



**MINISTRY OF DEFENSE  
BRAZILIAN NAVY  
BRAZILIAN NAVAL COMMISSION IN WASHINGTON**

**BID PROCESS n°. 11/2022**

**Online Reverse Bid Auction**

**Object: To hire a company specialized in providing booking, issuing, and delivering domestic airline tickets (United States of America) and International airline tickets for flights originating in the United States of America or, occasionally, from other countries in the Americas, China, Korea, or Japan (areas inside the jurisdiction of the Brazilian Naval Commission).**

**Annexes:**

- A) Term of Reference;**
- B) Contract Draft;**
- C) Price Proposal; e**
- D) Online Reverse Bid Auction Information.**

## Online Reverse Bid Auction - Bidding Process 11/2022

### NOTICE Nº 11/2022

The Brazilian Naval Commission in Washington (BNC), headquartered at 5130 MacArthur Blvd., NW, Washington, DC, 20016-3316, makes public, for the knowledge of interested parties, the Bidding Process nº 11/2022, in the form of ONLINE REVERSE BID AUCTION, with a lower price per item being the judgment criteria to hire a company specialized in providing booking, issuing, and delivering domestic airline tickets (United States of America) and International airline tickets for flights originating in the United States of America or, occasionally, from other countries in the Americas, China, Korea, or Japan (areas inside the jurisdiction of the Brazilian Naval Commission), under Ministerial Ordinance GM-MD nº 5,175, of December 15<sup>th</sup>, 2021, norms adapted to local peculiarities.

**Online Reverse Bid Auction Date:** November 23<sup>th</sup>, 2022.

#### IMPORTANT NOTES ABOUT THE ONLINE REVERSE BID AUCTION

The **Online Reverse Bid Auction** is a form of bidding intended for the acquisition of common goods and services. The dispute between **Bidders** is carried out using remote bids through a chat designated for this purpose.

**It is important for Bidders to read the Notice and Attachments to legitimate participation in the bidding process**, paying attention to the process schedule and requirements for participation.

The BNC will disqualify any proposal that does not follow the requirements of this process.

The following rules must be observed in accordance with Brazilian law:

- 1 - **Bidders** are requested to send 2 (two) emails, **separately**, one with the **qualification documents and the other with the price proposals**, according to the schedule established in this Notice, to [cnbw.bid@marinha.mil.br](mailto:cnbw.bid@marinha.mil.br).
- 2 - Proposals and documents sent to any email address other than [cnbw.bid@marinha.mil.br](mailto:cnbw.bid@marinha.mil.br), or sent by mail, will not be accepted and, therefore, such bidders will be unable to participate in this bidding process
- 3 - Proposals and documents received after the closing date and time provided in the schedule or that do not meet the requirements of this bidding process will not be considered valid.
- 4 - **The winning bid will be the one with the lowest price.**
- 5- **At all times, observe US Eastern Time Zone.**

**PUBLICATION DATE:** November 8<sup>th</sup> 2022.

## 1 - OBJECT SPECIFICATIONS

1.1 The purpose of this Agreement is to hire a company specialized in providing booking, issuing, and delivering domestic airline tickets (United States of America) and International airline tickets for flights originating in the United States of America or, occasionally, from other countries in the Americas, China, Korea, or Japan (areas inside the jurisdiction of the Brazilian Naval Commission).

1.2 The judgment criteria adopted will be the lowest price of the service, observing the requirements contained in this Notice and its Annexes regarding the specifications of the object.

## 2 - PRESENTATION OF THE PROPOSAL

2.1 The Proposal must contain:

- a) The discount offered for international and domestic flights, separately, added to the service fee, if any, for the sale, multiplied by the number of tickets issued;
- b) Service fee multiplied by the number of tickets rebooked and canceled; and
- c) Maximum allowed payment period for the invoices.

2.2 The estimated amount is 350 (three hundred and fifty) airline tickets issued in a period of 12 (twelve) months.

## 3 - CLASSIFICATION OF COMMON SERVICE

This service is characterized as common provision, considering that the performance and quality standards can be objectively defined in this Notice, as in the Term of Reference, through usual specifications in the market, in line with the local peculiarities, as provided in the Ordinance GM-MD nº 5.175/2021.

## 4 - REMUNERATION

4.1 The **BUYER** will calculate the total remuneration to be paid to the **SELLER** from the amount offered for the provision of the travel agency service, multiplied by the number of tickets issued, rescheduled, or canceled, including other related services if necessary.

4.2 The **BUYER** will transfer the amount related to the purchase of tickets to the contracted travel agency, which will intermediate the payment with the airlines that issued the tickets.

## 5 - OBJECT ACCEPTANCE CRITERIA

5.1 Offer providing the most significant discount (no service fees);

5.2 If none of the bidders offer discounts, preference will be given to the one with the lowest service fees;

5.3 In the event of a tie in 5.1 and 5.2, the bid that allows the most extended payment period will have the highest score;

5.4 In the event of a tie in the above items, the decision will be made by drawing lots.

## 6 - BUDGET ALLOCATION

The expenses to meet this bidding are scheduled in its budget allocation, provided in the Union's budget for the year 2022, in the classification below:

Management/Unit:	70200
PTRES:	174702
INTERNAL ACTION:	B481TB0020J
Nature of Expense:	339033

## 7 - PAYMENT

7.1 The **BUYER** shall pay the **SELLER** within the period stipulated in the **Bidder's** proposal and upon presentation of the final invoice. All invoices must provide the following information:

- a) Brazilian Naval Commission in Washington name;
- b) Contract number;
- c) Travel Requisition Number;
- d) User's name;
- e) Departure and arrival destination, as per Requisition;
- f) Final ticket price with discounts and service fees, if applied;
- g) Air Ticket Request Form, with completed and signed confirmation.

7.2 Whenever the **SELLER** receives a commission from the airline, no service charge shall be applied to the price;

7.3 The **SELLER** must monitor market prices to verify the adequacy of the prices charged.

7.4 The **SELLER** must be able to provide invoices including only the items mentioned in this section (invoices that contain additional data or do not contain all necessary data must be returned for corrections). Any additional costs not previously authorized by the **BUYER** must be the sole responsibility of the Beneficiary.

7.5 Any refunds for cancellation of airline tickets must be forwarded to the **BUYER**.

7.6 The **BUYER** will apply a control routine to verify the adequacy of the "price" charged by the **SELLER** compared to average market prices.

7.7 Whenever the **SELLER** receives a commission from the airline, no service charge shall be applied to the "price."



## BIDDING PROCEDURES

### 8 - SCHEDULE

Steps	Date	Time	Events
1	November 8 <sup>th</sup> ,2022	2pm EST	Online Reverse Bid Auction Notice is Published.
2	November 21 <sup>th</sup> ,2022	6pm EST	Phase 1: Last day for submission of proposals containing the "Qualification Documents" and the initial "Price Proposal." (Please send both documents <b>separately</b> to <a href="mailto:cnbw.bid@marinha.mil.br">cnbw.bid@marinha.mil.br</a> ).
3	November 22 <sup>th</sup> ,2022	9:30am EST	Phase 2: Opening of initial price proposals by the auctioneer.
4	November 23 <sup>th</sup> ,2022	11:00am – 11:25am EST	Phase 3: <b>Online Reverse bid Auction Sessions</b> The sessions will be divided as follows: <b>11:00am – 11:04am (EST) - Opening of the online reverse bid auction chat sessions;</b> <b>11:05am – 11:25am (EST) - Bids</b>
5	November 28 <sup>th</sup> ,2022	2:00pm EST	Phase 5: The auctioneer announces the winning bidder.
6	TBA	TBA	Phase 6: Signature of the contract.

### 9 - APPLICABLE LAW

The BNC issued this Bidding Process following Ministerial Ordinance GM-MD no. 5,175, of December 15, 2021, of the Federative Republic of Brazil, adapted to local peculiarities, as contained in the caput of this Notice.

### 10 - REQUIREMENTS TO PARTICIPATE

10.1 All proposals must comply with the provisions outlined in this Notice and its Annexes. The **Bidder** that does not comply with the requirements outlined in this Notice will be disqualified, and formal notification will be issued, with the respective reason for the decision.

10.2 The following proposals will not be accepted:

- a) Proposals with incomplete or potentially misleading information;
- b) That does not contain all the requested information nor the technical specifications required in this bidding process;

- c) Not complying with the provisions of Ministerial Ordinance GM-MD no. 5,175, of December 15<sup>th</sup>, 2021;
- d) Offering impracticable prices, considering those far below the market value. For the **Bidder** is guaranteed the opportunity to prove the feasibility of the value of the proposal presented;
- e) That are unfeasible or incompatible with the bid object;
- f) Proposals in any currency other than US Dollars.

10.3 No additional information to the Price Proposals will be accepted after the scheduled date established in this Notice unless the auctioneer requests necessary additional details;

10.4 The BNC will not accept joint proposals from two or more **Bidders**.

10.5 **Bidders** must analyze in detail all documents related to the Notice of this bidding process, particularly the Contract.

10.6 Guidelines for registering **SELLER** will be available on this BNC's website.

10.7 Public agents or managers of the bidding agency, as well as auctioneers and third parties who assist in conducting the contract as a member of the support team, are prohibited from participating in the bidding.

## 11 - PHASES OF THE BIDDING PROCESS

### 11.1 - PRESENTATION OF THE INITIAL PROPOSAL

11.1.1 **Bidder's** are requested to send two emails, **separately**, when submitting their initial proposals, with the following titles:

- a) **Qualification Documents; and**
- b) **Price offer.**

Both emails should be send to: Brazilian Naval Commission in Washington  
Bidding Process N° 11/2022 (OLRB)  
**Email address:** [cnbw.bid@marinha.mil.br](mailto:cnbw.bid@marinha.mil.br)  
Sent by \_\_\_\_\_

11.1.2 Proposals sent to any email address other than [cnbw.bid@marinha.mil.br](mailto:cnbw.bid@marinha.mil.br), or sent by mail, will not be accepted.

11.1.3 The BNC will not accept proposals after the date specified in Phase 1 - Schedule (November 21<sup>th</sup>,2022).

11.1.4 The initial **Qualification Documents** and **Price Proposals** must be presented on Company's letterhead, containing all the **Bidder's** contact information.

11.1.5 A agent designated by this Naval Commission will be responsible for opening the emails on the day and time defined in this notice, from which detailed minutes will be drawn up.

11.1.6 **Qualification Documents:** All documents must be up to date and valid:

- a) ID and complete identification of the **Bidder**, with the respective identification of its representative, complete address, emails, and telephone numbers for contact;
- b) Copy of the certificate of incorporation of the company;
- c) Authorizing document issued by the Government for the exercise of the tendered object;
- d) Company tax identification number;
- e) Valid Liability Insurance Certificate (proof of insurance);
- f) Proof of employment with the company that you are representing.

11.1.7 The BNC will not accept any expired documents.

## 11.2 - OPENING OF THE INITIAL PRICE PROPOSALS BY THE BIDDING COMMISSION:

11.2.1 **Bidders** must pay special attention to the price proposal to be submitted, which must contain the value of the requested service, following the specifications of this Notice.

11.2.2 **Bidders** must carefully observe the limit provided in this Notice's schedule for submitting Qualification Documents and Price Proposals. The auctioneer will open the bids on the date established in the Notice, and the lowest price will be the reference for holding the online reverse bid auction.

11.2.3 The price proposal must be submitted using the form in Annex "C".

11.2.4 All prices must be in US Dollars.

11.2.5 The information must be clear, with no overwriting or erasure.

11.2.6 The unit of supply must be per liter. **Any proposal submitted that does not meet this requirement will be disqualified.**

## 11.3 - VALIDITY OF PROPOSALS

All quotations must be valid for a period longer than **180 days** from the date the proposal is submitted to the **BUYER**.

## 11.4 - ONLINE REVERSE BID AUCTION

11.4.1 **Bidders** will receive a unique username and password, which will be informed by email, to participate in the online reverse bid auction chat session.

11.4.2 The identity of the participants must not be disclosed before or during the online reverse bid auction session. Otherwise, they will be disqualified.

11.4.3 The auctioneer will give the initial instructions and open the bidding section.

11.4.4 **Bidders** will have 20 minutes to place their bids.

11.4.5 **Bidders** can follow their bids via chat.

11.4.6 The final minute will be informed before the closing of the respective bids.

11.4.7 After the closing of the bidding sessions, the auctioneer will consolidate the result of the lowest bid and will disclose it to the participants, by email, within 48 hours.

11.4.8 Will not be accepted two or more bids of the same value. Whichever is received and registered first will prevail.

11.4.9 If the chat remains “offline” or disconnected for more than 10 minutes, the online reverse bid auction chat will be suspended and a new session will be scheduled, and all **Bidders** will be notified.

11.4.10 If the Bidder does not submit bids, it will compete with the value of its proposal.

11.4.11 At the end of the bid submission stage of the public session, the auctioneer must send, by email, a counter-proposal to the bidder who has presented the best price so that the best bid can be obtained, negotiation under different conditions from those provided for in this Notice is prohibited.

11.4.12 The auctioneer will ask the highest ranked **Bidder** to, within 04 hours, send the appropriate proposal to the last bid offered after the negotiation has been carried out, accompanied, if applicable, by complementary documents, when necessary to confirm those required in this Notice and already presented.

11.4.13 After the price has been negotiated, the auctioneer will start the bid acceptance and judgment phase.

## 11.5 - APPEAL

11.5.1 **Bidders** may present an appeal against the acts resulting from this bidding procedure below:

- a) Judgment of the proposals;
- b) Act of qualification or disqualification of the **Bidder**;
- c) Annulment or revocation of the bid.

11.5.2 Regarding the appeal presented due to the judgment of the proposals and the act of qualification or disqualification of the **Bidder**, the following provisions will be observed:

- a) The intention to appeal must be made electronically, by e-mail to “[cnbw.bid@marinha.mil.br](mailto:cnbw.bid@marinha.mil.br)”, and manifested within 1 (one) business day, counting from the publicity of the winning **Bidder**, under penalty of estoppel, and the period for presenting the reasons for appeal, of 3 (three) business days, will begin on the date of the receipt of the intention to appeal by the **BUYER**.
- b) The appeal will be considered in a single phase.



- c) The appeal will be addressed to the auctioneer, who will present his decision within 5 (five) business days.
- d) The acceptance of the appeal will imply invalidation only of an act that cannot be used.
- e) The deadline for submitting counterarguments will be the same as for the appeal. It will begin on the date of personal communication or disclosure of the filing of the appeal.
- f) The **Bidder** will be assured of the indispensable elements to defend his interests.

11.5.3 In the second instance, the appeal must be addressed to the President of this Naval Commission, and in the third instance, to the Secretary General of the Brazilian Navy.

## 11.6 - NEW ONLINE REVERSE BID AUCTION CHAT

13.6.1 New Online Reverse Bid Auction session may take place:

- a) If an appeal is granted that leads to the annulment of acts before the previous session or the session itself is canceled, in that case the canceled acts and those that depend on it will be repeated.
- b) When there is an error accepting the best ranked-price, the procedures immediately following the end of the bidding stage will be adopted.

11.6.2 All remaining **Bidders** must be called to attend the new session.

11.6.3 The auctioneer will send an e-mail with information regarding the new Online Reverse Auction session.

## 11.7 - ACCEPTABILITY OF THE WINNING PROPOSAL AND ADVERTISING

11.7.1 At the end of the negotiation stage, the auctioneer will examine the proposal ranked first as to its adequacy to the object and the compatibility of the price in relation to the Notice.

11.7.2 If the winning bid or winning quote is disqualified, the auctioneer will examine the subsequent bid or quote, and so on, in order of ranking.

11.7.3 Once the analysis regarding the acceptance of the proposal is concluded, the auctioneer will verify the **Bidder's** qualification, subject to the provisions of this Notice.

11.7.4 The winning **Bidder**, who presents the lowest price and meets all the requirements described in this Notice, will be considered qualified.

## 12 - AWARD AND APPROVAL

After verifying the regularity of the acts performed in the appeal phase, the competent authority will approve the bidding procedure.

### 13 - EXECUTION WARRANTY

There will be no advance warranty requirement for the execution of this purchase.

### 14 - CONTRACTUAL GUARANTEE OF THE GOODS

There will be no requirement for a contractual guarantee of the goods supplied in this contract.

### 15 - CONTRACT

15.1 After the qualification phase, the company will be called to sign the contract. The draft of the contract can be found in Annex B of this Notice.

15.2 Within the term of the contract, prices cannot be readjusted except in the case of item 15.6.

15.3 The obligations of the BUYER and the SELLER are found in Annex A, Term of Reference, and Annex B (contract draft).

15.4 The administrative sanctions related to the execution of the contracts are those provided for in Annex B, Draft of Contract.

15.5 The administrative sanctions related to the execution of the contract are those provided for in this Notice, in the Term of Reference, and the Contract Draft.

15.6 The BUYER is authorized to promote, under the same contractual conditions, the additions or deletions made in purchases up to 25% (twenty-five percent) of the updated initial value of the contract.

### 16 - ADMINISTRATIVE SANCTIONS

Administrative Sanctions are defined in the Contract (Annex B).

### 17 - CHALLENGING THE NOTICE AND REQUEST FOR CLARIFICATION

17.1 Any person may challenge the terms of this Notice up to 3 (three) business days before the date set for the opening of the public session, subject to the following conditions:

17.2 The challenge may be submitted electronically by e-mail to "[cnbw.bid@marinha.mil.br](mailto:cnbw.bid@marinha.mil.br)."

17.3 The challenge does not have a suspensive effect and it will be up to the auctioneer, assisted by those responsible for the preparation of the notice and annexes, to decide on the challenge within 2 (two) business days, counted from the date of receipt of the challenge.

17.4 The granting of suspensive effect to the challenge is an exceptional measure and must be motivated by the auctioneer, in the records of the bidding process.

17.5 Once the challenge against the public notice is accepted, a new date for the bidding process will be defined and published.

17.6 Any changes to the public notice will imply a new disclosure in the same form as its initial disclosure, in addition to compliance with the same deadlines of the original acts and procedures, except when the change does not compromise the formulation of proposals.

## 18 - MISCELLANEOUS PROVISIONS

18.1 This bidding may only be revoked for reasons of public interest arising from a duly proven supervening fact relevant and sufficient to justify such conduct. It must be annulled for illegality, *ex officio* or at the instigation of third parties, using a duly substantiated written opinion.

18.2 The annulment of the bidding procedure due to illegality does not generate an obligation to indemnify the **SELLER**, except in the case that the object of the bidding has already been executed until the date on which the bidding is declared void and for other regularly proven losses, as long as the **SELLER** is not attributable to the reason of the annulment of the bidding, promoting the responsibility of those who caused it.

18.3 The bidding procedure's nullity leads to the contract's nullity, except for the provisions of the previous item.

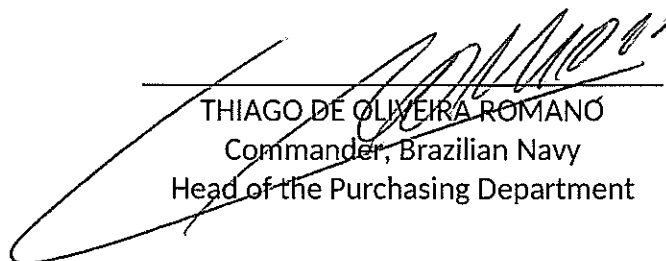
18.4 In the event of undoing the bidding process, the adversary system and the full defense are ensured.

18.5 All expenses arising from the submission of bids will be handle by the **Bidders**.

18.6 The following annexes are part of this Notice, for all purposes and effects:

- A) Term of Reference;
- B) Contract Draft;
- C) Price Proposal; and
- D) Online Reverse Bid Action Information.

Washington, DC, November 8<sup>th</sup>, 2022.



THIAGO DE OLIVEIRA ROMANO  
Commander, Brazilian Navy  
Head of the Purchasing Department



**MINISTRY OF DEFENSE  
BRAZILIAN NAVY  
BRAZILIAN NAVAL COMMISSION IN WASHINGTON**

**TERM OF REFERENCE**

**Bidding Process n° 011/2022**

**Online Reverse Bid Auction**

**1 - OBJECT**

1.1 The object of this Term is to hire a company specialized in providing booking, issuing, and delivering domestic airline tickets (United States of America) and International airline tickets for flights originating in the United States of America or, occasionally, from other countries in the Americas, China, Korea, or Japan (areas inside the jurisdiction of the Brazilian Naval Commission).

1.2 The estimated amount is 350 airline tickets issued in a period of twelve months.

1.3 The judgment criteria adopted will be the lowest price for the service, observing the requirements contained in the Notice, in this Term and in the Contract, regarding the specifications of the object.

**2 - JUSTIFICATION AND PURPOSE FOR CONTRACT**

2.1 It is justified to hire a company specialized in providing booking, issuing, and delivering domestic airline tickets (United States of America) and International airline tickets for flights originating in the United States of America or, occasionally, from other countries in the Americas, China, Korea, or Japan (areas inside the jurisdiction of the Brazilian Naval Commission). This is intended to meet the demands arising from the constant need for locomotion of the military, civil servants and local auxiliaries, aiming at the development of the activities of the respective missions and the Brazilian Navy abroad, as well as to return to Brazil at the end of the mission, as there are no accredited airlines in the aforementioned areas intended to meet the demands.

2.2 Demands for international and domestic trips aim to meet orders for missions abroad, administrative support to ships operating abroad, eventual qualifications/training and participation in congresses, conferences, and technical meetings, among others, for the military, civil servants, and local auxiliaries.

2.3 The choice of air transport is justified by the gains related to the time spent, passenger safety, the cost-benefit resulting from this displacement type, and the great distances involved.

2.4 Given the above, it is essential to hire a company specialized in providing services for issuing and delivering International and Domestic airline tickets since the interruption of the service may cause significant damage to the activities of the Navy, including military operations abroad.

### 3 - CLASSIFICATION OF COMMON SERVICE

This service is characterized as common provision, considering that the performance and quality standards can be objectively defined in this Term, as in the Notice, through usual specifications in the market, in line with the local peculiarities, as provided in the Ordinance GM-MD n° 5.175/2021.

### 4 - BUYER'S OBLIGATIONS

4.1 Monitor contractual compliance.

4.2 Notify the **SELLER**, in writing, of any total or partial non-performance of the Contract.

4.3 Reject, in whole or in part, the contracted object when in disagreement with the specifications contained in this Contract

4.4 Receive the object within the term and conditions established in this Contract.

4.5 Communicate to the **SELLER**, in writing, about imperfections, failures, or irregularities verified in the supplied object so that it can be replaced.

4.6 Pay the **SELLER** in the amount corresponding to the supply of the object, within the term and in the manner established in this Contract.

4.7 **BUYER** shall not be liable for any commitments undertaken by **SELLER** with third parties, even if linked to the performance of this Agreement, as well as for any damage caused to third parties as a result of an act of **SELLER**, its employees, agents or subordinates.

### 5 - SELLER'S OBLIGATIONS

5.1 When the **BUYER** submits a "Request for Quotation" to the **SELLER**, he must act as follows:

- a) Acknowledge receipt of the email as soon as possible;
- b) On business days, starting at 9:00 AM, the quotes should be forwarded to the **BUYER** in no longer than two (2) hours from the time the request was submitted and must contain all relevant information such as, seat, class, airline, dates, city of origin, cities of connections, layover, city of destination, total duration of the trip, amounts to be charged;
- c) There should be at least 3 (three) proposals to compare with the following conditions:
  - I - non-stop flights or lowest number of connections and lowest prices;
  - II - If returning to Brazil, flights that allow the most checked baggage;

III - All domestic flights must be refundable.

d) When the **BUYER** submits a "travel requisition," the response shall be as below:

I - Acknowledge receipt of email ASAP;

II - On the same day, the reservation must be confirmed;

III - The travel ticket shall be issued no later than 15 (fifteen) days from the date of "travel requisition";

IV - When the Travel Requisition is submitted to the travel agency, the main passenger must be contacted prior to ticket issuance. If by any chance, the travel agency has any difficulties in reaching the main passenger, the **BUYER** must be contacted before tickets issuance; and

V - **SELLER** must issue a ticket specified by the Requisition Document indicating departure and arrival destinations, but subject to the beneficiary's itinerary, as long as it is within the budget of the ticket authorized by the requisition. Any additional costs resulting from change in ticketing shall be incurred by the beneficiary and any refunds remitted to the **BUYER**. The only required information in the invoice concerning the itinerary is the departure and arrival destinations as per Requisition. Any other services to be provided by the agency to the beneficiary should be negotiated between both **PARTIES**, and the **BUYER** shall not be responsible for any additional costs.

5.2 The **SELLER** must provide a 24/7 telephone, email, or another suitable means of communication that can grant the processing of the requisition and issuing of the ticket in less than twelve hours from the requisition.

5.3 The **SELLER** must provide a 24/7 help desk to assist the beneficiaries in case of flight cancellation, overbooking, or other similar incidental situations.

5.4 Comply with regular transportation requests up to 24 hours after receipt of the Airline Ticket Requisition Form.

5.5 Deliver, without additional cost, the ticket(s) to the personnel supported by the **BUYER** in the USA and other countries.

5.6 Assume any charges related to salaries, overtime, additional social expenses, and others related to its employees.

5.7 Assume responsibility for tax and commercial expenses arising from this Contract.

## 6 - SUBCONTRACTING

6.1 Partial subcontracting is allowed; however, the **SELLER** shall remain responsible for the performance of the Contract.

6.2 Subcontractors must be legally established companies. However, the **SELLER** is fully responsible for the conduct and performance of its Sub-Sellers, including any irregularity committed by them, any breach of the Contract, illegalities, and negligence.

## 7 - BUDGET ALLOCATION

The expenses to meet this bidding are scheduled in its budget allocation, provided in the Union's budget for the year 2022, in the classification below:

Management/Unit:	70200
PTRES:	174702
INTERNAL ACTION:	B481TB002OJ
Nature of Expense:	339033

## 8 - PAYMENT

8.1 The **BUYER** shall pay the **SELLER** within the period stipulated in the **Bidder's** proposal and upon presentation of the final invoice. All invoices must provide the following information:

- a) Brazilian Naval Commission in Washington name;
- b) Contract number;
- c) Travel Requisition Number;
- d) User's name;
- e) Departure and arrival destination, as per Requisition;
- f) Final ticket price with discounts and service fees, if applied;
- g) Air Ticket Request Form, with completed and signed confirmation.

8.2 Whenever the **SELLER** receives a commission from the airline, no service charge shall be applied to the price.

8.3 The **SELLER** must monitor market prices to verify the adequacy of the prices charged.

8.4 The **SELLER** must be able to provide invoices including only the items mentioned in this section (invoices that contain additional data or do not contain all necessary data must be returned for corrections). Any additional costs not previously authorized by the **BUYER** must be the sole responsibility of the Beneficiary.

8.5 Any refunds for cancellation of airline tickets must be forwarded to the **BUYER**.

8.6 The **BUYER** will apply a control routine to verify the adequacy of the "price" charged by the **SELLER** compared to average market prices.

8.7 Whenever the **SELLER** receives a commission from the airline, no service charge shall be applied to the "price."

8.8 The **BUYER** is authorized to promote, under the same contractual conditions, the additions or deletions made in purchases up to 25% (twenty-five percent) of the updated initial value of the contract.

## 9 - READJUSTMENT

Within the term of the Contract, the **SELLER** cannot readjust the final price, except in the case of item 8.8.

## 10 - ADMINISTRATIVE SANCTIONS

Administrative Sanctions are defined in the Contract.

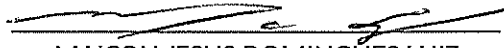
## 11 - SUPERVISION

The execution of the object will be monitored and supervised by the Personnel and Support Division of this Naval Commission.

## 12 - ENVIRONMENTAL SUSTAINABILITY CRITERIA

The present acquisition must follow the environmental sustainability criteria, based on Law n°. 12.187/2009, combined with international commitments assumed by the Brazilian Government, so that the winning **Bidder**, if possible, gives priority to compatible actions with socially and environmentally sustainable consumption patterns.

Washington, DC, November 8<sup>th</sup> 2022.

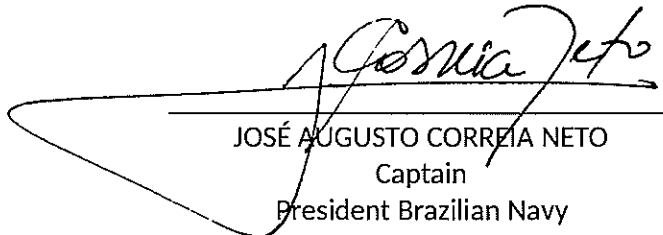


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MAICON JESUS DOMINGUES LUIZ  
Commander, Brazilian Navy

Approved by

Washington, DC, November 8<sup>th</sup>, 2022.



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JOSÉ AUGUSTO CORREIA NETO  
Captain  
President Brazilian Navy





MINISTRY OF DEFENSE  
BRAZILIAN NAVY  
BRAZILIAN NAVAL COMMISSION IN WASHINGTON

DRAFT

Contract Between

Brazilian Naval Commission in Washington

and

(Company's Name)

for

Hiring a company specialized in providing booking, issuing, and delivering domestic airline tickets (United States of America) and International airline tickets for flights originating in the United States of America or, occasionally, from other countries in the Americas, China, Korea, or Japan (areas inside the jurisdiction of the Brazilian Naval Commission).

Contract n°. \_\_\_\_\_

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**Contract signed between the Brazilian Naval Commission in Washington and \_\_\_\_\_ (company name) for specialized services in providing booking, issuing, and delivering domestic airline tickets (United States of America) and International airline tickets for flights originating in the United States of America or, occasionally, from other countries in the Americas, China, Korea, or Japan (areas inside the jurisdiction of the Brazilian Naval Commission).**

The Brazilian Navy, through the Brazilian Naval Commission in Washington (BNC), headquartered at 5130 MacArthur Blvd., NW, Washington, DC, 20016, represented by the President of this Naval Commission, Captain JOSÉ AUGUSTO CORREIA NETO, holder of identification card n°. 629980-6; and \_\_\_\_\_ (name of the **SELLER**), represented by \_\_\_\_\_(name), \_\_\_\_\_(title), holder of identification card \_\_\_\_\_, with an office located at \_\_\_\_\_ (address of the **SELLER** company), in compliance with the provisions of Ministerial Ordinance GM-MD n°. 5.175, of December 15, 2021, enter into this agreement, arising from the Online Reverse Bid Auction No. 10/2022, subject to the following clauses and conditions.

#### **FIRST CLAUSE – DEFINITIONS**

As used in this Contract, the following terms shall have the meanings given to them below:

1.1 The term "**BUYER**" shall mean the Commander of the Navy of the Government of Brazil, acting through its Brazilian Naval Commission (BNC) in Washington.

1.2 The term "**SELLER**" shall mean \_\_\_\_\_ organized under the laws of the State of Massachusetts.

1.3 The term "**Beneficiary**" shall mean the End User of the tickets and services.

#### **SECOND CLAUSE – OBJECT**

The object of this Term is to hire a company specialized in providing booking, issuing, and delivering domestic airline tickets (United States of America) and International airline tickets for flights originating in the United States of America or, occasionally, from other countries in the Americas, China, Korea, or Japan (areas inside the jurisdiction of the Brazilian Naval Commission).

### **THIRD CLAUSE - PAYMENT TERM**

3.1 The **BUYER** shall pay the **SELLER** within the period stipulated in the **Bidder's** proposal and upon presentation of the final invoice. All invoices must provide the following information:

- a) Brazilian Naval Commission in Washington name;
- b) Contract number;
- c) Travel Requisition Number;
- d) User's name;
- e) Departure and arrival destination, as per Requisition;
- f) Final ticket price with discounts and service fees, if applied;
- g) Air Ticket Request Form, with completed and signed confirmation.

3.2 Whenever the **SELLER** receives a commission from the airline, no service charge shall be applied to the price.

3.3 The **SELLER** must monitor market prices to verify the adequacy of the prices charged.

3.4 The **SELLER** must be able to provide invoices including only the items mentioned in this section (invoices that contain additional data or do not contain all necessary data must be returned for corrections). Any additional costs not previously authorized by the **BUYER** must be the sole responsibility of the Beneficiary.

3.5 Any refunds for cancellation of airline tickets must be forwarded to the **BUYER**.

3.6 The **BUYER** will apply a control routine to verify the adequacy of the "price" charged by the **SELLER** compared to average market prices.

3.7 Whenever the **SELLER** receives a commission from the airline, no service charge shall be applied to the "price."

3.8 The **BUYER** is authorized to promote, under the same contractual conditions, the additions or deletions made in purchases up to 25% (twenty-five percent) of the updated initial value of the contract.

### **FOURTH CLAUSE - READJUSTMENT**

Within the term of the Contract, the **SELLER** cannot readjust the final price, except in the case of clause 3.8.

### **FIFTH CLAUSE - NOTIFICATIONS**

5.1 All notices or permissions required by the **BUYER** and the **SELLER** to each other must be formal and written in English, followed by an acknowledgment of receipt. Notices should be addressed to the contacts below:

For the **SELLER**:  
Contact name:  
Name:  
Phone number:  
Email address:

For the **BUYER**: Brazilian Naval Commission in Washington  
To: Personnel and Support Division  
Contract number: \_\_\_\_\_  
Telephone: (202) 244-3950 – ext.: 110 or 115  
Email: [maicon@marinha.mil.br](mailto:maicon@marinha.mil.br) / [carolina.borges@marinha.mil.br](mailto:carolina.borges@marinha.mil.br)

5.2 Any changes to this contract will only be made through an Addendum, which will be previously agreed upon and signed by the **PARTIES**.

#### **SIXTH CLAUSE - SUBCONTRACTING**

6.1 Partial subcontracting is allowed; however, the **SELLER** shall remain responsible for the performance of the Contract.

6.2 Subcontractors must be legally established companies. However, the **SELLER** is fully responsible for the conduct and performance of its Sub-Sellers, including any irregularity committed by them, any breach of the Contract, illegalities, and negligence.

#### **SEVENTH CLAUSE - APPLICABLE LAW**

The Contract will be governed following Ministerial Ordinance GM-MD n°. 5.175, of December 15, 2021, of the Federative Republic of Brazil, adapted to local peculiarities. The **PARTIES** must fully comply with all applicable federal and state regulations and local laws and regulations.

#### **EIGHT CLAUSE - TERM**

This Contract will enter into force and will apply from \_\_\_\_\_ 2022 and expiring in \_\_\_\_\_ 2022, and may be extended for an equal and successive period, limited to 60 (sixty) months.

#### **NINTH CLAUSE - BUDGET ALLOCATION**

The expenses to meet this bidding are scheduled in its budget allocation, provided in the Union's budget for the year 2022, in the classification below:

Management/Unit:	70200
PTRES:	174702
INTERNAL ACTION:	B481TB002OJ
Nature of Expense:	339033

## TENTH CLAUSE – CLAIMS

10.1 Any dispute as to the performance of the service must be submitted to the **SELLER** in writing within 30 (thirty) days of the delivery date.

10.2 Any claim on the quality of the service must be submitted to the **SELLER** in writing within 30 (thirty) days from the delivery date.

## ELEVENTH CLAUSE – BUYER'S AND SELLER'S OBLIGATIONS

### 11.1 BUYER'S OBLIGATIONS

11.1.1 Monitor contractual compliance.

11.1.2 Notify the **SELLER**, in writing, of any total or partial non-performance of the Contract.

11.1.3 Reject, in whole or in part, the contracted object when in disagreement with the specifications contained in this Contract.

11.1.4 Receive the object within the term and conditions established in this Contract.

11.1.5 Communicate to the **SELLER**, in writing, about imperfections, failures, or irregularities verified in the supplied object so that it can be replaced.

11.1.6 Pay the **SELLER** in the amount corresponding to the supply of the object, within the term and in the manner established in this Contract.

11.1.7 **BUYER** shall not be liable for any commitments undertaken by **SELLER** with third parties, even if linked to the performance of this Agreement, as well as for any damage caused to third parties as a result of an act of **SELLER**, its employees, agents or subordinates.

### 11.2 SELLER'S OBLIGATIONS

11.2.1 When the **BUYER** submits a "Request for Quotation" to the **SELLER**, he must act as follows:

- a) Acknowledge receipt of the email as soon as possible;
- b) On business days, starting at 9:00 AM, the quotes should be forwarded to the **BUYER** in no longer than two (2) hours from the time the request was submitted and must contain all relevant information such as, seat, class, airline, dates, city of origin, cities of connections, layover, city of destination, total duration of the trip, amounts to be charged;
- c) There should be at least 3 (three) proposals to compare with the following conditions:
  - I - non-stop flights or lowest number of connections and lowest prices;
  - II - If returning to Brazil, flights that allow the most checked baggage;
  - III - All domestic flights must be refundable.
- d) When the **BUYER** submits a "travel requisition," the response shall be as below:
  - I - Acknowledge receipt of email ASAP;

II - On the same day, the reservation must be confirmed;

III - The travel ticket shall be issued no later than 15 (fifteen) days from the date of "travel requisition";

IV - When the Travel Requisition is submitted to the travel agency, the main passenger must be contacted prior to ticket issuance. If by any chance, the travel agency has any difficulties in reaching the main passenger, the **BUYER** must be contacted before tickets issuance; and

V - **SELLER** must issue a ticket specified by the Requisition Document indicating departure and arrival destinations, but subject to the beneficiary's itinerary, as long as it is within the budget of the ticket authorized by the requisition. Any additional costs resulting from change in ticketing shall be incurred by the beneficiary and any refunds remitted to the **BUYER**. The only required information in the invoice concerning the itinerary is the departure and arrival destinations as per Requisition. Any other services to be provided by the agency to the beneficiary should be negotiated between both **PARTIES**, and the **BUYER** shall not be responsible for any additional costs.

11.2.2 The **SELLER** must provide a 24/7 telephone, email, or another suitable means of communication that can grant the processing of the requisition and issuing of the ticket in less than twelve hours from the requisition.

11.2.3 The **SELLER** must provide a 24/7 help desk to assist the beneficiaries in case of flight cancellation, overbooking, or other similar incidental situations.

11.2.4 Comply with regular transportation requests up to 24 hours after receipt of the Airline Ticket Requisition Form.

11.2.5 Deliver, without additional cost, the ticket(s) to the personnel supported by the **BUYER** in the USA and other countries.

11.2.6 Assume any charges related to salaries, overtime, additional social expenses, and others related to its employees.

11.2.7 Assume responsibility for tax and commercial expenses arising from this Contract.

## **TWELFTH CLAUSE - LIABILITY**

The **SELLER** shall be liable for property damage or any damages arising from this Contract when it causes it, through the direct, indirect, or omission of its employees or Sub-Sellers acting on its behalf.

## **THIRTEENTH CLAUSE - EXCUSABLE DELAYS**

13.1 Neither **BUYER** nor **SELLER** shall be liable for any delay in performing its obligations under this Contract to the extent that such delay is directly due to any of the following circumstances considered *force majeure*, and such cases are beyond the affected party's reasonable control and could not be avoided by exercising due care:

- a) Any war, riot, insurrection, or other civil commotion;
- b) Any strike, lockout, or other labor dispute;
- c) Any fire, flood, or other act of God;
- d) Any labor, material, transportation, or utility shortage or curtailment.

13.2 Nothing in the sub-clause above will restrict or impair the right of **BUYER** to terminate this Contract according to Clause 15.

13.3 **SELLER** shall notify the **BUYER** of such failure or delay immediately by phone and email, followed by formal written notification by mail within three (3) days from the date of the actual occurrence of *force majeure* circumstance outlined in Sub-clause 13.1, and shall, subsequently, airmail to the **BUYER** a written confirmation.

13.4 When such written notification and written confirmation as provided in the Sub-clause above have been delivered to the **BUYER**, the latest date for service will be extended until the *force majeure* circumstance has ceased. However, if such *force majeure* circumstance continues for more than 90 (ninety) days, the remaining portion of this Contract to be performed by the **SELLER** may be terminated at the **BUYER's** option, by giving notice to the **SELLER**. In the event of such termination by the **BUYER**, the **SELLER** shall not make any claim for compensation against the **BUYER** concerning such termination.

#### **FOURTEENTH CLAUSE - ADMINISTRATIVE SANCTIONS.**

14.1 For total or partial non-performance of the contract, guaranteeing the prior defense, the following shall be considered an administrative infraction by the **SELLER**:

- a) Warning;
- b) The unjustified delay in the performance of the contract, counting from the first day of the delay in the service, will subject the contractor to a late payment fine of 0.1% (0.1 percent) per day of delay, limited to 30 days (thirty) days. Once this limit is reached, the fine will be converted into a compensatory fine.
- c) Compensatory fine, in a percentage of 10% (ten percent), levied on the value of the defaulted portion of the contract;
- d) Temporary suspension of participation in bidding and impediment to contract with this Naval Commission, for a period not exceeding 2 (two) years; and
- e) Declaration of unsuitability to bid or contract with the Brazilian Public Administration while the reasons for the punishment persist or until rehabilitation is promoted before the very authority that applied the penalty, which will be granted whenever the **SELLER** reimburses the **BUYER** for the resulting losses and after the expiry of the period of the sanction applied based on item "c."

14.2 The sanctions provided for in item 14.1, items "a", "d" and "e" may be applied together with those of item "a" and "b", provided the **SELLER's** prior defense, in the respective process, within a period of 5 (five) business days.

14.3 The sanction established in item "e" of item 14.1 is the exclusive competence of the Minister of Defense of Brazil, provided the **SELLER's** defense in the respective process, within 10 (ten) days of opening the view, and rehabilitation may be requested after 2 (two) years of its application.

#### **FIFTEENTH CLAUSE - RESCISSION**

15.1 The total or partial non-performance of the Contract gives rise to its termination, with the applicable contractual, legal, and regulatory consequences and will be formally motivated, ensuring the adversary system and the full defense.

15.2 The **BUYER** reserves the right to terminate the Contract in the event of contractual non-performance by means of a written notification addressed to the **SELLER**, which may give rise to the initiation of an Administrative Liability Proceeding, ensuring the adversary system and the full defense, if:

- a) The **SELLER** fails to comply with any contractual obligations and fails to take steps to remedy such default upon receipt of the formal notice;
- c) The **SELLER** becomes insolvent and enters into voluntary or compulsory liquidation, except for merger purposes;
- e) The unjustified delay of the service by the **SELLER**;
- f) The interruption of the service without just cause and prior communication to the **BUYER**;
- d) The total or partial subcontracting of the object, the association of the contracted party with others, the assignment or transfer, in whole or in part, as well as the merger, spin-off or incorporation, not admitted in the contract;
- e) The declaration of bankruptcy or the establishment of civil insolvency;
- f) The dissolution of the company or the death of the **SELLER**;
- g) The social change or modification of the purpose or structure of the company, which jeopardizes the performance of the contract; and
- h) Suppression of services, resulting in modification of the initial value of the contract beyond the allowed limit of 25% (twenty-five percent) of the updated initial value of the contract.

15.3 The following are also reasons for terminating the Contract:

- a) The delay of more than 90 (ninety) days of payments due by the **BUYER** arising from services, or portions thereof, already received or performed, except in the event of public calamity, severe disturbance of internal order or war, the **SELLER** has assured the right to choose to suspend the fulfillment of its obligations until the situation is normalized; and
- b) The occurrence of a fortuitous event or force majeure, duly proven, prevents the contract's execution.

#### **SIXTEENTH CLAUSE - DISPUTES**

16.1 **BUYER** and **SELLER** agree to seek the settlement of disputes through the amicable route using notifications. However, if a dispute is not resolved through an agreeable settlement, the disagreements or claims will be settled by arbitration, per the International Arbitration Rules of the "American Arbitration Association."



16.2 The place of arbitration will be in Washington, DC, the number of arbitrators will be three, and the arbitrator's decision will be final and binding on the parties. Each party shall select one arbitrator within thirty (30) days after the commencement of the, be arbitration, and both arbitrators shall select a third. If either party fails to appoint an arbitrator within this period, the arbitrator chosen by the other party will be the sole arbitrator. Suppose the two arbitrators do not agree on the selection of a third arbitrator within 45 (forty-five) days after the commencement of the arbitration, the American Arbitration Association will select the third arbitrator.

16.3 The arbitration must be conducted in English, and all documentation must also be in English.

16.4 The arbitration award shall be the sole and exclusive remedy between the parties concerning claims, counterclaims, issues, or bills presented or pleaded to the arbitrators. The award must be paid in US Dollars, net of any tax, deduction, or offset. Any costs, fees and, expenses incurred in enforcing the judgment will be charged against the party resisting such enforcement.

16.5 The dispute or claim arising out of or relating to the Contract shall be determined in accordance with the Maritime and Commercial Laws applicable to this type of commerce and the parties shall be subject to the jurisdiction of the federal courts located in the District of Columbia and shall waive the right to plead lack of personal jurisdiction in any legal process.

#### **SEVENTEENTH CLAUSE - ADDITIONAL TERMS**

17.1 This contract may be amended, with due justification, unilaterally by the **BUYER**, when necessary to modify the contractual value as a result of a quantitative increase or decrease of its object, or by agreement between the parties.

17.2 This Contract may only be amended through an Amendment. The amendment must be agreed upon, dated, and signed by both **PARTIES**.

#### **EIGHTEENTH CLAUSE - OMISSIONS**

The **BUYER** will decide on omitted cases following the rules and principles of Brazilian law.

#### **NINTH CLAUSE - PUBLICATION.**

An extract of the contract will be published in the Official Gazette, "Diário Oficial da União."

#### **TWENTY CLAUSE - ENVIRONMENTAL SUSTAINABILITY CRITERIA**

The present acquisition must follow the environmental sustainability criteria, based on Law n°. 12.187/2009, combined with international commitments assumed by the Brazilian Government, so that the winning **Bidder**, if possible, gives priority actions compatible with socially and environmentally sustainable consumption patterns.

#### **TWENTY FIRST CLAUSE - COPIES**

For the firmness and validity of the Contract, its Term of Agreement was drawn up in two copies of equal content, which after being read and found in order, is signed by both **PARTIES**.

Washington DC, \_\_\_\_\_, 2022.

JOSÉ AUGUSTO CORREIA NETO  
Captain  
President

\_\_\_\_\_  
Company's Representative

Witness:

\_\_\_\_\_  
BNC Representative

\_\_\_\_\_  
Company's Representative

Comissão Naval Brasileira em Washington  
5130 MacArthur Blvd., NW, Washington, DC 20016-3316

**Price Proposal**

Company's name: \_\_\_\_\_ Date: \_\_\_\_\_

Company's representative name: \_\_\_\_\_

Price Proposal Expiration Date: \_\_\_\_\_

Signature: \_\_\_\_\_

<b>Price Proposal</b>	
(DISCOUNT for Commissionable International + SERVICE FEE per ticket) X (350 TICKETS)	
(DISCOUNT for Non-commissionable International/National + SERVICE FEE per ticket) X (350 TICKETS)	
SERVICE FEE per Cancellation/Rebooking X (350 TICKETS)	
PAYMENT TERM	

**The discount and service fee values must be informed in order to tie the bids.**

**Bidders** must submit the price proposal on the company's letterhead participating in the bidding process.



MINISTRY OF DEFENSE  
BRAZILIAN NAVY  
BRAZILIAN NAVAL COMMISSION IN WASHINGTON

**Bidding Process No. 11/2022**

**Online Reverse Bid Auction**

**INFORMATION ABOUT THE ONLINE REVERSE BID AUCTION**

**1 - ACCESS, USER NAME AND PASSWORD.**

1.1 Each registered **Bidder** will receive a unique username and password, informed by email. **Bidders** cannot disclose that identification before or during the online reverse session.

1.2 It is recommended that **Bidders** enter the chat room on time and remain until the end of the session. Those in the chat room can only view messages and files.

1.3 The **Bidder** is responsible for taking all necessary steps to access the chat room.

1.4 The **Bidder** must ensure that the computer, cell phone, or other similar device used to access the chat room is suitable for this purpose. BNC is not responsible for failures or inadequacies inherent to the **Bidder's** equipment or internet connection.

1.5 **Bidders** are responsible for the security of their usernames and password.

1.6 **Bidders** must immediately report any attempted or actual security breaches of their devices to BNC.

1.7 BNC will make efforts to guarantee that the chat room is accessible during the online reverse bid session.

1.8 Suppose the chat room becomes unavailable due to technical failures or other difficulties; the online reverse bid auction will be suspended and carried out again at the date previously announced to **Bidders**.

**2 - GENERAL INFORMATION**

A handwritten signature or mark is located in the bottom right corner of the page, consisting of several overlapping, curved lines.

2.1 The online reverse bid will follow the **SCHEDULE** contained in the Notice of the bidding process. It is important to note the start and end time of the session and the time allocated for the bids, which will not be accepted before or after the respective session.

2.2 **Bidders** should be prepared with competitive price quotes on the day of the bidding event.

2.3 Bids must be submitted by message during the online reverse bid, following the **SCHEDULE** contained in the Notice of the bidding process.

2.4 Private messages will not be allowed.

2.5 **Bidders** must observe and offer their proposals, watching for the time limit. The system will give an alert in the final minute.

### 3 – INSTRUCTIONS TO START THE ONLINE REVERSE BID AUCTION

3.1 Access the BNC website at “<https://www.marinha.mil.br/cnbw/?q=en/>”.

3.2 Click on “Bids”.

3.3 Click on “[Click here](#)” (to view currently opened reverse bids) and go to the login page.

3.4 Enter the “username” and “password”, and click on “Enter Room” to gain access to the online reverse bid room.

3.5 The BNC suggests that **Bidders** enter the room considering the time provided in the **SCHEDULE** of this Bidding Process and remain until the closing. All users in the room have the same view of the messages.

3.6 **CHAT** features:

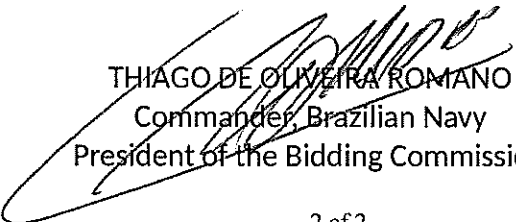
**USER LIST** - The “User List” lists all users connected to the respective chat.

**INPUT FIELD** - Use the input field to enter and send messages to the room. After typing a message, press “Enter.”

**TOOLBAR** - The ability to mute sounds is available to everyone.

Click on “**End Chat**” to exit the meeting room.

Washington DC, November 8<sup>th</sup>, 2022.

  
THIAGO DE OLIVEIRA ROMANO  
Commander, Brazilian Navy  
President of the Bidding Commission