ANNEX C - DRAFT BASIS OF PAYMENT

START-UP COSTS, SYSTEM ACCEPTANCE TESTING, AND MONTHLY PROGRAM MANAGEMENT FEE

A	B	C	D	E	F
Item Number	**Milestone Description**	**Start-Up Costs**	**System Acceptance Testing**	**Monthly Program Management Fee**	**Extended Price of Start-up Costs, SAT, and Monthly Program Management Fee**
1	One-time Start-up Cost payable upon obtaining Airworthiness Approval from DND/CAF.				
2	One-time Acceptance Testing Cost payable upon demonstrating successful Acceptance Testing for which acceptance has been provided by Canada.				
3	Fixed Monthly Program Management Fee payable after one month of the commencement of Deployment Phase of Assignment # 01.				
	Total Price of All Items	**$0.00**	**$0.00**	**$0.00**	**$0.00**
	Aggregate Price of Start-up Cost, SAT, and Program Management Fee				

Note: FFP includes Custom & Excise Duties, Travel & Living Expenses and exclude applicable taxes.

Bidders must substantiate their proposed Start-up Cost and total Program Management Fee for the contract period including the Optional Periods by providing breakdown of the costs that are forecast in order to claim the milestone and monthly PM Fee.

ANNEX C - DRAFT BASIS OF PAYMENT

FIRM AND OPTIONAL ASSIGNMENTS

Assignment Number	Firm and Optional Assignments	Proposed Price if Authorized in 2019		Proposed Price if Authorized in 2020		Proposed Price if Authorized in 2021		Proposed Price if Authorized in 2022		Proposed Price if Authorized in 2023	
		Firm Price for Installation, Pre-deployment and post deployment phases	Firm UAS hourly flying Rate for 1050 Hours during Deployment phase	Firm Price for Installation, Pre-deployment and post deployment phases	Firm UAS hourly flying Rate for 1050 Hours during Deployment phase	Firm Price for Installation, Pre-deployment and post deployment phases	Firm UAS hourly flying Rate for 1050 Hours during Deployment phase	Firm Price for Installation, Pre-deployment and post deployment phases	Firm UAS hourly flying Rate for 1050 Hours during Deployment phase	Firm Price for Installation, Pre-deployment and post deployment phases	Firm UAS hourly flying Rate for 1050 Hours during Deployment phase
1	One Firm Naval COCO Assignment										
2 to 6	Unit Price of Firm Land COMO Assignment/s										
2 to 6	Unit Price of Firm Naval COMO Assignment/s										
7 to 12	Unit Price of up to 6 Optional Naval COCO Assignment/s										
7 to 12	Unit Price of up to 6 Optional Land COMO Assignment/s										
7 to 12	Unit Price of up to 6 Optional Naval COMO Assignment/s										
Total Price of All Items			$0.00	$0.00	$0.00	$0.00	$0.00	$0.00			
Aggregate Price for All Firm and Optional Assignments											

Note: FFP includes Shipping and Transportation of the UAS, Custom Duties & Excise, Travel & Living Expenses, and excludes applicable taxes.
See Appendix B7 - Tentative Assignment Schedule.
Assignment stream and type will be confirmed after the contract award at the time of assignment authorization.

ANNEX C - DRAFT BASIS OF PAYMENT

OPTIONAL FLYING HOURLY RATES

A	B	C	D	E	F	G	H
Item Number	**Optional 1000 Flying Hours in Each Assignment**	**Proposed Hourly Rate if Authorized in 2019**	**Proposed Hourly Rate if Authorized in 2020**	**Proposed Hourly Rate if Authorized in 2021**	**Proposed Hourly Rate if Authorized in 2022**	**Proposed Hourly Rate if Authorized in 2023**	**Total Extended Price**
1	**For Firm and Optional Naval COCO Assignments**						
1.1	1 to 1000 Hours						
2	**For Firm and Optional Naval COMO Assignments**						
2.1	1 to 1000 Hours						
3	**For Firm and Optional Land COMO Assignments**						
3.1	1 to 1000 Hours						
	Total Price of All Items	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**
Aggregate Rate for All Optional Flying Hours							

Note: Firm Fixed Prices include all overheads, and exclude applicable taxes.
Actual Consumed Flying Hours will be paid.

ANNEX C - DRAFT BASIS OF PAYMENT
TRAINING COURSES

A	B	C	D	E	F	G	H
Item Number	**Training Courses**	**Proposed Unit Price if Authorized in 2019**	**Proposed Unit Price if Authorized in 2020**	**Proposed Unit Price if Authorized in 2021**	**Proposed Unit Price if Authorized in 2022**	**Proposed Unit Price if Authorized in 2023**	**Total Extended Price**
1	Firm UAS Operator Training Course						
2	Firm UAS Maintenance Training Course						
3	Optional Train the Trainer Course						
4	Optional UAS Operator Training Course						
5	Optional UAS Maintenance Training Course						
	Total Price						
Aggregate Price of all Training Courses including Mandatory and Optional Courses							**$0.00**

Note: FFP include Travel & Living Expenses and exclude taxes, as applicable.

ANNEX C - DRAFT BASIS OF PAYMENT
HOURLY LABOUR RATES FOR ADDITIONAL WORK REQUIREMENTS

A	B	C	D	E	F	G	H	I
Item No.	**Labour Categories**	**Forecast Hours for AWRs**	**Hourly Labour Rate from Contract Award to December 31, 2018**	**Hourly Labour Rate from 1 January 2019 to December 31, 2019**	**Hourly Labour Rate from 1 January 2019 to December 31, 2020**	**Hourly Labour Rate from 1 January 2021 to December 31, 2021**	**Hourly Labour Rate from 1 January 2022 to December 31, 2022**	**Hourly Labour Rate from 1 January 2023 to December 31, 2023**
1	**Junior Technician**	**200**						
2	**Senior Technician**	**100**						
3	**Junior Engineer**	**200**						
4	**Senior Engineer**	**100**						
5	**Project Manager**	**200**						
							$0.00	
				Aggregate of Labour Rates			**$0.00**	

Note: The labour rates must be fully loaded Firm Fixed Rates excluding applicable taxes.
Forecast Hours shown in column C are multiplication factors to determine the aggregate labour rates. The factor will be used for evaluation purpose only.
Actual AWRs if required, the expended hours may be different.

ANNEX C - DRAFT BASIS OF PAYMENT
BREAKDOWN OF THE TOTAL PROPOSED START-UP COST

Note: Bidders to list all business line items here with their respective costs that make the total proposed Start-up Cost and Program Management Fee for the contract period including the Optional Periods.
This information is required for costs validation and substantiation purposes IAW Cost Principles 1031-2 incorporated in this RFP.