taxes, duties, levies or fees to be paid in Brazil over the amounts (be it in monies, inventory parts or any goods or services) received from the Contracting part.

**ANSWER:** Payment in money will be done by CABW. Payment in inventory will have a specific invoice, informing the depreciated value established by PAMAGL according to Air Force Administration Rules, and all taxes and fees concerning custom clearance will be paid by FAB.

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. http://www.cabwnews.com/index.php/solicitations.html