

Operational Requirements and Scope of Work

A. SATS BRF FOOD Pte Ltd – Vehicle Fleet Maintenance

Operational constraints and requirements

- A.1. Workshops located near to SATS-BRF locations could be preferred for faster responsiveness
- A.2. Collection / Return of truck according to SATS-BRF locations at: 234/212 Pandan Loop, 9 Buroh Lane or 7 Buroh Lane
- A.3. Operations User can release vehicles for PM servicing only after 1500hrs, during weekdays. Or on Saturday & Sunday & public Holidays (subject to truck availability).
- A.4. Vehicle must be service or repaired and returned within the same day. (otherwise: Contractor will incur Liquidated Damages penalty of **\$11 per day**)
- A.5. The preferred frequency of PM servicing is every 3 months or 5,000km mileage for each vehicle.
- A.6. The collection of vehicle for Pre-inspection, preparation of vehicle for LTA inspection and returning of the vehicle after the actual LTA inspection must be completed within the same day. (otherwise: Contractor will incur Liquidated Damages penalty of **\$11 per day**)
- A.7. For Vehicle **recovery towing or onsite troubleshooting**, when vehicle is immobilized. The Contractor must reach any location in Singapore **within ONE hour** of notification by either phone or email, 24hr-7days support.
- A.8. Should the Contractor be late to reach the vehicle breakdown location, the Contractor shall incur Liquidated Damages penalty of **\$11 per hour** delayed)
- A.9. This Operations User requires vehicle workshop services to be made available for all 7 days a week, 365 days a year.
- A.10. The Contractor shall submit a softcopy of their Preventive Maintenance (PM) Checklist and their Overhaul checklist for review and prior approval.
- A.11** Should any of the items in the PM check list, supplied spares, repaired parts, overhauled assemblies suffer premature failure before the next PM servicing, the respective item must be replaced by the Contractor, at the Contractor's own cost.
- A.12** The offered rates above shall include all labor incurred to troubleshoot, diagnose, remove, install and replace the parts in the PM check list.
- A.13** There shall be regular **contract performance reviews**. The Contractor shall prepare the required performance reports in the format required by SATS BRF. The Contractor shall also identify, categorize and report all service delays or operational issues or supply disruptions or warranty claims, and any other matters which may have been raised by SATS BRF representatives, in a formal report to SATS BRF. The Contractor's performance report shall be subjected to review by SATS BRF for acceptance.
- A.14** The Contractor shall provide an **annual equipment condition assessment report** to SAS representatives for mutual review and alignment. This condition report shall also provide a recommendation of the major assemblies, components, spares & sub-systems to be replaced, overhauled or refurbished within the equipment's expected service life. This condition report shall include a recommendation on the projected remaining service life of the equipment and also a schedule of rates for recommended ad hoc corrective maintenance works with a list replacement spares to upkeep the equipment. While the above price list will not be exhaustive, it should endeavor to cover more than 70% of the value of such repair works annually. This condition report shall also be provided by the Contractor at the end of the contract period to SAS for review.

- A.15** The quality of spares and services supplied shall be from the known OEM (proprietary) Component Supplier or better. The Contractor shall also identify all Spare Parts and materials supplied by the component manufacturer's company name and that component manufacturer's native Part Number, together with its respective NATO Stock No. (international/global) Part Number (or any other international equivalent: such as ASME B18.24-2015 or ATA iSpec 2200 or JASC/ATA 100 code or Global Trade Item Number (GTIN), where available). These **Spare parts information shall be listed in an updated excel file report** with the specific SATS BRF equipment identity, line item description, quantity supplied, date of installation/use and service report number (Job card no.). This report shall be provided upon demand, or annually, or automatically at the end of each contract period and shall be subject to review by SATS BRF for acceptance.
- A.16** The Contractor shall **reimburse** SATS BRF for the cost of labour, freight, transport, tooling, works and materials incurred in rectifying the performance failure of parts and goods or services under warranty, **through credit notes**. The Contractor shall be liable to directly pay for any other costs (including to third parties) incurred to bring the equipment back into service. Any labour cost incurred by SATS BRF, shall be computed based on the Contractor's Ad Hoc manhour rates.
- A.17** The Contractor shall provide a **list of subcontracted suppliers** pertaining to this contract. The list shall include the full name of the company as well as the scope of supply to the Contractor. This list of subcontractors shall be submitted to SATS BRF for approval before commencement of supply and shall be updated in a timely manner to SATS BRF representatives for **prior approval**, whenever there are any changes.
- A.18** Should the Contractor repeatedly fail to meet the contract performance requirements, SATS BRF holds the sole discretion and the **right to engage another third party** contractor to repair the vehicles and the Contractor shall bear the full cost of repairs, by directly paying the third party contractor engaged by SATS BRF.
- A.19** **URGENT REMEDY PLAN**
Without limiting its other rights or remedies, SATS BRF may by 2 days' written notice require the Contractor to remedy a breach by the Contractor of any of these Conditions and/or contract clauses. The Contractor shall continue to perform all obligations under this contract and shall:
- a) devote all necessary resources to the resolution or mitigation of the breach for immediate resolution, promptly meet with SATS BRF to agree on a strategy (the "Urgent Remedy Plan"), which if approved by SATS BRF, shall be implemented by the Contractor immediately;
 - b) and **reporting on a daily basis** until resolution to SATS BRF satisfaction.
 - c) The Contractor shall at the same time draft a "Prevention Plan" to prevent a recurrence, after which upon SATS BRF approval, this "Prevention Plan" shall be included into the contract scope, at no cost to SATS BRF.
 - d) A failure by the Contractor to comply with these obligations constitutes a material breach of this contract, without prejudice to SATS BRF other rights and remedies.
- A.20** SATS BRF holds the sole discretion and rights, to seek quotations or tender for the supply of any spares/items and/or services at any time.
- (a) Once SATS BRF management has unilaterally decided on the **most favourable quote**, SATS BRF shall provide to the Contractor the price and other material terms from the most favourable quote, but withholding the third party supplier's name.
- NOTE: The identity and details of the third party supplier that had submitted the most favourable quote shall not be shared.
- (b) The Contractor has 4 business days to confirm if it wishes to supply based on the most favourable quote and if they do match, SATS BRF shall engage the Contractor.
 - (c) Should the Contractor decline to match the quote or fails to respond within 4 business days, SATS

BRF shall go ahead to procure from the third party supplier which had offered the most favourable quote and the Contractor shall be obligated to accept the supply scope (goods delivered or services performed) of the quote into its operations with SATS BRF, as if the third party supplier were its own. This may include receiving, warehousing, stock takes and issuing of goods. The Contractor shall complete all necessary administration with the third party supplier on behalf of SATS BRF, including the processing of the third party supplier's deliveries and invoices in their own systems and procedures with SATS BRF systems and/or online portals, for SATS BRF Finance to administer payment to the third party supplier.

- A.21** SATS BRF shall have the right to terminate this Agreement at any time during the Term by giving the Contractor three (3) months' prior notice in writing.

B. Term Contract for Maintenance of Vehicles for SATS Food Services Pte Ltd, SFI Manufacturing Pte Ltd and its other affiliates

B.1 General

B.1.1 The contract period is from **01 November 2019 to 30 October 2022** and could be extended for another three (3) years subject to satisfactory performance.

B.1.2 The contract is for preventive and corrective maintenance of SFIM's fleet of vehicles which comprises of Vans, Trucks and Lorries as shown in **Appendix C4 Annex A**. This shall include the servicing and repair of air-conditioning and chiller/ refrigeration systems and minor body repairs.

B.1.3 The supply of tyres is not included, and you may request for tyres from our appointed contractor.

B.2 Scope of work

B.2.1 To provide periodic Preventive Maintenance (PM) for all vehicles. This would involve the changing of engine oil, transmission oil, oil filter, air filter, light bulb, tyre rotation and other automotive works, with an interval of 4 months or 5000km, whichever is earlier. After each vehicle servicing, the contractor is to provide an itemized report according to the format given by SATS for all works, parts and consumables charged for each servicing.

B.2.2 To provide corrective maintenance work on all parts of the vehicle and the contractor shall use OEM proprietary parts for part replacements. The contractor shall provide the repair costs for the work as listed in **Appendix C4 Annex C**. For minor body repairs, the contractor shall provide a quote for the required repairs. The contractor shall seek for approval from SATS before commencing work.

B.2.3 To conduct a service check of the air-conditioning system and chiller/ refrigeration system & tail gate of each vehicle, at every PM servicing. The contractor shall provide a quote for the any repairs deemed necessary. The contractor shall seek for approval from SATS before commencing work.

B.2.4 To prepare and ensure that the vehicles satisfy LTA requirements, especially for the mandated annual inspections. This scope of works includes collecting and sending the vehicles for LTA inspection (Contractor to quote the cost of this service **Appendix C4 Annex C**).

B.2.5 To provide towing services from SATS premises, public areas and SFIM's military cookhouse to contractor's workshop (Contractor to quote the cost of towing service **Appendix C4 Annex C**).

B.2.6 To provide Emergency response within 2 hours' time for office hours & 5 hours for non-office hour inclusive Sunday and public holiday. (Office hours - Monday to Friday from 0830hrs to 1730hrs excluding public holidays and weekends). A penalty of \$11 per hour shall be applied for each hour delayed.

B.3 Warranty

B.3.1 The contractor is expected to carry out all works under the contract based on good engineering practices. SFIM reserves the right to reject any work, workmanship or spare part, which is inferior in quality and the contractor shall at his own cost, make good such defects immediately. A penalty of \$10 is applicable for each rejected defect.

B.3.2 The contractor shall provide a Warranty for Parts (New) & overhauls for a period of 6 months from the date of the vehicle being returned to SATS.

B.4 Termination

B.4.1 SATS shall have the right to terminate this Agreement at any time during the Term by giving the Contractor three (3) months' prior notice in writing.

B.4.2 SATS shall have the right to add or reduce the number of vehicles for the duration of the contract.

B.5 Maintenance Checklist, Schedules & Monthly Reports

B.5.1 The contractor is to submit:

a) A detailed maintenance check list for each vehicle type (for vans, trucks and lorries)

b) Schedule of the Preventive Maintenance Servicing (Vehicle Preventive Maintenance Record And Scheduling Sheets).

B.5.2 The contractor is to offer vehicle fleet management services and notify the end user that their vehicle is due for PM servicing.

B.5.3 To provide monthly report of total monthly expenses PM (Preventive Maintenance), CM (Corrective Maintenance) & other Services cost, in the format shown in **Appendix H**. Furthermore, the contractor is to maintain an updated archive of all the vehicle maintenance (PM servicing and Corrective Maintenance) records for the duration of the contract. These vehicle servicing (PM and CM) records are to be given promptly (within one day), upon demand to SATS representatives at any time before the end of the contract.

B.5.4 The contractor is to consolidate all servicing and works done for invoicing at the end of the month by the Business Unit (Department) of the certifying end user. To provide and facilitate monthly billing.

B.5.5 The contractor shall keep the records of all vehicles serviced, complete with the dates, mileage and repair work that was been done.

B.5.6 The Contractor shall submit a softcopy of their Preventive Maintenance (PM) CheckList and their Overhaul checklist for review and prior approval.

B.6 Pricing Tables

B.6.1 The contractor shall fill in the pricing tables for PM (Preventive Maintenance), CM (Corrective Maintenance), miscellaneous and Others – labour (towing services, sending vehicle to LTA inspection, etc) for SFIM's vehicle brand and model as shown in Appendix C4 Annex C.

B.6.2 The contractor is to send both HARD COPY and SOFT COPY version of all submissions. For the HARD COPY SUBMISSION, the pricing table must be signed and marked with the contractor's company stamp . The Contractors shall fill up the price submission table in the provided Excel Form Appendix C4 Annex C and as part of their SOFT COPY SUBMISSION.

B.7. Required information on Spare Parts supplied

The Quality of spares and services supplied shall be from the OEM (proprietary) Component Supplier or better. The Contractor shall also identify all Spare Parts and materials supplied by the component manufacturer's company name and that component manufacturer's native Part Number, together with its respective NATO Stock No. (international/global) Part Number (or any other international equivalent: such

as ASME B18.24-2015 or ATA iSpec 2200 or JASC/ATA 100 code or Global Trade Item Number (GTIN), where available). These Spare parts information shall be listed in an updated excel file report with the specific equipment identity, line item description, quantity used, date of delivery and the SATS Purchase order number (where applicable). This report shall be provided upon demand, or annually, or automatically at the end of each contract period and shall be subject to review by SATS for acceptance.

B.8. Cost recoveries for the failure of goods and services under warranty

The contractor shall reimburse SATS for the cost of labour, freight, transport, tooling, works and materials incurred in rectifying the performance failure of parts and goods under warranty through credit notes. The contractor shall be liable to directly pay for any other costs (including to third parties) incurred to bring the equipment back into service.

B.9. Rights to procure goods and services from third parties

SATS holds the sole discretion and rights, to seek quotations or tender for the supply of any spares/items and/or services at any time.

(a) Once SATS management has unilaterally decided on the most favorable quote, SATS shall to provide to the Contractor the price and other material terms from the most favorable quote, but withholding the supplier's name.

(b) The Contractor has one (1) business days to confirm if it wishes to supply based on the most favorable quote and if they do match, SATS shall engage the Contractor.

(c) If the Contractor declines to match the quote or fails to respond within one (1) business days, SATS shall go ahead to procure from the supplier which had offered the most favorable quote and the Contractor shall be obligated to accept the supply scope (goods delivered or services performed) of the quote into its operations with SATS, as if the supplier were its own. This may include receiving, warehousing, stock takes and issuing of goods. The Contractor shall complete all necessary administration with the supplier on behalf of SATS, including the processing of the supplier's invoices into SATS data systems, for SATS Finance to administer payment to the supplier.

B.10. Approval of sub-contract Suppliers

The appointed Contractor is to provide a list of subcontracted suppliers pertaining to this contract. The list will include the name of the company as well as the scope of supply to the Contractor. This list of subcontractors shall be submitted to SATS for approval before commencement of supply and shall be updated in a timely manner to SATS representatives for prior approval, whenever there are any changes.

B.11. Regular annual Reviews

There shall be regular performance reviews. The Contractor shall prepare the required performance reports in the format required by SATS. The Contractor shall also identify, categorize and report all service delays or operational issues or supply disruptions or warranty claims, and any other matters which may have been raised by SATS representatives, in a formal report to SATS. The Contractor's performance report shall be subject to review by SATS for acceptance

B.12. Condition Report & ad hoc repair works

The appointed contractor shall make an assessment and provide a condition report on the state of our equipment before taking over from the previous contractor. The contractor shall provide an annual condition report to SATS representatives for mutual review and alignment. The condition report shall provide a recommendation of the major component assemblies, Spare parts, sub-systems to be replaced, overhauled or refurbished within the awarded contract duration, a recommendation on the projected remaining service life of the equipment and also a schedule of rates for recommended ad hoc repair works with a list replacement spares to upkeep the equipment. While the above price list for ad hoc corrective maintenance (CM) works will not be exhaustive, it should endeavor to cover more than 60% of the value of CM works annually. In the same way, a condition report shall be provided by the contractor at the end of the awarded contract period to SATS for review.

B.13. URGENT REMEDY PLAN

Without limiting its other rights or remedies, SATS may by 2 days' written notice require the Contractor to remedy a breach by the Contractor of any of these Conditions and/or contract clauses. The Contractor shall continue to perform all obligations under this contract and shall:

- a) devote all necessary resources to the resolution or mitigation of the breach for immediate resolution, promptly meet with SATS to agree on a strategy (the "Urgent Remedy Plan"), which if approved by SAS, shall be implemented by the Contractor immediately;
- b) and reporting on a daily basis until resolution to SATS satisfaction.
- c) The Contractor shall at the same time draft a "Prevention Plan" to prevent a recurrence, after which upon SATS approval, this "Prevention Plan" shall be included into the contract scope, at no cost to SATS.
- d) A failure by the Contractor to comply with these obligations constitutes a material breach of this contract, without prejudice to SATS other rights and remedies.