

BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON D.C.



**INVITATION FOR BID No. 211258/CABW/2021
PAG No. 67102.211258/2021-03**



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

INVITATION FOR BID No. 211258/CABW/2021
PAG No. 67102.211258/2021-03

Approved on: _____, 2021

Roberto Martire Pires Col
Commanding Officer
BACW

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 bidding process on the basis of indirect execution, to be adjudicated based on the **LOWEST GLOBAL PRICE** (Letter A, Sub-item VIII of Article 6 of the Brazilian Federal Law No. 8,666/93), in accordance with this Invitation for Bid and its Annexes. The bidding procedure will follow the guidelines contained in the Brazilian Federal Law No. 8,666/93, its related legislation, and other requirements provided in this Invitation for Bid and its Annexes. Furthermore, bids submitted to BACW will be evaluated according to the principles of the articles 3 and 123 of the Brazilian Federal Law No. 8,666, from 06/21/1993, regarding legality, impartiality, morality, equality, and transparency.

Date of delivery and opening of envelopes:	May 25th, 2021
Time:	10:00 a.m. (Eastern Standard Time)
Address:	1701 22nd St N.W. Washington D.C. 20008
	Phone: (202) 518-7348
	Fax: (202) 483-4684
E-mail:	chf.dlc.cabw@fab.mil.br
Accreditation:	May 25th, 2021
Time:	10:00 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. ACCEPTANCE - "Acceptance" means a Receiving Commission (COMREC) of the CONTRACTING PARTY has inspected and agreed that the work meets all requirements of the contract, to include documentation requirements;

1.1.2. APPROVAL - "Approval" means the CONTRACTING PARTY has reviewed submittals, deliverables, and administrative documents (e.g., insurance certificates, installation schedules, planned utility interruptions, etc.) and has determined the documents conform to contract requirements;

1.1.3. BROKER LETTER OF RECORD (BOR) – Letter issued by the POLICY HOLDER to allow the PRODUCER to represent and manage the policyholder's insurance policy. The broker of record may receive copies of all communications to the policy holder and may receive all quotes, policies and notices on behalf of the policy holder. They may also obtain and evaluate insurance quotes and policies and recommend changes to existing policies;

1.1.4. COMAER – Brazilian Aeronautical Command;

1.1.5. COMREC – Goods and Services Receiving Commission;

1.1.6. CONTRACTED PARTY – the natural person or legal entity contracted to perform the services, represented or not by a PRODUCER;

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

1.1.8. FEDERAL LAW N° 8.666/93 OF BRAZIL – General rules or guidelines about biddings and relevant administrative contracts for works, services, including publications, purchases, sales and leases under the Powers of the Union, of the States, the Federal District and the Municipalities;

1.1.9. ICA – Aeronautical Command Directive;

1.1.10. INSURANCE POLICY – Document that puts an indemnity cover into effect serves as a legal evidence of the insurance agreement, sets out the exact terms on which the indemnity cover has been provided, and states associated information such as the specific risks and perils covered, duration of coverage, amount of premium, mode of premium payment, and deductibles, if any;

1.1.11. 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;

1.1.12. PAG – Administrative Management Process;

1.1.13. POLICY HOLDER – CONTRACTING PARTY;

1.1.14. 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;

1.1.15. SPONSORED DEPENDENT - defined as family members of military personnel identified as dependent in accordance with the Brazilian Military Statute, Brazilian Law



6.880/80, such as widowed mother (provided she does not have income), the ex-wife entitled to alimony established by final judgment (while not in a new marriage), the brother, brother-in-law, and nephew when minors or with disabilities without other source of financial provision, among others;

1.1.16. TERM OF RECEIPT – Document issued by the COMREC attesting and accepting the rendered services described in the invoice.

2. OBJECT

2.1. The Contracting of a specialized company for the services of Health Insurance coverage, with Preferred Provider Organization (PPO), in a co-payment basis, in order to provide medical, vision and dental coverages, for a contractual period of 12 months, with the possibility of contract extensions up to an aggregate of 60 months, seeking to meet the COMAER's needs, according to the following groups:

CATEGORIES	QTY
Employee	12
Employee + Spouse	26
Employee + Children	4
Employee + Family	66
TOTAL:	108

CATEGORIES	QTY
Green Card Holders (civilians)	31
USA Citizens (civilians)	18
Visas A2/A1 (military / civilians)	59
TOTAL:	108

CATEGORIES	QTY
Civilians	55
Military	53
TOTAL:	108

2.2. The estimates detailed in the BASIC PROJECT 003/ADM/2021 and this INVITATION FOR BID do not imply any obligation by the CONTRACTING PARTY in terms of the estimated demand for this contract, and the total number of persons requiring coverage may slightly vary from the estimates herein.



2.3. It is noted that the services related to this INVITATION FOR BID must comply with all the laws and regulations set forth by the U.S. Federal Government and the district in which the CONTRACTED PARTY is established.

2.4. 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;**
- ANNEX III – CONTRACT DRAFT.**

2.5. The services that are object of this INVITATION FOR BID shall be performed on the basis of indirect execution, at the Lowest Global Price, according to the **ANNEX I – BASIC PROJECT.**

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 photo 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 that contain the Qualification Documents and Commercial 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 211258/CABW/2021
[NAME OF THE COMPANY]

ENVELOPE Nº 02 – PRICE PROPOSAL
BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON
INVITATION FOR BID Nº 211258/CABW/2021
[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 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 # 211258/CABW/2021
BRAZILIAN AERONAUTICAL COMMISSION IN WASHINGTON
1701 22nd Street N.W. Washington, DC 20008

SESSION ON **May 25th, 2021 at 10:00 a.m. (EST)**
[NAME OF THE COMPANY]

5.4.1. The envelopes may be forwarded by Postal Service or other similar delivery services, with tracking capabilities, and proof of delivery receipt. The envelopes must be delivered at



least by the opening of the public session at **10:00 a.m.** (Eastern Standard Time) of **May 25th, 2021.**

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 chf.dlc.cabw@fab.mil.br 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. Business entities, either INSURANCE COMPANY or PRODUCERS representing insurance 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);

6.2.5. Present **the benefits of the plan** of the Bid, in accordance with the Service Specification as described in item 3.1 of the Basic Project, Annex I of this Invitation for Bid.

6.2.5.1. No prices can be included in the benefits of the plan. Only plan features, benefits and coverage, in accordance with item 3.1 of the Basic Project.

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 health insurance.

6.4.2. PRODUCERS must present the **agreement 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.



6.4.2.1. For the purposes of this INVITATION FOR BID, PRODUCERS shall represent only one insurance company independently of the amount of Insurance Companies regularly being represented by the PRODUCER.

6.4.2.1.1. If an Insurance Company requires a BROKER LETTER OF RECORD (BOR) to pass on the bid to the PRODUCER, the PRODUCER shall request a BOR from the BIDDING COMMISSION.

6.4.2.1.2. The BOR will be provided to the PRODUCER for only one Insurance Company as order of request. Therefore, if more than one PRODUCER requests BOR for the same Insurance Company, BACW reserves the right to issue only one letter to the PRODUCER that requested it first.

6.4.2.1.3. BACW will not disclose the name of the PRODUCERS representing the Insurance Companies.

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 price 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 Price Proposal Model - ANNEX II and the BASIC PROJECT, ANNEX I. The price proposal shall include:

7.1.1. In preparing their price proposals, bidders must be aware of the following guidelines:

7.1.1.1. 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, parking permits, and all other fees necessary for full compliance with the object of the INVITATION, in accordance with the Basic Project.

7.1.2. Costs identified as funding or other non-specific terms shall not be accepted in the price proposal.

7.1.3. Tax rates quoted by the bidder shall not exceed the limits established under applicable tax legislation.

7.1.4. The validity of the proposal shall not be less than sixty **(60) days** from the day the bidding process is officially initiated.

7.2. 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.



7.3. 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.

7.3.1. 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.

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

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

7.5. 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.

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

7.7. The services value is estimated to be a maximum global price of **US\$ 2,253,879.00** for a 12-month period.

7.8. The award will be made to the lowest responsive bid for all groups combined after qualification phase.

7.9. The bidder shall present the lowest global price for the whole health insurance coverage for both groups 2.1.1 and 2.1.2. for annual coverage.

7.9.1. After contract award, a complete census with detailed information of the dependents will be provided to the CONTRACTED PARTY for enrollment purposes.

7.10. The bidder shall provide unit prices in U.S. dollars as follows:

Type	Employee Level Only			
	Medical	Vision	Dental	Total
A2/A1 Visa Holders	\$ -	\$ -	\$ -	\$ -
U.S. Citizens / Green-Card Holders	\$ -	\$ -	\$ -	\$ -

Type	Employees and Spouses Level Only			
	Medical	Vision	Dental	Total
A2/A1 Visa Holders	\$ -	\$ -	\$ -	\$ -
U.S. Citizens / Green-Card Holders	\$ -	\$ -	\$ -	\$ -

Type	Employees and Children Level Only			
	Medical	Vision	Dental	Total
A2/A1 Visa Holders	\$ -	\$ -	\$ -	\$ -
U.S. Citizens / Green-Card Holders	\$ -	\$ -	\$ -	\$ -
Type	Family Level Only			



	Medical	Vision	Dental	Total
A2/A1 Visa Holders	\$ -	\$ -	\$ -	\$ -
U.S. Citizens / Green-Card Holders	\$ -	\$ -	\$ -	\$ -

7.11. In order to achieve its GLOBAL PRICE, the bidder must consider the census provided in the BASIC PROJECT, clause 6.1.

7.12. The estimates included in this INVITATION FOR BID do not imply any obligation by the CONTRACTING PARTY.

7.13. Bidders must deliver their price proposals in accordance with the PRICE PROPOSAL MODEL - ANNEX II of this IFB.

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 N° 01 and N° 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 n° 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 n° 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 n° 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**.

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**.

12. CONTRACT

12.1. After the bidding is approved, the winning bidder (the "CONTRACTED PARTY") shall have **05 (five) business days**, from the date it is notified, to sign the Contract attached hereto as ANNEX III, under the penalty of losing the right to be hired as well as being subject to the sanctions set forth in this Invitation for Bid and any other penalties or damages available under applicable law.

12.1.1. The term provided for in the previous sub-item may be renewed for an additional five business days if requested by the CONTRACTED PARTY with good reason and accepted by the Administration (BACW) in its sole discretion.

12.2. The Administration (BACW) shall have the option to contact the remaining participants if the winning bidder does not sign the CONTRACT under the terms and conditions established, in accordance with the order of classification. It may do so under the same terms and conditions



proposed by the winning bidder, including with regard to updated prices, pursuant to the invitation for bid.

12.3. The BACW may also revoke the bidding process, notwithstanding the penalties provided for in this Invitation for Bid.

12.4. By signing the CONTRACT, the CONTRACTED PARTY declares its express agreement with the adequacy of the BASIC PROJECT.

12.5. The CONTRACTED PARTY shall maintain all the conditions for qualification required in the bidding process, throughout the performance of the Contract, in accordance with the obligations assumed.

12.6. The CONTRACTED PARTY shall be responsible for any and all expenses arising from the Contract.

13. SUBCONTRACTING

13.1. Subcontracting is not allowed.

14. TERMS

14.1. Term of Validity

14.1.1. This INVITATION FOR BID details the performance of the services over 12 months from the date in which the CONTRACT 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 additional equal periods of 12 months, if it is in the CONTRACTING PARTY's interest, up to the limit of overall 60 months.

14.2. Term of Execution

14.2.1. The period of execution of the CONTRACT and the INSURANCE POLICY shall be 11 months for the first 12 months period, starting at the effective date. **For the purposes of this contract, the effective date shall be June 1, 2021.**

14.3. Acceptance Timeframe

14.3.1. The services performed must be accepted by the Brazilian Federal Administration through an adequately qualified Commission, referred to as COMREC by means of a Term of Receipt.

14.3.2. The SERVICES must be accepted by the Brazilian Federal Administration through an adequately qualified Commission, referred to as COMREC, according to Clause 20 of this IFB.

14.4. Payment Processing Time

14.4.1. The payment processing time shall be up to 30 (thirty) calendar days, starting on the date on which the acceptance certificate is issued by the COMREC.

15. FINANCIAL GUARANTEE

15.1. The provision of a Contract guarantee is not required for this hiring.

16. CHANGES TO THE CONTRACT



16.1. Pursuant to Article 65, § 1, of the Brazilian Federal Law N° 8.666/93, a CONTRACTED PARTY is required to accept, under the same terms and conditions, any changes involving addition or subtraction of the demand for the services, that may be necessary, at the discretion of BACW.

16.1.1. Deductions in the amount that exceeds the limit of 25% (twenty-five percent) of the CONTRACT shall only be done when both parties are in agreement.

16.1.2. Increases in demand above 25% are not permitted.

17. PRICE ADJUSTMENT

17.1. After the first 12 (twelve) months of contract performance, in case of being renewed for additional 12 (twelve) months, a price adjustment may be applied to the INSURANCE POLICY reflecting the amount of the CONTRACT, to reestablish the financial relation initially agreed upon between the parties at contract signature, thus ensuring adequate compensation for services, if and only if the increase in input costs associated with BID is proved by sufficient documentation appraised by the MONITOR and accepted by BACW's Chief.

17.2. When requesting the price adjustment, after 12 (twelve) months period, the CONTRACTED PARTY must supply within a rationale proving the cost variation by means of cost analysis and appropriated spreadsheets individually by each services of operation with supporting documentation.

17.3. The deadline for requesting price adjustment is aligned with the contract expiration date.

17.4. If the contract period has been extended, new price adjustment can only be pleaded after the new course of twelve (12) months.

17.5. Inclusion of unanticipated benefits not foreseen in the initial proposal at the bidding process is forbidden, except when they become required by the terms of the law.

17.6. The CONTRACTING PARTY may perform diligences in order to assure the cost variation proposed by the CONTRACTED PARTY.

18. PAYMENT

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

18.2. All payments regarding the INSURANCE POLICY shall be made directly to the insurance company.

18.3. No commissions or fee shall be paid to the PRODUCER directly by the CONTRACTING PARTY, as commission or fees are commercially negotiated and agreed between the PRODUCER and insurance company, if applicable.

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

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

18.4.2. 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;



- 18.4.3.** 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.
- 18.5.** 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.
- 18.6.** The date of payment shall be considered the date when the bank order of payment is actually made.
- 18.7.** 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 CONTRACT and INSURANCE POLICY.
- 18.8.** The CONTRACTED PARTY shall bill group 2.1.1. and 2.1.2 separately under the same POLICY.
- 18.8.1.** The invoice for group 2.1.1 shall be sent to Brazilian Aeronautical Commission (BACW).
- 18.8.2.** The invoice for group 2.1.2 shall be sent to the Brazilian Delegation of the Inter-American Defense Board (RBJID)
- 18.8.3.** Complete address, point-of-contact, and any other relevant information regarding billing will be informed to the CONTRACTED PARTY after contract execution.

19. MONITORING

- 19.1.** The CONTRACT MONITOR must be a Federal agent or agents of the Brazilian Federal Administration, specifically appointed by the Federal Administration, in accordance with the precepts established by the Federal Law N° 8.666/1993 (Brazil), the ICA n° 65-8/2009 (Attributions of MONITOR and Receiving Commission), and the ICA n° 12-23/2014 (Inspection and Receiving Goods, Services and Administrative Sanctions Application), so as to monitor and inspect the fulfillment of the contract to be executed.
- 19.2.** Monitoring of contractual fulfillment consist in verifying the conformity of the services and the allocation of the necessary resources, thereby ensuring the perfect application of adjustment.
- 19.3.** Verification of adequate contractual fulfillment must be performed based on the criteria established in this BASIC PROJECT and in accordance with contractual terms.
- 19.4.** Contractual performance must be monitored and inspected through oversight instruments including monitoring of the fulfillment of the obligations arising from this CONTRACT.
- 19.5.** The MONITOR shall note in his records all events related to the performance of the Contract
- 19.6.** 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.

19.7. For the purposes of this CONTRACT, events shall be considered unforeseeable or caused by force majeure if they fit to legal description provided in single paragraph of article 393 of the Brazilian Civil Code, or terms of line II, §1º, Art. 57 of Federal Law nº 8.666/93 (Brazil).

20. RECEIPT OF THE OBJECT

20.1. The services that are the object of the CONTRACT shall be received by the Receiving Commission in accordance with the specifications set forth in the Basic Project, Annex I of this Bid Announcement.

20.2. It is the responsibility of the RECEIVING COMMISSION to:

20.2.1. Ensure that the invoice presented by the CONTRACTED PARTY reflects the services in accordance with the object of the BASIC PROJECT;

20.2.2. Accept or reject the services according to the specifications set forth in the BASIC PROJECT, in up to 10 (ten) calendar days;

20.2.3. If there is any discrepancy, the invoice shall be returned to the CONTRACTED PARTY for corrections, along with a formal document explaining the reasons why it was returned;

20.2.4. All proposals, questions, discrepancies and difficulties encountered during the execution of the CONTRACT, or that require an evaluation shall be presented to the MONITOR for appreciation by the Chief of BACW.

21. ACTS OF GOD OR FORCE MAJEURE

21.1. Acts of God or force majeure events shall be notified in writing to the Chief of the BACW, through the CONTRACT MONITOR, so that he may decide appropriate course of action, provided it has been proven that such events affect the services performed in connection with the object of this CONTRACT.

21.2. For the purposes of this CONTRACT, events shall be considered unforeseeable or caused by force majeure if they fit to legal description provided in single paragraph of article 393 of the Brazilian Civil Code, or terms of line II, §1º, Art. 57 of the Brazilian Federal Law Nº 8.666/93.

22. OBLIGATIONS OF THE CONTRACTING PARTY AND THE CONTRACTED PARTY

22.1. The obligations of the CONTRACTING PARTY and CONTRACTED PARTY are established in the BASIC PROJECT, and other obligations provided for in this Invitation for Bid.

23. TERMINATION OF THE CONTRACT

23.1. The causes for termination of the Contract, as well as appropriate steps in that case, are provided for in the Contract.

24. BUDGETARY ALLOCATION



24.1. The expenses arising from this contract shall be paid with resources of Plan of Action of the Aeronautical Command, based in the Brazilian General Budget for the fiscal year.

24.2. Description of the resources: item 33.90.39 – Services, Action 2004 (to fund the Military) and Action 2000 (to fund Local Employees), received by the BACW from the General Command of Personnel (COMGEP).

25. VIOLATIONS AND ADMINISTRATIVE SANCTIONS

25.1. For the occurrence of administrative sanctions should be considered: the seriousness of the offense; recidivism; damage to the public interest; and the injury to the Federal Administration.

25.2. Failure to complete the Contract as a whole or in part or any violation of the obligations listed in the Invitation for Bid and in the Contract shall subject the CONTRACTED PARTY, notwithstanding other criminal, contractual and civil liability, to any and all damages and remedies available to CONTRACTING PARTY under the Contract or applicable law, while ensuring due process, to the following additional administrative penalties:

25.2.1. A warning for minor violations that do not result in losses or nonperformance of the object of the CONTRACT;

25.2.2. Suspension from participating in a Brazilian public bidding process and entering into an agreement with the Brazilian Public Administration (BACW) for two (2) years; and

25.2.3. Declaration of bad standing to participate in a bidding process and enter into an agreement with the Public Administration (Brazil) for as long as the reasons resulting in the punishment remain and until when it is rehabilitated by the Administration (BACW), which shall be granted provided that the CONTRACTED PARTY compensates the Administration (BACW) for the losses resulting from its violations, provided the suspension time described in the previous sub item has elapsed.

25.3. The penalties provided for will be applied through an administrative proceeding that ensures due process and ample defense, while following the procedure provided for under Law nº 8,666/93 (Brazil), Law nº 9.784/99 (Brazil), and in accordance to ICA 12-23 (Inspection and Receiving Goods, Services and Administrative Sanctions Application).

25.4. While applying the administrative penalties, BACW shall take into account the seriousness of the violation, the educational character of the penalty as well as the damage that was caused to the administration (BACW) , following the principle of proportionality.

26. APPEALS

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

26.1.1. Appeal to BACW's Chief within **two (2) business days**, from the date of notification or registration of the minutes of the meeting/session, in the cases of:

26.1.1.1. Qualification of the bidder or lack thereof;

26.1.1.2. Judgment of the proposals;

26.1.1.3. Annulment or revocation of the bidding process;



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

26.1.1.5. 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);

26.1.1.6. Issuance of a warning, suspension or compensatory fine.

26.2. 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**.

26.3. The appeal will be addressed to the BACW Chief, through the Bidding Commission, which may reconsider its decision within **five (5) business days**.

26.3.1. If the appeal is rejected, the CONTRACTING PARTY must forward the appeal to the higher authority, for an additional **five (5) business days**, all of which will be duly notified.

27. GENERAL PROVISIONS

27.1. 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.

27.1.1. 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.

27.2. The interested party shall carefully review the Invitation for Bid and its Annexes, as well as all the instructions, terms and conditions, and technical specifications 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.

27.3. 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.

27.4. 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.

27.5. Any changes or amendments to this Invitation for Bid will require its dissemination in the same publication that the original invitations was posted, with the initial term being postponed, except when the changes do not in any way affect the formulation of proposals.

27.6. 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.

27.7. 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.



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

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

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

27.9.2. Where amendments to the invitation would be of such magnitude that a new invitation is desirable.

27.10. 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 invitations were issued.

27.11. 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.

27.11.1. Invitations 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:

27.11.1.1. Inadequate or ambiguous specifications were cited in the invitation;

27.11.1.2. Specifications have been revised;

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

27.11.1.4. The invitation did not provide for consideration of all factors of cost to the Government;

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

27.12. 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).

27.13. 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.

27.14. 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.

27.15. 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).

27.16. 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 22nd St N.W.

Washington, D.C. 20008



Ph.: (202) 518-7348
Fax: (202) 483-4684
E-mail: chf.dlc.cabw@fab.mil.br

27.17. The United States District Court 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.

27.18. 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, D.C., _____, **2021**.

Leandro F. Roman, Lt Col
President of BACW's Bidding Commission

Reviewed by:

Thiago Dellazari Melo, Lt Col
Head of BACW's Bidding and Contracts Division