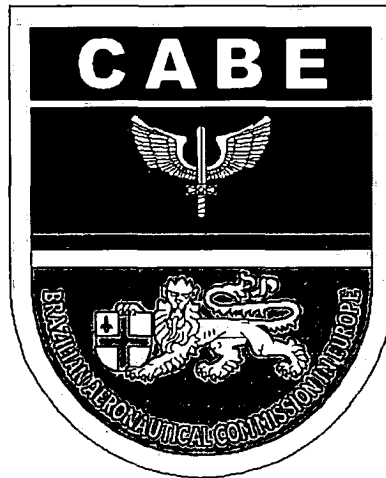




MINISTRY OF DEFENCE
AERONAUTICAL COMMAND
BRAZILIAN AERONAUTICAL COMMISSION IN EUROPE
16, GREAT JAMES STREET, LONDON WC1N 3DP
Telephones: (020) 7440-4321 / 7440-4323 – Fax: (020) 7831-8129
bid@bace.org.uk

BIDDING PROCESS Nº 012/BACE/2021



Authorized by:

Jorge Mauricio Motta Cel Av Group Capt
Head of BACE

A handwritten signature in black ink, consisting of a stylized 'J' followed by a series of loops and a final flourish.



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**BIDDING PROCESS Nº 012/BACE/2021
PROCESSO Nº 67103.210202/2021-97**

The Federal Government – Ministry of Defence – Aeronautical Command, through the **BRAZILIAN AERONAUTICAL COMMISSION IN EUROPE (BACE)**, located at 16, GREAT JAMES STREET, WC1N 3DP – LONDON-UK, Legal Entity Registry number 00.394.429/0042-89, through the Permanent Tender Commission, appointed by Public Bulletin number 23, of 13th DEC 2019, makes publicly known to interested parties, that it will commence a Tender process through a **Bidding Process**, in which the decision parameter will be the **LOWEST PRICE**, under the **unit price**, in accordance with the English law in force at the date of this process, its subsequent amendments and the requirements set forth in this Bidding Process.

DEFINITIONS

The following definitions have been adopted in this Bidding Process:

- a) **AWARD:** Act of granting the Winning Bidder the right to execute the object of this Bid;
- b) **AWARDED COMPANY:** Company to which BACE grants the Award;
- c) **BACE:** Brazilian Aeronautical Commission in Europe;
- d) **BIDDER:** The Company submitting a Bid (together, the "BIDDERS";
- e) **PTC:** Permanent Tender Commission;
- f) **COMAE:** Aerospace Operations Command;
- g) **CONTRACT:** the proposed contract for the supply of goods and services to be signed between COMAE and the CONTRACTED PARTY, in the form set out in ANNEX III of this Bidding Process;
- h) **CONTRACTED PARTY:** The Company chosen to sign the Contract;
- i) **SUPERVISOR:** Selected Representative(s) of COMAE tasked with overseeing the contract;
- j) **SILOMS-EXT:** Integrated Logistics, Material, and Services System – International Module;
- k) **PRICE PROPOSAL:** a price proposal submitted by the Bidder to BACE in accordance with clause 7 of this Bidding Process;
- l) **WINNING BIDDER:** the Company that submits the most advantageous proposal to BACE, according to the criteria set forth in this Bidding Process; and
- m) **REQUESTING ENTITY:** body of the Aeronautical Command which requested and will be the recipient of the final object of this Bidding Process.

1. LOCATION AND TIME

1.1 The Submission of Qualification and Price Proposal Envelopes and the opening of the Qualification Envelopes will take place at **11:30 AM on 03/11/2021**, at the **BRAZILIAN AERONAUTICAL COMMISSION IN**

EUROPE – BACE, located at 16, GREAT JAMES STREET, WC1N 3DP – LONDON-UK, or other location indicated by BACE.

1.2 All references to time in this Bidding Process and during the public process will be London Time – UK.

1.3 At the indicated location will be carried procedures regarding to this Bidding Process, namely:

1.3.1 Submission of Qualification and Price Proposal Envelopes.

1.3.2 Opening of Qualification Envelopes.

OBJECT

2.1 The object of this Bidding Process is to hire door-to-door international baggage transportation services, for the Aeronautical Command military personnel and civil servants on mission in Sweden at their return to Brazil. According to the Basic Project 007/LC/2021 (Annex). Item 1 – Linpoking and item 2 – Stockholm. The aforementioned services shall be managed by BACE.

3. REPRESENTATIVE REGISTRATION

3.1 A BIDDER that wishes to attend the meeting for Submission of Qualification and Price Proposal Envelopes and the opening of the Qualification Envelopes shall submit a representative for registration to the PTC, duly provided with the document that authorizes him/her to take part in the Bidding Process by **11:30 AM 03/11/2021**.

3.1.1. There is no obligation for the Bidder to be present at the meeting for submission of Qualification and Price Proposal Envelopes as well as for the opening of the Qualification Envelopes.

3.2 It will be considered as a legal representative any individual authorized by the Bidder, through the submission of the authorizing document to act on the Bidder's behalf during the opening of the envelopes meeting.

3.3 Documents that will be accepted for registration:

3.3.1 Articles of incorporation, when the authorized person is a shareholder of the Bidder;

3.3.2 Power of attorney or declaration from the Bidder granting power to the authorized person to act on their Bidder's behalf in any phase of this Bidding Process, according to model in Annex IV in this Bidding Process, providing a copy of the ID or Passport of the person who signed the power of attorney/declaration.

3.4 Each authorized person shall represent **only one Bidder**;

3.5 Each BIDDER shall submit one (01) legal representative and his/her registration/credentials must be presented at the Opening Meeting before the opening of the qualification envelopes.

3.6 One (01) legal representative means a single person.

3.7 Only a single representative per BIDDER is allowed to attend the Opening of Envelopes Meeting.

3.8 The non-submission of the authorization will not disqualify the Bidder, but it will prevent the legal representative from acting on the Bidder's behalf.

3.9 Regarding the authorization for the signing of documents:

3.9.1 The legal representative who will sign the documents referent to the Bidding Process shall identify their signature as:

a) Business owner or their proxy with power to represent them and decide on their behalf;

b) Business shareholder, if it has been incorporated as a private limited company and if this shareholder has contractual authorization to sign contracts; take part in Bidding Process, disputes and file appeals, according to the company Articles of Incorporation;

c) Business Director, with powers to sign on behalf of the company;

d) All companies' proxies and/or legal representatives in any situation mentioned above shall submit the document in the form set out in in **Annex IV** bearing the business owner and/or legal representative, providing a copy of the ID or Passport of the person who signed the power of attorney/declaration.

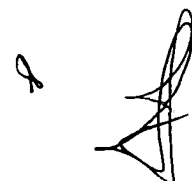
Notes:

1. In case of private limited company where no legal representative has been assigned, all documents described and the documents submitted shall be signed by the company's shareholders.

2. The individual who wishes to sign documents on behalf of another individual shall submit authorization do to so, in accordance with **letter d)** of this Clause 3.9.1.

4. REQUIREMENTS FOR QUALIFYING BIDDERS

4.1 Companies may take part in this Bidding Process if they:



- a) are previously registered in the SILOMS-EXT with their speciality being the object of this Bidding Process and have been invited by BACE;
- b) are registered in the SILOMS-EXT, with their speciality being the object of this Bidding Process which, although having not been invited by BACE;
- c) are not registered in the SILOMS-EXT, although is able to provide the object of this and meet all the requirements for registration available at www.bace.org.uk, and those contained in this Bidding Process and its Appendices.

4.2 Proposals will not be accepted from BIDDERS which:

- a) are in composition with creditors, are filing for bankruptcy, are under concourse of creditors, and are in the process of dissolution or liquidation, judicial recovery, extrajudicial recovery, merger, demerger, incorporation, or in liquidation ;
- b) have lost their right to submit a Bid for and be contracted by BACE, or have lost their right to be contracted by BACE, or have been considered not reputable to submit a Bid or to be contracted by the Federal Republic of Brazil;
- c) has as its Partner, Director, or Responsible Technician, any civil servant working at any agency or entity linked to the Brazilian Ministry of Defence and/or Aeronautical Command;
- d) commercial expertise does not specify an activity relevant and compatible with the object of this Bidding Process;
- e) are under control of the same group of individuals or legal entities of another BIDDER, directly or indirectly; and
- f) are part of the same economic group, which means those companies that have common directors, shareholders or legal representatives, or use common material, technological or human resources, except if they demonstrate they do not represent a common economic interest.

4.3 BIDDERS will be able to participate in this Bidding Process if they meet the conditions described in clauses 4.1 of this Bidding Process.

5. SUBMISSION OF QUALIFICATION AND PRICE PROPOSAL ENVELOPES

5.1 Up to the date and time established in this BIDDING PROCESS, each BIDDER must submit to the PTC: ONE QUALIFICATION ENVELOPE and ONE PRICE PROPOSAL ENVELOPE, separately.

5.1.1. Bidders who wish to submit their envelopes by tracked post/courier service shall observe that Envelopes ***must be delivered before the opening session as described in clause 1***, including transit days for delivery.

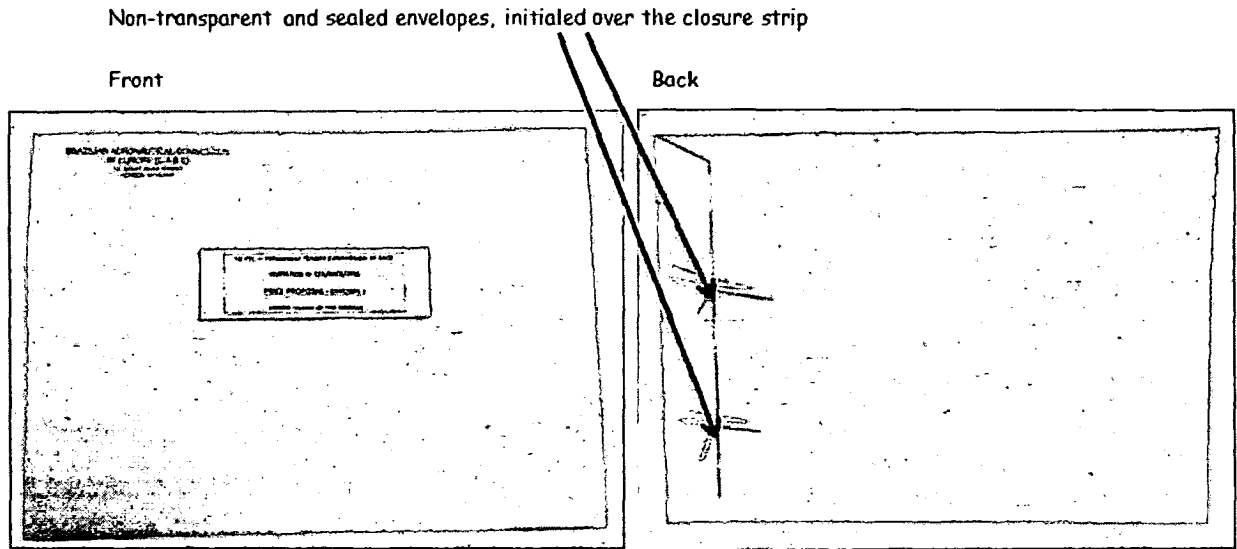
5.1.2. BACE ***will not take responsibility for delays on delivering the envelopes.***

5.2 The documentation must be in non-transparent and sealed envelopes, initialled at the closure strip, containing in its external and frontal parts, in highlighted letters, the following:

<p>TO PTC – PERMANENT TENDER COMISSION AT BACE BIDIDNG PROCESS Nº 012/BACE/2021 BIDDER: [COMPANY NAME] ENVELOPE Nº 01 – QUALIFICATION DOCUMENTS</p>

<p>TO PTC – PERMANENT TENDER COMISSION AT BACE BIDIDNG PROCESS Nº 012/BACE/2021 BIDDER: [COMPANY NAME] ENVELOPE Nº 02 – PRICE PROPOSAL</p>
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5.3 Upon receipt of envelopes and once the closing date for delivery is declared, BACE will not accept inclusions or replacement of any documents, price corrections or terms and conditions, nor any rectifications that may influence on the final result in this Bidding Process.

5.4 Participation of latecomers, under any circumstances, will not be accepted, except as a hearing participant.

5.5 Proposals containing erasures will not be accepted under any circumstances.

5.6 The openings of "Qualification and Price Proposal" envelopes will be held in a public open session, from which a minute will be written and signed by the members of PTC and by the legal representatives of the attending BIDDERS.

5.7 Receipt of Price Proposals will not confer any right to BIDDERS against BACE.

5.8 Documents can be presented in Portuguese or in English. If a Bidder presents envelopes in both languages, the text in Portuguese will prevail.

5.9 The documents submitted in both envelopes must be original, printed without erasures or overwriting, with its original signatures in blue or black ink.

5.9.1 Copies may be accepted provided they are notarized or consularized.

5.9.2 Documents with digitalized signatures will not be accepted.

6. ENVELOPE NUMBER 01 – QUALIFICATION:

6.1 BIDDERS will be considered qualified if they meet the conditions described in clause 6.2 of this Bidding Process;

6.2 The QUALIFICATION ENVELOPE(S) shall contain the following documents:

a) Company statement (in the form set out in ANNEX V) informing:

- i) Bidder's name, how it should be written in any future contract, Tax Registration Number or equivalent, and complete address;
- ii) that the company is not facing bankruptcy, insolvency, suspended or barred from taking part in the Bidding Process or from any other commercial transaction with Federal, State or Government Agency;
- iii) that it is aware of the full content of this Bidding Process and its Annexes, and it accepts and fully submits to the conditions and requirements, as well as the legislation referent to the subject matter; and
- iv) copy of identification, as stated in clause 6.7 of this Bidding Process.

b) Copy of a valid identity document or passport of the legal owner / managing director who is signing the documents on behalf of the Bidder. If the person signing the documents is only a representative, Annex IV must be attached with the qualification documentation, attaching the identity document or valid passport of the legal owner / administrative director who signed the Annex, as well as the representative's.

c) 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.

c) Regarding the Technical Qualification, the Bidder shall submit:

- i) at least one Certificate showing that you have carried out international cargo transportation; i.e: Bill of Landing
- ii) For Certificates issued by private companies, it will not be considered those belonging to the same business group as the Bidder, its subsidiary, subsidiary or parent company and by a company in which there is at least one same individual or legal entity that is a partner of the issuing company and the Bidder;

6.3 Regarding the Certificate of Technical Qualification, there is no specific format for the presentation of the physical documents, however they must contain the identification of the entity and the identification of the professional responsible for issuing the documentation, duly signed, and on behalf of the BIDDER.

6.4 BACE will analyse statements, attestations, certificates, studies, reports and other documents foreseen in letter "b", in order to verify if the CONTRACTED PARTY will have sufficient technical and operational capacity to meet the requirements specified in this Basic Project. In this context, at any time and if it deems appropriate, BACE may request the CONTRACTED PARTY additional documents.

6.5 the previous analysis in item 6.4 will consist of the capacity assessment of the CONTRACTED PARTY to meet the requirements described in the Basic Project 007/LC/2021. It cannot be used for classification or punctuation for hiring purposes.

6.6 the CONTRACTED PARTY, when rendering untrue, inconsistent, and inaccurate information by, which are detected by the analysis foreseen in item 6.4 or verified by BACE at any time during the validity of the contract, are subjected to the applicable penalties, and may result in the contract rescission.

6.7 One copy of the ID or Passport of the person who signed the documents must be provided in the Qualification Envelope(s).

6.8 Documents submitted on the Qualification Envelope(s) must be printed without erasures or overwriting, with its original signatures in blue or black ink. In case it is impossible to submit original documents, copies may be accepted provided they are notarized or consularized.

7 ENVELOPE NUMBER 02 – PRICE PROPOSAL

7.1 The Price Proposal will be printed in the form set out in **Annex II**, without amendments, erasures, additions, and interlineation, duly dated and signed by the BIDDER or its duly qualified representative, and it may not contain ambiguous or contradictory provisions.

7.2 The Price Proposal shall be valid for 60 (sixty) days from the date of delivery of the "Price Proposal" envelope to BACE.

7.3 In the event that the deadline described in item 7.2 is not expressly stated in the proposal, the validity period of **60 (sixty)** days will be deemed accepted by the BIDDER for the purposes of judging the "Price Proposal".

7.4 If, in the event of force majeure, the award cannot occur within the period of validity of the bid, which is **60 (sixty)** days, and if the interest of BACE persists, BACE may formally request the extension of the aforementioned validity.

7.5 The values contained in the Bid (**Annex II**) must be expressed in US DOLLARS (USD), in arabic numerals.

7.6 The **Price Proposal** will be the sole responsibility of the BIDDER. A Price Proposal that offers a reduction of the lowest offered price, in whole or in part, will not be considered.

7.7 Under no circumstances may the presented Bid be altered, whether regarding to price, payment terms, deadlines or any other condition which modifies its original terms.

7.8 The Price Proposal shall include all direct and indirect costs, when charged in the origin, including, (but not limited to): tax, VAT, administration fees, materials, serviced, social and employment taxes, insurances, profit and others expenses that may be charged on the object of this Bid. It shall include Pre-Carriage: all direct and indirect costs resulting from pre-removal to delivery to Port of Origin from a location within 50 km radius, including but not limited to taxes, assessment, preparation, packaging, storage, customs clearance, transportation and receipt of all goods belonging to the military and civilians of the Brazilian Air Force from origin in Sweden to any region of Brazil, documentation charges, wharfage, VAT, social, employment, social security, labour charges, commercial charges, profits, management fees, freight,

insurance, storage of Household and personal effects for up 30 days after the last collection, at the origin and up to 60 days in Brazil, not including the period that the cargo will possibly be stored in the ports and eventual storage requiring bonded warehouse and other fees that may incur. It shall include Carriage and On-Carriage applicable charges. Costs related to any residence in Brazil located within 100 km radius from the Port of Landing. The insurance Rate (%) based on declared amount shall include all costs related to the required insurance with no further tax charges.

8 BIDDING PROCESS

8.1 The Bidding process will have the following phases:

a) Phase 1 – if attending, registry of legal representatives

b) Phase 2 – 1st Meeting: submission of Qualification and Price Proposal Envelopes

- i) Submission of Envelopes 1 and 2, Qualification Envelope(s) and Price Proposal Envelope(s), respectively;
- ii) Opening of Qualification Envelopes: in the presence of the interested parties, by the Permanent Tender Commission, which confer and examine the submitted documentation, that shall bear the initials of all bidders' legal representatives present;
- iii) Qualification documents will be analysed by BACE and sent for analysis by the Technical Commission;
- iv) Envelopes containing Price Proposals will be received and kept locked in a safe at BACE; and
- v) Write of a Minute of Meeting.

c) Phase 3 – Analysis of the Qualifications Documents:

- i) Verification of clauses 4.1 and 6 of this Bidding Process by the PTC and Technical Commission
- ii) Writing of the minute of meeting, pointing out the irregularities, classifying the Bidders as qualified and disqualified.
- iii) In the event all Bidders are disqualified, the PTC may establish a period of (3) three working days for the Bidders submit a new documentation.

d) Phase 4 – Publication of the Qualification Minute of Meeting at BACE website, and start of the appeal period, observing what has been established in the Clause 8.6 of this Bidding Process;

e) Phase 5 – Convene the Bidders for the Opening of Price Proposal Envelopes, on a date to be determined. Bidders will be notified through direct communication or through letter.

f) Phase 6 – 2nd Meeting – Opening of the Price Proposal Envelopes

- i) Only Price Proposal Envelopes from qualified Bidders will be accepted.
- ii) Proposal Envelopes shall bear the initials of all Permanent Tender Commission members and by the Bidder's legal representatives attending the meeting.
- iii) Price Proposal will be evaluated by BACE and sent to evaluation by the Technical Commission;
- iv) Write of Minute of Meeting.

g) Phase 7 - Verification of conformity of each proposal and respective prices with the requirements constant in the Bidding Process and Annexes, by BACE and Technical Commission and, disqualifying nonconforming and incompatible proposals accordingly.

h) Phase 8 – Classification of proposals and writing of the minute of meeting containing all information, including the Winning Bidder and disqualified Bidders.

i) Phase 9 – Publication of the Price Proposal Minute at BACE website, and start of the appeal period.

j) Phase 10 – Order of the decision-making authority (Head of BACE) approving the process and defining the winner(s) of this Bidding Process and granting the object to the WINNING BIDDER(S).

k) Phase 11 – Publication of the Awarded Bidder(s).

8.2 After the opening of the envelopes, all documents and the proposals contained therein will be initialled by all present BIDDERS' representatives and all members of the PTC. BACE will not accept any further complaints by those abstaining from initialling the documents.

8.3 The PTC or its higher authority reserves the right, at any stage of this Bidding Process, to issue any additional procedures which aim to clarify or complete the regulation of the process.

8.4 The disqualification of a Bidder means the loss of right to participate in the subsequent phases.

8.5 After the opening of the "Price Proposal" envelopes, BACE will not accept a withdrawal of the proposals, except in the event that unexpected facts arise that are accepted by BACE at its absolute discretion.

8.6 After the opening of Price Proposal Envelopes, a Bidder cannot be disqualified for reasons regarding to qualification, except for supervenient reasons or only learnt after judgment.

8.7 If the minimum of 3 (three) valid proposals are not reached, the Bidding Process will be republished.

8.7.1 If due to market constraints of clear lack of interest by invited companies, the minimum number of proposal required is not achieved, these circumstances must be duly justified in the process; otherwise the Bidding Process has to be repeated.

8.8 The deadline for judgment of the qualification documents will be up to **15 (fifteen) working days** from the opening of the envelopes, and may be unilaterally extended upon notification by the PTC.

8.9 Price Proposal Envelopes from **disqualified Bidders** will be returned to them duly sealed.

9. JUDGEMENT OF PROPOSALS

9.1 This Bidding Process is classified as "**LOWEST PRICE**", , under the **unit price contract** and the evaluation and judgment of the proposals will be made according to the following criteria:

9.1.1 Price Proposals will be evaluated and judged if it complies with the requirements of this Bidding Process by the PTC. The PTC will classify BIDDERS using the "**LOWEST PRICE**" criteria for the aforementioned Bidding Process. The classification will be in order of prices offered for the item (1 – Linpoking e 2 – Stockholm);

9.1.2. The maximum values accepted are as follows:

LINPOKING	USD
M ³	471,67
FEES	3,853,33
INSURANCE	2,13%
KM ²	6,37

STOCKHOLM	USD
M ³	487,00
FEES	3,653,33
INSURANCE	2,13%
KM ²	6,37

The deadline for judgment of the proposals shall be **fifteen (15) working days** from the date the Price Proposal envelope is opened and may be unilaterally extended upon notification by the PTC;

9.1.3 The PTC may request opinions from technicians or specialists employed by the Aeronautical Command or, also, from others individuals or legal entities, in order to guide its decision;

9.1.4 In case of a tie between two or more proposals, it will be resolved by a drawing, in the presence of all BIDDERS; and

9.1.5 During the Price Proposal assessment, the Winning Bidders(s) will be the one who offers the lowest price in their Price Proposal (**Annex II**), provided that:

a) Price Proposal shall be submitted in two decimal places; and

b) The Bidders shall indicate the total price proposed, including all additional costs, such as: taxes, fees and any other associate costs to the rendered of services, exempting BACE from paying any additional costs. To formulate the price proposal, interested parties must also be aware of Annex II of this Bidding Process.

10. DISQUALIFICATION OF PROPOSALS

10.1 After evaluation, a proposal will be disqualified if it:

a) does not meet the requirements contained in this Bidding Process;

b) presents offers not anticipated in this Bidding Process; and

c) presents manifestly unenforceable prices.

10.2 In the event of repetition of the Bidding Process and proposals where all BIDDERS are disqualified in accordance with clause 8.1(c)(iii) of this Bidding Process, the PTC may propose to BIDDERS a new deadline of 8 (eight) working days to submit new documentation, excluding the causes that have been the reason for the disqualification. The new proposals, **with no alteration of the original price**, must be presented in a public meeting, with the date to be informed by the PTC, observing the procedures of evaluation and judgment.

11 PROCESS APPROVAL AND AWARD OF THE OBJECT

11.1 The final result of the Bid will be registered in a minute of meeting, in which the PTC will register the **WINNING BIDDER(S)**, justifying, in detail, the reasons for the disqualification of the other Bids or statement of proposal unfeasibility.

11.2 Once the minute of meeting has been signed, the PTC will make publicly known in a public meeting and in the BACE website (www.bace.org.uk) the result of the judgment, establishing a deadline of **five (5) working days** for filing an appeal.

11.3 After the period for filing an appeal has ended, or the existing appeals have been analysed and completed, the minute of meeting will be submitted to the Head of BACE for approval and Award to the Winning Bidder(s). Once the process has been approved and the object awarded, the WINNING BIDDER(S) will be summoned to sign the Contract.

11.4 The Order or Minutes of the Decision from the Head of BACE regarding the process approval and award of the object will be disclosed through document which will be part of the process.

11.5 The WINNING BIDDER(S) will be required to maintain the commitment regarding its Bid during ninety (90) days from the delivery of the proposal. After this period it will be released from this commitment if it was not summoned to sign the Contract.

12 SIGNATURE OF CONTRACT

12.1 Upon approval of the Bid result and the Award to the WINNING BIDDER(S), it will have a period of **five (5) working days from receipt of the communication from BACE**, to sign the contract of this Bidding Process. This period may be extended once for an additional five (5) working days, when requested by the Winning BIDDER(S) provided that there is a good reason which is accepted by BACE at their sole discretion.

12.2 In attention to clause 13.4 of the Contract, the Winning Bidder shall provide the information about its legal representative with powers to receive citation and answer administrative and judicially on its behalf, within 2 (two) working days from the date of the Contract signature.

12.3 Until the date of the Contract signature, the Winning Bidder(s) shall provide to BACE:

12.3.1 Bank details in the United Kingdom, where BACE will make the payments;

12.4 In case that the WINNING BIDDER(S) fails to sign the Contract or withdraw the Purchase Order on time and under the conditions established, BACE may summon other BIDDERS, in rank order, to do it at the same period and under the same conditions as the Winning Bidder. The Winning Bidder shall not have any rights regarding the revoked award.

12.5 The unjustified refusal by the WINNING BIDDER to sign the Contract, accept or withdraw the Purchase Order within the period specified by BACE, will be considered as full non-compliance of the obligation undertaken under this Bidding Process and it will be subject to clause 10 of the Contract.

13 CONTRACT FOR THE RENDERING OF SERVICES

13.1 The Contract will be formalized by contractual terms, a draft of which is annexed to this Bidding Process (**Annex III**), where is defined the obligation for the Contracted Party to be CONTRACTED, the systematic rendering of services, payment terms, contract renegotiation and the penalties for any breach of the obligations.

13.2 Under no circumstances may the CONTRACTED PARTY discontinue unilaterally the rendering of services on the grounds of non-compliance by BACE.

14. DURATION

14.1 The Contract duration will be the one stated in the item 8 of the Basic Project number 007/LC/2021 (**Annex I**).

15 SUBCONTRACTING

15.1 Subcontracting is allowed in this Bidding Process or the resulting Contract, according to **Clause 1** of the Draft of the Contract (**Annex III**).

16. RENDERING AND DELIVERY OF SERVICE

16.1. The services must be provided by the CONTRACTED PARTY under the terms of the Contract and in accordance with Basic Project No. 007/LC/2021 (**Annex I**).

16.2. Once the respective service has been received by the Supervisor, and upon issuing the latter's authorization, the CONTRACTED PARTY shall bill the corresponding expense, which will be paid by the CONTRACTING PARTY.

17. PAYMENT METHODS

17.1 Payment will be made according to clause 3 in the Contract .



17.2 All payments must only be performed in US DOLLARS (USD) to an international bank account which should be provided by the CONTRACTED PARTY prior to the date of the signature of the Contract.

17.3 Any Invoice which has not been approved by BACE shall be returned to the Contracted Party for the necessary corrections, informing the reasons for the refusal. The invoice new payment period will start from the date of the resubmission.

18. CHALLENGE OF THIS BIDDING PROCESS

18.1 Any citizen may challenge, in writing, the terms of this Bidding Process up to 2 (two) working days from the date established for submission of Qualification and Price Proposal Envelopes and opening of the Qualification Envelopes.

18.2 A challenge to this Bidding Process shall be submitted to email bid@bace.org.uk or registered in the General Protocol Department of BACE, located at 16 Great James Street, London, WC1N 3DP, and addressed to the President of the PTC.

18.3 BIDDERS will have two (2) working days before the opening of the QUALIFICATION AND PRICE PROPOSAL envelopes to challenge this Bidding Process, after this deadline challenges will not be accepted.

18.4 A timely appeal submitted by BIDDERS will not prevent them from participating in the Bid until the final decision on the appeal has been taken.

19. ADMINISTRATIVE APPEAL

19.1 An appeal against any act of PTC should be submitted to email bid@bace.org.uk or registered in the Registry Department at BACE located at 16 Great James Street, Holborn, London – United Kingdom, WC1N 3DP, for the attention of the President of the PTC. This authority may reconsider its decision within **five (5) working days**. If there is not reconsideration, the Head of BACE shall send the petition, within that same period, to the higher authority which shall render a decision within **five (5) working days** from the receipt of the appeal.

19.2 During the appeal period, the process file will be open for the examination by BIDDERS at a place determined by the PTC. Under no circumstances shall those records be removed from the premises.

19.3 The appeal judgment results will be sent to all Bidders by letter, fax or email.

19.4 The following appeals will be admitted to the BACE's actions during this Bidding Process:

19.4.1 Hierarchical appeal, within **five (5) working days**, from the notification of the act, or the issue of the minute of hearing, in the event of:

- a) qualification or disqualification of Bidders;
- b) proposal judgment;
- c) annulment or revocation of the Bidding Process;
- d) refusal from registration in the suppliers database, or the alteration or cancellation of exiting registration;
- e) contract rescission by unilateral decision from BACE; and
- f) imposition of written warning or temporary suspension penalties.

19.4.2 Representation, within **five (5) working days**, from the notification of the decision related to the object of the Bid or Contract, if a hierarchical appeal cannot be filed.

19.5 After receiving the appeal, it will be notified to the others Bidders, who may submit counter-arguments within **five (5) working days**.

19.6 The appeal will be sent to a higher authority duly instructed, by the authority that practiced the appealed act, who may reconsider their decision, within **five (5) working days** of receiving the appeal.

19.7 Any arguments or inputs regarding to the Bidder's defence who is seeking total or partial reconsideration of the **Permanent Tender Commission** shall be submitted only in writing and attached to the appeal.

20. BUDGET

20.1 The costs for executing the object of this Bidding Process shall be funded by the Ministry of Defence, available through the Nature of Expenditure 33.90.33, in ACTION 2000.

21. ADMINISTRATIVE SANCTIONS

21.1 In the event of the occurrence of any legal infringements, especially of non-performance of an obligation by the Contracted Party, this shall be subject to **SANCTIONS** as provided in clause 9 of the Contract.



22 INSPECTION OF SERVICES RENDERED

22.1 The Contract will be faithfully executed by the parties and it will be controlled by an Agent, Commission or designated Body (the "Supervisor"), published in Internal Bulletin and informed to the CONTRACTED PARTY about the Supervisor's composition, in accordance with clause 8 of the Contract.

22.2 The Head of BACE and the SUPERVISOR may, at any time, carry out control activities.

22.3 The appointed Supervisor or Control Committee may be replaced at any time, for the interest of BACE, and their substitutes formally presented to the CONTRACTED PARTY.

22.4 The CONTRACTED PARTY is obliged to remedy when notified by the SUPERVISOR, in accordance with Basic Project number 007/LC/2021.

23. PRICE ADJUSTMENT

23.1 Price of services contracted for a period equal to or superior to 12 (twelve) months may be adjusted every 1 (one) year from the date of its signature, upon presentation of the variation demonstrated by a cost sheet submitted by the CONTRACTED PARTY, and approved by the CONTRACTING PARTY.

24 ADDITIONS AND SUPPRESSIONS

24.1 Additions and/or suppressions will always be made based on opinions or justifications and will be formalized through an amendment to the original contract, according to the clause 11 of the Contract.

25. REVOCATION AND ANULLMENT OF BIDDING PROCESS

25.1 The Head of BACE may revoke this Bidding at any time, if there are reasons of public interest for doing so. In this case there must be factual evidence to justify such conduct. The Head of BACE will then annul it by notice in writing to that effect to all parties.

25.2 The annulment of the Bidding Process, by reason of illegality, generates no obligation on BACE or rights for the BIDDERS.

26. FORUM

26.1 Any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the English Law.

27. FINAL PROVISIONS

27.1 Any request for clarification of this Bidding Process and its appendices should be sent in writing, email or facsimile, until the second business day preceding the opening of "Qualification and Price Proposal" envelopes, which is, until the second previous working days of the qualification envelopes opening, to the PTC of BACE, 16 GREAT JAMES STREET, LONDON, WC1N 3DP. Questions that arise after the aforementioned period will not be taken into consideration.

27.2 The deadlines for the present Bidding Process will exclude the first day and include the last day. The first and last day for the purposes of this Bidding Process must fall on working days.

27.3 The terms and conditions that govern this Bidding Process will always be interpreted in order to increase competition between the BIDDERS without compromising the security of future contracts.

27.4 Any cases not described in this Bidding Process shall be resolved by the Head of BACE based on the legislation in force.

27.5 In case of divergence between this Bidding Process and its Annexes or other parts that compose the process, this Bidding Process will prevail.

27.6 In case of queries and / or controversies arise during the process, in particular regarding interpretation of this instrument and its Annexes, the Portuguese language shall prevail.

27.7 Participation in this Bidding Process means total, unrestricted, and irrevocable submission by the BIDDER to the condition in this Bidding Process.

27.8 Decisions from the Permanent Tender Commission will be available at BACE website and notified directly, via e-mail or letter, to the Bidder's legal representatives, especially regarding to:

27.8.1 Clarification request;

27.8.2 Qualification or disqualification of Bidders;

27.8.3 Proposals judgment;

27.8.4 Appeals results, if any; and

27.8.5 Result of this Bidding Process.



28 The following attachments are part of this Bidding Process:

28.1 ANNEX I – Basic Project 007/LC/2021;

28.2 ANNEX II – Price Proposal Template;

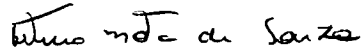
28.3 ANNEX III – Draft of Contract Term;

28.4 ANNEX IV – Draft of Legal Representative Letter;

28.5 ANNEX V – Draft of Bidder's Declaration, according to item 6.2, letter "a".

London, 22ND september 2021.

By:



LETÍCIA MOTA DE SOUZA Ten Cel Int

Head of Contracts and Acquisitions

APPROVAL:



Jorge Mauricio Motta Cel Av

Head of BACE

ANNEX I
BASIC PROJECT 007/LC/2021

Handwritten signature or initials in black ink, consisting of a stylized 'A' followed by a larger, more complex scribble.

ANNEX II
PRICE PROPOSAL TEMPLATE

TABLE 1

INTERNATIONAL BAGGAGE TRANSPORTATION SERVICES
Net Volume Transported

SEAPORTS: ITAJAI (SC) MANAUS (AM) PARANAGUA (PR) RECIFE (PE) RIO DE JANEIRO (RJ) RIO GRANDE (RS) SANTOS (SP)

ORIGIN: STOCKHOLM | SWEDEN

SEA FREIGHT

From 10 to 30m³ (USD/m³)	\$	\$	\$	\$	\$	\$	\$
Container 20 feet (Freight - USD)	\$	\$	\$	\$	\$	\$	\$

LEG 1

EXTRA CHARGES

Insurance Rate (%) based on declared amount	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Charge per Km outside 100km radius distance from nearest Port of Landing at destination (USD/Km)	\$	\$	\$	\$	\$	\$	\$

SEAPORTS: ITAJAI (SC) MANAUS (AM) PARANAGUA (PR) RECIFE (PE) RIO DE JANEIRO (RJ) RIO GRANDE (RS) SANTOS (SP)

ORIGIN: LINKOPING | SWEDEN

SEA FREIGHT

From 10 to 30m³ (USD/m³)	\$	\$	\$	\$	\$	\$	\$
Container 20 feet (Freight - USD)	\$	\$	\$	\$	\$	\$	\$

LEG 2

EXTRA CHARGES

Insurance Rate (%) based on declared amount	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Charge per Km outside 100km radius distance from nearest Port of Landing at destination (USD/Km)	\$	\$	\$	\$	\$	\$	\$

TABLE 2

COST BREAKDOWN SHEET

	<u>ITAJAI (SC)</u>	<u>MANAUS (AM)</u>	<u>PARANAGUA (PR)</u>	<u>RECIFE (PE)</u>	<u>RIO DE JANEIRO (RJ)</u>	<u>RIO GRANDE (RS)</u>	<u>SANTOS (SP)</u>
m3							
COST A							
COST B							
TOTAL*							
Charge per Km outside 100km radius distance from nearest Port of Landing at destination (USD/Km)							
COST A							
COST B							
TOTAL*							

*The total must reflect the price presented on table 1.

Note: The breakdown of the costs will be at the Company's discretion. If required more lines can be added.

**ANNEX III
DRAFT OF CONTRACT TERM**

Handwritten signature or initials in black ink, consisting of a small mark followed by a larger, stylized scribble.

**ANNEX IV
DRAFT OF LEGAL REPRESENTATIVE LETTER**

TO BE PRINTED ON LETTERHEAD PAPER

[Local], [date: day/month/year]

**TO
BRAZILIAN AERONAUTICAL COMMISSION IN EUROPE
FAO: PERMANENT TENDER COMMISSION**

RE: OUR LEGAL REPRESENTATIVE FOR BIDDING PROCESS 012/BACE/2021

I _____, in compliance with the terms of the Bidding Process n° 012/BACE/2021, accredit as our legal representative Mr/Mrs/Ms. [XX], identified by ID/Passport Number [delete as appropriated] Number [XXXXXXXXXXXX], to whom I bestow the most extensive powers, including lodging appeals, when applicable, as well as compromise, forsake, sign documents and minutes and, lastly, perform all other acts in this Bid.

I further declare that the company is aware of the entire contents of Bidding Process n° 012/BACE/2021.

Please find enclosed copy of my valid ID/Passport within this letter.

Name
Managing Director
Company's name

>>>>> Please note that the original valid ID/passport of the legal representative shall be presented within this letter <<<<<



**ANNEX V
DRAFT OF BIDDER'S DECLARATION**

TO BE PRINTED ON LETTERHEAD PAPER

[Local], [date: day/month/year]

**TO
BRAZILIAN AERONAUTICAL COMMISSION IN EUROPE
FAO: PERMANENT TENDER COMMISSION**

RE: Bidding Process N° 012/BACE/2021 (6.2, "a")

BIDDER INFORMATION

Company's legal name:

Company's legal owner/managing director:

Company's address:

VAT/Tax Identification number is:


DECLARATION

I, [_____], identified by ID/Passport Number [delete as appropriated] Number [xxxxxxxxxxxx], and legal owner/managing director of (Company's legal name) herewith declare, that we are not facing bankruptcy, insolvency, suspended or barred from taking part of any bidding process or from any other commercial transaction, Federal, State or Agency.

I fully accept and understand the conditions and requirements therein, as well as applicable legislation on the matter and confirm full knowledge of the content of this Bidding Process and its annexes.

Please find enclosed copy of my valid ID/Passport within this letter.

Name
Managing Director
Company's name







**MINISTRY OF DEFENSE
AERONAUTICAL COMMAND
BRAZILIAN AERONAUTICAL COMMISSION IN EUROPE
BRAZILIAN CONNECTION OFFICE IN LISBON**

BASIC PROJECT 007/LC/2021

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1. DEFINITIONS

1.1. In order to facilitate the understanding of the terminologies and to simplify the text composition, the following abbreviations and expressions will be adopted with their respective meanings in the sequence:

1.1.1. STORAGE - Organized storage of properly preserved materials, in depots, usually on shelves divided into bins or not, or even in demarcated free areas, depending on the type, dimensions, nature of the material and packaging; duly designated places, grouping items of the same identification. The storage standards established by ABNT (Brazilian Association of Technical Standards), through NBR 15.524-2/2008 (Storage System), or equivalent regulations of the country where the material is stored must be obeyed.

1.1.2. BL (*Bill of Lading*) – Bill of Lading is a document issued by a carrier to have knowledge about a cargo load.

1.1.3. BACE - Brazilian Aeronautical Commission in Europe.

1.1.4. BP or BASIC PROJECT - According to Brazilian law 8.666 (June 21, 1993), it is the set of necessary and sufficient elements, with an adequate precision level, used to characterize the work or service, or complex of works or services, which will be the object of the bidding. It is elaborated based on the indications of preliminary technical studies, which ensure the technical feasibility and the adequate environmental impact treatment of the enterprise, as well as allowing the costs evaluation of the work or service, defining the methods and deadlines for its execution.

1.1.5. COMAER: – Comando da Aeronáutica (“Brazilian Aeronautical Command”);

1.1.6. COMREC – Commission of Material and Services Receipt formed by at least three members who, through the Contract Management Unit representing the Air Force Command by the CONTRACTED PARTY; its duties are to make receipt of the object, be it material goods or service in accordance with the established in ICA 65-8/2009 and ICA 12-23/2017.;

1.1.7. CONTRACTED PARTY – Winning company after the approval and adjudication of the object of the bidding occurred.

1.1.8. CONTRACTING PARTY - Federal Government - Air Force Command, represented by Brazilian Aeronautical Commission in Europe (BACE);

1.1.9. EXPENSES CONTRACT or CONTRACT - It is defined as: the adjustment that the Public Administration (CONTRACTING PARTY), acting in this capacity, signs with a private or other Administrative Entity (CONTRACTED PARTY), for the services execution on the agenda and under the conditions established by the Administration Public itself.

1.1.10. FAB or BAF - Força Aérea Brasileira – Brazilian Air Force.

1.1.11. SUPERVISOR or CONTRACT SUPERVISOR - Individual or commission representing the CONTRACTING PARTY before the CONTRACTED PARTY,



systematically appointed to monitor and inspect the execution of the contractual instrument, and complementary requests issued by the Union, in all its aspects.

1.1.12. ICA - Instrução do Comando da Aeronáutica Aeronáutica (Brazilian Aeronautical Command internal regulation - Instruction).

1.1.13. ICA 2-23/2017 – Brazilian Aeronautical Command internal regulation regarding the inspection, acceptance of materials and services and application of administrative sanctions.

1.1.14. ICA 65-8/2009 – Brazilian Aeronautical Command internal regulation regarding the attributions of the SUPERVISORS and COMREC.

1.1.15. INVOICE – Commercial document that formalizes a purchase and sale operation abroad, which must contain the following information, among others: quantity, unit of supply, price, the payment terms, taxes, tariffs and BAF Purchase Order number.

1.1.16. OM or MO– Organização Militar (Military Organization).

1.1.17. ORDENADOR DE DESPESAS or EXPENDITURE ORDINATOR - Management Agent with competence to execute acts that result in the issuance of commitment notes, authorization for payments, supply funds, budgets approval, among others.

1.1.18. PAAI - Formal internal administrative procedure composed of the registration of all acts and the administrative facts verification, necessary for the correct clarification and judgment of the Competent Authority, allowing it to instruct the due legal process, which culminates in the application or not of the administrative sanctions provided for in Legislation (ICA 12/23).

1.1.19. PAG – Administrative Management Process.

1.1.20. PROCESSING - It is an administrative fee to be paid by the CONTRACTING PARTY, due to the PROCESSING of profits and costs by the CONTRACTED PARTY.

1.1.21. SILOMS MT-TRANSPORTE - Integrated Logistics System for Material and Services Management.

1.1.22. RECEIPT TERM - Document issued by COMREC attesting and accepting the services performed.

2. OBJECT

2.1 The object of this Bidding Process is to hire door-to-door international baggage transportation services, for the Aeronautical Command military personnel and civil servants on mission in Sweden (Item – Linpoking and Item 2 – Stockholm) at their return to Brazil.

3. JUSTIFICATIVE

3.1 CABE has unique attributions within the Air Force Command, notably that of centralizing, within its area of operation, the logistical support and service activities and the administration of agreements, adjustments and contracts abroad on the continents of Europe, Asia, Africa and Oceania. Additionally, it provides administrative support to the Aeronautical Attachés, the



Receiving Commissions, the other Organizations and also to the Military and Civil of FAB on mission in these continents.

3.2 The return to Brazil at the end of the mission abroad is a legal right, based on Law nº 5.809 / 72 and Decree nº 71.733 / 73, being the obligation of the Air Force Command to process the hiring in the modality on behalf of the Union.

3.3 Within this scope, the purpose of this contract is to provide luggage transportation services, door to door, for military and civilian personnel serving the FAB in the area in which CABE operates, in the process of completing the mission, comprising collection , storage, loading, unloading, customs clearance, delivery and assembly of goods.

3.4 An annual contract to serve the military and civilians in this condition provides savings of resources, supporting the increase in the negotiation power of the Administration and for the maximization of the benefits of each contract, enabling the Administration to effectively monitor contractual obligations compliance, increasing control over the conditions that can be accepted in the contracts, protecting the Contractor and complying with the Principle of Economics with a view to reducing the cost, in addition to standardizing procedures with the contractor and resolving any outstanding issues, improving the general quality and efficiency of the service provided.

4. OBJECT SPECIFICATION

4.1. This Basic Project specifies the general conditions that must be met in the execution of the services of assessment, preparation, packaging, storage, customs clearance, transportation and receipt of all goods belonging to the military and civilians of the Brazilian Air Force from their origin in Sweden to any region of Brazil.

4.2. Service provision requests will be issued by the CONTRACTING PARTY, via electronic mail, in order to document the need and authorize the service provision of the CONTRACTED PARTY.

4.3. The CONTRACTED PARTY is responsible for the entire time during which the cargo is under its responsibility, ceasing to be responsible after delivery to the recipient accredited by the CONTRACTING PARTY.

5. CONTRATUAL EXECUTION

5.1. The CONTRACT shall be carried out based on the indirect execution of the LOWEST UNIT PRICE.

5.2. Terms and conditions may suffer increases or decreases in the estimated quantities and values. However, such increases may not exceed 25% (twenty five percent) of the original contract total value.

5.3. The demand for services to be contracted are estimated, and consequently do not imply any obligation on the part of the CONTRACTING PARTY.

6. PRICE PROPOSALS



6.1. PRICE PROPOSALS shall be presented in US dollars.

6.2. Bidding Process participants shall prepare a Commercial Proposal based on the template provided in the Annex.

6.3. The total price shall consider all costs arising from the direct and indirect provision of the services such as expenses with materials and/or equipment, staff, specialists, insurance, auxiliary equipment, tools, labour and social security charges, taxes, fees, fares of any kind, and any other financial obligations related to the complete provision of the contracted services, as well as profit.

7. SUBCONTRACTING

7.1. In the case of subcontracting, the following guidelines must be followed:

7.1.1. The Third Party must prove to have the technical capability to perform the services; yet the CONTRACTED PARTY shall be responsible for the services quality.

7.1.2. In the event of subcontracting, the CONTRACTED PARTY is responsible for the full execution of the Contract, being responsible for the supervision and coordination of the third party's activities. The CONTRACTED PARTY shall also be accountable to the CONTRACTING PARTY by the terms and conditions related to the third party subcontracted object.

8. DEADLINES

8.1. Effective Term

8.1.1. The term of the Contract must be **12 (twelve) months**, from the date of its signature, including implementation, acceptance and term established for payment.

8.1.2. The duration of the Contract may be extended by agreement between the parties for an additional period of 12 months, and if it is in the CONTRACTING PARTY's interest, up to the maximum limit of 60 months.

8.2. Execution Term

8.2.1. The period of the CONTRACT execution must be 11 months for the first 12 months, starting from the SERVICE ORDER issuance.

8.3. Receipt Term

8.3.1. COMREC shall accept the services through the "Definitive Receipt Term" signed by the parties within 10 (ten) days of the CONTRACTED PARTY's written notification.

8.3.1.1. The Definitive Receipt does not exclude civil liability for responsibility and security, or ethical/professional liability for the Contract perfect performance.

8.4. Payment

8.4.1. The payment for commercial Invoice cannot exceed 30 (thirty) consecutive days, starting from the date of issue of the receipt document by the contract supervisor.

8.4.2. This term shall be automatically renewed for 10 (ten) working days if there are discrepancies noted by the Inspection, and mandatorily notified in writing by the CONTRACTED PARTY.

8.4.3. Payment shall be made to the CONTRACTED PARTY as follows:



8.4.3.1 Shipment (once items have been placed on the vessel); and

8.4.3.2 Delivery (once the SERVICEMAN has signed the Certificate for the completion of the door-to-door service and BACE has received the aforementioned certificate).

8.4.4. The CONTRACTED PARTY shall submit to the CONTRACTING PARTY the Invoice for the services execution within 10 (ten) days of the cargo arrival in Brazil. Invoice shall be issued in US Dollars.

8.4.4.1. The Invoice submitted by the CONTRACTED PARTY shall have a unique number and cannot be repeated in other invoices. Duplicate invoices or those that have no identification will be rejected by the CONTRACTING PARTY.

8.4.4.2. Invoice shall have at least the following information:

- i. Invoice Number.
- ii. Contract Number.
- iii. Service Order number and instalment
- iv. Bank Details
- v. USD/m³
- vi. Freight (USD)
- vii. Insurance Rate (%) on declared amount
- viii. If applicable: Charge per Km outside 100km radius distance from nearest Port of Landing at destination (USD/Km).

8.4.4.3 The first invoice (50% of the specific service) should be sent to BACE immediately after the HOUSEHOLD GOODS, described in this Invitation to Bidding Process, are shipped to Brazil along with the bill of lading and inventory.

8.4.4.4 The second invoice (the remaining 50% of the specific service) should be sent to BACE after the Goods have been delivered to the RESIDENCE IN BRAZIL and "The Certificate for the completion of the service" has been signed by the SERVICEMAN, confirming the service has been completed satisfactorily.

8.5. The CONTRACTED PARTY must contact the military personnel or civil servants in return to Brazil within 72 hours (seventy e two hours) from receipt of the Service Order;

8.6. In the event of an insurance claim (HOUSEHOLD GOODS being damaged or lost), the payment of the 50% remaining will be done by BACE after the insurance company pays the SERVICEMAN all sums due for the claim, and after the SERVICEMAN has signed and sent to BACE the Certificate for the completion of the service.

8.7. Providing the SERVICEMAN has signed the receipt certificate without reservation, accepting the service provided, any insurance claim has been dealt with in a satisfactory manner and the contract supervisor issues the receipt documentation, BACE will pay the invoices within 30 days from the issue date.

9. PRICE ADJUSTMENT



9.1. All price instalments may be renegotiated, upon the formal proposition of one of the Parties mentioned in the CONTRACT, and only after 12 months have elapsed from the deadline for proposals submission contained in this bid announcement or the last renegotiation, however the renegotiations shall be preceded of indexes/indicators supporting the new updated prices, as well as a cost spreadsheet.

9.2. In renegotiations subsequent to the first, the annuity will be counted from the date of the last renegotiation.

9.3. The renegotiations will be preceded by a request from the contracted party, accompanied by an analytical demonstration of the change in costs, through presentation of the cost and price formation spreadsheet, and the new collective agreement or convention that underlies the renegotiation.

9.4. It is prohibited, on the occasion of the renegotiation, the inclusion of benefits not foreseen in the initial proposal, except when they become mandatory by virtue of a legal instrument, normative sentence or collective agreement.

9.5. When a renegotiation is requested, it will only be granted through negotiation between the parties, considering:

9.5.1. The market prices and in other Administration Contracts;

9.5.2. The current contract particularities;

9.5.3. New collective agreement or convention for professional categories;

9.5.4. New spreadsheet with the variation of costs presented;

9.5.5. Sectorial indicators, manufacturers' tables, official reference values, public tariffs or equivalent; and

9.5.6. CONTRACTED PARTY's budget availability.

9.6. The decision on the renegotiation request shall be made within a maximum period of 60 (sixty) days, counting from the request and delivery of proof of variation in costs.

9.7. In the case of renegotiation, an amendment to the current contract will be issued.

9.8. The term mentioned in the previous paragraph shall be suspended as long as the contracted party does not comply with the acts or present the documentation requested by the contracting party to prove the variation in costs.

9.9. The CONTRACTING PARTY may perform diligences to check the variation in costs claimed by the CONTRACTED PARTY.

9.10. The renegotiation proposal presented by the CONTRACTED PARTY does not require acceptance by the CONTRACTING PARTY, who may choose not to extend the contract for the next 12-month period.

10. INSPECTION

10.1. INSPECTION of the contract performance shall be carried out by the Contract Supervisor and by the COMREC in accordance with ICA 65-8, Contract Supervisor and COMREC Responsibilities, approved by Administrative Order DIRMAB 27, of 26 May 2009.

10.2. INSPECTION shall be carried out by Administration agents, specifically designated by the Administration.



10.3. INSPECTION of contractual execution consists of verifying the services compliance and the availability of the necessary resources.

10.4. Adequate verification of contractual compliance must be performed based on the criteria established in the BASIC PROJECT and in accordance with the contractual terms.

10.5. Contractual performance shall be monitored and inspected, including monitoring compliance with obligations arising from the CONTRACT.

10.6. INSPECTION shall include in its records all the events related to the implementation of the CONTRACT.

10.7. The monitoring and supervision of the contractual performance carried out by the CONTRACTING PARTY does not extinguish the CONTRACTED PARTY's responsibility, including before third parties, for any irregularities, even if they result from technical imperfections, failures/faults or equipment improper use. In the event of such incidents, it does not imply the shared responsibility of the CONTRACTING PARTY, its representatives or employees.

10.8. INSPECTION shall additionally follow the procedures below;

10.8.1. Monitor the development of all service requests made by the CONTRACTED PARTY;

10.8.2. Monitor the services development until it has been received by SERVICEMAN ;

10.8.3. Submit all proposals, questions, discrepancies and difficulties encountered during contract execution, or those requiring approval and/or decision, to the Head of BACE.

10.8.4. Receive invoices and compare with the values established in the CONTRACT, certify the invoices and forward them to the Head of BACE for approval.

10.8.5. All invoices must be *service* invoices, detailing, at least, units and total costs, taxes and fees, PROCESSING cost and discounts offered, cargo weight, volume number and BAF request code. All supporting documentation shall be attached to the invoice for COMREC validation.

10.8.6. In the case of other costs that may influence the service cost, these shall be detailed;

10.8.7. A Contractual Status Report for the Administration shall be issued by the fifth day of the following month.

11. OBJECT RECEIPT

11.1. The services of the CONTRACT shall be received by COMREC in accordance with the specifications established in this BASIC PROJECT.

11.2. RECEIPT COMMISSION (COMREC) is responsible for:

11.2.1. Make sure that the CONTRACTED PARTY will follow the description of all services that are the object of the BASIC PROJECT;

11.2.2. Receive or reject, within 10 (ten) consecutive days, services in accordance with the specifications described in the BASIC PROJECT.

11.2.3. Once approved, invoices will be sent to BACE's Contracts Division;



11.2.4. All proposals, questions, discrepancies and difficulties encountered during the CONTRACT execution or that require an evaluation shall be submitted to the CONTRACT SUPERVISOR, for the Head of CABE appreciation.

12. OBLIGATIONS

12.1. OBLIGATIONS OF THE CONTRACTING PARTY:

12.1.1. Provide all conditions enabling the CONTRACTED PARTY to carry out the services, in accordance with the provisions of the CONTRACT.

12.1.2. Demand the fulfilment of all obligations assumed by the CONTRACTED PARTY in accordance with the provisions contained in the BASIC PROJECT, the CONTRACT and the terms and conditions of its proposal.

12.1.3. Supervise services via Administration agents officially designated for this purpose, who will record any flaws found, showing the day, month and year, as well as the names of the people who may be involved, sharing such information with the relevant authorities for any actions applicable.

12.1.4. Notify the CONTRACTED PARTY, in writing, of the occurrence of any irregularities during the services performance, and establish a deadline for their correction.

12.1.5. Pay the amount due for the provision of services to the CONTRACTED PARTY, as established in the CONTRACT through the receipt and acceptance of an invoice; and

12.1.6. Make sure that, throughout the term of the CONTRACT, all the conditions of eligibility and qualifications required in the bidding process will be maintained in accordance with the obligations assumed by the CONTRACTED PARTY.

12.2. OBLIGATIONS OF THE CONTRACTED PARTY:

12.2.1. Perform the services in accordance with the specifications provided in the BASIC PROJECT and in its proposal, with the necessary resources for full compliance with the provisions of the CONTRACT.

12.2.2. Ensure that the cargo/container is promptly received and loaded onto the vessel prior to leave the CONTRACTED PARTY storage facilities.

12.2.3. Bear civil liability for any and all materials and for damages caused by action or inaction by contracted employees, workers, agents or representatives of the CONTRACTED PARTY.

12.2.4. Prohibit, during the services execution, the use of employees related to public positions, positions of trust or part of the Commission in BACE.

12.2.5. Assume responsibility for all tax and work-related obligations connected with the object of the CONTRACT.

12.2.6. Maintain throughout the CONTRACT term, consistency with the obligations assumed and all the eligibility and qualification conditions required in the bidding.

12.2.7. Be responsible for any costs resulting from any errors made in calculating the quantity of items in your proposal, including the variable costs associated with future and uncertain facts.



12.2.8. When requested by the INSPECTION, provide technical information and clarifications, proving all data with documents.

12.2.9. Partial or total non-performance of the responsibilities assumed by the CONTRACTED PARTY may result in the application of administrative sanctions, established in the future CONTRACT, including fines, and may culminate in the contract termination.

12.2.10. Be responsible for all labour, social and tax obligations, as well as for any other rights and obligations provided for in specific legislation. The violation of any of these obligations does not imply the transfer of these responsibilities to the CONTRACTING PARTY.

12.2.11. Meet the requirements in terms of Labour Laws, Tax Law, Social Security Law, and Healthy and Safety Regulations. BACE will have no responsibility, directly or indirectly, in relation to these matters.

12.2.12. Meet the expenses of transport, food, accommodation and welfare of its employees involved in the services specified in this Basic Project, including travelling between countries

12.2.13. Have insurance to cover damages to the Brazilian Aeronautical Command's materials or personnel whilst carrying out the services established in this Basic Project, arising from wilful misconduct, fault (negligence, recklessness or malpractice) or omission acts, caused by the Contracted Party's personnel, agent, representative or third-party, comprising moral and material damages (actual and consequential losses).

12.2.14. Evaluation, preparation, packaging, storage, customs clearance, transport and receipt of all goods belonging to the military and civilians of the Brazilian Air Force from their origin in Sweden to any region in Brazil. Furthermore protecting the goods from any human or natural factors that may damage them.

12.2.15. CONTRACTED PARTY TECHNICAL TEAM:

12.2.15.1. The Contracted Party must indicate, by a written communication to the Contract Supervisor, the contact details (name(s), telephone number(s), email address(s), etc.) of the technical staff responsible for the services who will represent it, in each location, in the performance of the Contract.

12.2.15.2. The Contracted Party must make the necessary arrangements for their employees to be aware of and to respect social principles, moral standards and good practice.

12.2.15.3. The team of the Contracted Party must be formed by professionals fluent in the English language

12.2.16. Ensure receipt of the cargo / container and prompt boarding before leaving the CONTRACTED PARTY's storage.

12.2.17. Perform up to a maximum of two collections as requested by the military or civil servant.

12.2.18. Inform the contract supervisor on a monthly basis about the progress of the move of the military or civil servant.

A



12.2.19. Provide storage in the CONTRACTED PARTY's own facilities for up to 30 days at origin and up to 60 days in Brazil, not including the period that the cargo might be stored at the ports.

12.2.20. The CONTRACTED PARTY shall contact the military or civil servant in return to Brazil within 72 hours (seventy-two hours) from receipt of the Service Order.

13. SAFETY MEASURES

13.1. The Contracted Party must adopt all safety and security measures relating to the protection of persons involved in the activities, materials, facilities and equipment in order to avoid accidents or damages.

13.2. The Contracted Party shall be subjected to the legislation in force in the countries where the services will be carried out, for any accident or damage caused to the personnel involved in the activities, materials, facilities and equipment, as well as to third-parties whilst carrying out the services established in this Basic Project. The Contracted Party shall have insurance cover for eventual damages and losses arising from wilful misconduct, fault or omission acts, caused by the Contracted Party's personnel, agent, representative or third-party.

13.3. The following special items: piano, valuable paintings, porcelain items, crystals and marbles, must be properly packed in a different way in order to ensure the quality of the items transported. If there are additional costs in the transportation of these items, they must be submitted to prior assessment and proof of expenses must be delivered to the contract supervisor for purposes of composing the process.

14. PRICE

14.1. The estimate total value is USD 313,774,13 (three hundred and thirteen thousand seven hundred and seventy four dollars and thirteen cents) per year, based on the reference price from previous market quotations multiplied by the Annual Demand forecasted.

14.2. The demand forecast estimated in this BASIC PROJECT does not imply any obligation by the CONTRACTING PARTY.

15. ALLOCATION BUDGET

15.1. Expenses arising from contracting shall be borne according to the following budget classification, **Action 2000**-Unit Administration, in the Nature of Expense **339033**, or other Programs and Actions that may provide such support.

16. GENERAL PROVISIONS

16.1. The CONTRACTING PARTY shall inform BACE, immediately, in writing, about any changes, notifications, requests or restrictions imposed by any government, intergovernmental organization or third-parties in relation to the receipt, storage and transport of the properties belonging to the Brazilian Aeronautical Command's military personnel and



civil servants' properties. Any additional costs must be duly presented with supporting documents by the Contractor and duly approved by BACE for the purposes of billing.

16.2. All communication between the contract's supervisor at BACE and the Contracted Party shall be in writing, either in English or Portuguese.

16.3. The Contracted Party shall inform the contract's supervisor at BACE as soon as possible about any failure or breach in its obligations, even if not expressly provided for in this basic project.

16.4. Possible sanctions against breaches in the obligations set out in the Contract shall be applied by the Head of BACE's discretion.

17. ANNEXES

Annexes to this Basic Project:

a) Annex 1 – Price Proposal Information;

London, 22nd September 2021.

Elaborated by:

LETÍCIA MOTA DE SOUZA

Head of Contracts and Acquisitions

Approved by:

Jorge Mauricio Motta Cel Av
Head of BACE



ANNEX I

Basic Information for the Formation of Prices that should be considered when making the price proposal.
It is important to note that the company that fails to quote any of the ports will no longer participate in the item.

>> PLACE OF ORIGIN <<

ITEM 1 – LINPOKING
ITEM 2 – STOCKHOLM

Please note that a pricing spreadsheet will be
made available

INTERNATIONAL BAGGAGE TRANSPORTATION SERVICES

Please fill in the table attached (File: *Request for Quote by Port – SUPPLIER.xls*) with the respective costs per Country per Port and SUBMIT the printed version. Please note that an electronic version MUST be sent via e-mail (*bid@bace.org.uk*) ONLY AFTER the OPENING SESSION OF THE PRINTED PROPOSAL.

In order to determine the ***Estimated Cost per City*** the following parameters will be used:

$$C1City = [(SC*0.68)+(AM*0.68)+(PR*0.68)+(PE*1.37)+(RJ*71.24)+(RS*0.68)+(SP*24.67)]/100$$

$$C2City = [(SC*0.68)+(AM*0.68)+(PR*0.68)+(PE*1.37)+(RJ*71.24)+(RS*0.68)+(SP*24.67)]/100$$

$$C3City = [(SC*0.68)+(AM*0.68)+(PR*0.68)+(PE*1.37)+(RJ*71.24)+(RS*0.68)+(SP*24.67)]/100$$

$$IRCity = [(SC*0.68)+(AM*0.68)+(PR*0.68)+(PE*1.37)+(RJ*71.24)+(RS*0.68)+(SP*24.67)]/100$$

ESTIMATED COST per LEG = $[(NVT \times C1) + C2 + (C3 \times D1) + (SDI \times IR)]$
--

Please note that there are two legs in Sweden (Stockholm and Linköping). The winner will be determined as follows:

Once the ESTIMATED COST per LEG is calculated the following formula should be used to calculate the total that will determine the winning bid.

C1City - AVERAGE COST from 10 to 30m ³ (USD/m ³)	<i>As per data input in the table attached</i>
C2City - AVERAGE COST Container 20 ft (Freight - USD)	<i>As per data input in the table attached</i>
C3City - AVERAGE COST per Km outside 100km radius distance from nearest Port of Landing/Airport at Destination (USD/Km)	<i>As per data input in the table attached</i>
IR - AVERAGE Insurance Rate (%)	<i>As per data input in the table attached</i>
D1 - AVERAGE distance outside 100km radius at Destination	690 Km
NVT = AVERAGE NET VOLUME TRANSPORTED (m ³):	22 m³





SDI = AVERAGE SDI (Sum Declared for Insurance - USD):

USD 45,100.00

DECLARATION: WE DECLARE THAT OUR PRICES ARE INCLUSIVE OF:

- ALL DIRECT AND INDIRECT COSTS AND EXPENSES, INCLUDING (BUT NOT LIMITED TO): TAXES, VAT, MANAGEMENT FEES, MATERIAL, SERVICES, LABOUR CHARGES, INSURANCE, PROFITS AND OTHER FEES THAT THE CONTRACTED PARTY MAY INCUR.

From 10 to 30m3 (USD/m3) includes:

- Includes Pre-Carriage: all direct and indirect costs resulting from pre-removal to delivery to Port of Origin from a location within 50 km radius, including (but not limited to) taxes, customs clearance, documentation charges, wharfage, VAT, social, employment, social security,, labour charges, commercial charges, profits, management fees, freight, insurance, storage of Household and personal effects for up to 30 days after the last collection, at the origin and up to 60 days at destination (Brazil), eventual storage requiring bonded warehouse and other fees that may incur.
- The service must also include:
 - disassembly and reassembly existing furniture and placing it in the designated places at the destination (DOES NOT INCLUDE ASSEMBLING NEW BOXED FURNITURE AT THE DESTINATION OR ANY ASSEMBLY ON WALLS);
 - remove electronic equipment at the origin (DOES NOT INCLUDE INSTALLATION ON WALLS AT THE DESTINATION).
- Please note that the CONTRACTED PARTY must charge BACE for the ACTUAL volume. Actual volume is a net figure for the SERVICEMAN's HOUSEHOLD GOODS only, excluding packing, lifts vans, etc. However the maximum volume of 30m³ must include the packing, lifts vans, etc. Packaging, lifts vans, and all other items necessary to perform the removal satisfactorily must be provided but on top of the actual net figure allowance for the SERVICEMAN.
- The SERVICEMAN will book up to 02 (two) collections. The BIDDER must predict the costs of Storage of Household and personal effects for up to 30 days after the last collection, at the origin and up to 60 days at destination (Brazil) and must complete this item with the proposed price. Proposals that contain costs to be inserted afterwards will not be accepted.
- The lift vans must be placed into a sole use container. The lift vans must be waterproofed fumigated and must be fixed within the container to ensure it doesn't move during transport. The CONTRACTED PARTY is responsible for all aspects of the removal and for complying with all rules and legislation for customs clearance

Container 20 feet (freight-USD) includes:

- Includes Carriage and On-Carriage applicable charges.
- Costs related to any residence in Brazil located within 100 km radius from the Port of Landing.



Insurance Rate (%) based on declared amount includes:

All costs related to the required insurance with no further tax charges

INTERNATIONAL BAGGAGE TRANSPORTATION SERVICES
Net Volume Transported

SEAPORTS: ITAJAI(SC) MANAUS (AM) PARANAGUA (PR) RECIFE (PE) RIO DE JANEIRO (RJ) RIO GRANDE (RS) SANTOS (SP)

ORIGIN: STOCKHOLM | SWEDEN

SEA FREIGHT

From 10 to 30m ³ (USD/m ³)							
Container 20 feet (Freight - USD)							

(Eg.) EXTRA CHARGES

Insurance Rate (%) based on declared amount							
Charge per Km outside 100km radius distance from nearest Port of Landing at destination (USD/Km)							

SEAPORTS: ITAJAI(SC) MANAUS (AM) PARANAGUA (PR) RECIFE (PE) RIO DE JANEIRO (RJ) RIO GRANDE (RS) SANTOS (SP)

ORIGIN: LINKOPING | SWEDEN

SEA FREIGHT

From 10 to 30m ³ (USD/m ³)							
Container 20 feet (Freight - USD)							

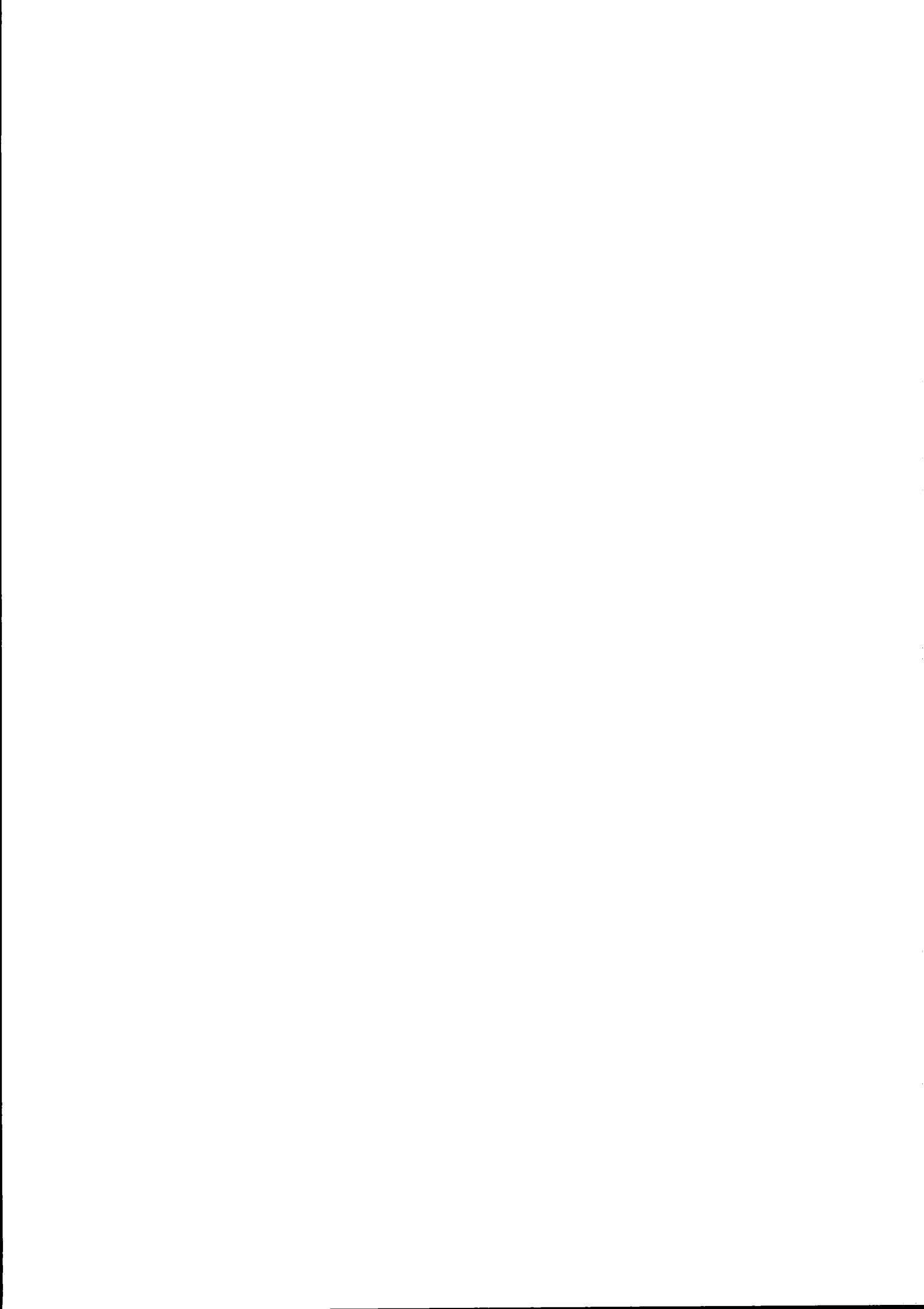
(Eg.) EXTRA CHARGES

Insurance Rate (%) based on declared amount							
Charge per Km outside 100km radius distance from nearest Port of Landing at destination (USD/Km)							

VALIDITY: THIS PRICE PROPOSAL MAY NOT BE WITHDRAWN FOR A PERIOD OF SIXTY (60) DAYS FROM THE DATE OF THE OPENING OF BIDS.

London, ___/___/2021

Authorised representative of the BIDDING Company
Name of the BIDDING Company



CONTRACT
Nº 002/BACE/2021
(PAG Nº 67103.210102/2021-97)

A handwritten signature in black ink, consisting of several loops and a long vertical stroke, located in the bottom right corner of the page.

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- CLAUSE 2 - TYPE OF CONTRACT
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**MINISTRY OF DEFENCE
AIR FORCE COMMAND
BRAZILIAN AERONAUTICAL COMMISSION IN EUROPE**

**CONTRACT N° 002/BACE/2021
BIDDING PROCESS N° 012/BACE/2021
COMAER PROTOCOL: 67103.210102/2021-97**

The parties have convened at the Brazilian Aeronautical Commission in Europe (BACE) to enter into an agreement in accordance with the Clauses and Conventions stipulated in this CONTRACT.

I - CONTRACTING PARTY: Federative Republic of Brazil — Brazilian Government, Ministry of Defense, through the Aeronautical Command (COMAER), represented by the Brazilian Aeronautical Commission in Europe (BACE), headquartered at 16, GREAT JAMES STREET, WC1N 3DP – LONDON – UK. registered in the Brazilian National Register of Legal Entities (CNPJ) under n° 00.394.429/0042-89, represented by the Head of BACE, Jorge Mauricio Motta , National Identification CPF No. 751.756.906-63, appointed as such by Internal Bulletin n° 06 of 31st March 2020.

II - CONTRACTOR:....., located at(full address)....., represented by Mr/Ms/Mrs....., (nationality), (marital status), (profession), identity card (passport) no....., resident at

III - CONVENTIONS:

For this contract the following conventions will be agreed upon in addition to those laid out in Basic Project No. N° 007/LC/2021:

- a) **BACE** for the Brazilian Aeronautical Commission in Europe;
- b) **BIDDING PROCESS** – means the bidding process document and the bidding process n° 012/BACE/2021;
- c) **COMAER**, for the Aeronautical Command;
- d) **CONTRACTOR / CONTRACTED PARTY**, for

- e) **CONTRACTING PARTY**, for the BRAZILIAN GOVERNMENT through the AERONAUTICAL COMMAND (COMAER), represented in this CONTRACT by the Brazilian Aeronautical Commission in Europe (BACE);
- f) **COMREC** – Commission of Material and Services Receipt;
- g) **DOU** – Official Gazette;
- h) **DLC** – Contracts and Acquisitions Department;
- i) **INTERNAL BULLETIN** – monthly BACE internal publication;
- j) **SUPERVISION**, for the organs, agents, contracted companies or commissions designated by the CONTRACTING PARTY as their representatives to the CONTRACTOR, in order to verify and supervise the fulfilment of this CONTRACT;
- k) **FORCE MAJEURE**, for the occurrence of a substantial fact, the effects of which are not avoidable or preventable, or for the supervenience of exceptional or unforeseeable facts not reasonably within the control of either party, altering the conditions of execution of the CONTRACT, meteorological factors, orbital correction or collision avoidance maneuvers, as well as other factors with no causal link with the CONTRACTOR's action or omission.

CLAUSE 1 - OBJECT, SUBCONTRACTING AND MAIN ELEMENTS

- 1.1. This contract is aimed at hiring door-to-door international baggage transportation services, for the Aeronautical Command military personnel and civil servants on mission in Sweden at their return to Brazil.
- 1.2. The object of this CONTRACT is carried out in strict compliance with Basic Project No. 007/LC/2021.
- 1.3. In the event of subcontracting, limited to 30% of the total value, the CONTRACTOR is responsible for the full execution of the object of this contract, being responsible for the quality, supervision and coordination of the third party's activities/services. The CONTRACTOR will also respond to the CONTRACTING PARTY for the terms and conditions relating to the object of the third party subcontractor

CLAUSE 2 - TYPE OF CONTRACT

- 2.1. This CONTRACT is celebrated in the form of global fixed price contracting.

CLAUSE 3 - PRICES, PAYMENT AND RESETTLEMENT

- 3.1. The total amount contracted is USD XXX (_____) for a period of one (1) year.

- 3.2. BACE is under no obligation to spend this amount as it is limited by budget restrictions and demand.
- 3.3. The CONTRACTOR will not charge the CONTRACTING PARTY any other amounts and / or measures, especially those that refer to the items below:
- a) Direct and indirect cost and expenses, including but not limited to): taxes, VAT, management fees, material, services, labour charges, insurance, profits and other fees that the contractor may incur.
 - b) Pre-Carriage: all direct and indirect costs resulting from pre-removal to delivery to Port of Origin from a location within 50 km radius, including but not limited to taxes, assessment, preparation, packaging, storage, customs clearance, transportation and receipt of all goods belonging to the military and civilians of the Brazilian Air Force from origin in Sweden to any region of Brazil, documentation charges, wharfage, VAT, social, employment, social security, labour charges, commercial charges, profits, management fees, freight, insurance, storage of Household and personal effects for up to 30 days after the last collection, at the origin and up to 60 days in Brazil, not including the period that the cargo will possibly be stored in the ports and eventual storage requiring bonded warehouse and other fees that may incur.
 - c) Carriage and On-Carriage applicable charges.
 - d) Costs related to any residence in Brazil located within 100 km radius from the Port of Landing.
 - e) Costs related to the required insurance with no further tax charges.
 - f) Compensation agreement.
- 3.4. Payments will be made by the CONTRACTING PARTY, directly and exclusively to the CONTRACTOR, under the conditions set forth in this Clause 3, observing the following procedures:
- a) the CONTRACTOR shall issue the invoice relating to the event held to BACE; and
 - b) payment of the commercial invoice cannot exceed 30 consecutive days starting from the date of issuance of the receipt documentation by the contract supervisor..
- 3.5. The negotiation of an invoice arising from the rendering of the object of this CONTRACT with banks or any other financial institutions, including factoring companies, is forbidden.
- 3.6. The invoices shall be paid provided that the CONTRACTOR's previous obligations are fulfilled in full, up to the date of the event that originated the billing.



- 3.7. Payments shall be made by the CONTRACTING PARTY, with no damages to the CONTRACTOR, on behalf of BACE into an international banking address, in US Dollars.
- 3.8. In cases of possible delays in payment, provided that the CONTRACTOR has not failed to deliver the object of this CONTRACT in any way, the amount due must be increased by default charges proportional to the days of delay, calculated from the due date for payment until the effective date of payment at the rate of 6% (six percent) per year, applying the following formula:

$$EM = I \times N \times VP$$

EM = Delay Charges to be added to the amount originally due

I = Financial update index, calculated according to the formula:

$$I = \frac{6 / 100}{365}$$

N = Number of days between the due date for payment and the date of actual payment

VP = Default amount

- 3.9. The value of the continuous service contract with a validity period of 12 (twelve) months or more may be renegotiated at each gap of 1 (one) year from the execution of the contract, by proving the variation demonstrated by means of a cost sheet presented by the CONTRACTOR, and approved by the CONTRACTING PARTY.

CLAUSE 4 - TIMESCALES

- 4.1. The duration of this CONTRACT shall be 12 (twelve) months from the date of signature by the legal representatives of the parties, extendable for one successive period of 12 (twelve) months, up to the limit of 60 (sixty) months.
- 4.2. The CONTRACTED PARTY must contact the military personnel or civil servants in return to Brazil within 72 hours (seventy e two hours) from receipt of the Service Order
- 4.3. In the event of failure to comply with any obligation by the CONTRACTING PARTY which results in a delay in the fulfilment of the obligations of the CONTRACTOR, the CONTRACTOR shall be entitled to compensation for each day the delay occurs, and the parties shall make every effort to overcome it.
- 4.4. The compensation provided for in Clause 4.3 will not be used by the CONTRACTOR as justification for delays in unrelated obligations.
- 4.5. The compensation referred to in Clause 4.3 will only be granted to the CONTRACTOR when it is proved that the CONTRACTING PARTY's non-fulfilment of their obligation caused the delay in the fulfilment of the CONTRACTOR's contractual obligations.
- 4.6. The unauthorized anticipation of any event by one of the parties shall not oblige the other party to fulfil its obligations before the dates provided in this CONTRACT.
- 4.7. Failure to comply with the deadlines determined in the Basic Project 007/LC/2021 will only be accepted by the CONTRACTING PARTY when caused by force majeure or a



fortuitous event, according to the provisions of Clause 14, or facts that may be attributed to the CONTRACTING PARTY's own actions.

CLAUSE 5 - BUDGET ALLOCATION

- 5.1. The Expenditures arising from the Bidding Process will be supported by resources made available in the Internal Plan XXXXXXXXXXXX such as PO XXXXXXXX.
- 5.2. Payments will be made to the CONTRACTOR, by BACE, in US dollars (USD).

CLAUSE 6 - CONTRACTOR'S OBLIGATIONS

- 6.1. Without prejudice to other obligations, rights and duties set forth in this CONTRACT, the CONTRACTOR undertakes to comply with:
- a) The CONTRACTOR shall not be excluded or reduced in the performance of its obligations agreed with COMAER;
 - b) The receipt of the object does not exclude civil liability of the CONTRACTOR for the solidity, security and guarantee of the service delivered to the CONTRACTING PARTY;
 - c) To submit to the application, after analysis of the process, administrative sanctions provided for in this instrument, when defaulting or defaulting in the fulfilment of its obligations, being assured the right to the adversary and ample defence;
 - d) Formally respond to all communications regarding the execution of this instrument to the contract's supervisor;
 - e) Receive from the CONTRACTING PARTY instructions on specifications, deadlines and timelines approved by it;
 - f) Repair, at its own expense, in whole or in part, goods or services in which there are defects or errors; and
 - g) Be responsible for labour, social security, social security and other charges of any nature related to the labour used in their respective supplies, as well as the liability arising from civil liability attributable to the culpable or malicious acts of the CONTRACTOR and subcontractors in fulfilment of this CONTRACT;
 - h) To be responsible for charges arising from lawsuits filed by third parties against the CONTRACTING PARTY, due to its contractual obligations;
 - i) Ensure receipt of the cargo / container and prompt boarding before leaving the CONTRACTED PARTY's storage.



- j) Perform up to a maximum of two collections as requested by the military or civil servant.
- k) Inform the contract supervisor on a monthly basis about the progress of the move of the military or civil servant.
- l) Provide storage in the CONTRACTED PARTY's own facilities for up to 30 days at origin and up to 60 days in Brazil, not including the period that the cargo might be stored at the ports.
- m) The CONTRACTED PARTY shall contact the military or civil servant in return to Brazil within 72 hours (seventy-two hours) from receipt of the Service Order.
- n) The following special items: piano, valuable paintings, porcelain items, crystals and marbles, must be properly packed in a different way in order to ensure the quality of the items transported. If there are additional costs in the transportation of these items, they must be submitted to prior assessment and proof of expenses must be delivered to the contract supervisor for purposes of composing the process.
- o) The CONTRACTED PARTY shall inform BACE, immediately, in writing, about any changes, notifications, requests or restrictions imposed by any government, intergovernmental organization or third-parties in relation to the receipt, storage and transport of the properties belonging to the Brazilian Aeronautical Command's military personnel and civil servants' properties. Any additional costs must be duly presented with supporting documents by the Contractor and duly approved by BACE for the purposes of billing.

CLAUSE 7 - CONTRACTING PARTY OBLIGATIONS

7.1. Without affecting the other obligations under this CONTRACT, the CONTRACTING PARTY, observing the terms and conditions contained in the Basic Project 007/LC/2021, commits in particular to:

- a) Effect payments to the CONTRACTOR in accordance with the provisions of Clause 3^a;
- b) Publish in the Official Gazette the extract from this CONTRACT.

CLAUSE 8 - SUPERVISOR'S OBLIGATIONS

8.1. This CONTRACT will be fully performed by the parties and will be supervised by an Agent, Commission or Body formally designated by the CONTRACTING PARTY, published in Internal Bulletin, whose composition shall be disclosed to the CONTRACTOR.

8.2. The CONTRACTING PARTY SUPERVISOR's obligations are to:

- a) Verify, in a systematic manner, compliance with the provisions of this CONTRACT;



- b) Supervise, technical analysis, control and monitoring services and other supplies provided in this CONTRACT, subject to the provisions, terms and conditions on the Basic Project N° 007/LC/2021;
- c) Accept, receive or reject services and / or equipment;
- d) Represent the CONTRACTING PARTY in the receipt of services and equipment; and
- e) Formally communicate to the Head of BACE, on a monthly basis, the occurrences related to this CONTRACT.

CLAUSE 9 - REMEDIES

9.1 In the event of any contractual and / or legal non-compliance, especially of default of the obligations, the CONTRACTOR will be subject to the sanctions set forth below, with the following criteria to be observed:

9.1.1 LIQUIDATED DAMAGES

- a) **Default payment**, to be applied in case of delay in the execution of any stage established in the Financial Schedules, in accordance with the following formula:

$$M = \frac{C}{T} \times F \times N$$

Where:

M = value of the fine;

C = value corresponding to the phase or stage;

T = timescale in working days, as per Financial Schedule, for the execution of the phase or stage;

F = progressive factor, according to the table below; and

N = period of delay, in calendar days.

DELAY PERIOD (CALENDAR DAYS)	PROGRESSIVE FACTOR
up to 10 (ten) days	0,010
from 11 (eleven) to 20 (twenty) days	0,012
from 21 (twenty-one) to thirty (30) days	0,015
from 31 (thirty one) to 40 (forty) days	0,018
over 40 (forty) days	0,040

- b) **Payment**, equivalent to 0.5% of the value of the CONTRACT, for failure to comply with any other legal or contractual obligation;
- c) **Payment**, equivalent to 10% of the value of the CONTRACT when the CONTRACTOR terminates or gives rise to the termination of the CONTRACT without due cause;

9.1.2 ADMINISTRATIVE SANCTIONS

- a) **Written warning**, for the breach of any agreed item, provided it does not affect the terms and sums set forth in this CONTRACT;
- b) **Temporary Suspension** from participating in biddings and impediment to contract with the Government for up to 02 (two) years; and
- c) **Declaration** of the CONTRACTED PARTY's lack of good standing to contract with the Public Administration for as long as the reasons for the penalty remain valid or until rehabilitation occurs before the authority that applied the penalty, which will be granted whenever the CONTRACTOR reimburses the Administration for the resulting damages and once the term of the sanction expires, as per previous point

9.2 Fines, when applicable, will be cumulative.

9.3 The points "a", "b" and "c" of sub-clause 0,2 shall be applied according to the seriousness of the offense committed.

9.4 The total amount of the fines is limited to 10% of the total contracted amount, resulting in the termination of the contract.

9.5 The fault incurred by the CONTRACTOR may be made public worldwide by COMAER;

9.6 Non-compliance of the CONTRACT, whether partial or full, will be taken into account in the CONTRACTED PARTY's future participation in Brazilian Government bids;

9.7 The application of sanctions, whether warning, temporary suspension or fine, may be appealed, with such appeals to be reviewed by the CONTRACTING PARTY, within 05 (five) working days from the notice or the drawing-up of the minutes of the quarterly meetings.

9.8 After regular administrative proceedings, where the right to full defence and the adversarial principle will be guaranteed, the parties agree that the calculated sum of the fines will be paid by the CONTRACTOR as follows:

- a) Directly by the CONTRACTOR, by means BACE's account within 20 working days from the receipt of the notice; and

- b) Deducted from the invoiced amounts still owed by the CONTRACTING PARTY.

9.9 In the event of non-compliance with the timescale established in point "a" of sub-clause 9.7, the CONTRACTING PARTY shall deduct the sum from the invoiced amounts to be paid.

9.10 The amount of the fines imposed on the CONTRACTOR shall be paid to BACE within 20 (twenty) calendar days from the date of receipt of the Notice for Collection of Fines, issued by the CONTRACTING PARTY.



- 9.11 In the event of non-payment of the fine and impossibility to deduct it from invoiced amounts, payment will be pursued through the courts, which does not exclude the subsequent termination of the CONTRACT.
- 9.12 No payment shall be made to the CONTRACTOR without proof of payment of the fines or that the Administration has accepted an appeal to waive it.
- 9.13 The incurrance of any compensation does not exempt the CONTRACTOR from the fulfilment of its obligations, nor from taking the necessary measures to rectify or to compensate for any damages caused to the CONTRACTING PARTY.

CLAUSE 10 - TERMINATION

10.1. Grounds for termination of this CONTRACT are set out in this Clause 10:

- a) non-compliance with contractual clauses, specifications, projects or deadlines;
- b) irregular compliance with contractual clauses, specifications, projects and deadlines;
- c) the slowness of its compliance, leading the Administration to prove the impossibility of the service or supply, within the stipulated time limits;
- d) unjustified delay at the beginning of the work, service or supply;
- e) the stoppage of the work, service or supply, without just cause and prior communication to the Administration;
- f) the lack of compliance for the determinations of the authority designated to monitor the service, as well as those of its superiors;
- g) the repeating faults in its implementation,
- h) the filing for bankruptcy or insolvency;
- i) the dissolution of the company or the death of the Contractor;
- j) the change or modification of the organisational structure of the company, which impairs the performance of the contract;
- k) reasons of public interest, of high relevance and broad knowledge, justified and determined by the maximum authority of the administrative sphere to which the contractor is subordinated and registered in the administrative proceedings related to the contract;
- l) the removal by the Administration of works, services or purchases, causing modification of the initial value of the contract beyond the permitted limit;
- m) the suspension of its execution, by written order of the Administration, by a period of more than 120 (one hundred and twenty) days, except in the event of public calamity, serious disturbance of the internal order or war, or by repeated suspensions totalling the same period, regardless of the mandatory payment of



indemnities for successive and contractually unforeseen demobilizations and other fixed mobilizations, provided to the contractor, in such cases, the right to opt for the suspension of compliance with the obligations assumed until the situation is normalised;

- n) delay of more than 90 (ninety) days of payments due by the Administration arising from services or supply, or portions of these, already received or executed, except in the event of public calamity, serious disturbance of domestic order or war, the contractor has the right to choose to suspend compliance with his obligations until the situation is normalised;
- o) the non-release by the Administration, area, place or object for execution of work, service or supply, within contractual deadlines;
- p) the occurrence of fortuitous or force majeure, regularly proven, preventing the performance of the contract.

- 10.2. In an event which constitutes grounds for termination, in accordance with the Clause 10.1, the CONTRACTING PARTY shall immediately suspend the payment of invoices not yet verified, whereas the CONTRACTOR shall submit within thirty (30) calendar days from the date of receipt of the notification of termination, evidence of all expenses incurred in the performance of the object of the contract.
- 10.3. The CONTRACTING PARTY shall issue a detailed notification, wherein the termination will be communicated, as well as the reasons for such decision.
- 10.4. This CONTRACT may also be terminated by a unilateral act of the Administration, by amicable agreement or by judicial means.
- 10.5. The occurrence of a FORCE MAJEURE may constitute grounds for termination of this CONTRACT, provided that its consequences remain for 30 (thirty) consecutive days or more, preventing the continuity of the performance of the contractual object, subject to the provisions of Clause 10.2.
- 10.6. For the cases referred to in the items a”, “b”, “c”, “d”, “e”, “f” e “g” of the Clause 10.1, termination may occur if the CONTRACTOR has not rectified the performance of the CONTRACT within 15 (fifteen) working days from the receipt of the notification issued by the CONTRACTING PARTY

CLAUSE 11 – PRICE VARIATION

- 11.1. The CONTRACTOR undertakes to accept, under the agreed conditions, increases or decreases of up to 25% (twenty-five percent) of the initial value of this contract, as necessary and at the discretion of the CONTRACTING PARTY, with the possibility of decreases beyond this limit by agreement between the parties.
- 11.2. The increments and decrements mentioned in clause 11.1 will be formalized by means of Amendments to the original Contract, based on opinions or justifications.

CLAUSE 12 - RELATED DOCUMENTS



12.1. This CONTRACT is linked to Bidding Process No. 012/BACE/2021, which forms part of administrative process No 67103.210102/2021-97, and to the CONTRACTOR's proposal.

CLAUSE 13 - PRINCIPLES, JURISDICTION AND ARBITRATION

13.1. This CONTRACT is celebrated in the form of fixed-price contracting.

13.2. The following principles apply to this contract: Principle of isonomy, the selection of the most advantageous proposal for the Administration, being processed and evaluated in strict compliance with the basic principles of legality, impersonality, morality, equality, publicity, administrative probity, compliance with the invitation to tender and objective judgement.

13.3. Issues arising from the performance of this instrument which cannot be settled administratively, including litigation or non-contractual claims arising from or in connection with it or its subject matter, shall be governed by and construed in accordance with the English Law.

13.4. The CONTRACTOR, appoints the company, company registration number....., with offices at, represented by its....., Mr., nationality, marital status, profession, identity No, resident at, as its legal representative, according to the attached power of attorney, to receive summons and to respond administratively and judicially on its behalf.

13.5. Any change relating to the CONTRACTOR's legal representative, as per Clause 13.4 shall be made by means of an annotation to the contract.

13.6. In exceptional cases, and in the event of circumstances that may affect the performance of obligations undertaken by the parties, in case of restrictions presented by the English Law, the disputes arising from the contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules.

13.7. The decision of the International Chamber of Commerce is final, definitive and recognized by the parties.

13.8. There shall be no interruption to the performance of the obligations of the parties for the duration of the judicial process or arbitration, as applicable, except in the event of contractual termination.

CLAUSE 14 - FORCE MAJEURE

14.1. Characterized by the occurrence of a concrete fact whose effects are unavoidable, or by any exceptional or unforeseeable fact, fundamentally altering the ability to execute the CONTRACT, as well as other factors with no causal link with the CONTRACTOR's action or omission.

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- 14.2. Force majeure events that have repercussions in the execution of the service may lead to the extension up to the limit of its duration. The CONTRACTOR, in such cases, must prove it legally as well as demonstrate what influences it had in the performance of the object of this CONTRACT.
- 14.3. In the event of force majeure the following procedure shall be adopted:
- a) Up to 30 (thirty) calendar days after the beginning of its occurrence, the affected party shall estimate its impact and inform the other party;
 - b) Up to thirty (30) calendar days after the event ends, the affected party shall provide legal proof of occurrence and its consequences; and
 - c) The party receiving the evidence shall state within 10 (ten) calendar days, from receipt of the communication, whether they will accept or reject the reasons given, providing their own reasons in writing.
- 14.4. Upon completion of the procedure referred to in Clause 14.3, the period recognized as an extension of the term for compliance with the contractual obligation referred to in Clause 14.2, shall be explained in a document signed by the parties.
- 14.5. While the force majeure event lasts, no penalty, adjustment, indemnification or any other charges may be claimed.
- 14.6. Failure to comply with the timescales set forth in Clause 14.3 shall result in the party alleging force majeure being subject to contractual clauses, whereas not contesting such allegation within the appropriate timescale shall be construed as acceptance of the alleged force majeure.
- 14.7. Once the effects of the force majeure event have ceased, the affected timescales will be reinstated, with the correct amendments, according to the delays verified.
- 14.8. Subject to the procedure set forth in point "b" of Clause 14.3, should the CONTRACTING PARTY not acknowledge the allegation of force majeure event, the contract term and service schedule originally agreed upon shall remain in force.

CLAUSE 15 - REGULATION OF CONTRACTUAL CLAUSES AND AMMENDMENTS

- 15.1. In order to meet the priorities of the Object and to expedite the fulfilment of the obligations set forth in this CONTRACT, it is agreed that, by means of side letters signed by authorised personnel, the parties may, by mutual agreement, regulate any clause of this instrument or make adjustments, without changes to scope, prices and timescale.
- 15.2. Any modifications, additions or deletions of contractual clauses, duration or object of this instrument shall only be valid by means of an AMENDMENT, duly signed by authorised personnel.
- 15.3. Once any side letters and amendments are formalised, they shall become an integral part of this CONTRACT.

CLAUSE 16 - EXTENSION

- 16.1. The term for the performance of the object of this CONTRACT may be extended for equal and successive periods with a view to obtaining prices and conditions more advantageous for the Administration, limited to sixty months.
- 16.2. The extension of the term, if any, will be formalised through an AMENDMENT.

CLAUSE 17 - PARTIES TO THIS AGREEMENT

- 17.1. In order to better specify the object of this CONTRACT, as well as to define procedures resulting from the obligations herein assumed, the following annexes are included as follows:
- a) Basic Project No. 007/LC/2021;
 - b) CONTRACTOR's Proposal; and
 - c) CONTRACTOR's Power of Attorney.

CLAUSE 18 - CURRENCY

- 18.1. For all legal and contractual purposes, the currency used in payments to be made under this CONTRACT is US dollar (USD).

CLAUSE 19 - QUALITY ASSURANCE

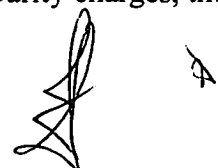
- 19.1. The Contractor assumes responsibility and guarantees the performance of the services set forth in this CONTRACT, according to the criteria and parameters established in the Basic Project No. 007/LC/2021.

CLAUSE 20 - LANGUAGE

- 20.1. The official language to be used in meetings, correspondence and other documents shall be English, unless otherwise agreed in writing between the parties.

CLAUSE 21 - RESPONSABILITY

- 21.1. . The CONTRACTOR acknowledges their position as being solely responsible for the full performance of the object of this CONTRACT and, as such, accepts full responsibility for damages which the CONTRACTOR itself, its agents and employees may cause to the public patrimony or to third parties. The CONTRACTING PARTY's SUPERVISION and monitoring shall not excuse the CONTRACTOR from such responsibility or be construed as reason for ignoring or reducing it.
- 21.2. The CONTRACTOR takes total responsibility for the non-payment of salary to personnel allocated to carry out the services herein contracted, whether pursued legally or otherwise, as well as the respective employment, tax and social security charges, thus



exempting the Brazilian Government from any charges arising from lawsuits relating to employment, tax and social security, filed by their employees, agents and third parties affected by an action or omission, voluntary or otherwise, on the part of the CONTRACTOR,.

- 21.3. The parties, individually, shall be responsible for any costs and indemnities arising from unlawful acts of a civil or criminal nature that involve their teams at work and in contractual activities, when working or visiting the premises of the other party, except in cases in which these events have been caused by the visited party.
- 21.4. Any failure on the part of the CONTRACTING PARTY to require strict compliance with the CONTRACTOR's obligations under the terms and conditions established in this CONTRACT, including its annexes and the documents originating from them, or to deal with procedures or acts of the CONTRACTOR not covered by the provisions of this instrument and even if the CONTRACTING PARTY does not exercise their prerogative deriving from this instrument, the CONTRACTOR acknowledges that such concessions do not constitute and will not constitute, at any rate, renunciation or novation, and will not affect the right of the CONTRACTING PARTY to take corrective or appropriate measures, at any time, whether based on their contractual prerogatives or on the law.

CLAUSE 22 - CORRESPONDENCE AND NOTIFICATIONS

22.1. All correspondence, reports or notifications based on the provisions of this CONTRACT shall be presented in writing, and shall be deemed received when delivered to the addresses indicated below or at others indicated by the parties during the performance of this CONTRACT:

- **BRAZILIAN AERONAUTICAL COMMISSION IN EUROPE**

Address: 16 Great James Street - London - United Kingdom - WC1N 3DP
Tel: +44 20 7440 4320
Fax: +44 20 7831 8129
e-mail: chefelc@bace.org.uk

- **Gerson Relocation Limited**

Address: XXXXXXXXXXXXX
Tel: XXXXXXXXXXXXX
Fax: XXXXXXXXXXXXX
e-mail XXXXXXXXXXXXX

22.2. The correspondence referred to in this Clause may be made by letter.

22.3. The parties shall notify any changes to the addresses mentioned in Clause 22.1 by writing and registered at BACE's reception desk. Non-compliance with this clause may result in sanctions.



CLAUSE 23 - FINAL PROVISIONS

- 23.1. For all purposes of this CONTRACT, the CONTRACTOR agrees and acknowledges that the persons entrusted with the performance of their contractual obligations, individuals or legal entities, have no representation or authorisation from the CONTRACTING PARTY to position, speak or act on its behalf as well as have no employment relationship with the CONTRACTING PARTY.
- 23.2. This CONTRACT was analysed by the Legal Consultant-Deputy of the Aeronautical Command - COJAER, according to Legal Opinion n° XXXXX/COJAER/CGU/AGU.
- 23.3. The following annexes form part of this Agreement, for all purposes and effects:
- 23.3.1 ANNEX I - Basic Project n° 07 / LC / 2021
 - 23.3.2 ANNEX II - Price Proposal;

As agreed, the parties declare to accept all the provisions set forth in the Clauses of this CONTRACT which, after being read, understood and accepted, is hereby signed by the each party's representative and witnesses.

London, 2021.

CONTRACTING PARTY:

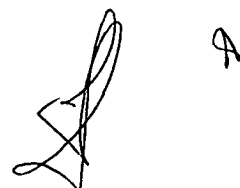
Jorge Mauricio Motta
Head of BACE

CONTRACTOR:

WITNESSES:

Head of Compliance

Contract's Supervisor

Handwritten signature and initials in black ink.

