

**BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON D.C.**



**REPUBLISHING OF INVITATION FOR BID 180963/CABW/2018  
PAG 67102.180963/2018-48**



## CONTENTS

1. DEFINITIONS .....	4
2. OBJECT .....	4
3. PARTICIPATION REQUIREMENTS .....	5
4. ACCREDITATION.....	5
5. ENVELOPES WITH QUALIFICATION DOCUMENTATION AND PROPOSAL .....	6
6. QUALIFICATIONS (ENVELOPE # 01) .....	7
7. PRICE PROPOSAL (ENVELOPE # 02) .....	8
8. PROCEDURE FOR OPENING ENVELOPES .....	9
9. REVIEWING QUALIFICATION DOCUMENTS.....	10
10. REVIEWING THE PRICE PROPOSAL .....	10
11. HOMOLOGATION AND ADJUDICATION .....	11
12. CONTRACT .....	11
13. SUBCONTRACTING .....	12
14. TERMS .....	12
15. FINANCIAL GUARANTEE .....	12
16. PRICE ADJUSTMENT .....	12
17. PAYMENT.....	13
18. MONITORING.....	14
19. RECEIPT OF THE OBJECT .....	14
20. OBLIGATIONS OF THE CONTRACTING PARTY AND THE CONTRACTED PARTY .....	15
21. BUDGETARY ALLOCATION.....	15
22. APPEALS.....	15
23. GENERAL PROVISIONS .....	16



MINISTRY OF DEFENSE  
AERONAUTICAL COMMAND  
BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON D.C.

REPUBLISHING OF INVITATION FOR BID 180963/CABW/2018  
PAG 67102.180963/2018-48

**Legal Support:** The Brazilian Federal Government, through the Brazilian Aeronautical Commission in Washington (“BACW”), lets it be known to all who may be interested, that on the date, time and place indicated below, BACW will carry out a REPUBLISHING of bidding process on the basis of indirect execution, to be adjudicated based on the **LOWEST GLOBAL PRICE PER MODULE** (Letter A, Sub-item VIII of Article 6 of Brazilian Law 8,666/93), in accordance with this INVITATION FOR BID and its Annexes. The bidding procedures will follow the principles of the Law nº 8,666/93 (Brazil), its related legislation, and the other requirements provided in this INVITATION FOR BID and its Annexes. Furthermore, bids submitted to BACW will be interpreted, evaluated and judged according to the principles of the articles 3 and 123 of Law nº 8,666 from 06/21/1993, regarding legality, impartiality, moral, equality, transparency.

Date of delivery and opening of envelopes:	April 23, 2018		
Time:	9:00 a.m. (Eastern Standard Time)		
Address:	1701 22nd St N.W. Washington D.C 20008	Phone:	(202) 483-4031
		Fax:	(202) 483-4684
		E-mail:	<a href="mailto:con@cabw.org">con@cabw.org</a>
Accreditation:	April 23, 2018		
Time:	9:00 a.m. (Eastern Standard Time)		



## 1. DEFINITIONS

1.1. In order to facilitate the comprehension of terminology and to simplify text composition, the following abbreviations and expressions were adopted, followed by their definitions hereafter:

1.1.1.1. BP or BASIC PROJECT- As per Brazilian Law 8.666, dated June 21, 1993, the set of necessary and sufficient elements, with the necessary degree of precision, to define the project, service or body of work, which will constitute the Bid Subject. It is drafted based on the suggestions drawn from preliminary technical studies, which ensure technical feasibility and adequate treatment of the project's environmental impact, as well as evaluating the project or service's costs, defining the methods and terms for its performance.

1.1.1.2. COMAER – Brazilian Aeronautical Command;

1.1.1.3. COMREC - Goods and Services Receiving Commission;

1.1.1.4. CONTRACTED PARTY – the natural person or legal entity contracted to perform the services;

1.1.1.5. CONTRACTING PARTY- Brazilian Aeronautical Commission in Washington, DC (BACW);

1.1.1.6. FAB – Brazilian Air Force

1.1.1.7. ICA – Aeronautical Command Directive;

1.1.1.8. INVOICE – Commercial document formalizing an act of purchase and sale abroad, which must contain- among other information- the following data: supply quantity, supply unit, price, payment terms, taxes, duties and FAB Purchase Order Number.

1.1.1.9. MO - Military Organization;

1.1.1.10. MONITOR- the individual or commission representing the CONTRACTING PARTY before the CONTRACTED PARTY, appointed to systematically monitor the fulfillment of contractual terms and complementary orders issued by the Government, in all their aspects;

1.1.1.11. PAG – Administrative Management Process;

1.1.1.12. PRODUCER - An insurance producer (also called an agent or insurance broker) is an individual licensed by a State's Insurance Division or Department to sell insurance in that State;

1.1.1.13. PURCHASE ORDER - Document issued by the CONTRACTING PARTY authorizing the performance of the deliverables.

1.1.1.14. TERM OF RECEIPT – Document issued by the COMREC attesting and accepting services performed.

## 2. OBJECT

2.1. Contracting of **(1) BUILDING AND PERSONAL PROPERTY INSURANCE** and **(2) AUTOMOBILE INSURANCE**, independently per MODULE, for an initial 12 (twelve month term, starting on the date of contract execution, which may be extended up to 60 months) as follows:



### **2.1.1. MODULE 1 - BUILDING AND PERSONAL PROPERTY INSURANCE**

2.1.1.1. The Brazilian Aeronautical Commission has 2 (two) buildings, as their addresses can be verified below:

Facility	Address
Headquarters	1701 22nd St. N.W. Washington, DC 20878
Warehouse	4601 Beech Road, Temple Hills MD 20748

### **2.1.1. MODULE 2 - AUTOMOBILE INSURANCE**

2.1.1.1. The Brazilian Aeronautical Commission has 11 (eleven) vehicles under its responsibility. From those, 8 (eight) are leased every 36 months, and 3 (three) are owned by the Commission.

2.2. The following annexes are integral parts of this Invitation For Bid, regardless of whether or not they are herein transcribed:

**ANNEX I – BASIC PROJECT;**

**ANNEX II - PRICE PROPOSAL MODEL;**

2.3. The services that are object of this INVITATION FOR BID shall be performed on the basis of indirect execution, at the Lowest Global Price per Module.

## **3. PARTICIPATION REQUIREMENTS**

3.1. Interested companies, registered with BACW or not, that are related to the object of this bidding may participate in this Bidding Process pursuant to the provisions of the respective acts that established the bidding. The BACW will select and invite at least three (3) companies.

3.2. Companies that are under the following conditions may not participate in the bidding:

3.2.1. Bankruptcy, legal restructuring, or extrajudicial reorganization;

3.2.2. Dissolution or liquidated;

3.2.3. Suspended from participating in bidding processes or have a note of failure on the execution of a contracting in its registration in BACW in the last 3 months;

3.2.4. Barred from participating in bidding processes and entering into a Contract agreement with the Brazilian Federal Government;

3.2.5. That are declared not to be in good standing to enter into an agreement with the Public Administration (Brazil);

3.2.6. That are part of a consortium, or joint venture that is separately participating in the bidding, or control or are controlled by another entity participating in the bidding process.

## **4. ACCREDITATION**

4.1. The bidder, or its representative shall report to the Bidding Commission at the place, date and time indicated in the preamble to this INVITATION FOR BID for the purpose of conducting the registration of the participants in this Bidding Process, with his/her ID card, or other



identification document, along with the document granting him/her powers to express opinions during the bidding procedures (such documents shall be made available outside of the Envelopes containing the Qualification Documents and Price proposals).

**4.1.1.** Failure to present any of the documents for registration or presentation of incorrect documents shall not preclude participation of the bidder. However, it will prevent its representative from expressing an opinion on behalf of the bidder.

**4.2.** The representative of a bidder shall be any qualified individual under the terms of its incorporation papers, public power of attorney document, private and notarized power of attorney document, or equivalent document.

**4.2.1.** Incorporation papers or registration as a proprietorship shall describe the authority of the representative of the bidder to represent it before third parties.

**4.2.2.** A power of attorney document shall describe all the required powers to present proposals and carry out all acts pertaining to the bidding process, and should be accompanied with incorporation papers or proprietorship registration.

**4.3.** A registered representative may only represent one bidder.

## **5. ENVELOPES WITH QUALIFICATION DOCUMENTATION AND PROPOSAL**

**5.1.** Each bidding participant shall present two envelopes, one containing qualification documents and the other the price proposal.

**5.2.** The sets of documents pertaining to qualification and price proposal shall be delivered separately, inside sealed envelopes, with an initial on the flap and identified with the name of the bidder.

**5.3.** Bidders are strongly urged to use the following identification label format in order to identify their bids.

**ENVELOPE Nº 01 – QUALIFICATION DOCUMENTS**  
BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON  
INVITATION FOR BID Nº 180963/CABW/2018  
**[NAME OF THE COMPANY]**

**ENVELOPE Nº 02 – PRICE PROPOSAL**  
BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON  
INVITATION FOR BID Nº 180963/CABW/2018  
**[NAME OF THE COMPANY]**

**5.4.** The ENVELOPE Nº 01 – QUALIFICATION DOCUMENTS, and the ENVELOPE Nº 02 – PRICE PROPOSAL **must be included in an oversized envelope, sealed and addressed to the BIDDING COMMISSION.** The name and address of the bidder must be shown in the upper left corner of the bid envelope, and the INVITATION FOR BID number, the date and hour of bid opening must be shown in the envelope in accordance with the following model:



**C/O BIDDING COMMISSION – BID # 180963/CABW/2018**  
BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON  
1701 22nd Street N.W. Washington, DC 20008

SESSION ON **April 23, 2018 at 9:00 a.m. (EST)**  
**NAME OF THE COMPANY**

**5.4.1.** The envelope may be forwarded by Postal Service or other similar delivery services, with tracking capabilities, and proof of delivery receipt. The envelope must be delivered at least by the opening of the public session at **09:00 a.m.** (Eastern Standard Time) of **April 23, 2018.**

**5.4.1.1.** Bidders are strongly advised to inform the tracking number of their envelopes to the BIDDING COMMISSION by means of the e-mail [con@cabw.org](mailto:con@cabw.org) prior to the date and time of the opening of the public session.

**5.4.1.2.** Envelopes delayed to be delivered to the BIDDING COMMISSION due to carrier issues or improper envelope identification shall not be considered.

**5.4.1.3.** BACW shall not be responsible for mistakes due to envelopes improper identification.

**5.4.1.4.** When sending envelope by Postal Service, the bidder must include the bid number on the outside envelope, so the package can be identified when arrived at BACW. (e.g Some carriers permit the inclusion of the Bidding Number in the REFERENCE field.)

**5.4.2.** Envelopes may also be presented in person to the Bidding Commission in the public session.

## **6. QUALIFICATIONS (ENVELOPE # 01)**

**6.1.** Companies must deliver the following documents in its qualification envelope.

### **6.2. Legal Qualification:**

**6.2.1.** Present evidence of the **Company's Federal Tax Identification Number/EIN;**

**6.2.2.** Present the **Basic Business License** or other evidence of authorization to operate in the relevant jurisdiction, in the relevant field and issued by relevant Government Agency;

**6.2.3.** Present the following documents of the Company: **Certificate of Incorporation, or Certificate of Formation, or Articles of Incorporation, or Articles of Organization,** or other similar organizational document.

**6.2.4.** Present a valid **Certificate of Liability Insurance** of the Company (proof of insurance);

### **6.3. Technical Qualification:**

**6.4.** PRODUCERS participating as representatives of the Insurance Companies in this Bidding Process must present technical qualification.



- 6.4.1.** PRODUCERS must present **proof of being licensed** in the state in which the agent or business entity is established, OR by the District of Columbia to perform business as PRODUCER for the insurances that are related to this solicitation.
- 6.4.2.** PRODUCERS must present the **agreement, or equivalent document from the Insurance Company**, being represented in which it received authority to represent the Insurance Company for the services that are object of this INVITATION FOR BID.
- 6.5.** The required certificates, licenses, agreements and/or statements shall be valid in cases where there are expiration dates.
- 6.6.** No delivery slip or official request for documents will be accepted in lieu of the documents required in this Invitation For Bid and its Annexes

## **7. PRICE PROPOSAL (ENVELOPE # 02)**

- 7.1.** The proposal, which should be typed and written in English, must be clear and have no amendments or erasures, duly dated and signed, with all pages initialed by the bidder's representative, according to the model in ANNEX II and the BASIC PROJECT, ANNEX I.
- 7.2.** The PRICE PROPOSAL must indicate the GLOBAL PRICE POR MODULE.
- 7.3.** The proposal shall include:
- 7.3.1.** The service quoted shall include all costs arising from the performance of the services, whether direct or indirect, including but not limited to what is described below: all inputs such as fees and/or taxes of invoice, social contributions, duties and taxes, administrative fees, permits, and all other fees necessary for full compliance with the object of the INVITATION FOR BID , in accordance with the BASIC PROJECT.
  - 7.3.2.** Costs identified as funding or other non-specific terms shall not be accepted in the price proposal.
  - 7.3.3.** Tax rates quoted by the bidder shall not exceed the limits established under applicable tax legislation.
  - 7.3.4.** The validity of the proposal shall not be less than sixty **(60) days** from the day the bidding process is officially initiated.
- 7.4.** Under no circumstances shall the content of the submitted proposals be changed, neither with regard to price nor any other terms or conditions that imply any alteration to the original proposal. Exceptions are allowed only when these are formal changes intended to resolve immaterial errors or mistakes, without any alteration to the substantive content of the proposal or the aforementioned terms and conditions, and provided they will not cause any adverse impact to the other bidders.
- 7.5.** Errors in filling out the proposal should not warrant disqualification of the proposal when it is possible to make adjustments without the need to increase the prices offered, and provided it is demonstrated that the amount will be sufficient to cover all costs of the Contract.
- 7.5.1.** In case errors are noticed, the Bidding Commission will perform a diligence in order to assure that the adjustments to be made do not constitute need to increase the offered prices, and/or the offered price covers the cost of the CONTRACT.





**7.5.2.** Any correction in proposals shall be duly recorded in the open session's meeting minutes.

**7.6.** The changes addressed under this item shall be submitted to the Bidding Commission for review.

**7.7.** The Bidding Commission may perform the correction of any of the above-described errors, or it can request the Bidder to submit the corrected proposal. No complaints with regard to the proposals will be admitted after they are duly recorded in the minutes.

**7.8.** After qualification, it is not possible to withdraw a proposal, unless for cause due to a supervening fact as accepted by the Commission.

**7.9.** The award will be made to the lowest responsive bid per module after qualification phase and price proposal acceptance.

## **8. PROCEDURE FOR OPENING ENVELOPES**

**8.1.** On the date, time and place indicated in this INVITATION FOR BID , in a public act, before the bidders present, the Permanent Bidding Commission will receive the oversized sealed envelopes (referenced in item 5.4) containing **Envelopes nº 01 and nº 02**, and will proceed to initiate the bidding process.

**8.1.1.** These public acts may be attended by any person, but only the bidders and their registered representatives will be allowed to engage the Bidding Commission in conversation.

**8.2.** Once the deadline for delivering the documents has passed, no other documents will be received, nor will there be accepted any addendum or clarifications regarding the documentation or price proposal submitted.

**8.3.** After the bidders are identified, the Bidding Commission will proceed to opening Envelopes nº 01 – Qualification Documents.

**8.3.1.** The content of the envelopes shall be initialed by the members of the Bidding Commission and the representatives of all of the bidders present.

**8.4.** The qualification of the bidders will be verified, in accordance with this INVITATION FOR BID .

**8.4.1.** Should the Bidding Commission deem necessary, it could adjourn the public session, so as to analyze the documents presented by the bidders, setting, at that time, a new date and time when a new public meeting will take place, informing all bidders.

**8.4.1.1.** Considering the above hypothesis, all the qualification documents already initialed, and the Envelopes nº 2 – Price Proposals – initialed on the outside by the present bidders and the Bidding Commission members, will be kept by the Bidding Commission, until the qualification phase is concluded.

**8.5.** Disqualified bidders will have the Envelope nº 2 returned unopened after the legal period has transpired without appeal or its withdrawal, or an adverse decision on its appeal.

**8.6.** In case there are not 3 (three) participating bidders at the bidding meeting, the Bidding Commission will inquire to the present bidders about safeguarding their envelopes for a republishing of the IFB to be announced at later date.



**8.7.** After the analysis of the QUALIFICATION DOCUMENTS, it will be granted the deadline of 2 (two) business days, for the bidders to present any appeals. After that, a date for new meeting for opening the PRICE PROPOSAL will be announced.

**8.7.1.** The opening of PRICE PROPOSAL may occur at the same meeting in the following cases:

**8.7.1.1.** All bidders are declared QUALIFIED by the BIDDING COMMISSION, and the present bidders waive their right to appeal.

**8.7.1.2.** All the bidders are present and waive their right to appeal.

**8.7.1.3.** If the Bidding Commission consults the bidders that are not present at the meeting and they waive their right to appeal together with all bidders present.

**8.8.** In the event that one of the bidders does not withdraw the right to appeal the qualification phase, Envelopes nº 2 – Price Proposals – will be initialed by the bidders, and kept in a safe until a date is set for their opening.

**8.9.** After the qualification phase is finished and all the proposals have been opened, bidders cannot be disqualified by any reason related to the qualification process, with the exception of any supervening facts, or facts only known after the judging of the proposals.

**8.10.** The price proposals from the qualified bidders will be judged according to the requirements set forth in this INVITATION FOR BID .

**8.11.** If all the participants are disqualified for reason of their QUALIFICATION DOCUMENTS or otherwise, the Bidding Commission may establish a term of three (3) business days for new documentation or proposals to be submitted.

**8.12.** During all public acts, detailed minutes will be prepared and signed by the members of the Commission and the bidders' legal representatives in attendance.

## **9. REVIEWING QUALIFICATION DOCUMENTS**

**9.1.** Participants will be **disqualified** if:

**9.1.1.** They submit documents required in this INVITATION FOR BID that are expired and/or not duly updated and/or not responsive to the requirements set forth in the INVITATION FOR BID .

**9.1.2.** They include the price proposal inside Envelope nº 01.

**9.2.** Bidders will be notified of their qualification or otherwise through publication. In the event that bidder representative attends the public meeting in which the decision was made, it will be communicated directly to the representative and recorded in the minutes.

## **10. REVIEWING THE PRICE PROPOSAL**

**10.1.** The criterion for reviewing the proposal will be the **LOWEST GLOBAL PRICE PER MODULE**.

**10.2.** It will be **DISQUALIFIED** the proposal which:

**10.2.1.** Does not comply with Item 7 (Price Proposal) of this INVITATION FOR BID ;

**10.2.2.** Is flawed or illegible, it is not specific or presents with irregularities and flaws that hinders its review;



**10.2.3.** It is not in compliance with any requirement set forth in this INVITATION FOR BID or the BASIC PROJECT;

**10.2.4.** It includes advantages that are not provided for in the INVITATION FOR BID , including subsidized financing, lack of any required due dates, or prices or advantages that are based on offers presented by another bidder;

**10.2.5.** It presents prices that are unrealistic in the sense that their viability cannot be appropriately demonstrated through documentation that proves that the costs of input are consistent with market prices and that productivity is consistent with the performance of the object;

**10.2.5.1.** Under these circumstances, the bidder will have **two (2) business days** to demonstrate the feasibility of the prices included in its proposal, in accordance with Article 48, item II, of Law nº 8,666/93 (Brazil), under the penalty of being disqualified.

**10.3.** If there are signs of unrealistic prices in the proposal, or if it is necessary to provide additional clarification, a due diligence may be carried out by the Bidding Commission, in accordance with §3 of Article 43, Law nº 8,666/93 (Brazil).

**10.4.** Once the price proposal which does not meet the requirements of the foregoing items is disqualified, the remaining proposals will be qualified from lowest to highest.

**10.4.1.** Should there be a tie among the proposals, a draw will be conducted. The names of the bidders that are tied will be placed in a sealed box, from which they will be drawn and classified on the basis of the order in which they were drawn.

**10.4.2.** After thirty minutes, the draw will be conducted, regardless of whether the companies or their representatives are in attendance.

**10.5.** Bidders will be notified of the results of bidding through either publication in a U.S. newspaper of national circulation, BACW's website, or other means, at sole discretion of BACW.

**10.5.1.** In the event that bidder representative attends the public meeting in which the decision was made, it will be communicated directly to the representative and recorded in the meeting minutes.

## **11. HOMOLOGATION AND ADJUDICATION**

**11.1.** The bidding process will be submitted to the appropriate authority, who will proceed to ratify it and adjudicate the object to the winning bidder.

**11.2.** The adjudication will be based on the **LOWEST GLOBAL PRICE PER MODULE.**

## **12. CONTRACT**

**12.1.** For this specific hiring, the CONTRACT shall be replaced by a PURCHASE ORDER and the INCURANCE POLICY which shall be in form and substance acceptable to BACW. The PURCHASE ORDER may undergo quantitative increases or decreases in the estimated amounts and values. However, such increases may not exceed 25% of initial amount, in accordance with Brazilian Law nº 8.666/1993.



### 13. SUBCONTRACTING

13.1.1. Sub-contracting is not allowed in this bidding process.

### 14. TERMS

#### 14.1. Term of Validity

14.1.1. This project details the performance of the services over 12 months from the date in which the PURCHASE ORDER and the INSURANCE POLICY were executed, in accordance with this Administration's requirements.

14.1.2. The validity may be extended by mutual agreement between the parties for an additional equal period of 12 months, if it is in the CONTRACTING PARTY's interest, up to the overall limit of 60 months".

#### 14.2. Term of Execution

14.2.1. The period of execution of the PURCHASE ORDER and the INSURANCE POLICY shall be 12 months period, starting at the effective date. **For the purposes of this Basic Project, the effective date shall be May 1, 2018.**

#### 14.3. Acceptance Timeframe

14.3.1. The services shall be definitively received by COMREC, through a final Acceptance Receipt, signed by the parties within 10 (ten) days of written notification by the CONTRACTED PARTY.

14.3.2. Final acceptance does not exclude civil responsibility for the reliability and safety of the service, or ethical/professional responsibility for the perfect performance of the contract.

#### 14.4. Payment Processing Time

14.4.1. Payment processing time for Commercial Invoices shall not exceed 30 consecutive days, starting on the date on which the Acceptance Receipt is issued, signed by COMREC.

14.4.2. Payment shall be made to the CONTRACTED PARTY, provided obligations are fulfilled in full by the delivery date associated with the invoice.

14.4.3. The CONTRACTED PARTY must submit to the CONTRACTING PARTY an INVOICE for the performance of the service within 10 (ten) days of cargo arrival in Brazil. The INVOICE must be issued in US Dollars.

### 15. FINANCIAL GUARANTEE

15.1. The provision of a performance guarantee is not required for this contracting.

### 16. PRICE ADJUSTMENT

16.1. All price installments may be adjusted, through a formal proposal from one of the Parties mentioned in the CONTRACT and only after 12 months have expired from the deadline for the submission of proposals referenced in this INVITATION FOR BID or from the last adjustment; however, adjustments must be preceded indicators/indices supporting the new, updated prices, and a cost table must also be submitted at this time.



**16.2.** In all adjustments following the first one, the annual term shall be counted from the last completed adjustment.

**16.3.** Adjustments shall be preceded by a request from the CONTRACTED PARTY, supported by an analytical demonstration for cost alteration, via the submission of a cost table and price formation, as well as the new agreement or collective stipulation on which the adjustment is based.

**16.4.** It is forbidden to include, at the time of adjustment, benefits which were not contemplated by the initial proposal, except when they become mandatory through the application of a legal document, normative sentence, collective agreement or collective stipulation.

**16.5.** At the time in which an adjustment is requested, it shall only be granted through negotiation between the parties, considering:

**16.5.1.** Normal Market prices and those applied in other contracts executed by the Administration;

**16.5.2.** The peculiarities of the contract in effect;

**16.5.3.** New agreement or collective stipulation of professional categories;

**16.5.4.** New table showing cost variation;

**16.5.5.** Sector indicators, manufacturer tables, official reference amounts, public tables or other equivalent amounts; and

**16.5.6.** The CONTRACTED PARTY'S budget availability.

**16.6.** The decision regarding the request for adjustment must be reached within a deadline of 60 (sixty) days, starting from the date on which proof of cost variation has been delivered.

**16.7.** In case of adjustment, an amendment to the existing contract shall be executed.

**16.8.** The term referenced in the above paragraph shall be suspended until the CONTRACTED PARTY fulfills its tasks or delivers the documentation requested by the CONTRACTED PARTY to prove cost variation.

**16.9.** The CONTRACTING PARTY may submit requests for clarification to verify cost variation claimed by the CONTRACTED PARTY.

**16.10.** The submission of an adjustment proposal by the CONTRACTED PARTY need not be accepted by the CONTRACTING PARTY, which may refuse the proposal.

**16.11.** Should the CONTRACTED PARTY not present duly justified indices, the maximum adjustment amount shall be, or equate to the variation in the CPI (Customer Price Index, issued by the Bureau of Labor Statistics – BLS – issued by the U.S. Bureau of Labor).

## **17. PAYMENT**

**17.1.** The deadline for payment shall be within thirty (30) calendar days from the date the term of receipt is issued by the Receipt Commission.

**17.2.** All payments regarding the INSURANCE POLICY shall be made directly to the insurance company, unless otherwise specified by the INSURANCE COMPANY.

**17.3.** An Invoice shall be issued by the CONTRACTED PARTY in accordance with the following procedures:

**17.3.1.** Payment shall only be made, after the appropriate official's "approval" of the Invoice provided by the CONTRACTED PARTY.



**17.3.2.** The “approval” of the Invoice is contingent upon verification of compliance of the Invoice submitted by the CONTRACTED PARTY with the services that were actually performed;

**17.3.3.** In the event of any mistake in submitting any of the documents required under the previous sub-items or of a situation that prevents fees from being paid, the payment shall remain pending until the CONTRACTED PARTY takes steps to remedy the situation. In this case, the deadline for payment shall take effect after it is verified that the situation has been solved, without any costs to the CONTRACTING PARTY.

**17.4.** Payment shall be made through a bank order of credit, deposit in a bank account, at the branch or bank agency indicated by the CONTRACTED PARTY, or through any other means provided for under the legislation in effect.

**17.5.** The date of payment shall be considered the date when the bank order of payment is actually made.

**17.6.** The CONTRACTING PARTY shall not be responsible for any expenses that may be made by the CONTRACTED PARTY that have not been agreed to in the PURCHASE ORDER and INSURANCE POLICY.

**17.7.** .

## **18. MONITORING**

**18.1.** Verification of adequate contractual fulfillment must be performed based on the criteria established in this BASIC PROJECT and in accordance with contractual terms.

**18.2.** The CONTRACTED PARTY performance must be monitored and inspected through oversight instruments such as reports, including monitoring of the fulfillment of the obligations arising from the agreement.

**18.2.1.** The monitoring of contractual performance carried out by the CONTRACTING PARTY does not eliminate the CONTRACTED PARTY’S responsibility, also before third parties, due to any irregularity, even if arising from technical imperfections, flaws or inadequate use of equipment, and when these incidents occur, they do not imply shared responsibility by the CONTRACTING PARTY, its representatives or employees.

## **19. RECEIPT OF THE OBJECT**

**19.1.** The services that are the object of this BASIC PROJECT shall be received by the MONITOR in accordance with the specifications set forth in this instrument.

**19.2.** It is the responsibility of the MONITOR to:

**19.2.1.** Ensure that the CONTRACTED PARTY meets all requirements for the service objects, which are described in this BASIC PROJECT:

**19.2.2.** Accept or reject services according to the specifications set forth in the BASIC PROJECT within 10 (ten) consecutive days:

**19.2.3.** Once approved, the INVOICES shall be sent to the BACW’s Contract Department, together with an Acceptance Receipt within 5 (five) days. If there is any discrepancy, the INVOICE must be returned to the CONTRACTED PARTY, so that the





necessary corrections may be made, with a letter explaining the reasons for its return;  
and

**19.2.4.** During the performance of the services, all proposals, questions, discrepancies, causing difficulties or requiring evaluation must be submitted to the MONITOR. If necessary, the MONITOR may submit all proposals, questions, discrepancies, causing difficulties or requiring evaluation for the purpose of receiving approval and/or issue of opinion by the BACW's Chief.

## **20. OBLIGATIONS OF THE CONTRACTING PARTY AND THE CONTRACTED PARTY**

**20.1.** The obligations of the CONTRACTING PARTY and CONTRACTED PARTY are established in the, BASIC PROJECT, Annex I, Lease Term, and the PURCHASE ORDER, and other obligations provided for in this INVITATION FOR BID.

## **21. BUDGETARY ALLOCATION**

**21.1.** Financial resources shall be drawn from, Action 2000, Expenditure Item 339039, or any other Programs or Actions which may provide such support, given that the transportation and customs clearance in question shall serve all of the Brazilian Air Force's Systems.

## **22. APPEALS**

**22.1.** The actions of the Administration (BACW), during this Bidding Process, may be appealed as follows:

**22.1.1.** Appeal to the BIDDING COMMISSION within **two (2) business days**, from the date of notification or registration of the minutes of the meeting/session, in the cases of:

**22.1.1.1.** Qualification of the bidder or lack thereof;

**22.1.1.2.** Judgment of the proposals;

**22.1.1.3.** Annulment or revocation of the bidding process;

**22.1.1.4.** Denial of a request for application or registration, alteration or cancellation;

**22.1.1.5.** Termination of the CONTRACT, unilaterally by the Administration (BACW) for cases provided for under item I, Article 79 of Federal Law nº 8.666/93 (Brazil);

**22.1.1.6.** Issuance of a warning, suspension or compensatory fine.

**22.2.** Once a request for appeal has been filed, it will be communicated to the other bidders, which may present counter-arguments within **two (2) business days**.

**22.3.** The appeal will be addressed to the BIDDING COMMISSION, which may reconsider its decision within **five (5) business days**.

**22.3.1.** If the appeal is rejected, the BIDDING COMMISSION must forward the appeal to the BACW'S CHIEF, for an additional **five (5) business days**, all of which will be duly notified.



## **23. GENERAL PROVISIONS**

**23.1.** Any doubts arising from the provisions of this INVITATION FOR BID may be the subject of consultation, in writing, with the Bidding Commission in charge of this bidding process, up to 48 hours before the delivery of the proposals.

**23.1.1.** All questions will be consolidated and answered in writing after the deadline for consultation has elapsed. A circular communication will be posted by the Bidding Commission and forwarded to the interested parties that have provided an e-mail address.

**23.2.** The interested party shall carefully review the INVITATION FOR BID and its Annexes, as well as all the instructions, terms and conditions, and BASIC PROJECTs presented, and become familiar with all circumstances or details that may affect the assessment of costs and the terms involved in performing the object of this bidding process.

**23.3.** The bidders shall be responsible for all costs associated with the preparation and presentation of their proposal. The Administration (BACW) shall not in any way be responsible for those costs, regardless of the proceedings and outcomes of the bidding process.

**23.4.** Participation in this bidding process implies full acceptance of the terms and conditions established in this INVITATION FOR BID and its Annexes, as well as with the requirement to comply with the provisions herein.

**23.5.** Any changes or amendments to this INVITATION FOR BID will require its dissemination in the same publication that the original solicitation was posted, with the initial term being postponed, except when the changes do not in any way affect the formulation of proposals.

**23.6.** If it is not a business day or if there is any event that prevents the bidding process from being held on the scheduled date, the session will be automatically rescheduled to the following business day at the same time and place previously indicated, unless communicated otherwise by the Bidding Commission.

**23.7.** In any stage during the bidding process, the Bidding Commission or the BACW's Chief may promote diligence intended to clarify or complement the process, provided it does not involve the later inclusion of any document or information that should be made available at the public bidding session.

**23.8.** The approval of the outcome of this bidding process does not imply a right to being contracted.

**23.9.** The BACW reserves the right to revoke or annul the Bidding Process in cases clearly in the public interest, e.g.:

**23.9.1.** Where there is no longer a requirement for the supplies or services; or

**23.9.2.** Where amendments to the INVITATION FOR BID would be of such magnitude that a new INVITATION FOR BID is desirable.

**23.10.** If this INVITATION FOR BID is cancelled, bids that have been received shall be returned unopened to the bidders and notice of cancellation shall be sent to all prospective bidders to whom INVITATION FOR BID were issued.

**23.11.** Preservation of the integrity of the competitive bid system dictates that, after bids have been opened, award must be made to that responsible bidder who submitted the lowest





responsive bid, unless there is a compelling reason to reject all bids and cancel the INVITATION FOR BID .

**23.11.1.** INVITATION FOR BID may be cancelled and all bids rejected before award but after opening, only when formally and in writing, by the Chief of the BACW, in the following circumstances:

**23.11.1.1.** Inadequate or ambiguous specifications were cited in the INVITATION FOR BID ;

**23.11.1.2.** Specifications have been revised;

**23.11.1.3.** The supplies or services being contracted for are no longer required;

**23.11.1.4.** The INVITATION FOR BID did not provide for consideration of all factors of cost to the Government;

**23.11.1.5.** For other reasons, cancellation is clearly in the Brazilian public's interest;

**23.12.** The terms established in this INVITATION FOR BID and its Annexes do not include the first day, but include the last day. Deadlines shall fall on regular business day for the Administration (BACW).

**23.13.** The rules which govern the bidding process shall always be interpreted so as to increase competition among the bidders, provided that it does not jeopardize the interest of the Administration (Brazilian Public Administration), or the principles of equal rights, the purpose and security of the contracting.

**23.14.** In the event of discrepancies between the provisions of this INVITATION FOR BID and the other documents of the bidding process, the INVITATION FOR BID will prevail, with the exception of the CONTRACT executed by the winning bidder (CONTRACTED PARTY) shall govern its relationship with the BACW.

**23.15.** The INVITATION FOR BID and its Annexes may be read and/or obtained at BACW at the address indicated below, during business days, from 8:30 a.m. to 11:30 a.m., and 1:30 p.m. to 3:00 p.m (EST).

**23.16.** The records of this administrative proceeding will remain available to all interested parties at the agency located at the address below, during business days from 8:30 a.m. to 11:30 a.m., and 1:30 p.m. to 3:00 p.m. (EST), after previously scheduled time.

**1701 22<sup>nd</sup> St N.W.**

**Washington, D.C. 20008**

**Ph.: (202) 483 4031**

**Fax: (202) 483 4684**

**E-mail: [con@cabw.org](mailto:con@cabw.org)**

**23.17.** The United States District Court for the District of Columbia or the Superior Court in Washington, D.C., shall be the court in which any action or proceedings that might arise in connection with the bidding process must be filed and adjudicated, and the parties irrevocably submit to the exclusive jurisdiction of such court. This INVITATION FOR BID and the bidding process shall be construed and interpreted in accordance with the principles of Brazilian Law N° 8,666/93 and any other applicable laws and regulations of the Federative Republic of Brazil, and shall be governed by and enforced in accordance with the laws of the District of Columbia.



**23.18.** It is hereby agreed by the parties that the language of this INVITATION FOR BID , for the purpose of documentation, correspondence, and any other interests shall be **ENGLISH**.

Washington DC, April 16, 2018.

**Prepared by:**

RENATO ALVES DE OLIVEIRA, Lt Col.  
President of BACW's Bidding Commission

**Reviewed by:**

NAZARENO CORREIA PEREGRINO, Lt. Col.  
Chief of Fiscal Division

**Approved by:**

LEONARDO GUEDES, Col.  
Chief of BACW



**MINISTRY OF DEFENSE  
AERONAUTICAL COMMAND  
BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON D.C.**

**BASIC PROJECT 015/DLC/2018**

**Legal basis:** Prepared on the basis of the premises contained in Art. 123 of Law nº 8.666/1993.

**INDEX**

1. PREAMBLE .....	2
2. OBJECT .....	3
3. JUSTIFICATION .....	3
4. BUILDING DATA (MÓDULO 1).....	4
5. VEHICLE'S DATA (MÓDULO 2) .....	6
6. ENFORCEMENT REGIME .....	8
7. TECHNICAL QUALIFICATION .....	8
8. PRICE PROPOSAL .....	9
9. TERMS .....	9
10. PAYMENT .....	10
11. PRICE ADJUSTMENT .....	11
12. MONITORING .....	11
13. RECEIPT OF THE OBJECT .....	12
14. OBLIGATIONS .....	12
15. ESTIMATED BUDGET .....	13
16. BUDGET ALLOCATION .....	14



## 1. PREAMBLE

1.1. The purpose of this BASIC PROJECT is to introduce the set of necessary and sufficient elements, with the necessary degree of precision, to define the service, OBJECT required by the Administration, which shall be incorporated in the Administrative Management Process ('PAG') addressing the contracting of **(1) BUILDING AND PERSONAL PROPERTY INSURANCE** and **(2) AUTOMOBILE INSURANCE**, for an initial 12- (twelve-) month term, starting on the date of contract execution, which may be extended up to 60 months seeking the fulfillment of COMAER's needs, developed based on preliminary considerations, which ensure technical viability of the project, assess its costs and define its timeline and implementation methods, as well as guiding and governing the future relationship between the CONTRACTED PARTY and the CONTRACTING PARTY

## 1.2. DEFINITIONS:

1.2.1. In order to facilitate the comprehension of terminology and to simplify text composition, the following abbreviations and expressions were adopted, followed by their definitions hereafter:

1.2.1.1. BP or BASIC PROJECT- As per Brazilian Law 8.666, dated June 21, 1993, the set of necessary and sufficient elements, with the necessary degree of precision, to define the project, service or body of work, which will constitute the Bid Subject. It is drafted based on the suggestions drawn from preliminary technical studies, which ensure technical feasibility and adequate treatment of the project's environmental impact, as well as evaluating the project or service's costs, defining the methods and terms for its performance.

1.2.1.2. COMAER – Brazilian Aeronautical Command;

1.2.1.3. COMREC - Goods and Services Receiving Commission;

1.2.1.4. CONTRACTED PARTY – the natural person or legal entity contracted to perform the services;

1.2.1.5. CONTRACTING PARTY- Brazilian Aeronautical Commission in Washington, DC (BACW);

1.2.1.6. FAB – Brazilian Air Force

1.2.1.7. ICA – Aeronautical Command Directive;

1.2.1.8. INVOICE – Commercial document formalizing an act of purchase and sale abroad, which must contain- among other information- the following data: supply quantity, supply unit, price, payment terms, taxes, duties and FAB Purchase Order Number.

1.2.1.9. MO - Military Organization;

1.2.1.10. MONITOR- the individual or commission representing the CONTRACTING PARTY before the CONTRACTED PARTY, appointed to systematically monitor the fulfillment of contractual terms and complementary orders issued by the Government in all their aspects;

1.2.1.11. PAG – Administrative Management Process;



**1.2.1.12. PRODUCER** - An insurance producer (also called an agent or insurance broker) is an individual licensed by a State's Insurance Division or Department to sell insurance in that State;

**1.2.1.13. PURCHASE ORDER** - Document issued by the CONTRACTING PARTY authorizing the performance of the deliverables.

**1.2.1.14. TERM OF RECEIPT** - Document issued by the COMREC attesting and accepting services performed.

## 2. OBJECT

**2.1. Contracting of (1) BUILDING AND PERSONAL PROPERTY INSURANCE and (2) AUTOMOBILE INSURANCE**, independently per MODULE, for an initial 12- (twelve-) month term, starting on the date of contract execution, which may be extended up to 60 months) as follows:

### 2.1.1. MODULE 1 - BUILDING AND PERSONAL PROPERTY INSURANCE

**2.1.1.1.** The Brazilian Aeronautical Commission has 2 (two) buildings, as their addresses can be verified below:

Facility	Address
Headquarters	1701 22nd St. N.W. Washington, DC 20878
Warehouse	4601 Beech Road, Temple Hills MD 20748

### 2.1.1. MODULE 2 - AUTOMOBILE INSURANCE

**2.1.1.1.** The Brazilian Aeronautical Commission has 11 (eleven) vehicles under its responsibility. From those, 8 (eight) are leased every 36 months, and 3 (three) are owned by the Commission.

## 3. JUSTIFICATION

**3.1.** It should be taken into account that the BACW's mission, per its Internal Regulations, is to: centralize, within its operational area, support-related logistic activities and services abroad, contract management, as well as other actions which might be assigned to it, within the COMAER's sphere of interest.

**3.2.** The object of this hiring aims the contracting of auto insurance and property insurance for the Brazilian Aeronautical Commission in D.C.

**3.3.** Based on this prism, a principal reason for hiring an insurance company is not the payment of eventual indemnification due to claim, but the absorption of risk of property in which the CONTRACTING PARTY wants to insure.

**3.4.** Regarding auto insurance, the 1978 Diplomatic Relations Act and the Foreign Missions Act require that all Motor Vehicles owned and operated in a U.S. Jurisdiction by a member of the Foreign Mission Community carry liability insurance coverage at all times. It is the responsibility of all Foreign Missions to provide OFM with written proof of continuous insurance coverage.



3.5. On the other hand, for the property insurance the CONTRACTING PARTY seeks the assurance of the protection of the facilities and its contents against claims that would preclude the Commission to perform its work.

3.6. Based on that, the hiring of building and personal property insurance as well as the automobile insurance is the efficient and effective way to protect the Public patrimony, guaranteeing the reposition of funds to the Brazilian Government in case of claims that could generate damage of loss to the secured content.

#### 4. BUILDING DATA (MÓDULO 1)

4.1. In order to provide with a realistic specification for the bidders to submit a price proposal, the Brazilian Aeronautical Commission presents the description for each building for the purposes exposed herein.

4.2. Moreover, the **Loss Run** for the properties is attached as Appendix I of this Basic Project.

#### 4.3. Washington D.C. – HEADQUARTERS:

4.4. Name: Brazilian Aeronautical Commission's Headquarters (Owned)

4.5. Location: 1701 22<sup>nd</sup> St. N.W. Washington D.C. 20008

4.6. Value of the Building: US\$ 7,042,329.09

4.7. Value of the content: US\$ 1,050,785.15

4.7.1. Electronic Equipment: US\$ 103,319.89 (amount included in the value of the content)

4.8. Built on: 1970.

4.9. Number of full-time employees:

4.9.1. 40 Civilian full-time employees

4.9.2. 11 Military personnel.

4.10. Number of Stories: 5 stories (1 Basement and 4 Floors)

4.11. Normal Building Operating Hours: 7:15 a.m. to 3:15 p.m. (EST)

4.12. The building has no sprinkler system.

4.13. Elevator:

Maintained by Collins Elevator

Drive Machine: Hollister Whitney Basement traction machine

Drive Motor: Imperial AC motor

Controller: Motion Control Engineering VVFR controller

Door equipment: G.A.L manufacturing

4.14. Fire Alarm: Replaced in 2017. 2 fire extinguisher on each floor, and smoke detectors.

4.15. Burglar Alarm System: Honeywell Vista 20P Control Panels, 18 zones installed. Maintained by Petibon Alarm Co.

4.16. Building Statistics:

4.16.1. Lot Size: 5000 Sq Ft

4.16.2. Site area: 2500 Sq Ft

4.16.3. Gross area: 16,270 Sq Ft

4.16.4. Parking Lot area: 2500 Sq Ft





Room Name	Building	Location	Area (Sq Ft)
Parking Lot	BACW-Headquarters	22nd St	1943.88
Parking Lot	BACW-Headquarters	R St	400.8

**4.17. Temple Hills, MD. – WAREHOUSE:**

- 4.17.1. Name: Brazilian Aeronautical Commission's Warehouse
- 4.17.2. Location: 4601 Beech Road, Temple Hills MD 20748
- 4.17.3. Value of the Building: US\$ 1,400,800.00
- 4.17.4. Value of the content: US\$ 229,867.45
  - 4.17.4.1. Electronic Equipment: US\$ 7,069.99 (amount included in the value of the content)
- 4.17.5. Built on: 1974.
- 4.17.6. Number of full-time employees:
  - 4.17.6.1. 7 Civilian full-time employees
  - 4.17.6.2. 1 Military personnel.
- 4.17.7. Number of Stories: 2 stories
- 4.17.8. Normal Building Operating Hours: 7:15 a.m. to 3:15 p.m. (EST)
- 4.17.9. Fire alarm: Yes with smoke detectors and fire extinguishers. The building has no sprinkler system.
- 4.17.10. Burglar Alarm System: Honeywell Vista 20P Control Panels, 8 zones. Maintained by Petibon Alarm Co.
- 4.17.11. Building Statistics:
  - 4.17.11.1. Site Size: 25000 Sq Ft
  - 4.17.11.2. Gross area: 14000 Sq Ft
  - 4.17.11.3. Parking Lot area: 11218 Sq Ft
  - 4.17.11.4. Grass area: 11491 Sq Ft

**4.18. The minimum coverage and limits for both properties are described below:**

PROPERTY COVERAGE & LIMITS	
1701 22ND ST. NW WASHINGTON DC 20008	
BUILDING	USD 7,042,329.09
CONTENTS	USD 1,050,785.15
ELETRONIC DATA EQUIPMENT	USD 103,319.89
BOILER/MACHINERY/EQUIPMENT BREAKDOWN	Included
DEDUCTIBLE	USD 2,500.00

PROPERTY COVERAGE & LIMITS	
4601 Beech Road Temple Hills, MD 20748	
BUILDING	USD 1,400,800.00
CONTENTS	USD 229,867.45
ELETRONIC DATA EQUIPMENT	USD 7,069.99
BOILER/MACHINERY/EQUIPMENT BREAKDOWN	Included



DEDUCTIBLE	USD 2,500.00
------------	--------------

Earthquake & Flood Coverage & Limits: Blanket All Locations	
Earthquake	USD 500,000.00
Flood	USD 250,000.00
Deductible	USD 25,000.00

Additional Built In Property Coverage	
Debris Removal	USD 250,000.00
Pollutant Clean Up & Clean Up	USD 100,000.00
Property in Transit	USD 50,000.00
Property in Off-Premises	USD 50,000.00
Rewards - Arson, Theft, Vandalism	USD 50,000.00
Ordinance or Law	USD 500,000.00
Employee Theft	USD 25,000.00
Extra Expense	USD 100,000.00
Utility Services – Physical Damage	USD 25,000.00
Backup of Sewers and Drains	Included
Broadened Building Coverage	Included
Broadened Personal Property Coverage	Included
Terrorism	Included
Coverage Included in Blanket Limit of Insurance	USD 500,000.00
Accounts Receivable	Included in blanket
Electronic Data Processing Equipment	Included in blanket
Fine Arts	Included in blanket
Fire Department Service Charge	Included in blanket
Fire Protection Equipment Recharge	Included in blanket
Outdoor Property	Included in blanket
Personal Effects & Property of Others	Included in blanket
Valuable Papers	Included in blanket

General Liability Coverage	
General Aggregate	USD 2,000,000.00
Products/Completed Ops Aggregate	Included
Each Occurrence	USD 1,000,000.00
Damage to Rented Property	USD 500,000.00
Medical Expense	USD 10,000.00
Additional Insured by Contract, Agreement or Permit	Included
Aggregate Limit per Location	Included
Bodily Injury Redefined	Included
Knowledge of Occurrence	Included

## 5. VEHICLE'S DATA (MÓDULO 2)

5.1. In order to provide with a realistic specification for the bidders to submit a price proposal, the Brazilian Aeronautical Commission presents the description for each vehicle and the drivers for the purposes exposed herein.





5.2. Moreover, the **Loss Run** for the vehicles insurance is attached as Appendix I of this Basic Project.

5.3. Vehicle's list:

MODEL/ YEAR	PLATE	VIN #	MILES 2/28/18	GARAGE LOCATION
Ford Truck (2006)	DVJ 1258	3FRXF75W16V384988	14,586	Warehouse/MD - 20748
Dodge Sprinter Carga (2008)	DVJ 1386	WD0PE845085316783	43,679	Warehouse/MD - 20748
Chrysler (Ad) (2012)	DVJ 1531	2C3CCAGG4CH170685	53,089	Attaché/DC - 20008
Toyota Siena (2018)	Z75793	5TDDZ3DC8JS194742	199	BACW /DC - 20008
Toyota Siena (2018)	Z795791	5TDDZ3DC5JS193760	206	BACW/DC - 20008
Toyota Siena (2018)	Z795792	5TDDZ3DC2JS194008	218	BACW /DC - 20008
Ford Fusion (2016)	DVJ 1644	3FA6P0D97GR184058	26,162	BACW/DC - 20008
Toyota Siena (Ad) (2015)	DVJ 1645	5TDDK3DC4FS112940	30,775	Attaché/DC - 20008
Toyota Siena (EBL) (2015)	DVJ 1648	5TDDK3DC1FS116623	32,165	BACW (Ohio Office) - 45433
Toyota Siena (2015)	DVJ 1649	5TDDK3DCXFS117995	36,320	BACW/DC - 20008
Avalon (Ad) (2018)	DVJ 1717	4T1BD1EB0JU062307	1,211	Attaché/DC - 20008

5.4. Driver's list:

Name	DOB	DL #	State	Marital Status
Gilmar de Jesus Vaz	3/17/1959	V200279139202	MD	Married
Luiz cesar Aguião	12/19/1951	A200560112962	MD	Married
Jansey Tosetti Lamonica Crespo	10/31/1977	A60852585	VA	Married
Hugo Arcenio de Araujo	1/16/1962	D620319285045	MD	Divorced
Valdir Monteiro	11/11/1949	M536839012782	MD	Married
Clemildo Moraes Santos	6/16/1963	S532119609150	MD	Married
Samuel Santos	8/28/1957	S532758122668	MD	Married
Elenice Ramos Gaspar	2/8/1971	G216205730103	MD	Divorced
Telma Pereira Marroig	1/25/1962	C24675553	VA	Married
Antonio Carlos Alves Ferreira	3/24/1960	F660067108237	MD	Married
Itamar Ribeiro de Aguiar	4/3/1966	4029254801	DOS	Married
Potiguara Vieira Campos	8/12/1969	40294660	DOS	Married
Andre Luiz Cornelio Maia	9/29/1979	50008846	DOS	Married
Renato Pereira Vieira	5/28/1980	50009128	DOS	Married
Alceu Rizzo Junior	12/14/1969	50011846	DOS	Married
Alcides Teixeira Barbacovi	8/8/1964	2346160703	INTL	Married
Nazareno Correia Peregrino	12/24/1974	50013711	DOS	Married
Alexander Santopietro de Sousa	1/10/1973	50015860	DOS	Married
Luis Roberto Flach	9/10/1968	50021599	DOS	Married
Carlos Alves De Carvalho	11/12/1968	50023913	DOS	Married
Julio Cesar da Gama Vasconcelos	7/5/1972	00086691870	INTL	Married
Alessandro Jose Machado	12/11/1973	50026414	DOS	Married

Mario Emilio Framil Cabizuca, Maj  
Chief of BACW Bidding and Contracts Division

Nazareno Correia Peregrino, Lt Col  
Chief of BACW Fiscal Division



Marcelo Rodrigues dos Reis Pontes	3/16/1976	00616350174	INTL	Married
Mario Cabizuca	1/7/1979	50030424	DOS	Married
Renato Alves de Oliveira	10/5/1976	50030317	DOS	Married
Leonardo Guedes	1/17/1972	50031514	DOS	Married
Anderson Augusto	5/20/1971	50032844	DOS	Married

5.5. The 1978 Diplomatic Relations Act and the Foreign Missions Act require that all Motor Vehicles owned and operated in a U.S. Jurisdiction by a member of the Foreign Mission Community carry liability insurance coverage at all times. It is the responsibility of all Foreign Missions to provide OFM with written proof of continuous insurance coverage:

5.6. The minimum acceptable limits to liability coverage are as follows:

5.6.1. \$300,000 combined single limit (CSL)

5.6.2. Split limits of \$100,000 personal injury per person, \$300,000 personal injury per accident and \$100,000 property damage per accident.

## 6. ENFORCEMENT REGIME

6.1. The services resulting from this BASIC PROJECT must be contracted globally based on the **LOWEST GLOBAL PRICE PER MODULE**.

6.2. The future CONTRACT may undergo quantitative increases or decreases in the estimated demands. However, such increases may not exceed 25% of initial contract demand, in accordance with Brazilian Law nº 8.666/1993.

## 7. TECHNICAL QUALIFICATION

7.1. Due to market limitations, Insurance Companies may be represented by PRODUCERS. In this case, the following guidelines apply:

7.1.1. The insurance PRODUCER shall provide proper documentation issued by the insurance company authorizing it to transact business on its behalf.

7.1.2. The bidding process shall be awarded to an insurance company, or to an insurance company being represented by a PRODUCER.

7.1.3. A PRODUCER represents the insurance company; therefore, at sole discretion of the CONTRACTING PARTY, it can be replaced in the following cases, including but not limited to:

7.1.3.1. Failure to comply with CONTRACT clauses, specifications, projects and deadlines;

7.1.3.2. Inappropriate compliance with CONTRACT clauses, specifications, projects and deadlines;

7.1.3.3. Slowness in its compliance which may lead the CONTRACTING PARTY to find it impossible to complete the services within the established deadlines;

7.1.3.4. Unjustifiable delay in initiating service;

7.1.3.5. Stoppage in the service, without cause, and without providing previous notice to the CONTRACTING PARTY;



7.1.3.6. Failure to comply with orders from the authority designated to follow up and monitor the performance of services, or higher authorities;

7.1.3.7. Repeatedly making errors in the performance of services;

7.1.3.8. Bankruptcy;

7.1.3.9. Dissolution of company or death of the CONTRACTED PARTY;

7.1.3.10. Corporate change or alteration of purpose or business of the CONTRACTED PARTY that hinders the performance of the CONTRACT;

7.1.3.11. Reasons of public interest (Brazil) that are of high importance, broadly publicized, justified and ordered by a higher executive authority with jurisdiction over CONTRACTING PARTY, based on an administrative case referred to in the CONTRACT;

7.1.4. In case the CONTRACTING PARTY, at its own discretion, decides to change the PRODUCER, the CONTRACTED PARTY shall be notified.

7.1.5. Changes of PRODUCER shall neither reflect changes in the INSURANCE POLICY premium nor penalties to the CONTRACTING PARTY.

## 8. PRICE PROPOSAL

8.1. At the Bidding, bidders will be required to present their bids in a sealed envelope type of bidding.

8.2. The PRICE PROPOSAL must be typed in English and the prices stated in US dollars.

8.3. The winning bid shall be the bid with the lowest **GLOBAL PRICE PER MODULE**.

8.4. Bidders must submit their price proposals in accordance with the PRICE PROPOSAL MODEL as provided in the Invitation for Bid.

## 9. TERMS

### 9.1. Term of Validity

9.1.1. This project details the performance of the services over 12 months from the date in which the PURCHASE ORDER and the INSURANCE POLICY were executed, in accordance with this Administration's requirements.

9.1.2. The validity may be extended by mutual agreement between the parties for an additional equal period of 12 months, if it is in the CONTRACTING PARTY's interest, up the overall limit of 60 months".

### 9.2. Term of Execution

9.2.1. The period of execution of the PURCHASE ORDER and the INSURANCE POLICY shall be 12 months period, starting at the effective date. **For the purposes of this Basic Project, the effective date shall be May 1, 2018.**

### 9.3. Acceptance Timeframe

9.3.1. The services shall be definitively received by COMREC, through a final Acceptance Receipt, signed by the parties within 10 (ten) days of written notification by the CONTRACTED PARTY.



**9.3.2.** Final acceptance does not exclude civil responsibility for the reliability and safety of the service, or ethical/professional responsibility for the perfect performance of the contract.

**9.4. Payment Processing Time**

**9.4.1.** Payment processing time for Commercial Invoices shall not exceed 30 consecutive days, starting on the date on which the Acceptance Receipt is issued, signed by COMREC.

**9.4.2.** Payment shall be made to the CONTRACTED PARTY, provided obligations are fulfilled in full by the delivery date associated with the invoice.

**9.4.3.** The CONTRACTED PARTY must submit to the CONTRACTING PARTY an INVOICE for the performance of the service within 10 (ten) days of cargo arrival in Brazil. The INVOICE must be issued in US Dollars.

**10. PAYMENT**

**10.1.** The deadline for payment shall be within thirty (30) calendar days from the date the term of receipt is issued by the Receipt Commission.

**10.2.** All payments regarding the INSURANCE POLICY shall be made directly to the insurance company, unless otherwise specified by the INSURANCE COMPANY.

**10.3.** An Invoice shall be issued by the CONTRACTED PARTY in accordance with the following procedures:

**10.3.1.** Payment shall only be made, after the appropriate official's "approval" of the Invoice provided by the CONTRACTED PARTY.

**10.3.2.** The "approval" of the Invoice is contingent upon verification of compliance of the Invoice submitted by the CONTRACTED PARTY with the services that were actually performed;

**10.3.3.** In the event of any mistake in submitting any of the documents required under the previous sub-items or of a situation that prevents fees from being paid, the payment shall remain pending until the CONTRACTED PARTY takes steps to remedy the situation. In this case, the deadline for payment shall take effect after it is verified that the situation has been solved, without any costs to the CONTRACTING PARTY.

**10.4.** Payment shall be made through a bank order of credit, deposit in a bank account, at the branch or bank agency indicated by the CONTRACTED PARTY, or through any other means provided for under the legislation in effect.

**10.5.** The date of payment shall be considered the date when the bank order of payment is actually made.

**10.6.** The CONTRACTING PARTY shall not be responsible for any expenses that may be made by the CONTRACTED PARTY that have not been agreed to in the PURCHASE ORDER and INSURANCE POLICY.

Mario Emilio Framil Cabizuca, Maj  
Chief of BACW Bidding and Contracts Division

Nazareno Corrêa Peregrino, Lt Col  
Chief of BACW-Fiscal Division





## 11. PRICE ADJUSTMENT

**11.1.** All price installments may be adjusted, through a formal proposal from one of the Parties mentioned in the CONTRACT and only after 12 months have expired from the deadline for the submission of proposals referenced in this INVITATION FOR BID or from the last adjustment; however, adjustments must be preceded indicators/indices supporting the new, updated prices, and a cost table must also be submitted at this time.

**11.2.** In all adjustments following the first one, the annual term shall be counted from the last completed adjustment.

**11.3.** Adjustments shall be preceded by a request from the CONTRACTED PARTY, supported by an analytical demonstration for cost alteration, via the submission of a cost table and price formation, as well as the new agreement or collective stipulation on which the adjustment is based.

**11.4.** It is forbidden to include, at the time of adjustment, benefits which were not contemplated by the initial proposal, except when they become mandatory through the application of a legal document, normative sentence, collective agreement or collective stipulation.

**11.5.** At the time in which an adjustment is requested, it shall only be granted through negotiation between the parties, considering:

**11.5.1.** Normal Market prices and those applied in other contracts executed by the Administration;

**11.5.2.** The peculiarities of the contract in effect;

**11.5.3.** New agreement or collective stipulation of professional categories;

**11.5.4.** New table showing cost variation;

**11.5.5.** Sector indicators, manufacturer tables, official reference amounts, public tables or other equivalent amounts; and

**11.5.6.** The CONTRACTED PARTY'S budget availability.

**11.6.** The decision regarding the request for adjustment must be reached within a deadline of 60 (sixty) days, starting from the date on which proof of cost variation has been delivered.

**11.7.** In case of adjustment, an amendment to the existing contract shall be executed.

**11.8.** The term referenced in the above paragraph shall be suspended until the CONTRACTED PARTY fulfills its tasks or delivers the documentation requested by the CONTRACTED PARTY to prove cost variation.

**11.9.** The CONTRACTING PARTY may submit requests for clarification to verify cost variation claimed by the CONTRACTED PARTY.

**11.10.** The submission of an adjustment proposal by the CONTRACTED PARTY need not be accepted by the CONTRACTING PARTY, which may refuse the proposal.

**11.11.** Should the CONTRACTED PARTY not present duly justified indices, the maximum adjustment amount shall be, or equate to the variation in the CPI (Customer Price Index, issued by the Bureau of Labor Statistics – BLS – issued by the U.S. Bureau of Labor).

## 12. MONITORING

**12.1.** Verification of adequate contractual fulfillment must be performed based on the criteria established in this BASIC PROJECT and in accordance with contractual terms.

Mario Emilio Framil Cabizuca, Maj  
Chief of BACW Bidding and Contracts Division

Nazareno Corrêa Peregrino, Lt Col  
Chief of BACW Fiscal Division



**12.2.** The CONTRACTED PARTY performance must be monitored and inspected through oversight instruments such as reports, including monitoring of the fulfillment of the obligations arising from the agreement.

**12.2.1.** The monitoring of contractual performance carried out by the CONTRACTING PARTY does not eliminate the CONTRACTED PARTY'S responsibility, also before third parties, due to any irregularity, even if arising from technical imperfections, flaws or inadequate use of equipment, and when these incidents occur, they do not imply shared responsibility by the CONTRACTING PARTY, its representatives or employees.

### **13. RECEIPT OF THE OBJECT**

**13.1.** The services that are the object of the CONTRACT shall be received by the RECEIVING COMMISSION (COMREC) in accordance with the specifications set forth in the BASIC PROJECT, Annex I of this Bid Announcement.

**13.2.** It is the responsibility of the RECEIVING COMMISSION to:

**13.2.1.** Ensure that the CONTRACTED PARTY meets all requirements for the service objects, which are described in this BASIC PROJECT:

**13.2.2.** Accept or reject services according to the specifications set forth in the BASIC PROJECT within 10 (ten) consecutive days:

**13.2.3.** Once approved, the INVOICES shall be sent to the BACW's Contract Department, together with an Acceptance Receipt within 5 (five) days. If there is any discrepancy, the INVOICE must be returned to the CONTRACTED PARTY, so that the necessary corrections may be made, with a letter explaining the reasons for its return; and

**13.2.4.** During the performance of the CONTRACT, all proposals, questions, discrepancies, causing difficulties or requiring evaluation must be submitted to the MONITOR, for the purpose of receiving approval and/or issue of opinion by the BACW'S Chief.

### **14. OBLIGATIONS**

**14.1. CONTRACTING PARTY'S OBLIGATIONS:**

**14.1.1.** Provide all conditions enabling the CONTRACTED PARTY to perform the services herein in accordance with the terms of the contract.

**14.1.2.** Require the fulfillment of all obligations undertaken by the CONTRACTED PARTY, in accordance with contractual terms, proposal terms and policy terms.

**14.1.3.** Carry out monitoring of contractual performance, through a specifically appointed agent of the Administration, recording in a special log any flaws detected, showing the day, month and year, as well as the names of any personnel who may be involved, sharing such observations with the relevant authority for any applicable measures.

Mario Emilio Framil Cabizuca, Maj  
Chief of BACW Bidding and Contracts Division

Nazareno Correia Peregrino, Lt Col  
Chief of BACW Fiscal Division



**14.1.4.** Notify the CONTRACTED PARTY, in writing, of any possible imperfections occurred during the performance of the contract, determining a timeline for their correction;

**14.1.5.** Pay the CONTRACTED PARTY the amount resulting from the rendered services, in accordance with contractual, and policy terms.

**14.1.6.** Zealously ensure that throughout contract implementation all eligibility and qualification conditions required at the time of Contract signature be maintained, compatibly with the obligations undertaken by the CONTRACTED PARTY.

**14.2. CONTRACTED PARTY'S OBLIGATIONS:**

**14.2.1.** Perform the services in accordance with this BASIC PROJECT, and with the CONTRACTED PARTY'S proposal, with the necessary means for the fulfillment of contractual terms.

**14.2.2.** Assume civil liability for moral and material damages caused to the Brazilian Nation by its employees', workers', agents' or representatives actions or omissions.

**14.2.3.** Prohibit, during the performance of the services, the use of employees related to public officers holding a trusted position or committee role at BACW.

**14.2.4.** Take responsibility for all work-related and fiscal obligations connected with the Contract Subject.

**14.2.5.** Maintain throughout contract performance, compatibly with the obligations undertaken, all eligibility requirements demanded at Bid.

**14.2.6.** Cover any onus associated with a possible oversight in the amounts and values of its proposal, including as regards variable costs which are dependent on future and uncertain factors.

**14.2.7.** Provide information and clarification of a technical nature, showing all necessary data and documents, when requested by the MONITOR.

**14.2.8.** Be responsible for all labor, social, and tax obligations, as well as for any other duties or obligations provided for under specific legislation. The violation of which shall not carry a liability to the CONTRACTING PARTY.

**15. ESTIMATED BUDGET**

**15.1.** Using the average amounts paid during past years, the MAXIMUM ESTIMATED amount of the contract shall be **US\$ 37,706.14 per 12 months of contract performance, being US\$ 15,766.29 for property insurance and US\$ 21,929.86 for car insurance.**

Mario Emilio Framil Cabizuca, Maj  
Chief of BACW Bidding and Contracts Division

Nazareno Correia Peregrino, Lt Col  
Chief of BACW-Fiscal Division

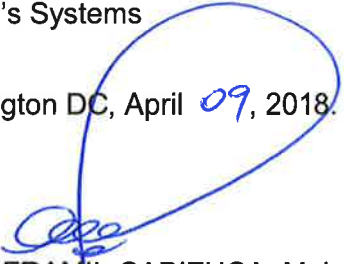


## 16. BUDGET ALLOCATION

16.1. Financial resources shall be drawn from, Action 2000, Expenditure Item 339039, or any other Programs or Actions which may provide such support, given that the transportation and customs clearance in question shall serve all of the Brazilian Air Force's Systems

Washington DC, April 09, 2018.

**Prepared by:**

  
MARIO EMILIO FRAMIL CABIZUCA, Maj.  
Chief of Bidding and Contracts Division

**Reviewed by:**

  
NAZARENO CORREIA PEREGRINO, Lt. Col.  
Chief of Fiscal Division

**Approved by:**

  
LEONARDO GUEDES, Col.  
Chief of BACW





**MINISTRY OF DEFENSE  
AERONAUTICAL COMMAND  
BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON D.C.**

**BASIC PROJECT 015/DLC/2018**

**APPENDIX I - LOSS RUN**



Claims Information for  
Customer Number 1509750753

Claims Summary

Claims and Losses History Report

**Claims Summary**  
**The Hanover Insurance Group, Inc.**  
**Inquiry Date: 03/27/2018**

**Producer Code** 3002726

**Producer Name** SAHOURI INSURANCE AGENCY

**Date Range:**  to  To refine search enter new date range and select the New Inquiry button.

mmddyyyy mmddyyyy

**Insured Name:** THE BRAZILIAN AERONAUTICAL  
**Customer Number** 1509750753  
**Policy Number** ADR 9929300  
**Policy Effective Date** 05/01/2017  
**Premium Amount** \$2,759.00

No Claims Found for this Policy Term

**Insured Name:** THE BRAZILIAN AERONAUTICAL  
**Customer Number** 1509750753  
**Policy Number** ADR 9929300  
**Policy Effective Date** 05/01/2016  
**Premium Amount** \$2,466.00

No Claims Found for this Policy Term

**Insured Name:** THE BRAZILIAN AERONAUTICAL  
**Customer Number** 1509750753  
**Policy Number** ADR 9929300  
**Policy Effective Date** 05/01/2015  
**Premium Amount** \$2,267.00

No Claims Found for this Policy Term

**Insured Name:** THE BRAZILIAN AERONAUTICAL  
**Customer Number** 1509750753  
**Policy Number** ADR 9929300  
**Policy Effective Date** 05/01/2014  
**Premium Amount** \$2,889.00

No Claims Found for this Policy Term

**Insured Name:** THE BRAZILIAN AERONAUTICAL  
**Customer Number** 1509750753  
**Policy Number** ADR 9929300  
**Policy Effective Date** 05/01/2013  
**Premium Amount** \$3,170.00

No Claims Found for this Policy Term

No Summary Information found for Claim Number:

**Claims Summary**  
**The Hanover Insurance Group, Inc.**  
**Inquiry Date: 03/27/2018**

The information contained in this Claim Report is proprietary and confidential and may include private customer, claimant, and/or consumer information. The information is provided to agent solely for claims-related business purposes. In accordance with the requirements of applicable privacy laws, the privacy and confidentiality provisions of The Hanover Agency Agreement and these Claim Reporting Terms of Use and Privacy Requirements, by accessing information contained in this report, the agent agrees to protect the information and not to disclose it to others or use it to solicit business or for other impermissible purposes.

Producer: 3002726  
 Producer Name: SAHOURI INSURANCE AGENCY  
 Date Range: 03/27/2013 to 03/27/2018

Insured Name: THE BRAZILIAN AERONAUTICAL  
 Customer Number: 1509750753  
 Policy Number: ADR 9929269  
 Premium Amount: \$15,657.00

Policy Effective Date	Claim Number	Date of Loss	Date Claim Reported	Desc of Loss	Paid Loss	Subro	Return To Work	Current Reserve	Claim Status
05/01/2016	1500789932	06/29/2016	07/11/2016	IMPACT WITH FIXED OBJECT	\$5,612.93	Does Not Apply		\$ .00	closed
05/01/2014	1500470363	01/06/2015	01/08/2015	LEFT OF CENTER ACCIDENT	\$2,247.41	Does Not Apply		\$ .00	closed
05/01/2014	1500434167	11/01/2014	11/03/2014	IMPACT WITH ANIMAL	\$1,938.90	Does Not Apply		\$ .00	closed



## Price Proposal – Annex II

MINISTRY OF DEFENSE  
AERONAUTICAL COMMAND  
BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON D.C.

PAGE 1 of 2

### Part 1 Representative Identification

#### Representative Name

Last Name

Given Name

Middle Name

--	--	--

Identification Number

E-mail Address

--	--

Phone Number

Fax Number

--	--

Company's Name

--

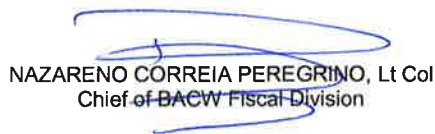
The above identified company through its accredited representative makes a proposal of **GLOBAL PRICE PER MODULE** for the services of **(1) BUILDING AND PERSONAL PROPERTY INSURANCE** and **(2) AUTOMOBILE INSURANCE, independently per MODULE, for an initial 12- (twelve-) month term, starting on the date of contract execution, which may be extended up to 60 months**, in accordance with terms, quantities, and other applicable requirements established in the Basic Project, Annex I of Invitation For Bid **180208/CABW/2018**.

### Part 2 Statements

Initial of the representative

1-	The service quoted shall include all costs arising from the performance of the services, whether direct or indirect, including but not limited to what is described below: all inputs such as fees and/or taxes of invoice, social contributions, duties and taxes, administrative fees, permits, and all other fees necessary for full compliance with the object of the REQUEST FOR QUOTE, in accordance with the Basic Project	(place initial)
2-	We hereby acknowledge the content of the REQUEST FOR QUOTE and its Annexes, fully and irrevocably accepting its terms and requirements, as well as all relevant legislation. This price proposal shall be valid for <b>60 (sixty) days</b> starting on the date on which proposals are opened, after which time it shall be subject to confirmation by our Company.	(place initial)
3-	The company declares that it will meet all of the requirements listed in the Bid Announcement and Basic Project, Annex I of the REQUEST FOR QUOTE <b>180208/CABW/2018</b> .	(place initial)
4-	The company acknowledges and declares that <b>the effective date for the policies shall be May 1, 2018</b>	(place initial)

  
RENATO ALVES DE OLIVEIRA, Lt Col  
President of the BACW's Bidding Commission

  
NAZARENO CORREIA PEREGRINO, Lt Col  
Chief of BACW Fiscal Division



## Price Proposal – Annex II

MINISTRY OF DEFENSE  
AERONAUTICAL COMMAND  
BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON D.C.

PAGE 2 of 2

### Part 3 Bank Information

Bank Name:

Branch:

Checking Account:

Other:

### Part 4 Price Proposal

MODULE	OBJECT	GLOBAL PRICE
MODULE 1	BUILDING AND PERSONAL PROPERTY INSURANCE	USD
MODULE 2	AUTOMOBILE INSURANCE	USD

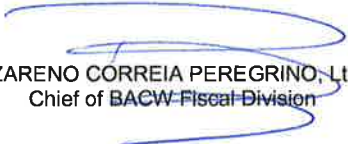
### Part 5 Authentication

Representative printed name

Representative signature

Date of signing

  
RENATO ALVES DE OLIVEIRA, Lt Col  
President of the BACW's Bidding Commission

  
NAZARENO CORREIA PEREGRINO, Lt Col  
Chief of BACW-Fiscal Division