

Biman Bangladesh Airlines Ltd.
Engineering & Material Management Directorate

**Name of the Tender: Selection of Agency for Repair/Overhaul of
GE90-115B Engine**

01. Introduction

Biman Bangladesh Airlines Ltd. (Biman) is currently operating 04 (four) Boeing 777-300ER Aircraft, installed with 08 (eight) installed GE90-115B engines and 01 (one) complete Spare Engine (including Propulsor with full QEC and Fan Module). All 09 (nine) GE90-115B engines of the fleet are owned by Biman.

Biman hereby invites offer from the OEM and OEM approved engine MRO having proven capability and experience on repair/ overhaul of GE90-115B engines. The engine MRO selected under this bidding process shall be responsible for all scheduled and unscheduled **Repair /Overhaul** of GE90-115B engines installed on Biman's Boeing 777-300ER Aircraft fleet and **Spare Engine Support** as and when necessary.

02. Biman Fleet Status

Status of all 09 GE90-115B Engine of Biman Fleet as of **31 March 2019** is appended below:

ESN	TSN	CSN	TLSLV	CSLSV	EIS	Remarks
907008	30461	6508	16320	3439	Oct-11	Currently in Operation, Shop visit Planned in June 2019
907009	29248	6283	12260	2581	Oct-11	Currently in Operation
907021	25997	5606	9695	2094	Nov-11	Currently in Operation
907022	28705	6124	7813	1669	Nov-11	Currently in Operation
907459	20992	4550	5955	1294	Feb-14	Currently in Operation, Shop visit Planned in September 2019
907460	20576	4388	3682	757	Feb-14	Currently in Operation
907497	19192	4127	948	205	Mar-14	Currently in Operation
907498	19942	4287	1280	283	Mar-14	Currently in Operation
907573	19293	4196	19293	4196	Aug-14	Currently under PR Shop Visit.

03. Biman Operation

Currently Biman operates its Boeing 777-300ER/GE90-115B Fleet out of its base DAC to ZYL, CGP, LHR, KUL, AUH, DXB, DOH, DMM, RUH, JED, MCT, KWI with approximately 35% departures from Gulf region. The annual averages of operating parameters are as follows:

Take Off Thrust Derate	25.0 %
Climb Thrust Derate @ 9800 Feet Altitude	15.0%
Sea Level Static Air Temperature	28.0° C
Hour/Cycle Ratio	4.50
Annual Flight Hour Utilization	4500

04. Term of Agreement:

The agreement shall be valid for a period of Twelve (12) years from the date of signing the agreement unless terminated by either party giving to the other party not less than 3 months in advance written notice prior to the date such termination becomes effective.

05. Tenderer Qualifications (Mandatory) :

- (a) The Tenderer must be an approved MRO capable of in-house repair and overhaul of GE90-115B Engines having Certificate of Approval(s) from (i) either FAA and/or EASA and (ii) local Regulatory Authority. In addition, the Tenderer must agree to comply with all applicable directive(s) / instruction(s) issued by the Civil Aviation Authority of Bangladesh (CAAB).
- (b) The minimum period of general experience of Tenderer in repair/ overhaul of Aircraft Gas Turbine Engine shall be five years.
- (c) Tenderer should have the experience of Repair/Overhauling at least 20 (Twenty) GE90-115B engines as of the date of participating this tender. Proven experience of overhauling/Performance Restoration at least 10 (Ten) GE90-115B engines over the last three years April 2016 to March 2019 (inclusive) is a must, and preferably provide engine serial numbers in tender offer.
- (d) A Tender submitted by a Joint Venture, Consortium or Association (JVCA) is not acceptable.
- (e) An engine MRO, capable to repair/ overhaul GE90-115B engine but without having in-house Engine Test Cell with certified Test capability, shall not be considered as capable.
- (f) An engine MRO, capable to repair/ overhaul GE90-115B engine and shall have major in-house repair capability for the breakdown parts at piece part level and Components.
- (g) Any discussion/ negotiation will be done directly with the Tenderer MRO. Biman shall not deal with any Agent/Broker during the process of evaluation and finalization of the proposal or agreement.

06. Tender Mandatory Requirements:

The Tenderer shall have to agree and provide response for the following Mandatory requirements to qualify as **Responsive** tenderer:

Tender requirement	Tenderer Response and Sign
(a) The workscoping and table inspection of Biman's engine during any engine shop visit at Tenderer's facility shall be carried out by Biman's representative and Tenderer's engineering personnel in reference to the applicable Workscope Planning Guide. The finalized workscope must be accepted by Biman prior commencement of repair work.	<input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign _____
(b) Engine removal planning/forecasting must be aligned with Biman's operational requirements and acceptable to Biman.	<input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign _____

<p>(c) Warranty periods for Supplemental Work, Services, LRU/QEC repair/overhaul shall be minimum of 4500 FH or 1000 FC or 18 months whichever is earlier, higher is preferable. The Tenderer must also warrant their subcontractor's work.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(d) The Tenderer shall agree to undertake any warranty claim(s)/issue(s) with Manufacturer/subcontractor on behalf of Biman.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(e) Serviceable Biman parts left after any engine shop visit shall be monitored and maintained in Biman parts stock at Tenderer's facility for future use by Biman during the tenure of the contract. The Tenderer shall provide FOC storage and management of such parts. The stock of Biman parts should be returned to Biman or to a place designated by Biman once the contract is terminated for any reason.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(f) QEC/LRU overhaul / repair and test must be performed either in-house or by FAA/EASA approved subcontractor. This shall also include wiring harnesses and wire bundles.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(g) All Used Serviceable Parts (including LLPs, LRUs etc.) installed in Biman engines by Tenderer shall have proper documents, traceability, back to birth history and such parts should be of around same or lower age and same or higher modification standard than corresponding Biman parts.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(h) Engine delivery and re-delivery shall be done at Biman's base station Dhaka at the expense of Repair Agency. The repair agency shall be responsible for organizing such transportation to and from Biman Hangar located at Hazrat Shah Jalal Int'l Airport, Kurmitola, Dhaka and bear all the expenses.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(i) Engine transportation from the repair facility to any Biman Stations (Base/Outstation) for AOG shall be the responsibility of repair agency, when the engine would be at the MRO facility.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(j) Engines shall be checked at receipt and dispatch time. A list of missing items must be made shop-in & shop-out, should be reported at engine induction & redelivery and such list shall accompany the engine documentation.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(k) Engine release documentation should be to a format that is acceptable to Biman. A list of all AD's and SB's with applicability/compliance data applicable to the engine model should be provided in the shop visit report. Electronic copy of engine shop visit report in CD along with 2 (two) hardcopies should be provided after each engine shop visit.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(l) Biman has one (01) spare engine in fleet to support operation of eight (08) on wing engines. In case of additional spare engine(s) required for continued operation of four (04) aircraft, Tenderer must support Biman anytime with FOC (free-of-charge) lease engines. Biman shall pay only utilization (Flight Hour, Flight</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>

<p>Cycle) fee for FOC lease engine and no daily rent shall be payable. Tenderer shall arrange and bear cost of round trip transportation for such lease engine.</p>	
<p>(m) Tenderer must possess lease engines availability and quote daily rent and utilization fees for lease engine in Price Schedule Annexure A-4.0. Tenderer must provide a list of all lease engine serial numbers into their possession.</p>	<p><input type="checkbox"/> Agreed</p> <p><input type="checkbox"/> Not agreed</p> <p>Sign_____</p>
<p>(n) The Tenderer must agree to provide on-site support at Dhaka or any out-station as and when required. Price to be quoted for each person per day in US\$ in the Price Schedule Annexure A-2.0.</p>	<p><input type="checkbox"/> Agreed</p> <p><input type="checkbox"/> Not agreed</p> <p>Sign_____</p>
<p>(o) Tenderer must quote Power by the Hour (PBH) rate in Annexure A-5.0 against each hour of engine operation to support any and all Scheduled and Unscheduled Repair/Overhaul of Biman GE90-115B engine fleet and Spare Engine Support requirement for continued operation of 04 Boeing 777-300ER Aircraft.</p> <p>The quoted PBH rate shall include all engine repair/overhaul inclusive of labor, material and parts to make engines serviceable and including but not limited to following services:</p> <ul style="list-style-type: none"> i. All disassembly, assembly, inspection, balancing and grinding. ii. Cost of all parts repairs including LLP repair. iii. Cost of all replacement materials, expendables, parts and components. iv. Inspection and Repair of all Engine LRUs. v. Cost of performing all AD's including materials. vi. Cost of performing all Service Bulletins Category 1~6 including materials. vii. All Engine and Component Tests. viii. Cost of both way engine Transportation in and out of DAC. ix. Spare Engine Support as mentioned in (l) above. x. Repair and Maintenance of Engine Transportation Stands. <p>Following services may be considered as supplemental work or limited Exclusions to the quoted Power by Hour (PBH) rate and shall be paid as over and above :</p> <ul style="list-style-type: none"> i. Cost of Life Limited Parts (LLP) replacement. However, repair /overhaul of LLPs shall not be considered as supplemental work. ii. Foreign Object Damage (FOD) related Engine repair beyond US\$ 100,000. FOD related engine repair cost up to US\$ 100,000 shall not be considered as supplemental work. For the avoidance of doubt, if FOD related engine repair cost is US\$ 300,000, US\$ 100,000 shall be covered under PBH rate and remaining cost US\$ 200,000 can be supplemental work. iii. Compliance of Service Bulletin (SB) category 7~9. If compliance of any SB category 7~9 is mandatory to make the engine serviceable, such SB compliance must be covered under PBH rate. 	<p><input type="checkbox"/> Agreed</p> <p><input type="checkbox"/> Not agreed</p> <p>Sign_____</p>

<p>All works other than Exclusions mentioned above shall be considered as included in the Power by Hour (PBH) rate.</p>	
<p>(p) Any supplemental engine repair work to Power by Hour (PBH) rate can be invoiced on Time and Material basis. Tenderer must quote prices/rates for such supplemental work services in Annexure A-1.0.</p>	<p><input type="checkbox"/> Agreed</p> <p><input type="checkbox"/> Not agreed</p> <p>Sign_____</p>
<p>(q) Prices quoted by the Tenderer in this Price Schedule Annexure-A shall preferably be fixed for duration of the contracted period. In case of changes in quoted price during the proposed contracted period, the methodology and financial figure should be clearly mentioned for any escalation or reduction of prices. Annual price escalation rate must be capped by a certain value in percentage which will be used during financial evaluation process. As such Tenderer must propose an Annual Escalation Cap in addition to the methodology and financial figure, which shall also be part of the draft agreement escalation provisions. Refer to Price Schedule Annexure-A 7.0.</p>	<p><input type="checkbox"/> Agreed</p> <p><input type="checkbox"/> Not agreed</p> <p>Sign_____</p>
<p>(r) Tenderer must quote PBH rate after considering and accepting workscope, modification status and condition of installed hardware during past shop visits. Upon request Biman shall provide all available engine shop visit data to tenderer to determine workscope and condition of installed hardware during past shop visits. Biman will not accept any complaints regarding previous shop visits.</p>	<p><input type="checkbox"/> Agreed</p> <p><input type="checkbox"/> Not agreed</p> <p>Sign_____</p>
<p>(s) In case of Biman's actual operational parameter deviates from that of mentioned in paragraph 03, Tenderer may apply adjustment factor on quoted Power by Hour rate. If Tenderer wishes to apply such adjustment factor, the methodology and adjustment formula/ matrix to be precisely mentioned in the offer covering $\pm 25\%$ variation from Biman's operational parameter as mentioned in paragraph 03. Whenever Biman's operational parameters deviates beyond $\pm 25\%$, PBH rate adjustment formula/matrix shall be revised as agreed between Biman and the tenderer per provision of the proposed draft agreement. Refer to Price Schedule Annexure-A 6.0.</p> <p>To determine actual operational parameters of Biman fleet, diagnostics data available from engine manufacturer GE shall be considered. PBH Invoices must be issued every month based on last month's operational parameters.</p>	<p><input type="checkbox"/> Agreed</p> <p><input type="checkbox"/> Not agreed</p> <p>Sign_____</p>
<p>(t) No PMA parts shall be allowed to install on Biman Engines during Repair/Overhaul.</p>	<p><input type="checkbox"/> Agreed</p> <p><input type="checkbox"/> Not agreed</p> <p>Sign_____</p>
<p>(u) All prices shall be quoted in US\$.</p>	<p><input type="checkbox"/> Agreed</p> <p><input type="checkbox"/> Not agreed</p> <p>Sign_____</p>
<p>(v) In case of it is required to terminate the contract before the term,</p>	<p><input type="checkbox"/> Agreed</p>

<p>the repair agency must agree to reimburse any and all unutilized fund accumulated by monthly PBH invoices paid by Biman. The tenderer must agree to offer reasonable provisions for such fund reimbursement in the proposed draft engine maintenance services agreement.</p>	<p><input type="checkbox"/> Not agreed Sign_____</p>
<p>(w) All disassembly, assembly, repair, Overhaul, inspection, cleaning, testing, modification, alteration, or any other process, technique required during engine shop visit must be up to the manufacturer's approved repair standard and must comply with regulatory requirement. An NTO (No Technical Objection) should be sought for repairs not covered within applicable Repair Manuals and prior concurrence from Biman must be made before incorporation of the same.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(x) The Tenderer shall have an independent Quality Assurance program that monitors compliance with applicable airworthiness regulations, requirements and their own maintenance procedure manual. Such program shall also address the specific requirement of the customer's Quality Assurance program as detailed in customer's Maintenance Control Manual.</p> <p>Tenderer must comply with applicable clauses of Biman Quality Assurance Audit Checklist, Form - QA/AUD/CHK/002/029. Tenderer must ensure and provide Certificate annually that their personnel are trained and competent to perform SMS (Safety Management System) duties.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(y) Parts to be scrapped during any engine shop visit should be held for an agreed period of time to allow inspection by Biman representative. All storage shall be considered FoC for that agreed period.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(z) The repair agency must assist Biman by providing Lab report, estimated cost of repairing/overhauling an engine etc. due to FOD (Foreign Object Damage) whenever requested by Biman for insurance claim.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(aa) The agency must extend FOC training to Biman engineering personnel as and when requested by Biman as per Annexure A-3.0.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(bb) The procedure for controlling Service Bulletins applicable to Biman's engines must fulfill Biman's requirements.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(cc) Strip condition and investigation reports should be made available in a timely manner and should be included in shop visit report. Strip reports shall include photographs and list of all replaced / reinstalled / scrapped items.</p>	<p><input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign_____</p>
<p>(dd) 12 months Preservation, Packaging, shipment and</p>	<p><input type="checkbox"/> Agreed</p>

transportation requirements must be of Industry standard and acceptable to Biman.	<input type="checkbox"/> Not agreed Sign _____
(ee) Engines/accessories removed following an incident must have shop priority such that investigation into incident can be dealt with quickly.	<input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign _____
(ff) The Tenderer must respond to quality complaints formally and promptly.	<input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign _____
(gg) Tenderer must agree that new part prices should be applicable as it was during engine repair but not at the date of invoice.	<input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign _____
(hh) The Tender validity period shall be 120 days minimum. Biman may request further validity extension, if needed.	<input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign _____
(ii) In case of multiple facility owned under the same Group, the Tenderer may participate in the bid separately against each of the facility and provide Certificate of Approval for that corresponding facility along with the offer. During the contracted period, the Tenderer must agree on not to send the complete engine to any Sub-contractor or any other facility under the same Group, than contracted facility.	<input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign _____
(jj) Tenderer must mention Shop Visit Turn Around Time (TAT) for engine between Shop-in and Shop-out.	<input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign _____
(kk) Tenderer must mention Engine Performance Guarantee in terms of EGT Margin after Shop Visits.	<input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign _____
(ll) Tenderer must offer performing Engine Health Monitoring Services on Free of Charge (FOC) basis.	<input type="checkbox"/> Agreed <input type="checkbox"/> Not agreed Sign _____

07. Documents to be provided along with the Tender Offer (Mandatory):

The Tenderer shall submit with its Tender offer the following additional documents in English:

- (a) Copies of approval of FAA and / or EASA as applicable and Certificate of Approval from local regulatory authority of the approved engine maintenance services organization are to be provided.
- (b) Original tender offer must be submitted with signature of tenderer in every page along with original copy of Tender documents.
- (c) One copy of tender offer shall also be submitted as working paper and must be ensured that the copy should not carry any deviation from the original tender documents.
- (d) A draft copy of the Engine Maintenance Agreement highlighting each corresponding requirements of the Tender Schedule requirement. The following documents would also form part of the draft Engine Maintenance Agreement:
 - i) Engine Lease GTA highlighting the terms and conditions including lease rates
 - ii) Copy of Shop Handling Manual
- (e) List of repaired/overhauled GE90-115B engines per Serial Number during the period April 2016 to March 2019 (inclusive).
- (f) Draft copy of the Engine Maintenance Agreement highlighting each requirements of the Tender and shall include, but is not limited to the following:
 - a list of facilities where the maintenance is to be carried out, including a list of satellite facilities that the tenderer may use;
 - a 'Statement of Work' (SOW) for the Maintenance Agreement that contains the detailed technical requirements, including references to maintenance intervals, manuals, Airworthiness Directives (ADs), Service Bulletins (SBs) and operator special requirements. A clear, unambiguous and sufficiently detailed SOW and assignment of responsibilities are required to ensure no misunderstanding arises between the operator, the Contractor and the operator's Authority that could result in a situation where the work, which has a bearing on the airworthiness or the serviceability of operator's aircraft, is not properly performed;
 - a requirement for the repair agency to produce a suitable quality plan for the project;
 - use and control of parts and materials;
 - process for the approval of deviations from maintenance documents;
 - a need for an internal evaluation system by the repair agency;
 - access by the customer's quality assurance department staff for the purpose of evaluating ongoing quality;
 - a reporting structure that immediately notifies the customer immediately if there is any defect, non-airworthy condition, failure or malfunction which are related to aircraft structure, powerplant, aircraft systems or equipment;
 - a system of completing, reviewing, retaining maintenance records;
 - a system of calibration of tooling and equipment;
 - a system of managing customer supplied parts;
 - a system of inspecting and testing, i.e., a quality control system;
 - a system of handling unsatisfactory product;
 - a system of handling, storage, packaging and delivery;
 - a system of product identification and traceability;
 - a system of training by the repair agency of its staff including continuation training not exceeding 36 months interval,

- a system of Release To Service of an aircraft or component;
- a system for communication between the customer and the repair agency;
- a Service Level Agreement (SLA) that includes clear Key Performance Indicators as agreed between the customer and the repair agency for the assessment of achievement of ongoing quality levels (the definition of the specific indicators depends on the policy of the customer);
- a system of periodic review meetings to include some or all of those below:
 - Contract Review Meeting
 - Technical Review Meeting

08. Tender Financial Evaluation

Tender Financial Evaluation shall be performed based on quoted Power by Hour rate. Tenderer must provide PBH rate adjustment formula/matrix. Highest and lowest possible PBH rate corresponding to $\pm 25\%$ variation from Biman's operational parameters (as mentioned in Paragraph 03) shall be taken into consideration during tender financial evaluation to determine the lowest tenderer.

For instance, PBH rate to be quoted for considering 4.50 Engine Flight Hour (EFH) per Cycle. During financial evaluation, calculated PBH rate (by provided rate adjustment formula/matrix) at 5.63 EFH/Cycle and 3.38 EFH/Cycle shall be taken under consideration. Similarly effect of other PBH rate adjustment variables shall be taken under consideration.

09. Clarification / Further Information

For any further information/ clarification to the Tender, Tenderer is requested to contact with the following official:

Chief Engineer, Engineering Services
 Biman Bangladesh Airlines
 email: chiefengr@bdbiman.com
 Copy : debiman@bdbiman.com

- 10. Pre-Tender Meeting (Optional) :** Biman shall arrange a Pre-bid meeting on 13-06-2019, and all bidders may participate during the Pre-bid meeting for a detailed discussion on the tender schedule and current engine status. All Bidders are requested to provide their questions by 09-06-2019 to email chiefengr@bdbiman.com for preparation of appropriate response to the bidders during the Pre-bid meeting.

Annexure - A

PRICE SCHEDULE (Tenderer must quote prices as per below schedule)

A-1.0 SUPPLEMENTAL WORK SERVICES

A-1.1 Tenderer is required to quote labor hour rate.

A-1.2 For supplemental Engine Test Run Fixed price to be quoted (including Fuel, Oil and man hour).

A-1.3 Tenderer must quote prices for replacement materials/parts used during engine repair/overhaul as per the following table.

	Price Source	Price (%)	Handling Charges	Handling Charges Ceiling
New Parts				
Used Parts				
LLPs		Pro-rata Value		

A-1.4 For the parts exchanged utilizing rotatable pool, Biman would pay the repair price of that part. In that case, the Agency must quote handling prices as per the following table

	Handling Charges	Handling Charges Ceiling
Non LLPs & Accessories		
LLPs		

A-1.5 Price may be quoted here for any other supplemental work services including repair/overhaul of LRU / QEC.

A-2.0 ON-SITE SUPPORT

Tenderer must provide on-site support at Dhaka or any out-station as and when required. Price to be quoted for onsite support.

A-3.0 TRAINING

Tenderer agree to offer FOC training to Biman engineering personnel as may be required for engine maintenance / transfer of technology. In case tenderer not agreed to offer FOC training, price to be quoted for training purpose.

A-4.0 ENGINE LEASE SUPPORT

Tenderer shall agree to support Biman with lease engine whenever required in accordance with tender mandatory requirement 6(l) and 6(m). Daily rent and Utilization charges for Lease Engine to be quoted.

A-5.0 POWER BY HOUR (PBH) RATE

Tenderer shall quote Power by Hour (PBH) Rate for each engine hour after complying all Tender Mandatory Requirements in paragraph 6 and considering Biman Operational Parameters as mentioned in paragraph 3 of this tender schedule. The quoted PBH rate shall cover any and all scheduled and unscheduled engine repair/overhaul of Biman GE90-115B engine fleet.

In case of Tenderer applies any adjustment factor on PBH rate, adjustment formula/matrix to be precisely mentioned covering $\pm 25\%$ variation from Biman's operational parameter as mentioned in paragraph 03. Whenever Biman's operational parameters deviates beyond $\pm 25\%$, PBH rate adjustment formula/matrix shall be revised as agreed between Biman and the tenderer per provision of the proposed draft agreement.

A-6.0 POWER BY HOUR (PBH) RATE ADJUSTMENT & INVOICING

In case of Biman's actual operational parameter deviates from that of mentioned in paragraph 03, Tenderer may apply adjustment factor on quoted Power by Hour rate. If Tenderer wishes to apply such adjustment factor, the methodology and adjustment formula/ matrix to be precisely mentioned in the offer covering $\pm 25\%$ variation from Biman's operational parameter as mentioned in paragraph 03. Whenever Biman's operational parameters deviates beyond $\pm 25\%$, PBH rate adjustment formula/matrix shall be revised as agreed between Biman and the tenderer per provision of the proposed draft agreement.

A-7.0 PRICE ESCALATION / REDUCTION

Prices quoted by the Tenderer in this Price Schedule Annexure-A shall preferably be fixed for duration of contracted period. In case of changes in quoted price during the proposed contracted period, the methodology and financial figure should be clearly mentioned for any escalation or reduction of prices. **Annual price escalation rate must be capped by a certain value in percentage which will be used during financial evaluation process.** As such Tenderer must quote an Annual Escalation Cap in addition to the methodology and financial figure, which shall also be part of the draft agreement escalation provisions.

