

Announcement of Proposed System Acquisition Plan

I am pleased to announce the following weapon system purchase plan in accordance with Article 8 of the Act on Contracts to Which the State is a Party and Article 213 of the Defense Acquisition Program Management Regulation (DAPA Regulation No. 432).

May 17, 2018

Minister of the Defense Acquisition Program Administration

1. Title of the Project : Foreign Purchasing Program of Special Operations Grenade Launcher

2. **Project Description** : It is a program to acquire the Special Operations Grenade Launcher through Foreign purchasing that concentrates on the firepower successively while Korean Special Operations Forces perform missions.

3. Qualification for Participation

- A. A Participant who is qualified under Article 12 of the 「Enforcement Decree of the Act on Contracts to which the state is a Party」 and who is not restricted by Article 76 thereof and Article 27 of the 「Act on Contracts to Which the State is a Party」.
- B. A Participant who is not restricted from bidding participation by Article 70 of the 「Enforcement Decree of the Defense Acquisition Program Act」 and Article 59 of the 「Defense Acquisition Program Act」.
- C. A Foreign Manufacturer or Korean/Foreign Supplier who is capable of providing the weapon system as it is requested in the RFP.

4. Explanatory Session

A. Date/Location : 14:00 on May 23 (Wed), 2018/Bidding room (Gwacheon Government Building 4th, Room 105)

※ All participants should arrive at the Customer Service Center of Gwacheon Government Complex by 13:30 and accompany information agent.

B. Registration submission deadline : 13:00 on May 21 (Mon), 2018

- 1) Only those proposing companies that possess the aforementioned qualification for participation (including their branch offices in Korea, limited to 2 persons per each company) may participate in the explanatory session.

※ Korean Commissioned Agents who wish to attend an explanatory session on behalf of a proposing company are required, to submit to DAPA a power of attorney (in their own format) attesting that they have been duly authorized to participate in the explanatory session on behalf of the proposing company.

- 2) Companies who wish to attend an Explanatory Session are required to submit their company name, position title, name, nationality, date of birth (or passport number), phone numbers (or cell phone number) for his/her entrance to DAPA and a Power of Attorney (in case of Korean Commissioned Agents) via e-mail by the registration submission deadline (date/time) to DAPA (Maneuver Equipment Projects Team) POC.
- 3) As per Article 8 (Security Assessment Committee) and Article 160 (Provision and Explanation of Classified Information Relevant to the Program) of the DAPA Security Service Regulation, only those who have been approved by DAPA's internal security assessment committee may attend the explanatory session.
- 4) Those who have been approved by the security assessment committee and notified of such approval may attend the explanatory session if they come to Customer Service Center of Gwacheon Government Complex at 13:30 on May 23 (Wed), 2018, confirm their identification (ID & proof of employment) and submit Pledge of Security (Attachment #1), Pledge of Integrity (Attachment #2) and a Power of Attorney (in case of Korean Commissioned Agents).

C. Contents : Main information of the RFP, Questions and Answers

- 1) RFP will be distributed during the explanatory session, and companies who do not attend to directly receive the RFP may not participate in the program.
※ Distributed RFP and related materials shall not be reproduced or copied without prior approval of the DAPA. If you do not submit a proposal, you must return the RFP and related materials by the proposal submission due date.
- 2) Program information, RFP details, how the proposal should be written, evaluation process/standard and precautions will be presented in the explanation session.

5. Contracting and Source Selection Method

- A. Contract Method : **Foreign purchase**
- B. Contract type : **Open competition (Contract by negotiation)**
- C. Source Selection

- 1) DAPA will select candidates based on its evaluation of the proposals submitted by the proposing companies qualified to participate. DAPA will then conduct T&E and negotiation with the candidates.
- 2) Once negotiations and T&E are completed, a source will be selected via "minimum costs given that the requirements are met."

D. Reference

- 1) Article 43 (Contract Through Negotiations) of the Enforcement Decree of the Act on Contracts to Which the State is Party
- 2) Defense Acquisition Program Administration Regulation No. 432 (February 20 2018)
- 3) Weapon System Proposal Evaluation Guidelines (DAPA Regulation SOP No.399, September 26 2017)

6. Proposal submission(Bidding Registration Deadline)

A. Date : 15:00 on May 28 (Mon), 2018

B. Location : DAPA Customer Support Center

(Gwacheon Government Building 4th, 1st Floor)

C. Submission method : **On site submission (No mail)**

D. Required documents : Documents which should be submitted with the proposal

- ① One (1) copy of Foreign Manufacturer Registration Certificate issued by DAPA
- ② One (1) original copy of the Certificate of the Manufacturer (notarized) and One (1) original copy of Manufacturer's Information (notarized)
- ③ One (1) original copy of the Certificate of the Supplier and One (1) original copy of Supplier's Information (notarized, but if the manufacturer and the supplier are the same, those two documents are not required)
- ④ One (1) original copy of Bid-Bond Payment Certificate or Letter of Guarantee for Payment of Bid Bond under the name of the Proposing Company (Refer to below 7. Bid-Bond and Reversion Guidelines)
- ⑤ Documents indicating that the proposing company has requested the credit assessment agency to assess the credit level of the proposing company and the assessment results (NICE DUNS & BRADSTREET) (including request date, confirmation of receipt of the assessment result)
- ⑥ One (1) original copy of Pledge of Integrity (Refer to RFP for more details)

- ⑦ One (1) original copy of Special Term and Conditions for Integrity Pledge
- ⑧ One (1) original copy of Pledge of Security
- ⑨ One (1) original copy of Memorandum of Test & Evaluation Implementation
- ⑩ One (1) original copy of Confirmation of Nonuse of Agent or Request to use a Commissioned Agent (Refer to RFP for more details)
- ⑪ One (1) original copy of Bid Application
- ⑫ Other required documents (Refer to RFP for more details)

7. Bid-Bond and Reversion Guidelines

- A. Upon its proposal submission, a proposing company that is qualified for participation shall prepare 5% or more of the proposed price as a bid-bond(cash or certificate, etc) to guarantee the performance of its obligations (Reference : Article 37 of the 「Enforcement Decree of the Act on Contracts to Which the State is a Party」).
- B. Entities who fall under the Subparagraph of Clause 3, Article 37 of the 「Enforcement Decree of the Act on Contracts to Which the State is a Party」 and Subparagraph 2, Clause 4, Article 6 of the "Commodity Purchase(Manufacturing) Bidders ANNEXES"(Ministry of Strategy and Finance, Contracting Regulation No. 329 (December 30, 2016)) and those who were formed one (1) year or more before the date of registration deadline may be exempted from the bid-bond requirement unless they fall under one of the two categories listed below. If exempt, the qualified proposing entity shall submit, upon its submission of the proposal, a Letter of Guarantee for Payment of Bid Bond pursuant to Clause 4, Article 37 of the 「Enforcement Decree of the Act on Contracts to Which the State is a Party」.
 - 1) An entity who has not yet made a payment due for reversion to DAPA
 - 2) An entity who is currently prohibited from entering into an agreement with DAPA under Article 27 of the 「Act on Contracts to Which the State is a Party」, and Article 76 of the 「Enforcement Decree of the Act on Contracts to Which the State is a Party」
- C. If the successful bidder fails to enter into a contract by the required deadline, the bid-bond shall be returned to the national treasury in accordance with Article 9 of the 「Act on Contracts to which the state is a party」 and Article 38 of the 「Enforcement Decree of the Act on which the state is a Party」, and restrictions on qualification for participation in bidding shall be placed on the

company in accordance with Article 27 of 「above Act」 and Article 76 of the 「above Enforcement Decree」.

8. Nullity of the Bidding & Restriction from Entering into Contract If a Company is Placed under Sanction

- A. Any bidding that falls under Clause 4, Article 39 of the 「Enforcement Decree of the Act on Contracts to which the State is a Party」, Article 44 of the 「foregoing Enforcement Rules」 and Article 12 of the “Commodity Purchase(Manufacturing) Bidders ANNEXES” is considered invalid.
- B. If, prior to entering into a contract, a successful bidder is placed under restrictions on qualification for participation in bidding in accordance with Clause 2, Article 76 of the 「Enforcement Decree of the Act on Contracts to which the State is a Party」, DAPA will not enter into a contract with the successful bidder in accordance with the Clause 7, above Article.

9. Other Bidding Requirements

- A. Prior to participating in bidding, bidding participant(Proposing Company) shall submit a Pledge of Integrity and shall be fully aware of the Special Term and Conditions for Integrity Pledge. The Special Term and Conditions for Integrity Pledge will be attached to the contract upon contract award. The Pledge of Integrity and the Special Term and Conditions for Integrity Pledge can be found in RFP Volume 5.
- B. It is the responsibility of the bidder to be fully aware of the applicable laws and regulations on bidding (including the Enforcement Decree of the Act on contracts to which the State is a Party) and the documents concerned.
- C. In case of any discrepancies between the Korean and English versions of this Announcement, the Korean version will prevail.

10. Point of Contact

- A. Address : DAPA Maneuver Equipment Projects Team,
Government Complex-Gwacheon, 47, Gwanmun-ro,
Gwacheon-si, Gyeonggi-do, ROK
- B. POC : MinSoo, KIM / +82-2-2079-5334 (e-mail)master03@korea.kr

Pledge of Security

We hereby pledge that the company will observe the following articles with regard to **foreign purchasing program of Special operations Grenade Launcher**.

1. With the understanding that all military data including the RFP can be critical information relevant to national security, the company will abide by all security regulations to protect military data at all times regardless of location.
2. The company will not make efforts to access or unlawfully seek nor gather military secret which are irrelevant to the company.
3. The company understands that disclosure of such information could benefit the enemy, and therefore, the company will not communicate or otherwise disclose any military secret that has been entrusted to the company or that it comes in contact with.
4. The company understands that seeking, collecting or disclosing military secret is an offense to the state and the military which is punishable by relevant laws listed below.
 - a. Military Intelligence Protection Law
 - b. Article 4 (Performance of Objectives) in National Security Law
 - c. Article 127 (Divulgence of Official Secrets) in Criminal Act
 - d. Article 80 (Divulsion of Military Secrets) in Military Criminal Act

Year/Month/Date: ___/___/___

Representative of _____ Company (Company Code:_____)

Name & Signature:_____

Pledge of Integrity

Being aware that transparent business management and fair administration are key to social development and the enhancement of national competitiveness and in concert with the purpose of pledge of integrity for the performance of contracts to keep pace with the OECD Convention on Combating Bribery of foreign Public Officials in International Business Transactions in force internationally and the increasing reinforcement of sanctions on corrupt enterprises and nations, we hereby pledge to observe the following matters when participating in the bidding and contract for **foreign purchasing program of Special operations Grenade Launcher** of the Defense Acquisition Program Administration on ____ (Month) ____ (Day), ____ (Year):

1. We will not engage in unfair conduct, such as early announcement of contract price, collusion to have the contract awarded to a specific person, or unfairly undermining free competition in bidding through arrangement, resolution or agreement with another company;
2. We will not offer bribe including money, or entertainment to relevant public officials directly or indirectly in the course of bidding, concluding contracts and performing contracts;
3. We understand that violating subparagraphs 1 and 2 above can result in cancellation of contract award, contract termination, or debarment on the company as stipulated in the Defense Acquisition Program Act, and will not claim compensation or take legal action against the Minister of the Defense Acquisition Program Administration whether it be in civil or criminal court;
4. We will prohibit our employers and employees from offering bribery to relevant public officials and engaging in unfair conduct such as collusion, and will not penalize whistleblowers;
5. When entering into and implementing a contract with subcontractors in connection with this contract, we will not receive money or valuables from subcontractors or engage in undue or unfair conduct by taking advantage of our position as the prime contractor; and
6. In the event we are awarded with the contract, we will include the above statement in special terms and conditions of the contract and honor the statement.

Year/Month/Date: ____/____/____

Pledger (representative or officer)'s Name:
Company Name (company code:) : (Sign or Seal)