Standard Acquisition Clauses and Conditions (SACC) Manual

All Sections

Version 10-1
11 January 2010

Public Works and Government Services Canada
Travaux publics et Services gouvernementaux Canada
Canada

SACC MANUAL

Synopsis - Version 10-1

The following revisions are included in Version 10-1 dated January 11, 2010.

Section 1
Standard Instructions and Conditions

2003, Standard Instructions - Goods or Services - Competitive Requirements
Text revised to update the information in section 07 and section 17 to cover the “appearance of conflict of interest or unfair advantage”.

2006, Standard Instructions - Request for Standing Offers - Goods or Services - Competitive Requirements
Text revised to update the information in section 17 to cover the appearance of conflict of interest or unfair advantage.

2008, Standard Instructions - Request for Supply Arrangements - Goods or Services
Text revised to update the information in section 16 to cover the appearance of conflict of interest or unfair advantage.

Section 2
Templates

2T-HIGH1, Higher Complexity Bid Solicitation and Resulting Contract Template
2T-LDV1, Low Dollar Value Bid Solicitation and Resulting Contract Template
2T-MED1, Medium Complexity Bid Solicitation and Resulting Contract Template
Text revised to update the information.

2T-PROC1, Procedures for Using the Departmental Standard Procurement Templates
Text revised to update the information to 2. (a) (ii).

2T-PROC2, Procedures for Using the Request for Standing Offers Template
Text revised to update the information.

2T-PROC3, Procedures for Using the Request for Supply Arrangements Template
Text revised to update the information to section 1.3.

2T-RFSO1, Standing Offers Template
2T-RFSA1, Supply Arrangements Template
Text revised to update the information.

Section 3
General Conditions

1026A, Supplies - Firm Price
Text revised by moving the last 2 sentences of section 37 to new section 45; and update the Web site link in sections 39 and 41.

1026B, Supplies - Cost Reimbursement
Text revised by moving the last 2 sentences of section 38 to new section 46; and to update the Web site link in section 40.

2005, General Conditions - Standing Offers - Good or Services
Text revised to reflect a minor editorial changes to section 04.

2010A, General Conditions - Goods (Medium Complexity)
Text revised to reflect the changes to the following sections:
1- section 09 - more information added;
2- section 12 - editorial changes and move the last 2 sentences to new section 30;
3- sections 27 and 28 - update the Web site links.

2010B, General Conditions - Professional Services (Medium Complexity)
Text revised by moving the last 2 sentences of section 12 to new section 33; and to update the Web site link in section 29.

2020, General Conditions - Supply Arrangement - Goods or Services
Text revised to update the information in section 03.

2029, General Conditions - Goods or Services (Low Dollar Value)
Text revised to reflect the changes to the following sections:
1- section 5 - revise the text and add a new paragraph;
2- section 8 - editorial changes and move last 2 sentences to new section 26;
3- sections 23 & 24 - update the Web site links;
4- section 26 - NEW.

2030, General Conditions - Higher Complexity - Goods
Text revised to reflect the changes to the following sections:
1- section 15 - editorial changes and move last 2 sentences to new section 44;
2- sections 41 & 42 - update the Web site links;
3- section 44 - NEW.

2035, General Conditions - Higher Complexity - Services
Text revised to reflect changes to the following sections:
1- section 06 - editorial changes and delete paragraph (c);
2- section 14 - editorial changes and move last 2 sentences to new section 43;
3- sections 39 & 40 - update the Web site links.

2040, General Conditions - Research & Development
Text revised to reflect the changes to the following sections:
1- section 15 - editorial changes and move last 2 sentences to new section 52;
2- sections 49 & 50 - update the Web site links;
3- section 52 - NEW.

Section 4
Supplemental General Conditions

4001, Hardware Purchase, Lease and Maintenance
Remarks and Text revised to reflect changes in different sections.

4003, Licensed Software
Remarks revised to add an instruction to the contracting officer. Text revised to reflect a minor change in section 12.

4004, Maintenance and Support Services for Licensed Software
Remarks revised to advise contracting officers to use the clause in conjunction with general conditions 2010B as well.

Section 5
Standard Procurement Clauses

Subsection A - Instructions to Bidders/Contractors

A0031T, Basis of Selection - Mandatory Technical Criteria
Title revised to delete the word "only".

A0075C, Ontario Labour Legislation
Remarks revised to make a reference to the new Supply Manual procedure.

A0085T, Communications Notification
NEW - to be used in bid solicitations only if the medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

A0222T, Evaluation of Price
Text revised to provide additional information on bids submitted in foreign currency.

A3000C, Aboriginal Business Certification
A3000T, Set-aside for Aboriginal Business
Remarks revised to advise to use in conjunction with A3001T, A3000C, and if applicable A3002T. Text revised to provide more information.

A3001T, Owner/Employee Certification - Set-aside for Aboriginal Business
NEW - to be used in bid solicitations for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business.

A3002T, Set-aside under the Procurement Strategy for Aboriginal Business
NEW - to be used in bid solicitations for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB), when the procurement would have been otherwise subject to one or more trade agreements.

A3005T, Status and Availability of Resources
Text revised to add "maternity and parental leave" as acceptable reasons to request the services of a substitute.

A3025T, Former Public Servant Certification
A3026T, Former Public Servant Certification
Remarks revised to advise to consult section 3.90 of the Supply Manual for more information. Text revised to update some definitions.

A3030T, Federal Contractors Program - $200,000 or more
A3031T, Federal Contractors Program - over $25,000 and below $200,000
Title revised. Remarks and Text revised to update the information related to the Federal Contractors Program.

A3050T, Canadian Content Definition
A3051T, Canadian Content Certification
A3052T, Canadian Content Certification
A3053T, Canadian Content Certification
A3055T, Canadian Content Certification
A3056T, Canadian Content Certification
A3059T, Canadian Content Certification
A3061T, Canadian Content Certification
A3063T, Canadian Content Certification
A3065T, Canadian Content Certification
A3066T, Canadian Content Certification
A3069T, Canadian Content Certification
Remarks and Texts revised to update the Web site address and make reference to Annex 3.6 of the new Supply Manual.

A3500T, Confidential Information for Bidding
Remarks and Text revised to update the information.

A9062C, Canadian Forces Site Regulations
A9068C, Government Site Regulations
Title revised. Texts revised to reflect minor editorial changes.

A9088C, Pre-contractual Work - Not Authorized
A9094C, Pre-contractual Work - Not Authorized
Remarks revised to advise to use the clause when a proposed contractor will be paid for work performed before the effective date of the contract.

A9112C, Common Ownership Control
Remarks revised to make a reference to the new Supply Manual.

A9120C, Pre-contractual Work - Authorized
Remarks revised to advise to use the clause when a proposed contractor will be paid for work performed before the effective date of the contract.

A9126C, Non-Disclosure Agreement
Remarks revised to update the information on the use of the clause. Text revised to advise where to send the completed and signed agreement.

Subsection B - Requirements Definition

B1204C, Shelf Life
NEW - to be used in contracts for the Department of National Defence when item (s) contain elastomeric material.

B3010T, Substitute Products - Samples (DND)
NEW - to be used in bid solicitations for goods for the Department of National Defence, when substitute products will be considered and Canada reserves the right to request a sample.

B5001C, Procedures for Design Change/Deviations
Remarks revised to update the references to the new Supply Manual. Text revised to update the link to the form PWGSC-TPSGC 9038.

B5007C, Procedures for Design Change or Additional Work
Remarks revised to update the reference to the new Supply Manual. Text revised to update the link to the forms.

Subsection C - Price

C0002T, Price Certification - Canadian-based Suppliers (other than agency and resale outlets)
Title revised. Remarks revised to advise to use in conjunction with clause C0100C.

C0006T, Price Certification - Petroleum Products
Remarks revised to advise contracting officers to use the clause in conjunction with C0100C.

C0012T, Price Certification - Canadian Universities and Colleges
Remarks and Text revised to make a reference to the new Supply Manual.

C0100C, Discretionary Audit - Commercial Goods and/or Services
Title revised. Remarks revised to advise contracting officers to use the clause when rate certification clause C0600T is used.

C0101C, Discretionary Audit - Non-commercial Goods and/or Services
Title revised - in French only. Remarks revised to advise to use in conjunction with clause C0003T or C0601T, as applicable. Text revised to update the terminology.

C0102C, Discretionary Audit - Canadian Universities and Colleges
Remarks and Text revised to make a reference to the new Supply Manual.

C0205C, Basis of Payment - Actual Costs
Remarks revised to make a reference to the new Supply Manual.

C0207C, Basis of Payment - Firm Price, Firm Unit Price(s) or Firm Lot Price(s)
Title revised. Remarks revised to remove reference to clause C6000C. Text revised by the addition of more information.

C0210C, Basis of Payment - Pre-contractual Work
Remarks revised to update the information on the use of the clause and to advise to use the clause in conjunction with A9120C or A9094C or A9088C, as applicable.

C0211C, Basis of Payment

C0212C, Basis if Payment - Hourly Rates
C0213C, Basis of Payment - Firm Price - Services
C0214C, Basis of Payment - Firm Hourly Rates
Texts revised to update the Web site link to the Treasury Board Travel Directive.

C0300C, Cost Submission
Remarks revised to make a reference to the new Supply Manual.

C0504C, Overtime
Remarks revised to make a reference to the new Supply Manual.

C0600T, Rate Certification - Commercial Services (Canadian-based Bidder)
Remarks revised to advise to use the clause in conjunction with C0100C or C0705C.

C0604C, Price Adjustment - Metals
NEW - to be used in contracts for metal products when prices are subject to adjustment.

C0705C, Discretionary Audit
Title revised - in French only. Remarks and Text revised to reflect editorial changes.

C2001C, Duties and Taxes - Drawback Certificate

C2002C, Duties and Taxes - Foreign-based Contractor - State of California
Remarks revised to make a reference to the new Supply Manual

C2604C, Customs Duties, Excise Taxes and GST/HST - Non-resident
Remarks revised to make a reference to the new Supply Manual.

C2800C, Priority Rating
Remarks revised to make a reference to the new Supply Manual and to update the e-mail address of the Defence Priorities and Allocations Officer. Text revised to reflect a minor editorial change.

C2801C, Priority Rating - Canadian-based Contractors
Title revised. Remarks revised to make a reference to the new Supply Manual. Text revised to update the e-mail address of the Defence Priorities and Allocations Officer.

C2608C, Canadian Customs Documentation
Remarks revised to reflect minor editorial changes. Text revised to update the telephone number of the National Defence Headquarters.

C2901T, Duties and Taxes - Export Drawbacks
Title revised - in French only. Remarks revised to make a reference to the new Supply Manual.

C3010T, Exchange Rate Fluctuation (RESUBMITTED)
Remarks revised to make a reference to the new Supply Manual. Text revised to update the Web site link to the form PWGSC-TPSGC 9411 and to specify that the "noon rate" of the Bank of Canada is to be used for evaluation purposes.

C3011T, Exchange Rate Fluctuation
C3015C, Exchange Rate/Payment on Delivery
C3020C, Exchange Rate/Milestone Payment

Remarks revised to make a reference to the new Supply Manual

C3030C, Exchange Rate/Progress Payment Claim
Remarks revised to make a reference to the new Supply Manual. Text revised to update the Web site link to the form PWGSC-TPSGC 9411.

C3601C, Price Adjustment - Milk
Remarks and Text revised to reflect minor editorial changes.

C4000C, Travel and Living Expenses
C4001C, Travel and Living Expenses
Remarks revised to make a reference to the new Supply Manual and to delete the instruction to contracting officers.

C4004C, Travel and Living Expenses
Remarks revised to make a reference to the new Supply Manual.

C4005C, Travel and Living Expenses
Text revised to update the Web site link to the Treasury Board Travel Directive.

C5200T, Transportation Costs Information
Remarks revised to make a reference to the new Supply Manual.

Subsection D - Delivery, Inspection and Acceptance

D0035C, Shipping Instructions (DND) – Foreign-based Contractors
Remarks revised to reflect minor editorial changes. Text revised to update e-mail addresses and/or telephone numbers.

D0037C, Shipping Instructions (DND) – Canadian-based Contractors
Remarks revised to reflect minor editorial changes. Text revised to update the Inbound Logistics Quebec Area e-mail address.

D2015C, Additional Package Markings - Identical
Title revised. Remarks revised to add the reference to "expiration date of shelf life" in the list of required applicable information. Text revised to update the instruction to the contracting officer.

D2016C, Additional Package Markings - Different
Remarks revised to add the reference to "expiration date of shelf life" in the list of required applicable information.

D4002C, Shipping Instructions - FOB Destination and DDP
NEW - to be used when delivery is at destination and the contractor is responsible for all delivery charges, administration, costs and risks of transport and customs clearance, including the payment of customs duties and taxes.

D5402C, Quality Plan
Remarks revised in English only to reflect a minor editorial change. Text revised to update the ISO quality standards.

D5509C, Quality Assurance Requirements - Submarine Safety
Remarks revised to delete the reference to clause D5541C.

D5510C, Quality Assurance Authority (DND) - Canadian-based Contractor
Text revised to update the phone number for National Capital Region.

D5511C, Test Validation
Text revised to update the ISO quality standards.

D5515C, Quality Assurance Authority (DND) - Foreign-based and United States Contractor
Remarks and Text revised to update the information.

D5540C, ISO 9001:2008 Quality Management Systems - Requirements (QAC Q)
Title revised. Remarks and Text revised to update the reference to the ISO standards and to advise that the contractor is not required to be registered to the applicable standard. Supersedes D5541C and D5542C.

D5541C, ISO 9001:2000 Quality Management Systems - Requirements (QAC Y)
D5542C, ISO 9001:2000 Quality Management Systems - Requirements (QAC Z)
SUPERSEDED by D5540C.

D5544C, Laboratories - ISO/IEC 17025:2005
Text revised to advise that the contractor is not required to be registered to the applicable standard.

D5545C, **ISO/IEC 9001:2008 Quality Management Systems - Requirements (QAC C)**
Title revised. Text revised to update the reference to the ISO standard.

D5605C, Release Documents (DND) - United States-based Contractor
Remarks revised to delete the last sentence because it is not required anymore.

Subsection E - Financial Security

E0003T, Security Deposit
Remarks revised to make a reference to the new Supply Manual.

E0004T, Bid Financial Security
Remarks revised to make a reference to the new Supply Manual. Text revised to update the Web site links to the form PWGSC-TPSGC 504 and Treasury Board Appendix L.

E0007C, Contract Financial Security
Text revised to update the Web site links to the forms and to Treasury Board Appendix L.

E0008T, Security Deposit Definition
Text revised to make reference to the latest ICC Uniform Customs and Practice for Documentary Credit.

E0009T, Security Deposit
Remarks revised to make a reference to the new Supply Manual.

E5000C, Performance Bonds
E8000C, Labour and Material Payment Bond

Texts revised to update the Web site links to the form and Treasury Board Appendix L.

Subsection G - Insurance

G1003C, Rigger's Liability Insurance
NEW - to be used in contracts when a contractor, who has care, custody or control of government property, required to use a rigger to lift heavy equipment.

Subsection H - Terms of Payment

H1003C, Progress Payments
H3009C, Milestone Payments
H3010C, Milestone Payments
Remarks revised to make a reference to the new Supply Manual. Text revised to update the Web site link to the form PWGSC-TPSGC 1111.

H3022C, Invoicing Instructions - Progress Payment Claim
Text revised to update the link to the form and reflect editorial changes.

H3024C, Invoicing Instructions - Progress Payment Claim
Title revised. Remarks revised to reflect minor editorial changes. Text revised to update the Web site link to the form PWGSC-TPSGC 1111.

H3027C, Payment of Invoices by Credit Card
H3028C, Advance Payment
Remarks revised to make a reference to the new Supply Manual.

H4012C, Schedule of Milestones
Remarks revised to make a reference to the new Supply Manual. Text revised to move the "Instruction to contracting officers" in the Remarks.

H4500C, Lien - Section 427 of the Bank Act
Remarks revised to make a reference to the new Supply Manual. Text revised to reflect minor editorial changes.

Subsection K - General Conditions - Modifications

K3030C, Licence to Material Subject to Copyright
Remarks revised to advise contracting officers to use the clause in conjunction with K3002C.

Subsection M - Standing Offers

M0025T, Communications Notification
NEW - to be used in requests for standing offers when the request for standing offers template (2T-RFSO1) is not used.

M0222T, Evaluation of Price
Remarks revised to reflect a minor editorial change. Text revised to provide additional information on offers submitted in foreign currency.

M2000T, Federal Contractors Program - $200,000 or more
M2002T, Federal Contractors Program - over $25,000 and below $200,000
Title revised. Remarks and Text revised to update the information related to the Federal Contractors Program.

M3020C, Status and Availability of Resources
M3020T, Status and Availability of Resources
Text revised to add ‘’maternity and parental leave’’ as acceptable reasons to request the services of a substitute.

M3025T, Former Public Servant Certification
M3026T, Former Public Servant Certification
Remarks revised to advise to consult section 3.90 of the Supply Manual for more information. Text revised to update some definitions.

M3030T, Owner/Employee Certification - Set-aside for Aboriginal Business
NEW - to be used in requests for standing offers for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business.

M3051T, Canadian Content Certification
M3052T, Canadian Content Certification
Remarks revised to make reference to Annex 3.6 of the new Supply Manual.

M3053T, Canadian Content Certification
Remarks and Text revised to make reference to Annex 3.6 of the new Supply Manual.

M3055T, Canadian Content Certification
Remarks revised to make reference to Annex 3.6 of the new Supply Manual.

M3056T, Canadian Content Certification
M3059T, Canadian Content Certification
Remarks and Text revised to make reference to Annex 3.6 of the new Supply Manual.

M3061T, Canadian Content Certification
M3062T, Canadian Content Certification
Remarks revised to make reference to Annex 3.6 of the new Supply Manual.

M3063T, Canadian Content Certification
Remarks and Text revised to make reference to Annex 3.6 of the new Supply Manual.

M3065T, Canadian Content Certification
Remarks revised to make reference to Annex 3.6 of the new Supply Manual.

M3066T, Canadian Content Certification
M3069T, Canadian Content Certification
Remarks and Text revised to make reference to Annex 3.6 of the new Supply Manual.

M7010C, Periodic Usage Reports - Standing Offer
Title revised. Remarks and Text revised to update the information regarding the instructions on the reporting requirements.

M9030C, Aboriginal Business Certification
CANCELLED - obsolete.

M9030T, Set-aside for Aboriginal Business
Remarks revised to advise to use in conjunction with M3030T, A3000C, and if applicable, A3002T. Text revised to provide more information.

Subsection N - Limitation of Liability

N0000C, Limitation of Liability - Information Management/Information Technology
Remarks revised to advise to use the clause in conjunction with 2030, 2035, and 2040; and to update the Risk Management Advisory Services e-mail address. Text revised to reflect the substance of the originally negotiated clause.

Subsection P - Printing

P1005C, Packaging and Packing of Printed Products
P1010C, Quality Levels for Printing
P1011C, Quality Levels for Colour Reproduction
P1012C, Quality Levels for Envelopes
P1013C, Quality Levels for Forms
P1014C, Quality Levels for Typesetting
P1015C, Quality Levels for Labels
P1016C, Quality Levels for Binding
Texts revised to update the Web site link to the referred publication.

Subsection R - Real Property Contracting

R1110T, General Instructions to Proponents
R1185T, Declaration Form
R1410T, General Instructions to Proponents (GI)
R1485T, Declaration Form
Texts revised to update the information regarding the Federal Contractors Program and the links to the related Web site.

R2410T, General Instructions to Bidders
Text revised to add a new section entitled “Bid Costs” and to update the information and the links in different sections of the clause.

R2550D, GC5 - Terms of Payment
Text revised to update the information in sections GC5.2 and GC5.4.

R2710T, General Instructions to Bidders
Text revised to modify the information in different sections of the clause and to update the Web site links.

R2810D, GC1- General Provisions
Text revised to update a Web site link and to update the information in section GC1.9.

R2830D, GC3 - Execution and Control of the Work
Text revised to reflect a minor editorial change in section GC3.1.

R2850D, GC5- Terms of Payment
Text revised to update the information of sections GC5.2 and GC5.4.

R2890D, GC9 - Contract Security
Text revised to update the information in different sections of the clause.

R2940D, Fair Wages and Hours of Labour - Labour Conditions
Text revised to reflect minor editorial changes in sections 01 and 02.

R5110T, General Instructions to Bidders
Text revised to update the information in different sections and to update the Web site links.

Subsection S - Supply Arrangements

S0010C, Periodic Usage Reports - Supply Arrangement
Title revised – en anglais seulement. Remarks and Text revised to update the information regarding the instructions on the reporting requirements.

S0035T, Communications Notification
NEW - to be used in requests for supply arrangements when the request for supply arrangements template (2T-RFSA1) is not used.

S3025T, Former Public Servant Certification
Remarks revised to advise to consult section 3.90 of the Supply Manual for more information. Text revised to update some definitions.

S3030T, Federal Contractors Program - $200,000 or more
S3031T, Federal Contractors Program - over $25,000 and below $200,000
Title revised. Remarks and Text revised to update the information related to the Federal Contractors Program and the related Web site links.

S3035C, Aboriginal Business Certification
CANCELLED - obsolete.

S3035T, Set-aside for Aboriginal Business
Remarks revised to advise to use in conjunction with S3036T, A3000C, and if applicable, A3002T. Text revised to provide more information.

S3036T, Owner/Employee Certification - Set-aside for Aboriginal Business
NEW - to be used in requests for supply arrangements for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business.

Subsection W - Comprehensive Land Claims Agreements

W0005T, Set-aside for Comprehensive Land Claims Agreement(s)
Title revised. Text revised to clarify the instructions.

W0011T, JBNQA - Notification
W0013T, JBNQA - Tendering Provisions
W0021T, IFA - Notification
W0031T, GCLCA - Notification
W0032T, GCLCA - Creation of a list
W0041T, NLCA - Notification
W0042T, NLCA - Creation of a list
CANCELLED - These clauses relate to Canada's procurement obligation(s) under a Comprehensive Land Claims Agreement, not to a supplier's requirements or obligations under a solicitation or any resulting contract.

W0051T, UFACYI - Notification
CANCELLED - The clause relates to a procurement obligation of the Yukon territorial government under the Umbrella Final Agreement, Council for Yukon Indians. Does not apply to federal government contracts.

W0052T, UFACYI - Creation of a list
W0121T, SDMCLCA - Notification
CANCELLED - These clauses relate to Canada's procurement obligation(s) under a Comprehensive Land Claims Agreement, not to a supplier's requirements or obligations under a solicitation or any resulting contract.

W0131T, Bank Island - Notification
W0141, Tuktut Nogait - Notification
CANCELLED - These clauses relate to Canada's procurement obligation(s) under a National Park Agreement, not to supplier's requirements or obligations under a solicitation or any resulting contract.

W0152T, NWS - Evaluation Criteria
CANCELLED - This clause relates to Canada's procurement obligation(s) under a Co-operation Agreement between the Inuvialuit Regional Corporation and the Department of National Defence, not to a supplier's requirements or obligations under a solicitation or any resulting contract.

Subsection Z -Canadian Commercial Corporation

Z0608C, Quality and Inspection Systems
Remarks revised to update the reference to ISO 9001 standard. Text revised to update the phone number for National Capital Region.

Z3000C, Priorities - United States Purchases
Remarks revised to update the reference to the new Supply Manual and to reflect editorial changes. Text revised to advise that the priority rating is not valid for the purchase of controlled goods, to reflect editorial changes and to update the e-mail address.

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Public Works and Government Services Canada

Travaux publics et Services gouvernementaux Canada

Deputy Minister

Sous-ministre

Deputy Receiver General for Canada

Sous-receveur général du Canada

Ottawa, Canada
K1A 0S5

September 15, 1997

This Manual is intended to provide suppliers and clients of Public Works and Government Services Canada (PWGSC) with information on terms and conditions commonly used in the contracting process by the federal government and PWGSC. Its contents are referred to in bidding opportunities and contracting activities.

The Standard Acquisition Clauses and Conditions (SACC) Manual is designed to make dealing with the government more time and cost efficient by reducing the level of detailed text contained within the various procurement documents. Those basic clauses and conditions which are normally attached to each document will be issued by the Department through "Incorporation by Reference". Specific attachments and clauses will be simply identified by their number, title and effective date. Full text reading capability will be provided through the appropriate section of the Government Electronic Tendering Service (GETS), provided by MERX, and of the hard copy of the SACC Manual itself.

This Manual signifies an important step in PWGSC's continuing move towards electronic contracting and is critical in preparing solicitation documents for electronic display of full Requests for Proposals/Tenders.

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Section 0

Introduction

INTRO (2008/12/12) INTRODUCTION

AUTHORITY

Under the authority of the *Department of Public Works and Government Services Act*:

> "21.(1) The Minister may fix terms and conditions of contracts, and instructions and terms and conditions with respect to other documents relating to contracts and their formation.
>
> Designation (2) The terms and conditions and instructions may be identified by number or other designation and may be incorporated in a contract or other document by reference to their number or other designation.
>
> Publication (3) The Minister may, by regulation, prescribe the electronic or other means by which a term, condition or instruction, including its identification number or other designation, shall be published."

DISTRIBUTION

The *Standard Acquisition Clauses and Conditions* (SACC) Manual is produced in two electronic versions - HTML and PDF. Both versions contain information on current clauses and conditions as well as instructions on how these clauses and conditions are used. They also provide the reader with the complete text of previous general conditions, supplemental general conditions and/or clause found in the Manual, that have been either cancelled or superseded.

STRUCTURE

The Manual has been organized to follow the progression of information presented in procurement documents:

Section 1 - Standard Instructions and Conditions

Previously printed on the reverse of page 1 of solicitations and contracts, or included as attachments, these instructions and conditions are now identified in standard clause A0000T, located at the beginning of the clause section in procurement documents.

Section 2 - Templates

Departmental Standard Procurement Templates

This section provides templates for low dollar value, medium complexity and high complexity requirements, requests for standing offers and requests for supply arrangements, as well as the procedures for their use.

The development of the standard procurement documents is an initiative of the Department whose objectives are to standardize procurement terminology, simplify the language, and ensure more consistency and uniformity in acquisition documents issued by the Department.

Sections 3 and 4 - General Conditions and Supplemental General Conditions

1. These sections present those sets of standard conditions which form the foundation upon which all procurement documents issued by PWGSC are built.

    (a) Section 3, General Conditions, defines the basic sets of conditions which apply to specific classes of contracts (e.g. 2010A, General Conditions - Goods (Medium Complexity)).

(b) Section 4, Supplemental General Conditions, addresses areas unique to specific subclasses of contracts (e.g. 4001, Hardware Purchase, Lease and Maintenance).

2. Each section/article within a condition set has been given its own effective date. The condition set as a whole has also been given an effective date which is reflected in section 00 and is determined by the latest revision date of one or more of its sections.

Section 5 - Standard Procurement Clauses

1. This section contains a collection of national procurement clauses, common to various classes of contracts. The full text of individual clauses, incorporated by reference into a bid solicitation or contract by their number, effective date and title, can be found in this section of the Manual. Each subsection (A-Z) is devoted to a particular subject area. Please note that some subsections have not been assigned at this time.

2. Clauses may be identified by their numbers which break down as follows:

(a) the first alphabetic character (A-Z) indicates the subsection in Section 5;

(b) the four numeric characters (0000-9999) indicate the clause's position within the numeric sequence of the subsection;

(c) the final alphabetic character (T or C) indicates the type of document in which a given clause would be used (i.e. T = Tender; C = Contract).

Example: Clause C0004T, Price Certification - Canadian Agency and Resale Outlets. This is the fourth sequential clause found in subsection C - Price, of Section 5 and is used in bid solicitations.

USE OF THE MANUAL

1. Incorporation by Reference clauses (R)

Bid solicitations and contracts will contain references to specific clauses and general conditions which will apply to that particular requirement. Clause references will include the clause number, its effective date and its title (e.g. B1505C (2006-06-16) Shipment of Hazardous Materials). All clauses referred to in this manner can be found in Section 5 of this Manual.

2. Fill-in clauses (F)

Clauses which require the insertion of specific information by the contracting officer or the supplier (fill-in clauses) will be produced in full text in procurement documents.

NOTE: In the case of discrepancies in clause versions between solicitation documents and the Manual, any clause appearing in full text in a procurement document will override any version set out in the Manual.

3. Updates

Any standard clause, and any condition or instruction set, produced in full text or incorporated by reference in a bid solicitation or contract may be updated from time to time in the SACC Manual. When this happens, the version used in an already-issued document will remain in effect in that document, unless the updated version is legally incorporated.

ENQUIRIES

Enquiries on the content of the Manual may be directed to: NCR.ACQBPOLICIES@pwgsc-tpsgc.gc.ca.

Section 1

Standard Instructions

2003 (2010/01/11) Standard Instructions - Goods or Services - Competitive Requirements

Public Works and Government Services Canada

Code of Conduct for Procurement
01 Procurement Business Number
02 Standard Instructions, Clauses and Conditions
03 Definition of Bidder
04 Submission of Bids
05 Late Bids
06 Delayed Bids
07 Transmission by Facsimile
08 Customs Clearance
09 Legal Capacity
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13 Price Justification
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16 Joint Venture
17 Conflict of Interest - Unfair Advantage
18 Entire Requirement
19 Further Information

Code of Conduct for Procurement

To comply with the Code of Conduct for Procurement, bidders must respond to bid solicitations in an honest, fair and comprehensive manner, accurately reflect their capacity to satisfy the requirements stipulated in the bid solicitation and resulting contract, submit bids and enter into contracts only if they will fulfill all obligations of the contract. To ensure fairness, openness and transparency in the bidding process, the following activities are prohibited:

(a) payment of a contingency fee by any party to a contract to a person to whom the *Lobbying Act*, 1985, c. 44 (4th Supplement) applies;

(b) corruption and collusion in the bidding process for contracts for the provision of goods and services.

By submitting a bid, the Bidder certifies that it meets the above requirements.

Bidders further understand that the commission of certain offences may render them ineligible to be awarded a contract. By submitting a bid, the Bidder declares that it has never been convicted of an offence under section 121 (*Frauds on the government and Contractor subscribing to election fund*), section 124 (*Selling or Purchasing Office*), section 380 (*Fraud committed against Her Majesty*) or section 418 (*Selling defective stores to Her Majesty*) of the Criminal Code of Canada, or under paragraph 80(1)(d) (*False entry, certificate or return*) subsection 80(2) (*Fraud against Her Majesty*) or section 154.01 (*Fraud against Her Majesty*) of the *Financial Administration Act*.

01 Procurement Business Number

Canadian suppliers are required to have a Procurement Business Number (PBN) before contract award. Suppliers may register for a PBN in the Supplier Registration Information service on line at the Business Access Canada Web site. For non-Internet registration, suppliers may contact the Business Access

Canada InfoLine at 1-800-811-1148 to obtain the telephone number of the nearest Supplier Registration Agent.

02 Standard Instructions, Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the instructions, clauses and conditions identified in the bid solicitation and resulting contract by number, date, and title are incorporated by reference into and form part of the bid solicitation and resulting contract as though expressly set out in the bid solicitation and resulting contract.

03 Definition of Bidder

"Bidder" means the person or entity (or, in the case of a joint venture, the persons or entities) submitting a bid to perform a contract for goods, services or both. It does not include the parent, subsidiaries or other affiliates of the Bidder, or its subcontractors.

04 Submission of Bids

1. Canada requires that each bid, at closing date and time or upon request from the Contracting Authority, be signed by the Bidder or by an authorized representative of the Bidder. If a bid is submitted by a joint venture, it must be in accordance with section 16.

2. It is the Bidder's responsibility to:

   (a) obtain clarification of the requirements contained in the bid solicitation, if necessary, before submitting a bid;

   (b) prepare its bid in accordance with the instructions contained in the bid solicitation;

   (c) submit by closing date and time a complete bid;

   (d) send its bid only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit specified on page 1 of the bid solicitation or to the address specified in the bid solicitation;

   (e) ensure that the Bidder's name, return address, the bid solicitation number, and bid solicitation closing date and time are clearly visible on the envelope or the parcel(s) containing the bid; and,

   (f) provide a comprehensible and sufficiently detailed bid, including all requested pricing details, that will permit a complete evaluation in accordance with the criteria set out in the bid solicitation.

3. If Canada has provided bidders with multiple formats of a document (for example, a document may be downloaded through the Government Electronic Tendering Service (GETS) but may also be made available on CD-ROM through GETS), the format downloaded through GETS will take precedence. If Canada posts an amendment to the bid solicitation revising any documents provided to bidders in multiple formats, Canada will not necessarily update all formats to reflect these revisions. It is the Bidder's responsibility to ensure that revisions made through any bid solicitation amendment issued through GETS are taken into account in the alternate formats it uses of bid solicitation documents.

4. Bids will remain open for acceptance for a period of not less than sixty (60) days from the closing date of the bid solicitation, unless specified otherwise in the bid solicitation. Canada reserves the right to seek an extension of the bid validity period from all responsive bidders in writing, within a minimum of three (3) days before the end of the bid validity period. If the extension is accepted by all responsive bidders, Canada will continue with the evaluation of the bids. If the extension is not accepted by all responsive bidders, Canada will, at its sole discretion, either continue with the evaluation of the bids of those who have accepted the extension or cancel the solicitation.

5. Bid documents and supporting information may be submitted in either English or French.

6. Bids received on or before the stipulated bid solicitation closing date and time will become the property of Canada and will not be returned. All bids will be treated as confidential, subject to the provisions of the *Access to Information Act*, R.S. 1985, c. A-1 and the *Privacy Act*, R.S. 1985, c. P-21.

7. Unless specified otherwise in the bid solicitation, Canada will evaluate only the documentation provided with a bidder's bid. Canada will not evaluate information such as references to Web site addresses where additional information can be found, or technical manuals or brochures not submitted with the bid.

05 Late Bids

PWGSC will return bids delivered after the stipulated bid solicitation closing date and time, unless they qualify as a delayed bid as described below.

06 Delayed Bids

1. A bid delivered to the specified bid receiving unit after the closing date and time but before the contract award date may be considered, provided the bidder can prove the delay is due solely to a delay in delivery that can be attributed to the Canada Post Corporation (CPC) (or national equivalent of a foreign country). Purolator Inc. is not considered to be part of CPC for the purposes of delayed bids. The only pieces of evidence relating to a delay in the CPC system that are acceptable to PWGSC are:

   (a) a CPC cancellation date stamp; or
   (b) a CPC Priority Courier bill of lading; or
   (c) a CPC Xpresspost label

   that clearly indicates that the bid was mailed before the bid closing date.

2. For bids transmitted by facsimile, only the date, time and place of receipt recorded by PWGSC will be accepted as evidence of a delayed bid.

3. Misrouting, traffic volume, weather disturbances, labour disputes or any other causes for the late delivery of bids are not acceptable reasons for the bid to be accepted by PWGSC.

4. Postage meter imprints, whether imprinted by the Bidder, the CPC or the postal authority outside Canada, are not acceptable as proof of timely mailing.

07 Transmission by Facsimile

1. Unless specified otherwise in the bid solicitation, bids may be submitted by facsimile. The only acceptable facsimile number for responses to bid solicitations issued by PWGSC headquarters is 819-997-9776 or, if applicable, the facsimile number identified in the bid solicitation. The facsimile number for responses to bid solicitations issued by PWGSC regional offices is identified in the bid solicitation.

2. For bids transmitted by facsimile, Canada will not be responsible for any failure attributable to the transmission or receipt of the faxed bid including, but not limited to, the following:

   (a) receipt of garbled or incomplete bid;
   (b) availability or condition of the receiving facsimile equipment;
   (c) incompatibility between the sending and receiving equipment;

(d) delay in transmission or receipt of the bid;
(e) failure of the Bidder to properly identify the bid;
(f) illegibility of the bid; or
(g) security of bid data.

3. A bid transmitted by facsimile constitutes the formal bid of the Bidder and must be submitted in accordance with section 04. Furthermore, the Bidder must send a written confirmation of the bid within two (2) working days after bid closing, unless specified otherwise in the bid solicitation. All documents confirming bids should bear the word "CONFIRMATION".

08 Customs Clearance

It is the responsibility of the Bidder to allow sufficient time to obtain customs clearance, where required, before the bid closing date and time. Delays related to the obtaining of customs clearance cannot be construed as "undue delay in the mail" and will not be accepted as a delayed bid under section 06.

09 Legal Capacity

The Bidder must have the legal capacity to contract. If the Bidder is a sole proprietorship, a partnership or a corporate body, the Bidder must provide, if requested by the Contracting Authority, a statement and any requested supporting documentation indicating the laws under which it is registered or incorporated together with the registered or corporate name and place of business. This also applies to bidders submitting a bid as a joint venture.

10 Rights of Canada

Canada reserves the right to:

(a) reject any or all bids received in response to the bid solicitation;

(b) enter into negotiations with bidders on any or all aspects of their bids;

(c) accept any bid in whole or in part without negotiations;

(d) cancel the bid solicitation at any time;

(e) reissue the bid solicitation;

(f) if no responsive bids are received and the requirement is not substantially modified, reissue the bid solicitation by inviting only the bidders who bid to resubmit bids within a period designated by Canada; and,

(g) negotiate with the sole responsive Bidder to ensure best value to Canada.

11 Vendor Performance

1. Canada may reject a bid where any of the following circumstances is present:

   (a) the Bidder, or any employee or subcontractor included as part of the bid, has been convicted under section 121 (*Frauds on the government & Contractor subscribing to election fund*), section 124 (*Selling or purchasing office*), section 380 (*Fraud committed against Her Majesty*) or section 418 (*Selling defective stores to Her Majesty*) of the Criminal Code or under paragraph 80(1)(d) (*False entry, certificate or return*) subsection 80(2) (*Fraud against Her Majesty*) or section 154.01 (*Fraud against Her Majesty*) of the *Financial Administration Act*.

(b) the Bidder is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Policy, which renders the Bidder ineligible to bid on the requirement;

(c) an employee, or subcontractor included as part of the bid, is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Policy, which would render that employee or subcontractor ineligible to bid on the requirement, or the portion of the requirement the employee or subcontractor is to perform;

(d) with respect to current or prior transactions with the Government of Canada

(i) the Bidder is bankrupt or where, for whatever reason, its activities are rendered inoperable for an extended period;

(ii) evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to the Bidder, any of its employees or any subcontractor included as part of the bid;

(iii) Canada has exercised its contractual remedies of suspension or termination for default with respect to a contract with the Bidder, any of its employees or any subcontractor included as part of the bid;

(iv) Canada determines that the Bidder's performance on other contracts, including the efficiency and workmanship as well as the extent to which the Bidder performed the Work in accordance with contractual clauses and conditions, is sufficiently poor to jeopardize the successful completion of the requirement being bid on.

2. Where Canada intends to reject a bid pursuant to a provision of subsection 1, other than 1.(b), the Contracting Authority will so inform the Bidder and provide the Bidder ten (10) days within which to make representations, before making a final decision on the bid rejection.

12 Communications - Solicitation Period

To ensure the integrity of the competitive bid process, enquiries and other communications regarding the bid solicitation must be directed only to the Contracting Authority identified in the bid solicitation. Failure to comply with this requirement may result in the bid being declared non-responsive.

To ensure consistency and quality of information provided to bidders, significant enquiries received and the replies to such enquiries will be provided simultaneously to bidders to which the bid solicitation has been sent, without revealing the sources of the enquiries.

13 Price Justification

In the event that the Bidder's bid is the sole responsive bid received, the Bidder must provide, on Canada's request, one or more of the following price justification:

(a) a current published price list indicating the percentage discount available to Canada; or

(b) a copy of paid invoices for the like quality and quantity of the goods, services or both sold to other customers; or

(c) a price breakdown showing the cost of direct labour, direct materials, purchased items, engineering and plant overheads, general and administrative overhead, transportation, etc., and profit; or

(d) price or rate certifications; or

(e) any other supporting documentation as requested by Canada.

14 Bid Costs

No payment will be made for costs incurred in the preparation and submission of a bid in response to the bid solicitation. Costs associated with preparing and submitting a bid, as well as any costs incurred by the Bidder associated with the evaluation of the bid, are the sole responsibility of the Bidder.

15 Conduct of Evaluation

1. In conducting its evaluation of the bids, Canada may, but will have no obligation to, do the following:

   (a) seek clarification or verification from bidders regarding any or all information provided by them with respect to the bid solicitation;

   (b) contact any or all references supplied by bidders to verify and validate any information submitted by them;

   (c) request, before award of any contract, specific information with respect to bidders' legal status;

   (d) conduct a survey of bidders' facilities and/or examine their technical, managerial, and financial capabilities to determine if they are adequate to meet the requirements of the bid solicitation;

   (e) correct any error in the extended pricing of bids by using unit pricing and any error in quantities in bids to reflect the quantities stated in the bid solicitation; in the case of error in the extension of prices, the unit price will govern.

   (f) verify any information provided by bidders through independent research, use of any government resources or by contacting third parties;

   (g) interview, at the sole costs of bidders, any bidder and/or any or all of the resources proposed by bidders to fulfill the requirement of the bid solicitation.

2. Bidders will have the number of days specified in the request by the Contracting Authority to comply with any request related to any of the above items. Failure to comply with the request may result in the bid being declared non-responsive.

2003-1 (2008/05/12) Supplemental Standard Instructions - Telecommunications

Public Works and Government Services Canada

Part I: Standard Instructions and Conditions

01 Regulatory Framework
02 Bidders' Responsibilities in relation to Regulatory Framework
03 Regulatory Certifications for Bids including Non-regulated or Forborne Services or Products
04 Regulatory Certifications for Bids made under Existing Tariffs
05 Regulatory Certifications for Bids made under Tariffs not yet Approved by CRTC
06 Evaluation Procedures for Bids based on a Draft Tariff

Part II: Regulatory Forms

Regulatory Form A: Regulatory Certification for Bids including Non-regulated or Forborne Services or Products

Regulatory Form B: Regulatory Certification for Bids made under Existing Tariffs

Regulatory Form C: Regulatory Certification for Bids made under Tariffs not yet approved by CRTC

Regulatory Form D: Post-Bid-Closing Regulatory Certification regarding Approval of New or Amended Tariffs

Part I: Standard Instructions and Conditions

01 Regulatory Framework

1. Canada recognizes that bidders may be subject to regulation by the Canadian Radio-television and Telecommunications Commission (CRTC) in respect of some or all of the services or products required under the bid solicitation. As a result, the Bidder may:

   (a) be subject to regulation by the CRTC, but not require CRTC tariff approval to provide the services or products it proposes to Canada in its bid;

   (b) be subject to regulation by the CRTC and propose services or products to Canada in its bid in accordance with an existing tariff that has already been approved by the CRTC; or

   (c) be subject to regulation by the CRTC and propose services or products to Canada in its bid in accordance with a new tariff (or an amendment to an existing tariff) that has not yet been approved by the CRTC.

2. Despite the fact that individual bidders may be regulated differently by the CRTC, or that individual bidders' existing tariffs may be inconsistent with Canada's requirements, all bids will be evaluated in accordance with the evaluation process described in the bid solicitation.

02 Bidders' Responsibilities in Relation to Regulatory Framework

1. It is the sole responsibility of the Bidder to:

   (a) identify any CRTC regulations or rulings to which it may be subject in relation to the bid solicitation and any resulting contract;

(b) obtain all approvals required to allow the Bidder to deliver the services and products at the prices it proposes in its bid; and

(c) raise with Canada, during the enquiry period, any concerns about conflicts between the bid solicitation (including the resulting contract clauses) and any CRTC regulations or rulings, by identifying:

(i) the specific requirement in the bid solicitation that creates the conflict; and

(ii) the specific provisions of CRTC regulations or rulings that affect the bid solicitation requirement (including document titles, dates, page and paragraph numbers).

2. Bidders may wish, in preparing their bids, to seek interpretations from the CRTC if they are in doubt as to whether or not the services, products and prices they propose to Canada in their bid are subject to and in accordance with an existing tariff or require the filing of an amendment to an existing tariff or a new tariff.

3. The Contracting Authority will consider issues of conflicts between the requirements of the bid solicitation and CRTC regulations or rulings raised by bidders during the enquiries period and may, in its sole discretion, amend the bid solicitation if it determines that amendments are consistent with Canada's operational requirements. However, Canada will not compromise its operational requirements to accommodate individual bidders' corporate or regulatory circumstances.

03 Regulatory Certifications for Bids including Non-regulated or Forborne Services or Products

Bidders proposing services, products and prices to Canada that are not subject to any tariff must provide the certification in Regulatory Form A.

04 Regulatory Certifications for Bids made under Existing Tariffs

1. Bidders proposing services, products and prices to Canada in accordance with an existing tariff that has already been approved by the CRTC must provide the following:

(a) a complete copy of the tariff or the specific URL where that tariff can be found, together with any information required to identify the tariff; and

(b) the certification set out in Regulatory Form B.

2. Following the bid closing date, during the evaluation period, the Bidder must immediately advise the Contracting Authority of any ruling from the CRTC relating to this tariff that affects its ability to provide the services, products or prices proposed in its bid.

05 Regulatory Certifications for Bids made under Tariffs not yet Approved by CRTC

1. Bidders proposing services, products and prices to Canada in their bid under a proposed new tariff (or an existing tariff and a proposed amendment to that tariff) not yet approved by the CRTC must provide the following:

(a) a complete copy of the proposed new tariff (or the existing tariff and the proposed amendment to that existing tariff) or the specific URL where that tariff can be found, together with any information required to identify the tariff; and

(b) the certification set out in Regulatory Form C.

2. The Bidder is requested to include in its bid its best pre-estimate of the date by which the proposed new tariff or amendment will likely be approved by the CRTC. This pre-estimate is for information purposes only.

3. Following the bid closing date, during the evaluation period, the Bidder must immediately advise the Contracting Authority of any ruling from the CRTC relating to this tariff that affects its ability to provide the services, products or prices proposed in its bid.

06 Evaluation Procedures for Bids based on a Draft Tariff

1. The following procedures apply to the top-ranked bid identified according to the evaluation process described in the bid solicitation, if some or all of the proposed services or products will be subject to a proposed new tariff or an existing tariff subject to a proposed amendment (collectively referred to as the "Draft Tariff").

2. Unless the Bidder receives approval sooner, the Contracting Authority will allow no less than the following time period for the Bidder to obtain interim approval of the Draft Tariff from the CRTC:

(a) if the CRTC considers the application on an *ex parte* basis, no fewer than forty-five (45) working days following the bid closing date; or

(b) if the CRTC uses a public process to consider the application, no fewer than sixty (60) working days following the bid closing date.

Following this period, the Contracting Authority may, at any time, require the Bidder to obtain interim approval from the CRTC on ten (10) working days' notice. The Contracting Authority may, in its sole discretion, extend this ten (10) working day period. In determining whether or not to grant such an extension, the Contracting Authority may request from the Bidder any information it requires to consider the request and the impact of the request on Canada's operational requirements. The time periods described above (including extensions authorized by the Contracting Authority) are collectively referred to as the "Allotted Approval Time".

3. If the Bidder does not, within the Allotted Approval Time, obtain interim approval of the Draft Tariff from the CRTC, the Contracting Authority will declare the bid non-responsive.

4. If, in the Allotted Approval Time, a bidder receives interim approval of its Draft Tariff in the form in which it was filed (i.e., the CRTC's interim approval is not subject to conditions and the Bidder was not required to revise the Draft Tariff in order to obtain interim approval), the Contracting Authority will recommend the bid for contract award, subject to the provisions of the bid solicitation.

5. If, in the Allotted Approval Time, the Bidder receives interim approval of its Draft Tariff, but the interim approval is subject to conditions or the Bidder is required to revise the Draft Tariff in order to obtain interim approval, then:

(a) the Bidder must submit the following to the Contracting Authority (all within five (5) working days following the expiry of the Allotted Approval Time):

(i) the Draft Tariff in the form approved by the CRTC or the specific URL where that tariff can be found, together with any information required to identify the tariff;

(ii) a list of any conditions subject to which the CRTC has given the interim approval;

(iii) a list of all revisions made to the version of the Draft Tariff originally submitted

with the bid and an explanation of how these changes affect the bid; and

(iv) Regulatory Form D.

(b) Canada will review this submission and, in respect of the aspects of the bid that are affected by the revisions, Canada will determine whether the amendments to the original Draft Tariff affect:

(i) the Bidder's compliance with the mandatory requirements of the bid solicitation;

(ii) the Bidder's score under the rated requirements of the bid solicitation, if any; or

(iii) the Bidder's ranking vis-à-vis other bidders in accordance with the evaluation process described in the bid solicitation.

(c) If Canada determines that the Bidder remains responsive and that its ranking vis-à-vis other bidders has been unaffected by the amendments to the Draft Tariff, the Contracting Authority will recommend the bid for contract award, subject to the provisions of the bid solicitation.

(d) If Canada determines that, as a result of the revisions to the Draft Tariff, the Bidder is either no longer responsive or is no longer the top-ranked bidder, Canada will proceed to consider the next-ranked bid for contract award, subject again to the provisions of the bid solicitation relating to the approval of any Draft Tariff.

(e) If a contract is awarded on the basis of an interim approval of a Draft Tariff, Canada may request that all bidders that have submitted responsive bids extend the validity period of their bids until final approval is granted by the CRTC. If Canada terminates the contract as a result of the form of the CRTC's final approval of the Draft Tariff, Canada may, at its option:

(i) cancel the bid solicitation;

(ii) award the contract to the next-highest-ranked bidder whose bid is still valid (i.e., a bid that the Bidder extended), in accordance with the provisions of the bid solicitation; or

(iii) reissue a bid solicitation for the requirement.

Bidders will have no obligation to extend the validity period for their bids; however, bidders who do not extend the validity period for their bids will not qualify for acceptance if Canada, following termination of the original contract, chooses option (ii) above.

6. If, during the Allotted Approval Time, the CRTC provides final approval of the Draft Tariff, the same procedure will be followed that would apply if the CRTC had provided interim approval only.

7. This procedure has been developed in order to allow bidders who are required to submit new or revised tariffs to the CRTC to comply with the requirements of the bid solicitation to compete for this requirement. This procedure will also ensure that bidders have an opportunity, if the services or products to be provided under any resulting contract constitute a "bundle" pursuant to any rulings issued by the CRTC, to seek approval to provide these services and products.

8. A period of time has been allotted for bidders to complete any necessary processes with the CRTC. However, the time allowed for these processes must also be consistent with Canada and the client's operational requirements. The Contracting Authority will only grant extensions that it considers compatible with these operational requirements.

9. If, during the bid evaluation period, Canada proceeds to consider the next-ranked bidder under paragraph 5.(e), it may request that all remaining responsive bidders extend the validity periods for their bids. Bidders will have no obligation to extend the validity periods of their bid. However, Canada will only continue to consider bids that remain valid for acceptance.

Part II: Regulatory Forms

Unless otherwise indicated in the bid solicitation, bidders are requested to submit these regulatory forms with their bids on or before the bid closing date. If a bidder has not included any required regulatory form or has not, in the Contracting Authority's view, completed the form properly, the Contracting Authority will provide the Bidder with an opportunity to submit the forms during the evaluation period. If the Bidder does not submit the forms within the period set by the Contracting Authority, its bid will be declared non-responsive.

If different services or products proposed by the Bidder are subject to different regulatory circumstances – for example, if some services or products are non-regulated or forborne, some services or products are subject to existing tariffs, and some services or products are proposed to be subject to new or amended tariffs – the Bidder is required to submit Regulatory Forms A, B and C and specify which services or products fit into each of these categories. Given that the CRTC regulates different suppliers in different ways, this certification is required from each member of any joint venture bidder.

Regulatory Form A:

Regulatory Form A: Regulatory Certification for Bids including Non-regulated or Forborne Services or Products

By submitting a bid, the Bidder certifies that, on bid closing date, the services, products and prices proposed to Canada in this bid are not subject to any existing tariff and, to the best of the Bidder's knowledge, based on an examination of all the information available to it on the bid closing date, the Bidder is not required to submit any tariff to the CRTC to provide the services or products to Canada at the prices proposed.

This Certification applies to the following services and products:

_____

Regulatory Form B:

Regulatory Form B: Regulatory Certification for Bids made under Existing Tariffs

By submitting a bid, the Bidder certifies that it has submitted a complete and true copy of all existing tariffs that apply to the services and products described in its bid. The Bidder also certifies that:

- on bid closing date, the services, products and prices it has proposed are in full compliance with the tariffs that apply and, to the best of the Bidder's knowledge, based on an examination of all the information available to it on the bid closing date, it is not required to file any additional tariffs or amendments to provide these services and products at these prices;
- the tariffs that apply do not include any rate ranges and all prices in the tariffs are firm (meaning they will not change during the contract period); and
- it will immediately provide to the Contracting Authority any amendments made to these existing tariffs before contract award.

This Certification applies to the following services and products:

_____

Regulatory Form C:

Regulatory Form C: Regulatory Certification for Bids made under Tariffs not yet approved by CRTC

By submitting a bid, the Bidder certifies that it has submitted a complete and true copy of all proposed new tariffs (or all the existing tariffs that apply and the proposed amendments to those tariffs) that apply to the services and products described in its bid. The Bidder also certifies that:

- the proposed new tariff (or the existing tariff and the proposed tariff amendment) has been submitted to the CRTC for approval;
- the tariffs that apply do not include any rate ranges and all prices in the tariffs are firm (meaning they will not change during the contract period); and
- on bid closing date, the services, products and prices it has proposed are in full compliance with the proposed new tariffs (or amended tariffs).

This Certification applies to the following services and products:

_____

Regulatory Form D:

This form is required only after bid closing date if the bid is based on a new or amended tariff – see the section of Part I, Evaluation Procedures for Bids based on a Draft Tariff. For a bid made by a joint venture, this certification would be required from each member of the joint venture bidder that submitted a tariff to the CRTC for approval.

Regulatory Form D: Post-Bid-Closing Regulatory Certification regarding Approval of New or Amended Tariffs

The Bidder certifies that it has submitted a complete and true copy of all the new or amended tariffs, in the form approved by the CRTC on an interim basis, that apply to the services and products described in its bid. The Bidder also certifies that:

- the services, products and prices it has proposed are in full compliance with the new or amended tariffs, as approved by the CRTC on an interim basis, and do not, to the best of the Bidder's knowledge, based on an examination of all the information available to it on the date set out below, require that any additional tariffs or amendments be filed;
- it has identified in writing to the Contracting Authority all changes made to the version of the Draft Tariff originally submitted with its bid;
- it will immediately advise the Contracting Authority regarding the final approval status of the Draft Tariff; and
- if the Draft Tariff is further amended as part of the CRTC approvals process, the Bidder understands that it must immediately provide those amendments to the Contracting Authority.

This Certification applies to the following services and products:

_____

Signature of the Bidder_____

Print Name of the Bidder_____

Print Title of representative of the Bidder_____

Date Signed_____

2004 (2008/12/12) Standard Instructions - Goods or Services - Non-competitive Requirements

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Code of Conduct for Procurement

To compy with the Code of Conduct for Procurement (http://www.tpsgc-pwgsc.gc.ca/app-acq/cndt-cndct/index-eng.html), bidders must respond to bid solicitations in an honest, fair and comprehensive manner, accurately reflect their capacity to satisfy the requirements stipulated in the bid solicitation and resulting contract, submit bids and enter into contracts only if they will fulfill all obligations of the contract.

To ensure fairness, openness and transparency in the bidding process, payment of a contingency fee by any party to a contract to a person to whom the *Lobbying Act*, 1985, c. 44 (4th Supplement) applies is prohibited.

By submitting a bid, the Bidder certifies that it meets the above requirements.

Bidders further understand that the commission of certain offences may render them ineligible to be awarded a contract. By submitting a bid, the Bidder declares that it has never been convicted of offence under Section 121 (*Frauds on the government and Contractor subscribing to election fund*), Section 124 (*Selling or Purchasing Office*), Section 380 (*Fraud committed against Her Majesty*) or Section 418 (*Selling defective stores to Her Majesty*) of the Criminal Code of Canada, or under paragraph 80(1)(d) (*False entry, certificate or return*) subsection 80(2) (*Fraud against Her Majesty*) or Section 154.01 (*Fraud against Her Majesty*) of the *Financial Administration Act*.

01 Procurement Business Number

Canadian suppliers are required to have a Procurement Business Number (PBN) before contract award. Suppliers may register for a PBN in the Supplier Registration Information service on line at the Business Access Canada (http://contractscanada.gc.ca/en/index.html) Web site. For non-Internet registration, suppliers may contact the Business Access Canada InfoLine at 1-800-811-1148 to obtain the telephone number of the nearest Supplier Registration Agent.

02 Standard Instructions, Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the instructions, clauses and conditions identified in the bid solicitation and resulting contract by number, date, and title are incorporated by reference into and form part of the bid solicitation and resulting contract as though expressly set out in the bid solicitation and resulting contract.

03 Definition of Bidder

"Bidder" means the person or entity (or, in the case of a joint venture, the persons or entities) submitting a bid to perform a contract for goods, services or both. It does not include the parent, subsidiaries or other affiliates of the Bidder, or its subcontractors.

04 Submission of a Bid

1. Canada requires that each bid, at closing date and time or upon request from the Contracting Authority, be signed by the Bidder or by an authorized representative of the Bidder. If a bid is submitted by a joint venture, it must be in accordance with section 09.

2. The bid will be treated as confidential, subject to the provisions of the *Access to Information Act*, R.S. 1985, c. A-1 and the *Privacy Act*, R.S. 1985, c. P-21.

05 Legal Capacity

The Bidder must have the legal capacity to contract. If the Bidder is a sole proprietorship, a partnership or a corporate body, the Bidder must provide, if requested by the Contracting Authority, a statement and any requested supporting documentation indicating the laws under which it is registered or incorporated together with the registered or corporate name and place of business. This also applies to bidders submitting a bid as a joint venture.

06 Vendor Performance

1. Canada may reject a bid where any of the following circumstances is present:

   (a) the Bidder, or any employee or subcontractor included as part of the bid, has been convicted under Section 121 (*Frauds on the government & Contractor subscribing to election fund*), Section 124 (*Selling or purchasing office*), Section 380 (*Fraud committed against Her Majesty*) or Section 418 (*Selling defective stores to Her Majesty*) of the Criminal Code under paragraph 80(1)(d) (*False entry, certificate or return*) subsection 80(2) (*Fraud against Her Majesty*) or Section 154.01 (*Fraud against Her Majesty*) of the *Financial Administration Act*.

   (b) the Bidder is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Policy, which renders the Bidder ineligible to bid on the requirement;

   (c) an employee, or subcontractor included as part of the bid, is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Policy, which would render that employee or subcontractor ineligible to bid on the requirement, or the portion of the requirement the employee or subcontractor is to perform;

   (d) with respect to current or prior transactions with the Government of Canada

      (i) the Bidder is bankrupt or where, for whatever reason, its activities are rendered inoperable for an extended period;

      (ii) evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to the Bidder, any of its employees or any subcontractor included as part of the bid;

      (iii) Canada has exercised its contractual remedies of suspension or termination for default with respect to a contract with the Bidder, any of its employees or any subcontractor included as part of the bid;

(iv) Canada determines that the Bidder's performance on other contracts, including the efficiency and workmanship as well as the extent to which the Bidder performed the Work in accordance with contractual clauses and conditions, is sufficiently poor to jeopardize the successful completion of the requirement being bid on.

2. Where Canada intends to reject a bid pursuant to a provision of subsection 1, other than 1.(b), the Contracting Authority will so inform the Bidder and provide the Bidder ten (10) days within which to make representations, before making a final decision on the bid rejection.

07 Price Justification

The Bidder must provide, on Canada's request, one or more of the following price justification:

(a) a current published price list indicating the percentage discount available to Canada; or

(b) a copy of paid invoices for the like quality and quantity of the goods, services or both sold to other customers; or

(c) a price breakdown showing the cost of direct labour, direct materials, purchased items, engineering and plant overheads, general and administrative overhead, transportation, etc., and profit; or

(d) price or rate certifications; or

(e) any other supporting documentation as requested by Canada.

08 Bid Costs

No payment will be made for costs incurred in the preparation and submission of a bid in response to the bid solicitation. Costs associated with preparing and submitting a bid are the sole responsibility of the Bidder.

09 Joint Venture

1. A joint venture is an association of two or more parties who combine their money, property, knowledge, expertise or other resources in a single joint business enterprise, sometimes referred as a consortium, to bid together on a requirement. Bidders who bid as a joint venture must indicate clearly that it is a joint venture and provide the following information:

   (a) the name of each member of the joint venture;
   (b) the Procurement Business Number of each member of the joint venture;
   (c) the name of the representative of the joint venture, i.e. the member chosen by the other members to act on their behalf, if applicable;
   (d) the name of the joint venture, if applicable.

2. If the information is not clearly provided in the bid, the Bidder must provide the information on request from the Contracting Authority.

3. The bid and any resulting contract must be signed by all the members of the joint venture unless one member has been appointed to act on behalf of all members of the joint venture. The Contracting Authority may, at any time, require each member of the joint venture to confirm that the representative has been appointed with full authority to act as its representative for the purposes of the bid solicitation and any resulting contract. If a contract is awarded to a joint

venture, all members of the joint venture will be jointly and severally or solidarily liable for the performance of any resulting contract.

10 Further Information

For further information, the Bidder may contact the Contracting Authority identified in the bid solicitation.

2006 (2010/01/11) Standard Instructions - Request for Standing Offers - Goods or Services - Competitive Requirements

Public Works and Government Services Canada

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Code of Conduct for Procurement

To comply with the Code of Conduct for Procurement, offerors must respond to Requests for Standing Offers (RFSOs) in an honest, fair and comprehensive manner, accurately reflect their capacity to satisfy the requirements stipulated in the RFSO and resulting contract, submit offers and enter into contracts only if they will fulfill all obligations of the contract.

To ensure fairness, openness and transparency in the bidding process, payment of a contingency fee by any party to a contract to a person to whom the *Lobbying Act*, 1985, c. 44 (4th Supplement) applies is prohibited.

By submitting an offer, the Offeror certifies that it meets the above requirements.

Offerors further understand that the commission of certain offences may render them ineligible to be awarded a contract. By submitting an offer, the Offeror declares that it has never been convicted of an offence under Section 121 (*Frauds on the government and Contractor subscribing to election fund*), Section 124 (*Selling or Purchasing Office*), Section 380 (*Fraud committed against Her Majesty*) or Section 418 (*Selling defective stores to Her Majesty*) of the Criminal Code of Canada, or under paragraph 80(1)(d) (*False entry, certificate or return*) subsection 80(2) (*Fraud against Her Majesty*) or Section 154.01 (*Fraud against Her Majesty*) of the *Financial Administration Act*.

General Information

One method of supply used by Public Works and Government Services Canada (PWGSC) to satisfy the requirements of departments and agencies is to arrange with suppliers to submit a standing offer to

provide goods, services or both during a specified period. Specific departments and agencies are then authorized by PWGSC to make call-ups against the standing offer detailing the exact quantities of goods or level of services they wish to order at a particular time, during the effective period of the standing offer in accordance with the predetermined conditions.

The process normally starts with a RFSO that suppliers may obtain through the Government Electronic Tendering Service (GETS). A RFSO is an invitation to suppliers to provide PWGSC with a standing offer. The quantity of goods, level of services and estimated expenditure specified in the RFSO are only an approximation of requirements given in good faith. A RFSO does not commit PWGSC to authorize the utilization of a standing offer or to procure or contract for any goods, services or both. A standing offer is not a contract. The issuance by PWGSC of a Standing Offer and Call-up Authority to successful suppliers and to departments and agencies authorized to make call-ups does not constitute an agreement by Canada to order any or all of the goods, services or both offered. Departments and agencies may make one or several call-ups against a standing offer.

01 Procurement Business Number

Canadian suppliers are required to have a Procurement Business Number (PBN) before issuance of a standing offer. Suppliers may register for a PBN in the Supplier Registration Information service on line at the Business Access Canada Web site. For non-Internet registration, suppliers may contact the Business Access Canada InfoLine at 1-800-811-1148 to obtain the telephone number of the nearest Supplier Registration Agent.

02 Standard Instructions, Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the instructions, clauses and conditions identified in the RFSO, standing offer and resulting contract(s) by number, date and title are incorporated by reference into and form part of the RFSO, standing offer and resulting contract(s) as though expressly set out in the RFSO, the standing offer and the resulting contract(s).

03 Definition of Offeror

"Offeror" means the person or entity (or, in the case of a joint venture, the persons or entities) submitting an offer to provide goods, services or both under a call-up resulting from a standing offer. It does not include the parent, subsidiaries or other affiliates of the Offeror, or its subcontractors.

04 Submission of Offers

1. Canada requires that each offer, at closing date and time or upon request from the Standing Offer Authority, be signed by the Offeror or by an authorized representative of the Offeror. If an offer is submitted by a joint venture, it must be in accordance with section 16.

2. It is the Offeror's responsibility to:

   (a) obtain clarification of the requirements contained in the RFSO, if necessary, before submitting an offer;

   (b) prepare its offer in accordance with the instructions contained in the RFSO;

   (c) submit by closing date and time complete offer;

   (d) send its offer only to PWGSC Bid Receiving Unit specified on page 1 of the RFSO or to the address specified in the RFSO;

   (e) ensure that the Offeror's name, return address, RFSO number, and RFSO closing date

and time are clearly visible on the envelope or the parcel(s) containing the offer; and,

(f) provide a comprehensible and sufficiently detailed offer, including all requested pricing details, that will permit a complete evaluation in accordance with the criteria set out in the RFSO.

3. If Canada has provided offerors with multiple formats of a document (for example, a document may be downloaded through the Government Electronic Tendering Service (GETS) but may also be made available on CD-ROM through GETS), the format downloaded through GETS will take precedence. If Canada posts an amendment to the RFSO revising any documents provided to offerors in multiple formats, Canada will not necessarily update all formats to reflect these revisions. It is the Offeror's responsibility to ensure that revisions made through any RFSO amendment issued through GETS are taken into account in the alternate formats it uses of RFSO documents.

4. Offers will remain open for acceptance for a period of not less than sixty (60) days from the closing date of the RFSO, unless specified otherwise in the RFSO. Canada reserves the right to seek an extension of the offer validity period from all responsive offerors in writing, within a minimum of three (3) days before the end of the offer validity period. If the extension is accepted by all responsive offerors, Canada will continue with the evaluation of the offers. If the extension is not accepted by all responsive offerors, Canada will, at its sole discretion, either continue with the evaluation of the offers of those who have accepted the extension or cancel the RFSO.

5. Offers and supporting information may be submitted in either English or French.

6. Offers received on or before the stipulated RFSO closing date and time will become the property of Canada and will not be returned. All offers will be treated as confidential, subject to the provisions of the *Access to Information Act*, R.S. 1985, c. A-1, and the *Privacy Act*, R.S. 1985, c. P-21.

7. Unless specified otherwise in the RFSO, Canada will evaluate only the documentation provided with an offeror's offer. Canada will not evaluate information such as references to Web site addresses where additional information can be found, or technical manuals or brochures not submitted with the offer.

05 Late Offers

PWGSC will return offers delivered after the stipulated RFSO closing date and time, unless they qualify as a delayed offer as described below.

06 Delayed Offers

1. An offer delivered to the specified Bid Receiving Unit after the closing date and time but before the standing offer issuance date may be considered, provided the offeror can prove the delay is due solely to a delay in delivery that can be attributed to the Canada Post Corporation (CPC) (or national equivalent of a foreign country). Purolator Inc. is not considered to be part of CPC for the purposes of delayed offers. The only pieces of evidence relating to a delay in the CPC system that are acceptable to PWGSC are:

   (a) a CPC cancellation date stamp; or
   (b) a CPC Priority Courier bill of lading; or
   (c) a CPC Xpresspost label

   that clearly indicates that the offer was mailed before the RFSO closing date.

2. For offers transmitted by facsimile, only the date, time and place of receipt recorded by PWGSC

will be accepted as evidence of a delayed offer.

3. Misrouting, traffic volume, weather disturbances, labour disputes or any other causes for the late delivery of offers are not acceptable reasons for the offer to be accepted by PWGSC.

4. Postage meter imprints, whether imprinted by the Offeror, the CPC or the postal authority outside Canada, are not acceptable as proof of timely mailing.

07 Transmission by Facsimile

1. Unless specified otherwise in the RFSO, offers may be submitted by facsimile. The only acceptable facsimile number for responses to RFSOs issued by PWGSC headquarters is 819-997-9776. The facsimile number for responses to RFSOs issued by PWGSC regional offices is identified in the RFSO.

2. For offers transmitted by facsimile, Canada will not be responsible for any failure attributable to the transmission or receipt of the faxed offer including, but not limited to, the following:

   (a) receipt of garbled or incomplete offer;
   (b) availability or condition of the receiving facsimile equipment;
   (c) incompatibility between the sending and receiving equipment;
   (d) delay in transmission or receipt of the offer;
   (e) failure of the Offeror to properly identify the offer;
   (f) illegibility of the offer; or
   (g) security of offer data.

3. An offer transmitted by facsimile will constitute the formal offer of the Offeror and must be submitted in accordance with section 04. Furthermore, the Offeror must send a written confirmation of the offer within two (2) working days after RFSO closing, unless specified otherwise in the RFSO. All documents confirming offers should bear the word "CONFIRMATION".

08 Customs Clearance

It is the responsibility of the Offeror to allow sufficient time to obtain customs clearance, where required, before the RFSO closing date and time. Delays related to the obtaining of customs clearance cannot be construed as "undue delay in the mail" and will not be accepted as a delayed offer under section 06.

09 Legal Capacity

The Offeror must have the legal capacity to contract. If the Offeror is a sole proprietorship, a partnership or a corporate body, the Offeror must provide, if requested by the Standing Offer Authority, a statement and any requested supporting documentation indicating the laws under which it is registered or incorporated together with the registered or corporate name and place of business. This also applies to offerors submitting an offer as a joint venture.

10 Rights of Canada

Canada reserves the right to:

(a) reject any or all offers received in response to the RFSO;

(b) enter into negotiations with offerors on any or all aspects of their offers;

(c) authorize for utilization any offer in whole or in part without negotiations;

(d) cancel the RFSO at any time;

(e) reissue the RFSO;

(f) if no responsive offers are received and the requirement is not substantially modified, reissue the RFSO by inviting only the offerors who submitted an offer to resubmit offers within a period designated by Canada; and,

(g) negotiate with the sole responsive offeror to ensure best value to Canada.

11 Vendor Performance

1. Canada may reject an offer where any of the following circumstances is present:

   (a) the Offeror, or any employee or subcontractor included as part of the offer, has been convicted under Section 121 (*Frauds on the government & Contractor subscribing to election fund*), Section 124 (*Selling or purchasing office*), Section 380 (*Fraud committed against Her Majesty*) or Section 418 (*Selling defective stores to Her Majesty*) of the Criminal Code or under paragraph 80(1)(d) (*False entry, certificate or return*) subsection 80(2) (*Fraud against Her Majesty*) or Section 154.01 (*Fraud against Her Majesty*) of the *Financial Administration Act*.

   (b) the Offeror is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Policy, which renders the Offeror ineligible to submit an offer for the requirement;

   (c) an employee, or subcontractor included as part of the offer, is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Policy, which would render that employee or subcontractor ineligible to submit an offer for the requirement, or the portion of the requirement the employee or subcontractor is to perform;

   (d) with respect to current or prior transactions with the Government of Canada

      (i) the Offeror is bankrupt or where, for whatever reason, its activities are rendered inoperable for an extended period;

      (ii) evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to the Offeror, any of its employees or any subcontractor included as part of the offer;

      (iii) Canada has exercised its contractual remedies of suspension or termination for default with respect to a contract with the Offeror, any of its employees or any subcontractor included as part of the offer;

      (iv) Canada determines that the Offeror's performance on other contracts, including the efficiency and workmanship as well as the extent to which the Offeror performed the Work in accordance with contractual clauses and conditions, is sufficiently poor to jeopardize the successful completion of the requirement being bid on.

2. Where Canada intends to reject an offer pursuant to a provision of subsection 1, other than 1.(b), the Standing Offer Authority will so inform the Offeror and provide the Offeror ten (10) days within which to make representations, before making a final decision on the offer rejection.

12 Communications - Solicitation Period

To ensure the integrity of the competitive RFSO process, enquiries and other communications regarding the RFSO must be directed only to the Standing Offer Authority identified in the RFSO. Failure to comply with this requirement may result in the offer being declared non-responsive.

To ensure consistency and quality of information provided to offerors, significant enquiries received and the replies to such enquiries will be provided simultaneously to offerors to which the RFSO has been sent, without revealing the sources of the enquiries.

13 Price Justification

In the event that the Offeror's offer is the sole responsive offer received, the Offeror must provide, on Canada's request, one or more of the following price justification:

(a) a current published price list indicating the percentage discount available to Canada; or

(b) a copy of paid invoices for the like quality and quantity of the goods, services or both sold to other customers; or

(c) a price breakdown showing the cost of direct labour, direct materials, purchased items, engineering and plant overheads, general and administrative overhead, transportation, etc., and profit; or

(d) price or rate certifications; or

(e) any other supporting documentation as requested by Canada.

14 Offer Costs

No payment will be made for costs incurred in the preparation and submission of an offer in response to the RFSO. Costs associated with preparing and submitting an offer, as well as any costs incurred by the Offeror associated with the evaluation of the offer, are the sole responsibility of the Offeror.

15 Conduct of Evaluation

1. In conducting its evaluation of the offers, Canada may, but will have no obligation to, do the following:

    (a) seek clarification or verification from offerors regarding any or all information provided by them with respect to the RFSO;

    (b) contact any or all references supplied by offerors to verify and validate any information submitted by them;

    (c) request, before issuance of any standing offer, specific information with respect to offerors' legal status;

    (d) conduct a survey of offerors' facilities and/or examine their technical, managerial, and financial capabilities to determine if they are adequate to meet the requirements of the RFSO;

    (e) correct any error in the extended pricing of offers by using unit pricing and any error in quantities in offers to reflect the quantities stated in the RFSO; in the case of error in the extension of prices, the unit price will govern.

    (f) verify any information provided by offerors through independent research, use of any

government resources or by contacting third parties;

(g) interview, at the sole costs of offerors, any offeror and/or any or all of the resources proposed by offerors to fulfill the requirement of the RFSO.

2. Offerors will have the number of days specified in the request by the Standing Offer Authority to comply with any request related to any of the above items. Failure to comply with the request may result in the offer being declared non-responsive.

16 Joint Venture

1. A joint venture is an association of two or more parties who combine their money, property, knowledge, expertise or other resources in a single joint business enterprise, sometimes referred as a consortium, to submit an offer together on a requirement. Offerors who submit an offer as a joint venture must indicate clearly that it is a joint venture and provide the following information:

(a) the name of each member of the joint venture;
(b) the Procurement Business Number of each member of the joint venture;
(c) the name of the representative of the joint venture, i.e. the member chosen by the other members to act on their behalf, if applicable;
(d) the name of the joint venture, if applicable.

2. If the information is not clearly provided in the offer, the Offeror must provide the information on request from the Standing Offer Authority.

3. The offer and any resulting standing offer must be signed by all the members of the joint venture unless one member has been appointed to act on behalf of all members of the joint venture. The Standing Offer Authority may, at any time, require each member of the joint venture to confirm that the representative has been appointed with full authority to act as its representative for the purposes of the RFSO and any resulting standing offer. If a standing offer is issued to a joint venture, all members of the joint venture will be jointly and severally or solidarily liable for the performance of any contract resulting from a call-up against the standing offer.

17 Conflict of Interest - Unfair Advantage

1. In order to protect the integrity of the procurement process, offerors are advised that Canada may reject an offer in the following circumstances:

(a) if the Offeror, any of its subcontractors, any of their respective employees or former employees was involved in any manner in the preparation of the RFSO or in any situation of conflict of interest or appearance of conflict of interest;

(b) if the Offeror, any of its subcontractors, any of their respective employees or former employees had access to information related to the RFSO that was not available to other offerors and that would, in Canada's opinion, give or appear to give the Offeror an unfair advantage.

2. The experience acquired by an offeror who is providing or has provided the goods and services described in the RFSO (or similar goods or services) will not, in itself, be considered by Canada as conferring an unfair advantage or creating a conflict of interest. This offeror remains however subject to the criteria established above.

3. Where Canada intends to reject an offer under this section, the Standing Offer Authority will inform the Offeror and provide the Offeror an opportunity to make representations before making a final decision. Offerors who are in doubt about a particular situation should contact the Standing Offer Authority before the RFSO closing. By submitting an offer, the Offeror represents

that it does not consider itself to be in conflict of interest nor to have an unfair advantage. The Offeror acknowledges that it is within Canada's sole discretion to determine whether a conflict of interest, unfair advantage or an apperance of conflict of interest or unfair advantage exists.

18 Entire Requirement

The RFSO contains all the requirements relating to the request for offers. Any other information or documentation provided to or obtained by an offeror from any source are not relevant. Offerors should not assume that practices used under previous contracts will continue, unless they are described in the RFSO. Offerors should also not assume that their existing capabilities meet the requirements of the RFSO simply because they have met previous requirements.

19 Further Information

1. For further information, offerors may contact the Standing Offer Authority identified in the RFSO.

2. For RFSOs issued out of PWGSC headquarters, enquiries concerning receipt of offers may be addressed to the Bid Receiving Unit, Procurement Operational Support Division, telephone 819-956-3370. For RFSOs issued out of PWGSC regional offices, enquiries concerning receipt of offers may be addressed to the Standing Offer Authority identified in the RFSO.

2007 (2008/12/12) Standard Instructions - Request for Standing Offers - Goods or Services - Non-competitive Requirements

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09 Joint Venture
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To ensure fairness, openness and transparency in the bidding process, payment of a contingency fee by any party to a contract to a person to whom the *Lobbying Act*, 1985, c. 44 (4th Supplement) applies is prohibited.

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Offerors further understand that the commission of certain offences may render them ineligible to be awarded a contract. By submitting an offer, the Offeror declares that it has never been convicted of an offence under Section 121 (*Frauds on the government and Contractor subscribing to election fund*), Section 124 (*Selling or Purchasing Office*), Section 380 (*Fraud committed against Her Majesty*) or Section 418 (*Selling defective stores to Her Majesty*) of the Criminal Code of Canada, or under paragraph 80(1)(d) (*False entry, certificate or return*) subsection 80(2) (*Fraud against Her Majesty*) or Section 154.01 (*Fraud against Her Majesty*) of the *Financial Administration Act*.

General Information

One method of supply used by Public Works and Government Services Canada (PWGSC) to satisfy the requirements of departments and agencies is to arrange with suppliers to submit a standing offer to provide goods, services or both during a specified period. Specific departments and agencies are then authorized by PWGSC to make call-ups against the standing offer detailing the exact quantities of goods or level of services they wish to order at a particular time, during the effective period of the standing offer in accordance with the predetermined conditions.

The quantity of goods, level of services and estimated expenditure specified in a RFSO are only an approximation of requirements given in good faith. A RFSO does not commit PWGSC to authorize the utilization of a standing offer or to procure or contract for any goods, services or both. A standing offer is not a contract. The issuance by PWGSC of a Standing Offer and Call-up Authority to successful

suppliers and to departments and agencies authorized to make call-ups does not constitute an agreement by Canada to order any or all of the goods, services or both offered. Departments and agencies may make one or several call-ups against a standing offer.

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03 Definition of Offeror

"Offeror" means the person or entity (or, in the case of a joint venture, the persons or entities) submitting a standing offer to provide goods, services or both under a call-up resulting from a standing offer. It does not include the parent, subsidiaries or other affiliates of the Offeror, or its subcontractors.

04 Submission of an Offer

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2 The offer will be treated as confidential, subject to the provisions of the *Access to Information Act*, R.S. 1985, c. A-1, and the *Privacy Act*, R.S. 1985, c. P-21.

05 Legal Capacity

The Offeror must have the legal capacity to contract. If the Offeror is a sole proprietorship, a partnership or a corporate body, the Offeror must provide, if requested by the Standing Offer Authority, a statement and any requested supporting documentation indicating the laws under which it is registered or incorporated together with the registered or corporate name and place of business. This also applies to offerors submitting an offer as a joint venture.

06 Vendor Performance

1. Canada may reject an offer where any of the following circumstances is present:

   (a) the Offeror, or any employee or subcontractor included as part of the offer, has been convicted under Section 121 (*Frauds on the government & Contractor subscribing to election fund*), Section 124 (*Selling or purchasing office*), Section 380 (*Fraud committed against Her Majesty*) or Section 418 (*Selling defective stores to Her Majesty*) of the Criminal Code under paragraph 80(1)(d) (*False entry, certificate or return*) subsection 80(2) (*Fraud against Her Majesty*) or Section 154.01 (*Fraud against Her Majesty*) of the *Financial Administration Act*.

   (b) the Offeror is subject to a Vendor Performance Corrective Measure, under the Vendor

Performance Policy, which renders the Offeror ineligible to submit an offer for the requirement;

(c) an employee, or subcontractor included as part of the offer, is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Policy, which would render that employee or subcontractor ineligible to submit an offer for the requirement, or the portion of the requirement the employee or subcontractor is to perform;

(d) with respect to current or prior transactions with the Government of Canada

(i) the Offeror is bankrupt or where, for whatever reason, its activities are rendered inoperable for an extended period;

(ii) evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to the Offeror, any of its employees or any subcontractor included as part of the offer;

(iii) Canada has exercised its contractual remedies of suspension or termination for default with respect to a contract with the Offeror, any of its employees or any subcontractor included as part of the offer;

(iv) Canada determines that the Offeror's performance on other contracts, including the efficiency and workmanship as well as the extent to which the Offeror performed the Work in accordance with contractual clauses and conditions, is sufficiently poor to jeopardize the successful completion of the requirement being bid on.

2. Where Canada intends to reject an offer pursuant to a provision of subsection 1, other than 1.(b), the Standing Offer Authority will so inform the Offeror and provide the Offeror ten (10) days within which to make representations, before making a final decision on the offer rejection.

07 Price Justification

The Offeror must provide, on Canada's request, one or more of the following price justification:

(a) a current published price list indicating the percentage discount available to Canada; or

(b) a copy of paid invoices for the like quality and quantity of the goods, services or both sold to other customers; or

(c) a price breakdown showing the cost of direct labour, direct materials, purchased items, engineering and plant overheads, general and administrative overhead, transportation, etc., and profit; or

(d) price or rate certifications; or

(e) any other supporting documentation as requested by Canada.

08 Offer Costs

No payment will be made for costs incurred in the preparation and submission of an offer in response to the RFSO. Costs associated with preparing and submitting an offer are the sole responsibility of the Offeror.

09 Joint Venture

1. A joint venture is an association of two or more parties who combine their money, property, knowledge, expertise or other resources in a single joint business enterprise, sometimes referred as a consortium, to submit an offer together on a requirement. Offerors who submit an offer as a joint venture must indicate clearly that it is a joint venture and provide the following information:

   (a) the name of each member of the joint venture;
   (b) the Procurement Business Number of each member of the joint venture;
   (c) the name of the representative of the joint venture, i.e. the member chosen by the other members to act on their behalf, if applicable;
   (d) the name of the joint venture, if applicable.

2. If the information is not clearly provided in the offer, the Offeror must provide the information on request from the Standing Offer Authority.

3. The offer and any resulting standing offer must be signed by all the members of the joint venture unless one member has been appointed to act on behalf of all members of the joint venture. The Standing Offer Authority may, at any time, require each member of the joint venture to confirm that the representative has been appointed with full authority to act as its representative for the purposes of the RFSO and any resulting standing offer. If a standing offer is issued to a joint venture, all members of the joint venture will be jointly and severally or solidarily liable for the performance of any contract resulting from a call-up against the standing offer.

10 Further Information

For further information, the Offeror may contact the Standing Offer Authority identified in the RFSO.

2008 (2010/01/11) Standard Instructions - Request for Supply Arrangements - Goods or Services

Public Works and Government Services Canada

Code of Conduct for Procurement
General Information
01 Procurement Business Number
02 Standard Instructions, Clauses and Conditions
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Code of Conduct for Procurement

To comply with the Code of Conduct for Procurement, suppliers must respond to Requests for Supply Arrangements (RFSAs) in an honest, fair and comprehensive manner, accurately reflect their capacity to satisfy the requirements stipulated in the RFSA and resulting supply arrangement, submit bids and enter into contracts only if they will fulfill all obligations of the contract.

To ensure fairness, openness and transparency in the bidding process, the following activities are prohibited:

(a) payment of a contingency fee by any party to a contract to a person to whom the *Lobbying Act*, 1985, c. 44 (4th Supplement) applies;

(b) corruption and collusion in the bidding process for contracts for the provision of goods and services.

By submitting an arrangement, the Supplier certifies that it meets the above requirements.

Suppliers further understand that the commission of certain offences may render them ineligible to be awarded a contract. By submitting an arrangement, the Supplier declares that it has never been convicted of an offence under Section 121 (*Frauds on the government and Contractor subscribing to election fund*), Section 124 (*Selling or Purchasing Office*), Section 380 (*Fraud committed against Her Majesty*) or Section 418 (*Selling defective stores to Her Majesty*) of the Criminal Code of Canada, or under paragraph 80(1)(d) (*False entry, certificate or return*) subsection 80(2) (*Fraud against Her Majesty*) or Section 154.01 (*Fraud against Her Majesty*) of the *Financial Administration Act*.

General Information

A supply arrangement is a method of supply used by Public Works and Government Services Canada (PWGSC) to procure goods and services. A supply arrangement is an arrangement between Canada and pre-qualified suppliers that allows identified users to solicit bids from a pool of pre-qualified suppliers for specific requirements within the scope of a supply arrangement. A supply arrangement is not a contract for the provision of the goods and services described in it and neither party is legally bound as a result of signing a supply arrangement alone. The intent of a supply arrangement is to establish a framework to permit expeditious processing of individual bid solicitations which result in legally binding contracts for the goods and services described in those bid solicitations.

Except for those procurements where public advertising is not required or used, RFSAs are posted on the Government Electronic Tendering Service (GETS) and suppliers who are interested in responding to individual bid solicitations issued under a supply arrangement framework are invited to submit an arrangement to become pre-qualified suppliers. The list of pre-qualified suppliers will be used as a source list for procurement within the scope of the supply arrangement and only suppliers who are pre-qualified at the time individual bid solicitations are issued will be eligible to bid. Supply arrangements include a set of predetermined conditions that will apply to subsequent bid solicitations and contracts. Supply arrangements may include ceiling prices which may be lowered based on an actual requirement or scope of work described in a bid solicitation.

01 Procurement Business Number

Canadian suppliers are required to have a Procurement Business Number (PBN) before issuance of a supply arrangement. Suppliers may register for a PBN in the Supplier Registration Information service on line at the Business Access Canada Web site. For non-Internet registration, suppliers may contact the Business Access Canada InfoLine at 1-800-811-1148 to obtain the telephone number of the nearest Supplier Registration Agent.

02 Standard Instructions, Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the instructions, clauses and conditions identified in the RFSA and resulting supply arrangement by number, date and title are incorporated by reference into and form part of the RFSA and resulting supply arrangement as though expressly set out in the RFSA and resulting supply arrangement.

03 Definition of Supplier

"Supplier" means the person or entity (or, in the case of a joint venture, the persons or entities) submitting an arrangement. It does not include the parent, subsidiaries or other affiliates of the Supplier, or its subcontractors.

04 Submission of Arrangements

1. Canada requires that each arrangement, at closing date and time or upon request from the Supply Arrangement Authority, be signed by the Supplier or by an authorized representative of the Supplier. If an arrangement is submitted by a joint venture, it must be in accordance with section 15.

2. It is the Supplier's responsibility to:

   (a) obtain clarification of the requirements contained in the RFSA, if necessary, before submitting an arrangement;

   (b) prepare the arrangement in accordance with the instructions contained in the RFSA;

(c) submit by closing date and time a complete arrangement;

(d) send the arrangement only to PWGSC Bid Receiving Unit specified on page 1 of the RFSA or to the address specified in the RFSA;

(e) ensure that the Supplier's name, return address, RFSA number, and RFSA closing date and time are clearly visible on the envelope or the parcel(s) containing the arrangement; and,

(f) provide a comprehensible and sufficiently detailed arrangement, including all requested pricing details, that will permit a complete evaluation in accordance with the criteria set out in the RFSA.

3. If Canada has provided suppliers with multiple formats of a document (for example, a document may be downloaded through the Government Electronic Tendering Service (GETS) but may also be made available on CD-ROM through GETS), the format downloaded through GETS will take precedence. If Canada posts an amendment to the RFSA revising any documents provided to suppliers in multiple formats, Canada will not necessarily update all formats to reflect these revisions. It is the Supplier's responsibility to ensure that revisions made through any RFSA amendment issued through GETS are taken into account in the alternate formats it uses of RFSA documents.

4. Arrangements will remain open for acceptance for a period of not less than sixty (60) days from the closing date of the RFSA, unless specified otherwise in the RFSA. Canada reserves the right to seek an extension of the arrangement validity period from all responsive suppliers in writing, within a minimum of three (3) days before the end of the arrangement validity period. If the extension is accepted by all responsive suppliers, Canada will continue with the evaluation of the arrangements. If the extension is not accepted by all responsive suppliers, Canada will, at its sole discretion, either continue with the evaluation of the arrangements of those who have accepted the extension or cancel the RFSA.

5. Arrangements and supporting information may be submitted in either English or French.

6. Arrangements received on or before the stipulated RFSA closing date and time will become the property of Canada and will not be returned. All arrangements will be treated as confidential, subject to the provisions of the *Access to Information Act*, R.S. 1985, c. A-1, and the *Privacy Act*, R.S. 1985, c. P-21.

7. Unless specified otherwise in the RFSA, Canada will evaluate only the documentation provided with the arrangement. Canada will not evaluate information such as references to Web site addresses where additional information can be found, or technical manuals or brochures not submitted with the arrangement.

05 Late Arrangements

PWGSC will return arrangements delivered after the stipulated RFSA closing date and time, unless they qualify as a delayed arrangement as described below.

06 Delayed Arrangements

1. An arrangement delivered to the specified bid receiving unit after the closing date and time but before the supply arrangement issuance date may be considered, provided the supplier can prove the delay is due solely to a delay in delivery that can be attributed to the Canada Post Corporation (CPC) (or national equivalent of a foreign country). Purolator Inc. is not considered to be part of CPC for the purposes of delayed arrangements. The only pieces of evidence

relating to a delay in the CPC system that are acceptable to PWGSC are:

(a) CPC cancellation date stamp; or
(b) CPC Priority Courier bill of lading; or
(c) CPC Xpresspost label

that clearly indicates that the arrangement was mailed before the RFSA closing date.

2. For arrangements transmitted by facsimile, only the date, time and place of receipt recorded by PWGSC will be accepted as evidence of a delayed arrangement.

3. Misrouting, traffic volume, weather disturbances, labour disputes or any other causes for the late delivery of arrangements are not acceptable reasons for the arrangement to be accepted by PWGSC.

4. Postage meter imprints, whether imprinted by the Supplier, the CPC or the postal authority outside Canada, are not acceptable as proof of timely mailing.

07 Transmission by Facsimile

1. Unless specified otherwise in the RFSA, arrangements may be submitted by facsimile. The only acceptable facsimile number for responses to RFSAs issued by PWGSC headquarters is 819-997-9776. The facsimile number for responses to RFSAs issued by PWGSC regional offices is identified in the RFSA.

2. For arrangements transmitted by facsimile, Canada will not be responsible for any failure attributable to the transmission or receipt of the faxed arrangement including, but not limited to, the following:

(a) receipt of garbled or incomplete arrangement;
(b) availability or condition of the receiving facsimile equipment;
(c) incompatibility between the sending and receiving equipment;
(d) delay in transmission or receipt of the arrangement;
(e) failure of the Supplier to properly identify the arrangement;
(f) illegibility of the arrangement; or
(g) security of arrangement data.

3. An arrangement transmitted by facsimile will constitute the formal arrangement of the Supplier and must be submitted in accordance with section 04. Furthermore, the Supplier must send a written confirmation of the arrangement within two (2) working days after RFSA closing, unless specified otherwise in the RFSA. All documents confirming arrangements should bear the word "CONFIRMATION".

08 Customs Clearance

It is the responsibility of the Supplier to allow sufficient time to obtain customs clearance, where required, before the RFSA closing date and time. Delays related to the obtaining of customs clearance cannot be construed as "undue delay in the mail" and will not be accepted as a delayed arrangement under section 06.

09 Legal Capacity

The Supplier must have the legal capacity to contract. If the Supplier is a sole proprietorship, a partnership or a corporate body, the Supplier must provide, if requested by the Supply Arrangement Authority, a statement and any requested supporting documentation indicating the laws under which it is registered or incorporated together with the registered or corporate name and place of business. This also

applies to suppliers submitting an arrangement as a joint venture.

10 Rights of Canada

Canada reserves the right to:

(a) reject any or all arrangements received in response to the RFSA;

(b) cancel the RFSA at any time;

(c) reissue the RFSA;

(d) if no responsive arrangements are received and the requirement is not substantially modified, reissue the RFSA by inviting only the suppliers who submitted an arrangement to resubmit arrangements within a period designated by Canada; and

(e) issue RFSAs and supply arrangements to suppliers who qualify throughout the entire period of the supply arrangement.

11 Vendor Performance

1. Canada may reject an arrangement where any of the following circumstances is present:

   (a) the Supplier, or any employee or subcontractor included as part of the arrangement, has been convicted under Section 121 (*Frauds on the government & Contractor subscribing to election fund*), Section 124 (*Selling or purchasing office*), Section 380 (*Fraud committed against Her Majesty) or Section 418 (Selling defective stores to Her Majesty) of the Criminal Code or under* paragraph 80(1)(d) (*False entry, certificate or return*) subsection 80(2) (*Fraud against Her Majesty*) or Section 154.01 (*Fraud against Her Majesty*) of the *Financial Administration Act.*

   (b) the Supplier is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Policy, which renders the Supplier ineligible to submit an arrangement for the requirement;

   (c) an employee, or subcontractor included as part of the arrangement, is subject to a Vendor Performance Corrective Measure, under the Vendor Performance Policy, which would render that employee or subcontractor ineligible to submit an arrangement for the requirement, or the portion of the requirement the employee or subcontractor is to perform;

   (d) with respect to current or previous transactions with the Government of Canada

      (i) the Supplier is bankrupt or where, for whatever reason, its activities are rendered inoperable for an extended period;

      (ii) evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to the Supplier, any of its employees or any subcontractor included as part of the arrangement;

      (iii) Canada has exercised its contractual remedies of suspension or termination for default with respect to a contract with the Supplier, any of its employees or any subcontractor included as part of the arrangement;

      (iv) Canada determines that the Supplier's performance on other contracts, including

the efficiency and workmanship as well as the extent to which the Supplier performed the Work in accordance with contractual clauses and conditions, is sufficiently poor to jeopardize the successful completion of any requirement to be bid on.

2. Where Canada intends to reject an arrangement pursuant to a provision of subsection 1, other than 1.(b), the Supply Arrangement Authority will so inform the Supplier and provide the Supplier ten (10) days within which to make representations, before making a final decision on the arrangement rejection.

12 Communications - Solicitation Period

To ensure the integrity of the competitive RFSA process, enquiries and other communications regarding the RFSA must be directed only to the Supply Arrangement Authority identified in the RFSA. Failure to comply with this requirement may result in the arrangement being declared non-responsive.

To ensure consistency and quality of information provided to suppliers, significant enquiries received and the replies to such enquiries will be provided simultaneously to suppliers to which the RFSA has been sent, without revealing the sources of the enquiries.

13 Arrangement Costs

No payment will be made for costs incurred in the preparation and submission of an arrangement in response to the RFSA. Costs associated with preparing and submitting an arrangement as well as any costs incurred by the Supplier associated with the evaluation of the arrangement, are the sole responsibility of the Supplier.

14 Conduct of Evaluation

1. In conducting its evaluation of the arrangements, Canada may, but will have no obligation to, do the following:

   (a) seek clarification or verification from suppliers regarding any or all information provided by them with respect to the RFSA;

   (b) contact any or all references supplied by suppliers to verify and validate any information submitted by them;

   (c) request, before issuance of any supply arrangement, specific information with respect to suppliers' legal status;

   (d) conduct a survey of suppliers' facilities and/or examine their technical, managerial, and financial capabilities to determine if they are adequate to meet the requirements of the RFSA;

   (e) verify any information provided by suppliers through independent research, use of any government resources or by contacting third parties;

   (f) interview, at the sole costs of suppliers, any supplier and/or any or all of the resources proposed by suppliers to fulfill the requirement of the RFSA.

2. Suppliers will have the number of days specified in the request by the Supply Arrangement Authority to comply with any request related to any of the above items. Failure to comply with the request may result in the arrangement being declared non-responsive.

15 Joint Venture

1. A joint venture is an association of two or more parties who combine their money, property, knowledge, expertise or other resources in a single joint business enterprise, sometimes referred as a consortium, to submit an arrangement together on a requirement. Suppliers who submit an arrangement as a joint venture must indicate clearly that it is a joint venture and provide the following information:

   (a) the name of each member of the joint venture;
   (b) the Procurement Business Number of each member of the joint venture;
   (c) the name of the representative of the joint venture, i.e. the member chosen by the other members to act on their behalf, if applicable;
   (d) the name of the joint venture, if applicable.

2. If the information is not clearly provided in the arrangement, the Supplier must provide the information on request from the Supply Arrangement Authority.

3. The arrangement must be signed by all the members of the joint venture unless one member has been appointed to act on behalf of all members of the joint venture. The Supply Arrangement Authority may, at any time, require each member of the joint venture to confirm that the representative has been appointed with full authority to act as its representative for the purposes of the RFSA and any resulting supply arrangement.

16 Conflict of Interest - Unfair Advantage

1. In order to protect the integrity of the procurement process, suppliers are advised that Canada may reject an arrangement in the following circumstances:

   (a) if the Supplier, any of its subcontractors, any of their respective employees or former employees was involved in any manner in the preparation of the RFSA or in any situation of conflict of interest or appearance of conflict of interest;

   (b) if the Supplier, any of its subcontractors, any of their respective employees or former employees had access to information related to the RFSA that was not available to other suppliers and that would, in Canada's opinion, give or appear to give the Supplier an unfair advantage.

2. The experience acquired by a supplier who is providing or has provided the goods and services described in the RFSA (or similar goods or services) will not, in itself, be considered by Canada as conferring an unfair advantage or creating a conflict of interest. This supplier remains however subject to the criteria established above.

3. Where Canada intends to reject an arrangement under this section, the Supply Arrangement Authority will inform the Supplier and provide the Supplier an opportunity to make representations before making a final decision. Suppliers who are in doubt about a particular situation should contact the Supply Arrangement Authority before the RFSA closing date. By submitting an arrangement, the Supplier represents that it does not consider itself to be in conflict of interest nor to have an unfair advantage. The Supplier acknowledges that it is within Canada's sole discretion to determine whether a conflict of interest, unfair advantage or an appearance of conflict of interest or unfair advantage exists.

17 Entire Requirement

The RFSA contains all the requirements relating to the request for arrangements. Any other information or documentation provided to or obtained by a supplier from any source are not relevant. Suppliers should not assume that practices used under previous contracts will continue, unless they are described in the RFSA. Suppliers should also not assume that their existing capabilities meet the requirements of the

RFSA simply because they have met previous requirements.

18 Further Information

1. For further information, suppliers may contact the Supply Arrangement Authority identified in the RFSA.

2. For RFSAs issued out of PWGSC headquarters, enquiries concerning receipt of arrangements may be addressed to the Bid Receiving Unit, Procurement Operational Support Division, telephone 819-956-3370. For RFSAs issued out of PWGSC regional offices, enquiries concerning receipt of offers may be addressed to the Supply Arrangement Authority identified in the RFSA.

CCC-6 (2004/12/10) Canadian Commercial Corporation

1. The prices include packing, cartage and loading charges, unless otherwise specified in this Contract.

2. Payment will be made upon presentation to Canadian Commercial Corporation (CCC) of the required documents. Interest will not be paid on any sum overdue. Cash discounts will be calculated from the actual date invoices are received with all supporting documents.

3. (a) **Contracts for defence requirements of governments other than United States (U.S.):** Public Works and Government Services Canada (PWGSC) general conditions 1026A, Supplies - Firm Price, or 1026B, Supplies - Cost Reimbursement, as applicable, (a copy of which the Supplier acknowledges having received) shall form part of this Contract.

   (b) **Contracts for requirements of the Government of the U.S.:** general conditions 1026A, with the exception of sections 06, 07, 08, 19, 21 and 28 thereof, or if applicable, the general conditions 1026B, with the exception of sections 07, 08, 09, 23 and 24 thereof, and the sections referred to in the U.S. contract copies of which the Supplier acknowledges to have received, shall be applicable to and form part of the Contract.

   (c) **Contracts for non defence requirements:** general conditions CCC50, Canadian Commercial Corporation (a copy of which the Supplier acknowledges having received) shall form part of this Contract.

4. The applicable Labour provisions established by Order in Council P.C. 1954-2029 of December 22, 1954, (a copy of which the Supplier acknowledges to have received) and all amendments thereto shall apply and form part of this Contract.

5. The supplies shall be delivered strictly in accordance with the quantities, specifications, terms and conditions hereof. Time is of the essence in this Contract. (See time of delivery indicated and penalties for default set out in the general conditions).

6. If required, the Supplier will enter into a formal agreement with the Buyer containing such terms and conditions (not inconsistent with the terms and conditions hereof) as may be required by the Buyer. Unless and until such a formal agreement is entered into, this shall be the only contract and the terms and conditions hereof shall not be altered or added to by anything not set out herein.

7. The supplies shall be at the risk of the Supplier, and the Supplier shall bear all loss or damage whatsoever from whatsoever cause arising which may occur to the supplies or any part thereof up to the time the same are delivered at the FOB point or FAS point or other place of delivery specified in this Contract.

8. The Buyer reserves the right to change the place of delivery shown in this Contract to such other place as the Buyer may direct at any time

prior to actual shipment, in which case the Supplier agrees to comply with such direction and shall be entitled to be reimbursed for any additional costs incurred or agrees to reduce its price or prices to the extent of any lesser costs involved.

9. Where the sale of the supplies is by description and there has been no examination or inspection of the supplies by or on behalf of the Buyer prior to delivery thereof, and the supplies do not correspond with the description, thereby involving a breach of a condition or warranty, expressed or implied, then the failure to inspect or reject the supplies shall not impose liability on the Buyer for such supplies which are not in accordance with the description and any and all costs and expenses incurred by the Buyer in respect of any such supplies which may be rejected at their destination, shall be borne by the Supplier.

10. The Supplier shall procure and/or supply at no additional cost to the Buyer all documents and reports which are necessary in connection with the delivery and shipment of the supplies, including the documents and reports specified in this Contract and such other documents and reports as may be required by the Buyer.

11. Any necessary export permits are to be obtained by the Supplier prior to shipment. Assistance is available from CCC.

12. Inspection is to be arranged by and to the satisfaction of the Inspector, if any, named in this Contract to whom all questions regarding drawings, specifications, etc., must be referred, and with whom arrangements for inspection must be made prior to shipment of the supplies. The Supplier shall obtain inspection reports.

Section 2

Templates

2T-HIGH1 (2010/01/11) Higher Complexity Bid Solicitation and Resulting Contract Template

***Remark to Contracting Authority**: Use the following template for higher complexity competitive and non-competitive requirements for goods, services or both. The contracting authority should refer to the procedures 2T-PROC1 when using this template.*

This template provides the following:

Legend:

This template contains remarks in blue italics to assist the contracting authority in preparing the bid solicitation.

In the final version of the bid solicitation, the "Remark to Contracting Authority" and unused options must be removed.

Drafting Conventions:

This template has been drafted by selecting certain drafting conventions. To ensure consistency in the document, the contracting authority must observe these drafting conventions in any additional clauses or amendments to the clauses in the bid solicitation.

Word Chosen	Words Not Chosen	Reason for Choice
Contract	Agreement, with the exception of Article 10 under Part 7 of the template where it is used in the expression "Articles of Agreement". This expression is defined in the general conditions.	All SACC Manual clauses refer to the term "Contract". The term "Contract" in the singular must be capitalized in English when it is preceded by the word "the" and is used in the clauses under Part 7 of the template. This term is never capitalized in French.
Contracting Authority	Contracting Officer	The term "Contracting Authority" is defined under Part 7, Article 5.1 of the template. The term in the singular must be capitalized in English. This term is never capitalized in French.
"Statement of Work" and "Requirement"	Statement of Requirement	The template allows the Contracting Authority to select either "Statement of Work" or "Requirement". It will be necessary to do a "Find and Replace Text" to ensure the same word appears throughout the document.
Canada	Crown, Her Majesty, the Government	The terms "Canada", "Crown", "Her Majesty", and "the Government" have been defined in all general conditions referring to Her Majesty the Queen in right of Canada. However, the term "Canada" should be used.
Bidder	company, proponent, supplier, firm	The term "Bidder" has been used in parts 1, 2, 3, 4, 5, 6, of the template. The Bidder or its authorized representative must sign each bid submission. The term "Bidder" in the singular must be capitalized in English when it is preceded by the word "the". This term is never capitalized in French.

Numbering System:

For the purposes of the template, the main headings are referred to as "articles" and are identified by a unique numbering system 1, 2, etc. SACC Manual clauses or other approved clauses added to the template under an article will be addressed as "clauses". Clauses in all parts of the template are numbered 1.1, 1.2, 2.1, 2.2, etc.

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5. Improvement of Requirement During Solicitation Period (*if applicable*)
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   Mandatory Site Visit (*if applicable*)
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3. Bid Financial Security (*if applicable*)
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    Foreign Nationals (Foreign Contractor) (*if applicable*)
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    Insurance Requirements (*if applicable*)
14. Controlled Goods Program (*if applicable*)
15. Limitation of Liability (*if applicable*)
16. (....) (*insert title of applicable clause*)
17. (....) (*if applicable*)

List of Annexes: (*choose and add annexes, if applicable*)

Annex "X"	Statement of Work ***OR***
	Requirement (*choose as applicable*)
Annex "X"	Basis of Payment (*if applicable*)
Annex "X"	Security Requirements Check List (*if applicable*)
Annex "X"	Insurance Requirements (*if applicable*)

PART 1 - GENERAL INFORMATION

1. Introduction

The bid solicitation and resulting contract document is divided into seven (7) parts plus annexes as follows:

Part 1 General Information: provides a general description of the requirement;

Part 2 Bidder Instructions: provides the instructions, clauses and conditions applicable to the bid solicitation and states that the Bidder agrees to be bound by the clauses and conditions contained in all parts of the bid solicitation;

Part 3 Bid Preparation Instructions: provides bidders with instructions on how to prepare their bid;

Part 4 Evaluation Procedures and Basis of Selection: indicates how the evaluation will be conducted, the evaluation criteria that must be addressed in the bid, if applicable, and the basis of selection;

Part 5 Certifications: includes the certifications to be provided;

Part 6 Security, Financial and Other Requirements: includes specific requirements that must be addressed by bidders; and

Part 7 Resulting Contract Clauses: includes the clauses and conditions that will apply to any resulting contract.

The Annexes include the Statement of Work **OR** Requirement (*choose as applicable*), the Basis of Payment and any other annexes. (*Modify this paragraph and the Table of Contents, as applicable*).

Remark to Contracting Authority: *The "Summary" below should contain the following, as applicable. Delete all unused options and the "Remark" before issuing the bid solicitation. For security requirements, consult the "Security Requirements for PWGSC Bid Solicitations - Information for PWGSC Contracting Officers" document on the Departmental Standard Procurement Documents Web site. To ensure consistency, the contracting authority should use the same wording to describe the requirement in the Notice of Proposed Procurement:*

(i) a brief description of the requirement detailed under Part 7, article 1, of the bid solicitation. The description should include enough information for suppliers to decide whether to respond to the bid solicitation (for example, it may list sub-categories of goods or services along with the key differentiating characteristics);

(ii) for whom? (identify the client department);

(iii) the period of the contract;

(iv) key information that a supplier could use in deciding whether to respond to the bid solicitation;

(v) for requirements that contain a security requirement, the following sentence must be inserted:

> *"There is a security requirement associated with this requirement. For additional information, consult Part 6 - Security, Financial and Other Requirements, and Part 7 - Resulting Contract Clauses. Bidders should consult the "Security Requirements for PWGSC Bid Solicitations - Instructions for Bidders" document on the Departmental Standard Procurement Documents Web site."*

(vi) for requirements subject to the World Trade Organization Agreement on Government

Procurement (WTO-AGP), the North American Free Trade Agreement (NAFTA), and the Agreement on Internal Trade (AIT), the following sentence should be inserted:

> *"The requirement is subject to the provisions of the World Trade Organization Agreement on Government Procurement (WTO-AGP), the North American Free Trade Agreement (NAFTA), and the Agreement on Internal Trade (AIT)."*

(vii) *for requirements subject only to the AIT where the Canadian Content Policy is applicable and where competition is conditionally limited to bids offering Canadian goods and/or services, as provided in SACC Manual clauses A3061T, A3062T, A3063T, A3065T, A3066T, A3069T and A3070T, the following sentence should be inserted as part of the description of the requirement:*

> *"The requirement is subject to a preference for Canadian goods and/or services."*

(viii) *for requirements subject only to the AIT where the Canadian Content Policy is applicable and where competition is solely limited to bids offering Canadian goods and/or services, as provided in SACC Manual clauses A3051T, A3052T, A3053T, A3055T, A3056T and A3059T, the following sentence should be inserted as part of the description of the requirement:*

> *"The requirement is limited to Canadian goods and/or services."*

(ix) *for requirements that have been reserved for beneficiaries of a Comprehensive Land Claims Agreement (CLCA), further to a right of first refusal under one or more CLCAs, the following sentence must be inserted:*

> *"This procurement is reserved for beneficiaries of the following Comprehensive Land Claims Agreement(s) (CLCAs) : _____ (insert the applicable CLCA(s)) under _____ (insert the applicable paragraph number(s))."*

Insert the following sentence, if applicable:

> *"This procurement is set aside from the international trade agreements under the provision each has for set-asides for small and minority businesses."*

Insert the following sentence, if applicable:

> *"Further to Article 1802 of the Agreement on Internal Trade (AIT), AIT does not apply to this procurement."*

(x) *for requirements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB), the following sentence must be inserted:*

> *"This procurement is set aside under the federal government's Procurement Strategy for Aboriginal Business."*

Insert the following sentence, if applicable:

> *"This procurement is set aside from the international trade agreements under the provision each has for set asides for small and minority businesses."*

Insert the following sentence, if applicable:

"Further to Article 1802 of the Agreement on Internal Trade (AIT), AIT does not apply to this procurement."

(xi) for requirements that involve the production of and/or access to controlled goods, the following sentence should be inserted:

"This procurement is subject to the Controlled Goods Program."

2. Summary

3. Communications Notification

As a courtesy, the Government of Canada requests that successful bidders notify the Contracting Authority in advance of their intention to make public an announcement related to the award of a contract.

Remark to Contracting Authority: *Consult 7.35, 7.40, 7.45 of the Supply Manual and PN-91, Debriefings and Regret Letters.*

4. Debriefings

After contract award, bidders may request a debriefing on the results of the bid solicitation. Bidders should make the request to the Contracting Authority within 15 working days of receipt of notification that their bid was unsuccessful. The debriefing may be provided in writing, by telephone or in person.

PART 2 - BIDDER INSTRUCTIONS

Remark to Contracting Authority: *Consult section 02 of standard instructions 2003 or 2004, as applicable, before adding clauses to ensure there is no redundancy in the document.*

1. Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada.

Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contract.

The 2003 _____ (*insert date*) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

OR

For non-competitive requirements, delete the paragraph referring to standard instructions 2003 above and insert the following:

The 2004 _____ (*insert date*) Standard Instructions - Goods or Services - Non-competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

Remark to Contracting Authority: *The following modification to standard instructions 2003 must be added to the bid solicitation when the bids are to remain valid for more than 60 days. The contracting authority will insert the number of days the bid is to remain valid.*

Subsection 4.4 of 2003, Standard Instructions - Goods or Services - Competitive Requirements, is

amended as follows:

Delete: sixty (60) days
Insert: _____ (__) days

Remark to Contracting Authority: *For the procurement of telecommunications services or products only, use supplemental standard instructions 2003-1 in conjunction with standard instructions 2003.*
The 2003-1 _____ (*insert date*) Supplemental Standard Instructions - Telecommunications, are incorporated by reference into and form part of the bid solicitation.

Remark to Contracting Authority: *If applicable, include by reference SACC Manual clauses for specific instructions not covered by the standard instructions. Examples of clauses to include by reference: B4024T, B3000T, etc. Before adding a SACC Manual clause, consult the Remarks within the clause.*
1.1 SACC Manual Clauses

Remark to Contracting Authority: *Consult sections 04 to 09 of standard instructions 2003 before adding clauses to ensure there is no redundancy in the document.*
2. Submission of Bids

Bids must be submitted only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit by the date, time and place indicated on page 1 of the bid solicitation.

Remark to Contracting Authority: *Insert the following paragraph when transmission of bids by facsimile or electronic mail is not acceptable.*
Due to the nature of the bid solicitation, bids transmitted by facsimile or electronic mail to PWGSC will not be accepted.

Remark to Contracting Authority: *If applicable, insert in full text additional SACC Manual clauses with appropriate numbering (e.g. 2.1, 2.2, ...)*
2.1 .....

Remark to Contracting Authority: *Consult section 12 of standard instructions 2003 before adding clauses to ensure there is no redundancy in the document. Responses to enquiries may have significant implications for the bid solicitation. An extension to the bid closing date should be taken into account every time a response is provided to an enquiry.*
3. Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority no later than _____ (__) calendar days before the bid closing date. Enquiries received after that time may not be answered.

Bidders should reference as accurately as possible the numbered item of the bid solicitation to which the enquiry relates. Care should be taken by bidders to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a proprietary nature must be clearly marked "proprietary" at each relevant item. Items identified as “proprietary” will be treated as such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the questions or may request that the Bidder do so, so that the proprietary nature of the question is eliminated, and the enquiry can be answered with copies to all bidders. Enquiries not submitted in a form that can be distributed to all bidders may not be answered by Canada.

Remark to Contracting Authority: *Indicate the laws of which Canadian province or territory Canada proposes to apply to the resulting contract. The bidder, as instructed, may propose a change to the applicable laws in its bid. For the French version of the article, the term "in" was not translated because there is no such common term in French for all the provinces and territoires. Therefore, the word "en" must be added in front of Alberta, Colombie-Britannique, Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut; the word "à" in front of Terre-Neuve-et-Labrador and l'Île-du-Prince-Édouard; and the words "dans les" in front of Territoires du Nord-Ouest.*

4. Applicable Laws

Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____. (*Insert the name of the province or territory.)*

Bidders may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the bidders.

Remark to Contracting Authority: *If applicable, include by reference or insert in full text, with appropriate numbering, additional SACC Manual clauses pertaining to Part 2. Examples are provided below. This is not an exhaustive list of examples.*

5. Improvement of Requirement During Solicitation Period

(*If applicable, insert in full text clause A9076T to advise bidders that they can propose improvement to the technical requirement contained in the bid solicitation*.)

6. Bidders' Conference

(*If applicable, insert in full text clause A9083T when a bidder's conference will be held*.)

7. Optional Site Visit

(*If applicable, insert in full text clause A9038T when it is beneficial, but not mandatory, for bidders to view the site where the work will be performed to improve their understanding of the requirement. For marine requirements, the word "Vessel" may be added to the title.) If the site visit is mandatory, insert the alternate clause A9040T as instructed below*.)

OR

7. Mandatory Site Visit

(*Alternatively, insert in full text SACC Manual clause A9040T when it is mandatory for bidders to view the work site during the bid solicitation period to fully understand the scope of the work and the conditions of the site. For marine requirements, the word "Vessel" may be added to the title*.)

8. Basis for Canada's Ownership of Intellectual Property

(*If applicable, insert in full text SACC Manual clause K3200T when the client department has determined that Canada will own any intellectual property arising from the work under the contract. The contracting authority will insert the name of the client department or agency*.)

Remark to Contracting Authority: *Consult sections 04 to 09 of standard instructions 2003 or sections 04 and 05 of standard instructions 2004, as applicable, before adding clauses to ensure there is no redundancy in the document.*

PART 3 - BID PREPARATION INSTRUCTIONS

1. Bid Preparation Instructions

Remark to Contracting Authority: *Delete any section of the bid preparation instructions under this article that is not applicable. Renumber the sections as applicable. "Management Bid" may be included when there is a requirement, for evaluation purposes, to include a management section separate from the technical bid. If soft copies are requested, it is suggested that the same quantity be requested for both hard and soft copies.*

Canada requests that bidders provide their bid in separately bound sections as follows:

Section I: Technical Bid (____ hard copies) (*if applicable,* add "and ___ soft copies on ___", *and specify the medium such as CD, DVD*)

Section II: Financial Bid (____ hard copies) (*if applicable, add*"and ___ soft copies on ____", *and specify the medium such as CD, DVD*)

Section III: Certifications (_____ hard copies)

Remark to Contracting Authority: *Insert the following when soft copies are requested; if not, delete this paragraph and the instruction.*

If there is a discrepancy between the wording of the soft copy and the hard copy, the wording of the hard copy will have priority over the wording of the soft copy.

Prices must appear in the financial bid only. No prices must be indicated in any other section of the bid.

Canada requests that bidders follow the format instructions described below in the preparation of their bid:

(a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
(b) use a numbering system that corresponds to the bid solicitation.

Remark to Contracting Authority: *If applicable, use SACC Manual clauses providing additional instructions for the preparation of the technical bid. Example of a clause: A9097T.*

Section I: Technical Bid

In their technical bid, bidders should demonstrate their understanding of the requirements contained in the bid solicitation and explain how they will meet these requirements. Bidders should demonstrate their capability _____ (*insert, as applicable:* "and describe their approach") in a thorough, concise and clear manner for carrying out the work.

The technical bid should address clearly and in sufficient depth the points that are subject to the evaluation criteria against which the bid will be evaluated. Simply repeating the statement contained in the bid solicitation is not sufficient. In order to facilitate the evaluation of the bid, Canada requests that bidders address and present topics in the order of the evaluation criteria under the same headings. To avoid duplication, bidders may refer to different sections of their bids by identifying the specific paragraph and page number where the subject topic has already been addressed.

Remark to Contracting Authority: *If a separate management bid is required, add the following as Section II and renumber the section for the financial bid as Section III. An example is provided below.*

Section X: Management Bid

In their management bid, bidders must describe their capability and experience, the project management team and provide client contact(s).

Remark to Contracting Authority: *Choose one of the following clauses or other alternate clauses, as applicable. If applicable, insert "Pricing Schedule" or "Financial Bid Presentation Sheet" and insert the applicable document as indicated below. Alternatively, insert "Basis of Payment", if applicable.*

Section II: Financial Bid

1.1 Bidders must submit their financial bid in accordance with the _____ (*insert*: "Financial Bid Presentation Sheet detailed below" (or in Annex "X") ***OR*** "Pricing Schedule detailed below" (or in Annex "X" ***OR*** "Basis of Payment in Annex "X"). The total amount of Goods and Services Tax or Harmonized Sales Tax must be shown separately, if applicable.
(*Insert the "Financial Bid Presentation Sheet", the "Pricing Schedule" or the "Basis of Payment", if applicable*).

Remark to Contracting Authority: Insert clause C3010T when it is proposed to offer suppliers protection against the risk of exchange rate fluctuation. Alternatively, insert clause C3011T when exchange rate fluctuation is not expected to be an issue and, therefore, it is not proposed to offer protection against it. Consult 4.65 (e) and (f) of the Supply Manual.

1.2 SACC Manual Clauses

C3010T _____ (*insert date*), Exchange Rate Fluctuation, **OR**
C3011T _____ (*insert date*), Exchange Rate Fluctuation

Section III: Certifications

Bidders must submit the certifications required under Part 5.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

Remark to Contracting Authority: *Use the following clause and consult subsection 4.7 of standard instructions 2003 before adding clauses to ensure there is no redundancy in the document.*

1. Evaluation Procedures

(a) Bids will be assessed in accordance with the entire requirement of the bid solicitation including the technical _____ (*insert if applicable* "management") and financial evaluation criteria.

(b) An evaluation team composed of representatives of Canada will evaluate the bids.

OR

(b) An evaluation team composed of representatives of Canada and _____ (*insert name of firm or consultant*) will evaluate the bids.

Remark to Contracting Authority: *Insert the following paragraph when the competition is conditionally limited to bids offering Canadian goods and/or services.*

(c) The evaluation team will determine first if there are three (3) or more bids with a valid Canadian Content certification. In that event, the evaluation process will be limited to the bids with the certification; otherwise, all bids will be evaluated. If some of the bids with a valid certification are declared non-responsive, or are withdrawn, and less than three responsive bids with a valid certification remain, the evaluation will continue among those bids with a valid certification. If all bids with a valid certification are subsequently declared non-responsive, or are withdrawn, then all the other bids received will be evaluated.

Remark to Contracting Authority: *Choose one of the options under 1.1 as follows: the first option is used when there are mandatory technical criteria only (i.e. no technical criteria subject to point-rating); the second option is used when there are mandatory and point-rated technical criteria; the third option is used if the technical evaluation criteria are too voluminous and are included in an annex attached to the bid solicitation. Use clauses 1.1.2.1, 1.1.2.2, and/or 1.1.2.3, if applicable, and renumber accordingly.*

It is important that contracting officers ensure mandatory criteria represent truly essential requirements. The number of mandatory criteria should be minimized in order to increase the probability of receiving responsive bids. Consult 4.35.1 of the Supply Manual.

OPTION 1

1.1 Technical Evaluation

1.1.1. Mandatory Technical Criteria *(if applicable)*
(Insert mandatory technical evaluation criteria)

OR

OPTION 2

1.1 Technical Evaluation

1.1.1 Mandatory Technical Criteria *(if applicable)*
(Insert mandatory technical evaluation criteria)

1.1.2 Point Rated Technical Criteria (*if applicable*)
(Insert point rated technical evaluation criteria)

(Add one or more of the following, if applicable.)
1.1.2.1 Oral Presentation
(Insert point rated evaluation criteria for oral presentation)

1.1.2.2 Demonstration
(Insert point rated evaluation criteria for demonstration)

1.1.2.3 Submission of a Sample
(*Insert point rated evaluation criteria for submission of a sample*)

OR

OPTION 3

1.1 Technical Evaluation
Mandatory and point rated technical evaluation criteria are included in Annex ____.

If a management bid has been requested under Part 3, insert the following suggested clause after Technical Evaluation and renumber accordingly:

1.X Management Evaluation

1.X.1 Mandatory Management Criteria (*if applicable*)
1.X.2 Point Rated Management Criteria

1.2 Financial Evaluation

1.2.1 Mandatory Financial Criteria (*if applicable*)

(Insert mandatory financial evaluation criteria)

SACC Manual Clause A0220T _____ (*insert date*), Evaluation of Price (*if applicable*)
SACC Manual Clause A0222T _____ (*insert date*), Evaluation of Price (*if applicable*)

1.2.2 Point Rated Financial Criteria (*if applicable*)
(*Insert point rated financial evaluation criteria)*

Remark to Contracting Authority: *Use the appropriate option for the basis of selection below in accordance with the option selected under clause 1.1 above.*

2. Basis of Selection

OPTION 1
2.1 (*Insert selection criteria. Example of a SACC Manual clause: A0031T.)*

OPTION 2
2.1 (*Insert selection criteria. Examples of SACC Manual clauses: A0034T, A0035T, A0036T.*)

OPTION 3
2.1 (*Insert selection criteria. Examples of SACC Manual clauses: A0034T, A0035T, A0036T.*)

Remark to Contracting Authority: *Choose one of the options below. Add the applicable certification(s) from the lists provided. Other certifications that have been approved by Legal and Policy may be added. Delete Part 5 if there are no certification requirements.*

PART 5 - CERTIFICATIONS

Bidders must provide the required certifications to be awarded a contract. Canada will declare a bid non-responsive if the required certifications are not completed and submitted as requested.

Compliance with the certifications bidders provide to Canada is subject to verification by Canada during the bid evaluation period (before award of a contract) and after award of a contract. The Contracting Authority will have the right to ask for additional information to verify bidders' compliance with the certifications before award of a contract. The bid will be declared non-responsive if any certification made by the Bidder is untrue, whether made knowingly or unknowingly. Failure to comply with the certifications or to comply with the request of the Contracting Authority for additional information will also render the bid non-responsive.

Remark to Contracting Authority: *Use this option when the certifications below will be a condition precedent to contract award as opposed to a mandatory requirement for evaluation purposes. This approach is recommended to ensure bids are not rejected during evaluation for lack of certifications. In the event that a bidder does not provide certifications at bid closing, the contracting authority must request these certifications before issuance of a contract. Failure by the bidder to comply will render the bid non-responsive. Delete this option if it is not applicable.*

OPTION 1

1. Certifications Precedent to Contract Award

The certifications listed below should be completed and submitted with the bid but may be submitted afterwards. If any of these required certifications is not completed and submitted as requested, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within that time period will render the bid non-responsive.

Remark to Contracting Authority: *If applicable, insert SACC Manual clause A3030T or A3031T.*

1.1 Federal Contractors Program - Certification

Remark to Contracting Authority: *If applicable, insert SACC Manual clause A3025T or A3026T.*

1.2 Former Public Servant Certification

Remark to Contracting Authority: *For non North American Free Trade Agreement (NAFTA) and non World Trade Organization Agreement on Government Procurement (WTO-AGP) requirements in accordance with the Canadian Content Policy, insert in full text one of the following SACC Manual certification clauses: A3051T, A3052T, A3053T, A3055T, A3056T or A3059T for all competitive bid solicitations when competition is solely limited to bids offering Canadian goods and/or services and when the certification clause is not mandatory with the bid. Consult chapters 3, 4, 5, 6 and 9 of the Supply Manual. Use in conjunction with clauses A3050T in Part 5, and A3060C in Part 7.*

1.3 Canadian Content Certification

1.3.1. SACC Manual clause A3050T _____ (*insert date*) Canadian Content Definition.

Remark to Contracting Authority: *Use SACC Manual clause A3005T for service requirements, where specific individuals will be proposed for the work.*

1.4 Status and Availability of Resources

Remark to Contracting Authority: *If applicable, use the applicable SACC Manual clause for non-competitive (sole bid) requirements.*

1.5 Rate or Price Certification

Remark to Contracting Authority*: If applicable, use the following clause when education and experience of proposed individuals will be evaluated. Use in conjunction with A3015C.*

1.6 Education and Experience

1.6.1 SACC Manual clause A3010T _____ (*insert date*) Education and Experience

Remark to Contracting Authority: *Use this option when the certifications must be provided with the bid by solicitation closing date. The requirement for certifications at bid closing must only be used when these certifications are essential to the evaluation of bids . Delete this option if it is not applicable.*

OPTION 2

1. Certifications Required with the Bid

Bidders must submit the following duly completed certifications as part of their bid.

Remark to Contracting Authority: *For non North American Free Trade Agreement (NAFTA) and non World Trade Organization Agreement on Government Procurement (WTO-AGP) requirements in accordance with the Canadian Content Policy, insert in full text one of the following SACC Manual certification clauses: A3061T, A3062T, A3063T, A3065T, A3066T or A3069T for all competitive bid solicitations when competition is conditionally limited; OR A3051T, A3052T, A3053T, A3055T, A3056T or A3059T when solely limited, to bids offering Canadian goods and/or services and when the certification clause is mandatory with the bid. Consult chapters 3, 4, 5, 6 and 9 of the Supply Manual. Use in conjunction with clauses A3050T in Part 5, and A3060C in Part 7.*

1.1 Canadian Content Certification

1.1.1. SACC Manual clause A3050T _____ (*insert date*) Canadian Content Definition

Remark to Contracting Authority: *If applicable, insert SACC Manual clauses A3000T and A3001T. Use in conjunction with clause A3000C. Consult Chapter 9 of the Supply Manual*

1.2 Set-aside for Aboriginal Business

Remark to Contracting Authority: *Use this option when some of the certifications will be a condition precedent to contract award AND some certifications must be provided with the bid by solicitation closing date. Add the applicable certifications from the list contained in Options 1 and 2 respectively. Delete this option if it is not applicable.*

OPTION 3

1. Certifications Precedent to Contract Award and Certifications Required with the Bid

Bidders must submit the certifications as provided below:

1.1 Certifications Precedent to Contract Award

The certifications listed below should be completed and submitted with the bid but may be submitted afterwards. If any of these required certifications is not completed and submitted as requested, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within that time period will render the bid-non responsive.

(*Insert the applicable certifications in accordance with the list provided under Option 1*)

1.2 Certifications Required with the Bid

Bidders must submit the following duly completed certifications with their bid.

(*Insert the applicable certifications in accordance with the list provided under Option 2*)

PART 6 - SECURITY, FINANCIAL AND OTHER REQUIREMENTS

Remark to Contracting Authority: *Choose one of the following clauses if there are security requirements.*

1. Security Requirement

Remark to Contracting Authority: *Choose one of the following options when there are security requirements and the applicable clause provided by Canadian Industrial Security Directorate (CISD) is inserted under article 3 of Part 7. Consult 4.30.10 of the Supply Manual.*

OPTION 1: *(Use this option when the bidder has until contract award to obtain the necessary security clearances.)*

1. Before award of a contract, the following conditions must be met:

   (a) the Bidder must hold a valid organization security clearance as indicated in Part 7 - Resulting Contract Clauses;

   (b) the Bidder's proposed individuals requiring access to classified or protected information, assets or sensitive work site(s) must meet the security requirement as indicated in Part 7 - Resulting Contract Clauses;

(c) the Bidder must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites.

2. Canada will not delay the award of any contract to allow bidders to obtain the required clearance.

3. For additional information on security requirements, bidders should consult the "Security Requirements for PWGSC Bid Solicitations - Instructions for Bidders" document on the Departmental Standard Procurement Documents Web site.

OR

OPTION 2: *(Use this option when the bidder must hold the necessary security clearances at the date of bid closing.)*

1. At the date of bid closing, the following conditions must be met:

(a) the Bidder must hold a valid organization security clearance as indicated in Part 7 - Resulting Contract Clauses;

(b) the Bidder's proposed individuals requiring access to classified or protected information, assets or sensitive work site(s) must meet the security requirement as indicated in Part 7 - Resulting Contract Clauses;

(c) the Bidder must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites.

2. For additional information on security requirements, bidders should consult the "Security Requirements for PWGSC Bid Solicitations - Instructions for Bidders" document on the Departmental Standard Procurement Documents Web site.

Remark to Contracting Authority: *Include by reference SACC Manual clause A9033T if the financial bid is to be reviewed by the Cost and Price Analysis Group or the contracting authority requires an opinion as to the bidder's financial capability. If the requested information must be received either before or after the number of days indicated in the clause, the contracting authority may modify this clause accordingly. This clause may not be suitable for all bid solicitations and the contracting authority should consult the Cost and Price Analysis Group for advice before issuing the bid solicitation.*

2. Financial Capability

SACC Manual clause A9033T _____ (*insert date*) Financial Capability

Remark to Contracting Authority: *If applicable, insert in full text use SACC Manual clause E0004T when bid financial security is required. Use in conjunction with E0003T and E0008T to be included by reference under 3.1 below.*

3. Bid Financial Security

3.1 SACC Manual Clauses

Remark to Contracting Authority: *If applicable, include by reference SACC Manual clause A9130T when the requirement involves the production of or access to controlled goods. Use in conjunction with A9131C to be added in Part 7.*

4. Controlled Goods Requirement

SACC Manual clause A9130T _____ (*insert date*) Controlled Goods Program

Remark to Contracting Authority: *Insert in full text SACC Manual clause G1007T when proof of insurance is required. Where specific insurance is required, consult the Risk Management Advisory Services regarding the type of insurance and the appropriate contract provisions required.*

5. Insurance Requirements

PART 7 - RESULTING CONTRACT CLAUSES

The following clauses and conditions apply to and form part of any contract resulting from the bid solicitation.

Remark to Contracting Authority: *Use "Statement of Work" and SACC Manual clause B4007C; or alternatively, use "Requirement" and clause B4008C.*

1. Statement of Work

OR

1. Requirement

Remark to Contracting Authority: *If applicable, use SACC Manual clause A8012C in contracts for the rental of equipment when an option to purchase has been granted by the contractor. If applicable, use clause A0070C when there is an option for additional goods and/or services. If these clauses do not apply, delete and renumber the paragraphs.*

1.1 Option to Purchase

OR

1.1 Optional Goods and/or Services

1.2 Task Authorization

(If applicable, use SACC Manual clause B9030C when task authorizations are used. Consult Annex 3.3 of the Supply Manual.

2. Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada.

Remark to Contracting Authority: *Choose one of the following general conditions for the resulting contract.*

2.1 General Conditions

2030 _____ (*insert date*), General Conditions - Higher Complexity - Goods, apply to and form part of the Contract.

OR

2035 _____ (*insert date*), General Conditions - Higher Complexity - Services, apply to and form part of the Contract.

OR

2040 _____ (*insert date*), General Conditions - Research & Development, apply to and form part of the Contract.

OR

1026A _____ (*insert date*), Supplies - Firm Price, apply to and form part of the Contract.

OR

1026B _____ (*insert date*), Supplies - Cost Reimbursement, apply to and form part of the Contract.

Remark to Contracting Authority: *If applicable, use the applicable supplemental general conditions. When more than one supplemental general conditions apply to the requirement, the contracting authority must identify the supplemental general conditions in ascending numerical sequence based on the identification number.*

2.2 Supplemental General Conditions

_____ (*insert number, date and title*), apply to and form part of the Contract.

Remark to Contracting Authority: *If the requirement does not include a security requirement, delete this article, renumber the articles and revise the Table of Contents accordingly.*

3. Security Requirement

(*Consult the Canadian Industrial Security Directorate (CISD) Web site for more information. Insert the applicable clauses provided by CISD and insert the Security Requirements Check List as an annex.)*

Remark to Contracting Authority: *Choose one of the following clauses to indicate the period of the contract or the delivery date. Use SACC Manual clause A9022C in contracts for services and use in conjunction with A9009C if the contract will contain option periods. Use the clause "Delivery Date" in contracts for goods.*

4. Term of Contract

4.1 Period of the Contract

Remark to Contracting Authority: *If applicable, insert in full text SACC Manual clause A9009C and in conjunction with the clause "Period of the Contract" for service contracts only. Delete this clause if it is not* applicable.

4.2 Option to Extend the Contract

OR

Remark to Contracting Authority: *When there is a requirement for an option to purchase or for optional goods and/or services, consult article 1, "Statement of Work" or "Requirement", clause 1.1.*

4.1 Delivery Date

All the deliverables must be received on or before _____ (*insert date*).

Remark to Contracting Authority: *Use the following clause in all contracts.*

5. Authorities

5.1 Contracting Authority

The Contracting Authority for the Contract is:

Name: _____
Title: _____
Public Works and Government Services Canada
Acquisitions Branch
Directorate: _____
Address: _____

Telephone: ___-___-_____
Facsimile: ___-___-_____
E-mail address: _____

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

Remark to Contracting Authority: *Use the following clause when the term "Project Authority" will be included in the contract. If the term "Technical Authority" will be used instead, use SACC Manual clause A1030C.*

5.2 Project Authority

The Project Authority for the Contract is:

Name: _____
Title: _____
Organization: _____
Address: _____

Telephone: ___-___-_____
Facsimile: ___-___-_____
E-mail address: _____

The Project Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Project Authority; however, the Project Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

5.3 Contractor's Representative
(*Fill in or delete as applicable*)

Remark to Contracting Authority: *Insert the applicable SACC Manual clauses or approved clauses related to the basis of payment, limitation of expenditure, method of payment, audit, time verification and taxes not covered in the general conditions.*

6. Payment

Remark to Contracting Authority: *Consult subsection 5-C of the SACC Manual for clauses on basis of payment applicable to the requirement. Additional or alternate clauses may be added, as applicable.*

6.1 Basis of Payment

Remark to Contracting Authority: *Insert in full text SACC Manual clause C6001C for any contract, except firm price and ceiling price contracts. Alternatively, include by reference clause C6000C for firm price and ceiling price contracts.*

6.2 Limitation of Expenditure

(*Insert clause C6001C in full text*)

OR

6.2 Limitation of Price

SACC Manual clause C6000C _____ (*insert date*) Limitation of Price

Remark to Contracting Authority: *Insert SACC Manual clauses related to method of payment. Examples of clauses to insert in full text: H1003C, H3009C, H4012C. Examples of clauses to include by reference: H1000C, H1001C, H1008C, H3010C, H3028C. This is not an exhaustive list of examples.*

6.3 (*Insert title of applicable clause*)

(*Insert applicable clause in full text*)

OR

6.3 (***Insert title of applicable clause***)

(*Insert applicable clause by reference. See example below*)

SACC Manual clause H1000C _____ (*insert date*) Single Payment

Remark to Contracting Authority: *If applicable, include by reference SACC Manual clauses related to payment. Examples of clauses to include by reference: A9117C, C2000C, C2605C, C2608C, C2610C. This is not an exhaustive list of examples.*

6.4 SACC Manual Clauses

Remark to Contracting Authority: *If applicable, include by reference SACC Manual clauses related to discretionary audit. Examples of clauses to include by reference: C0100C, C0101C.*

6.5 Discretionary Audit

Remark to Contracting Authority: *If applicable, include by reference SACC Manual clauses related to time verification. Example of a clause to include by reference: C0711C.*

6.6 Time Verification

Remark to Contracting Authority: *Use applicable SACC Manual clauses or other approved clauses related to invoicing instructions. Invoicing instructions cover claims for progress payment (including advance and milestone payments); therefore, any reference to invoices would also cover claims for progress payment. Examples of clauses to insert in full text: H3020C, H3022C, H3024C, H5001C.*

7. Invoicing Instructions

8. Certifications

8.1 Compliance with the certifications provided by the Contractor in its bid is a condition of the Contract and subject to verification by Canada during the term of the Contract. If the Contractor

does not comply with any certification or it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.

Remark to Contracting Authority: *If applicable, include by reference SACC Manual clauses related to certifications. Examples of clauses to include by reference: A3000C, A3060C.*

8.2 SACC Manual Clauses

Remark to Contracting Authority: *Ensure the applicable law selected by the proposed contractor, or in the absence of such selection, the law indicated in the bid solicitation, is inserted in the blank. The bidder, as instructed, will be able to propose a change to the applicable laws in its bid. For the French version of the clause, the term "in" was not translated because there is no such common term in French for all the provinces and territories. Therefore, for the French version of the clause, the word "en" must be added in front of Alberta, Colombie-Britannique, Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut; the word "à" in front of Terre-Neuve-et-Labrador and l'Ile-du-Prince-Édouard, and the words "dans les" in front of Territoires du Nord-Ouest.*

9. Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____. (*Insert the name of the province or territory as specified by the bidder in its bid, if applicable*.)

Remark to Contracting Authority: *The order of documents shown below reflects current Policy and Legal advice. The contracting authority must amend the list to reflect the applicable documents and list the annexes in order of priority, as applicable. When more than one supplemental general conditions apply to the requirement, the contracting authority must identify the supplemental general conditions in ascending numerical sequence based on the identification number.*

10. Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

(a) the Articles of Agreement;
(b) the supplemental general conditions _____ (*insert number, date and title*);
(c) the general conditions _____ (*insert number, date and title*);
(d) Annex X, Statement of Work ***OR*** Requirement;
(e) Annex X, Basis of Payment;
(f) Annex X, Security Requirements Check List (*if applicable*);
(g) Annex X, Insurance Requirements (*if applicable*);
(h) the signed Task Authorizations (including all of its annexes, if any) (*if applicable*);
(i) the Contractor's bid dated _____ (*insert date of bid*) (*If the bid was clarified or amended, insert at the time of contract award:*", as clarified on _____" ***or*** ", as amended on _____" *and insert date(s) of clarification(s) or amendment(s))*.

Remark to Contracting Authority: *If applicable, use the following clause when the requirement is a defence contract as defined in the Defence Production Act.*

11. Defence Contract

SACC Manual clause A9006C _____ (*insert date*) Defence Contract

Remark to Contracting Authority: *Insert additional articles not belonging under existing articles either by reference or in full text and with appropriate numbering. Examples of SACC Manual clauses: A9062C, B1501C, B4030C, B4031C, B7500C, etc. Some suggested full text and reference clauses that may be incorporated are provided below.*

12. Foreign Nationals (Canadian Contractor)

SACC Manual clause A2000C _____ (*insert date*) Foreign Nationals (Canadian Contractor)

OR

12. Foreign Nationals (Foreign Contractor)

SACC Manual clause A2001C _____ (*insert date*) Foreign Nationals (Foreign Contractor)

Remark to Contracting Authority: *Include by reference SACC Manual clause G1005C when insurance provisions do not apply to a specific requirement. Alternatively, insert in full text clause G1001C when insurance provisions apply to a specific requirement. The contracting authority should consult the Risk Management Advisory Services.*

13. Insurance

SACC Manual clause G1005C _____ (*insert date*) Insurance

OR

13. Insurance Requirements
(*Insert G1001C in full text*)

14. Controlled Goods Program
(*If applicable, include by reference SACC Manual clause A9131C when there is production of or access to controlled goods.)* Use this clause in conjunction with B4060C when the contract is for DND.

SACC Manual clause A9131C _____ (*insert date*), Controlled Goods Program

Remark to Contracting Authority: *If applicable, insert in full text SACC Manual clauses related to limitation of liability. Examples of clauses to be inserted in full text: N0000C, N0001C, N0002C, N0003C. Legal should be consulted for the applicable clause, as required.*

15. Limitation of Liability

Remark to Contracting Authority: *If applicable, insert SACC Manual clauses for contract financial security. Example of clauses to insert in full text: E0005C, E0007C, E5000C or E8000C. Example of a clause to include by reference: E0008C. Additional or alternate clauses may be added, as applicable.*

16. *(Insert title of applicable clause, and revise the Table of Contents accordingly)*

(*If applicable, insert the following*)
16.1 SACC Manual clause E0008C _____ (*insert date*) Financial Security Definition

17. (....)

ANNEX X

STATEMENT OF WORK

OR

REQUIREMENT

(*insert if applicable*)

ANNEX X

BASIS OF PAYMENT

(*insert if applicable*)

ANNEX X

SECURITY REQUIREMENTS CHECK LIST

(*insert if applicable*)

ANNEX X

INSURANCE REQUIREMENTS

(*Insert if applicable*)

2T-LDV1 (2010/01/11) Low Dollar Value Bid Solicitation and Resulting Contract Template

***Remark to Contracting Authority**: Use the following template for low dollar value competitive and non-competitive requirements for goods, services or both. The contracting authority should refer to the procedures 2T-PROC1 when using this template.*

The contracting authority must delete all unused choices and the "Remark to Contracting Authority" before issuing the bid solicitation.

PART 1 - INFORMATION AND INSTRUCTIONS

Remark to Contracting Authority: Choose one of the following clauses.

1. Security Requirement

There is a security requirement associated with the requirement. For additional information, consult Part 1 - Information and Instructions, clause 6.X, Security Requirement, and Part 2 - Resulting Contract Clauses.

OR

There is no security requirement associated with the requirement.

***Remark to Contracting Authority**: Use the appropriate title "Statement of Work" or "Requirement" and use the same title throughout the document. Insert a brief description of the requirement or refer to the "Statement of Work" or "Requirement" in the resulting contract. Use SACC Manual clause B4007T or B4008T.*

2. Statement of Work

OR

2. Requirement

***Remark to Contracting Authority**: Consult section 02 of standard instructions 2003 or 2004 as applicable, before adding clauses to ensure there is no redundancy in the document.*

3. Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada.

Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contract.

The 2003 _____ (*insert date*) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

OR

For non-competitive requirements, delete the paragraph referring to standard instructions 2003 above and insert the following:

The 2004 _____ (*insert date*) Standard Instructions - Goods or Services - Non-competitive

Requirements, are incorporated by reference into and form part of the bid solicitation.

***Remark to Contracting Authority**: If applicable, include by reference SACC Manual clauses for specific instructions not covered by the standard instructions. Examples of clauses to include by reference: B3000T, B4024T, C3010T, C3011T, etc. Before adding a SACC Manual clause, consult the Remarks within the clause.*

3.1 SACC Manual Clauses

***Remark to Contracting Authority**: Consult sections 04 to 09 of standard instructions 2003, or sections 04 and 05 of standard instructions 2004 as applicable, before adding clauses to ensure there is no redundancy in the document. Bids resulting from a competitive bid solicitation below $25,000 (including applicable taxes) may be submitted to the contracting authority instead of a designated bid receiving area.*

4. Submission of Bids

***Remark to Contracting Authority**: Choose one of the following clauses based on whether the bid is to be submitted to the Bid Receiving Unit or the contracting authority. Consult subsection 4.2(d) of standard instructions 2003.*

4.1 Bids must be submitted only to Public Works and Government Services Canada Bid Receiving Unit by the date, time and place indicated on page 1 of the bid solicitation.

OR

4.1 Bids must be submitted to the Contracting Authority identified in the bid solicitation and in Part 2 - Resulting Contract Clauses, article 5, by _____ (*insert closing time and date*).

***Remark to Contracting Authority**: Consult section 12 of standard instructions 2003 before adding clauses to ensure there is no redundancy in the document.*

5. Enquiries - Bid Solicitation

All enquiries must be submitted to the Contracting Authority no later than _____ (____) calendar days before the bid closing date. Enquiries received after that time may not be answered.

***Remark to Contracting Authority**: If applicable, use SACC Manual clauses or other approved clauses.*

6. Evaluation Procedures

Bids received will be assessed in accordance with the entire requirement of the bid solicitation including the technical and financial evaluation criteria specified below:

***Remark to Contracting Authority:** It is important that contracting officers ensure mandatory criteria represent truly essential requirements. The number of mandatory criteria should be minimized in order to increase the probability of receiving responsive bids. Consult 4.35.1 of the Supply Manual.*

6.1 Technical Evaluation

All bids must be completed in full and provide all of the information requested in the bid solicitation to enable full and complete evaluation.

Mandatory Technical Criteria (*if applicable*)
(*Insert mandatory technical evaluation criteria*)

6.X Financial Evaluation

(*Insert financial evaluation criteria. Examples of SACC manual clauses: A0220T, A0222T*)

6.X Basis of Selection

(*Insert the basis of selection or use the applicable SACC Manual clauses. Examples of clauses: A0031T, A0069T*)

***Remark to Contracting Authority**: Use the following clause for non-competitive requirements in conjunction with standard instructions 2004, in article 3 above. Delete this clause for competitive requirements.*

6.X Price Support

The Bidder must provide price support as detailed in section 07 of 2004, Standard Instructions - Goods or Services - Non-competitive Requirements.

***Remark to Contracting Authority**: Choose one of the following clauses if there are security requirements.*

6.X Security Requirement

***Remark to Contracting Authority**: Choose one of the following options when there are security requirements and the applicable clause provided by Canadian Industrial Security Directorate (CISD) is inserted under article 1 of Part 2. Consult 4.30.10 of the Supply Manual.*

OPTION 1: *(Use this option when the bidder has until contract award to obtain the necessary security clearances.)*

1. Before award of a contract, the following conditions must be met:

   (a) the Bidder must hold a valid organization security clearance as indicated in Part 2 - Resulting Contract Clauses;

   (b) the Bidder's proposed individuals requiring access to classified or protected information, assets or sensitive work site(s) must meet the security requirement as indicated in Part 2 - Resulting Contract Clauses;

   (c) the Bidder must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites.

2. Canada will not delay the award of any contract to allow bidders to obtain the required clearance.

3. For additional information on security requirements, bidders should consult the "Security Requirements for PWGSC Bid Solicitations - Instructions for Bidders" document on the Departmental Standard Procurement Documents Web site.

OR

OPTION 2: *(Use this option when the bidder must hold the necessary security clearances at the date of bid closing.)*

1. At the date of bid closing, the following conditions must be met:

   (a) the Bidder must hold a valid organization security clearance as indicated in Part 2 - Resulting Contract Clauses;

   (b) the Bidder's proposed individuals requiring access to classified or protected information, assets or sensitive work site(s) must meet the security requirement as indicated in Part 2 - Resulting Contract Clauses;

(c) the Bidder must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites.

2. For additional information on security requirements, bidders should consult the "Security Requirements for PWGSC Bid Solicitations - Instructions for Bidders" document on the Departmental Standard Procurement Documents Web site.

***Remark to Contracting Authority**: Indicate the laws of which Canadian province or territory Canada proposes to apply to the resulting contract. The bidder, as instructed, may propose a change to the applicable laws in its bid. For the French version of the article, the term "in" was not translated because there is no such common term in French for all the provinces and territories. Therefore, the word "en" must be added in front of Alberta, Colombie-Britannique, Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut; the word "à" in front of Terre-Neuve-et-Labrador and l'Ile du Prince Édouard; and the words "dans les" in front of Territoires du Nord-Ouest.*

7. Applicable Laws

Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____ (*Insert the name of the province or territory*).

Bidders may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the bidders.

***Remark to Contracting Authority:** Consult 7.35, 7.40, 7.45 of the Supply Manual and PN-91, Debriefings and Regret Letters.*

8. Debriefings

After contract award, bidders may request a debriefing on the results of the bid solicitation. Bidders should make the request to the Contracting Authority within 15 working days of receipt of notification that their bid was unsuccessful. The debriefing may be provided in writing, by telephone or in person.

PART 2 - RESULTING CONTRACT CLAUSES

1. Security Requirement

(*Consult the Canadian Industrial Security Directorate (CISD) Web site for more information. Insert the applicable clauses provided by CISD and insert the Security Requirements Check List as an annex*.)

OR

There is no security requirement associated with the requirement.

***Remark to Contracting Authority**: Use "Statement of Work" and SACC Manual clause B4007C or alternatively use "Requirement" and clause B4008C.*

2. Statement of Work

OR

2. Requirement

3. Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada.

3.1 General Conditions

2029 _____ (*insert date*) General Conditions - Goods or Services (Low Dollar Value) apply to and form part of the Contract.

***Remark to Contracting Authority**: Insert requirements related to delivery date, period of the contract and option. Use SACC Manual clause A9022C in contracts for services or use the clause "Delivery Date" in contracts for goods.*

4. Term of Contract

4.1 Period of the Contract

OR

4.1 Delivery Date

All the deliverables must be received on or before _____ (*insert the date*).

***Remark to Contracting Authority**: If applicable, insert in full text pertinent SACC Manual clause A0070C, A8012C, A9009C. Delete this clause if it is not applicable.*

4.2 ...

5. Authorities

5.1 Contracting Authority

The Contracting Authority for the Contract is:

Name: _____
Title: _____
Public Works and Government Services Canada
Acquisitions Branch
Directorate: _____
Address: _____

Telephone : ___ ___ _____
Facsimile: ___ ___ _____
E-mail address: _____

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

***Remark to Contracting Authority**: If applicable, use the following clause and fill in at contract award only. If the term "Technical Authority" is to be used instead, use SACC Manual clause A1030C.*

5.2 Project Authority

The Project Authority for the Contract is:

Name: _____
Title: _____
Organization: _____
Address: _____

Telephone: ___ ____ _____
Facsimile: ___ ___ _____
E-mail address: _____

The Project Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Project Authority, however the Project Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

5.3 Contractor's Representative
(*Fill in or delete as applicable*)

***Remark to Contracting Authority**: Insert in full text the appropriate SACC Manual clauses or approved clauses related to the basis of payment, limitation of expenditure, method of payment, audit and taxes not covered in the general conditions. Consult sections 10 and 11 of general conditions 2029 before adding clauses to ensure there is no redundancy in the document.*

6. Payment

***Remark to Contracting Authority**: Use the applicable SACC Manual clauses (consult subsection 5-C of the SACC Manual) or approved clause. Examples of clauses: C0206C, C0207C, C0401C, C1200C.*

6.1 Basis of Payment

***Remark to Contracting Authority**: Insert in full text SACC Manual clause C6001C for any contract except firm price and ceiling price contracts. Alternatively, include by reference clause C6000C for firm price and ceiling price contracts.*

6.2 Limitation of Expenditure
(*Insert clause C6001C in full text*)

OR

6.2 Limitation of Price

SACC Manual clause C6000C _____ (*insert date*) Limitation of Price

***Remark to Contracting Authority**: Insert SACC Manual clauses related to method of payment. Examples of clauses to include by reference: H1000C, H1001C, H1008C, H3027C. This is not an exhaustive list of examples.*

6.3 (*Insert title of applicable clause*)
(*Insert applicable clause by reference. See example below*)

SACC Manual clause H1000C _____ (*insert date*) Single Payment

OR

6.3 (*Insert title of applicable clause*)
(*Insert applicable clause in full text*)

***Remark to Contracting Authority**: If applicable, use SACC Manual clauses. Examples of clauses to include by reference: A9117C, C0100C, C0101C, C2000C, C2605C, C2608C, C2610C.*
6.4 SACC Manual Clauses

***Remark to Contracting Authority**: If applicable, insert in full text additional clauses with appropriate numbering (e.g. 6.5, 6.6, etc.)*
6.5 .....

***Remark to Contracting Authority**: Use the applicable SACC Manual clause or other approved clause related to invoicing instructions. Invoicing instructions also cover progress claims and therefore any reference to invoices would also cover progress claims. Example of a clause to insert in full text: H5001C.*
7. Invoicing Instructions

***Remark to Contracting Authority**: Ensure the applicable law selected by the proposed contractor, or in the absence of such selection, the law indicated in the bid solicitation, is inserted in the blank. The Bidder, as instructed, will be able to propose a change to the applicable laws in its bid. For the French version of the clause, the term "in" was not translated because there is no such common term in French for all the provinces and territories. Therefore, for the French version of the clause, the word "en" must be added in front of Alberta, Colombie-Britannique, Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut; the word "à" in front of Terre-Neuve-et-Labrador and l'Ile-du-Prince-Édouard, and the words "dans les" in front of Territoires du Nord-Ouest.*
8. Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____ (*Insert the name of the province or territory as specified by the bidder in its bid, if applicable*).

***Remark to Contracting Authority**: The order of documents shown below reflects current Policy and Legal advice. The contracting authority must amend the list to reflect the applicable documents and list the annexes in order of priority, as applicable.*
9. Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

(a) the Articles of Agreement;
(b) 2029 _____ (*insert date*) General Conditions - Goods or Services (Low Dollar Value);
(c) Annex X, Statement of Work ***OR*** Requirement;
(d) Annex X, Basis of Payment;
(e) Annex X, Security Requirements Check List (if applicable);
(f) Annex X;
(g) the Contractor's bid dated _____ *(insert date of bid)* (*If the bid was clarified or amended, insert at time of contract award*: ", as clarified on _____" *or* ", as amended on _____" *and insert date(s) of clarification(s) or amendment(s)*).

***Remark to Contracting Authority**: If applicable, include by reference additional SACC Manual clauses not belonging under existing articles. Examples of clauses to include by reference: A9062C, A9131C, B1501C, B4030C, B4031C, B7500C, etc.*

10. SACC Manual Clauses

***Remark to Contracting Authority**: If applicable, insert in full text additional SACC Manual clauses not belonging under existing articles, as stand alone articles with appropriate numbering (e.g.. 11, 12, etc.)*

11. .....

2T-MED1 (2010/01/11) Medium Complexity Bid Solicitation and Resulting Contract Template

***Remark to Contracting Authority**: Use the following template for medium complexity competitive and non-competitive requirements for goods, services or both. The contracting authority should refer to the procedures 2T-PROC1 when using this template.*

TABLE OF CONTENTS

(*Add or delete articles from the Table of Contents and renumber as applicable. Delete all unused options and the "Remark to Contracting Authority" before issuing the bid solicitation*.)

PART 1 - GENERAL INFORMATION

1. Security Requirement
2. Statement of Work ***OR*** Requirement (*choose as applicable*)
3. Set-aside for Comprehensive Land Claims Agreement(s) Beneficiaries (if applicable)
4. Set-aside under the Federal Government's Procurement Strategy for Aboriginal Business (PSAB) (*if applicable*)
5. Communications Notification
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PART 2 - BIDDER INSTRUCTIONS

1. Standard Instructions, Clauses and Conditions
2. Submission of Bids
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PART 3 - BID PREPARATION INSTRUCTIONS

1. Bid Preparation Instructions

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

1. Evaluation Procedures
2. Basis of Selection
3. Security Requirement (if applicable)

PART 5 - CERTIFICATIONS

1. Certifications Precedent to Contract Award ***OR***
   Certifications Required with the Bid ***OR***
   Certifications Precedent to Contract Award and Certifications Required with the Bid (*if applicable*)

PART 6 - RESULTING CONTRACT CLAUSES

1. Security Requirement
2. Statement of Work ***OR*** Requirement (*choose as applicable*)
3. Standard Clauses and Conditions
4. Term of Contract
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6. Payment

7. Invoicing Instructions
8. Certifications
9. Applicable Laws
10. Priority of Documents
11. Defence Contract (*if applicable*)
12. SACC Manual Clauses
13. ..... (*if applicable*)

List of Annexes: (c*hoose and add annexes, if applicable*)

Annex X Statement of Work ***OR*** Requirement (*choose as applicable*)
Annex X Security Requirements Check List (*if applicable*)

PART 1 - GENERAL INFORMATION

Remark to Contracting Authority*: Choose one of the following clauses.*

1. Security Requirement

There is a security requirement associated with the requirement. For additional information, consult Part 4 - Evaluation Procedures and Basis of Selection, and Part 6 - Resulting Contract Clauses.

OR

There is no security requirement associated with the requirement.

Remark to Contracting Authority*: Use the appropriate title "Statement of Work" or "Requirement" and use the same title throughout the document. Insert a brief description of the requirement or refer to the "Statement of Work" or "Requirement" in the resulting contract. Use SACC Manual clause B4007T or B4008T*.

2. Statement of Work

OR

2. Requirement

Remark to Contracting Officer: *For requirements that have been reserved for beneficiaries of a Comprehensive Land Claims Agreement (CLCA), further to a right of first refusal under one or more CLCAs, the following sentence must be inserted.*

3. Set-aside for Comprehensive Land Claims Agreement(s) Beneficiaries

"This procurement is reserved for beneficiaries of the following Comprehensive Land Claims Agreement(s) (CLCAs) : _____ (insert the applicable CLCA(s)) under _____ (insert the applicable paragraph number(s))."

Insert the following sentence, if applicable:

"This procurement is set aside from the international trade agreements under the provision each has for set-asides for small and minority businesses."

Insert the following sentence, if applicable:

"Further to Article 1802 of the Agreement on Internal Trade (AIT), AIT does not apply to this procurement."

Remark to Contracting Authority: *For requirements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB), the following sentence must be inserted.*

4. Set-aside under the Federal Government's Procurement Strategy for Aboriginal Business (PSAB)

"This procurement is set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB)."

Insert the following sentence, if applicable:

"This procurement is set aside from the international trade agreements under the provision each has for set-asides for small and minority businesses."

Insert the following sentence, if applicable:

"Further to Article 1802 of the Agreement on Internal Trade (AIT), AIT does not apply to this procurement."

5. Communications Notification

As a courtesy, the Government of Canada requests that successful bidders notify the Contracting Authority in advance of their intention to make public an announcement related to the award of a contract.

Remark to Contracting Authority: *Consult 7.35, 7.40, 7.45 of the Supply Manual and PN-91, Debriefings and Regret Letters.*

6. Debriefings

After contract award, bidders may request a debriefing on the results of the bid solicitation. Bidders should make the request to the Contracting Authority within 15 working days of receipt of notification that their bid was unsuccessful. The debriefing may be provided in writing, by telephone or in person.

PART 2 - BIDDER INSTRUCTIONS

Remark to Contracting Authority*: Consult section 02 of standard instructions 2003 or 2004, as applicable, before adding clauses to ensure there is no redundancy in the document.*

1. Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada.

Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contract.

The 2003 _____ (*insert date*) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

OR

For non-competitive requirements, delete the paragraph referring to standard instructions 2003 above and insert the following:
The 2004 _____ *(insert date*) Standard Instructions - Goods or Services - Non-competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

***Remark to Contracting Authority**: The following modification to standard instructions 2003 must be added to the bid solicitation when the bids are to remain valid for more than 60 days. The contracting authority will insert the number of days the bid is to remain valid.*
Subsection 4.4 of 2003, Standard Instructions - Goods or Services - Competitive Requirements, is amended as follows:

Delete: sixty (60) days
Insert: _____ (__) days

***Remark to Contracting Authority**: If applicable, include by reference SACC Manual clauses for specific instructions not covered by the standard instructions. Examples of clauses to include by reference: B4024T, B3000T, etc. Before adding a SACC Manual clause, consult the Remarks within the clause.*
1.1 SACC Manual Clauses

***Remark to Contracting Authority**: Consult sections 04 to 09 of standard instructions 2003 before adding clauses to ensure there is no redundancy in the document.*
2. Submission of Bids
Bids must be submitted only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit by the date, time and place indicated on page 1 of the bid solicitation.

***Remark to Contracting Authority**: Use the following paragraph when transmission of bids by facsimile or electronic mail is not acceptable.*
Due to the nature of the bid solicitation, bids transmitted by facsimile or electronic mail to PWGSC will not be accepted.

***Remark to Contracting Authority**: If applicable, insert in full text additional SACC Manual clauses with appropriate numbering (e.g.. 2.1, 2.2, …). Example of a clause to include in full text: A9076T*.
2.1 …..

***Remark to Contracting Authority**: Consult section 12 of standard instructions 2003 before adding clauses to ensure there is no redundancy in the document. Responses to enquiries may have significant implications for the bid solicitation. An extension to the bid closing date should be taken into account every time a response is provided to an enquiry.*
3. Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority no later than _____ (__) calendar days before the bid closing date. Enquiries received after that time may not be answered.

Bidders should reference as accurately as possible the numbered item of the bid solicitation to which the enquiry relates. Care should be taken by bidders to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a proprietary nature must be clearly marked "proprietary" at each relevant item. Items identified as "proprietary " will be treated as

such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the questions or may request that the Bidder do so, so that the proprietary nature of the question is eliminated, and the enquiry can be answered with copies to all bidders. Enquiries not submitted in a form that can be distributed to all bidders may not be answered by Canada.

***Remark to Contracting Authority**: Indicate the laws of which Canadian province or territory Canada proposes to apply to the resulting contract. The bidder, as instructed, may propose a change to the applicable laws in its bid. For the French version of the article, the term "in" was not translated because there is no such common term in French for all the provinces and territories. Therefore, the word "en" must be added in front of Alberta, Colombie-Britannique, Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut; the word "à" in front of Terre-Neuve-et-Labrador and l'Ile-du-Prince-Édouard; and the words "dans les" in front of Territoires du Nord-Ouest.*

4. Applicable Laws

Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____. (*Insert the name of the province or territory*)

Bidders may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the bidders.

***Remark to Contracting Authority**: Consult sections 04 to 09 of standard instructions 2003 or sections 04 and 05 of standard instructions 2004 before adding clauses to ensure there is no redundancy in the document.*

PART 3 - BID PREPARATION INSTRUCTIONS

1. Bid Preparation Instructions

***Remark to Contracting Authority**: If soft copies are requested, it is suggested that the same quantity be requested for both hard and soft copies.*

Canada requests that bidders provide their bid in separately bound sections as follows:

Section I: Technical Bid (_____ hard copies) (*if applicable, add* "and _____ soft copies on ___", *and specify the medium such as CD, DVD*)

Section II: Financial Bid (_____ hard copies) (*if applicable, add* "and _____ soft copies on ___", *and specify the medium such as CD, DVD*)

Section III: Certifications (_____ hard copies)

***Remark to Contracting Authority**: Insert the following when soft copies are requested; if not, delete this paragraph and the instruction.*

If there is a discrepancy between the wording of the soft copy and the hard copy, the wording of the hard copy will have priority over the wording of the soft copy.

Prices must appear in the financial bid only. No prices must be indicated in any other section of the bid.

Canada requests that bidders follow the format instructions described below in the preparation of their bid:

(a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
(b) use a numbering system that corresponds to the bid solicitation.

Section I: Technical Bid
In their technical bid, bidders should explain and demonstrate how they propose to meet the requirements and how they will carry out the Work.

***Remark to Contracting Authority**: Choose one of the following clauses or other alternate clauses, as applicable.*
Section II: Financial Bid

Bidders must submit their financial bid in accordance with the Basis of Payment. The total amount of Goods and Services Tax (GST) or Harmonized Sales Tax (HST) must be shown separately, if applicable.

***Remark to Contracting Authority:** Insert SACC Manual clause C3010T when it is proposed to offer suppliers protection against the risk of exchange rate fluctuation. Alternatively, insert clause C3011T when exchange rate fluctuation is not expected to be an issue and, therefore, it is not proposed to offer protection against it. Consult 4.65 (e) and (f) of the Supply Manual.*
1.1 SACC Manual Clauses
C3010T _____ (*insert date*), Exchange Rate Fluctuation, **OR**
C3011T _____ (*insert date*), Exchange Rate Fluctuation

Section III: Certifications
Bidders must submit the certifications required under Part 5.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

***Remark to Contracting Authority**: Use the following clause and consult subsection 4.7 of standard instructions 2003 before adding clauses to ensure there is no redundancy in the document.*
1. Evaluation Procedures

(a) Bids will be assessed in accordance with the entire requirement of the bid solicitation including the technical and financial evaluation criteria.

(b) An evaluation team composed of representatives of Canada will evaluate the bids.

OR

(b) An evaluation team composed of representatives of Canada and (*insert name of firm or consultant*) will evaluate the bids.

***Remark to Contracting Authority**: Insert the following paragraph when the competition is conditionally limited to bids offering Canadian goods and services.*
(c) The evaluation team will determine first if there are three (3) or more bids with a valid Canadian Content certification. In that event, the evaluation process will be limited to the bids with the certification; otherwise, all bids will be evaluated. If some of the bids with a valid certification are declared non-responsive, or are withdrawn, and less than three responsive bids with a valid certification remain, the evaluation will continue among those bids with a valid certification. If all bids with a valid certification are subsequently declared non-responsive, or are withdrawn, then all the other bids received will be evaluated.

***Remark to Contracting Authority**: If the evaluation criteria are too voluminous, include as an annex attached to the bid solicitation.*

It is important that the contracting authority ensures mandatory criteria represent truly essential requirements. The number of mandatory criteria should be minimized in order to increase the probability of receiving responsive bids. Consult 4.35.1 of the Supply Manual.

1.1 Technical Evaluation

1.1.1 Mandatory Technical Criteria

(*Insert mandatory technical evaluation criteria, if applicable*)

1.1.2 Point Rated Technical Criteria

(*Insert point rated technical evaluation criteria, if applicable*)

1.2 Financial Evaluation

(*Insert financial evaluation criteria, if applicable*)

SACC Manual Clause A0220T _____ (*insert date*), Evaluation of Price (*if applicable*)
SACC Manual Clause A0222T _____ (*insert date*), Evaluation of Price (*if applicable*)

2. Basis of Selection

2.1 (*Insert selection criteria. Examples of SACC Manual clauses: A0031T, A0034T, A0035T, A0036T, A0069T, etc.*)

***Remark to Contracting Authority**: Choose one of the following clauses if there are security requirements.*

3. Security Requirement

***Remark to Contracting Authority**: Choose one of the following options when there are security requirements and the applicable clause provided by Canadian Industrial Security Directorate (CISD) is inserted under article 1 of Part 6. Consult 4.30.10 of the Supply Manual.*

OPTION 1: *(Use this option when the bidder has until contract award to obtain the necessary security clearances.)*

1. Before award of a contract, the following conditions must be met:

   (a) the Bidder must hold a valid organization security clearance as indicated in Part 6 - Resulting Contract Clauses;

   (b) the Bidder's proposed individuals requiring access to classified or protected information, assets or sensitive work site(s) must meet the security requirement as indicated in Part 6 - Resulting Contract Clauses;

   (c) the Bidder must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites.

2. Canada will not delay the award of any contract to allow bidders to obtain the required clearance.

3. For additional information on security requirements, bidders should consult the "Security Requirements for PWGSC Bid Solicitations - Instructions for Bidders" document on the Departmental Standard Procurement Documents Website.

OR

OPTION 2: (*Use this option when the bidder must hold the necessary security clearances at the date of bid closing.)*

1. At the date of bid closing, the following conditions must be met:

   (a) the Bidder must hold a valid organization security clearance as indicated in Part 6 - Resulting Contract Clauses;

   (b) the Bidder's proposed individuals requiring access to classified or protected information, assets or sensitive work site(s) must meet the security requirement as indicated in Part 6 - Resulting Contract Clauses;

   (c) the Bidder must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites.

2. For additional information on security requirements, bidders should consult the "Security Requirements for PWGSC Bid Solicitations - Instructions for Bidders" document on the Departmental Standard Procurement Documents Website.

***Remark to Contracting Authority**: Choose one of the following options. Add the applicable certification(s) from the lists provided. Other certifications that have been approved by Legal and Policy may be added. Delete Part 5 if there are no certification requirements.*

PART 5 - CERTIFICATIONS

Bidders must provide the required certifications to be awarded a contract. Canada will declare a bid non-responsive if the required certifications are not completed and submitted as requested.

Compliance with the certifications bidders provide to Canada is subject to verification by Canada during the bid evaluation period (before award of a contract) and after award of a contract. The Contracting Authority will have the right to ask for additional information to verify bidders' compliance with the certifications before award of a contract. The bid will be declared non-responsive if any certification made by the Bidder is untrue, whether made knowingly or unknowingly. Failure to comply with the certifications or to comply with the request of the Contracting Authority for additional information will also render the bid non-responsive.

***Remark to Contracting Authority**: Use this option when the certifications will be a condition precedent to contract award as opposed to a mandatory requirement for evaluation purposes. This approach is recommended to ensure bids are not rejected during evaluation for lack of certifications. In the event that a bidder does not provide certifications at bid closing, the contracting authority must request these certifications before issuance of a contract. Failure by the bidder to comply will render the bid non-responsive. Delete this option if it is not applicable.*

OPTION 1

1. Certifications Precedent to Contract Award

The certifications listed below should be completed and submitted with the bid, but may be submitted afterwards. If any of these required certifications is not completed and submitted as requested, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within that time period will render the bid non-responsive.

***Remark to Contracting Authority**: If applicable, use SACC Manual clause A3030T or A3031T.*

1.1 Federal Contractors Program - Certification

***Remark to Contracting Authority**: If applicable, use SACC Manual clause A3025T or A3026T.*

1.2 Former Public Servant Certification

***Remark to Contracting Authority**: For non North American Free Trade Agreement (NAFTA) and non World Trade Organization Agreement on Government Procurement (WTO-AGP) requirements in accordance with the Canadian Content Policy, insert in full text one of the following SACC Manual certification clauses: A3051T, A3052T, A3053T, A3055T, A3056T or A3059T for all competitive bid solicitations when competition is solely limited to bids offering Canadian goods and/or services and when the certification clause is not mandatory with the bid. Consult chapters 3, 4, 5, 6 and 9 of the Supply Manual. Use in conjunction with A3050T in Part 5, and A3060C in Part 6.*

1.3 Canadian Content Certification

1.3.1 SACC Manual clause A3050T _____ (*insert date*) Canadian Content Definition

***Remark to Contracting Authority:** Use SACC Manual clause A3005T for service requirements, where specific individuals will be proposed for the work.*

1.4 Status and Availability of Resources

***Remark to Contracting Authority**: If applicable, use the applicable SACC Manual clause for non-competitive (sole bid) requirements.*

1.5 Rate or Price Certification

***Remark to Contracting Authority**: If applicable, use the following clause when education and experience of proposed individuals will be evaluated. Use in conjunction with A3015C.*

1.6 Education and Experience

1.6.1 SACC Manual clause A3010T _____ (*insert date*) Education and Experience

***Remark to Contracting Authority**: Use this option when the certifications must be provided with the bid by solicitation closing date. The requirement for certifications at bid closing must only be used when these certifications are essential to the evaluation of bids at time of bid closing. Delete this option if it is not applicable.*

OPTION 2

1. Certifications Required with the Bid

Bidders must submit the following duly completed certifications with their bid.

***Remark to Contracting Authority**: For non North American Free Trade Agreement (NAFTA) and non World Trade Organization Agreement on Government Procurement (WTO-AGP) requirements in accordance with the Canadian Content Policy, insert in full text one of the following SACC Manual certification clauses: A3061T, A3062T, A3063T, A3065T, A3066T or A3069T for all competitive bid solicitations when competition is conditionally limited, OR A3051T, A3052T, A3053T, A3055T, A3056T or A3059T when solely limited, to bids offering Canadian goods and/or services; and when the certification clause is mandatory with the bid. Consult chapters 3, 4, 5, 6 and 9 of the Supply Manual. Use in*

conjunction with clause A3050T in Part 5, and A3060C in Part 6.

1.1 Canadian Content Certification

1.1.1. SACC Manual clause A3050T _____ (*insert date*) Canadian Content Definition

***Remark to Contracting Authority**: If applicable, insert SACC Manual clause A3000T and A3001T. Use in conjunction with clause A3000C. Consult Chapter 9 of the Supply Manual.*

1.2 Set-aside for Aboriginal Business

***Remark to Contracting Authority**: Use this option when some of the certifications will be a condition precedent to contract award AND some certifications must be provided with the bid by solicitation closing date. Add the applicable certifications from the list contained in Options 1 and 2 respectively. Delete this option if it is not applicable.*

OPTION 3

1. Certifications Precedent to Contract Award and Certifications Required with the Bid

Bidders must submit the certifications as provided below:

1.1 Certifications Precedent to Contract Award

The certifications listed below should be completed and submitted with the bid but may be submitted afterwards. If any of these required certifications is not completed and submitted as requested, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within that time period will render the bid non-responsive.
(*Insert the applicable certifications in accordance with the list provided under Option 1*)

1.2 Certifications Required with the Bid

Bidders must submit the following duly completed certifications with their bid.
(*Insert the applicable certifications in accordance with the list provided under Option 2*)

PART 6 - RESULTING CONTRACT CLAUSES

1. Security Requirement
(*Consult the Canadian Industrial Security Directorate (CISD) Web site for more information. Insert the applicable clauses provided by CISD and insert the Security Requirements Check List as an annex*.)

OR

There is no security requirement associated with the requirement.

***Remark to Contracting Authority**: Use "Statement of Work" and SACC Manual clause B4007C; or alternatively use "Requirement" and clause B4008C.*

2. Statement of Work

OR

2. Requirement

3. Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada.

***Remark to Contracting Authority**: Choose one of the following general conditions for the resulting contract.*

3.1 General Conditions

2010A _____ (*insert date*), General Conditions - Goods (Medium Complexity), apply to and form part of the Contract.

OR

2010B _____ (*insert date*), General Conditions - Professional Services (Medium Complexity) apply to and form part of the Contract.

OR

2010C _____ (*insert date*), General Conditions - Services (Medium Complexity) apply to and form part of the Contract.

***Remark to Contracting Authority**: Use SACC Manual clause A9022C in contracts for services and in conjunction with clause A9009C if the contract will contain option periods. Use the clause "Delivery Date" in contracts for goods.*

4. Term of Contract

4.1 Period of the Contract

OR

4.1 Delivery Date

All the deliverables must be received on or before _____ (*insert the date*).

***Remark to Contracting Authority**: If applicable, insert in full text SACC Manual clause A9009C in conjunction with the clause "Period of the Contract" for service contracts only. Delete this clause if it is not applicable.*

4.2 Option to Extend the Contract

5. Authorities

5.1 Contracting Authority

The Contracting Authority for the Contract is:

Name: _____
Title: _____
Public Works and Government Services Canada
Acquisitions Branch
Directorate: _____
Address: _____

Telephone: ___ ___ _____
Facsimile: ___ ___ _____
E-mail address: _____

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

***Remark to Contracting Authority**: If applicable, use the following clause and fill in at contract award only. If the term "Technical Authority" is to be used instead, use SACC Manual clause A1030C.*

5.2 Project Authority

The Project Authority for the Contract is:

Name: _____
Title: _____
Organization: _____
Address: _____

Telephone : ___ ___ _____
Facsimile: ___ ___ _____
E-mail address: _____

The Project Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Project Authority, however the Project Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

5.3 Contractor's Representative

(*Fill in or delete as applicable*)

***Remark to Contracting Authority**: Insert the appropriate SACC Manual clauses or approved clauses related to the basis of payment, limitation of expenditure, method of payment, audit and taxes not covered in the general conditions. Consult sections entitled "Period of Payment" and "Interest on Overdue Accounts" of the applicable general conditions before adding clauses to ensure there is no redundancy in the document.*

6. Payment

***Remark to Contracting Authority**: Consult subsection 5-C of the SACC Manual for clauses on basis of payment applicable to the requirement. Additional or alternate clauses may be added, as applicable.*

6.1 Basis of Payment

***Remark to Contracting Authority**: Insert in full text SACC Manual clause C6001C for any contract except firm price and ceiling price contracts. Alternatively, include by reference clause C6000C for firm price and ceiling price contracts.*

6.2 Limitation of Expenditure

(*Insert clause C6001C in full text*)

OR

6.2 Limitation of Price

SACC Manual clause C6000C _____ (*insert date*) Limitation of Price

***Remark to Contracting Authority**: Insert SACC Manual clauses related to method of payment. Examples of clauses to insert in full text: H1003C, H3009C, H4012C. Examples of clauses to include by reference: H1000C, H1001C, H1008C, H3010C, H3028C. This is not an exhaustive list of examples.*

6.3 (*Insert title of applicable clause*)

(*Insert applicable clause in full text*)

OR

6.3 (*Insert title of applicable clause*)

(*Insert applicable clause by reference. See example below*)

SACC Manual clause H1000C _____ (*insert date*) Single Payment

***Remark to Contracting Authority**: If applicable, include by reference SACC Manual clauses related to payment. Examples of clauses to include by reference: A9117C, C0100C, C0101C, C2000C, C2605C, C2608C, C2610C. This is not an exhaustive list of examples.*

6.4 SACC Manual Clauses

***Remark to Contracting Authority**: If applicable, insert in full text additional SACC Manual clauses with appropriate numbering (e.g.. 6.5, 6.6, etc.)*

6.5 ....

***Remark to Contracting Authority**: Use applicable SACC Manual clauses or other approved clauses related to invoicing instructions. Invoicing instructions also cover claims for progress payment; therefore any reference to invoices would also cover claims for progress payment. Examples of clauses to insert in full text: H3020C, H3022C, H3024C, H5001C.*

7. Invoicing Instructions

8. Certifications

8.1 Compliance with the certifications provided by the Contractor in its bid is a condition of the Contract and subject to verification by Canada during the term of the Contract. If the Contractor does not comply with any certification or it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.

***Remark to Contracting Authority**: If applicable, include by reference SACC Manual clauses related to certifications. Examples of clauses to include by reference: A3000C, A3060C.*

8.2 SACC Manual Clauses

***Remark to Contracting Authority**: Ensure the applicable law selected by the proposed contractor, or in the absence of such selection, the law indicated in the bid solicitation, is inserted in the blank. The bidder, as instructed, will be able to propose a change to the applicable laws in its bid. For the French version of the clause, the term "in" was not translated because there is no such common term in French for all the provinces and territories. Therefore, for the French version of the clause, the word "en" must be added in*

front of Alberta, Colombie-Britannique, Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut; the word "à" in front of Terre-Neuve-et-Labrador and l'Ile-du-Prince-Édouard, and the words "dans les" in front of Territoires du Nord-Ouest.

9. Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____. (*Insert the name of the province or territory as specified by the Bidder in its bid, if applicable*)

Remark to Contracting Authority: *The order of documents shown below reflects current Policy and Legal advice. The contracting authority must amend the list to reflect the applicable documents and list the annexes in order of priority, as applicable.*

10. Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

(a) the Articles of Agreement;
(b) 2010**X** _____ (*insert the number, date and title of the general conditions identified under clause 3.1*);
(c) Annex X, Statement of Work ***OR*** Requirement;
(d) Annex X, Security Requirements Check List (*if applicable*);
(e) the Contractor's bid dated _____ (*insert date of bid*) (*If the bid was clarified or amended, insert at the time of contract award*: ", as clarified on _____" ***or*** ", as amended on_____ " *and insert date(s) of clarification(s) or amendment(s)*)

Remark to Contracting Authority*: If applicable, use the following clause when the requirement is a defence contract as defined in the Defence Production Act.*

11. Defence Contract

SACC Manual clause A9006C _____ (*insert date*) Defence Contract

Remark to Contracting Authority*: If applicable, include by reference additional SACC Manual clauses not belonging under existing articles. Examples of clauses to include by reference: A9062C, A9131C, B1501C, B4030C, B4031C, B7500C, etc.*

12. SACC Manual Clauses

Remark to Contracting Authority*: If applicable, insert in full text additional SACC Manual clauses not belonging under existing articles, as stand alone articles with appropriate numbering (e.g. 13, 14, etc.)*

13. ...

ANNEX "X"

STATEMENT OF WORK

OR

REQUIREMENT

(*Insert if applicable*)

ANNEX "X"

SECURITY REQUIREMENTS CHECK LIST

(*insert if applicable*)

2T-PROC1 (2010/01/11) Procedures for Using the Departmental Standard Procurement Templates

The departmental standard procurement documents are available on the Departmental Standard Procurement Documents Web site.

The development of the departmental standard procurement documents is a key initiative in support of departmental priorities. These standard documents include templates for bid solicitation and resulting contract, standard instructions and general conditions. These standard documents have been developed in consultation with Public Works and Government Services Canada's (PWGSC) Legal Services Branch.

These documents must be used for all competitive and non-competitive requirements for goods, services or both (excluding construction and architectural and engineering requirements). The three different types of procurement are low dollar value, medium and higher complexity as detailed in item 2. The procedures for using the request for standing offers template for goods, services or both are detailed in 2T-PROC2 and the procedures for using the request for supply arrangements template are detailed in 2T-PROC3 of the *Standard Acquisition Clauses and Conditions* (SACC) Manual.

To maintain a "common look and feel" for the standard procurement documents, contracting officers must not modify or change the order and content of these templates except where indicated in the template. For more details, consult item 3.

For the purposes of the template, the main headings are referred to as "articles" and are identified by a unique numbering system 1, 2, etc. SACC Manual clauses or other approved clauses added to the template under an article will be addressed as "clauses". Clauses in all parts of the template are numbered 1.1, 1.2, 2.1, 2.2, etc.

1. Procedures for using the standard procurement documents

(a) As a starting point, contracting officers must determine which general conditions apply to a specific requirement. Contracting officers must then decide which template applies, either the low dollar value, medium or higher complexity. Consult item 2 for the inclusions and exclusions for each template.

(b) Contracting officers may add SACC Manual clauses, other approved clauses, and annexes to the template to meet specific commodity needs, as follows:

(i) by ensuring there are no contradictions, inconsistencies and redundancies in the clauses throughout the template, the standard instructions and the general conditions;

(ii) by including by reference SACC Manual clauses, with no blanks to be filled in, under "SACC Manual Clauses" in the applicable part of the template;

(iii) by inserting in full text SACC Manual clauses with blanks or other approved clauses, under the applicable part of the templates;

(iv) by incorporating all other pertinent clauses that do not belong under existing articles as stand-alone articles at the end of the applicable part of the template, to address commodity requirements, as required;

(v) by deleting any reference to "Derived from" in the bid solicitation.

(c) Contracting officers should:

(i) use the "master" template as a reference tool;

(ii) pay close attention to the "Remark" in blue italics, that are for your benefit;

(iii) revise the Table of Contents to reflect articles added as stand-alone or deleted articles as well as additional annexes;

(iv) delete all unused choices and the "Remark" before issuing the bid solicitation;

(v) familiarize themselves with the content of the standard instructions and general conditions;

vi) consult the comparative charts for various general conditions contained on the Departmental Standard Procurement Documents Web site;

(vii) insert SACC Manual clauses or other approved clauses only after ensuring there are no contradictions, inconsistencies and redundancies with standard instructions and general conditions;

(viii) ensure appropriate clause usage; refer to the e-mail of January 12, 2007, from the Executive Director, Acquisitions Operations, entitled "Reminder to all contracting staff on appropriate clause usage";

(ix) when awarding a contract, use the resulting contract portion of the template and delete the bid solicitation portion;

(x) be aware that, in English, the words "Contractor", "Bidder", "Work", "Contract" and "Contracting Authority" are capitalized when they are in the singular and preceded by "the" as they are defined in the Contract, with the exception of "Bidder". In French, this rule for capitalization does not apply;

(xi) use the phrase "Canada requests..." or the word "should" when it is preferred but not mandatory for the bidders to comply with the instructions provided;

(xii) use the phrase "Canada requires..." or the word "must" when it is mandatory for the bidders to comply with the instructions provided.

2. Types of Procurement

Three different types of bid solicitation and resulting contract templates have been developed for competitive and non-competitive requirements for goods, services or both as follows:

(a) low dollar value;
(b) medium complexity;
(c) higher complexity.

Contracting officers must use the templates in accordance with the following parameters:

(a) **2T-LDV1 - Low Dollar Value Bid Solicitation and Resulting Contract Template**

(i) This template applies to:

- low risk requirements;

- requirements with highly predictable application of standard clauses and conditions;

- requirements below $25,000 (including all applicable taxes);

- requirements with standard well-defined requirements and specification;

- requirements for which selection is based on the lowest-priced bid, which may include mandatory evaluation criteria.

(ii) This template does not apply to:

- low dollar value requirements with point-rated technical and financial evaluation criteria (refer to the medium complexity template 2T- MED1);

- standing offers;

- supply arrangements;

- construction and architectural and engineering contracting requirements;

- Canadian Commercial Corporation requirements;

- requirements subject to Comprehensive Land Claims Agreements;

- requirements set aside under Procurement Strategy for Aboriginal Business.

(iii) A few examples of requirements that fall under low dollar value requirements:

- telephone buys;

- requirements for preconfigured product specifications;

- some services requirements;

- off-the-shelf commercial aviation parts;

- off-the-shelf commercial products.

(iv) The following standard instructions and general conditions are used with this template:

- 2003, Standard Instructions - Goods or Services - Competitive Requirements (included by reference under Part 1 of the template for competitive bid solicitation); or

- 2004, Standard Instructions - Goods or Services - Non-competitive Requirements (included by reference under Part 1 of the template for non-competitive bid solicitation); and

- 2029, General Conditions - Goods or Services (Low Dollar Value) (included by reference under Part 2 of the template).

The low dollar value template must not be used when supplemental general conditions are required.

(b) **2T-MED1 - Medium Complexity Bid Solicitation and Resulting Contract Template**

(i) This template applies to:

- medium risk requirements;

- requirements with standard, well-defined requirements and specifications;

- requirements with a predictable application of standard clauses and conditions;

- requirements that may involve a high volume of transactions;

- requirements for which the evaluation and selection are based on price and technical criteria.

(ii) This template does not apply to:

- standing offers;

- supply arrangements;

- construction and architectural and engineering contracting requirements;

- Canadian Commercial Corporation requirements.

- Major Crown Projects where legal agreements are used and requirements where clauses and conditions are generally not applicable and where contracting is completely a forward-looking strategic pursuit of solutions (some information management/information technology, secure channel, Government of Canada Marketplace, Maritime Helicopters Project, etc.)

(iii) A few examples of requirements that fall under medium complexity requirements include:

- off-the-shelf commercial products;

- off-the-shelf electrical and electronics products;

- off-the-shelf commercial spare parts with military specifications;

- standard service requirements (i.e. snow or garbage removal, cleaning, window washing, maintenance, etc.);

- standard information management/information technology requirements.

(iv) The following standard instructions and general conditions are used with this template:

- 2003, Standard Instructions - Goods or Services - Competitive Requirements (included by reference under Part 2 of the template for competitive bid solicitation); or

- 2004, Standard Instructions - Goods or Services - Non-competitive Requirement (included by reference under Part 1 of the template for non-competitive bid solicitation); and

- 2010A, General Conditions - Goods (Medium Complexity) (included by reference under Part 6 of the template) or

- 2010B, General Conditions - Professional Services (Medium Complexity) (included by reference under Part 6 of the template) or

- 2010C, General Conditions - Services (Medium Complexity) (included by reference under Part 6 of the template).

(v) Other general conditions identified for higher complexity requirements may be used with the medium complexity template if the requirement is not sufficiently complex to warrant the use of the higher complexity template, and if it is determined that there is a need to include conditions that are not part of general conditions 2010A, 2010B or 2010C but are essential for a specific requirement.

Contracting officers may consult the "comparative chart of general conditions" available on the Departmental Standard Procurement Documents Web site, which provide a comparison of various general conditions with the general conditions 2029 and 2010A, 2010B or 2010C.

(c) **2T-HIGH1 - Higher Complexity Bid Solicitation and Resulting Contract Template**

(i) This template applies to:

- higher risk requirements including a range of different elements;

- requirements where bidders are invited to propose innovative ways to meet a specific need;

- requirements involving complex intellectual property issues (i.e. patent rights) or risk management issues (i.e. performance guarantees);

- requirements where there is a need for some development work and performance management which may involve project management;

- requirements where it is expected that a range of factors will be considered in the selection of the contractor (i.e. price, technical criteria and financial requirements).

(ii) This template does not apply to:

- standing offers;

- supply arrangements;

- construction and architectural and engineering contracting requirements;

- Canadian Commercial Corporation requirements.

- Major Crown Projects where legal agreements are used and requirements where standard clauses and conditions are generally not applicable and where contracting is completely a forward-looking strategic pursuit of solutions (i.e. some information management/information technology (IM/IT), secure channel, Government of Canada Marketplace, Maritime Helicopters Project, etc.)

(iii) A few examples of requirements that fall under higher complexity requirements include:

- research and development requirements;

- elaborate and specialized service requirements;

- IM/IT requirements;

- large aviation requirements;

- purchase of sophisticated military equipment;

- marine requirements for ship refit, ship/ship system repair and overhaul.

(iv) The following standard instructions, general conditions and supplemental general conditions are used with this template, as applicable:

- 2003, Standard Instructions - Goods or Services - Competitive Requirements (included by reference under Part 2 of the template for competitive bid solicitation)

- 2003-1, Supplemental Standard Instructions - Telecommunications (included by reference under Part 2 of the template for competitive bid solicitation for the procurement of telecommunication services or products only. Use in conjunction with standard instructions 2003);

- 2004, Standard Instructions - Goods or Services - Non-competitive Requirements (included by reference under Part 1 of the template for non-competitive bid solicitation); and

- one of the following general conditions and one or more of the supplemental general conditions as applicable to the procurement;

- 2030, General Conditions - Higher Complexity - Goods; or
- 2035, General Conditions - Higher Complexity - Services; or
- 2040, General Conditions - Research & Development; or
- 1026A, Supplies - Firm Price; or
- 1026B, Supplies - Cost Reimbursement; or
- Supplemental general conditions 4001 to 4008.

The above general conditions are for use with the higher complexity template and are recommended based on the risk associated with this requirement.

3. TIPS

(a) Use and application of the templates

(i) The format for the three different types of bid solicitation and resulting contract templates must be maintained; however, articles may be modified or deleted to address specific requirements.

(ii) The Table of Contents and the numbering must be revised to reflect any modifications made.

(b) Use and application of the templates for non-competitive requirements

The three different types of bid solicitation and resulting contract templates must be used for non-competitive requirements for goods, services or both and the templates may be modified as suggested below. Contracting officers must use standard instructions 2004 and revised any reference to standard instructions 2003, as applicable.

(i) **For 2T-LDV1 template:**

- in Part 1 - Information and Instructions, delete any articles that do not apply such as "Evaluation Criteria and Basis of Selection";

- retain Part 2 - Resulting Contract Clauses;

- before awarding the contract, delete the Part 2 title "Resulting Contract Clauses" and renumber the document, as applicable.

(ii) **For 2T-MED1 template**:

- delete articles in Part 1 - General Information, that do not apply;

- delete article 3 of Part 2 - Bidder Instructions, if required;

- modify articles in Part 3 - Bid Preparation Instructions, as applicable;

- modify or delete articles in Part 4 - Evaluation Procedures and Basis of Selection, as applicable;

- modify or delete articles in Part 5 - Certifications, as applicable;

- retain Part 6, Resulting Contract Clauses;

- before awarding the contract, delete the Part 6 title "Resulting Contract Clauses", and renumber the document, as applicable.

(iii) **For 2T-HIGH1 template:**

- modify or delete Part 1, General Information, as applicable;

- delete articles 3, 5, 6 and 7 in Part 2, Bidder Instructions, if required;

- modify articles in Part 3 - Bid Preparation Instructions, as applicable;

- delete articles in Part 4 - Evaluation Procedures and Basis of Selection, as applicable;

- modify or delete articles in Part 5 - Certifications, as applicable;

- modify or delete articles in Part 6 - Security, Financial and Other Requirements, as applicable;

- retain Part 7 - Resulting Contract Clauses;

- before awarding the contract, delete the Part 7 title "Resulting Contract Clauses" and renumber the document, as applicable.

2T-PROC2 (2010/01/11) Procedures for Using the Request for Standing Offers Template

The departmental standard procurement documents are available on the Department Standard Procurement Documents Web site.

The development of the departmental standard procurement documents is a key initiative in support of departmental priorities. These standard documents include templates for request for standing offers, bid solicitation and resulting contract, standard instructions and general conditions. These standard documents have been developed in consultation with Public Works and Government Services Canada's (PWGSC) Legal Services Branch.

These documents must be used for all competitive and non-competitive requirements for goods, services or both (excluding construction and architectural and engineering requirements). The procedures for using the bid solicitation and resulting contract templates are detailed in 2T-PROC1; and the procedures for using the Request for Supply Arrangements template are detailed in 2T-PROC3 of the *Standard Acquisition Clauses and Conditions* (SACC) Manual.

To maintain a "common look and feel" for the standard procurement documents, contracting officers must not modify or change the order and content of these templates except where indicated in the template. For more details, consult item 2.

For the purposes of the template, the main headings are referred to as "articles" and are identified by a unique numbering system 1, 2, etc. SACC Manual clauses or other approved clauses added to the template under an article will be addressed as "clauses". Clauses in all parts of the template are numbered 1.1, 1.2, 2.1, 2.2, etc.

1. Procedures for using 2T-RFSO1, Request for Standing Offers Template

1.1 This template applies to:

(a) to standard, well defined requirements for goods, services or both;

(b) all requirements when one of the following general conditions applies: 2029, 2010A, 2010B, 2010C, 2030, 2035 or 2040;

1.2 This template does not apply to:

(a) supply arrangements;

(b) construction and architectural and engineering contracting requirements; and

(c) Canadian Commercial Corporation requirements.

1.3 The standing offer method of supply is usually considered when:

(a) one or more clients repetitively order(s) the same range of goods, services, or both and the actual demand (for example, quantity, delivery date, delivery point) is not known in advance;

(b) some of the following conditions are present:

(i) the goods, services, or both are well defined;

(ii) prearranged prices or a prearranged pricing basis can be established at the outset usually through competition, and there is no need nor any intention to negotiate them at the time of the call-up;

(iii) the goods, and services are readily available and are to be ordered (requested through a call-up) if any when the requirements arise and;

(iv) at the time of the call-up, there is no need, nor any intention to further negotiate the clauses and conditions.

For more information, consult 3.40 of the Supply Manual.

1.4 The template must be used with:

- 2006, Standard Instructions - Request for Standing Offers - Goods or Services - Competitive Requirements;

- 2007, Standard Instructions - Request for Standing Offers - Goods or Services - Non competitive Requirements;

- 2005, General Conditions - Standing Offers - Goods or Services; and

- one of the following, as applicable:

- 2029, General Conditions - Goods or Services (Low Dollar Value); **or**
- 2010A, General Conditions - Goods (Medium Complexity); **or**
- 2010B, General Conditions - Professional Services (Medium Complexity); **or**
- 2010C, General Conditions - Services (Medium Complexity); **or**
- 2030, General Conditions - Higher Complexity - Goods; **or**
- 2035, General Conditions - Higher Complexity - Services; **or**
- 2040, General Conditions - Research & Development.

Request for Standing Offers Standard Instructions (Part 2 of the RFSO)	Standing Offer General Conditions (Part 6A of the RFSO)	Resulting Contract General Conditions (Part 6B of the RFSO)
2006 **OR** 2007	2005	2029 **OR** 2010A **OR** 2010B **OR** 2010C **OR** 2030 **OR** 2035 **OR** 2040

1.5 The RFSO template is divided into six (6) parts plus annexes:

(a) Part 1 - General Information;
(b) Part 2 - Offeror Instructions;
(c) Part 3 - Offer Preparation Instructions;
(d) Part 4 - Evaluation Procedures and Basis of Selection ;
(e) Part 5 - Certifications; and
(f) Part 6: A - Standing Offer; and
B - Resulting Contract Clauses; and the Annexes.

2. Procedures for using the standard procurement documents

Contracting officers may add SACC Manual clauses, other approved clauses, and annexes to the template to meet specific commodity needs, as follows:

(a) by ensuring there are no contradictions, inconsistencies and redundancies between the clauses

throughout the template, the standard instructions and the general conditions;

(b) by following this rule in using SACC Manual clauses:

(i) SACC Manual clauses in subsection "5-M" ending with "T" may be added to Part 1 - General Information; Part 2 - Offeror Instructions; Part 3 - Offer Preparation Instructions; Part 4 - Evaluation Procedures and Basis of Selection; Part 5 - Certifications, of the RFSO only. If there is no existing clause in subsection "5-M" to address a specific requirement pertaining to Offeror Instructions, clauses from other subsections with number ending with "T" may be added but will have to be modified to reflect the terminology used in standing offers. As such, these clauses will be inserted in full text as an additional clause with the appropriate numbering, ex. 1.2, 2.1, etc.;

(ii) clauses in subsection "5-M" ending with "C" may only be added to Part 6A - Standing Offer. If there is no existing clause in subsection "5-M" to address a specific requirement pertaining to Part 6A - Standing Offer, clauses from other subsections with number ending with "C" may be added but will have to be modified to reflect the terminology used in standing offers. As such, these clauses will be inserted in full text as an additional clause with the appropriate numbering, ex. 1.2, 2.1, etc.;

(iii) clauses ending with "C", with the exception of clauses in subsection "5-M", may be added to Part 6B - Resulting Contract Clauses.

(c) by including by reference SACC Manual clauses, with no blanks to be filled in, under "SACC Manual Clauses" in the applicable part of the template;

(d) by inserting in full text SACC Manual clauses with blanks or other approved clauses, under the applicable part of the templates;

(e) by incorporating all other pertinent clauses, that do not belong under existing articles as stand-alone articles at the end of the applicable part of the template to address commodity requirements, as required;

(f) by deleting any reference to "Derived from" in the RFSO;

(g) by revising the Table of Contents to reflect the insertion of new articles and deletion of articles.

3. Tips

(a) Contracting officers must ensure that:

(i) they know the standard instructions and general conditions so there are no contradictions, inconsistencies and redundancies with the clauses contained in the template, the standard instructions and the general conditions;

(ii) all instructional information contained in the template is removed before issuing the RFSO;

(iii) they take full advantage of the "Remarks" contained in the template;

(iv) they always have a hard copy of the "master" template handy as a reference tool (e.g. to consult the Remarks, etc.).

(b) Use and application of the template for non-competitive requirements

The template must be used for non-competitive requirements for goods, services or both and may be modified as suggested below. Contracting officers must use standard instructions 2007 and revise any reference to standard instructions 2006 accordingly.

- delete articles in Part 1 - General Information, that do not apply;

- delete articles 2 and 3 of Part 2 - Offeror Instructions, if required;

- modify articles in Part 3 - Offer Preparation Instructions, as applicable;

- modify or delete articles in Part 4 - Evaluation Procedures and Basis of Selection, as applicable;

- modify or delete articles in Part 5 - Certifications, as applicable;

- retain Part 6 - Standing Offer and Resulting Contract Clauses.

2T-PROC3 (2010/01/11) Procedures for Using the Request for Supply Arrangements Template

The departmental standard procurement documents are available on the Department Standard Procurement Documents Web site.

The development of the departmental standard procurement documents is a key initiative in support of departmental priorities. These standard documents include templates for request for supply arrangements, bid solicitation and resulting contract, standard instructions and general conditions. These standard documents have been developed in consultation with Public Works and Government Services Canada's (PWGSC) Legal Services Branch.

These documents must be used for all competitive and non-competitive requirements for goods, services or both (excluding construction and architectural and engineering requirements). The procedures for using the bid solicitation and resulting contract templates are detailed in 2T-PROC1; and the procedures for using the Request for Standing Offers template are detailed in 2T-PROC2 of the *Standard Acquisition Clauses and Conditions* (SACC) Manual.

To maintain a "common look and feel" for the standard procurement documents, contracting officers must not modify or change the order and content of these templates except where indicated in the template. For more details, consult item 2.

For the purposes of the template, the main headings are referred to as "articles" and are identified by a unique numbering system 1, 2, etc. SACC Manual clauses or other approved clauses added to the template under an article will be addressed as "clauses". Clauses in all parts of the template are numbered 1.1, 1.2, 2.1, 2.2, etc.

1. Procedures for using 2T-RFSA1, Request for Supply Arrangements Template

1.1 This template applies to requirements for goods, services or both that will be procured from a pool of prequalified suppliers:

(a) when all requirements are procured on a regular basis; and

(b) when one of the following general conditions applies: 2029, 2010A, 2010B, 2010C, 2030, 2035 or 2040.

1.2 This template does not apply to:

(a) construction and architectural and engineering contracting requirements; and

(b) Canadian Commercial Corporation requirements

1.3 The supply arrangement method of supply is usually considered when:

(a) a commodity is procured on a regular basis (goods or services);

(b) a standing offer is not suitable, due to variables in resulting call-ups (for example varying methods/basis of payment, or the statement of work or commodity cannot be adequately defined in advance);

(c) a simplified solicitation, undertaken by users/clients, can be used to obtain competitive bids from the pre-qualified suppliers;

(d) selection will be based on best value, as described in the supply arrangement and the subsequent solicitation; and

(e) it is more efficient for PWGSC to operate as the provider of the framework on behalf of other users/clients and not as the contracting authority.

For more information, consult 3.45 of the *Supply Manual*.

1.4 The template must be used with:

- 2008, Standard Instructions - Request for Supply Arrangements - Goods or Services;

- 2020, General Conditions - Supply Arrangement - Goods or Services; and

- one of the following general conditions, as applicable:

- 2029, General Conditions - Goods or Services (Low Dollar Value); **or**
- 2010A, General Conditions - Goods (Medium Complexity); **or**
- 2010B, General Conditions - Professional Services (Medium Complexity); **or**
- 2010C, General Conditions - Services (Medium Complexity); **or**
- 2030, General Conditions - Higher Complexity - Goods; **or**
- 2035, General Conditions - Higher Complexity - Services; **or**
- 2040, General Conditions - Research & Development.

Request for Supply Arrangements Standard Instructions (Part 2 of the RFSA)	Supply Arrangement General Conditions (Part 6A of the RFSA)	Resulting Contract General Conditions (Part 6C of the RFSA)
2008	2020	2029 **OR** 2010A **OR** 2010B **OR** 2010C **OR** 2030 **OR** 2035 **OR** 2040

1.5 The RFSA template is divided into six (6) parts plus annexes:

(a) Part I - General Information;
(b) Part 2 - Supplier Instructions;
(c) Part 3 - Arrangement Preparation Instructions;
(d) Part 4 - Evaluation Procedures and Basis of Selection;
(e) Part 5 - Certifications;
(f) Part 6: A - Supply Arrangement;
B - Bid Solicitation; and
C - Resulting Contract Clauses; and the Annexes.

2. Procedures for using the standard procurement documents

Contracting officers may add SACC Manual clauses, other approved clauses, and annexes to the template to meet specific commodity needs, as follows:

(a) by ensuring there are no contradictions, inconsistencies and redundancies between the clauses throughout the template, the standard instructions and the general conditions;

(b) by following this rule in using SACC Manual clauses:

(i) SACC Manual clauses in subsection "5-S" ending with "T" may be added to Part 1 - General Information; Part 2 - Supplier Instructions; Part 3 - Arrangement Preparation Instructions; Part 4 - Evaluation Procedures and Basis of Selection; Part 5 -

Certifications, of the RFSA only. If there is no existing clause in subsection "5-S" to address a specific requirement pertaining to Supplier Instructions, clauses from other subsections with number ending with "T" may be added but will have to be modified to reflect the terminology used in supply arrangements. As such these clauses will be inserted in full text as an additional clause with the appropriate numbering, ex. 1.2, 2.1, etc.;

(ii) clauses in subsection "5-S" ending with "C" may only be added to Part 6A - Supply Arrangement. If there is no existing clause in subsection "5-S" to address a specific requirement pertaining to Part 6A - Supply Arrangement, clauses from other subsections with number ending with "C" may be added but will have to be modified to reflect the terminology used in supply arrangements. As such, these clauses will be inserted in full text as an additional clause with the appropriate numbering, ex. 1.2, 2.1, etc.;

(iii) clauses ending with "C" with the exception of clauses in subsection "5-S" may be added to Part 6C - Resulting Contract Clauses.

(c) by including by reference SACC Manual clauses, with no blanks to be filled in, under "SACC Manual Clauses" in the applicable part of the template;

(d) by inserting in full text SACC Manual clauses with blanks or other approved clauses, under the applicable part of the templates;

(e) by incorporating all other pertinent clauses, that do not belong under existing articles as stand-alone articles at the end of the applicable part of the template to address commodity requirements, as required;

(f) by deleting any reference to "Derived from" in the request for supply arrangement;

(g) by revising the Table of Contents to reflect the insertion of new articles and deletion of articles.

3. Tips

Contracting officers must ensure that:

(a) they know the standard instructions and general conditions so there are no contradictions, inconsistencies and redundancies with the clauses contained in the template, the standard instructions and the general conditions;

(b) all instructional information contained in the template is removed before issuing the RFSA;

(c) they take full advantage of the "Remarks" contained in the templates;

(d) they always have a hard copy of the "master" template handy as a reference tool (e.g. To consult the Remarks, etc.).

2T-RFSA1 (2010/01/11) Request for Supply Arrangements Template

Remark to Supply Arrangement Authority: *Use the following template for competitive requirements for goods, services or both. The supply arrangement authority should consult the procedures 2T-PROC3 when using this template.*

Introduction:

The Request for Supply Arrangements (RFSA) template has been developed for use Department-wide as a generic document and must be used to prepare division-specific or commodity-specific templates and, therefore, contains clauses that will not necessarily apply to every procurement.

This template provides the following:

Legend*:*

This template contains remarks in blue italics to assist the Supply Arrangement Authority in preparing the RFSA.

In the final version of the RFSA, the "Remark to Supply Arrangement Authority" and unused options must be removed.

Drafting Conventions*:*

The template has been drafted by selecting certain drafting conventions. To ensure consistency in the document, the supply arrangement authority must observe these drafting conventions in any additional clauses or amendments to the clauses in the RFSA.

Word Chosen	*Words not Chosen*	*Reason for Choice*
arrangement / bid	*Agreement*	*The term "arrangement" must be used in parts 1, 2, 3, 4 and 5; the term "bid" in Part 6B, is not capitalized.*
Supplier / Bidder / Contractor	*Company, Firm*	*The term "Supplier" must be used in parts 1, 2, 3, 4, 5 and 6A; the term "Bidder" in Part 6B; and the term "Contractor" in Part 6C.*
Supply Arrangement / Contract	*Agreement*	*The term "Supply Arrangement" is used in Part 6A; the term "Contract" in Part 6C.*
Supply Arrangement Authority / Contracting Authority	*Contracting Officer / Standing Offer Authority*	*The term "Supply Arrangement Authority" is used in Part 6A, in standard instructions 2008 and general conditions 2020. However, SACC Manual clauses containing the term "Contracting Authority" will be incorporated into Part 6C.*

Statement of Work / Requirement	*Statement of Requirement*	*The template allows the Supply Arrangement Authority to select either "Statement of Work" or "Requirement". It will be necessary to do a "Find and Replace Text" to ensure the same word appears throughout the document.*
Canada	*Crown, Her Majesty, the Government*	*The terms "Canada", "Crown", "Her Majesty", "the Government" have been defined in all general conditions referring to Her Majesty the Queen in right of Canada. However the term "Canada" should be used.*

***Numbering System**:*

For the purposes of the template, the main headings are referred to as "articles" and are identified by a unique numbering system 1, 2 etc. SACC Manual clauses or other approved clauses added to the template under an article will be addressed as "clauses". Clauses in all parts of the template are numbered 1.1, 1.2, 2.1, 2.2, etc.

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PART 1 - GENERAL INFORMATION

1. Introduction

The Request for Supply Arrangements (RFSA) is divided into six parts:

(i) Part 1, General Information;

(ii) Part 2, Supplier Instructions;

(iii) Part 3, Arrangement Preparation Instructions;

(iv) Part 4, Evaluation Procedures and Basis of Selection;

(v) Part 5, Certifications, and

(vi) Part 6:
6A, Supply Arrangement,
6B, Bid Solicitation,
6C, Resulting Contract Clauses; and,
the Annexes.

Part 1: provides a general description of the requirement;

Part 2: provides the instructions applicable to the clauses and conditions of the RFSA and states that the Supplier agrees to be bound by the clauses and conditions contained in all parts of the RFSA;

Part 3: provides suppliers with instructions on how to prepare the arrangement to address the evaluation criteria specified;

Part 4: indicates how the evaluation will be conducted, the evaluation criteria which must be addressed in the arrangement, the security requirement, if applicable, and the basis of selection;

Part 5: includes the certifications to be provided;

Part 6A: includes the Supply Arrangement (SA) with the applicable clauses and conditions;

Part 6B: includes the instructions for the bid solicitation process within the scope of the SA;

Part 6C: includes general information for the conditions which will apply to any contract entered into pursuant to the SA.

The Annexes include the Statement of Work ***OR*** Requirement *(choose as applicable),* the Basis of Payment and any other annexes. *(Modify this paragraph and the Table of Contents, as applicable.*)

Remark to Supply Arrangement Authority: *The "Summary" below should contain the following, as applicable. For security requirements, consult the "Security Requirements for PWGSC Bid Solicitations - Information for PWGSC Contracting Officers" document on the Departmental Standard Procurement Documents Web site. To ensure consistency, the supply arrangement authority should use the same wording to describe the requirement in the Notice of Proposed Procurement:*

(i) a brief description of the requirement detailed under Part 6A, article 1. The description should include enough information for suppliers to decide whether to respond to the RFSA (for example, it may list sub-categories of goods or services along with the key differentiating characteristics);

(ii) for whom? (identify the client department(s) as the Identified User(s);

(iii) the period of the SA;

(iv) key information that a supplier could use in deciding whether to respond to the RFSA (for example, this may include historical volumes, the expected number and scope of the resulting supply arrangement);

(v) for requirements that contain a security requirement, the following sentence must be inserted:

> *"There is a security requirement associated with this requirement. For additional information, consult Part 4 - Evaluation Procedures and Basis of Selection, and Part 6A - Supply Arrangement."*

(vi) for requirements subject to the World Trade Organization Agreement on Government Procurement (WTO-AGP), the North American Free Trade Agreement (NAFTA), and the Agreement on Internal Trade (AIT), the following sentence should be inserted:

> *"The requirement is subject to the provisions of the World Trade Organization Agreement on Government Procurement (WTO-AGP), the North American Free Trade Agreement (NAFTA), and the Agreement on Internal Trade (AIT)."*

(vii) for requirements subject only to the AIT where the Canadian Content Policy is applicable and where competition is conditionally limited or solely limited to suppliers offering Canadian goods and/or services, the following sentence should be inserted as part of the description of the requirement:

> *"The requirement covered by the bid solicitation of any resulting supply arrangement may be subject to a preference for Canadian goods and/or services or may be limited to Canadian goods and/or services."*

(viii) for requirements that have been reserved for beneficiaries of a Comprehensive Land Claims Agreement (CLCA), further to a right of first refusal under one or more CLCAs, the following sentence must be inserted:

> *"This procurement is reserved for beneficiaries of the following Comprehensive Land Claims Agreement(s) (CLCAs): _____ (insert the applicable CLCA(s)) under _____ (insert the applicable paragraph number(s)).*

Insert the following sentence, if applicable:

> *"This procurement is set aside from the international trade agreements under the provision each has for set-asides for small and minority businesses."*

Insert the following sentence, if applicable:

> *"Further to Article 1802 of the Agreement on Internal Trade (AIT), AIT does not apply to this procurement."*

(ix) for *requirements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB), the following sentence must be inserted:*

"This procurement is set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB).

Insert the following sentence, if applicable:

"This procurement is set aside from the international trade agreements under the provision each has for set-asides for small and minority businesses."

Insert the following sentence, if applicable:

"Further to Article 1802 of the Agreement on Internal Trade (AIT), AIT does not apply to this procurement."

2. Summary

Remark to Supply Arrangement Authority: *If there is a security requirement, use the following article. If not applicable, delete the article.*

3. Security Requirement

There is a security requirement associated with the requirement of the Supply Arrangement. For additional information, see Part 4 - Evaluation Procedures and Basis of Selection, and Part 6 - Supply Arrangement and Resulting Contract Clauses.

Remarks to Supply Arrangement Authority: *Insert the following clause for requirements subject only to the Agreement on Internal Trade (AIT) when the Canadian Content Policy is applicable and the competition will be either conditionally limited or solely limited to suppliers offering Canadian goods and/or services. The Canadian Content Policy will only form part of the bid solicitation process under Part 6B of the supply arrangement*.

4. Canadian Content

The goods and/or services covered by the Supply Arrangement may be limited to Canadian goods and/or services as defined in clause A3050T.

SACC Manual clause A3050T _____ (*insert date*) Canadian Content Definition

5. Communications Notification

As a courtesy, the Government of Canada requests that successful suppliers notify the Supply Arrangement Authority in advance of their intention to make public an announcement related to the issuance of a supply arrangement or the award of a contract resulting from the Supply Arrangement.

Remark to Supply Arrangement Authority: *Consult 7.35, 7.40, 7.45 of the Supply Manual and PN-91, Debriefings and Regret Letters*

6. Debriefings

After issuance of a supply arrangement, suppliers may request a debriefing on the results of the request for supply arrangements. Suppliers should make the request to the Supply Arrangement Authority within 15 working days of receipt of notification that their arrangement was unsuccessful. The debriefing may be provided in writing, by telephone or in person.

Remark to Supply Arrangement Authority: *If applicable, use the following article to add definitions of*

key technical terms. Do not include definitions of terms that are contained in the general conditions. If some key technical terms are already contained in the statement of work (SOW), consult the SOW rather than repeat the same information and risk errors.

X. Key Terms

PART 2 - SUPPLIER INSTRUCTIONS

***Remark to Supply Arrangement Authority**: Consult section 02 of standard instructions 2008 before adding clauses to ensure there is no redundancy in the document.*

1. Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the Request for Supply Arrangements (RFSA) by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada.

Suppliers who submit an arrangement agree to be bound by the instructions, clauses and conditions of the RFSA and accept the clauses and conditions of the Supply Arrangement and resulting contract(s).

The 2008 _____ (*insert date*) Standard Instructions - Request for Supply Arrangements - Goods or Services, are incorporated by reference into and form part of the RFSA.

***Remark to Supply Arrangement Authority:** The following modification to standard instructions 2008 must be added to the Request for Supply Arrangements (RFSA) when the arrangements are to remain valid for more than 60 days. The supply arrangement authority will insert the number of days the arrangement must remain valid.*

Subsection 4.4 of 2008, Standard Instructions - Request for Supply Arrangements - Goods or Services, is amended as follows:

Delete: sixty (60) days
Insert: _____ (___) days

***Remark to Supply Arrangement Authority:** If applicable, include by reference SACC Manual clauses for specific instructions not covered by the standard instructions. Clauses in subsection "5-S" ending with "T" may be added in this part, however, if there is no existing clause in subsection "5-S" to address a specific requirement, clauses from other subsections with clause number ending with "T" (e.g. AXXXXT, etc.) may be added in this part subject to modification to reflect the terminology associated with the RFSA; and must be inserted in full text as a separate clause, e.g. 1.2, etc.*

1.1 SACC Manual Clauses

***Remark to Supply Arrangement Authority**: Consult sections 04 to 09 of standard instructions 2008 before adding clauses to ensure there is no redundancy in the document.*

2. Submission of Arrangements

Arrangements must be submitted only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit by the date, time and place indicated on page 1 of the Request for Supply Arrangements.

***Remark to Supply Arrangement Authority:** Insert the following paragraph when transmission of arrangements by facsimile or by electronic mail is not acceptable.*

Due to the nature of the Request for Supply Arrangements, transmission of arrangements by facsimile or by electronic mail to PWGSC will not be accepted.

Remark to Supply Arrangement Authority: *If applicable, insert in full text SACC Manual clauses from subsection "5-S" ending with "T"; however, if there is no existing clause in subsection "5-S" to address a specific requirement, clauses from other subsections with clause number ending with "T" (e.g. AXXXXT, etc.) may be added in this part subject to modification to reflect the terminology associated with the RFSA.*

2.1 .....

Remark to Supply Arrangement Authority: *Consult section 12 of standard instructions 2008 before adding clauses to ensure there is no redundancy in the document. Responses to enquiries may have significant implications for the RFSA. An extension to the closing date should be taken into account every time a response is provided to an enquiry.*

3. Enquiries - Request for Supply Arrangements

All enquiries must be submitted in writing to the Supply Arrangement Authority no later than _____ (____) calendar days before the Request for Supply Arrangements (RFSA) closing date. Enquiries received after that time may not be answered.

Suppliers should reference as accurately as possible the numbered item of the RFSA to which the enquiry relates. Care should be taken by suppliers to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a proprietary nature must be clearly marked "proprietary" at each relevant item. Items identified as "proprietary" will be treated as such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the questions or may request that suppliers do so, so that the proprietary nature of the question is eliminated, and the enquiry can be answered with copies to all suppliers. Enquiries not submitted in a form that can be distributed to all suppliers may not be answered by Canada.

Remark to Supply Arrangement Authority: *Indicate the laws of which Canadian province or territory Canada proposes to apply to the supply arrangement and any resulting contract. The supplier, as instructed, may propose a change to the applicable laws in the arrangement. For the French version of the article, the term "in" was not translated because there is no such common term in French for all the provinces and territories. Therefore, the word "en" must be added in front of Alberta, Colombie-Britannique, Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut; the word "à" in front of Terre-Neuve-et-Labrador and l'Ile-du-Prince-Édouard; and the words "dans les" in front of Territoires du Nord-Ouest.*

4. Applicable Laws

The Supply Arrangement (SA) and any contract awarded under the SA must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____. *(Insert the name of the province or territory.)*

Suppliers may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of the arrangement, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the suppliers.

Remark to Supply Arrangement Authority: *Consult sections 04 to 09 of standard instructions 2008 before adding clauses to ensure there is no redundancy in the document.*

PART 3 - ARRANGEMENT PREPARATION INSTRUCTIONS

1. Arrangement Preparation Instructions

Remark to Supply Arrangement Authority: *If soft copies are requested, it is suggested that the same quantity be requested for both hard and soft copies.*
Canada requests that suppliers provide the arrangement in separately bound sections as follows:

Section I: Technical Arrangement (_____ hard copies) (*if applicable, add* "and _____ soft copies on _____", *and specify the medium such as CD, DVD*)

Section II: Financial Arrangement (_____ hard copies) (*if applicable, add* "and _____ soft copies on _____", *and specify the medium such as CD, DVD*)

Section III: Certifications (_____ hard copies)

Remark to Supply Arrangement Authority: *Insert the following when soft copies are requested; if not , delete this paragraph and the instruction.*
If there is a discrepancy between the wording of the soft copy and the hard copy, the wording of the hard copy will have priority over the wording of the soft copy.

Prices must appear in the financial arrangement only. No prices must be indicated in any other section of the arrangement.

Canada requests that suppliers follow the format instructions described below in the preparation of the arrangement.

(a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
(b) use a numbering system that corresponds to that of the Request for Supply Arrangements.

Section I: Technical Arrangement
In the technical arrangement, suppliers should explain and demonstrate how they propose to meet the requirements and how they will carry out the Work.

Section II: Financial Arrangement
Suppliers must submit the financial arrangement in accordance with the _____ (*insert* "Basis of Payment detailed below" ***OR*** "Annex X, Basis of Payment"). The total amount of Goods and Services Tax or Harmonized Sales Tax must be shown separately, if applicable.
(Insert the Basis of Payment, as applicable)

Section III: Certifications
Suppliers must submit the certifications required under Part 5.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

Remark to Supply Arrangement Authority: *Use the following clause and consult subsection 4.7 of standard instructions 2008 before adding clauses to ensure there is no redundancy in the document.*

1. Evaluation Procedures

(a) Arrangements will be assessed in accordance with the entire requirement of the Request for Supply Arrangements including the technical and financial evaluation criteria.

Remark to Supply Arrangement Authority*: Use the following paragraphs, if applicable.*
(b) An evaluation team composed of representatives of Canada will evaluate the arrangements.

OR

(b) An evaluation team composed of representatives of Canada and _____ *(insert name of firm or consultant)* will evaluate the arrangements.

***Remark to Supply Arrangement Authority**:* It is important that the supply arrangement authority ensures mandatory criteria represent truly essential requirements. The number of mandatory criteria should be minimized in order to increase the probability of receiving responsive arrangements. Consult 4.35.1 of the Supply Manual.

1.1. Technical Evaluation

1.1.1 Mandatory Technical Criteria (if applicable)
(Insert mandatory technical evaluation criteria)

1.1.2 Point Rated Technical Criteria (if applicable)
(Insert point rated technical evaluation criteria)

1.2 Financial Evaluation

1.2.1 *(Insert financial evaluation criteria)*

2. Basis of Selection

2.1 *(Insert the basis of selection. Examples of SACC Manual clauses S1001T, S1002T, S2001T, S2002T, S2003T.)*

***Remark to Supply Arrangement Authority:** Choose one of the following options if there are security requirements and the applicable clause provided by Canadian Industrial Security Directorate (CISD) is inserted under article 2 of Part 6A. Consult 4.30.10 of the Supply Manual.*

3. Security Requirement

OPTION 1*:* (Use this option when the supplier has until issuance of a SA to obtain the necessary security clearances.)

1. Before issuance of a supply arrangement, the following conditions must be met:

   (a) the Supplier must hold a valid organization security clearance as indicated in Part 6A - Supply Arrangement;

   (b) the Supplier's proposed individuals requiring access to classified or protected information, assets or sensitive work site(s) must meet the security requirement as indicated in Part 6A - Supply Arrangement;

   (c) the Supplier must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites.

2. Canada will not delay the issuance of any supply arrangement to allow suppliers to obtain the required clearance.

3. For additional information on security requirements, suppliers should consult the "Security Requirements for PWGSC Bid Solicitation - Instructions for Bidders" document on the Departmental Standard Procurement Documents Web site.

OR

OPTION 2: *(Use this option when the supplier must hold the necessary security clearances at the RFSA closing date.)*

1. At the Request for Supply Arrangements closing date, the following conditions must be met:

   (a) the Supplier must hold a valid organization security clearance as indicated in Part 6A - Supply Arrangement;

   (b) the Supplier's proposed individuals requiring access to classified or protected information, assets or sensitive work site(s) must meet the security requirement as indicated in Part 6A - Supply Arrangement;

   (c) the Supplier must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites.

2. For additional information on security requirements, suppliers should consult the Security Requirements for PWGSC Bid Solicitation - Instructions for Bidders document on the Departmental Standard Procurement Documents Web site.

Remark to Supply Arrangement Authority: *Choose one of the options below. Add the applicable certification(s) from the lists provided. Other certifications that have been approved by Legal and Policy may be added. Delete Part 5 if there are no certification requirements.*

PART 5 - CERTIFICATIONS

Suppliers must provide the required certifications to be issued a supply arrangement (SA). Canada will declare an arrangement non-responsive if the required certifications are not completed and submitted as requested.

Compliance with the certifications suppliers provide to Canada is subject to verification by Canada during the arrangement evaluation period (before issuance of a SA) and after issuance of a SA. The Supply Arrangement Authority will have the right to ask for additional information to verify suppliers' compliance with the certifications before issuance of a SA. The arrangement will be declared non-responsive if any certification made by the Supplier is untrue, whether made knowingly or unknowingly. Failure to comply with the certifications or to comply with the request of the Supply Arrangement Authority for additional information will also render the arrangement non-responsive.

Remark to Supply Arrangement Authority*: Use this option when the certifications will be a condition precedent to issuance of a supply arrangement as opposed to a mandatory requirement for evaluation purposes. This approach is recommended to ensure arrangements are not rejected during evaluation for lack of certifications. In the event that a supplier does not provide certifications at the request for supply arrangement closing date, the supply arrangement authority must request these certifications before issuance of supply arrangement. Failure by the supplier to comply will render the arrangement non-responsive. Delete this option if it is not applicable.*

OPTION 1

1. Certifications Precedent to Issuance of a Supply Arrangement

The certifications listed below should be completed and submitted with the arrangement, but may be submitted afterwards. If any of these required certifications is not completed and submitted as requested, the Supply Arrangement Authority will so inform the Supplier and provide the Supplier with a time frame within which to meet the requirement. Failure to comply with the request of the Supply Arrangement Authority and meet the requirements within that time period will render the arrangement non-responsive.

***Remark to Supply Arrangement Authority**: If applicable, insert SACC Manual clause S3030T or S3031T.*

1.1 Federal Contractors Program - Certification

***Remark to Supply Arrangement Authority:** If applicable, insert SACC Manual clause S3025T.*

1.2 Former Public Servant Certification

***Remark to Supply Arrangement Authority**: Insert SACC Manual clause S3005T for service requirements, when the technical evaluation of arrangements includes minimum mandatory qualifications for resources.*

1.3 Status and Availability of Resources

1.3.1 SACC Manual clause S3005T _____ (*insert date*) Status and Availability of Resources.

***Remark to Supply Arrangement Authority:** Insert SACC Manual clause S1010T for service requirements, when the education and experience of proposed individuals will be evaluated.*

1.4 Education and Experience

1.4.1 SACC Manual clause S1010T _____ (*insert date*) Education and Experience

***Remark to Supply Arrangement Authority**: Use this option when the certifications must be provided with the arrangement by the RFSA closing date. The requirement for certifications at the RFSA closing date must only be used when these certifications are essential to the evaluation of arrangements. Delete this option if it is not applicable.*

OPTION 2

1. Certifications Required with the Arrangement

Suppliers must submit the following duly completed certifications with the arrangement.
(*Add the applicable certifications*)

***Remark to Supply Arrangement Authority:** If applicable, insert SACC Manual clauses S3035T and S3036T. Use in conjunction with S3035C. Consult Chapter 9 of the Supply Manual.*

2. Set-aside for Aboriginal Business

***Remark to Supply Arrangement Authority:** Use this option when some of the certifications will be a condition precedent to issuance of a supply arrangement AND some certifications must be provided with the arrangement by the request for supply arrangement closing date. Add the applicable certifications from the list contained in Option 1 and 2 respectively. Delete this option if it is not applicable.*

OPTION 3

1. Certifications Precedent to Issuance of a Supply Arrangement and Certifications Required with the Arrangement

Suppliers must submit the certifications as provided below:

1.1 Certifications Precedent to Issuance of Supply Arrangement

The certifications listed below should be completed and submitted with the arrangement but may be submitted afterwards. If any of these required certifications is not completed and submitted as requested,

the Supply Arrangement Authority will so inform the Supplier and provide the Supplier with a time frame within which to meet the requirement. Failure to comply with the request of the Supply Arrangement Authority and meet the requirements within that time period will render the arrangement non-responsive. *(Add the applicable certifications in accordance with the list provided under Option 1)*

1.2 Certifications Required with the Arrangement

Suppliers must submit the following duly completed certifications with the arrangement. (*Add the applicable certifications)*

PART 6 - SUPPLY ARRANGEMENT AND RESULTING CONTRACT CLAUSES

A. SUPPLY ARRANGEMENT

***Remark to Supply Arrangement Authority**: Choose one of the following clauses.*

1. Arrangement

The Supply Arrangement covers the Work described in _____ (*insert* "the Statement of Work at Annex **X**" *OR* "the Requirement at Annex **X**")

***Remark to Supply Arrangement Authority:** If the requirement does not include a security requirement, delete this article, renumber the articles, and revise the Table of Contents accordingly.*

2. Security Requirement

(*Consult the Canadian Industrial Security Directorate (CISD) Website for more information. Insert the applicable clauses provided by CISD and insert the Security Requirements Checklist as an annex.*)

***Remark to Supply Arrangement Authority**: Consult section 02 of general conditions 2020.*

3. Standard Clauses and Conditions

All clauses and conditions identified in the Supply Arrangement and resulting contract(s) by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada.

3.1 General Conditions

2020 _____ (*insert date*) General Conditions - Supply Arrangement - Goods or Services, apply to and form part of the Supply Arrangement.

***Remark to Supply Arrangement Authority:** If applicable, insert in full text SACC Manual clause S0010C when periodic usage reports are required from the supplier. Consult 8.75.1 of the Supply Manual.*

3.2 Supply Arrangement Reporting

4. Term of Supply Arrangement

***Remark to Supply Arrangement Authority:** Insert one of the clauses below. Consult section 04 of general conditions 2020. When the supply arrangement is issued for a specific period, insert the first clause. When the supply arrangement does not have an end date, insert the second clause.*

4.1 Period of the Supply Arrangement

The period for awarding contracts under the Supply Arrangement is from _____ to _____.

OR

The Supply Arrangement has no defined end-date and will remain valid until such time as Canada no longer considers it to be advantageous to use it.

The period for awarding contracts under the Supply Arrangement begins _____.

5. Authorities

5.1 Supply Arrangement Authority

The Supply Arrangement Authority is:

Name: _____
Title: _____
Public Works and Government Services Canada
Acquisitions Branch
Directorate*:* _____
Address*:* _____

Telephone: ____- ___- ____
Facsimile: ____- ___- _____
E-mail address: _____

The Supply Arrangement Authority is responsible for the issuance of the Supply Arrangement, its administration and its revision, if applicable.

5.2 Supplier's Representative

(Fill in or delete, as applicable).

Remark to Supply Arrangement Authority*: If applicable, choose one of the following clauses.*

6. Identified Users

Remark to Supply Arrangement Authority*: Use the following clause when the supply arrangement is available to any government department, agency or Crown corporation as specified below.*

The Identified Users include any government department, agency or Crown Corporation listed in Schedules I, I.1, II, III, of the *Financial Administration Act*, R.S., 1985, c. F-11.

OR

Remark to Supply Arrangement Authority*: Use the following clause when the supply arrangement is limited to a specific user. For more than one user, modify accordingly.*

The Identified User is: _____.

Remark to Supply Arrangement Authority*: If applicable, insert one of the following clauses or other approved clauses. The process for any modification of the supply arrangement is covered under section 5 of general conditions 2020 and does not need to be addressed in the clauses of the supply arrangement.*

7. On-going Opportunity for Qualification

A Notice will be posted _____ (*insert as applicable:* "once a year" *or other timeline to indicate when a RFSA will be issued*) on the Government Electronic Tendering Service (GETS) to allow new suppliers to become qualified. Existing qualified suppliers, who have been issued a supply arrangement, will not be required to submit a new arrangement.

OR

A Request for Supply Arrangements will be issued in accordance with the process set out below to allow new suppliers to become qualified. Existing qualified suppliers, who have been issued a supply arrangement, will not be required to submit a new arrangement.
(Insert the process)

Remark to Supply Arrangement Authority: *The order of documents shown below reflects current Policy and Legal advice. The supply arrangement authority must amend the list to reflect the documents applicable to each supply arrangement and list the annexes by order of priority, as applicable.*

8. Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

(a) the articles of the Supply Arrangement;
(b) the general conditions 2020 _____ (*insert date*), General Conditions - Supply Arrangement - Goods or Services
(c) Annex ___, _____; (*if applicable*)
(d) Annex ___, _____; (*if applicable*)
(e) the Supplier's arrangement dated _____ (*insert date of arrangement*) (*if the arrangement was clarified or amended, insert at the time of issuance of the arrangement:* "as clarified on _____" ***or*** "as amended _____"*. (Insert date(s) of clarification(s) or amendment(s), if applicable*).

9. Certifications

9.1 Compliance

Compliance with the certifications provided by the Supplier in the arrangement is a condition of the Supply Arrangement (SA) and subject to verification by Canada during the term of the SA and of any resulting contract that would continue beyond the period of the SA. If the Supplier does not comply with any certification or it is determined that any certification made by the Supplier in the arrangement is untrue, whether made knowingly or unknowingly, Canada has the right to terminate any resulting contract for default and suspend or cancel the SA.

Remark to Supply Arrangement Authority : *If applicable, include by reference the SACC Manual clauses related to certifications. An example of clauses to include by reference is S3035C.*

9.2 SACC Manual Clauses

Remark to Supply Arrangement Authority: *Ensure the applicable law selected by the supplier, or in the absence of such selection, the law indicated in the RFSA, is inserted in the blank. The supplier, as instructed, will be able to propose a change to the applicable laws in the arrangement. For the French version of the clause, the term "in" was not translated because there is no such common term in French*

for all the provinces and territories. Therefore, for the French version of the clause, the word "en" must be added in front of Alberta, Colombie-Britannique, Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut; the word "à" in front of Terre-Neuve-et-Labrador and l'Île-du-Prince-Édouard; and the words "dans les" in front of Territoires du Nord-Ouest.

10. Applicable Laws

The Supply Arrangement (SA) and any contract resulting from the SA must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____. *(Insert the name of the province or territory as specified by the supplier in the arrangement, if applicable).*

***Remark to Supply Arrangement Authority**: If applicable, insert in full text clauses of subsection "5-S" of the SACC Manual ending with "C" in this part, as stand alone articles with appropriate numbering.*

11. (....)

B. BID SOLICITATION

1. Bid Solicitation Documents

***Remark to Supply Arrangement Authority**: If any of the templates identified in the clause below are considered inappropriate for the requirement under the supply arrangement, the supply arrangement authority should revise the clause accordingly. For example, if the requirement under the supply arrangement is considered low or medium complexity only, the template 2T-HIGH1 would not be suitable and should not be used.*

Canada will use the bid solicitation templates 2T-LDV1 for low dollar value requirements; 2T-MED1 for medium complexity requirements; 2T-HIGH1 for more complex requirements, available in the *Standard Acquisition Clauses and Conditions* Manual based on the estimated dollar value and complexity of the requirement.

The bid solicitation will contain as a minimum the following:

(a) security requirements (*if applicable*);

(b) a complete description of the Work to be performed;

(c) 2003, Standard Instructions - Goods or Services - Competitive Requirements; ***OR*** 2004, Standard Instructions - Goods or Services - Non-competitive Requirements;

(d) bid preparation instructions;

(e) instructions for the submission of bids (address for submission of bids, bid closing date and time);

(f) evaluation procedures and basis of selection;

(g) certifications*;*
(Certifications obtained under the request for supply arrangement must not be included in the bid solicitation with the exception of the following certifications: SACC Manual A3005T, A3010T for service requirements when specific individuals will be proposed for the work. Delete this section when neither of these certifications are required.)

(h) conditions of the resulting contract.

2. Bid Solicitation Process

2.1 Bids will be solicited for specific requirements within the scope of the Supply Arrangement (SA) from suppliers who have been issued a SA.

***Remark to Supply Arrangement Authority**: Use the applicable clause.*

2.2 The bid solicitation will be posted on the Government Electronic Tendering Service (GETS).

OR

2.2 The bid solicitation will be sent directly to suppliers.

OR

2.2 The bid solicitation will be available on the following Web site _____ (*insert the Web site address*).

***Remark to Supply Arrangement Authority**: The following information must be specified in this section:*

(a) the bid solicitation process within the scope of the supply arrangement; and

(b) who will be responsible for the bid solicitation process and the award of contracts:

(i) the identified user only;
(ii) PWGSC only; or
(iii) the identified user for requirements up to a specified amount and PWGSC for requirements over the specified amount

***Remark to Supply Arrangement Authority:** The following forms must be used for the first page of the bid solicitation document and the first page of the resulting contract document. These forms are available on the Electronic Forms Catalogue Web site.*

PWGSC-TPSGC 9400-3, Bid Solicitation
PWGSC-TPSGC 9400-4, Contract.

C. RESULTING CONTRACT CLAUSES

***Remark to Supply Arrangement Authority:** Identify the applicable template(s) based on the nature of the requirement and the estimated value of individual bid solicitations that can be issued under the supply arrangement. For example, when the estimated value of the contracts to be awarded under the supply arrangement will not exceed $25,000 (Goods and Services Tax included) and the nature of the requirement is low complexity, only the 2T-LDV1 template would be used.*

1. General

The conditions of any contract awarded under the Supply Arrangement will be in accordance with the resulting contract clauses of the template used for the bid solicitation.

***Remark to Supply Arrangement Authority:** Identify the general conditions to be used with the applicable template. The applicable general conditions will be based on the nature and complexity associated with the requirement described under article 1 of Part 6A. Identify any set of supplemental*

general conditions when applicable.
For any contract to be awarded using:

(a) 2T-LDV1 (for low dollar value requirements), general conditions 2029 will apply to the resulting contract;

(b) 2T-MED1 (for medium complexity requirements), general conditions _____ (*insert the general conditions that will apply to any resulting contract based on the level of complexity of the requirement covered by the supply arrangement*);

(c) 2T-HIGH1 (for higher complexity requirements), general conditions _____ (*insert the general conditions that will apply to any resulting contract based on the level of complexity of the requirement covered by the supply arrangement*);

The above templates are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada.

ANNEX "X"

STATEMENT OF WORK

OR

REQUIREMENT

(*Insert if applicable*)

ANNEX "X"

BASIS OF PAYMENT

(*insert if applicable*)

ANNEX "X"

SECURITY REQUIREMENTS CHECK LIST

(*Insert if applicable*)

2T-RFSO1 (2010/01/11) Request for Standing Offers Template

Remark to Standing Offer Authority: *Use the following template for competitive and non-competitive requirements for goods, services or both. The standing offer authority should consult the procedures 2T-PROC2 when using this template.*

Introduction:

The Request for Standing Offers (RFSO) template has been developed for use Department-wide as a generic document and must be used to prepare division-specific or commodity-specific templates and, therefore, contains clauses that will not necessarily apply to every procurement.

This template provides the following:

Legend:

This template contains remarks in blue italics to assist the Standing Offer Authority in preparing RFSOs.

In the final version of the RFSO, the "Remark to Standing Offer Authority" and unused options must be removed.

Drafting Conventions:

The template has been drafted by selecting certain drafting conventions. To ensure consistency in the document, the standing offer authority must observe these drafting conventions in any additional clauses or amendments to the clauses in the RFSO.

Word Chosen	***Words not Chosen***	***Reason for Choice***
Offer		*The term "offer" must be used; the term is not capitalized.*
Offeror	*Supplier/Bidder*	*The term "Offeror" is used in parts 1, 2, 3, 4, 5 and 6A. The Offeror or his authorized representative must sign each offer submitted.*
Contract / call-up	*Agreement*	*All SACC Manual clauses refer to the "Contract". This term must be capitalized in English only and is used in the clauses under Part 6B.*
Standing Offer Authority	*Contracting Officer / Contracting Authority*	*The terms "Standing Offer Authority" and "Contracting Authority" are defined under Part 6A, clause 5.1. "Standing Offer Authority" is used in the RFSO, the standard instructions 2006 and 2007 and in the general conditions 2005 for standing offers . However, SACC Manual clauses contains "Contracting Authority" and will be incorporated into Part 6B .*
Statement of Work/ Requirement	*Statement of Requirement*	*The template allows the Standing Offer Authority to select either "Statement of Work" or "Requirement". It will be necessary to do a "Find and Replace Text" to ensure the same word appears throughout the document.*

Canada	*Crown, Her Majesty, the Government*	*The terms "Canada" , "Crown", "Her Majesty", "the Government " have been defined in all general conditions referring to Her Majesty the Queen in right of Canada. However, the term "Canada" should be used.*

Numbering System:

For the purposes of the template, the main headings are referred to as "articles" and are identified by a unique numbering system 1, 2 etc. SACC Manual clauses or other approved clauses added to the template under an article will be addressed as "clauses". Clauses in all parts of the template are numbered 1.1, 1.2, 2.1, 2.2, etc.

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(*Add or delete articles from the Table of Contents and renumber, as applicable.*)

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2. Submission of Offers
3. Enquiries - Request for Standing Offers
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1. Offer Preparation Instructions

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PART 5 - CERTIFICATIONS

1. Certifications Precedent to Issuance of a Standing Offer ***OR***
   Certifications Required with the Offer ***OR***
   Certifications Precedent to Issuance of a Standing Offer and Certifications Required with the Offer (*if applicable*)

PART 6 - STANDING OFFER AND RESULTING CONTRACT CLAUSES

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9. Limitation of Call-ups (*if applicable*)
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14. (...) (*if applicable*)

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1. Statement of Work ***OR*** Requirement (*choose as applicable*)
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3. Term of Contract
4. Payment
5. Invoicing Instructions
6. SACC Manual Clauses

X. (...) (*if applicable*)

List of Annexes: (*choose and add annexes as applicable*)

Annex X - Statement of Work ***OR*** Requirement (*choose as applicable*)
Annex X - Basis of Payment
Annex X - Security Requirements Checklist (*if applicable*)

PART 1 - GENERAL INFORMATION

1. Introduction

The Request for Standing Offers (RFSO) template is divided into six parts:

(i) Part 1, General Information;

(ii) Part 2, Offeror Instructions;

(iii) Part 3, Offer Preparation Instructions;

(iv) Part 4, Evaluation Procedures and Basis of Selection;

(v) Part 5, Certifications, and

(vi) Part 6:
6A, Standing Offer, and
6B, Resulting Contract Clauses; and,

the Annexes.

Part 1: provides a general description of the requirement;

Part 2: provides the instructions applicable to the clauses and conditions of the RFSO and states that the Offeror agrees to be bound by the clauses and conditions contained in all parts of the RFSO;

Part 3: provides offerors with instructions on how to prepare their offer to address the evaluation criteria specified;

Part 4: indicates how the evaluation will be conducted, the evaluation criteria which must be addressed in the offer, the security requirement, if applicable, and the basis of selection;

Part 5: includes the certifications to be provided;

Part 6A: includes the Standing Offer containing the offer from the Offeror and the applicable clauses and conditions;

Part 6B: includes the clauses and conditions which will apply to any contract resulting from a call-up made pursuant to the Standing Offer.

The Annexes include the Statement of Work ***OR*** Requirement (*choose as applicable*), the Basis of Payment and any other annexes. (*Modify this paragraph and the Table of Contents, as applicable.)*

Remark to Standing Offer Authority*: The "Summary" below should contain the following, as applicable. Delete all unused options and the "Remark" before issuing the Request for Standing Offers (RFSO). For security requirements, consult the "Security Requirements for PWGSC Bid Solicitations - Information for PWGSC Contracting Officers" document on the Departmental Standard Procurement Documents Web site. To ensure consistency, the standing offer authority should use the same wording to describe the requirement in the Notice of Proposed Procurement:*

(i) a brief description of the requirement detailed under Part 6, article 1. The description should include enough information for suppliers to decide whether to respond to the RFSO (for example,

it may list sub-categories of goods or services along with the key differentiating characteristics);

(ii) for whom? (identify the client department as the Identified User(s);

(iii) the period of the standing offer;

(iv) key information that a supplier could use in deciding whether to respond to the RFSO (for example, this may include historical volumes, the expected number and scope of the resulting standing offer);

(v) for requirements that contain a security requirement, the following paragraph must be inserted:

> *"There is a security requirement associated with this requirement. For additional information, consult Part 4 - Evaluation Procedures and Basis of Selection, and Part 6A - Standing Offer. Offerors should consult the "Security Requirements for PWGSC Bid Solicitations - Instructions for Bidders" document on the Departmental Standard Procurement Documents Web site."*

(vi) for requirements subject to the World Trade Organization Agreement on Government Procurement (WTO-AGP), the North American Free Trade Agreement (NAFTA), and the Agreement on Internal Trade (AIT), the following sentence should be inserted:

> *"The requirement is subject to the provisions of the World Trade Organization Agreement on Government Procurement (WTO-AGP), the North American Free Trade Agreement (NAFTA), and the Agreement on Internal Trade (AIT)."*

(vii) for requirements subject only to the AIT where the Canadian Content Policy is applicable and where competition is conditionally limited to offers offering Canadian goods and/or services, as provided in SACC Manual clauses M3061T, M3062T, M3063T, M3065T, M3066T and M3069T, the following sentence should be inserted as part of the description of the requirement:

> *"The requirement is subject to a preference for Canadian goods and/or services."*

(viii) for requirements subject only to the AIT where the Canadian Content Policy is applicable and where competition is solely limited to offers offering Canadian goods and/or services, as provided in SACC Manual clauses M3051T, M3052T, M3053T, M3055T, M3056T and M3059T, the following sentence should be inserted as part of the description of the requirement:

> *"The requirement is limited to Canadian goods and/or services."*

(ix) for requirements that have been reserved for beneficiaries of a Comprehensive Land Claims Agreement (CLCA), further to a right of first refusal under one or more CLCAs, the following sentence must be inserted:

> *"This procurement is reserved for beneficiaries of the following Comprehensive Land Claims Agreement(s) (CLCAs) : _____ (insert the applicable CLCA(s)) under _____ (insert the applicable paragraph number(s)).*

Insert the following sentence, if applicable:

> *"This procurement is set aside from the international trade agreements under the provision each has for set-asides for small and minority businesses."*

Insert the following sentence, if applicable:

"Further to Article 1802 of the Agreement on Internal Trade (AIT), AIT does not apply to this procurement."

(x) for requirements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB), the following sentence must be inserted:

"This procurement is set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB).

Insert the following sentence, if applicable:

"This procurement is set aside from the international trade agreements under the provision each has for set-asides for small and minority businesses."

Insert the following sentence, if applicable:

"Further to Article 1802 of the Agreement on Internal Trade (AIT), AIT does not apply to this procurement."

2. Summary

***Remark to Standing Offer Authority**: If there is a security requirement, use the following article. If not applicable, delete the article*.

3. Security Requirement

There is a security requirement associated with the requirement of the Standing Offer. For additional information, see Part 4 - Evaluation Procedures and Basis of Selection, and Part 6 - Standing Offer and Resulting Contract Clauses.

4. Communications Notification

As a courtesy, the Government of Canada requests that successful offerors notify the Standing Offer Authority in advance of their intention to make public an announcement related to the issuance of a standing offer.

***Remark to Standing Offer Authority:** Consult 7.35, 7.40, 7.45 of the Supply Manual and PN-91, Debriefings and Regret Letters.*

5. Debriefings

After issuance of a standing offer, offerors may request a debriefing on the results of the request for standing offers. Offerors should make the request to the Standing Offer Authority within 15 working days of receipt of notification that their offer was unsuccessful. The debriefing may be provided in writing, by telephone or in person.

***Remark to Standing Offer Authority:** If applicable, use the following article to add definitions of key technical terms. Do not include definitions of terms that are contained in the general conditions. If some key technical terms are already contained in the statement of work (SOW), consult the SOW rather than repeat the same information and risk errors.*

X. Key Terms

PART 2 - OFFEROR INSTRUCTIONS

Remark to Standing Offer Authority: *Consult section 02 of standard instructions 2006 or 2007 as applicable, before adding clauses to ensure there is no redundancy in the document.*

1. Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the Request for Standing Offers (RFSO) by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada.

Offerors who submit an offer agree to be bound by the instructions, clauses and conditions of the RFSO and accept the clauses and conditions of the Standing Offer and resulting contract(s).

The 2006 _____ (*insert date*) Standard Instructions - Request for Standing Offers - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the RFSO.

OR

For non-competitive requirements, delete the paragraph referring to standard instructions 2006 above and insert the following:
The 2007 _____ (*insert date*) Standard Instructions - Request for Standing Offers - Goods or Services - Non-competitive Requirements, are incorporated by reference into and form part of the RFSO.

Remark to Standing Offer Authority: *The following modification to standard instructions 2006 must be added to the request for standing offers (RFSO) when the offers are to remain valid for more than 60 days. The standing offer authority will insert the number of days the offer is to remain valid.*
Subsection 4.4 of 2006, Standard Instructions - Request for Standing Offers - Goods or Services - Competitive Requirements, is amended as follows:

Delete: sixty (60) days
Insert: _____ (___) days

Remark to Standing Offer Authority: *If applicable, include by reference SACC Manual clauses for specific instructions not covered by the standard instructions. Clauses in subsection "5-M" ending with "T" may be added in this part; however, if there is no existing clause in subsection "5-M" to address a specific requirement, clauses from other subsections with clause number ending with "T" (ex. AXXXXT, etc.) may be added in this part subject to modification. Clauses must be modified to reflect the terminology associated with the RFSO and must be inserted in full text as a separate clause, e.g. 1.2, etc.*

1.1 SACC Manual Clauses

Remark to Standing Offer Authority: *Consult sections 04 to 09 of standard instructions 2006 before adding clauses to ensure there is no redundancy in the document.*

2. Submission of Offers

Offers must be submitted only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit by the date, time and place indicated on page 1 of the Request for Standing Offers.

Remark to Standing Offer Authority: *Insert the following paragraph when transmission of offers by facsimile or by electronic mail is not acceptable.*

Due to the nature of the Request for Standing Offers, transmission of offers by facsimile or electronic mail to PWGSC will not be accepted.

Remark to Standing Offer Authority: *If applicable, insert in full text SACC Manual clauses from subsection "5-M" ending with "T" in this part; however, if there is no existing clause in subsection "5-M" to address a specific requirement, clauses from other subsections with clause number ending with "T" (e.g. AXXXXT, etc.) may be added in this part subject to modification.*

2.1 .....

Remark to Standing Offer Authority: *Consult section 12 of standard instructions 2006 before adding clauses to ensure there is no redundancy in the document. Responses to enquiries may have significant implications for the Request for Standing Offer (RFSO). An extension to the closing date should be taken into account every time a response is provided to an enquiry.*

3. Enquiries - Request for Standing Offers

All enquiries must be submitted in writing to the Standing Offer Authority no later than _____ (____) calendar days before the Request for Standing Offers (RFSO) closing date. Enquiries received after that time may not be answered.

Offerors should reference as accurately as possible the numbered item of the RFSO to which the enquiry relates. Care should be taken by offerors to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a proprietary nature must be clearly marked "proprietary" at each relevant item. Items identified as "proprietary" will be treated as such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the questions or may request that offerors do so, so that the proprietary nature of the question is eliminated, and the enquiry can be answered with copies to all offerors. Enquiries not submitted in a form that can be distributed to all offerors may not be answered by Canada.

Remark to Standing Offer Authority: *Indicate the laws of which Canadian province or territory Canada proposes to apply to the standing offer and any resulting contract. The offeror, as instructed, may propose a change to the applicable laws in its offer. For the French version of the article, the term "in" was not translated because there is no such common term in French for all the provinces and territories. Therefore, the word "en" must be added in front of Alberta, Colombie-Britannique, Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut; the word "à" in front of Terre-Neuve-et-Labrador and l'Ile-du-Prince-Édouard; and the words "dans les" in front of Territoires du Nord-Ouest.*

4. Applicable Laws

The Standing Offer and any contract resulting from the Standing Offer must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____. (*Insert the name of the province or territory*.)

Offerors may, at their discretion, substitute the applicable laws of a Canadian province or territory of their choice without affecting the validity of their offer, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of their choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the offerors.

Remark to Standing Offer Authority: *Consult sections 04 to 09 of standard instructions 2006, or sections 04 and 05 of standard instructions 2007 as applicable, before adding clauses to ensure there is no redundancy in the document.*

PART 3 - OFFER PREPARATION INSTRUCTIONS

1. Offer Preparation Instructions

Remark to Standing Offer Authority: *If soft copies are requested, it is suggested that the same quantity be requested for both hard and soft copies.*
Canada requests that offerors provide their offer in separately bound sections as follows:

Section I: Technical Offer (_____ hard copies) (*if applicable, add* "and _____ soft copies on _____", *and specify the medium such as CD, DVD*)

Section II: Financial Offer (_____ hard copies) (*if applicable, add "*and _____ soft copies on _____", *and specify the medium such as CD, DVD*)

Section III: Certifications (_____ hard copies)

Remark to Standing Offer Authority: *Insert the following when soft copies are requested; if not , delete this paragraph and the instruction.*
If there is a discrepancy between the wording of the soft copy and the hard copy, the wording of the hard copy will have priority over the wording of the soft copy.

Prices must appear in the financial offer only. No prices must be indicated in any other section of the offer.

Canada requests that offerors follow the format instructions described below in the preparation of their offer.

(a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
(b) use a numbering system that corresponds to that of the Request for Standing Offers.
.

Section I: Technical Offer
In their technical offer, offerors should explain and demonstrate how they propose to meet the requirements and how they will carry out the Work.

Section II: Financial Offer
Offerors must submit their financial offer in accordance with the _____ (*insert* "Basis of Payment detailed below" ***OR*** "Annex X, Basis of Payment"). The total amount of Goods and Services Tax or Harmonized Sales Tax must be shown separately, if applicable.
(*Insert the Basis of Payment, as applicable*)

Remark to Standing Offer Authority: *Insert in full text the following clause when it is anticipated that users will make payments for call-ups against the standing offer by Government of Canada Acquisition Card credit card at the point of sale. Delete this clause if it is not applicable.*
Payment by Credit Card

Canada requests that offerors complete one of the following:

(a) ( ) Government of Canada Acquisition Cards (credit cards) will be accepted for payment of call-ups against the standing offer.

The following credit card(s) are accepted:
VISA _____
Master Card _____

(b) ( ) Government of Canada Acquisition Cards (credit cards) will not be accepted for payment of call-ups against the standing offer.

The Offeror is not obligated to accept payment by credit card.

Acceptance of credit cards for payment of call-ups will not be considered as an evaluation criterion.

Section III: Certifications
Offerors must submit the certifications required under Part 5.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

Remark to Standing Offer Authority: *Use the following clause and consult subsection 4.7 of standard instructions 2006 before adding clauses to ensure there is no redundancy in the document.*

1. Evaluation Procedures

(a) Offers will be assessed in accordance with the entire requirement of the Request for Standing Offers including the technical and financial evaluation criteria.

Remark to Standing Offer Authority: *Use the following paragraphs, if applicable.*

(b) An evaluation team composed of representatives of Canada will evaluate the offers.

OR

(b) An evaluation team composed of representatives of Canada and _____ (*insert name of firm or consultant*) will evaluate the offers.

Remark to Standing Offer Authority: *Insert the following paragraph when the competition is conditionally limited to offers offering Canadian goods and/or services*.

(c) The evaluation team will determine first if there are three (3) or more offers with a valid Canadian Content certification. In that event, the evaluation process will be limited to the offers with the certification; otherwise, all offers will be evaluated. If some of the offers with a valid certification are declared non-responsive, or are withdrawn, and less than three responsive offers with a valid certification remain, the evaluation will continue among those offers with a valid certification. If all offers with a valid certification are subsequently declared non-responsive, or are withdrawn, then all the other offers received will be evaluated.

Remark to Standing Offer Authority: It is important that the standing offer authority ensures mandatory criteria represent truly essential requirements. The number of mandatory criteria should be minimized in order to increase the probability of receiving responsive offers. Consult 4.35.1 of the Supply Manual.

1.1. Technical Evaluation

1.1.1 Mandatory Technical Criteria (*if applicable*)
(*Insert mandatory technical evaluation criteria*)

1.1.2 Point Rated Technical Criteria (*if applicable***)**
(*Insert point rated technical evaluation criteria*)

1.2 Financial Evaluation

1.2.1 (*Insert financial evaluation criteria*)

2. Basis of Selection

2.1 (*Insert the basis of selection. Examples of SACC Manual clauses: M0031T, M0034T, M0035T, M0069T*.)

Remark to Standing Offer Authority: *Choose one of the following options when there are security requirements and the applicable clause provided by Canadian Industrial Security Directorate (CISD) is*

inserted under article 2 of Part 6A. Consult 4.30.10 of the Supply Manual.

3. Security Requirement

OPTION 1: (*Use this option when the offeror has until issuance of a standing offer to obtain the necessary security clearances.*)

1. Before issuance of a standing offer, the following conditions must be met:

   (a) the Offeror must hold a valid organization security clearance as indicated in Part 6A - Standing Offer;

   (b) the Offeror's proposed individuals requiring access to classified or protected information, assets or sensitive work site(s) must meet the security requirement as indicated in Part 6A - Standing Offer;

   (c) the Offeror must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites.

2. Canada will not delay the issuance of any standing offer to allow offerors to obtain the required clearance.

3. For additional information on security requirements, bidders should consult the "Security Requirements for PWGSC Bid Solicitations - Instructions for Bidders" document on the Departmental Standard Procurement Documents Web site.

OR

OPTION 2: *(Use this option when the offeror must hold the necessary security clearances at the RFSO closing date.*)

1. At the Request for Standing Offers closing date, the following conditions must be met:

   (a) the Offeror must hold a valid organization security clearance as indicated in Part 6A - Standing Offer;

   (b) the Offeror's proposed individuals requiring access to classified or protected information, assets or sensitive work site(s) must meet the security requirement as indicate in Part 6A - Standing Offer;

   (c) the Offeror must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites.

2. For additional information on security requirements, bidders should consult the "Security Requirements for PWGSC Bid Solicitations - Instructions for Bidders" (document on the Departmental Standard Procurement Documents Web site.)

Remark to Standing Offer Authority: *Choose one of the options below. Add the applicable certification(s) from the lists provided. Other certifications that have been approved by Legal and Policy may be added. Delete Part 5 if there are no certification requirements.*

PART 5 - CERTIFICATIONS

Offerors must provide the required certifications to be issued a standing offer. Canada will declare an offer non-responsive if the required certifications are not completed and submitted as requested.

Compliance with the certifications offerors provide to Canada is subject to verification by Canada during the offer evaluation period (before issuance of a standing offer) and after issuance of a standing offer. The Standing Offer Authority will have the right to ask for additional information to verify offerors' compliance with the certifications before issuance of a standing offer. The offer will be declared non-responsive if any certification made by the Offeror is untrue, whether made knowingly or unknowingly. Failure to comply with the certifications or to comply with the request of the Standing Offer Authority for additional information will also render the offer non-responsive.

Remark to Standing Offer Authority: *Use this option when the following certification will be a condition precedent to issuance of a standing offer as opposed to a mandatory requirement for evaluation purposes. This approach is recommended to ensure offers are not rejected during evaluation for lack of certifications. In the event that an offeror does not provide certifications at the RFSO closing date, the standing offer authority must request these certifications before issuance of standing offer. Failure by the offeror to comply will render the offer non-responsive. Delete this option if it is not applicable.*

OPTION 1

1. Certifications Precedent to Issuance of a Standing Offer

The certifications listed below should be completed and submitted with the offer, but may be submitted afterwards. If any of these required certifications is not completed and submitted as requested, the Standing Offer Authority will so inform the Offeror and provide the Offeror with a time frame within which to meet the requirement. Failure to comply with the request of the Standing Offer Authority and meet the requirement within that time period will render the offer non-responsive.

Remark to Standing Offer Authority: *If applicable, insert SACC Manual clause M2000T or M2002T*.

1.1 Federal Contractors Program - Certification

Remark to Standing Offer Authority: *If applicable, insert SACC Manual clause M3025T or M3026T.*

1.2 Former Public Servant Certification

Remark to Standing Offer Authority: *For non North American Free Trade Agreement (NAFTA) and non World Trade Organization Agreement on Government Procurement (WTO-AGP) requirements in accordance with the Canadian Content Policy, insert in full text one of the following SACC Manual certification clauses: M3051T, M3052T, M3053T, M3055T, M3056T or M3059T, for all competitive RFSOs when competition is solely limited to offers offering Canadian goods and/or services and when the certification clause is not mandatory with the offer. Consult chapters 3, 4, 5, 6 and 9 of the Supply Manual. Use in conjunction with clause A3050T in Part 5, and M3060C in Part 6A.*

1.3 Canadian Content Certification

1.3.1 SACC Manual clause A3050T _____ (*insert date*) Canadian Content Definition

Remark to Standing Offer Authority: *Use SACC Manual clause M3020T in the RFSO for service requirements, where specific individuals will be proposed for the work.*

1.4 Status and Availability of Resources

Remark to Standing Offer Authority: *If applicable, use the applicable SACC Manual clause for non-competitive (sole bid) requirements*.

1.5 Rate or Price Certification

Remark to Standing Offer Authority: *Use this option when the certifications must be provided with the offer by the RFSO closing date. The requirement for certifications at the RFSO closing date must only be used when these certifications are essential to the evaluation of offers. Delete this option if it is not applicable.*

OPTION 2

1. Certifications Required with the Offer

Offerors must submit the following duly completed certifications with their offer.

Remark to Standing Offer Authority*: For non North American Free Trade Agreement (NAFTA) and non World Trade Organization Agreement on Government Procurement (WTO-AGP) requirements in accordance with the Canadian Content Policy, insert in full text one of the following SACC Manual certification clauses: M3061T, M3062T, M3063T, M3065T, M3066T or M3069T for all competitive RFSOs when competition is conditionally limited;* ***OR*** *M3051T, M3052T, M3053T, M3055T, M3056T or M3059T when solely limited, to offers offering Canadian goods and/or services and when the certification clause is mandatory with the offer. Consult chapters 3, 4, 5, 6 and 9 of the Supply Manual. Use in conjunction with A3050T in Part 5, and M3060C in Part 6A.*

1.1 Canadian Content Certification

1.1.1 SACC Manual clause A3050T _____ (*insert date*) Canadian Content Definition

Remark to Standing Offer Authority: If applicable, insert SACC Manual clauses M9030T and M3030T. Use in conjunction with clause M9030C. Consult Chapter 9 of the Supply Manual.

1.2 Set-aside for Aboriginal Business

Remark to Standing Offer Authority: *Use this option when some of the certifications will be a condition precedent to issuance of a standing offer AND some certifications must be provided with the offer by the RFSO closing date. Add the applicable certifications from the list contained in Option 1 and 2 respectively. Delete this option if it is not applicable.*

OPTION 3

1. Certifications Precedent to Issuance of a Standing Offer and Certifications Required with the Offer

Offerors must submit the certifications as provided below:

1.1 Certifications Precedent to Issuance of Standing Offer

The certifications listed below should be completed and submitted with the offer but may be submitted afterwards. If any of these required certifications is not completed and submitted as requested, the Standing Offer Authority will so inform the Offeror and provide the Offeror with a time frame within which to meet the requirement. Failure to comply with the request of the Standing Offer Authority and meet the requirements within that time period will render the offer non-responsive.
(Add the applicable certifications in accordance with the list provided under Option 1)

1.2 Certifications Required with the Offer

Offerors must submit the following duly completed certifications with their offer.
(*Add the applicable certifications in accordance with the list provided under Option 2*)

PART 6 - STANDING OFFER AND RESULTING CONTRACT CLAUSES

A. STANDING OFFER

Remark to Standing Offer Authority: Choose *one of the following clauses.*

1. Offer

1.1 The Offeror offers to fulfill the requirement in accordance with the Statement of Work at Annex "X".

OR

1.1 The Offeror offers to fulfill the requirement in accordance with the Requirement at Annex "X".

OR

1.1 The Offeror offers to perform the Work in accordance with the Statement of Work at Annex "X".

Remark to Standing Offer Authority: *If the requirement does not include a security requirement, delete this article, renumber the articles, and revise the Table of Contents accordingly.*

2. Security Requirement

(*Consult the Canadian Industrial Security Directorate (CISD) Web site for more information. Insert the applicable clauses provided by CISD and insert the Security Requirements Checklist as an annex.)*

Remark to Standing Offer Authority: *Consult section 03 of general conditions 2005.*

3. Standard Clauses and Conditions

All clauses and conditions identified in the Standing Offer and resulting contract(s) by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada.

3.1 General Conditions

2005 _____ (*insert date*) General Conditions - Standing Offers - Goods or Services, apply to and form part of the Standing Offer.

Remark to Standing Offer Authority: *If applicable, insert in full text SACC Manual clause M7010C when periodic usage reports are required from the offeror. Consult 8.75.1 of the Supply Manual.*

3.2 Standing Offers Reporting

4. Term of Standing Offer

Remark to Standing Offer Authority: *The first clause below provides that a call up must be made during the period of the standing offer but that the work under the call-up can continue beyond the period of the standing offer. In exceptional circumstances where services must be rendered before the end of the period stated, use the second clause below as the alternate clause.*

4.1 Period of the Standing Offer

The period for making call-ups against the Standing Offer is from _____ to _____.

OR

The period for making call-ups and providing services against the Standing Offer is from _____ to _____ inclusive.

Remark to Standing Offer Authority: *If applicable, insert SACC Manual clause M9014C.*

4.2 Extension of Standing Offer

5. Authorities

5.1 Standing Offer Authority

The Standing Offer Authority is:

Name: _____
Title: _____
Public Works and Government Services Canada
Acquisitions Branch
Directorate: _____
Address: _____

Telephone: ____- ___- ____
Facsimile: _____- ___- _____
E-mail address: _____

The Standing Offer Authority is responsible for the establishment of the Standing Offer, its administration and its revision, if applicable. Upon the making of a call-up, as Contracting Authority, he is responsible for any contractual issues relating to individual call-ups made against the Standing Offer by any Identified User.

Remark to Standing Offer Authority: *if applicable, choose one of the following clauses. The first clause is to be used when there is one designated user and is to be filled in at issuance of the standing offer only. The second clause is to be used when there is more than one designated user and the project authority will be identified in the call-up against the standing offer.*

5.2 Project Authority

The Project Authority for the Standing Offer is:

Name: _____
Title: _____
Organization: _____
Address: _____

Telephone: ____- _____-_____
Facsimile: _____- _____-_____
E-mail address: _____

The Project Authority is the representative of the department or agency for whom the Work will be carried out pursuant to a call-up under the Standing Offer and is responsible for all the technical content of the Work under the resulting Contract.

OR

The Project Authority for the Standing Offer is identified in the call-up against the Standing Offer.

The Project Authority is the representative of the department or agency for whom the Work will be carried out pursuant to a call-up against the Standing Offer and is responsible for all the technical content of the Work under the resulting Contract.

5.3 Offeror's Representative
(*Fill in or delete, as applicable).*

Remark to Standing Offer Authority: *If applicable, choose one of the following clauses.*
6. Identified Users

Remark to Standing Offer Authority: *Use the following clause when the standing offer is available to any government department, agency or Crown corporation as specified below.*
The Identified Users authorized to make call-ups against the Standing Offer include any government department, agency or Crown corporation listed in Schedules I, I.1, II, III, of the *Financial Administration Act*, R.S., 1985, c. F-11.

OR

Remark to Standing Offer Authority: *Use the following clause when the standing offer is limited to a specific user. For more than one user, modify accordingly.*
The Identified User authorized to make call-ups against the Standing Offer is : _____.

Remark to Standing Offer Authority: *A ranking methodology for multiple standing offers may be used, if applicable. Consult 4.10.20.5 of the Supply Manual to establish the appropriate ranking methodologies applicable to the requirement*.
7. Call-up Procedures

Remark to Standing Offer Authority: *Consult 4.10.20.10 of the Supply Manual for forms to use for making and/or confirming call-ups against the standing offer. If applicable, consult the article "Payment by Credit Card" for call-ups made with Government of Canada Acquisition Cards.*
8. Call-up Instrument

The Work will be authorized or confirmed by the Identified User(s) using form _____ (*insert the form number and title to be used, e.g. PWGSC-TPSGC 942, Call-up Against a Standing Offer, etc.*) or electronic document.

Remark to Standing Offer Authority: *If applicable, insert and complete the following clause. Consult 4.10.20.1 of the Supply Manual on Treasury Board Contracting Limits*.
9. Limitation of Call-ups

Individual call-ups against the Standing Offer must not exceed $_____ (Goods and Services Tax or Harmonized Sales Tax included).

Remark to Standing Offer Authority: *If applicable, insert in full text the SACC Manual clause M4506C when there is a need to include a financial limitation on the total value of the call-ups. Consult 4.10.20.1 of the Supply Manual*.
10. Financial Limitation

Remark to Standing Offer Authority: *The order of documents shown below reflects current Policy and Legal advice. The standing offer authority must amend the list to reflect the documents applicable to each standing offer and list the annexes by order of priority, as applicable. When more than one supplemental general conditions apply to the requirement, the standing offer authority must identify the supplemental general conditions in ascending numerical sequence based on the identification number.*

11. Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

a) the call up against the Standing Offer, including any annexes;
b) the articles of the Standing Offer;
c) the general conditions 2005 _____ (*insert date*), General Conditions - Standing Offers - Goods or Services
d) (*delete if not applicable*) the supplemental general conditions _____; (*insert number, date and title*)
e) the general conditions _____ ; (*insert number, date and title of the general conditions that will apply to the contract*)
f) Annex ___, _____;
g) Annex ___, _____;
h) the Offeror's offer _____ (*insert date of offer*), _____ (*if the offer was clarified or amended, insert at the time of issuance of the offer*: "as clarified on _____" ***or*** "as amended _____. (*insert date(s) of clarification(s) or amendment(s) if applicable*).

12. Certifications

12.1 Compliance

Compliance with the certifications provided by the Offeror is a condition of authorization of the Standing Offer and subject to verification by Canada during the term of the Standing Offer and of any resulting contract that would continue beyond the period of the Standing Offer. In the event that the Offeror does not comply with any certification or it is determined that any certification made by the Offeror in its offer is untrue, whether made knowingly or unknowingly, Canada has the right to terminate any resulting contract for default and set aside the Standing Offer.

Remark to Standing Offer Authority: *If applicable, include by reference SACC Manual clauses. Examples of clauses to include by reference: M3020C, M3060C and M9030T.*

12.2 SACC Manual Clauses

Remark to Standing Offer Authority*: Ensure the applicable law selected by the offeror, or in the absence of such selection, the law indicated in the RFSO, is inserted in the blank. The offeror, as instructed, will be able to propose a change to the applicable laws in its offer. For the French version of the clause, the term "in" was not translated because there is no such common term in French for all the provinces and territories. Therefore, for the French version of the clause, the word "en" must be added in front of Alberta, Colombie-Britannique, Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut; the word "à" in front of Terre-Neuve-et-Labrador and l'Île-du-Prince-Édouard, and the words "dans les" in front of Territoires du Nord-Ouest.*

13. Applicable Laws

The Standing Offer and any contract resulting from the Standing Offer must be interpreted and governed,

and the relations between the parties determined, by the laws in force in _____. (*Insert the name of the province or territory as specified by the offeror in its offer, if applicable*).

Remark to Standing Offer Authority: *If applicable, insert in full text clauses of subsection "5-M" of the SACC Manual ending with "C" in this part, as stand alone articles with appropriate numbering.*

14. (....)

B. RESULTING CONTRACT CLAUSES

The following clauses and conditions apply to and form part of any contract resulting from a call-up against the Standing Offer.

Remark to Standing Offer Authority: *Choose one of the following clauses.*

1. Statement of Work *OR* Requirement

The Contractor must perform the Work described in the call-up against the Standing Offer.

OR

The Contractor must provide the items detailed in the call-up against the Standing Offer.

2. Standard Clauses and Conditions

Remark to Standing Offer Authority: *Choose one of the following general conditions for the resulting contract.*

2.1 General Conditions

2029 _____ (*insert date*), General Conditions - Goods or Services (Low Dollar Value) apply to and form part of the Contract.

OR

2010A _____ (*insert date*), General Conditions - Goods (Medium Complexity) apply to and form part of the Contract.

OR

2010B _____ (*insert date*), General Conditions - Professional Services (Medium Complexity) apply to and form part of the Contract.

OR

2010C _____ (*insert date*), General Conditions - Services (Medium Complexity) apply to and form part of the Contract.

OR

2030 _____ (*insert date*), General Conditions - Higher Complextiy - Goods, apply to and form part of the Contract.

OR

2035 _____ (*insert date*), General Conditions - Higher Complexity - Services, apply to and form part of the Contract.

OR

2040 _____(*insert date*), General Conditions - Research and Development, apply to and form part of the Contract.

Remark to Standing Offer Authority: *Use the following clause when payment by credit cards is accepted by the offeror.*
Section _____ (*insert section number*) Interest on Overdue Accounts, of _____ (*insert the number, date and title of applicable general conditions*) will not apply to payments made by credit cards at point of sale.

Remark to Standing Offer Authority: *If applicable, use the applicable supplemental general conditions. When more than one supplemental general conditions apply to the requirement, the standing offer authority must identify the supplemental general conditions in ascending numerical sequence based on the identification number*.

2.2 Supplemental General Conditions

_____ (*insert number, date and title*), apply to and form part of the Contract.

Remark to Standing Offer Authority: *If applicable, specific SACC Manual clauses not already covered by the general conditions and not part of subsection "5-M" may be added.*

2.3 SACC Manual Clauses

Remark to Standing Offer Authority: *Choose one of the following clauses.*

3. Term of Contract

3.1 Delivery Date

Delivery must be completed in accordance with the call-up against the Standing Offer.

OR

Delivery must be made within ____ calendar days from receipt of a call-up against the Standing Offer.

OR

3.1 Period of the Contract

The Work must be completed in accordance with the call-up against the Standing Offer.

Remark to Standing Offer Authority: *No clause in subsection "5-M" of the SACC Manual is to be added in Part 6B. Only clauses from subsections other than "5-M" which are used for contracts and have a clause number ending with "C" may be added. Fill in the appropriate clauses or approved clause related to basis of payment, limitation of expenditure, method of payment, audit and taxes not covered in the general conditions.*

4. Payment

Remark to Standing Offer Authority: *Consult subsection 5-C of the SACC Manual for clauses on basis of payment applicable to the requirement. Additional or alternate clauses may be added, as applicable.*

4.1 Basis of Payment

(*Fill-in as applicable*)

Remark to Standing Offer Authority: *Insert in full text the SACC Manual clause C6001C. Alternatively, include by reference clause C6000C.*

4.2 Limitation of Expenditure

(*Insert clause C6001C in full text*)

OR

4.2 Limitation of Price

SACC Manual clause C6000C _____ (*insert date*) Limitation of Price

Remark to Standing Offer Authority: *Insert SACC Manual clauses related to method of payment. Examples of clauses to insert in full text: H1003C, H3009C, H4012C. Examples of clauses to include by reference: H1000C, H1001C, H1008C, H3010C, H3028C. This is not an exhaustive list of examples.*

4.3 (*Insert title of applicable clause*)

(*Insert applicable clause in full text*)

OR

4.3 (Insert title of applicable clause)

(*Insert applicable clause by reference. See example below*)

SACC Manual clause H1000C _____ (*insert date*) Single Payment

Remark to Standing Offer Authority: *No clause in subsection "5-M" of the SACC Manual is to be added in Part 6B. Only clauses from subsections other than "5-M" which are used for contracts and have a clause number ending with "C" may be added. If applicable, include clauses by reference. Examples of clauses to include by reference: A9117C, C0100C, C0101C, C2000C, C2605C, C2608C.*

4.4 SACC Manual Clauses

Remark to Standing Offer Authority: *If applicable, insert and complete the following clause if the Payment by Credit Card clause is used under Part 3, Section II - Financial Offer. Consult Section 6 of Treasury Board Policy on Government of Canada Acquisition Cards which stipulates "Records of purchases made with acquisition cards must be kept for audit trail purposes and to facilitate reconciliation and account verification" (e.g. requisitions, logs of transactions made by telephone, acquisition card receipts, other receipts or statements).*

4.5 Payment by Credit Card

(The standing offer authority must complete one of the clauses if the offeror has accepted payment by credit card(s) {Visa, Master Card} as specified by the offeror under Part 3 of the request for standing offers.)

(*Use this clause if only one credit card is accepted*)

The following credit card is accepted: _____.

OR

(*Use this clause if more than one credit card are accepted*)
The following credit cards are accepted: _____ and _____.

Remark to Standing Offer Authority: *Use applicable SACC Manual clauses or other approved clauses related to invoicing instructions. No clause in subsection "5-M" is to be added in Part 6B. Only clauses from subsections other than "5-M" which are used for contracts and have a clause number ending with "C" may be added. Invoicing instructions also cover claims for progress payment and therefore any reference to invoice would also cover claims for progress payment. Examples of clauses to insert in full text: H3020C, H3022C, H3024C, H5001C.*

5. Invoicing Instructions

Remark to Standing Offer Authority: *No clause in subsection "5-M" of the SACC Manual is to be added in Part 6B. Include by reference additional SACC Manual clauses ending with "C" not belonging under existing articles (e.g. A9131C, B1501C, B4030C, B4031C, B7500C, etc.)*

6. SACC Manual Clauses

Remark to Standing Offer Authority: *No clause in subsection "5-M" of the SACC Manual is to be added in Part 6B. If applicable, insert in full text additional SACC Manual clauses ending with "C" or other clauses not belonging under existing articles, as stand alone clauses with appropriate numbering*.

7. (...)

ANNEX "X"

STATEMENT OF WORK

OR

REQUIREMENT

(***Insert if applicable***)

ANNEX "X"

BASIS OF PAYMENT

(*insert if applicable*)

ANNEX "X"

SECURITY REQUIREMENTS CHECK LIST

(***insert if applicable***)

Section 3

General Conditions

1026A (2010/01/11) Supplies - Firm Price

Public Works and Government Services Canada

01 Interpretation
02 Powers of Minister
03 Assignment and Subletting
04 Conduct of the Work
05 Specifications, Drawings, etc.
06 Inspection
07 Title and Acceptance
08 Warranty
09 Government Issue
10 Conditions Precedent to Payment
11 Indemnity Against Claims
12 Title on Progress Payments
13 Further Assurances
14 Care of Crown Property
15 Time of Essence
16 Security and Protection of the Work
17 Patent Claims and Royalties
18 Patent Licenses and Use of Technical Information
19 Suspension of Work and Change in Specifications
20 Use of Canadian Labour and Materials - CANCELLED
21 Default by Contractors
22 No Bribe, etc.
23 Labour and Health Conditions
24 Members of the House of Commons
25 Notice
26 Terminations
27 Accounts
28 Foreign Exchange
29 Increased Taxes and Duties
30 Certification - Contingency Fees
31 Interest on Overdue Accounts
32 Conflict of Interest
33 Taxes
34 Invoice Submission
35 Shipment Documentation
36 Condition of Material
37 Transportation Costs
38 Shipment into Canada
39 International Sanctions
40 Standard Clauses and Conditions
41 Code of Conduct for Procurement
42 Payment Period
43 Right of set off
44 Entire Agreement
45 Transportation Carriers' Liability

1026A 01 (2007-05-25) Interpretation

1. In the Contract, unless the context otherwise requires,

"Articles of Agreement" means the clauses and conditions set out in full text or incorporated by reference from the *Standard Acquisition Clauses and Conditions* Manual to form the body of the

Contract but does not include these general conditions, any supplemental general conditions, annexes, the Contractor's bid or proposal or any other document.

"Canada", "Crown", "Her Majesty", "the Government" means Her Majesty the Queen in right of Canada;

"Contract" includes the Articles of Agreement, these general conditions, any supplemental general conditions, annexes and any other document specified or referred to as forming part of the Contract, all as amended by agreement of the Parties from time to time;

"Contract Price" means the amount expressed in the Contract to be payable to the Contractor for the finished work;

"cost" means cost determined in accordance with Contract Cost Principles 1031-2 (as revised to date of Contract) and any subsequent revisions thereof;

"equipment" includes machinery, apparatus, jigs, tools, dies, gauges, instruments and equipment of all kinds;

"finished work" means the defence supplies or defence project or other work completed in accordance with the provisions of the Contract;

"Government Issue" means all materials, parts, components, equipment, specifications, articles and things which may be supplied to the Contractor by or on behalf of Canada for the purposes of the Work;

"herein", "hereby", "hereof", "hereunder" and similar expressions, when used in any section, shall be understood to relate to the Contract as a whole and not merely to the section in which they appear;

"Inspector" means the person designated as such by the Contract and any person acting on behalf of Canada or the Minister as the Inspector under the Contract;

"invention" means any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter;

"Minister" means the minister responsible for the Contract and includes his deputy minister and any acting, associate or assistant deputy minister and any duly authorized officer or representative of the Minister;

"Party" means Canada or the Contractor or any other signatory to the Contract and "Parties" means all of them;

"Specifications" means the specifications, plans, drawings, designs and models, if any, furnished to the Contractor by Canada or the Minister for the carrying out of the Contract;

"supplemental general conditions" means any other general conditions forming part of the Contract;

"Work" means the whole of the work, materials, matters and things required to be done, furnished and performed in order to carry out the Contract.

2. Words in the singular number includes the plural and vice versa.

3. In the event of any inconsistencies, the provisions of the Agreement and these general conditions

shall prevail over the specifications and the provisions of the Agreement and supplemental general conditions shall prevail over these general conditions.

4. The Contract is a defence contract within the meaning of the *Defence Production Act* and shall be read accordingly.

1026A 02 (1999-12-13) Powers of Minister

The Minister is the agent of Canada for all purposes of the Contract. Nothing contained in or omitted from the Contract shall restrict any of the rights or powers of Canada or the Minister under the *Defence Production Act* or otherwise. Every right, remedy, power and discretion vested in the Minister under the Contract or otherwise shall be cumulative and non-exclusive.

1026A 03 (2000-12-01) Assignment and Subletting

1. The Contractor shall not assign the Contract or sublet any of the Work without the prior written consent of the Minister and any assignment or subletting made without such consent shall be of no effect provided that, unless the Contract or the Minister directs otherwise, the Contractor may sublet such portions of the Work as is customary in the carrying out of similar contracts. No assignment or subletting shall relieve the Contractor from any of its obligations under the Contract or impose any liability upon Canada or the Minister to an assignee or subcontractor.

2. Unless otherwise agreed to by the Minister in any assignment or subletting, the Contractor agrees to bind each assignee or subcontractor by the terms of the general conditions, the supplemental general conditions, if any, the Labour Conditions, the drawings and specifications as far as applicable to the Work.

3. No act or omission of the Contractor, whether before or after the entry into the Contract, shall have the effect of rendering any monies payable by Canada under the Contract payable to any person, firm or corporation other than the Contractor, unless Canada consents thereto.

4. Subject to the preceding provisions of this section, the Contract shall inure to the benefit of and shall be binding upon the successors and assigns of Canada and the Contractor, respectively.

1026A 04 (1991-06-01) Conduct of the Work

1. The Contractor agrees to carry out the Work diligently and to provide efficient supervision and inspection thereof and that the Work will be of proper quality, material and workmanship and in full conformity with the specifications, drawings, models or samples, if any, and all other requirements of the Contract.

2. No materials or parts shall be used or processed and no finished work shall be submitted for acceptance or shall be delivered unless or until approved by the Contractor's inspection staff and, wherever practicable, marked with an approval stamp satisfactory to the Inspector. The Contractor shall keep proper and adequate inspection records which shall at all times be open to examination by the Inspector who may make copies thereof and take extracts therefrom.

3. The Minister and the Inspector shall have access to the Work at all times and to the plant and premises where any part of the Work is being carried on, and may make such inspections and tests of the Work and of parts, materials and work-in-process as the Minister or the Inspector may think fit. The Contractor shall provide at its own expense all assistance and facilities, test pieces and samples which the Minister or the Inspector may reasonably require for the carrying out of any such inspections and any such tests as aforesaid, and shall forward at its own expense such test pieces and samples to such person or location as the Minister or the Inspector may direct. The Contractor shall at its own expense provide the Minister and the Inspector with such accommodation as they may require for the purpose of such inspections and any such tests and

for the exercise of any other powers conferred upon them hereunder.

4. The Contractor shall not stop or suspend work pending the settlement or determination of any differences arising under the Contract, unless so instructed by the Minister.

1026A 05 (1999-12-13) Specifications, Drawings, etc.

1. All Specifications, drawings, patterns, samples and other information furnished to the Contractor in connection with the Contract shall be used by the Contractor solely for the purpose of carrying out the Work and for no other purpose except with the consent in writing of the Minister and shall remain the property of Canada and be returned to Canada or the Minister upon demand.

2. Any minor part or parts not shown in the Specifications, drawings, patterns or samples, but which are necessary for the due completion of the Work shall be deemed to be included in the Contract price and no addition to the Contract Price will be allowed by reason of such omission, unless otherwise agreed to by the Minister.

1026A 06 (1991-06-01) Inspection

All work shall be subject to inspection by the Inspector prior to acceptance. Should the Work be defective in materials or workmanship or otherwise not be in accordance with the requirements of the Contract, the Inspector shall have the right to reject the Work or to require its correction. Inspection by the Inspector either at the plant of the Contractor or of any of its subcontractors shall not relieve the Contractor from responsibility for defects or other failure to meet the requirements of the Contract. The Contractor agrees to accept and be bound by the Inspector's interpretation of the meaning of the specifications.

1026A 07 (2000-12-01) Title and Acceptance

Except as otherwise provided in the Contract, title to the Work or any part thereof shall vest in Canada upon delivery to the consignee and acceptance thereof by the consignee. Acceptance by the consignee of the Work or any part thereof shall be deemed to be acceptance thereof by Canada.

1026A 08 (2004-12-10) Warranty

Notwithstanding prior acceptance of the finished work, and without restricting any other term of the Contract or any condition, warranty or provision implied or imposed by law, the Contractor, if requested by the Minister to do so at any time within twelve (12) months from the date of delivery, shall:

(a) replace or make good at its own expense any finished work, excluding Government Issue incorporated therein, which becomes defective or which fails to conform to contract requirements as a result of faulty or inefficient manufacture, material or workmanship;

(b) deliver such finished work free from all defects to the delivery point specified in the Contract, unless otherwise agreed to by the Minister;

provided that where, in the opinion of the Minister, it is not expedient to remove such defective finished work from its location, the Contractor shall replace or make good the defective finished work at such location, and shall be paid the actual cost incurred in so doing (including reasonable travelling and living expenses) with no allowance thereon by way of overhead profit, less a sum equivalent to the cost of making good the defective finished work had it been made good at the Contractor's plant.

1026A 09 (1999-12-13) Government Issue

1. All items comprised in any Government Issue shall be used by the Contractor solely for the purposes of the Contract and shall always be and remain the property of Canada and wherever feasible the Contractor shall maintain adequate accounting records of all Government Issue and

shall mark the same as being Canada's property.

2. All Government Issue (except such as are installed or incorporated in the Work) shall be returned to Canada upon demand, in the same condition as when supplied to the Contractor provided that the Contractor shall not be responsible for any loss or damage resulting from ordinary wear and tear or causes beyond the Contractors' control.

3. All scrap and waste materials derived from any Government Issue or from any other materials, articles or things which are the property of Canada, shall, unless otherwise specifically provided herein, remain the property of Canada and shall be disposed of only as prescribed by the Minister.

1026A 10 (2004-12-10) Conditions Precedent to Payment

No payment shall be made to the Contractor unless or until,

(a) invoices, inspection notes and all other documents prescribed from time to time by the Minister or Inspector are submitted in accordance with the terms of the Contract or instructions of the Minister, and

(b) the Contractor, if required to do so, establishes to the satisfaction of the Minister that all materials, parts, work-in-process or finished work in respect of which payment is being made are free from all claims, liens, attachments, charges or encumbrances.

1026A 11 (2004-12-10) Indemnity Against Claims

Except as otherwise provided in the Contract, the Contractor shall indemnify and save harmless Canada and the Minister from and against any and all claims, damages, loss, costs and expenses which they or either of them may at any time incur or suffer as a result of or arising out of,

(a) any injury to persons (including injuries resulting in death) or loss of or damage to property of others which may be or be alleged to be caused by or suffered as a result of the carrying out of the Work or any part thereof; and

(b) any liens, attachments, charges or other encumbrances or claims upon or in respect of any materials, parts, work-in-process or finished work delivered to or in respect of which any payment has been made by Canada.

1026A 12 (2000-12-01) Title on Progress Payments

Upon any payment being made to the Contractor for or on account of materials, parts, work-in-process, or finished work, either by way of progress payments or accountable advances or otherwise, title in and to all materials, parts, work-in-process and finished work so paid for by such progress payments or accountable advances or otherwise shall vest and remain in Canada unless already so vested under any provision of the Contract and the Contractor shall be responsible therefor in accordance with the provisions of section 14 hereof, it being understood and agreed that such vesting of title in Canada shall not constitute acceptance by Canada of such materials, parts, work-in-process and finished work and shall not relieve the Contractor of its obligations to perform the Work in conformity with the requirements of the Contract.

1026A 13 (1999-12-13) Further Assurances

Wherever it is herein provided that title to any parts, materials, work-in-process or finished work becomes vested in Canada, the Contractor shall execute such conveyances thereof and other instruments as the Minister may request.

1026A 14 (1999-12-13) Care of Crown Property

Except as otherwise provided in the Contract, no insurance shall be carried by the Contractor on any property, title to which is vested in Canada, including any machinery, equipment and production tooling which is the property of Canada. The Contractor shall take reasonable and proper care of all property, title to which is vested in Canada, while the same is in, on or about the plant and premises of the Contractor or otherwise in his possession or subject to his control and shall be responsible for any loss or damage resulting from his failure to do so other than loss or damage caused by ordinary wear and tear.

1026A 15 (1991-06-01) Time of Essence

Time shall be deemed to be of the essence of the Contract, provided that the time for completing any of the Work which has been or is likely to be delayed by reason of force majeure or other cause beyond the reasonable control of the Contractor shall be extended by a period equal to the length of the delay so caused, provided that prompt notice in writing of the occurrence causing or likely to cause such delay is given to the Minister.

1026A 16 (2000-12-01) Security and Protection of the Work

1. The Contractor shall keep confidential all information provided to the Contractor by or on behalf of Canada in connection with the Work, and all information developed by the Contractor as part of the Work, and shall not disclose any such information to any person without the written permission of the Minister, except that the Contractor may disclose to a subcontractor, authorized in accordance with this Contract, information necessary to the performance of the subcontract. This section does not apply to any information that:

   (a) is publicly available from a source other than the Contractor; or

   (b) is or becomes known to the Contractor from a source other than Canada, except any source that is known to the Contractor to be under an obligation to Canada not to disclose the information.

2. When the Contract, the Work, or any information referred to in subsection 1 is identified as TOP SECRET, SECRET, CONFIDENTIAL or PROTECTED by Canada, the Contractor shall, at all times, take all measures reasonably necessary for the safeguarding of the material so identified, including those set out in the Department of Public Works and Government Services Industrial Security Manual and its supplements and any other instructions issued by the Minister.

3. Without limiting the generality of subsections 1 and 2, when the Contract, the Work, or any information referred to in subsection 1 is identified as TOP SECRET, SECRET, CONFIDENTIAL or PROTECTED by Canada, the Minister shall be entitled to inspect the Contractor's premises and the premises of a subcontractor at any tier for security purposes at any time during the term of the Contract, and the Contractor shall comply with, and ensure that any such subcontractor complies with, all written instructions issued by the Minister dealing with the material so identified, including any requirement that employees of the Contractor or of any such subcontractor execute and deliver declarations relating to reliability screenings, security clearances and other procedures.

1026A 17 (2000-12-01) Patent Claims and Royalties

1. In this section, "Royalties" includes license fees and all other payments analogous to royalties for, and also claims for damages based upon, the use of infringement of any patent, registered industrial design, or copyright, by the Contractor in, or the furnishing of any engineering or technical assistance or services to the Contractor for the performance of the Contract or any part thereof.

2. Canada shall indemnify the Contractor against claims, actions or proceedings for the payment of

royalties in respect of anything the model, plan, design or specification of which shall have been supplied by or on behalf of Canada to the Contractor, but this indemnity shall apply only to the Contract.

3. Except as provided in subsection 2 of this section, and subject as hereinafter provided, the Contractor shall indemnify Canada against claims, actions, or proceedings for the payment of royalties in respect of the carrying out of the Contract, or in respect of the use of or disposal by or for Canada of articles and supplies furnished hereunder.

4. The Contractor shall forthwith notify the Minister of all royalties which the Contractor or any of its subcontractors will or may be obligated to pay or proposes to pay for or in respect of the carrying out of the Contract, and the basis thereof, and the parties to whom the same are payable, and shall from time to time promptly advise the Minister of any and all claims or arrangements made or proposed which would or might result in further or different payments by way of royalties being made by the Contractor or any of its subcontractors.

5. If and to the extent that the Minister so directs, the Contractor shall not pay, and shall direct its subcontractors not to pay any royalties in respect of the carrying out of the Contract except with the consent in writing of the Minister and subject to such conditions as the Minister may impose.

6. From and after the giving of any such direction, and subject to compliance by the Contractor with the foregoing provisions, Canada shall relieve and indemnify the Contractor from and against all claims, actions or proceedings for payment of such royalties as are covered by such direction.

7. The Contract Price shall be reduced by the amount of royalties included therein to which the indemnity provided by subsection 6 of this section shall apply.

1026A 18 (2003-12-12) Patent Licenses and use of Technical Information

1. The Contractor shall promptly report and fully disclose to the Minister any and all inventions, methods or processes, whether patented or unpatented, conceived or made in the course of carrying out the Work and the Contractor agrees to and does hereby grant unto Canada a non-exclusive, irrevocable, royalty-free license to make, have made and use for military purposes throughout the world and to sell or otherwise dispose of any article or thing embodying or using any and all such inventions, methods or processes, and a similar license to practice or cause to be practiced any such method or processes.

2. Canada may duplicate, use, and disclose in any manner for Government purposes, including delivery to other governments for the furtherance of mutual defence of Canada and such other governments, all or any part of the technical information including reports, drawings, blueprints, and other data specified to be delivered by the Contractor under this Contract.

1026A 19 (1991-06-01) Suspension of Work and Change in Specifications

The Minister may, at any time and from time to time, order a suspension of the Work in whole or in part, and make modifications of, changes in or additions to the specifications, changes in methods of shipment or packing and in the place or time of delivery. All directions given by the Minister with respect of the foregoing shall be complied with by the Contractor. If any such suspension, modification, change or addition shall result in an increase or decrease in the cost of the Work, the Contract Price shall be adjusted accordingly provided that the Contractor shall in no event be entitled to compensation for any loss of anticipated profits and provided further that minor increases or decreases in cost shall be disregarded.

1026A 20 (1992-04-01) Use of Canadian Labour and Materials

CANCELLED

1026A 21 (2000-12-01) Default by Contractor

1. If the Contractor is in default in carrying out any of the terms, conditions, or obligations of the Contract, or if the Contractor becomes bankrupt or insolvent, or has a receiving order made against it, or makes an assignment for the benefit of creditors, or if an order is made or resolution passed for the winding up of the Contractor, or if the Contractor takes the benefit of any statute for the time being in force relating to bankrupt or insolvent debtors, the Minister may, upon giving notice in writing to the Contractor, terminate the whole or any part of the Contract.

2. Upon the giving of such notice, the Contractor shall have no claim for any further payment save as hereinafter in this section 21 provided, but shall remain liable to Canada for all loss and damage which may be suffered by Canada by reason of the default or occurrence upon which such notice was based.

3. Notwithstanding the provisions of subsection 2 of this section, the Contractor shall not be liable for any loss or damage if the failure to perform the Contract on which the notice of termination is based arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes include but are not restricted to strikes, floods, fires, epidemics, act of God or of the Queen's enemies.

4. Upon termination of the Contract under this section, the Minister may require the Contractor to deliver to Canada, in the manner and to the extent directed by the Minister, any finished work which has not been delivered and accepted prior to such termination and any materials, parts, work-in-process, or tools, which the Contractor has specifically acquired or produced for the fulfilment of the Contract. Subject to the deduction of any claim which Canada may have against the Contractor arising under the Contract or out of the termination, Canada shall pay or credit to the Contractor the value of all such finished work delivered pursuant to such direction and accepted by Canada determined in accordance with the Contract Price and shall pay or reimburse the Contractor the reasonable and proper cost to the Contractor of all materials, parts or work-in-process delivered to Canada pursuant to such direction.

5. If after notice of termination of the Contract under the provisions of subsection 1 of this section it is determined by the Minister that the default of the Contractor is due to causes beyond the control of the Contractor, such notice of termination shall be deemed to have been issued pursuant to section 26 of these general conditions and the rights and obligations of the parties hereto shall be governed by that section.

1026A 22 (1999-12-13) No Bribe, etc.

The Contractor warrants that no bribe, gift, or other inducement has been paid, given, promised or offered to any official or employee of Canada for, or with a view to, the obtaining of the Contract by the Contractor.

1026A 23 (1991-06-01) Labour and Health Conditions

The Contractor shall comply with all labour conditions and with all health conditions and requirements, from time to time applicable to the Work.

1026A 24 (1991-06-01) Members of the House of Commons

No members of the House of Commons shall be admitted to any share or part of the Contract or to any benefit to arise therefrom.

1026A 25 (1991-06-01) Notice

Any notice to the Contractor hereunder shall be effectively given if sent by letter or by telegram, postage prepaid or with charges prepaid as the case may be, addressed to the Contractor at its address as given in the Contract or, if no address is so given, at its address as shown by the records of the Minister. Any notice so given shall be deemed to have been received by the Contractor at the time when in the ordinary course such letter or telegram should have reached its destination.

1026A 26 (2004-05-14) Termination

1. Notwithstanding anything in the Contract contained, the Minister may, by giving notice to the Contractor (hereinafter sometimes referred to as a "termination notice"), terminate the Contract as regards all or any part or parts of the Work not theretofore completed. Upon a termination notice being given, the Contractor shall cease work (including the manufacturing and procuring of materials for the fulfilment of the Contract) in accordance with and to the extent specified in such notice. The Minister may, at any time or from time to time, give one or more additional termination notices with respect to any or all parts of the work not terminated by any previous termination notice.

2. In the event of a termination notice being given under the provisions of this section, and subject as hereinafter provided

   (a) all finished work, whether completed before the giving of such notice or completed thereafter pursuant to such notice, shall be paid for (subject to acceptance in accordance with the provisions of the Contract) on the basis of the Contract Price;

   (b) in respect of work not completed before the giving of such notice, and not completed thereafter pursuant to such notice, the Contractor shall be entitled to be reimbursed the actual cost to the Contractor of such uncompleted work and to receive in addition an amount representing a fair and reasonable profit in respect of work done thereon. Cost shall be determined in accordance with the provisions of Contract Cost Principles 1031-2, subject to any modifications thereof which the Minister may consider to be appropriate in the circumstances;

   (c) subject as provided in paragraph (d) of this subsection 2, the Contractor shall be entitled to be reimbursed the amount of any capital expenditures specifically authorized by the Contract or approved by the Minister for the purpose of the Contract (and actually made or incurred) to the extent that the same (less any depreciation in respect thereof already taken into account in determining cost) were reasonably and properly incurred by the Contractor in respect of and are properly apportionable to the performance of the Contract and not included in the amounts paid or payable to the Contractor in respect of finished work;

   (d) if the Contract is exclusively a Contract for the making of capital expenditures in respect of additional equipment or plant additions, the foregoing paragraphs (a) to (c) inclusive of this subsection 2 shall not apply but Canada shall pay, or reimburse the Contractor for the reasonable and proper cost to the Contractor (not previously paid by Canada) of:

      (i) all additional equipment which, prior to the giving of the termination notice, shall have been purchased, acquired or manufactured by the Contractor, or contracted for and for which the Contractor is obligated to make payments, and

      (ii) all additional equipment in process of manufacture by the Contractor as at the date of the giving of such notice and all work in connection with the construction of the plant addition up to the said date, including the cost of materials and parts contracted for by the Contractor for the purpose of such manufacture of construction and for which the Contractor is obligated to make payment.

3. Provided always that no reimbursements shall be made in respect of work which has been or may be rejected after inspection as not complying with the requirements of the Contract.

4. The Contractor shall not be reimbursed any amount which, taken together with any amounts paid or due or becoming due to the Contractor under the Contract, shall exceed the Contract Price applicable to the work or the particular part thereof.

5. Notwithstanding the provisions of any of the foregoing subsections 1 to 4 inclusive, the amounts which the Contractor shall be entitled to be reimbursed in the event of the giving of a termination notice under this section 26 shall include, subject as hereinafter provided, the costs of the Contractor of and incidental to the cancellation of obligations incurred by the Contractor pursuant to the termination notice, the cost of preparing the necessary accounts and statements with respect to work performed to the effective date of such termination and commitments made by the Contractor with respect to the terminated portions of the Work, wages which the Contractor is obligated under any laws and regulations for the time being in force, to pay to employees whose services are no longer required by reason of such termination, the costs of and incidental to the taking of an inventory of materials, components, work-in-process and finished work on hand at the effective date of the termination and other costs and expenses of and incidental to the termination, in whole or in part, of operations under the Contract provided always that payment and reimbursement under the provisions of this subsection shall be made only to the extent that it is established to the satisfaction of the Minister that the costs and expenses aforesaid were actually incurred by the Contractor and that the same are reasonable and are properly attributable to the termination of the Work or the part thereof so terminated.

6. In case of disagreement as to the amount which the Contractor is entitled to be reimbursed, the matter shall be referred to the Federal Court.

7. As far as practicable, the Contractor shall place purchase orders and subcontracts on terms that will enable the Contractor to terminate the same upon conditions and terms similar in effect to these provided in this section, and generally the Contractor shall co-operate with the Minister and do everything reasonably within its power at all times to minimize and reduce the amount of Canada's obligations in the event of termination hereunder.

8. Title to all materials, parts, plant, equipment and work-in-process in respect of which reimbursement is made to the Contractor as herein provided shall, upon such reimbursement being made, pass to and vest in Canada unless already so vested under any other provision of the Contract and such materials, parts, plant, equipment and work-in-process shall be delivered to the order of the Minister, but the materials thus taken over will in no case be in excess of what would have been required for performing the Contract in full if no termination notice had been given.

9. If the Minister is satisfied that by reason of any action taken under the provisions of this section exceptional hardships have resulted to the Contractor, then the Minister may, in his absolute discretion, grant such allowance (not to include in any case, however, any allowance or compensation for loss of profit) to the Contractor as, in the opinion of the Minister, is warranted by the circumstances.

10. The Contractor shall have no claim for damages, compensation, loss of profit, allowance or otherwise by reason of or directly or indirectly arising out of any action or notice given by the Minister under or pursuant to the provisions of this section to the extent in this section expressly provided.

1026A 27 (1991-06-01) Accounts

The Contractor shall keep proper accounts and records of the cost to the Contractor of the work and of all expenditures or commitments made by the Contractor in connection therewith and such accounts and

records together with the related invoices, receipts and vouchers shall be open to audit and inspection by the authorized representatives of the Minister (who may make copies thereof and take extracts therefrom) at any time until the expiration of six (6) years from the end of the calendar year in which the Contract is terminated or completed and the Contractor shall afford all facilities for such audits and inspections and shall furnish the Minister and his authorized representatives with all such information as he or they may from time to time require with reference to such accounts, records, invoices, receipts and vouchers until the expiration of six (6) years from the end of the calendar year in which the Contract is terminated or completed, but shall preserve and keep the same available for audit and inspection at any time during such retention period.

1026A 28 (1991-06-01) Foreign Exchange

Unless otherwise provided in the Contract or agreed to by the Minister, the Contractor shall not be entitled to any increase in the Contract Price by reason of foreign exchange fluctuations.

1026A 29 (1991-06-01) Increased Taxes and Duties

1. In the event of any change in any tax imposed under the Excise Act, the Excise Tax Act, or any duties imposed under the Customs Tariff after the date of the Contract and which affects the cost to the Contractor of the work, the Contract Price shall be adjusted to reflect the increase or decrease in the cost to the Contractor.

2. As a prerequisite of payment, the Contractor shall forward to the Minister a certified statement showing the increase or decrease in cost to the Contractor that is directly attributable to the change in tax or duty. Any price revision under this section may be verified by government audit.

3 For the purpose of determining the adjustment in price referred to in subsection 2 of this section resulting from any change in tax or duty described in subsection 1 of this section, where such tax or duty is changed after the date of submission of the Contractor's tender or price proposal but public notice of such change has been given by the Minister of Finance before the date of submission thereof, the change of such tax or duty shall, for the purposes of this section, be deemed to have occurred before the date of submission of such tender or price proposal.

1026A 30 (1994-06-06) Certification - Contingency Fees

1. The Contractor certifies that it has not directly or indirectly paid or agreed to pay and covenants that it will not directly or indirectly pay a contingency fee for the solicitation, negotiation or obtaining of this Contract to any person other than an employee acting in the normal course of the employee's duties.

2. All accounts and records pertaining to payments of fees or other compensation for the solicitation, obtaining or negotiation of the Contract shall be subject to the Accounts and Audit provisions of the Contract.

3. If the Contractor certifies falsely under this section or is in default of the obligations contained therein, the Minister may either terminate this Contract for default in accordance with the termination for default provisions of the Contract or recover from the Contractor by way of reduction to the Contract Price or otherwise the full amount of the contingency fee.

4. In this section,

   "contingency fee" means any payment or other compensation that is contingent upon or is calculated upon the basis of a degree of success in soliciting or obtaining a government contract or negotiating the whole or any part of its terms;

   "employee" means a person with whom the Contractor has an employer/employee relationship;

"person" includes an individual or group of individuals, a corporation, a partnership, an organization and an association and, without restricting the generality of the foregoing, includes any individual who is required to file a return with the registrar pursuant to section 5 of the *Lobbyist Registration Act*, R.S. 1985, c.44 (4th Supplement) as the same may be amended from time to time.

1026A 31 (2000-12-01) Interest on Overdue Accounts

1. For the purposes of this section:

   "Average Rate" means the simple arithmetic mean of the Bank Rates in effect at 4:00 p.m. Eastern Standard Time each day during the calendar month which immediately precedes the calendar month in which payment is made, where the "Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association.

   "date of payment" means the date of the negotiable instrument drawn by the Receiver General for Canada and given for payment of an amount due and payable;

   an amount is "due and payable" when it is due and payable by Canada to the Contractor in accordance with the conditions of the Contract; and

   an amount becomes "overdue" when it is unpaid on the first day following the day upon which it is due and payable.

2. Canada shall be liable to pay to the Contractor simple interest at the Average Rate plus 3 percent per annum on any amount that is overdue, from the date such amount becomes overdue until the day prior to the date of payment, inclusive. Interest shall be paid without notice from the Contractor.

3. Canada shall not be liable to pay interest in accordance with this section if Canada is not responsible for the delay in paying the Contractor.

4. Canada shall not be liable to pay interest on overdue advance payments.

1026A 32 (2005-12-16) Conflict of Interest

The Contractor agrees that it is a term of the Contract that no person who is not in compliance with the provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders, the Values and Ethics Code for the Public Service, or the Defence Administrative Orders and Directives governing Conflict of Interest and Post-Employment, shall derive any direct benefit from this Contract.

1026A 33 (2007-05-25) Taxes

1. Municipal Taxes
   Municipal Taxes are not applicable.

2. Provincial Taxes

   (a) Excluding legislated exceptions, federal government departments and agencies are not required to pay any ad valorem sales tax levied by the province in which the taxable goods or services are delivered. This exemption has been provided to federal government departments and agencies under the authority of one of the following:

      (i) Provincial Sales Tax (PST) exemption license numbers for the provinces of:

Prince Edward Island	OP-10000-250
Ontario	11708174G
Manitoba	390-516-0
British Columbia	R005521

(ii) For Quebec, Saskatchewan, the Yukon Territory, the Northwest Territories and Nunavut, an exemption certificate, which certifies that the goods or services purchased are not subject to the provincial/territorial sales and consumption taxes because they are being purchased by the federal government with Canada funds for the use of the federal government.

(b) Currently, in Alberta, the Yukon Territory, the Northwest Territories and Nunavut, there is no general PST. However, should a PST be introduced in the Northwest Territories, Nunavut, or Yukon Territory, the sales tax exemption certificate would be required on the purchasing document.

(c) Federal departments are required to pay the HST in the participating provinces of Newfoundland and Labrador, Nova Scotia and New Brunswick.

(d) The Contractor is not exempt from paying PST under the above exemption license numbers or exemption certificate. The Contractor is required to pay the PST on taxable goods or services used or consumed in the performance of the Contract (as per appropriate provincial legislation), including material incorporated into real property.

3. Changes to Taxes and Duties

In the event of any change in any tax imposed under the *Excise Act*, R.S.C 1985, c. E-14, and *Excise Tax Act*, R.S.C. 1985, c. E-15, or any duties imposed under the Customs Tariff or any other federal or provincial sales, excise or other like duties, taxes, charges or impositions after the bid submission date and which affects the costs of the Work to the Contractor, the Contract price will be adjusted to reflect the increase or decrease in the cost to the Contractor.

4. Goods and Services Tax/Harmonized Sales Tax

The estimated Goods and Services Tax (GST) or Harmonized Sales Tax (HST), if applicable, is included in the total estimated cost on page 1 of the Contract. The GST or HST is not included in the Contract price but will be paid by Canada as provided in the Invoice Submission clause below. The Contractor agrees to remit to Canada Revenue Agency any amounts of GST and HST paid or due.

1026A 34 (2007-05-25) Invoice Submission

Invoices must be submitted in the name of the Contractor. They must show the name and address of the client department, item/reference number, deliverable and/or description of Work, contract serial number, Client Reference Number (CRN), Procurement Business Number (PBN) and financial code(s). If applicable, the method of shipment together with date, case numbers and part or reference numbers, item, quantity, unit of issue, unit price, and additional charges will be shown on the invoice. If applicable, fixed time labour rates and level of effort and, the amount invoiced (exclusive of the GST or HST as appropriate), will be shown separately.

GST or HST, if applicable, will be incorporated into all invoices and shown as a separate item on invoices. All items that are zero-rated, exempt or to which the GST or HST does not apply, are to be identified as such on all invoices. Invoices must be submitted for each delivery/shipment and must apply to one contract only. Each invoice must indicate whether it covers partial or final delivery.

1026A 35 (2007-05-25) Shipment Documentation

For the shipment of goods, the transportation bill of lading must accompany the original invoice, except for "collect" shipments (if and when stipulated), in which event it must accompany the shipment. In addition, a packing slip must accompany each shipment, showing item, quantity, part or reference numbers, description of suppliers and contract reference numbers, including the CRN and PBN. If the goods have been inspected at the Contractor's plant, the signed inspection voucher must be attached to the packing slip normally enclosed in the packing note envelope.

1026A 36 (2007-11-30) Condition of Material

Unless specified otherwise in the Contract, material supplied must be new and conform to the latest issue of the applicable drawing, specification and/or part number that is in effect on the solicitation closing date.

1026A 37 (2010-01-11) Transportation Costs

If transportation costs are payable by Canada under the Contract and the Contractor makes the transportation arrangements, shipments must be made by the most direct and economical means consistent with normal shipping practice. The costs must be shown as a separate item on the invoice.

1026A 38 (2007-05-25) Shipment into Canada

Goods shipped into Canada from another country are to be consigned to destination, in bond, unless otherwise directed.

1026A 39 (2010-01-11) International Sanctions

1. Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

2. The Contractor must not supply to the Government of Canada any goods or services which are subject to economic sanctions.

3. The Contractor must comply with changes to the regulations imposed during the period of the Contract. The Contractor must immediately advise Canada if it is unable to perform the Work as a result of the imposition of economic sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services. If the Parties cannot agree on a work around plan, the Contract will be terminated in accordance with section 26.

1026A 40 (2007-05-25) Standard Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act,* S.C. 1996, c. 16, the clauses and conditions identified in the Contract by number, date and title are incorporated by reference into and form part of the Contract as though expressly set out in the Contract.

1026A 41 (2008-05-12) Code of Conduct for Procurement

The Contractor confirms that it has read the Code of Conduct for Procurement and agrees to be bound by its terms.

1026A 42 (2008-05-12) Payment Period

1. Canada's standard payment period is thirty (30) days. The payment period is measured from the date an invoice in acceptable form and content is received in accordance with the Contract or the date the Work is delivered in acceptable condition as required in the Contract, whichever is later

A payment is considered overdue on the 31st day following that date and interest will be paid automatically in accordance with the section 31 entitled Interest on Overdue Accounts.

2. If the content of the invoice and its substantiating documentation are not in accordance with the Contract or the Work is not in acceptable condition, Canada will notify the Contractor within fifteen (15) days of receipt. The 30-day payment period begins upon receipt of the revised invoice or the replacement or corrected Work. Failure by Canada to notify the Contractor within fifteen (15) days will only result in the date specified in subsection 1 of the clause to apply for the sole purpose of calculating interest on overdue accounts.

1026A 43 (2008-05-12) Right of set off

Without restricting any right of set-off given by law, Canada may set-off against any amount payable to the Contractor under the Contract, any amount payable to Canada by the Contractor under the Contract or under any other current contract. Canada may, when making a payment pursuant to the Contract, deduct from the amount payable to the Contractor any such amount payable to Canada by the Contractor which, by virtue of the right of set-off, may be retained by Canada.

1026A 44 (2008-05-12) Entire Agreement

The Contract constitutes the entire and only agreement between the Parties and supersedes all previous negotiations, communications and other agreements, whether written or oral, unless they are incorporated by reference in the Contract. There are no terms, covenants, representations, statements or conditions binding on the Parties other than those contained in the Contract.

1026A 45 (2010-01-11) Transportation Carriers' Liability

The federal government's policy of underwriting its own risks precludes payment of insurance or valuation charges for transportation beyond the point at which ownership of goods passes to the federal government (determined by the FOB point or Incoterms). Where increased carrier liability is available without charge, the Contractor must obtain the increased liability for shipment.

1026B (2010/01/11) Supplies - Cost Reimbursement

Public Works and Government Services Canada

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1026B 01 (2007-05-25) Interpretation

1. In the Contract, unless the context otherwise requires,

"Articles of Agreement" means the clauses and conditions set out in full text or incorporated by reference from the *Standard Acquisition Clauses and Conditions* Manual to form the body of the Contract but does not include these general conditions, any supplemental general conditions, annexes, the Contractor's bid or proposal or any other document.

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada;

"Contract" means the Articles of Agreement, these general conditions, any supplemental general conditions, annexes and any other documents specified or referred to as forming part of the Contract, all as amended by agreement of the Parties from time to time;

"Contract Price" means the amount expressed in the Contract to be payable to the Contract or for the work;

"cost" means cost determined in accordance with Contract Cost Principles 1031-2 (as revised to date of contract) and any subsequent revisions thereof;

"equipment" includes machinery, apparatus, jigs, tools, dies, gauges, instruments and equipment of all kinds;

"finished work" means the defence supplies or defence project or other work completed in accordance with the provisions of the Contract;

"Government Issue" means all materials, parts, components, equipment, specifications, articles and things which may be supplied to the Contract or by or on behalf of Canada for the purposes of the work;

"herein", "hereby", "hereof", "hereunder" and similar expressions, when used in any section, shall be understood to relate to the Contract as a whole and not merely to the section in which they appear;

"Inspector" means the person designated as such by the Contract and any person acting on behalf of Canada or the Minister as the Inspector under the Contract;

"inventions" means any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter;

"Minister" means the Minister responsible for the Contract and includes his Deputy Minister and any Acting, Associate or Assistant Deputy Minister and any duly authorized officer or representative of the Minister;

"Party" means Canada or the Contractor or any other signatory to the Contract and "Parties" means all of them;

"supplemental general conditions" means any other general conditions forming part of the Contract;

"specifications" means the specifications, plans, drawings, designs and models, if any, furnished to the Contract or by Canada or the Minister for the carrying out of the Contract;

"subcontractor" includes a person, firm or corporation having a Contract with the Contractor for the execution of a part or parts of the work and also a person, firm or corporation furnishing materials to the Contractor in connection with the work;

"Work" means the whole of the work, materials, matters and things required to be done, furnished and performed in order to carry out the Contract.

2. The singular number includes the plural and vice versa.

3. In the event of any inconsistencies, the provisions of the Agreement and these general conditions shall prevail over the specifications and the provisions of the Agreement and supplemental general conditions shall prevail over these general conditions.

4. The Contract is a defence contract within the meaning of the *Defence Production Act* and shall be read accordingly.

1026B 02 (1999-12-13) Powers of Minister

The Minister is the agent of Canada for all purposes of the Contract. Nothing contained in or omitted from the Contract shall restrict any of the rights or powers of Canada or the Minister under the *Defence Production Act*, or otherwise. Every right, remedy, power and discretion vested in the Minister under the Contract or otherwise shall be cumulative and non-exclusive.

1026B 03 (2000-12-01) Assignment and Subletting

1. The Contractor shall, before entering into any subcontracts or Work or materials, notify the Minister in writing of such proposed subcontracts and shall furnish such particulars

thereof as the Minister may require. The Contract shall not be assigned nor any of the Work sublet without the prior written consent of the Minister and any assignment or subletting made without such consent shall be of no effect provided that, unless the Contract or the Minister directs otherwise, the Contractor may sublet such portions of the Work as is customary in the carrying out of similar contracts. No assignment or subletting shall relieve the Contractor from any of its obligations under the Contract or impose any liability upon Canada or the Minister to an assignee or subcontractor, unless otherwise agreed to by the Minister.

2. Unless otherwise agreed to by the Minister in any assignment or subletting, the Contractor agrees to bind each assignee or subcontractor by the terms of the general conditions, the supplemental general conditions, if any, the labour conditions and the drawings and specifications as far as applicable to the Work.

3. No act or omission of the Contractor, whether before or after the entry into the Contract, shall have the effect of rendering any monies payable by Canada under the Contract payable to any person, firm or corporation other than the Contractor, unless Canada consents thereto.

4. The Minister may, on request, furnish to any subcontractor evidence of the amounts submitted by the Contractor on the subcontractor's account.

5. Subject to the foregoing, the Contract shall inure to the benefit of and shall be binding upon the successors and assigns of Canada and of the Contractor, respectively.

1026B 04 (1991-06-01) Discounts

The Contractor shall, as far as practicable, take all trade discounts, rebates, refundable taxes and duties, credits, commissions and other allowances. In determining the actual net cost of articles and materials of every kind required for the performance of this Contract, there shall be deducted from the gross cost thereof all trade discounts, rebates, refundable taxes and duties, credits, commissions and other allowances as aforesaid. Such benefits lost through no fault or neglect on the part of the Contractor shall not be deducted from gross costs.

1026B 05 (1991-06-01) Conduct of the Work

1. The Contractor agrees to carry out the Work diligently and to provide efficient supervision and inspection thereof and that the Work will be of proper quality, material and workmanship and in full conformity with the specifications, drawings, models or samples, if any.

2. No materials or parts shall be used or processed and no finished work shall be submitted for acceptance or shall be delivered unless or until approved by the Contractor's inspection staff and, wherever practicable, marked with an approval stamp satisfactory to the Inspector. The Contractor shall keep proper and adequate inspection records which shall at all times be open to examination by the Inspector who may make copies thereof

and take extracts therefrom.

3. The Minister and the Inspector shall have access to the Work at all times and to the plant and premises where any part of the work is being carried on, and may make such inspections and tests of the Work and of parts, materials and work in process as the Minister or the Inspector may think fit. he Contractor shall provide all assistance and facilities, test pieces and samples which the Minister or the Inspector may reasonably require for the carrying out of any such inspections and any such tests as aforesaid and shall forward such test pieces and samples to such person or location as the Minister or the Inspector may direct. The Contractor shall provide the Minister and the Inspector with such accommodation as they may require for the purpose of such inspections and any such tests and for the exercise of any other powers conferred upon them hereunder.

4. The Contractor shall not stop or suspend Work pending the settlement or determination of any differences arising under the Contract, unless so instructed by the Minister.

1026B 06 (1999-12-13) Specifications, Drawings, etc.

All specifications, drawings, patterns, samples and other information furnished the Contractor in connection with the Contract shall be used by the Contractor solely for the purpose of carrying out the Work and for no other purpose except with the consent in writing of the Minister and shall remain the property of Canada and be returned to Canada or the Minister upon demand.

1026B 07 (1991-06-01) Inspection

All Work shall be subject to inspection by the Inspector prior to acceptance. Should the Work be defective in materials or workmanship or otherwise not be in accordance with the requirements of the Contract, the Inspector shall have the right to reject the Work or to require its correction. Inspection by the Inspector either at the plant of the Contractor or of any of its subcontractors shall not relieve the Contractor from responsibility for defects or other failure to meet the requirements of the Contract. The Contractor agrees to accept and be bound by the Inspector's interpretation of the meaning of the specifications.

1026B 08 (2000-12-01) Title and Acceptance

Except as otherwise provided in the Contract, title to the Work or any part thereof shall vest in Canada upon delivery to the consignee and acceptance thereof by the consignee. Acceptance by the consignee of the Work or any part thereof shall be deemed to be acceptance thereof by Canada.

1026B 09 (2004-12-10) Warranty

Notwithstanding prior acceptance of the finished work, and without restricting any other term of the Contract or any condition, warranty or provision implied or imposed by law, the Contractor, if requested by the Minister to do so at any time within twelve (12) months from the date of delivery, shall:

(a) replace or make good at its own expense any finished work, excluding Government Issue incorporated therein, which becomes defective or which fails to conform to contract requirements as a result of faulty or inefficient manufacture, material or workmanship

(b) deliver such finished work free from all defects to the delivery point specified in the Contract, unless otherwise agreed to by the Minister;

provided that where, in the opinion of the Minister, it is not expedient to remove such defective finished work from its location, the Contractor shall replace or make good the defective finished work at such location, and shall be paid the actual cost incurred in so doing (including reasonable travelling and living expenses) with no allowance thereon by way of overhead or profit, less a sum equivalent to the cost of making good the defective finished work had it been made good at the Contractor's plant.

1026B 10 (1999-12-13) Government Issue

1. All items comprised in any Government Issue shall be used by the Contractor solely for the purposes of the Contract and shall always be and remain the property of Canada and wherever feasible the Contractor shall maintain adequate accounting records of all Government Issue and shall mark the same as being Canada's property.

2. All Government Issue (except such as are installed or incorporated in the Work) shall be returned to Canada upon demand, in the same condition as when supplied to the Contractor provided that the Contractor shall not be responsible for any loss or damage resulting from ordinary wear and tear or causes beyond the Contractor's control.

3. All scrap and waste materials derived from any Government Issue or from any other materials, articles or things which are the property of Canada, shall, unless otherwise specifically provided herein, remain the property of Canada and shall be disposed of only as prescribed by the Minister.

1026B 11 (1991-06-01) Spoilage and Defective Work

The Contractor shall carry out the Work as economically as possible and shall avoid waste and spoilage. If the character and value of any spoiled and wasted materials, or defective Work, in the opinion of the Minister constitutes mismanagement on the part of the Contractor, the cost of the spoiled and wasted materials and the cost of re-working the defective Work to the extent directed by the Minister shall not be considered as part of the cost of the Work and the Contractor shall not be reimbursed therefor.

1026B 12 (1999-12-13) Care of Crown Property

Except as otherwise provided in the Contract, no insurance shall be carried by the Contractor on any property, title to which is vested in Canada, including any machinery, equipment and production tooling which is the property of Canada. The Contractor shall take reasonable and

proper care of all property, title to which is vested in Canada, while the same is in, on or about the plant and premises of the Contractor or otherwise in his possession or subject to his control and shall be responsible for any loss or damage resulting from his failure to do so other than loss or damage caused by ordinary wear and tear.

1026B 13 (1991-06-01) Time of Essence

Time shall be deemed to be of the essence of the Contract provided that the time for completing any of the Work which has been or is likely to be delayed by reason of force majeure or other cause beyond the reasonable control of the Contractor shall be extended by a period equal to the length of the delay so caused, provided that prompt notice in writing of the occurrence causing or likely to cause such delay is given to the Minister.

1026B 14 (1991-06-01) Accounts

The Contractor shall keep proper accounts and records of the cost to the Contractor of the Work and of all expenditures or commitments made by the Contractor in connection therewith and such accounts and records together with the related invoices, receipts and vouchers shall be open to audit and inspection by the authorized representatives of the Minister (who may make copies thereof and take extracts therefrom) at any time until the expiration of six (6) years from the end of the calendar year in which the Contract is terminated or completed and the Contractor shall afford all facilities for such audits and inspections and shall furnish the Minister and his authorized representatives with all such information as he or they may from time to time require with reference to such accounts, records, invoices, receipts and vouchers. The Contractor shall not, without the consent of the Minister, dispose of any such accounts, records, invoices, receipts and vouchers until the expiration of six (6) years from the end of the calendar year in which the Contract is terminated or completed, but shall preserve and keep the same available for audit and inspection at any time during such retention period.

1026B 15 (2000-12-01) Security and Protection of Work

1. The Contractor shall keep confidential all information provided to the Contractor by or on behalf of Canada in connection with the Work, and all information developed by the Contractor as part of the Work, and shall not disclose any such information to any person without the written permission of the Minister, except that the Contractor may disclose to a subcontractor, authorized in accordance with this Contract, information necessary to the performance of the subcontract. This section does not apply to any information that:

   (a) is publicly available from a source other than the Contractor; or

   (b) is or becomes known to the Contractor from a source other than Canada, except any source that is known to the Contractor to be under an obligation to Canada not to disclose the information.

2. When the Contract, the Work, or any information referred to in subsection 1 is identified as TOP SECRET, SECRET, CONFIDENTIAL or PROTECTED by Canada, the

Contractor shall, at all times, take all measures reasonably necessary for the safeguarding of the material so identified, including those set out in the *Department of Public Works and Government Services Industrial Security Manual* and its supplements and any other instructions issued by the Minister.

3. Without limiting the generality of subsections 1 and 2, when the Contract, the Work, or any information referred to in subsection 1 is identified as TOP SECRET, SECRET, CONFIDENTIAL or PROTECTED by Canada, the Minister shall be entitled to inspect the Contractor's premises and the premises of a subcontractor at any tier for security purposes at any time during the term of the Contract, and the Contractor shall comply with, and ensure that any such subcontractor complies with, all written instructions issued by the Minister dealing with the material so identified, including any requirement that employees of the Contractor or of any such subcontractor execute and deliver declarations relating to reliability screenings, security clearances and other procedures.

1026B 16 (2000-12-01) Patent Claims and Royalties

1. In this section, "royalties" includes license fees and all other payments analogous to royalties for, and also claims for damages based upon, the use or infringement of any patent, registered industrial design, or copyright by the Contractor in, or the furnishing of any engineering or technical assistance or services to the Contractor for the performance of the Contract or any part thereof.

2. Canada shall indemnify the Contractor against claims, actions or proceedings for the payment of royalties in respect of anything, the model, plan, design or specification of which shall have been supplied by or on behalf of Canada to the Contractor, but this indemnity shall apply only to the Contract.

3. Except as provided in subsection 2 of this section, and subject as hereinafter provided, the Contractor shall indemnify Canada against claims, actions, or proceedings for the payment of royalties in respect of the carrying out of the Contract, or in respect of the use of or disposal by or for Canada of articles and supplies furnished hereunder.

4. The Contractor shall forthwith notify the Minister of all royalties which the Contractor or any of its subcontractors will or may be obligated to pay or proposes to pay for or in respect of the carrying out of the Contract, and the basis thereof, and the parties to whom the same are payable, and shall from time to time promptly advise the Minister of any and all claims or arrangements made or proposed which would or might result in further or different payments by way of royalties being made by the Contractor or any of its subcontractors.

5. If and to the extent that the Minister so directs, the Contractor shall not pay, and shall direct its subcontractors not to pay any royalties in respect of the carrying out of the Contract except with the consent in writing of the Minister and subject to such conditions as the Minister may impose.

6. From and after the giving of any such direction, and subject to compliance by the Contractor with the foregoing provisions, Canada shall relieve and indemnify the Contractor from and against all claims, actions or proceedings for payment of such royalties as are covered by such direction.

1026B 17 (2000-12-01) Patent Licenses and Use of Technical Information

1. The Contractor shall promptly report and fully disclose to the Minister any and all inventions, methods or processes, whether patented or unpatented, conceived or made in the course of carrying out the Work and the Contractor agrees to and does hereby grant unto Canada a non-exclusive, irrevocable, royalty-free license to make, have made and use for military purposes throughout the world and to sell or otherwise dispose of any article or thing embodying or using any and all such inventions, methods or processes, and a similar license to practice or cause to be practiced any such methods or processes.

2. Canada may duplicate, use, and disclose in any manner for Government purposes, including delivery to other governments for the furtherance of mutual defense of Canadian and such other governments, all or any part of the technical information including reports, drawings, blueprints, and other data specified to be delivered by the Contractor under this Contract.

1026B 18 (1992-04-01) Use of Canadian Labour and Materials

CANCELLED.

1026B 19 (2004-12-10) Conditions Precedent to Payment

No payment shall be made to the Contractor unless or until:

(a) invoices, inspection notes and all other documents prescribed from time to time by the Minister or Inspector are submitted in accordance with the terms of the Contract or instructions of the Minister, and

(b) the Contractor, if required to do so, establishes to the satisfaction of the Minister that all materials, parts, work in process or finished work in respect of which payment is being made are free from all claims, liens, attachments, charges or encumbrances.

1026B 20 (2004-12-10) Indemnity Against Claims

Except as otherwise provided in the Contract, the Contractor shall indemnify and save harmless Canada and the Minister from and against any and all claims, damages, loss, costs and expenses which they or either of them may at any time incur or suffer as a result of or arising out of:

(a) any injury to persons (including injuries resulting in death) or loss of or damage to property of others which may be or be alleged to be caused by or suffered as a result of the carrying out of the Work or any part thereof, and

(b) any liens, attachments, charges or other encumbrances or claims upon or in respect of any materials, parts, work in process or finished work delivered to or in respect of which any payment has been made by Canada.

1026B 21 (2000-12-01) Title on Progress Payments

Upon any payment being made to the Contractor for or on account of materials, parts, work in process, or finished work, either by way of progress payments or accountable advances or otherwise, title in and to all materials, parts, work in process and finished work so paid for by such progress payments or accountable advances or otherwise shall vest and remain in Canada, unless already so vested under any provision of the Contract, and the Contractor shall be responsible therefor in accordance with the provisions of section 12 hereof, it being understood and agreed that such vesting of title in Canada shall not constitute acceptance by Canada of such materials, parts, work in process and finished work and shall not relieve the Contractor of its obligations to perform the Work in conformity with the requirements of the Contract.

1026B 22 (1999-12-13) Further Assurances

Wherever it is herein provided that title to any parts, materials, work in process or finished work becomes vested in Canada, the Contractor shall execute such conveyances thereof and other instruments as the Minister may request.

1026B 23 (1991-06-01) Suspension of Work and Changes in Specifications

The Minister may at any time and from time to time order a suspension of the Work, in whole or in part, and make modifications of, changes in or additions to the specifications, changes in methods of shipment or packing and in the place or time of delivery. All directions given by the Minister with respect to the foregoing shall be complied with by the Contractor. Should any such suspension, modification, change or addition result in a material increase or decrease in the scope of the Work, the Minister may make an adjustment in the Contractor's fee and the Minister's decision on the adjustment to be made shall be final.

1026B 24 (2000-12-01) Default by Contractor

1. If the Contractor is in default in carrying out any of the terms, conditions, covenants or obligations of the Contract, or if the Contractor becomes bankrupt or insolvent, or has a receiving order made against it, or makes an assignment for the benefit of creditors, or if an order is made or resolution passed for the winding up of the Contractor, or if the Contractor takes the benefit of any statute for the time being in force relating to bankrupt or insolvent debtors, the Minister may, by giving notice in writing to the Contractor, terminate the whole or any part of the Contract. In such event, the Contractor shall not be entitled to the payment of any fee or any portion thereof with respect to any of the Work not completed by the Contractor in accordance with the terms of the Contract at the time of the said notice in writing to the Contractor.

2. If after notice of termination of the Contract under the provisions of subsection 1 of this section, it is determined by the Minister that the default of the Contractor is due to causes beyond the control of the Contractor, such notice of termination shall be deemed to have been issued pursuant to section 25 of these general conditions, and the rights and obligations of the parties hereto shall be governed by that section.

3. Upon termination of the Contract under this section, the Minister may require the Contractor to deliver to Canada, in the manner and to the extent directed by the Minister, any finished work which has not been delivered and accepted prior to such termination and any materials, parts, work in process or tools which the Contractor has specifically acquired or produced for the fulfilment of the Contract. Canada shall pay the Contractor for all such finished work delivered pursuant to such direction and accepted by Canada, the cost to the Contractor of such finished work plus the proportionate part of any fee fixed by the said Contract and shall pay or reimburse the Contractor the reasonable and proper cost to the Contractor of all materials, parts or work in process delivered to Canada pursuant to such direction.

1026B 25 (2004-12-10) Termination

1. Notwithstanding anything in the Contract contained, the Minister may, by giving notice to the Contractor, terminate the Contract as regards all or any part or parts of the Work not theretofore completed. Upon such notice being given, the Contractor shall cease Work (including the manufacturing and procuring of materials for the fulfilment of the Contract) in accordance with and to the extent specified in such notice but shall proceed with all reasonable speed to complete such part or parts (if any) of the Work as are by the terms of such notice to be completed and shall also proceed with all reasonable speed to complete up to such time or stage as may be specified in the notice any part or parts of the Work as required by such notice. Furthermore, the Minister may, at any time or from time to time, give one or more additional notices with respect to any or all parts of the Work which remain to be completed after the giving of any previous notice or notices.

2. In the event of any notice given under the provisions of this section, and subject as hereinafter provided:

   (a) All Work completed by the Contractor hereunder before the giving of such notice, and all Work completed thereafter pursuant to such notice, shall be paid for (subject to inspection and acceptance by Canada) in accordance with the terms hereof;

   (b) In respect of Work not completed hereunder before the giving of such notice, and not completed thereafter pursuant to such notice, Canada shall pay the Contractor's cost thereof as determined under the provision hereof, and in addition an amount representing a fair and reasonable profit in respect of Work done thereon;

   (c) Subject as provided in paragraph (d) of this subsection 2, if the Contract shall

have specifically authorized or if the Minister shall have specifically approved the making of capital expenditures by the Contractor to enable it to carry out the Contract, the Contractor shall be entitled to be reimbursed the amount of such capital expenditures so authorized or approved (and actually made or incurred) to the extent that the same (less any depreciation in respect thereof already taken into account in determining cost in accordance with the provisions of the Contract) were reasonably and properly incurred by the Contractor in respect of and are properly apportionable to the performance of the Contract;

(d) If the Contract is exclusively a Contract for the making of capital expenditures in respect of additional equipment or plant additions, the foregoing paragraphs (a) to (c) inclusive of this subsection 2 shall not apply, but Canada shall pay or reimburse the Contractor for the reasonable and proper cost to the Contractor (not previously paid by Canada) of:

(i) all additional equipment which, prior to the giving of the termination notice, shall have been purchased, acquired or manufactured by the Contractor, or contracted for and for which the Contractor is obligated to make payments, and

(ii) all additional equipment in process of manufacture by the Contractor as at the date of the giving of such notice and all Work in connection with the construction of the plant addition up to the said date, including the cost of materials and parts contracted for by the Contractor for the purpose of such manufacture of construction and for which the Contractor is obligated to make payment.

3. Notwithstanding the provisions of subsections 1 and 2, the amounts which the Contractor shall be entitled to be reimbursed in the event of the giving of a termination notice under this section 25 shall include, subject as hereinafter provided, the costs of the Contractor of and incidental to the cancellation of obligations incurred by the Contractor pursuant to the termination notice, the cost of preparing the necessary accounts and statements with respect to the Work performed to the effective date of such termination and commitments made by the Contractor with respect to the terminated portions of the Work, wages which the Contractor is obligated under any laws or regulations for the time being in force, to pay to employees whose services are no longer required by reason of such termination, the costs of and incidental to the taking of an inventory of materials, components, work in process and finished work on hand at the effective date of the termination and other costs and expenses of and incidental to the termination in whole or in part, of operations under the Contract provided always that payment and reimbursement under the provisions of this subsection shall be made only to the extent that is established to the satisfaction of the Minister that the costs and expenses aforesaid were actually incurred by the Contractor and that the same are reasonable and are properly attributable to the termination of the Work or the part thereof so terminated.

4. In the procuring of materials and parts required for the performance of the Contract and

in subletting of any Work hereunder, the Contractor, unless otherwise authorized by the Minister, shall procure or sublet on terms that will enable the Contractor to terminate any contracts entered into by the Contractor upon the same conditions and terms as those provided for in this section in respect of the termination of the Contract by the Minister and the giving of a notice or notices as aforesaid and upon the same conditions and terms in respect of reimbursement and profit as those contained in this section and in the event of the termination of the Contract as herein provided as regards all or any part of the Work, the Contractor shall co-operate with Canada and the Minister and do everything reasonably within its power at all times to minimize and reduce the amount of Canada's obligations under the provisions of this section.

5. In case of disagreement as to the amount which the Contractor is entitled to be reimbursed, the matter shall be referred to the Federal Court.

6. Upon reimbursement being made the Contractor as herein provided, title to the materials, parts, plant, equipment and work in process in respect of which such reimbursement is made shall pass to and vest in Canada (the Contractor hereby agreeing to execute and deliver all requisite instruments by way of further assurance) and such materials, parts, plant, equipment and work in process shall be delivered to the order of the Minister, but the materials thus taken over will in no case be in excess of what would have been required for performing the Contract in full if no notice has been given under the provisions hereof.

7. If it is established to the satisfaction of the Minister by the Contractor that by reason of any action taken by the Minister under the provisions of this section exceptional hardship has resulted to the Contractor, then the Minister may, notwithstanding any other provisions of this section, in his absolute discretion grant such allowance (not to include in any case, however, any allowance or compensation for loss of profit) to the Contractor as, in the opinion of the Minister, is warranted by the circumstances.

8. The Contractor shall have no claim for damages, compensation, loss of profit, allowance or otherwise by reason of or directly or indirectly arising out of any action taken or notice given by the Minister under or pursuant to the provisions of this section except as and to the extent in this section expressly provided.

9. The right of termination and of giving notice herein before provided for shall be in addition to and not in substitution for any other right possessed by Canada and the Minister.

1026B 26 (1991-06-01) Notice

Any notice to the Contractor hereunder shall be effectively given if sent by letter or by telegram, postage prepaid or with charges prepaid as the case may be, addressed to the Contractor at its address as given in the Contract or, if no address is given, at its address as shown by the records of the Minister. Any notice so given shall be deemed to have been received by the Contractor at the time when in the ordinary course such letter or telegram should have reached its destination.

1026B 27 (1999-12-13) No Bribe, etc.

The Contractor warrants that no bribe, gift, or other inducement has been paid, given, promised or offered to any official or employee of Canada for, or with a view to, the obtaining of the Contract by the Contractor.

1026B 28 (1991-06-01) Labour and Health Conditions

The Contractor shall comply with all labour conditions, and with all health conditions and requirements, from time to time applicable to the Work.

1026B 29 (1991-06-01) Members of the House of Commons

No member of the House of Commons shall be admitted to any share or part of the Contract or to any benefit to arise therefrom.

1026B 30 (1991-06-01) Extras

Except as otherwise provided in the Contract, no payment for extras shall be made unless such extras and the price thereof have been authorized in writing by the Minister.

1026B 31 (1994-06-06) Certification - Contingency Fees

1. The Contractor certifies that it has not directly or indirectly paid or agreed to pay and covenants that it will not directly or indirectly pay a contingency fee for the solicitation, negotiation or obtaining of this Contract to any person other than an employee acting in the normal course of the employee's duties.

2. All accounts and records pertaining to payments of fees or other compensation for the solicitation, obtaining or negotiation of the Contract shall be subject to the Accounts and Audit provisions of the Contract.

3. If the Contractor certifies falsely under this section or is in default of the obligations contained therein, the Minister may either terminate this Contract for default in accordance with the termination for default provisions of the Contract or recover from the Contractor by way of reduction to the Contract Price or otherwise the full amount of the contingency fee.

4. In this section:

   "contingency fee" means any payment or other compensation that is contingent upon or is calculated upon the basis of a degree of success in soliciting or obtaining a government contract or negotiating the whole or any part of its terms;

   "employee" means a person with whom the Contractor has an employer/employee relationship;

"person" includes an individual or group of individuals, a corporation, a partnership, an organization and an association and, without restricting the generality of the foregoing, includes any individual who is required to file a return with the registrar pursuant to section 5 of the *Lobbyist Registration Act,* R.S. 1985 c.44 (4th Supplement) as the same may be amended from time to time.

1026B 32 (2000-12-01) Interest on Overdue Accounts

1. For the purposes of this section:

   "Average Rate" means the simple arithmetic mean of the Bank Rates in effect at 4:00 p.m. Eastern Standard Time each day during the calendar month which immediately precedes the calendar month in which payment is made, where the "Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association.

   "date of payment" means the date of the negotiable instrument drawn by the Receiver General for Canada and given for payment of an amount due and payable;

   an amount is "due and payable" when it is due and payable by Canada to the Contractor in accordance with the conditions of the Contract; and

   an amount becomes "overdue" when it is unpaid on the first day following the day upon which it is due and payable.

2. Subject to the Contract, Canada shall be liable to pay to the Contractor simple interest at the Average Rate plus 3 percent per annum on any amount that is overdue, from the date such amount becomes overdue until the day prior to the date of payment, inclusive. Interest shall be paid without notice from the Contractor.

3. Canada shall not be liable to pay interest in accordance with this section if Canada is not responsible for the delay in paying the Contractor.

4. Canada shall not be liable to pay interest on overdue advance payments.

1026B 33 (2005-12-16) Conflict of Interest

The Contractor agrees that it is a term of the Contract that no person who is not in compliance with the provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders, the Values and Ethics Code for the Public Service, or the Defence Administrative Orders and Directives governing Conflict of Interest and Post-Employment, shall derive any direct benefit from this Contract.

1026B 34 (2007-05-25) Taxes

1. Municipal Taxes
Municipal Taxes are not applicable.

2. Provincial Taxes

(a) Excluding legislated exceptions, federal government departments and agencies are not required to pay any ad valorem sales tax levied by the province in which the taxable goods or services are delivered. This exemption has been provided to federal government departments and agencies under the authority of one of the following:

(i) Provincial Sales Tax (PST) exemption license numbers for the provinces of:

Prince Edward Island	OP-10000-250
Ontario	11708174G
Manitoba	390-516-0
British Columbia	R005521

(ii) For Quebec, Saskatchewan, the Yukon Territory, the Northwest Territories and Nunavut, an exemption certificate, which certifies that the goods or services purchased are not subject to the provincial/territorial sales and consumption taxes because they are being purchased by the federal government with Canada funds for the use of the federal government.

(b) Currently, in Alberta, the Yukon Territory, the Northwest Territories and Nunavut, there is no general PST. However, should a PST be introduced in the Northwest Territories, Nunavut, or Yukon Territory, the sales tax exemption certificate would be required on the purchasing document.

(c) Federal departments are required to pay the HST in the participating provinces of Newfoundland and Labrador, Nova Scotia and New Brunswick.

(d) The Contractor is not exempt from paying PST under the above exemption license numbers or exemption certificate. The Contractor is required to pay the PST on taxable goods or services used or consumed in the performance of the Contract (as per appropriate provincial legislation), including material incorporated into real property.

3. Changes to Taxes and Duties

In the event of any change in any tax imposed under the *Excise Act*, R.S.C 1985, c. E-14, and *Excise Tax Act*, R.S.C. 1985, c. E-15, or any duties imposed under the Customs Tariff or any other federal or provincial sales, excise or other like duties, taxes, charges or impositions after

the bid submission date and which affects the costs of the Work to the Contractor, the Contract price will be adjusted to reflect the increase or decrease in the cost to the Contractor.

4. Goods and Services Tax/Harmonized Sales Tax

The estimated Goods and Services Tax (GST) or Harmonized Sales Tax (HST), if applicable, is included in the total estimated cost on page 1 of the Contract. The GST or HST is not included in the Contract price but will be paid by Canada as provided in the Invoice Submission clause below. The Contractor agrees to remit to Canada Revenue Agency any amounts of GST and HST paid or due.

1026B 35 (2007-05-25) Invoice Submission

Invoices must be submitted in the name of the Contractor. They must show the name and address of the client department, item/reference number, deliverable and/or description of Work, contract serial number, Client Reference Number (CRN), Procurement Business Number (PBN) and financial code(s). If applicable, the method of shipment together with date, case numbers and part or reference numbers, item, quantity, unit of issue, unit price, and additional charges will be shown on the invoice. If applicable, fixed-time labour rates and level of effort and, the amount invoiced (exclusive of the GST or HST as appropriate), will be shown separately.

GST or HST, if applicable, will be incorporated into all invoices and shown as a separate item on invoices. All items that are zero-rated, exempt or to which the GST or HST does not apply, are to be identified as such on all invoices. Invoices must be submitted for each delivery/shipment and must apply to one contract only. Each invoice must indicate whether it covers partial or final delivery.

1026B 36 (2007-05-25) Shipment Documentation

For the shipment of goods, the transportation bill of lading must accompany the original invoice, except for "collect" shipments (if and when stipulated), in which event it must accompany the shipment. In addition, a packing slip must accompany each shipment, showing item, quantity, part or reference numbers, description of suppliers and contract reference numbers, including the CRN and PBN. If the goods have been inspected at the Contractor's plant, the signed inspection voucher must be attached to the packing slip normally enclosed in the packing note envelope.

1026B 37 (2007-11-30) Condition of Material

Unless specified otherwise in the Contract, material supplied must be new and conform to the latest issue of the applicable drawing, specification and/or part number that is in effect on the solicitation closing date.

1026B 38 (2010-01-11) Transportation Costs

If transportation costs are payable by Canada under the Contract and the Contractor makes the transportation arrangements, shipments must be made by the most direct and economical means

consistent with normal shipping practice. The costs must be shown as a separate item on the invoice.

1026B 39 (2007-05-25) Shipment into Canada

Goods shipped into Canada from another country are to be consigned to destination, in bond, unless otherwise directed.

1026B 40 (2010-01-11) International Sanctions

1. Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

2. The Contractor must not supply to the Government of Canada any goods or services which are subject to economic sanctions.

3. The Contractor must comply with changes to the regulations imposed during the period of the Contract. The Contractor must immediately advise Canada if it is unable to perform the Work as a result of the imposition of economic sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services. If the Parties cannot agree on a work around plan, the Contract will be terminated in accordance with section 25.

1026B 41 (2007-05-25) Standard Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c. 16, the clauses and conditions identified in the Contract by number, date and title are incorporated by reference into and form part of the Contract as though expressly set out in the Contract.

1026B 42 (2008-05-12) Code of Conduct for Procurement

The Contractor confirms that it has read the Code of Conduct for Procurement and agrees to be bound by its terms.

1026B 43 (2008-05-12) Payment Period

1. Canada's standard payment period is thirty (30) days. The payment period is measured from the date an invoice in acceptable form and content is received in accordance with the Contract or the date the Work is delivered in acceptable condition as required in the Contract, whichever is later. A payment is considered overdue on the 31st day following that date and interest will be paid automatically in accordance with the section 32 entitled Interest on Overdue Accounts.

2. If the content of the invoice and its substantiating documentation are not in accordance

with the Contract or the Work is not in acceptable condition, Canada will notify the Contractor within fifteen (15) days of receipt. The 30-day payment period begins upon receipt of the revised invoice or the replacement or corrected Work. Failure by Canada to notify the Contractor within fifteen (15) days will only result in the date specified in subsection 1 of the clause to apply for the sole purpose of calculating interest on overdue accounts.

1026B 44 (2008-05-12) Right of set off

Without restricting any right of set-off given by law, Canada may set-off against any amount payable to the Contractor under the Contract, any amount payable to Canada by the Contractor under the Contract or under any other current contract. Canada may, when making a payment pursuant to the Contract, deduct from the amount payable to the Contractor any such amount payable to Canada by the Contractor which, by virtue of the right of set-off, may be retained by Canada.

1026B 45 (2008-05-12) Entire Agreement

The Contract constitutes the entire and only agreement between the Parties and supersedes all previous negotiations, communications and other agreements, whether written or oral, unless they are incorporated by reference in the Contract. There are no terms, covenants, representations, statements or conditions binding on the Parties other than those contained in the Contract.

1026B 46 (2010-01-11) Transportation Carriers' Liability

The federal government's policy of underwriting its own risks precludes payment of insurance or valuation charges for transportation beyond the point at which ownership of goods passes to the federal government (determined by the FOB point or Incoterms). Where increased carrier liability is available without charge, the Contractor must obtain the increased liability for shipment.

1031-2 (2008/05/12) Contract Cost Principles

Public Works and Government Services Canada

01 General Principle
02 Definition of a Reasonable Cost
03 Direct Costs
04 Indirect Costs
05 Allocation of Indirect Costs
06 Credits
07 Non-applicable Costs

1031-2 01 (2008-05-12) General Principle

The total cost of the Contract must be the sum of the applicable direct and indirect costs which are, or must be reasonably and properly incurred and/or allocated, in the performance of the Contract, less any applicable credits. These costs must be determined in accordance with the Contractor's cost accounting practices as accepted by Canada and applied consistently over time.

1031-2 02 (2008-05-12) Definition of a Reasonable Cost

1. A cost is reasonable if the nature and amount do not exceed what would be incurred by an ordinary prudent person in the conduct of a competitive business.

2. In determining the reasonableness of a particular cost, consideration will be given to:

   (a) whether the cost is of a type generally recognized as normal and necessary for the conduct of a contractor's business or performance of the Contract;

   (b) the restraints and requirements by such factors as generally accepted sound business practices, arm's length bargaining, federal, provincial and local laws and regulations, and contract conditions;

   (c) the action that prudent business persons would take in the circumstances, considering their responsibilities to the owners of the business, their employees, customers, the Government and public at large;

   (d) significant deviations from the established practices of the Contractor which may unjustifiably increase the contract costs; and

   (e) the specifications, delivery schedule and quality requirements of the particular contract as they affect costs.

1031-2 03 (2008-05-12) Direct Costs

There are three categories of direct costs:

(a) "Direct Material Costs" meaning the cost of materials which can be specifically identified and measured as having been used or to be used in the performance of the Contract and which are so identified and measured consistently by the Contractor's cost accounting practices as accepted by Canada.

   (i) These materials may include, in addition to materials purchased solely for the performance of the Contract and processed by the Contractor, or obtained from subcontractors, any other materials issued from the Contractor's general stocks.

   (ii) Materials purchased solely for the performance of the Contract or subcontracts must be charged to the Contract at the net laid-down cost to the Contractor before cash discounts for prompt payment.

   (iii) Materials issued from the Contractor's general stocks must be charged to the Contract in accordance with the method as used consistently by the Contractor in pricing material inventories.

(b) "Direct Labour Costs" meaning the costs of the portion of gross wages or salaries incurred for the Work, which can be specifically identified and measured as having been incurred or to be incurred in the performance of the Contract and which are so identified and measured consistently by the Contractor's cost accounting practices as accepted by Canada.

(c) "Other Direct Costs" meaning those applicable costs, not falling within the categories of direct

material or direct labour, but which can be specifically identified and measured as having been incurred or to be incurred in the performance of the Contract and which are so identified and measured consistently by the Contractor's cost practices as accepted by Canada.

1031-2 04 (2008-05-12) Indirect Costs

1 "Indirect Costs" (overhead) meaning those costs which, though necessarily having been incurred during the performance of the Contract for the conduct of the Contractor's business in general, cannot be identified and measured as directly applicable to the performance of the Contract.

2. These Indirect Costs may include, but are not necessarily restricted to, such items as:

(a) indirect materials and supplies (*);

(b) indirect labour;

(c) fringe benefits (the Contractor's contribution only);

(d) public services expenses: expenses of a general nature such as power, heat, light, operation and maintenance of general assets and facilities;

(e) fixed/period charges: recurring charges such as property taxes, rentals and reasonable depreciation costs;

(f) general and administrative expenses: including remuneration of executive and corporate officers, office wages and salaries and expenses such as stationery, office supplies, postage and other necessary administration and management expenses;

(g) selling and marketing expenses associated with the goods, services or both being acquired under the Contract;

(h) general research and development expenses as considered applicable by Canada.

(*) For supplies of similar low-value, high-usage items the costs of which meet the above definition of Direct Material Costs but for which it is economically expensive to account for these costs in the manner prescribed for direct costs, then they may be considered to be indirect costs for the purposes of the Contract.

1031-2 05 (2008-05-12) Allocation of Indirect Costs

Indirect Costs must be accumulated in appropriate indirect cost pools, reflecting a contractor's organizational or operational lines and these pools subsequently allocated to contracts in accordance with the following two principles:

(a) the costs included in a particular indirect cost pool should have a similarity of relationship with each contract to which that indirect cost pool is subsequently distributed; further, the costs included in an indirect cost pool should be similar enough in their relationship to each other that the allocation of the total costs in the pool provides a result which would be similar to that achieved if each cost within that pool were separately distributed;

(b) the allocation basis for each indirect cost pool should reflect, as far as possible, the causal relationship of the pooled costs to the contracts to which these costs are distributed.

1031-2 6 (2008-05-12) Credits

The applicable portion of any income, rebate, allowance, or any other credit relating to any applicable

direct or indirect cost, received by or accruing to the Contractor, must be credited to the Contract.

1031-2 07 (2008-05-12) Non-applicable Costs

Despite that the following costs may have been or may be reasonably and properly incurred by the Contractor in the performance of the Contract, they are considered non-applicable costs to the Contract:

(a) allowance for interest on invested capital, bonds, debentures, bank or other loans together with related bond discounts and finance charges;

(b) legal, accounting and consulting fees in connection with financial reorganization, security issues, capital stock issues, obtaining of patents and licenses and prosecution of claims against Canada;

(c) losses on investments, bad debts and collection charges;

(d) losses on other contracts;

(e) federal and provincial income taxes, excess profit taxes or surtaxes and/or special expenses in connection with those taxes;

(f) provisions for contingencies;

(g) premiums for life insurance on the lives of officers and/or directors where proceeds accrue to the Contractor;

(h) amortization of unrealized appreciation of assets;

(i) depreciation of assets paid for by Canada;

(j) fines and penalties;

(k) expenses and depreciation of excess facilities;

(l) unreasonable compensation for officers and employees;

(m) product development or improvement expenses not associated with the product being acquired under the Contract;

(n) advertising, except reasonable advertising of an industrial or institutional character placed in trade, technical or professional journals for the dissemination of information for the industry or institution;

(o) entertainment expenses;

(p) donations except those to charities registered under the *Income Tax Act*;

(q) dues and other memberships other than regular trade and professional associations;

(r) fees, extraordinary or abnormal for professional advice in regard to technical, administrative or accounting matters, unless approval from the Contracting Authority is obtained.

2005 (2010/01/11) General Conditions - Standing Offers - Goods or Services

Public Works and Government Services Canada

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02 General
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2005 01 (2007-05-25) Interpretation

In the Standing Offer, unless the context otherwise requires,

"Call-up" means an order issued by an Identified User duly authorized to issue a call-up against a particular standing offer. Issuance of a call-up to the Offeror constitutes acceptance of its offer and results in the creation of a contract between Her Majesty the Queen in right of Canada and the Offeror for the goods, services or both described in the Call-up;

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada as represented by the Minister of Public Works and Government Services and any other person duly authorized to act on behalf of that Minister.

"Identified User" means a person or entity identified in the Standing Offer and authorized by the Standing Offer Authority to make call-ups against the Standing Offer;

"Offeror" means the person or entity whose name appears on the signature page of the Standing Offer and who offers to provide goods, services or both to Canada under the Standing Offer;

"Standing Offer" means the written offer from the Offeror, the clauses and conditions set out in full text or incorporated by reference from the *Standard Acquisition Clauses and Conditions* Manual, these general conditions, annexes and any other document specified or referred to as forming part of the Standing Offer;

"Standing Offer Authority" means the person designated as such in the Standing Offer, or by notice to the Offeror, to act as the representative of Canada in the management of the Standing Offer. The Standing Offer Authority will issue a document called "Standing Offer and Call-up Authority" to authorize Identified Users to make call-ups against the Standing Offer and to notify the Offeror that authority to make call-ups against the Standing Offer has been given to Identified Users.

2005 02 (2006-08-15) General

The Offeror acknowledges that a standing offer is not a contract and that the issuance of a Standing Offer and Call-up Authority does not oblige or commit Canada to procure or contract for any goods, services or both listed in the Standing Offer. The Offeror understands and agrees that Canada has the right to procure the goods, services or both specified in the Standing Offer by means of any other contract, standing offer or contracting method.

2005 03 (2007-05-25) Standard Conditions and Clauses

General Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the clauses and conditions identified in the Standing Offer by number, date and title are incorporated by reference and form part of the Standing Offer and any contract resulting from the Standing Offer as though expressly set out in the Standing Offer and resulting contract.

2005 04 (2010-01-11) Offer

1. The Offeror offers to provide and deliver to Canada the goods, services or both described in the Standing Offer, in accordance with the pricing set out in the Standing Offer if and when the Identified User may request such goods, services or both, in accordance with the conditions listed at subsection 2 below.

2. The Offeror understands and agrees that:

   (a) a call-up against the Standing Offer will form a contract only for those goods, services, or both, which have been called-up, provided that such Call-up is made in accordance with the provisions of the Standing Offer;

   (b) Canada's liability is limited to that which arises from call-ups against the Standing Offer made within the period specified in the Standing Offer;

   (c) Canada may require that the purchase of goods, services or both listed in the Standing Offer be made using an electronic purchasing tool. Canada will provide the Offeror at least three (3) months' notice before imposing such a requirement;

   (d) the Standing Offer cannot be assigned or transferred in whole or in part;

   (e) the Standing Offer may be set aside by Canada at any time.

2005 05 (2006-08-15) Call-ups

If applicable, Identified Users will use the form specified in the Standing Offer to order goods, services or both. Goods, services or both may also be ordered by other methods such as telephone, facsimile or electronic means. With the exception of call-ups paid for with a Government of Canada acquisition card (credit card), call-ups made by telephone must be confirmed in writing on the document specified in the Standing Offer.

Call-ups against the Standing Offer paid for with the Government of Canada acquisition card (credit card) at point of sale must be accorded the same prices and conditions as any other Call-up.

2005 06 (2006-08-15) Withdrawal

In the event that the Offeror wishes to withdraw the Standing Offer after authority to call-up against the Standing Offer has been given, the Offeror must provide no less than thirty (30) days' written notice to the Standing Offer Authority, unless specified otherwise in the Standing Offer. The thirty (30) days' period will start upon receipt of the notification by the Standing Offer Authority and the withdrawal will be effective at the expiry of that period. The Offeror must fulfill any and all call-ups which are made before the expiry of that period.

2005 07 (2006-08-15) Revision

The period of the Standing Offer may only be extended, or its usage increased, by the Standing Offer Authority issuing a revision to the Standing Offer in writing.

2005 08 (2006-08-15) Disclosure of Information

The Offeror agrees to the disclosure of its standing offer unit prices or rates by Canada, and further agrees that it will have no right to claim against Canada, the Identified User, their employees, agents or servants, or any of them, in relation to such disclosure.

2010A (2010/01/11) General Conditions - Goods (Medium Complexity)

Public Works and Government Services Canada

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2010A 01 (2008-05-12) Interpretation

In the Contract, unless the context otherwise requires:

"Articles of Agreement" means the clauses and conditions incorporated in full text or incorporated by reference from the *Standard Acquisition Clauses and Conditions* Manual to form the body of the Contract; it does not include these general conditions, any supplemental general conditions, annexes, the Contractor's bid or any other document;

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada as represented by the Minister of Public Works and Government Services and any other person duly authorized to act on behalf of that minister or, if applicable, an appropriate minister to whom the Minister of Public Works and Government Services has delegated his or her powers, duties or functions and any other person duly authorized to act on behalf of that minister;

"Contract" means the Articles of Agreement, these general conditions, any supplemental general conditions, annexes and any other document specified or referred to as forming part of the Contract, all as amended by agreement of the Parties from time to time;

"Contracting Authority" means the person designated by that title in the Contract, or by notice to the Contractor, to act as Canada's representative to manage the Contract;

"Contractor" means the person, entity or entities named in the Contract to supply goods, services or both to Canada;

"Contract Price" means the amount stated in the Contract to be payable to the Contractor for the Work, exclusive of Goods and Services Tax and Harmonized Sales Tax;

"Cost" means cost determined according to Contract Cost Principles 1031-2 as revised to the date of the bid solicitation or, if there was no bid solicitation, the date of the Contract;

"Government Property" means anything supplied to the Contractor by or on behalf of Canada for the purposes of performing the Contract and anything acquired by the Contractor in any manner in connection with the Work, the cost of which is paid by Canada under the Contract;

"Party" means Canada, the Contractor, or any other signatory to the Contract and "Parties" means all of them;

"Work" means all the activities, services, goods, equipment, matters and things required to be done, delivered or performed by the Contractor under the Contract.

2010A 02 (2008-05-12) Standard Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c. 16, the clauses and conditions identified by number, date and title in the Contract are incorporated by reference and form part of the Contract as though expressly set out in the Contract.

2010A 03 (2008-05-12) Powers of Canada

All rights, remedies, powers and discretions granted or acquired by Canada under the Contract or by law are cumulative, not exclusive.

2010A 04 (2008-05-12) Status of the Contractor

The Contractor is an independent contractor engaged by Canada to perform the Work. Nothing in the Contract is intended to create a partnership, a joint venture or an agency between Canada and the other Party or Parties. The Contractor must not represent itself as an agent or representative of Canada to anyone. Neither the Contractor nor any of its personnel is engaged as an employee or agent of Canada. The Contractor is responsible for all deductions and remittances required by law in relation to its employees.

2010A 05 (2008-05-12) Condition of Material

Unless provided otherwise in the Contract, material supplied must be new and conform to the latest issue of the applicable drawing, specifications and part number that is in effect on the bid closing date or, if there was no bid solicitation, the date of the Contract.

2010A 06 (2008-05-12) Time of the Essence

It is essential that the Work be delivered within or at the time stated in the Contract.

2010A 07 (2008-05-12) Excusable Delay

1. A delay in the performance by the Contractor of any obligation under the Contract that is caused by an event that:

(a) is beyond the reasonable control of the Contractor;

(b) could not reasonably have been foreseen;

(c) could not reasonably have been prevented by means reasonably available to the Contractor; and

(d) occurred without the fault or neglect of the Contractor,

will be considered an "Excusable Delay" if the Contractor advises the Contracting Authority of the occurrence of the delay or of the likelihood of the delay as soon as the Contractor becomes aware of it. The Contractor must also advise the Contracting Authority, within fifteen (15) working days, of all the circumstances relating to the delay and provide to the Contracting Authority for approval a clear work around plan explaining in detail the steps that the Contractor proposes to take in order to minimize the impact of the event causing the delay.

2. Any delivery date or other date that is directly affected by an Excusable Delay will be postponed for a reasonable time that will not exceed the duration of the Excusable Delay.

3. However, if an Excusable Delay has continued for thirty (30) days or more, the Contracting Authority may, by giving notice in writing to the Contractor, terminate the Contract. In such a case, the Parties agree that neither will make any claim against the other for damages, costs, expected profits or any other loss arising out of the termination or the event that contributed to the Excusable Delay. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

4. Unless Canada has caused the delay by failing to meet an obligation under the Contract, Canada will not be responsible for any costs incurred by the Contractor or any of its subcontractors or agents as a result of an Excusable Delay.

5. If the Contract is terminated under this section, the Contracting Authority may require the Contractor to deliver to Canada, in the manner and to the extent directed by the Contracting Authority, any completed parts of the Work not delivered and accepted before the termination and anything that the Contractor has acquired or produced specifically to perform the Contract. Canada will pay the Contractor:

(a) the value, of all completed parts of the Work delivered to and accepted by Canada, based on the Contract Price, including the proportionate part of the Contractor's profit or fee included in the Contract Price; and

(b) the Cost to the Contractor that Canada considers reasonable in respect of anything else delivered to and accepted by Canada.

The total amount paid by Canada under the Contract to the date of termination and any amounts payable under this subsection must not exceed the Contract Price.

2010A 08 (2008-05-12) Inspection and Acceptance of the Work

All the Work is subject to inspection and acceptance by Canada. Inspection and acceptance of the Work by Canada do not relieve the Contractor of its responsibility for defects or other failures to meet the requirements of the Contract. Canada will have the right to reject any work that is not in accordance with the requirements of the Contract and require its correction or replacement at the Contractor's expense.

2010A 09 (2010-01-11) Warranty

1. Despite inspection and acceptance of the Work by or on behalf of Canada and without restricting any provisions of the Contract or any condition, warranty or provision imposed by law, the Contractor, if requested by Canada to do so, must replace, repair or correct, at its own option and expense any work that becomes defective or fails to conform to the requirements of the Contract, where applicable. The warranty period will be twelve (12) months after delivery and acceptance of the Work or the length of the Contractor's or manufacturer's standard warranty period, whichever is longer.

2. Canada must pay the transportation cost associated with returning the Work or any part of the Work to the Contractor's plant for replacement, repair or making good, and the Contractor must pay the transportation cost associated with forwarding the replacement or returning the Work or part of the Work when rectified to the delivery point specified in the Contract or to another location as directed by Canada. If, in the opinion of Canada, it is not expedient to remove the Work from its location, the Contractor must carry out any necessary repair or making good of the Work at that location and will be reimbursed its reasonable travel and living expenses.

3. The warranty period is automatically extended by the duration of any period or periods where the Work is unavailable for use or cannot be used because of a defect or non-conformance during the original warranty period. The warranty applies to any part of the Work replaced, repaired or corrected pursuant to subsection 1, for the greater of:

   (a) the warranty period remaining, including the extension, or

   (b) ninety (90) days or such other period as may be specified for that purpose by agreement between the Parties.

2010A 10 (2008-05-12) Invoice Submission

1. Invoices must be submitted in the Contractor's name. The Contractor must submit invoices for each delivery or shipment; invoices must only apply to the Contract. Each invoice must indicate whether it covers partial or final delivery.

2. Invoices must show:

   (a) the date, the name and address of the client department, item or reference numbers, deliverable and/or description of the Work, contract number, Client Reference Number (CRN), Procurement Business Number (PBN), and financial code(s);

   (b) details of expenditures in accordance with the Basis of Payment, exclusive of Goods and Services Tax (GST) or Harmonized Sales Tax (HST) (such as item, quantity, unit of issue, unit price, fixed time labour rates and level of effort, subcontracts, as applicable);

   (c) deduction for holdback, if applicable;

   (d) the extension of the totals, if applicable; and

   (e) if applicable, the method of shipment together with date, case numbers and part or reference numbers, shipment charges and any other additional charges.

3. If applicable, the GST or HST must be specified on all invoices as a separate item. All items that are zero-rated, exempt or to which the GST or HST does not apply, must be identified as such on all invoices.

4. By submitting an invoice, the Contractor certifies that the invoice is consistent with the Work delivered and is in accordance with the Contract.

2010A 11 (2008-12-12) Taxes

1. Municipal Taxes
Municipal Taxes do not apply.

2. Provincial Taxes

(a) Excluding legislated exceptions, federal government departments and agencies are not required to pay any sales tax payable to the province in which the taxable goods or services are delivered. This exemption has been provided to federal government departments and agencies under the authority of one of the following:

(i) Provincial Sales Tax (PST) Exemption Licence Numbers, for the provinces of:

Prince Edward Island OP-10000-250
Ontario 11708174G
Manitoba 390-516-0
British Columbia R005521

(ii) for Quebec, Saskatchewan, the Yukon Territory, the Northwest Territories and Nunavut, an Exemption Certification, which certifies that the goods or services purchased are not subject to the provincial/territorial sales and consumption taxes because they are purchased by the federal government with Canada funds for the use of the federal government.

(b) Currently, in Alberta, the Yukon Territory, the Northwest Territories and Nunavut, there is no general PST. However, if a PST is introduced in Alberta, the Yukon Territory, the Northwest Territories or Nunavut, the sales tax exemption certificate would be required on the purchasing document.

(c) Federal departments are required to pay the HST in the participating provinces of Newfoundland and Labrador, Nova Scotia and New Brunswick.

(d) The Contractor is not exempt from paying PST under the above Exemption Licence Numbers or Exemption Certification. The Contractor must pay the PST on taxable goods or services used or consumed in the performance of the Contract (in accordance with applicable provincial legislation), including material incorporated into real property.

3. Changes to Taxes and Duties

If there is any change to any tax or duty payable to any level of government in Canada after the bid submission date that affects the costs of the Work to the Contractor, the Contract Price will be adjusted to reflect the increase or decrease in the cost to the Contractor. However, there will be no adjustment for any change that increases the cost of the Work to the Contractor if public notice of the change was given before bid submission date in sufficient detail to have permitted the Contractor to calculate the effect of the change on its cost. There will be no adjustment if the change takes effect after the date required by the Contract for delivery of the Work.

4. GST or HST

The estimated GST or HST, if applicable, is included in the total estimated cost on page 1 of the Contract. The GST or HST is not included in the Contract Price but will be paid by Canada as provided in the Invoice Submission section above. The Contractor agrees to remit to Canada Revenue Agency any amounts of GST and HST paid or due.

5. Tax Withholding of 15 Percent

Pursuant to the *Income Tax Act*, 1985, c. 1 (5th Supp.) and the *Income Tax Regulations*, Canada must withhold 15 percent of the amount to be paid to the Contractor in respect of services provided in Canada if the Contractor is a non-resident, unless the Contractor obtains a valid waiver. The amount withheld will be held on account for the Contractor in respect to any tax liability which may be owed to Canada.

2010A 12 (2010-01-11) Transportation Costs

If transportation costs are payable by Canada under the Contract and the Contractor makes the transportation arrangements, shipments must be made by the most direct and economical means consistent with normal shipping practice. The costs must be shown as a separate item on the invoice.

2010A 13 (2008-05-12) Shipment Documentation

For the shipment of goods, the transportation bill of lading must accompany the original invoice, except for "collect" shipments (if and when stipulated), in which event it must accompany the shipment. In addition, a packing slip must accompany each shipment, showing item, quantity, part or reference numbers, description of the goods and contract number, including the CRN and PBN. If the goods have been inspected at the Contractor's plant, the signed inspection voucher must be attached to the packing slip normally enclosed in the packing note envelope.

2010A 14 (2008-05-12) Payment Period

1. Canada's standard payment period is thirty (30) days. The payment period is measured from the date an invoice in acceptable form and content is received in accordance with the Contract or the date the Work is delivered in acceptable condition as required in the Contract, whichever is later. A payment is considered overdue on the 31st day following that date and interest will be paid automatically in accordance with the section 15.

2. If the content of the invoice and its substantiating documentation are not in accordance with the Contract or the Work is not in acceptable condition, Canada will notify the Contractor within fifteen (15) days of receipt. The 30-day payment period begins upon receipt of the revised invoice or the replacement or corrected Work. Failure by Canada to notify the Contractor within fifteen (15) days will only result in the date specified in subsection 1 to apply for the sole purpose of calculating interest on overdue accounts.

2010A 15 (2008-12-12) Interest on Overdue Accounts

1. For the purpose of this section:

   "Average Rate" means the simple arithmetic mean of the Bank Rates in effect at 4:00 p.m. Eastern Time each day during the calendar month immediately before the calendar month in which payment is made;

   "Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association;

   "date of payment" means the date of the negotiable instrument drawn by the Receiver General for Canada to pay any amount under the Contract;

   an amount becomes "overdue" when it is unpaid on the first day following the day on which it is due and payable according to the Contract.

2. Canada will pay to the Contractor simple interest at the Average Rate plus 3 percent per year on

any amount that is overdue, from the date that amount becomes overdue until the day before the date of payment, inclusive. The Contractor is not required to provide notice to Canada for interest to be payable.

3. Canada will pay interest in accordance with this section only if Canada is responsible for the delay in paying the Contractor. Canada will not pay interest on overdue advance payments.

2010A 16 (2008-05-12) Audit

The amount claimed under the Contract is subject to government audit both before and after payment is made. The Contractor must keep proper accounts and records of the cost of performing the Work and keep all documents relating to such cost for six (6) years after it receives the final payment under the Contract.

2010A 17 (2008-05-12) Compliance with Applicable Laws

1. The Contractor must comply with all laws applicable to the performance of the Contract. The Contractor must provide evidence of compliance with such laws to Canada at such times as Canada may reasonably request.

2. The Contractor must obtain and maintain at its own cost all permits, licenses, regulatory approvals and certificates required to perform the Work. If requested by the Contracting Authority, the Contractor must provide a copy of any required permit, license, regulatory approvals or certificate to Canada.

2010A 18 (2008-05-12) Ownership

1. Unless provided otherwise in the Contract, the Work or any part of the Work belongs to Canada after delivery and acceptance by or on behalf of Canada.

2. However if any payment is made to the Contractor for or on account of any work, either by way of progress or milestone payments, that work paid for by Canada belongs to Canada upon such payment being made. This transfer of ownership does not constitute acceptance by Canada of the Work or any part of the Work and does not relieve the Contractor of its obligation to perform the Work in accordance with the Contract.

3. Despite any transfer of ownership, the Contractor is responsible for any loss or damage to the Work or any part of the Work until it is delivered to Canada in accordance with the Contract. Even after delivery, the Contractor remains responsible for any loss or damage to any part of the Work caused by the Contractor or any subcontractor.

4. Upon transfer of ownership to the Work or any part of the Work to Canada, the Contractor must, if requested by Canada, establish to Canada's satisfaction that the title is free and clear of all claims, liens, attachments, charges or encumbrances. The Contractor must execute any conveyances and other instruments necessary to perfect the title that Canada may require.

2010A 19 (2008-05-12) Government Property

The Contractor must take reasonable and proper care of all Government Property while it is in its possession or subject to its control. The Contractor is responsible for any loss or damage resulting from its failure to do so other than loss or damage caused by ordinary wear and tear.

2010A 20 (2008-05-12) Amendment

To be effective, any amendment to the Contract must be done in writing by the Contracting Authority and the authorized representative of the Contractor.

2010A 21 (2008-05-12) Assignment

1. The Contractor must not assign the Contract without first obtaining the written consent of the Contracting Authority. Any assignment made without that consent is void and will have no effect. The assignment will be effective upon execution of an assignment agreement signed by the Parties and the assignee.

2. Assignment of the Contract does not relieve the Contractor from any obligation under the Contract and it does not impose any liability upon Canada.

2010A 22 (2008-05-12) Default by the Contractor

1. If the Contractor is in default in carrying out any of its obligations under the Contract, the Contracting Authority may, by giving written notice to the Contractor, terminate for default the Contract or part of the Contract. The termination will take effect immediately or at the expiration of a cure period specified in the notice, if the Contractor has not cured the default to the satisfaction of the Contracting Authority within that cure period.

2. If the Contractor becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or takes the benefit of any statute relating to bankrupt or insolvent debtors, or if a receiver is appointed under a debt instrument or a receiving order is made against the Contractor, or an order is made or a resolution passed for the winding down of the Contractor, the Contracting Authority may, to the extent permitted by the laws of Canada, by giving written notice to the Contractor, immediately terminate for default the Contract or part of the Contract.

3. If Canada gives notice under subsection 1 or 2, the Contractor will have no claim for further payment except as provided in this section. The Contractor will be liable to Canada for all losses and damages suffered by Canada because of the default or occurrence upon which the notice was based, including any increase in the cost incurred by Canada in procuring the Work from another source. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

4. Upon termination of the Contract under this section, the Contracting Authority may require the Contractor to deliver to Canada, in the manner and to the extent directed by the Contracting Authority, any completed parts of the Work which have not been delivered and accepted before the termination and any materials, parts, plant, equipment or work-in-process which the Contractor has acquired or produced specifically in the fulfilment of the Contract.

5. Subject to the deduction of any claim that Canada may have against the Contractor arising under the Contract or out of the termination, Canada will pay the Contractor the value, determined on the basis of the Contract Price, including the proportionate part of the Contractor's profit or fee included in the Contract Price, of all completed parts of the Work and the Cost to the Contractor that the Contracting Authority considers reasonable in respect of all materials, parts, plant, equipment or work-in-process delivered to Canada pursuant to a direction under subsection 4 and accepted by Canada.

2010A 23 (2008-05-12) Termination for Convenience

1. At any time before the completion of the Work, the Contracting Authority may, by giving notice in writing to the Contractor, terminate for convenience the Contract or part of the Contract. Once such a notice of termination for convenience is given, the Contractor must comply with the requirements of the termination notice. If the Contract is terminated in part only, the Contractor must proceed to complete any part of the Work that is not affected by the termination notice. The termination will take effect immediately or, as the case may be, at the time specified in the termination notice.

2. If a termination notice is given pursuant to subsection 1, the Contractor will be entitled to be paid, for costs that have been reasonably and properly incurred to perform the Contract to the extent that the Contractor has not already been paid or reimbursed by Canada. The Contractor will be paid:

   (a) on the basis of the Contract Price, for all completed work that is inspected and accepted in accordance with the Contract, whether completed before, or after the termination in accordance with the instructions contained in the termination notice;

   (b) the Cost to the Contractor plus a fair and reasonable profit for all work terminated by the termination notice before completion; and

   (c) all costs incidental to the termination of the Work incurred by the Contractor but not including the cost of severance payments or damages to employees whose services are no longer required, except wages that the Contractor is obligated by statute to pay.

3. Canada may reduce the payment in respect of any part of the Work, if upon inspection, it does not meet the requirements of the Contract.

4. The total of the amounts, to which the Contractor is entitled to be paid under this section, together with any amounts paid, due or becoming due to the Contractor must not exceed the Contract Price. The Contractor will have no claim for damages, compensation, loss of profit, allowance arising out of any termination notice given by Canada under this section except to the extent that this section expressly provides. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

2010A 24 (2008-05-12) Right of Set-off

Without restricting any right of set-off given by law, Canada may set-off against any amount payable to the Contractor under the Contract, any amount payable to Canada by the Contractor under the Contract or under any other current contract. Canada may, when making a payment pursuant to the Contract, deduct from the amount payable to the Contractor any such amount payable to Canada by the Contractor which, by virtue of the right of set-off, may be retained by Canada.

2010A 25 (2008-05-12) Conflict of Interest and Values and Ethics Codes for the Public Service

The Contractor acknowledges that individuals who are subject to the provisions of the *Conflict of Interest Act*, 2006, c. 9, s. 2, the Conflict of Interest Code for Members of the House of Commons, the Values and Ethics Code for the Public Service or all other codes of values and ethics applicable within specific organizations cannot derive any direct benefit resulting from the Contract.

2010A 26 (2008-12-12) Contingency Fees

The Contractor certifies that it has not, directly or indirectly, paid or agreed to pay and agrees that it will not, directly or indirectly, pay a contingency fee for the solicitation, negotiation or obtaining of the Contract to any person, other than an employee of the Contractor acting in the normal course of the employee's duties. In this section, "contingency fee" means any payment or other compensation that depends or is calculated based on a degree of success in soliciting, negotiating or obtaining the Contract and "person" includes any individual who is required to file a return with the registrar pursuant to section 5 of the *Lobbying Act*, 1985, c. 44 (4th Supplement).

2010A 27 (2010-01-11) International Sanctions

1. Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions

imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

2. The Contractor must not supply to the Government of Canada any goods or services which are subject to economic sanctions.

3. The Contractor must comply with changes to the regulations imposed during the period of the Contract. The Contractor must immediately advise Canada if it is unable to perform the Work as a result of the imposition of economic sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services. If the Parties cannot agree on a work around plan, the Contract will be terminated for the convenience of Canada in accordance with section 23.

2010A 28 (2010-01-11) Code of Conduct for Procurement

The Contractor certifies that it has read the Code of Conduct for Procurement and agrees to be bound by its terms.

2010A 29 (2008-05-12) Entire Agreement

The Contract constitutes the entire and only agreement between the Parties and supersedes all previous negotiations, communications and other agreements, whether written or oral, unless they are incorporated by reference in the Contract. There are no terms, covenants, representations, statements or conditions binding on the Parties other than those contained in the Contract.

2010A 30 (2010-01-11) Transportation Carriers' Liability

The federal government's policy of underwriting its own risks precludes payment of insurance or valuation charges for transportation beyond the point at which ownership of goods passes to the federal government (determined by the FOB point or Incoterms). Where increased carrier liability is available without charge, the Contractor must obtain the increased liability for shipment.

2010B (2010/01/11) General Conditions - Professional Services (Medium Complexity)

Public Works and Government Services Canada

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2010B 01 (2008-05-12) Interpretation

In the Contract, unless the context otherwise requires:

"Articles of Agreement" means the clauses and conditions incorporated in full text or incorporated by reference from the *Standard Acquisition Clauses and Conditions* Manual to form the body of the Contract; it does not include these general conditions, any supplemental general conditions, annexes, the Contractor's bid or any other document;

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada as represented by the Minister of Public Works and Government Services and any other person duly authorized to act on behalf of that minister or, if applicable, an appropriate minister to whom the Minister of Public Works and Government Services has delegated his or her powers, duties or functions and any other person duly authorized to act on behalf of that minister;

"Contract" means the Articles of Agreement, these general conditions, any supplemental general

conditions, annexes and any other document specified or referred to as forming part of the Contract, all as amended by agreement of the Parties from time to time;

"Contracting Authority" means the person designated by that title in the Contract, or by notice to the Contractor, to act as Canada's representative to manage the Contract;

"Contractor" means the person, entity or entities named in the Contract to supply goods, services or both to Canada;

"Contract Price" means the amount stated in the Contract to be payable to the Contractor for the Work, exclusive of Goods and Services Tax and Harmonized Sales Tax;

"Cost" means cost determined according to Contract Cost Principles 1031-2 as revised to the date of the bid solicitation or, if there was no bid solicitation, the date of the Contract;

"Government Property" means anything supplied to the Contractor by or on behalf of Canada for the purposes of performing the Contract and anything acquired by the Contractor in any manner in connection with the Work, the cost of which is paid by Canada under the Contract;

"Party" means Canada, the Contractor, or any other signatory to the Contract and "Parties" means all of them;

"Work" means all the activities, services, goods, equipment, matters and things required to be done, delivered or performed by the Contractor under the Contract.

2010B 02 (2008-05-12) Standard Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c. 16, the clauses and conditions identified by number, date and title in the Contract are incorporated by reference and form part of the Contract as though expressly set out in the Contract.

2010B 03 (2008-05-12) Powers of Canada

All rights, remedies, powers and discretions granted or acquired by Canada under the Contract or by law are cumulative, not exclusive.

2010B 04 (2008-05-12) Status of the Contractor

The Contractor is an independent contractor engaged by Canada to perform the Work. Nothing in the Contract is intended to create a partnership, a joint venture or an agency between Canada and the other Party or Parties. The Contractor must not represent itself as an agent or representative of Canada to anyone. Neither the Contractor nor any of its personnel is engaged as an employee or agent of Canada. The Contractor is responsible for all deductions and remittances required by law in relation to its employees.

2010B 05 (2008-05-12) Conduct of the Work

1. The Contractor represents and warrants that:

   (a) it is competent to perform the Work;

   (b) it has everything necessary to perform the Work, including the resources, facilities, labour, technology, equipment, and materials; and

   (c) it has the necessary qualifications, including knowledge, skill, know-how and experience, and the ability to use them effectively to perform the Work.

2. The Contractor must:

   (a) perform the Work diligently and efficiently;

   (b) except for Government Property, supply everything necessary to perform the Work;

   (c) use, as a minimum, quality assurance procedures, inspections and controls generally used and recognized by the industry to ensure the degree of quality required by the Contract;

   (d) select and employ a sufficient number of qualified people;

   (e) perform the Work in accordance with standards of quality acceptable to Canada and in full conformity with the Specifications and all the requirements of the Contract;

   (f) provide effective and efficient supervision to ensure that the quality of workmanship meets the requirements of the Contract.

2010B 06 (2008-05-12) Subcontracts

1. The Contractor may subcontract the supply of goods or services that are customarily subcontracted by the Contractor. In any other instance, the Contractor must obtain the prior consent in writing of the Contracting Authority. The Contracting Authority may require the Contractor to provide such particulars of the proposed subcontract as he considers necessary.

2. Subcontracting does not relieve the Contractor from any of its obligations under the Contract or impose any liability upon Canada to a subcontractor.

3. In any subcontract, the Contractor agrees to bind the subcontractor by the same conditions by which the Contractor is bound under the Contract, unless the Contracting Authority requires or agrees otherwise.

2010B 07 (2008-05-12) Time of the Essence

It is essential that the Work be performed within or at the time stated in the Contract.

2010B 08 (2008-05-12) Excusable Delay

1. A delay in the performance by the Contractor of any obligation under the Contract that is caused by an event that:

   (a) is beyond the reasonable control of the Contractor;

   (b) could not reasonably have been foreseen;

   (c) could not reasonably have been prevented by means reasonably available to the Contractor; and

   (d) occurred without the fault or neglect of the Contractor,

   will be considered an "Excusable Delay" if the Contractor advises the Contracting Authority of the occurrence of the delay or of the likelihood of the delay as soon as the Contractor becomes aware of it. The Contractor must also advise the Contracting Authority, within fifteen (15) working days, of all the circumstances relating to the delay and provide to the Contracting Authority for approval a clear work around plan explaining in detail the steps that the Contractor proposes to

take in order to minimize the impact of the event causing the delay.

2. Any delivery date or other date that is directly affected by an Excusable Delay will be postponed for a reasonable time that will not exceed the duration of the Excusable Delay.

3. However, if an Excusable Delay has continued for thirty (30) days or more, the Contracting Authority may, by giving notice in writing to the Contractor, terminate the Contract. In such a case, the Parties agree that neither will make any claim against the other for damages, costs, expected profits or any other loss arising out of the termination or the event that contributed to the Excusable Delay. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

4. Unless Canada has caused the delay by failing to meet an obligation under the Contract, Canada will not be responsible for any costs incurred by the Contractor or any of its subcontractors or agents as a result of an Excusable Delay.

2010B 09 (2008-05-12) Inspection and Acceptance of the Work

All the Work is subject to inspection and acceptance by Canada. Inspection and acceptance of the Work by Canada do not relieve the Contractor of its responsibility for defects or other failures to meet the requirements of the Contract. Canada will have the right to reject any work that is not in accordance with the requirements of the Contract and require its correction or replacement at the Contractor's expense.

2010B 10 (2008-05-12) Invoice Submission

1. Invoices must be submitted in the Contractor's name. The Contractor must submit invoices for each delivery or shipment; invoices must only apply to the Contract. Each invoice must indicate whether it covers partial or final delivery.

2. Invoices must show:

   (a) the date, the name and address of the client department, item or reference numbers, deliverable and/or description of the Work, contract number, Client Reference Number (CRN), Procurement Business Number (PBN), and financial code(s);

   (b) details of expenditures in accordance with the Basis of Payment, exclusive of Goods and Services Tax (GST) or Harmonized Sales Tax (HST) (such as item, quantity, unit of issue, unit price, fixed time labour rates and level of effort, subcontracts, as applicable);

   (c) deduction for holdback, if applicable;

   (d) the extension of the totals, if applicable; and

   (e) if applicable, the method of shipment together with date, case numbers and part or reference numbers, shipment charges and any other additional charges.

3. If applicable, the GST or HST must be specified on all invoices as a separate item. All items that are zero-rated, exempt or to which the GST or HST does not apply, must be identified as such on all invoices.

4. By submitting an invoice, the Contractor certifies that the invoice is consistent with the Work delivered and is in accordance with the Contract.

2010B 11 (2008-12-12) Taxes

1. Municipal Taxes

Municipal Taxes do not apply.

2. Provincial Taxes

(a) Excluding legislated exceptions, federal government departments and agencies are not required to pay any sales tax payable to the province in which the taxable goods or services are delivered. This exemption has been provided to federal government departments and agencies under the authority of one of the following:

(i) Provincial Sales Tax (PST) Exemption Licence Numbers, for the provinces of:

Prince Edward Island OP-10000-250
Ontario 11708174G
Manitoba 390-516-0
British Columbia R005521

(ii) for Quebec, Saskatchewan, the Yukon Territory, the Northwest Territories and Nunavut, an Exemption Certification, which certifies that the goods or services purchased are not subject to the provincial/territorial sales and consumption taxes because they are purchased by the federal government with Canada funds for the use of the federal government.

(b) Currently, in Alberta, the Yukon Territory, the Northwest Territories and Nunavut, there is no general PST. However, if a PST is introduced in Alberta, the Yukon Territory, the Northwest Territories or Nunavut, the sales tax exemption certificate would be required on the purchasing document.

(c) Federal departments are required to pay the HST in the participating provinces of Newfoundland and Labrador, Nova Scotia and New Brunswick.

(d) The Contractor is not exempt from paying PST under the above Exemption Licence Numbers or Exemption Certification. The Contractor must pay the PST on taxable goods or services used or consumed in the performance of the Contract (in accordance with applicable provincial legislation), including material incorporated into real property.

3. Changes to Taxes and Duties

If there is any change to any tax or duty payable to any level of government in Canada after the bid submission date that affects the costs of the Work to the Contractor, the Contract Price will be adjusted to reflect the increase or decrease in the cost to the Contractor. However, there will be no adjustment for any change that increases the cost of the Work to the Contractor if public notice of the change was given before bid submission date in sufficient detail to have permitted the Contractor to calculate the effect of the change on its cost. There will be no adjustment if the change takes effect after the date required by the Contract for delivery of the Work.

4. GST or HST

The estimated GST or HST, if applicable, is included in the total estimated cost on page 1 of the Contract. The GST or HST is not included in the Contract Price but will be paid by Canada as provided in the Invoice Submission section above. The Contractor agrees to remit to Canada Revenue Agency any amounts of GST and HST paid or due.

5. Tax Withholding of 15 Percent

Pursuant to the *Income Tax Act*, 1985, c. 1 (5th Supp.) and the *Income Tax Regulations*, Canada must withhold 15 percent of the amount to be paid to the Contractor in respect of services

provided in Canada if the Contractor is a non-resident unless the Contractor obtains a valid waiver. The amount withheld will be held on account for the Contractor in respect to any tax liability which may be owed to Canada.

2010B 12 (2010-01-11) Transportation Costs

If transportation costs are payable by Canada under the Contract and the Contractor makes the transportation arrangements, shipments must be made by the most direct and economical means consistent with normal shipping practice. The costs must be shown as a separate item on the invoice.

2010B 13 (2008-05-12) Payment Period

1. Canada's standard payment period is thirty (30) days. The payment period is measured from the date an invoice in acceptable form and content is received in accordance with the Contract or the date the Work is delivered in acceptable condition as required in the Contract, whichever is later. A payment is considered overdue on the 31st day following that date and interest will be paid automatically in accordance with the section 14.

2. If the content of the invoice and its substantiating documentation are not in accordance with the Contract or the Work is not in acceptable condition, Canada will notify the Contractor within fifteen (15) days of receipt. The 30-day payment period begins upon receipt of the revised invoice or the replacement or corrected Work. Failure by Canada to notify the Contractor within fifteen (15) days will only result in the date specified in subsection 1 to apply for the sole purpose of calculating interest on overdue accounts.

2010B 14 (2008-12-12) Interest on Overdue Accounts

1. For the purpose of this section:

   "Average Rate" means the simple arithmetic mean of the Bank Rates in effect at 4:00 p.m. Eastern Time each day during the calendar month immediately before the calendar month in which payment is made;

   "Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association;

   "date of payment" means the date of the negotiable instrument drawn by the Receiver General for Canada to pay any amount under the Contract;

   an amount becomes "overdue" when it is unpaid on the first day following the day on which it is due and payable according to the Contract.

2. Canada will pay to the Contractor simple interest at the Average Rate plus 3 percent per year on any amount that is overdue, from the date that amount becomes overdue until the day before the date of payment, inclusive. The Contractor is not required to provide notice to Canada for interest to be payable.

3. Canada will pay interest in accordance with this section only if Canada is responsible for the delay in paying the Contractor. Canada will not pay interest on overdue advance payments.

2010B 15 (2008-05-12) Audit

The amount claimed under the Contract is subject to government audit both before and after payment is made. The Contractor must keep proper accounts and records of the cost of performing the Work and keep all documents relating to such cost for six (6) years after it receives the final payment under the

Contract.

2010B 16 (2008-05-12) Compliance with Applicable Laws

1. The Contractor must comply with all laws applicable to the performance of the Contract. The Contractor must provide evidence of compliance with such laws to Canada at such times as Canada may reasonably request.

2. The Contractor must obtain and maintain at its own cost all permits, licenses, regulatory approvals and certificates required to perform the Work. If requested by the Contracting Authority, the Contractor must provide a copy of any required permit, license, regulatory approvals or certificate to Canada.

2010B 17 (2008-05-12) Confidentiality

1. The Contractor must keep confidential all information provided to the Contractor by or on behalf of Canada in connection with the Work and all information conceived, developed or produced by the Contractor as part of the Work. Information provided to the Contractor by or on behalf of Canada must be used solely for the purpose of the Contract and remains the property of Canada.

2. Subject to the *Access to Information Act*, R.S.C. 1985, c. A-1, and to any right of Canada under the Contract to release or disclose, Canada agrees not to release or disclose outside the Government of Canada any information delivered to Canada under the Contract that is proprietary to the Contractor or a subcontractor.

3. The obligations of the Parties set out in this section do not apply to any information where the same information:

   (a) is publicly available from a source other than the other Party; or

   (b) is or becomes known to a Party from a source other than the other Party, except any source that is known to be under an obligation to the other Party not to disclose the information, or

   (c) is developed by a Party without use of the information of the other Party.

2010B 18 (2008-05-12) Copyright

1. Anything that is created or developed by the Contractor as part of the Work under the Contract in which copyright subsists belongs to Canada. The Contractor must incorporate the copyright symbol and either of the following notices, as appropriate: © Her Majesty the Queen in right of Canada (year) or © Sa Majesté la Reine du chef du Canada (année).

2. At the request of the Contracting Authority, the Contractor must provide to Canada, at the completion of the Work or at such other time as the Contracting Authority may require, a written permanent waiver of moral rights as defined in the *Copyright Act*, R.S., 1985, c. C-42, in a form acceptable to the Contracting Authority, from every author that contributed to the Work. If the Contractor is an author, the Contractor permanently waives the Contractor's moral rights.

2010B 19 (2008-05-12) Government Property

The Contractor must take reasonable and proper care of all Government Property while it is in its possession or subject to its control. The Contractor is responsible for any loss or damage resulting from its failure to do so other than loss or damage caused by ordinary wear and tear.

2010B 20 (2008-05-12) Amendment

To be effective, any amendment to the Contract must be done in writing by the Contracting Authority and the authorized representative of the Contractor.

2010B 21 (2008-05-12) Assignment

1. The Contractor must not assign the Contract without first obtaining the written consent of the Contracting Authority. Any assignment made without that consent is void and will have no effect. The assignment will be effective upon execution of an assignment agreement signed by the Parties and the assignee.

2. Assignment of the Contract does not relieve the Contractor from any obligation under the Contract and it does not impose any liability upon Canada.

2010B 22 (2008-05-12) Suspension of the Work

The Contracting Authority may at any time, by written notice, order the Contractor to suspend or stop the Work or part of the Work under the Contract. The Contractor must immediately comply with any such order in a way that minimizes the cost of doing so.

2010B 23 (2008-05-12) Default by the Contractor

1. If the Contractor is in default in carrying out any of its obligations under the Contract, the Contracting Authority may, by giving written notice to the Contractor, terminate for default the Contract or part of the Contract. The termination will take effect immediately or at the expiration of a cure period specified in the notice, if the Contractor has not cured the default to the satisfaction of the Contracting Authority within that cure period.

2. If the Contractor becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or takes the benefit of any statute relating to bankrupt or insolvent debtors, or if a receiver is appointed under a debt instrument or a receiving order is made against the Contractor, or an order is made or a resolution passed for the winding down of the Contractor, the Contracting Authority may, to the extent permitted by the laws of Canada, by giving written notice to the Contractor, immediately terminate for default the Contract or part of the Contract.

3. If Canada gives notice under subsection 1 or 2, the Contractor will have no claim for further payment except as provided in this section. The Contractor will be liable to Canada for all losses and damages suffered by Canada because of the default or occurrence upon which the notice was based, including any increase in the cost incurred by Canada in procuring the Work from another source. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

2010B 24 (2008-05-12) Termination for Convenience

1. At any time before the completion of the Work, the Contracting Authority may, by giving notice in writing to the Contractor, terminate for convenience the Contract or part of the Contract. Once such a notice of termination for convenience is given, the Contractor must comply with the requirements of the termination notice. If the Contract is terminated in part only, the Contractor must proceed to complete any part of the Work that is not affected by the termination notice. The termination will take effect immediately or, as the case may be, at the time specified in the termination notice.

2. If a termination notice is given pursuant to subsection 1, the Contractor will be entitled to be paid, for costs that have been reasonably and properly incurred to perform the Contract to the extent that the Contractor has not already been paid or reimbursed by Canada. The Contractor will be paid:

(a) on the basis of the Contract Price, for all completed work that is inspected and accepted in accordance with the Contract, whether completed before, or after the termination in accordance with the instructions contained in the termination notice;

(b) the Cost to the Contractor plus a fair and reasonable profit for all work terminated by the termination notice before completion; and

(c) all costs incidental to the termination of the Work incurred by the Contractor but not including the cost of severance payments or damages to employees whose services are no longer required, except wages that the Contractor is obligated by statute to pay.

3. Canada may reduce the payment in respect of any part of the Work, if upon inspection, it does not meet the requirements of the Contract.

4. The total of the amounts, to which the Contractor is entitled to be paid under this section, together with any amounts paid, due or becoming due to the Contractor must not exceed the Contract Price. The Contractor will have no claim for damages, compensation, loss of profit, allowance arising out of any termination notice given by Canada under this section except to the extent that this section expressly provides. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

2010B 25 (2008-05-12) Right of Set-off

Without restricting any right of set-off given by law, Canada may set-off against any amount payable to the Contractor under the Contract, any amount payable to Canada by the Contractor under the Contract or under any other current contract. Canada may, when making a payment pursuant to the Contract, deduct from the amount payable to the Contractor any such amount payable to Canada by the Contractor which, by virtue of the right of set-off, may be retained by Canada.

2010B 26 (2008-05-12) Conflict of Interest and Values and Ethics Codes for the Public Service

The Contractor acknowledges that individuals who are subject to the provisions of the *Conflict of Interest Act*, 2006, c. 9, s. 2, the Conflict of Interest Code for Members of the House of Commons, the Values and Ethics Code for the Public Service or all other codes of values and ethics applicable within specific organizations cannot derive any direct benefit resulting from the Contract.

2010B 27 (2008-05-12) No Bribe or Conflict

1. The Contractor declares that no bribe, gift, benefit, or other inducement has been or will be paid, given, promised or offered directly or indirectly to any official or employee of Canada or to a member of the family of such a person, with a view to influencing the entry into the Contract or the administration of the Contract.

2. The Contractor must not influence, seek to influence or otherwise take part in a decision of Canada knowing that the decision might further its private interest. The Contractor must have no financial interest in the business of a third party that causes or would appear to cause a conflict of interest in connection with the performance of its obligations under the Contract. If such a financial interest is acquired during the period of the Contract, the Contractor must immediately declare it to the Contracting Authority.

3. The Contractor warrants that, to the best of its knowledge after making diligent inquiry, no conflict exists or is likely to arise in the performance of the Contract. In the event the Contractor becomes aware of any matter that causes or is likely to cause a conflict in relation to the Contractor's performance under the Contract, the Contractor must immediately disclose such

matter to the Contracting Authority in writing.

4. If the Contracting Authority is of the opinion that a conflict exists as a result of the Contractor's disclosure or as a result of any other information brought to the Contracting Authority's attention, the Contracting Authority may require the Contractor to take steps to resolve or otherwise deal with the conflict or, at its entire discretion, terminate the Contract for default. Conflict means any matter, circumstance, interest, or activity affecting the Contractor, its personnel or subcontractors, which may or may appear to impair the ability of the Contractor to perform the Work diligently and independently.

2010B 28 (2008-12-12) Contingency Fees

The Contractor certifies that it has not, directly or indirectly, paid or agreed to pay and agrees that it will not, directly or indirectly, pay a contingency fee for the solicitation, negotiation or obtaining of the Contract to any person, other than an employee of the Contractor acting in the normal course of the employee's duties. In this section, "contingency fee" means any payment or other compensation that depends or is calculated based on a degree of success in soliciting, negotiating or obtaining the Contract and "person" includes any individual who is required to file a return with the registrar pursuant to section 5 of the *Lobbying Act*, 1985, c. 44 (4th Supplement).

2010B 29 (2010-01-11) International Sanctions

1. Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

2. The Contractor must not supply to the Government of Canada any goods or services which are subject to economic sanctions.

3. The Contractor must comply with changes to the regulations imposed during the period of the Contract. The Contractor must immediately advise Canada if it is unable to perform the Work as a result of the imposition of economic sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services. If the Parties cannot agree on a work around plan, the Contract will be terminated for the convenience of Canada in accordance with section 24.

2010B 30 (2010-01-11) Code of Conduct for Procurement

The Contractor certifies that it has read the Code of Conduct for Procurement and agrees to be bound by its terms.

2010B 31 (2008-05-12) Harassment in the Workplace

1. The Contractor acknowledges the responsibility of Canada to ensure, for its employees, a healthy work environment, free of harassment. A copy of the Policy on the Prevention and Resolution of Harassment in the Workplace, which is also applicable to the Contractor, is available on the Treasury Board Web site.

2. The Contractor must not, either as an individual, or as a corporate or unincorporated entity, through its employees or subcontractors, harass, abuse, threaten, discriminate against or intimidate any employee, contractor or other individual employed by, or under contract with Canada. The Contractor will be advised in writing of any complaint and will have the right to respond in writing. Upon receipt of the Contractor's response, the Contracting Authority will, at its entire discretion, determine if the complaint is founded and decide on any action to be taken.

2010B 32 (2008-05-12) Entire Agreement

The Contract constitutes the entire and only agreement between the Parties and supersedes all previous negotiations, communications and other agreements, whether written or oral, unless they are incorporated by reference in the Contract. There are no terms, covenants, representations, statements or conditions binding on the Parties other than those contained in the Contract.

2010B 33 (2010-01-11) Transportation Carriers' Liability

The federal government's policy of underwriting its own risks precludes payment of insurance or valuation charges for transportation beyond the point at which ownership of goods passes to the federal government (determined by the FOB point or Incoterms). Where increased carrier liability is available without charge, the Contractor must obtain the increased liability for shipment.

2010C (2008/12/12) General Conditions - Services (Medium Complexity)

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2010C 01 (2008-05-12) Interpretation

In the Contract, unless the context otherwise requires:

"Articles of Agreement" means the clauses and conditions incorporated in full text or incorporated by reference from the *Standard Acquisition Clauses and Conditions* Manual to form the body of the Contract; it does not include these general conditions, any supplemental general conditions, annexes, the Contractor's bid or any other document;

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada as represented by the Minister of Public Works and Government Services and any other person duly authorized to act on behalf of that minister or, if applicable, an appropriate minister to whom the Minister of Public Works and Government Services has delegated his or her powers, duties or functions and any other person duly authorized to act on behalf of that minister;

"Contract" means the Articles of Agreement, these general conditions, any supplemental general conditions, annexes and any other document specified or referred to as forming part of the Contract, all as amended by agreement of the Parties from time to time;

"Contracting Authority" means the person designated by that title in the Contract, or by notice to the Contractor, to act as Canada's representative to manage the Contract;

"Contractor" means the person, entity or entities named in the Contract to supply goods, services or both to Canada;

"Contract Price" means the amount stated in the Contract to be payable to the Contractor for the Work, exclusive of Goods and Services Tax and Harmonized Sales Tax;

"Cost" means cost determined according to Contract Cost Principles 1031-2 as revised to the date of the bid solicitation or, if there was no bid solicitation, the date of the Contract;

"Government Property" means anything supplied to the Contractor by or on behalf of Canada for the purposes of performing the Contract and anything acquired by the Contractor in any manner in connection with the Work, the cost of which is paid by Canada under the Contract;

"Party" means Canada, the Contractor, or any other signatory to the Contract and "Parties" means all of them;

"Work" means all the activities, services, goods, equipment, matters and things required to be done, delivered or performed by the Contractor under the Contract.

2010C 02 (2008-05-12) Standard Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c. 16, the clauses and conditions identified by number, date and title in the Contract are incorporated by reference and form part of the Contract as though expressly set out in the Contract.

2010C 03 (2008-05-12) Powers of Canada

All rights, remedies, powers and discretions granted or acquired by Canada under the Contract or by law are cumulative, not exclusive.

2010C 04 (2008-05-12) Status of the Contractor

The Contractor is an independent contractor engaged by Canada to perform the Work. Nothing in the Contract is intended to create a partnership, a joint venture or an agency between Canada and the other Party or Parties. The Contractor must not represent itself as an agent or representative of Canada to anyone. Neither the Contractor nor any of its personnel is engaged as an employee or agent of Canada. The Contractor is responsible for all deductions and remittances required by law in relation to its employees.

2010C 05 (2008-05-12) Conduct of the Work

1. The Contractor represents and warrants that:

   (a) it is competent to perform the Work;

   (b) it has everything necessary to perform the Work, including the resources, facilities, labour, technology, equipment, and materials; and

   (c) it has the necessary qualifications, including knowledge, skill, know-how and experience, and the ability to use them effectively to perform the Work.

2. The Contractor must:

(a) perform the Work diligently and efficiently;

(b) except for Government Property, supply everything necessary to perform the Work;

(c) use, as a minimum, quality assurance procedures, inspections and controls generally used and recognized by the industry to ensure the degree of quality required by the Contract;

(d) select and employ a sufficient number of qualified people;

(e) perform the Work in accordance with standards of quality acceptable to Canada and in full conformity with the Specifications and all the requirements of the Contract;

(f) provide effective and efficient supervision to ensure that the quality of workmanship meets the requirements of the Contract.

2010C 06 (2008-05-12) Subcontracts

The Contractor may subcontract the supply of goods or services that are customarily subcontracted by the Contractor. Subcontracting does not relieve the Contractor from any of its obligations under the Contract or impose any liability upon Canada to a subcontractor. In any subcontract, the Contractor agrees to bind the subcontractor by the same conditions by which the Contractor is bound under the Contract, unless the Contracting Authority agrees otherwise.

2010C 07 (2008-05-12) Time of the Essence

It is essential that the Work be performed within or at the time stated in the Contract.

2010C 08 (2008-05-12) Excusable Delay

1. A delay in the performance by the Contractor of any obligation under the Contract that is caused by an event that:

   (a) is beyond the reasonable control of the Contractor;

   (b) could not reasonably have been foreseen;

   (c) could not reasonably have been prevented by means reasonably available to the Contractor; and

   (d) occurred without the fault or neglect of the Contractor,

   will be considered an "Excusable Delay" if the Contractor advises the Contracting Authority of the occurrence of the delay or of the likelihood of the delay as soon as the Contractor becomes aware of it. The Contractor must also advise the Contracting Authority, within fifteen (15) working days, of all the circumstances relating to the delay and provide to the Contracting Authority for approval a clear work around plan explaining in detail the steps that the Contractor proposes to take in order to minimize the impact of the event causing the delay.

2. Any delivery date or other date that is directly affected by an Excusable Delay will be postponed for a reasonable time that will not exceed the duration of the Excusable Delay.

3. However, if an Excusable Delay has continued for thirty (30) days or more, the Contracting Authority may, by giving notice in writing to the Contractor, terminate the Contract. In such a case, the Parties agree that neither will make any claim against the other for damages, costs,

expected profits or any other loss arising out of the termination or the event that contributed to the Excusable Delay. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

4. Unless Canada has caused the delay by failing to meet an obligation under the Contract, Canada will not be responsible for any costs incurred by the Contractor or any of its subcontractors or agents as a result of an Excusable Delay.

2010C 09 (2008-05-12) Inspection and Acceptance of the Work

All the Work is subject to inspection and acceptance by Canada. Inspection and acceptance of the Work by Canada do not relieve the Contractor of its responsibility for defects or other failures to meet the requirements of the Contract. Canada will have the right to reject any work that is not in accordance with the requirements of the Contract and require its correction or replacement at the Contractor's expense.

2010C 10 (2008-05-12) Invoice Submission

1. Invoices must be submitted in the Contractor's name. The Contractor must submit invoices for each delivery or shipment; invoices must only apply to the Contract. Each invoice must indicate whether it covers partial or final delivery.

2. Invoices must show:

   (a) the date, the name and address of the client department, item or reference numbers, deliverable and/or description of the Work, contract number, Client Reference Number (CRN), Procurement Business Number (PBN), and financial code(s);

   (b) details of expenditures in accordance with the Basis of Payment, exclusive of Goods and Services Tax (GST) or Harmonized Sales Tax (HST) (such as item, quantity, unit of issue, unit price, fixed time labour rates and level of effort, subcontracts, as applicable);

   (c) deduction for holdback, if applicable;

   (d) the extension of the totals, if applicable; and

   (e) if applicable, the method of shipment together with date, case numbers and part or reference numbers, shipment charges and any other additional charges.

3. If applicable, the GST or HST must be specified on all invoices as a separate item. All items that are zero-rated, exempt or to which the GST or HST does not apply, must be identified as such on all invoices.

4. By submitting an invoice, the Contractor certifies that the invoice is consistent with the Work delivered and is in accordance with the Contract.

2010C 11 (2008-12-12) Taxes

1. Municipal Taxes
   Municipal Taxes do not apply.

2. Provincial Taxes

   (a) Excluding legislated exceptions, federal government departments and agencies are not required to pay any sales tax payable to the province in which the taxable goods or services are delivered. This exemption has been provided to federal government departments and agencies under the authority of one of the following:

(i) Provincial Sales Tax (PST) Exemption Licence Numbers, for the provinces of:

Prince Edward Island OP-10000-250
Ontario 11708174G
Manitoba 390-516-0
British Columbia R005521

(ii) for Quebec, Saskatchewan, the Yukon Territory, the Northwest Territories and Nunavut, an Exemption Certification, which certifies that the goods or services purchased are not subject to the provincial/territorial sales and consumption taxes because they are purchased by the federal government with Canada funds for the use of the federal government.

(b) Currently, in Alberta, the Yukon Territory, the Northwest Territories and Nunavut, there is no general PST. However, if a PST is introduced in Alberta, the Yukon Territory, the Northwest Territories or Nunavut, the sales tax exemption certificate would be required on the purchasing document.

(c) Federal departments are required to pay the HST in the participating provinces of Newfoundland and Labrador, Nova Scotia and New Brunswick.

(d) The Contractor is not exempt from paying PST under the above Exemption Licence Numbers or Exemption Certification. The Contractor must pay the PST on taxable goods or services used or consumed in the performance of the Contract (in accordance with applicable provincial legislation), including material incorporated into real property.

3. Changes to Taxes and Duties

If there is any change to any tax or duty payable to any level of government in Canada after the bid submission date that affects the costs of the Work to the Contractor, the Contract Price will be adjusted to reflect the increase or decrease in the cost to the Contractor. However, there will be no adjustment for any change that increases the cost of the Work to the Contractor if public notice of the change was given before bid submission date in sufficient detail to have permitted the Contractor to calculate the effect of the change on its cost. There will be no adjustment if the change takes effect after the date required by the Contract for delivery of the Work.

4. GST or HST

The estimated GST or HST, if applicable, is included in the total estimated cost on page 1 of the Contract. The GST or HST is not included in the Contract Price but will be paid by Canada as provided in the Invoice Submission section above. The Contractor agrees to remit to Canada Revenue Agency any amounts of GST and HST paid or due.

5. Tax Withholding of 15 Percent

Pursuant to the *Income Tax Act*, 1985, c. 1 (5th Supp.) and the *Income Tax Regulations*, Canada must withhold 15 percent of the amount to be paid to the Contractor in respect of services provided in Canada if the Contractor is a non-resident unless the Contractor obtains a valid waiver. The amount withheld will be held on account for the Contractor in respect to any tax liability which may be owed to Canada.

2010C 12 (2008-05-12) Payment Period

1. Canada's standard payment period is thirty (30) days. The payment period is measured from the date an invoice in acceptable form and content is received in accordance with the Contract or the

date the Work is delivered in acceptable condition as required in the Contract, whichever is later. A payment is considered overdue on the 31st day following that date and interest will be paid automatically in accordance with the section 13.

2. If the content of the invoice and its substantiating documentation are not in accordance with the Contract or the Work is not in acceptable condition, Canada will notify the Contractor within fifteen (15) days of receipt. The 30-day payment period begins upon receipt of the revised invoice or the replacement or corrected Work. Failure by Canada to notify the Contractor within fifteen (15) days will only result in the date specified in subsection 1 to apply for the sole purpose of calculating interest on overdue accounts.

2010C 13 (2008-12-12) Interest on Overdue Accounts

1. For the purpose of this section:

"Average Rate" means the simple arithmetic mean of the Bank Rates in effect at 4:00 p.m. Eastern Time each day during the calendar month immediately before the calendar month in which payment is made;

"Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association;

"date of payment" means the date of the negotiable instrument drawn by the Receiver General for Canada to pay any amount under the Contract;

an amount becomes "overdue" when it is unpaid on the first day following the day on which it is due and payable according to the Contract.

2. Canada will pay to the Contractor simple interest at the Average Rate plus 3 percent per year on any amount that is overdue, from the date that amount becomes overdue until the day before the date of payment, inclusive. The Contractor is not required to provide notice to Canada for interest to be payable.

3. Canada will pay interest in accordance with this section only if Canada is responsible for the delay in paying the Contractor. Canada will not pay interest on overdue advance payments.

2010C 14 (2008-05-12) Audit

The amount claimed under the Contract is subject to government audit both before and after payment is made. The Contractor must keep proper accounts and records of the cost of performing the Work and keep all documents relating to such cost for six (6) years after it receives the final payment under the Contract.

2010C 15 (2008-05-12) Compliance with Applicable Laws

1. The Contractor must comply with all laws applicable to the performance of the Contract. The Contractor must provide evidence of compliance with such laws to Canada at such times as Canada may reasonably request.

2. The Contractor must obtain and maintain at its own cost all permits, licenses, regulatory approvals and certificates required to perform the Work. If requested by the Contracting Authority, the Contractor must provide a copy of any required permit, license, regulatory approvals or certificate to Canada.

2010C 16 (2008-05-12) Liability

The Contractor is liable for any damage caused by the Contractor, its employees, subcontractors, or agents to Canada or any third party. Canada is liable for any damage caused by Canada, its employees or agents to the Contractor or any third party. The Parties agree that no limitation of liability or indemnity provision applies to the Contract unless it is specifically incorporated in full text in the Articles of Agreement. Damage includes any injury to persons (including injury resulting in death) or loss of or damage to property (including real property) caused as a result of or during the performance of the Contract.

2010C 17 (2008-05-12) Government Property

The Contractor must take reasonable and proper care of all Government Property while it is in its possession or subject to its control. The Contractor is responsible for any loss or damage resulting from its failure to do so other than loss or damage caused by ordinary wear and tear.

2010C 18 (2008-05-12) Amendment

To be effective, any amendment to the Contract must be done in writing by the Contracting Authority and the authorized representative of the Contractor.

2010C 19 (2008-05-12) Assignment

1. The Contractor must not assign the Contract without first obtaining the written consent of the Contracting Authority. Any assignment made without that consent is void and will have no effect. The assignment will be effective upon execution of an assignment agreement signed by the Parties and the assignee.

2. Assignment of the Contract does not relieve the Contractor from any obligation under the Contract and it does not impose any liability upon Canada.

2010C 20 (2008-05-12) Suspension of the Work

The Contracting Authority may at any time, by written notice, order the Contractor to suspend or stop the Work or part of the Work under the Contract. The Contractor must immediately comply with any such order in a way that minimizes the cost of doing so.

2010C 21 (2008-05-12) Default by the Contractor

1. If the Contractor is in default in carrying out any of its obligations under the Contract, the Contracting Authority may, by giving written notice to the Contractor, terminate for default the Contract or part of the Contract. The termination will take effect immediately or at the expiration of a cure period specified in the notice, if the Contractor has not cured the default to the satisfaction of the Contracting Authority within that cure period.

2. If the Contractor becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or takes the benefit of any statute relating to bankrupt or insolvent debtors, or if a receiver is appointed under a debt instrument or a receiving order is made against the Contractor, or an order is made or a resolution passed for the winding down of the Contractor, the Contracting Authority may, to the extent permitted by the laws of Canada, by giving written notice to the Contractor, immediately terminate for default the Contract or part of the Contract.

3. If Canada gives notice under subsection 1 or 2, the Contractor will have no claim for further payment except as provided in this section. The Contractor will be liable to Canada for all losses and damages suffered by Canada because of the default or occurrence upon which the notice was based, including any increase in the cost incurred by Canada in procuring the Work from another source. The Contractor agrees to repay immediately to Canada the portion of any

advance payment that is unliquidated at the date of the termination.

2010C 22 (2008-05-12) Termination for Convenience

1. At any time before the completion of the Work, the Contracting Authority may, by giving notice in writing to the Contractor, terminate for convenience the Contract or part of the Contract. Once such a notice of termination for convenience is given, the Contractor must comply with the requirements of the termination notice. If the Contract is terminated in part only, the Contractor must proceed to complete any part of the Work that is not affected by the termination notice. The termination will take effect immediately or, as the case may be, at the time specified in the termination notice.

2. If a termination notice is given pursuant to subsection 1, the Contractor will be entitled to be paid, for costs that have been reasonably and properly incurred to perform the Contract to the extent that the Contractor has not already been paid or reimbursed by Canada. The Contractor will be paid:

   (a) on the basis of the Contract Price, for all completed work that is inspected and accepted in accordance with the Contract, whether completed before, or after the termination in accordance with the instructions contained in the termination notice;

   (b) the Cost to the Contractor plus a fair and reasonable profit for all work terminated by the termination notice before completion; and

   (c) all costs incidental to the termination of the Work incurred by the Contractor but not including the cost of severance payments or damages to employees whose services are no longer required, except wages that the Contractor is obligated by statute to pay.

3. Canada may reduce the payment in respect of any part of the Work, if upon inspection, it does not meet the requirements of the Contract.

4. The total of the amounts, to which the Contractor is entitled to be paid under this section, together with any amounts paid, due or becoming due to the Contractor must not exceed the Contract Price. The Contractor will have no claim for damages, compensation, loss of profit, allowance arising out of any termination notice given by Canada under this section except to the extent that this section expressly provides. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

2010C 23 (2008-05-12) Right of Set-off

Without restricting any right of set-off given by law, Canada may set-off against any amount payable to the Contractor under the Contract, any amount payable to Canada by the Contractor under the Contract or under any other current contract. Canada may, when making a payment pursuant to the Contract, deduct from the amount payable to the Contractor any such amount payable to Canada by the Contractor which, by virtue of the right of set-off, may be retained by Canada.

2010C 24 (2008-05-12) Conflict of Interest and Values and Ethics Codes for the Public Service

The Contractor acknowledges that individuals who are subject to the provisions of the *Conflict of Interest Act*, 2006, c. 9, s. 2, the Conflict of Interest Code for Members of the House of Commons, the Values and Ethics Code for the Public Service or all other codes of values and ethics applicable within specific organizations cannot derive any direct benefit resulting from the Contract.

2010C 25 (2008-12-12) Contingency Fees

The Contractor certifies that it has not, directly or indirectly, paid or agreed to pay and agrees that it will not, directly or indirectly, pay a contingency fee for the solicitation, negotiation or obtaining of the Contract to any person, other than an employee of the Contractor acting in the normal course of the employee's duties. In this section, "contingency fee" means any payment or other compensation that depends or is calculated based on a degree of success in soliciting, negotiating or obtaining the Contract and "person" includes any individual who is required to file a return with the registrar pursuant to section 5 of the *Lobbying Act*, 1985, c. 44 (4th Supplement).

2010C 26 (2008-05-12) International Sanctions

1. Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

   Details on existing sanctions can be found at:
   http://www.dfait-maeci.gc.ca/trade/sanctions-en.asp.

2. The Contractor must not supply to the Government of Canada any goods or services which are subject to economic sanctions.

3. The Contractor must comply with changes to the regulations imposed during the period of the Contract. The Contractor must immediately advise Canada if it is unable to perform the Work as a result of the imposition of economic sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services. If the Parties cannot agree on a work around plan, the Contract will be terminated for the convenience of Canada in accordance with section 22.

2010C 27 (2008-05-12) Code of Conduct for Procurement

The Contractor certifies that it has read the Code of Conduct for Procurement (http://www.tpsgc-pwgsc.gc.ca/app-acq/cndt-cndct/index-eng.html) and agrees to be bound by its terms.

2010C 28 (2008-05-12) Harassment in the Workplace

1. The Contractor acknowledges the responsibility of Canada to ensure, for its employees, a healthy work environment, free of harassment. A copy of the Treasury Board policy, the Policy on the Prevention and Resolution of Harassment in the Workplace, which is also applicable to the Contractor, is available on the Treasury Board Web site.

2. The Contractor must not, either as an individual, or as a corporate or unincorporated entity, through its employees or subcontractors, harass, abuse, threaten, discriminate against or intimidate any employee, contractor or other individual employed by, or under contract with Canada. The Contractor will be advised in writing of any complaint and will have the right to respond in writing. Upon receipt of the Contractor's response, the Contracting Authority will, at its entire discretion, determine if the complaint is founded and decide on any action to be taken.

2010C 29 (2008-05-12) Entire Agreement

The Contract constitutes the entire and only agreement between the Parties and supersedes all previous negotiations, communications and other agreements, whether written or oral, unless they are incorporated by reference in the Contract. There are no terms, covenants, representations, statements or conditions binding on the Parties other than those contained in the Contract.

2020 (2010/01/11) General Conditions - Supply Arrangement - Goods or Services

Public Works and Government Services Canada

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03 Bid Solicitations and Resulting Contracts
04 Supply Arrangement Period
05 Modifications
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2020 01 (2008-12-12) Interpretation

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada as represented by the Minister of Public Works and Government Services and any other person duly authorized to act on behalf of that Minister;

"Supplier" means the person or entity whose name appears on the Supply Arrangement and who has become a pre-qualified supplier and been issued a Supply Arrangement;

"Supply Arrangement" means the written arrangement between Canada and the Supplier, these general conditions, any referenced clauses and conditions, and any other document specified or referred to as forming part of the Supply Arrangement;

"Supply Arrangement Authority" means the person designated as such in the Supply Arrangement, or by notice to the Supplier, to act as the representative of Canada in the management of the Supply Arrangement.

2020 02 (2008-12-12) Standard Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c. 16, the clauses and conditions identified in the Supply Arrangement by number, date and title are incorporated by reference into the Supply Arrangement and form part of any contract resulting from the Supply Arrangement as though expressly set out in the Supply Arrangement and resulting contract.

2020 03 (2010-01-11) Bid Solicitations and Resulting Contracts

The Supplier understands that identified users are allowed under a Supply Arrangement to solicit bids and award contracts to pre-qualified suppliers only. Suppliers must be pre-qualified and issued a Supply Arrangement to meet the requirements of a bid solicitation and/or be awarded a contract under a Supply Arrangement. If the Supply Arrangement includes ceiling prices or rates, suppliers will be allowed to lower their prices or rates based on the actual requirement or statement of work described in the bid solicitation. For competitive requirements, bid solicitations will be issued in accordance with the process established in the Supply Arrangement. Bids will be evaluated and contracts will be awarded in accordance with the process described in each bid solicitation. Each contract awarded will be considered to be a separate binding contract established between the contracting department or agency and the Supplier.

The Supplier understands and agrees that:

(a) issuance of a supply arrangement to the Supplier does not oblige Canada to authorize or order all or any of the goods or services described in the Supply Arrangement or to spend any monies whatsoever;

(b) a contract will exist only if there is an authorized contract awarded under the Supply Arrangement and only for those goods, services, or both which are described in the contract;

(c) Canada's liability is limited to that which arises from contracts awarded under the Supply Arrangement;

(d) Canada has the right to procure the goods and services specified in the Supply Arrangement by means of any other contract, standing offer or contracting method;

(e) the Supply Arrangement cannot be assigned or transferred in whole or in part.

2020 04 (2008-012-12) Supply Arrangement Period

The Supply Arrangement may be issued for a specific period as set out in the Supply Arrangement or until such time as Canada no longer considers it to be advantageous to use the Supply Arrangement to award contracts under the Supply Arrangement framework.

2020 05 (2008-12-12) Modifications

1. From time to time, Canada may modify the conditions of the Supply Arrangement. Canada will advise all suppliers of any proposed modification to the supply arrangement and will provide suppliers with an opportunity to either withdraw or confirm their consent to the modification. The Supplier may withdraw if it no longer wishes to be considered for future contracts as a result of the modification. If the Supplier does not withdraw, the Supplier must confirm its consent to the modification and confirm that it meets any qualification requirement that may be affected by the modification. The Supplier must provide any information or evidence the Supply Arrangement Authority may require to verify that the Supplier continues to be a qualified supplier.

2. Canada may also, from time to time, update the conditions of the bid solicitation and resulting contract clauses included in the Supply Arrangement. Canada will then publish the updates no less than ten (10) working days before including them in any individual bid solicitation. Canada may also modify the requirement described in the Supply Arrangement or, if the Supply Arrangement includes categories, modify the requirements associated with categories. If Canada adds a new category, the Supplier may submit an application to qualify for that category. Upon successful qualification, that category will simply be added to the Supplier existing Supply Arrangement. In the event of a modification to the requirement, the Supplier may either be required to qualify in respect to the modification only or to submit another arrangement, depending on the extent of the modification.

3. Modifications will not affect contracts that are already in place before the date of the modification.

2020 06 (2008-12-12) Confirmation of Qualification

1. The Supplier must continue to meet all the qualification requirements related to the Supply Arrangement during the entire period of the Supply Arrangement. Any certification provided by the Supplier must be true on the date of the Supply Arrangement and remain true throughout the period of the Supply Arrangement. The Supplier must immediately notify the Supply Arrangement Authority if it no longer meets any of the qualification requirements of the Supply Arrangement.

2. The Supply Arrangement Authority may require the Supplier to confirm its qualification at any time and provide evidence to support its confirmation. If the Supplier no longer meets any of the

requirements for qualification, Canada may, at its option:

(a) suspend the Supply Arrangement until the Supplier has demonstrated, to the satisfaction of Canada, that it meets the requirements in respect of which it has been found deficient. During this time, the Supplier will not be eligible to bid on bid solicitations issued under the Supply Arrangement;

(b) suspend the Supplier's qualification under specific categories of the Supply Arrangement until the Supplier has demonstrated, to the satisfaction of Canada, that it meets the requirements in respect of which it has been found deficient. During this time, the Supplier will not be eligible to bid on bid solicitations issued under Supply Arrangement for those categories;

(c) cancel the Supply Arrangement or the Supplier's qualification for specific categories, in which case, the Supplier will not be allowed to submit a new arrangement for a period of six (6) months following the cancellation.

2020 07 (2008-12-12) On-going Opportunity For Qualification

The Supplier understands that either through a notice posted on the Government Electronic Tendering Service (GETS) or through a process set out in the Supply Arrangement, new suppliers may submit arrangements to pre-qualify and be added to the list of suppliers pre-qualified to provide the goods and services described in the Supply Arrangement. This process will also permit pre-qualified suppliers to qualify for requirements for which they are not already qualified. The Supplier acknowledges that Canada may issue an unlimited number of supply arrangements and may continue to issue supply arrangements to pre-qualified suppliers throughout the Supply Arrangement period.

2020 08 (2008-12-12) Withdrawal by Supplier

If the Supplier wishes to withdraw from the Supply Arrangement or only from any specific category, the Supplier must advise Canada by providing no less than thirty (30) days written notice to the Supply Arrangement Authority, unless provided otherwise in the Supply Arrangement.

Upon receipt of the notice, the Supply Arrangement Authority will remove the Supplier from the list of pre-qualified suppliers and the Supplier will not be eligible to bid on bid solicitations issued under the Supply Arrangement anymore. The Supplier will be required to qualify again to become a pre-qualified supplier.

The Supplier acknowledges that its withdrawal will not affect any contract entered into before the receipt by the Supply Arrangement Authority of the notice. Canada may at its discretion advise the Supplier that the Supplier will not be allowed to submit a new arrangement to re-qualify for a period of time as determined by Canada.

2020 09 (2008-12-12) Suspension or Cancellation of Qualification by Canada

1. Canada may, by sending written notice to the Supplier, suspend or cancel the Supply Arrangement under any of the following circumstances:

   (a) the Supplier no longer meets any of the required qualifications of the Supply Arrangement as provided in section 6;

   (b) the Supplier is in default in carrying out any of its obligations under any resulting contract and Canada has exercised its contractual right to terminate the contract for default;

   (c) Canada has imposed measures on the Supplier under the Vendor Performance Policy (or such similar policy that may be in place from time to time).

2. Suspension or cancellation of the Supply Arrangement will not affect the right of Canada to pursue other remedies or measures that may be available. It will not, on its own, affect any contract entered into before the issuance of the notice. The Supply Arrangement Authority will however remove the Supplier from the list of pre-qualified suppliers and the Supplier will not be eligible to bid on bid solicitations issued under the Supply Arrangement. The Supplier will not be allowed to submit another arrangement for a period to be determined by Canada.

2020 10 (2008-12-12) Termination of Contracts made under the Supply Arrangement

If a contract made under the Supply Arrangement is terminated for default or otherwise, such termination does not terminate the Supply Arrangement. The Supplier acknowledges, however, that a default under any contract made under the Supply Arrangement may result in the suspension or cancellation of the Supply Arrangement.

2020 11 (2008-12-12) Joint Venture

If the Supplier is a joint venture, the Supplier agrees that all members of the joint venture are jointly and severally or solidarily liable for the performance of any contract awarded under the Supply Arrangement. If the membership of a joint venture changes, the Supply Arrangement will be cancelled and members who wish to qualify separately or as part of a different joint venture must submit a new arrangement by following the qualification process established by Canada.

2020 12 (2008-05-12) Publication of Supply Arrangement Information

1. The Supplier agrees that Canada may publish certain information related to the Supply Arrangement or a supply arrangement catalogue. The Supplier agrees to the disclosure of the following information included in the Supply Arrangement:

   (a) the conditions of the Supply Arrangement;

   (b) the Supplier's procurement business number, its name, the name, address, telephone number, fax number and e-mail address of its representative;

   (c) the Supplier's profile and its level of security clearance;

   (d) the Supplier's qualified domains of expertise or the categories for which the Supplier has qualified.

2. Canada will not be liable for any errors, inconsistencies or omissions in any published information. If the Supplier identifies any error, inconsistency or omission, the Supplier agrees to notify the Supply Arrangement Authority immediately.

2020 13 (2008-12-12) Application of Trade Agreements

The Supplier understands that even if the qualification process established for the issuance of the Supply Arrangement was subject to the World Trade Organization Agreement on Government Procurement, the North American Free Trade Agreement, and the Agreement on Internal Trade, not all three agreements will necessarily apply to individual bid solicitations under the Supply Arrangement. The trade agreements applicable to individual bid solicitations will be identified on a case-by-case basis.

2020 14 (2008-05-12) Costs

The Supplier will not be reimbursed for any costs incurred before the award of a contract and no costs incurred before the award of a contract can be charged to the Supply Arrangement or any contract entered into under the Supply Arrangement.

2029 (2010/01/11) General Conditions - Goods or Services (Low Dollar Value)

Public Works and Government Services Canada

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25 Entire Agreement
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2029 01 (2008-05-12) Interpretation

In the Contract, unless the context otherwise requires:

"Articles of Agreement" means the clauses and conditions set out in full text or incorporated by reference from the *Standard Acquisition Clauses and Conditions* Manual to form the body of the Contract; it does not include these general conditions, any supplemental general conditions, annexes, the Contractor's bid or any other document.

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada as represented by the Minister of Public Works and Government Services and any other person duly authorized to act on behalf of that minister or, if applicable, an appropriate minister to whom the Minister of Public Works and Government Services has delegated his or her powers, duties or functions and any other person duly authorized to act on behalf of that minister;

"Contract" means the Articles of Agreement, these general conditions and any other document specified or referred to as forming part of the Contract, all as amended by agreement of the Parties from time to time;

"Contracting Authority" means the person designated by that title in the Contract, or by notice to the Contractor, to act as Canada's representative to manage the Contract;

"Contractor" means the person, entity or entities named in the Contract to supply goods, services or both

to Canada;

"Contract Price" means the amount stated in the Contract to be payable to the Contractor for the Work, exclusive of Goods and Services Tax and Harmonized Sales Tax;

"Government Property" means anything supplied to the Contractor by or on behalf of Canada for the purposes of performing the Contract and anything acquired by the Contractor in any manner in connection with the Work, the cost of which is paid by Canada under the Contract;

"Party" means Canada, the Contractor, or any other signatory to the Contract and "Parties" means all of them;

"Work" means all activities, services, goods, equipment, matters and things required to be done, delivered or performed by the Contractor under the Contract.

2029 02 (2008-05-12) Standard Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the clauses and conditions identified by number, date and title in the Contract are incorporated by reference and form part of the Contract as though expressly set out in the Contract.

2029 03 (2008-05-12) Status of the Contractor

The Contractor is as an independent Contractor engaged by Canada to perform the Work. Neither the Contractor nor any of its personnel is engaged as an employee, servant or agent of Canada. The Contractor is responsible for all deductions and remittances required by law in relation to its employees.

2029 04 (2008-05-12) Condition of Material

Unless provided otherwise in the Contract, material supplied must be new and conform to the latest issue of the applicable drawing, specification and part number that is in effect on the bid solicitation closing date or, if there was no bid solicitation, the date of the Contract.

2029 05 (2010-01-11) Inspection, Acceptance and Warranty

1. The Contractor must perform the Work efficiently in accordance with standards of quality acceptable to Canada and in full conformity with all the requirements of the Contract.

2. All the Work is subject to inspection and acceptance by Canada. Despite inspection and acceptance of the Work by or on behalf of Canada and without restricting any provisions of the Contract or any condition, warranty or provision imposed by law, the Contractor, if requested by Canada to do so, must replace, repair or correct, at its own option and expense any work that becomes defective or fails to conform to the requirements of the Contract, where applicable. For goods, the warranty period will be twelve (12) months after delivery and acceptance of the Work or the length of the Contractor's or manufacturer's standard warranty period, whichever is longer.

3. Canada must pay the transportation cost associated with returning the Work or any part of the Work to the Contractor’s plant for replacement, repair or making good, and the Contractor must pay the transportation cost associated with forwarding the replacement or returning the Work or part of the Work when rectified to the delivery point specified in the Contract or to another location as directed by Canada. If, in the opinion of Canada, it is not expedient to remove the Work from its location, the Contractor must carry out any necessary repair or making good of the Work at that location and will be reimbursed its reasonable travel and living expenses.

4. The warranty period is automatically extended by the duration of any period or periods where the Work is unavailable for use or cannot be used because of a defect or non-conformance during

the original warranty period. The warranty applies to any part of the Work replaced, repaired or corrected pursuant to subsection 2, for the greater of:

(a) the warranty period remaining, including the extension, or

(b) ninety (90) days or such other period as may be specified for that purpose by agreement between the Parties.

2029 06 (2008-05-12) Invoice Submission

1. Invoices must be submitted in the Contractor's name. The Contractor must submit invoices for each delivery or shipment; invoices must only apply to the Contract. Each invoice must indicate whether it covers partial of final delivery.

2. Invoices must show:

(a) the date, the name and address of the client department, item or reference numbers, deliverable and/or description of the Work, contract number, Client Reference Number (CRN), Procurement Business Number (PBN), and financial code(s);

(b) details of expenditures in accordance with the Basis of Payment, exclusive of Goods and Services Tax (GST) or Harmonized Sales Tax (HST) (such as item, quantity, unit of issue, unit price, fixed time labour rates and level of effort, subcontracts, as applicable);

(c) deduction for holdback, if applicable;

(d) the extension of the totals, if applicable; and

(e) if applicable, the method of shipment together with date, case numbers and part or reference numbers, shipment charges and any other additional charges.

3. If applicable, the GST or HST must be specified on all invoices as a separate item. All items that are zero-rated, exempt or to which the GST or HST does not apply, must be identified as such on all invoices.

4. By submitting an invoice, the Contractor certifies that the invoice is consistent with the Work delivered and is in accordance with the Contract.

2029 07 (2008-12-12) Taxes

1. Municipal Taxes
Municipal Taxes are not applicable.

2. Provincial Taxes

(a) Excluding legislated exceptions, federal government departments and agencies are not required to pay any sales tax payable to the province in which the taxable goods or services are delivered. This exemption has been provided to federal government departments and agencies under the authority of one of the following:

(i) Provincial Sales Tax (PST) Exemption License Numbers, for the provinces of:

Prince Edward Island OP-10000-250
Ontario 11708174G
Manitoba 390-516-0
British Columbia R005521

(ii) for Quebec, Saskatchewan, the Yukon Territory, the Northwest Territories and Nunavut, an Exemption Certificate, which certifies that the goods or services purchased are not subject to the provincial/territorial sales and consumption taxes because they are purchased by the federal government with Canada funds for the use of the federal government.

(b) Currently, in Alberta, the Yukon Territory, the Northwest Territories and Nunavut, there is no general PST. However, if a PST is introduced in Alberta, the Yukon Territory, the Northwest Territories or Nunavut, the sales tax exemption certificate would be required on the purchasing document.

(c) Federal departments are required to pay the HST in the participating provinces of Newfoundland and Labrador, Nova Scotia and New Brunswick.

(d) The Contractor is not exempt from paying PST under the above Exemption License Numbers or Exemption Certificate. The Contractor must pay the PST on taxable goods or services used or consumed in the performance of the Contract (in accordance with applicable provincial legislation), including material incorporated into real property.

3. Changes to Taxes and Duties

If there is any change to any tax or duty payable to any level of government in Canada after the bid submission date that affects the costs of the Work to the Contractor, the Contract Price will be adjusted to reflect the increase or decrease in the cost to the Contractor. However, there will be no adjustment for any change that increases the cost of the Work to the Contractor if public notice of the change was given before bid submission date in sufficient detail to have permitted the Contractor to calculate the effect of the change on its cost. There will be no adjustment if the change takes effect after the date required by the Contract for delivery of the Work.

4. GST or HST

The estimated GST or HST, if applicable, is included in the total estimated cost of the Contract. The GST or HST is not included in the Contract price but will be paid by Canada as provided in the Invoice Submission section above. The Contractor agrees to remit to Canada Revenue Agency any amounts of GST and HST paid or due.

5. Tax Withholding of 15 Percent

Pursuant to the *Income Tax Act*, 1985, c. 1 (5th Supp.) and the *Income Tax Regulations*, Canada must withhold 15 percent of the amount to be paid to the Contractor in respect of services provided in Canada if the Contractor is a non-resident unless the Contractor obtains a valid waiver. The amount withheld will be held on account for the Contractor in respect to any tax liability which may be owed to Canada.

2029 08 (2010-01-11) Transportation Costs

If transportation costs are payable by Canada under the Contract and the Contractor makes the transportation arrangements, shipments must be made by the most direct and economical means consistent with normal shipping practice. The costs must be shown as a separate item on the invoice.

2029 09 (2008-05-12) Shipment Documentation

For the shipment of goods, the transportation bill of lading must accompany the original invoice, except for "collect" shipments (if and when stipulated), in which event it must accompany the shipment. In addition, a packing slip must accompany each shipment, showing item, quantity, part or reference

numbers, description of the goods and contract number, including the CRN and PBN. If the goods have been inspected at the Contractor's plant, the signed inspection voucher must be attached to the packing slip normally enclosed in the packing note envelope.

2029 10 (2008-05-12) Period of Payment

1. Canada's standard payment period is thirty (30) days. The payment period is measured from the date an invoice in acceptable form and content is received in accordance with the Contract or the date the Work is delivered in acceptable condition as required in the Contract, whichever is later. A payment is considered overdue on the 31st day following that date and interest will be paid automatically in accordance with section 11.

2. If the content of the invoice and its substantiating documentation are not in accordance with the Contract or the Work is not in acceptable condition, Canada will notify the Contractor within fifteen (15) days of receipt. The 30-day payment period begins upon receipt of the revised invoice or the replacement or corrected Work. Failure by Canada to notify the Contractor within fifteen (15) days will only result in the date specified in subsection 1 to apply for the sole purpose of calculating interest on overdue accounts.

2029 11 (2008-12-12) Interest on Overdue Accounts

1. For the purposes of this section:

   "Average Rate" means the simple arithmetic mean of the Bank Rates in effect at 4:00 p.m. Eastern Time each day during the calendar month which immediately before the calendar month in which payment is made;

   "Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association;

   "date of payment" means the date of the negotiable instrument drawn by the Receiver General for Canada to pay any amount under the Contract;

   an amount becomes "overdue" when it is unpaid on the first day following the day on which it is due and payable according to the Contract.

2. Canada will pay the Contractor simple interest at the Average Rate plus 3 percent per year on any amount that is overdue, from the date that amount becomes overdue until the day before the date of payment, inclusive. The Contractor is not required to provide notice to Canada for interest to be payable.

3. Canada will pay interest in accordance with this section only if Canada is responsible for the delay in paying the Contractor. Canada will not pay interest on overdue advance payments.

2029 12 (2008-05-12) Audit

The amount claimed under the Contract is subject to government audit both before and after payment is made. The Contractor must keep proper accounts and records of the cost of performing the Work and keep all documents relating to such cost for six (6) years after it receives the final payment under the Contract.

2029 13 (2008-05-12) Compliance with Applicable Laws

The Contractor must comply with all laws applicable to the performance of the Contract. The Contractor must provide evidence of compliance with such laws to Canada at such times as Canada may reasonably

request.

The Contractor must obtain and maintain at its own costs all permits, licences, regulatory approvals and certificates required to perform the Work. If requested by the Contracting Authority, the Contractor must provide a copy of any required permit, licence, regulatory approvals or certificate to Canada.

2029 14 (2008-05-12) Time of the Essence

It is essential the Work be delivered within or at the time stated in the Contract.

2029 15 (2008-05-12) Ownership

Unless provided otherwise in the Contract, the Work or part of the Work belongs to Canada after delivery and acceptance by or on behalf of Canada. Despite any transfer of ownership, the Contractor is responsible for any loss or damage to the Work or any part of the Work until it is delivered to Canada in accordance with the Contract.

2029 16 (2008-05-12) Government Property

The Contractor must take reasonable and proper care of all Government Property while it is in its possession or subject to its control. The Contractor is responsible for any loss or damage resulting from its failure to do so other than loss or damage caused by ordinary wear and tear.

2029 17 (2008-05-12) Amendment and Assignment

The Contract must not be amended or assigned, in whole or in part, without the prior written agreement of the Parties.

2029 18 (2008-05-12) Default by the Contractor

If the Contractor is in default in carrying out any of its obligations under the Contract, or is bankrupt or insolvent or in receivership, the Contracting Authority may, by giving written notice to the Contractor, terminate for default the Contract or part of the Contract. Upon the giving of such notice, the Contractor will have no claim for further payment and remains liable to Canada for all losses and damages suffered by Canada because of the default, including any increase in the cost incurred by Canada in procuring the Work from another source.

2029 19 (2008-05-12) Termination for Convenience

At any time before the completion of the Work, the Contracting Authority may, by giving notice to the Contractor, terminate for convenience the Contract or part of the Contract. In such case, the Contractor will be paid for Work that has been performed, accepted and unpaid in accordance with the Contract price. The Contractor will be entitled to be reimbursed the actual costs reasonably and properly incurred as a direct result of the termination, but in no case such reimbursement must exceed the Contract price. The Contractor will have no claim for damages, compensation, loss of profit or otherwise, except as provided in this section.

2029 20 (2008-05-12) Right of Set-off

Without restricting any right of set-off given by law, Canada may set-off against any amount payable to the Contractor under the Contract, any amount payable to Canada by the Contractor under the Contract or under any other current contract. Canada may, when making a payment pursuant to the Contract, deduct from the amount payable to the Contractor any such amount payable to Canada by the Contractor which, by virtue of the right of set-off, may be retained by Canada.

2029 21 (2008-05-12) Conflict of Interest and Values and Ethics

Codes for the Public Service

The Contractor acknowledges that individuals who are subject to the provisions of the *Conflict of Interest Act*, 2006, c. 9, s. 2, the Conflict of Interest Code for Members of the House of Commons, the Values and Ethics Code for the Public Service or all other codes of values and ethics applicable within specific organizations cannot derive any direct benefit resulting from the Contract.

2029 22 (2008-12-12) Contingency Fees

The Contractor certifies that it has not, directly or indirectly, paid or agreed to pay and agrees that it will not, directly or indirectly, pay a contingency fee for the solicitation, negotiation or obtaining of the Contract to any person, other than an employee of the Contractor acting in the normal course of the employee's duties. In this section, "contingency fee" means any payment or other compensation that depends or is calculated based on a degree of success in soliciting, negotiating or obtaining the Contract and "person" includes any individual who is required to file a return with the registrar pursuant to section 5 of the *Lobbying Act*, 1985, c. 44 (4th Supplement).

2029 23 (2010-01-11) International Sanctions

1. Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

2. The Contractor must not supply to the Government of Canada any goods or services which are subject to economic sanctions.

3. The Contractor must comply with changes to the regulations imposed during the period of the Contract. The Contractor must immediately advise Canada if it is unable to perform the Work as a result of the imposition of economic sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services. If the Parties cannot agree on a work around plan, the Contract will be terminated for the convenience of Canada in accordance with section 19.

2029 24 (2010-01-11) Code of Conduct for Procurement

The Contractor certifies that it has read the Code of Conduct for Procurement and agrees to be bound by its terms.

2029 25 (2008-05-12) Entire Agreement

The Contract constitutes the entire and sole agreement between the Parties.

2029 26 (2010-01-11) Transportation Carriers' Liability

The federal government's policy of underwriting its own risks precludes payment of insurance or valuation charges for transportation beyond the point at which ownership of goods passes to the federal government (determined by the FOB point or Incoterms). Where increased carrier liability is available without charge, the Contractor must obtain the increased liability for shipment.

2030 (2010/01/11) General Conditions - Higher Complexity - Goods

Public Works and Government Services Canada

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2030 01 (2008-05-12) Interpretation

In the Contract, unless the context otherwise requires:

"Articles of Agreement" means the clauses and conditions incorporated in full text or incorporated by reference from the *Standard Acquisition Clauses and Conditions* Manual to form the body of the Contract; it does not include these general conditions, any supplemental general conditions, annexes, the Contractor's bid or any other document;

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada as represented by the Minister of Public Works and Government Services and any other person duly authorized to act on behalf of that minister or, if applicable, an appropriate minister to whom the Minister of Public Works and Government Services has delegated his or her powers, duties or functions and any other person duly authorized to act on behalf of that minister;

"Contract" means the Articles of Agreement, these general conditions, any supplemental general conditions, annexes and any other document specified or referred to as forming part of the Contract, all as amended by agreement of the Parties from time to time;

"Contracting Authority" means the person designated by that title in the Contract, or by notice to the Contractor, to act as Canada's representative to manage the Contract;

"Contractor" means the person, entity or entities named in the Contract to supply goods, services or both to Canada;

"Contract Price" means the amount stated in the Contract to be payable to the Contractor for the Work, exclusive of Goods and Services Tax and Harmonized Sales Tax;

"Cost" means cost determined according to Contract Cost Principles 1031-2 as revised to the date of the bid solicitation or, if there was no bid solicitation, the date of the Contract;

"Government Property" means anything supplied to the Contractor by or on behalf of Canada for the purposes of performing the Contract and anything acquired by the Contractor in any manner in connection with the Work, the cost of which is paid by Canada under the Contract;

"Party" means Canada, the Contractor, or any other signatory to the Contract and "Parties" means all of them;

"Specifications" means the description of the essential, functional or technical requirements of the Work in the Contract, including the procedures for determining whether the requirements have been met;

"Work" means all the activities, services, goods, equipment, matters and things required to be done, delivered or performed by the Contractor under the Contract.

2030 02 (2008-05-12) Standard Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c. 16, the clauses and conditions identified by number, date and title in the Contract are incorporated by reference and form part of the Contract as though expressly set out in the Contract.

2030 03 (2008-05-12) Powers of Canada

All rights, remedies, powers and discretions granted or acquired by Canada under the Contract or by law are cumulative, not exclusive.

2030 04 (2008-05-12) Status of the Contractor

The Contractor is an independent contractor engaged by Canada to perform the Work. Nothing in the Contract is intended to create a partnership, a joint venture or an agency between Canada and the other Party or Parties. The Contractor must not represent itself as an agent or representative of Canada to anyone. Neither the Contractor nor any of its personnel is engaged as an employee or agent of Canada. The Contractor is responsible for all deductions and remittances required by law in relation to its employees.

2030 05 (2008-05-12) Conduct of the Work

1. The Contractor represents and warrants that:

   (a) it is competent to perform the Work;

   (b) it has everything necessary to perform the Work, including the resources, facilities, labour, technology, equipment, and materials; and

   (c) it has the necessary qualifications, including knowledge, skill, know-how and experience, and the ability to use them effectively to perform the Work.

2. The Contractor must:

   (a) perform the Work diligently and efficiently;

   (b) except for Government Property, supply everything necessary to perform the Work;

   (c) use, as a minimum, quality assurance procedures, inspections and controls generally used and recognized by the industry to ensure the degree of quality required by the Contract; and

   (d) ensure that the Work is of proper quality, using appropriate material and workmanship and meets all the requirements of the Contract.

3. Unless the Contracting Authority orders the Contractor to suspend the Work or part of the Work pursuant to section 29, the Contractor must not stop or suspend the Work or part of the Work pending the settlement of any dispute between the Parties about the Contract.

4. The Contractor must provide all reports that are required by the Contract and any other information that Canada may reasonably require from time to time.

5. The Contractor is fully responsible for performing the Work. Canada will not be responsible for any negative consequences or extra costs if the Contractor follows any advice given by Canada unless the Contracting Authority provides the advice to the Contractor in writing and includes a statement specifically relieving the Contractor of any responsibility for negative consequences or extra costs that might result from following the advice.

2030 06 (2008-05-12) Subcontracts

1. Except as provided in subsection 2, the Contractor must obtain the Contracting Authority's written consent before subcontracting or permitting the subcontracting of any part of the Work. A subcontract includes a contract entered into by any subcontractor at any tier to perform any part of the Work.

2. The Contractor is not required to obtain consent for subcontracts specifically authorized in the Contract. The Contractor may also without the consent of the Contracting Authority:

(a) purchase "off-the-shelf" items and any standard articles and materials that are ordinarily produced by manufacturers in the normal course of business;

(b) subcontract any incidental services that would ordinarily be subcontracted in performing the Work;

(c) in addition to purchases and services referred to in paragraphs (a) and (b), subcontract any part or parts of the Work to one or more subcontractors up to a total value of 40 percent of the Contract Price; and

(d) permit its subcontractors at any tier to make purchases or subcontract as permitted in paragraphs (a), (b) and (c).

3. In any subcontract other than a subcontract referred to in paragraph 2.(a), the Contractor must, unless the Contracting Authority agrees in writing, ensure that the subcontractor is bound by conditions compatible with and, in the opinion of the Contracting Authority, not less favourable to Canada than the conditions of the Contract.

4. Even if Canada consents to a subcontract, the Contractor is responsible for performing the Contract and Canada is not responsible to any subcontractor. The Contractor is responsible for any matters or things done or provided by any subcontractor under the Contract and for paying any subcontractors for any part of the Work they perform.

2030 07 (2008-05-12) Specifications

1. All Specifications provided by Canada or on behalf of Canada to the Contractor in connection with the Contract belong to Canada and must be used by the Contractor only for the purpose of performing the Work.

2. If the Contract provides that Specifications furnished by the Contractor must be approved by Canada, that approval will not relieve the Contractor of its responsibility to meet all requirements of the Contract.

2030 08 (2008-05-12) Condition of Material

Unless provided otherwise in the Contract, material supplied must be new and conform to the latest issue of the applicable drawing, specifications and part number that is in effect on the bid closing date or, if there was no bid solicitation, the date of the Contract.

2030 09 (2008-05-12) Replacement of Specific Individuals

1. If specific individuals are identified in the Contract to perform the Work, the Contractor must provide the services of those individuals unless the Contractor is unable to do so for reasons beyond its control.

2. If the Contractor is unable to provide the services of any specific individual identified in the Contract, it must provide a replacement with similar qualifications and experience. The replacement must meet the criteria used in the selection of the Contractor and be acceptable to Canada. The Contractor must, as soon as possible, give notice to the Contracting Authority of the reason for replacing the individual and provide:

(a) the name, qualifications and experience of the proposed replacement; and

(b) proof that the proposed replacement has the required security clearance granted by Canada, if applicable.

3. The Contractor must not, in any event, allow performance of the Work by unauthorized replacement persons. The Contracting Authority may order that a replacement stop performing the Work. In such a case, the Contractor must immediately comply with the order and secure a further replacement in accordance with subsection 2. The fact that the Contracting Authority does not order that a replacement stop performing the Work does not relieve the Contractor from its responsibility to meet the requirements of the Contract.

2030 10 (2008-05-12) Time of the Essence

It is essential that the Work be delivered within or at the time stated in the Contract.

2030 11 (2008-05-12) Excusable Delay

1. A delay in the performance by the Contractor of any obligation under the Contract that is caused by an event that

   (a) is beyond the reasonable control of the Contractor,

   (b) could not reasonably have been foreseen,

   (c) could not reasonably have been prevented by means reasonably available to the Contractor, and

   (d) occurred without the fault or neglect of the Contractor,

   will be considered an "Excusable Delay" if the Contractor advises the Contracting Authority of the occurrence of the delay or of the likelihood of the delay as soon as the Contractor becomes aware of it. The Contractor must also advise the Contracting Authority, within fifteen (15) working days, of all the circumstances relating to the delay and provide to the Contracting Authority for approval a clear work around plan explaining in detail the steps that the Contractor proposes to take in order to minimize the impact of the event causing the delay.

2. Any delivery date or other date that is directly affected by an Excusable Delay will be postponed for a reasonable time that will not exceed the duration of the Excusable Delay.

3. However, if an Excusable Delay has continued for thirty (30) days or more, the Contracting Authority may, by giving notice in writing to the Contractor, terminate the Contract. In such a case, the Parties agree that neither will make any claim against the other for damages, costs, expected profits or any other loss arising out of the termination or the event that contributed to the Excusable Delay. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

4. Unless Canada has caused the delay by failing to meet an obligation under the Contract, Canada will not be responsible for any costs incurred by the Contractor or any of its subcontractors or agents as a result of an Excusable Delay.

5. If the Contract is terminated under this Section, the Contracting Authority may require the Contractor to deliver to Canada, in the manner and to the extent directed by the Contracting Authority, any completed parts of the Work not delivered and accepted before the termination and anything that the Contractor has acquired or produced specifically to perform the Contract. Canada will pay the Contractor:

   (a) the value, of all completed parts of the Work delivered to and accepted by Canada, based on the Contract Price, including the proportionate part of the Contractor's profit or fee included in the Contract Price; and

(b) the Cost to the Contractor that Canada considers reasonable in respect of anything else delivered to and accepted by Canada.

The total amount paid by Canada under the Contract to the date of termination and any amounts payable under this subsection must not exceed the Contract Price.

2030 12 (2008-05-12) Inspection and Acceptance of the Work

1. All the Work is subject to inspection and acceptance by Canada. Inspection and acceptance of the Work by Canada do not relieve the Contractor of its responsibility for defects or other failures to meet the requirements of the Contract. Canada will have the right to reject any work that is not in accordance with the requirements of the Contract and require its correction or replacement at the Contractor's expense.

2. The Contractor must provide representatives of Canada access to all locations where any part of the Work is being performed at any time during working hours. Representatives of Canada may make examinations and such tests of the Work as they may think fit. The Contractor must provide all assistance and facilities, test pieces, samples and documentation that the representatives of Canada may reasonably require for the carrying out of the inspection. The Contractor must forward such test pieces and samples to such person or location as Canada specifies.

3. The Contractor must inspect and approve any part of the Work before submitting it for acceptance or delivering it to Canada. The Contractor must keep accurate and complete inspection records that must be made available to Canada on request. Representatives of Canada may make copies and take extracts of the records during the performance of the Contract and for up to three (3) years after the end of the Contract.

2030 13 (2008-05-12) Invoice Submission

1. Invoices must be submitted in the Contractor's name. The Contractor must submit invoices for each delivery or shipment; invoices must only apply to the Contract. Each invoice must indicate whether it covers partial or final delivery.

2. Invoices must show:

   (a) the date, the name and address of the client department, item or reference numbers, deliverable and/or description of the Work, contract number, Client Reference Number (CRN), Procurement Business Number (PBN), and financial code(s);

   (b) details of expenditures in accordance with the Basis of Payment, exclusive of Goods and Services Tax (GST) or Harmonized Sales Tax (HST) (such as item, quantity, unit of issue, unit price, fixed time labour rates and level of effort, subcontracts, as applicable);

   (c) deduction for holdback, if applicable;

   (d) the extension of the totals, if applicable; and

   (e) if applicable, the method of shipment together with date, case numbers and part or reference numbers, shipment charges and any other additional charges.

3. If applicable, the GST or HST must be specified on all invoices as a separate item. All items that are zero-rated, exempt or to which the GST or HST does not apply, must be identified as such on all invoices.

4. By submitting an invoice, the Contractor certifies that the invoice is consistent with the Work

delivered and is in accordance with the Contract.

2030 14 (2008-12-12) Taxes

1. Municipal Taxes
Municipal Taxes do not apply.

2. Provincial Taxes

(a) Excluding legislated exceptions, federal government departments and agencies are not required to pay any sales tax payable to the province in which the taxable goods or services are delivered. This exemption has been provided to federal government departments and agencies under the authority of one of the following:

(i) Provincial Sales Tax (PST) Exemption Licence Numbers, for the provinces of:

Prince Edward Island OP-10000-250
Ontario 11708174G
Manitoba 390-516-0
British Columbia R005521

(ii) for Quebec, Saskatchewan, the Yukon Territory, the Northwest Territories and Nunavut, an Exemption Certification, which certifies that the goods or services purchased are not subject to the provincial/territorial sales and consumption taxes because they are purchased by the federal government with Canada funds for the use of the federal government.

(b) Currently, in Alberta, the Yukon Territory, the Northwest Territories and Nunavut, there is no general PST. However, if a PST is introduced in Alberta, the Yukon Territory, the Northwest Territories or Nunavut, the sales tax exemption certificate would be required on the purchasing document.

(c) Federal departments are required to pay the HST in the participating provinces of Newfoundland and Labrador, Nova Scotia and New Brunswick.

(d) The Contractor is not exempt from paying PST under the above Exemption Licence Numbers or Exemption Certification. The Contractor must pay the PST on taxable goods or services used or consumed in the performance of the Contract (in accordance with applicable provincial legislation), including material incorporated into real property.

3. Changes to Taxes and Duties

If there is any change to any tax or duty payable to any level of government in Canada after the bid submission date that affects the costs of the Work to the Contractor, the Contract Price will be adjusted to reflect the increase or decrease in the cost to the Contractor. However, there will be no adjustment for any change that increases the cost of the Work to the Contractor if public notice of the change was given before bid submission date in sufficient detail to have permitted the Contractor to calculate the effect of the change on its cost. There will be no adjustment if the change takes effect after the date required by the Contract for delivery of the Work.

4. GST or HST

The estimated GST or HST, if applicable, is included in the total estimated cost on page 1 of the Contract. The GST or HST is not included in the Contract Price but will be paid by Canada as provided in the Invoice Submission section above. The Contractor agrees to remit to Canada Revenue Agency any amounts of GST and HST paid or due.

5. Tax Withholding of 15 Percent

Pursuant to the *Income Tax Act*, 1985, c. 1 (5th Supp.) and the *Income Tax Regulations*, Canada must withhold 15 percent of the amount to be paid to the Contractor in respect of services provided in Canada if the Contractor is a non-resident unless the Contractor obtains a valid waiver. The amount withheld will be held on account for the Contractor in respect to any tax liability which may be owed to Canada.

2030 15 (2010-01-11) Transportation Costs

If transportation costs are payable by Canada under the Contract and the Contractor makes the transportation arrangements, shipments must be made by the most direct and economical means consistent with normal shipping practice. The costs must be shown as a separate item on the invoice.

2030 16 (2008-05-12) Shipment Documentation

For the shipment of goods, the transportation bill of lading must accompany the original invoice, except for "collect" shipments (if and when stipulated), in which event it must accompany the shipment. In addition, a packing slip must accompany each shipment, showing item, quantity, part or reference numbers, description of the goods and contract number, including the CRN and PBN. If the goods have been inspected at the Contractor's plant, the signed inspection voucher must be attached to the packing slip normally enclosed in the packing note envelope.

2030 17 (2008-05-12) Payment Period

1. Canada's standard payment period is thirty (30) days. The payment period is measured from the date an invoice in acceptable form and content is received in accordance with the Contract or the date the Work is delivered in acceptable condition as required in the Contract, whichever is later. A payment is considered overdue on the 31st day following that date and interest will be paid automatically in accordance with section 18.

2. If the content of the invoice and its substantiating documentation are not in accordance with the Contract or the Work is not in acceptable condition, Canada will notify the Contractor within fifteen (15) days of receipt. The 30-day payment period begins upon receipt of the revised invoice or the replacement or corrected Work. Failure by Canada to notify the Contractor within fifteen (15) days will only result in the date specified in subsection 1 to apply for the sole purpose of calculating interest on overdue accounts.

2030 18 (2008-12-12) Interest on Overdue Accounts

1. For the purpose of this section:

"Average Rate" means the simple arithmetic mean of the Bank Rates in effect at 4:00 p.m. Eastern Time each day during the calendar month immediately before the calendar month in which payment is made;

"Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association;

"date of payment" means the date of the negotiable instrument drawn by the Receiver General for Canada to pay any amount under the Contract;

an amount becomes "overdue" when it is unpaid on the first day following the day on which it is due and payable according to the Contract.

2. Canada will pay to the Contractor simple interest at the Average Rate plus 3 percent per year on any amount that is overdue, from the date that amount becomes overdue until the day before the date of payment, inclusive. The Contractor is not required to provide notice to Canada for interest to be payable.

3. Canada will pay interest in accordance with this section only if Canada is responsible for the delay in paying the Contractor. Canada will not pay interest on overdue advance payments.

2030 19 (2008-05-12) Compliance with Applicable Laws

1. The Contractor must comply with all laws applicable to the performance of the Contract. The Contractor must provide evidence of compliance with such laws to Canada at such times as Canada may reasonably request.

2. The Contractor must obtain and maintain at its own cost all permits, licenses, regulatory approvals and certificates required to perform the Work. If requested by the Contracting Authority, the Contractor must provide a copy of any required permit, license, regulatory approvals or certificate to Canada.

2030 20 (2008-05-12) Ownership

1. Unless provided otherwise in the Contract, the Work or any part of the Work belongs to Canada after delivery and acceptance by or on behalf of Canada.

2. However if any payment is made to the Contractor for or on account of any work, either by way of progress or milestone payments, that work paid for by Canada belongs to Canada upon such payment being made. This transfer of ownership does not constitute acceptance by Canada of the Work or any part of the Work and does not relieve the Contractor of its obligation to perform the Work in accordance with the Contract.

3. Despite any transfer of ownership, the Contractor is responsible for any loss or damage to the Work or any part of the Work until it is delivered to Canada in accordance with the Contract. Even after delivery, the Contractor remains responsible for any loss or damage to any part of the Work caused by the Contractor or any subcontractor.

4. Upon transfer of ownership to the Work or any part of the Work to Canada, the Contractor must, if requested by Canada, establish to Canada's satisfaction that the title is free and clear of all claims, liens, attachments, charges or encumbrances. The Contractor must execute any conveyances and other instruments necessary to perfect the title that Canada may require.

2030 21 (2008-05-12) Warranty

1. Despite inspection and acceptance of the Work by or on behalf of Canada and without restricting any other provision of the Contract or any condition, warranty or provision imposed by law, the Contractor warrants that, for twelve (12) months (or any other period stated in the Contract), the Work will be free from all defects in design, material or workmanship, and will conform to the requirements of the Contract. The warranty period begins on the date of delivery, or if acceptance takes place at a later date, the date of acceptance. With respect to Government Property not supplied by the Contractor, the Contractor's warranty will extend only to its proper incorporation into the Work.

2. In the event of a defect or non-conformance in any part of the Work during the warranty period, the Contractor, at the request of Canada to do so, must as soon as possible repair, replace or otherwise make good at its own option and expense the part of the Work found to be defective or not in conformance with the requirements of the Contract.

3. The Work or any part of the Work found to be defective or non-conforming will be returned to the Contractor's plant for replacement, repair or making good. However, when in the opinion of Canada it is not expedient to remove the Work from its location, the Contractor must carry out any necessary repair or making good of the Work at that location. In such cases, the Contractor will be paid the fair and reasonable Cost (including reasonable travel and living expenses) incurred in so doing, with no allowance for profit, less an amount equal to the Cost of rectifying the defect or non-conformance at the Contractor's plant.

4. Canada must pay the transportation cost associated with returning the Work or any part of the Work to the Contractor's plant pursuant to subsection 3. The Contractor must pay the transportation cost associated with forwarding the replacement or returning the Work or part of the Work when rectified to the delivery point specified in the Contract or to another location directed by Canada.

5. The Contractor must remedy all data and reports pertaining to any correction or replacement under this Section, including revisions and updating of all affected data, manuals, publications, software and drawings called for under the Contract, at no cost to Canada.

6. If the Contractor fails to fulfill any obligation described in this section within a reasonable time of receiving a notice, Canada will have the right to remedy or to have remedied the defective or non-conforming work at the Contractor's expense. If Canada does not wish to correct or replace the defective or non-conforming work, an equitable reduction will be made in the Contract Price.

7. The warranty period is automatically extended by the duration of any period or periods where the Work is unavailable for use or cannot be used because of a defect or non-conformance during the original warranty period. The warranty applies to any part of the Work repaired, replaced or otherwise made good pursuant to subsection 2, for the greater of:

   (a) the warranty period remaining, including the extension, or

   (b) ninety (90) days or such other period as may be specified for that purpose by agreement between the Parties.

2030 22 (2008-05-12) Confidentiality

1. The Contractor must keep confidential all information provided to the Contractor by or on behalf of Canada in connection with the Work, including any information that is confidential or proprietary to third parties, and all information conceived, developed or produced by the Contractor as part of the Work when copyright or any other intellectual property rights in such information belongs to Canada under the Contract. The Contractor must not disclose any such information without the written permission of Canada. The Contractor may disclose to a subcontractor any information necessary to perform the subcontract as long as the subcontractor agrees to keep the information confidential and that it will be used only to perform the subcontract.

2. The Contractor agrees to use any information provided to the Contractor by or on behalf of Canada only for the purpose of the Contract. The Contractor acknowledges that all this information remains the property of Canada or the third party, as the case may be. Unless provided otherwise in the Contract, the Contractor must deliver to Canada all such information, together with every copy, draft, working paper and note that contains such information, upon completion or termination of the Contract or at such earlier time as Canada may require.

3. Subject to the *Access to Information Act*, R.S.C. 1985, c. A-1, and to any right of Canada under the Contract to release or disclose, Canada must not release or disclose outside the Government of Canada any information delivered to Canada under the Contract that is proprietary to the

Contractor or a subcontractor.

4. The obligations of the Parties set out in this section do not apply to any information if the information:

   (a) is publicly available from a source other than the other Party; or

   (b) is or becomes known to a Party from a source other than the other Party, except any source that is known to be under an obligation to the other Party not to disclose the information; or

   (c) is developed by a Party without use of the information of the other Party.

5. Wherever possible, the Contractor must mark or identify any proprietary information delivered to Canada under the Contract as "Property of (Contractor's name), permitted Government uses defined under Public Works and Government Services (PWGSC) Contract No. (fill in Contract Number)". Canada will not be liable for any unauthorized use or disclosure of information that could have been so marked or identified and was not.

6. If the Contract, the Work, or any information referred to in subsection 1 is identified as TOP SECRET, SECRET, CONFIDENTIAL, or PROTECTED by Canada, the Contractor must at all times take all measures reasonably necessary for the safeguarding of the material so identified, including those set out in the PWGSC Industrial Security Manual and its supplements and any other instructions issued by Canada.

7. If the Contract, the Work, or any information referred to in subsection 1 is identified as TOP SECRET, SECRET, CONFIDENTIAL, or PROTECTED, by Canada, representatives of Canada are entitled to inspect the Contractor's premises and the premises of a subcontractor at any tier for security purposes at any time during the term of the Contract. The Contractor must comply with, and ensure that any subcontractor complies with, all written instructions issued by Canada dealing with the material so identified, including any requirement that employees of the Contractor or of any subcontractor execute and deliver declarations relating to reliability screenings, security clearances and other procedures.

2030 23 (2008-05-12) Use and Translation of Written Material

1. Unless provided otherwise in the Contract, copyright in any written material used, produced or delivered under the Contract belongs to its author or rightful owner. Canada has the right to use, copy and disclose, for government purposes, the written material related to the Work that is delivered to Canada.

2. If the Contract does not require the delivery of any written material in both of Canada's official languages, Canada may translate the written material into the other official language. The Contractor acknowledges that Canada owns the rights on the translation and that Canada is under no obligation to provide the translation to the Contractor. Canada agrees that any translation must include any copyright and any proprietary right notice that was part of the original. Canada acknowledges that the Contractor is not responsible for any technical errors or other problems that may arise as a result of the translation.

2030 24 (2008-05-12) Government Property

1. All Government Property must be used by the Contractor solely for the purpose of the Contract and remains the property of Canada. The Contractor must maintain adequate accounting records of all Government Property and, whenever feasible, mark it as being the property of Canada.

2. The Contractor must take reasonable and proper care of all Government Property while it is in its

possession or subject to its control. The Contractor is responsible for any loss or damage resulting from its failure to do so other than loss or damage caused by ordinary wear and tear.

3. All Government Property, unless it is installed or incorporated in the Work, must be returned to Canada on demand. All scrap and all waste materials, articles or things that are Government Property must, unless provided otherwise in the Contract, remain the property of Canada and must be disposed of only as directed by Canada.

4. At the time of completion of the Contract, and if requested by the Contracting Authority, the Contractor must provide to Canada an inventory of all Government Property relating to the Contract.

2030 25 (2008-05-12) Liability

The Contractor is liable for any damage caused by the Contractor, its employees, subcontractors, or agents to Canada or any third party. Canada is liable for any damage caused by Canada, its employees or agents to the Contractor or any third party. The Parties agree that no limitation of liability or indemnity provision applies to the Contract unless it is specifically incorporated in full text in the Articles of Agreement. Damage includes any injury to persons (including injury resulting in death) or loss of or damage to property (including real property) caused as a result of or during the performance of the Contract.

2030 26 (2008-05-12) Intellectual Property Infringement and Royalties

1. The Contractor represents and warrants that, to the best of its knowledge, neither it nor Canada will infringe any third party's intellectual property rights in performing or using the Work, and that Canada will have no obligation to pay royalties of any kind to anyone in connection with the Work.

2. If anyone makes a claim against Canada or the Contractor concerning intellectual property infringement or royalties related to the Work, that Party agrees to notify the other Party in writing immediately. If anyone brings a claim against Canada, according to *Department of Justice Act*, R.S. 1985, c. J-2, the Attorney General of Canada must have the regulation and conduct of all litigation for or against Canada, but the Attorney General may request that the Contractor defend Canada against the claim. In either case, the Contractor agrees to participate fully in the defence and any settlement negotiations and to pay all costs, damages and legal costs incurred or payable as a result of the claim, including the amount of any settlement. Both Parties agree not to settle any claim unless the other Party first approves the settlement in writing.

3. The Contractor has no obligation regarding claims that were only made because:

   (a) Canada modified the Work or part of the Work without the Contractor's consent or used the Work or part of the Work without following a requirement of the Contract; or

   (b) Canada used the Work or part of the Work with a product that the Contractor did not supply under the Contract (unless that use is described in the Contract or the manufacturer's specifications); or

   (c) the Contractor used equipment, drawings, specifications or other information supplied to the Contractor by Canada (or by someone authorized by Canada); or

   (d) the Contractor used a specific item of equipment or software that it obtained because of specific instructions from the Contracting Authority; however, this exception only applies if the Contractor has included the following language in its own contract with the supplier of that equipment or software: "[Supplier name] acknowledges that the purchased items will be used by the Government of Canada. If a third party claims that equipment or software supplied under this contract infringes any intellectual property right, [supplier name], if

requested to do so by either [Contractor name] or Canada, will defend both [Contractor name] and Canada against that claim at its own expense and will pay all costs, damages and legal fees payable as a result of that infringement." Obtaining this protection from the supplier is the Contractor's responsibility and, if the Contractor does not do so, it will be responsible to Canada for the claim.

4. If anyone claims that, as a result of the Work, the Contractor or Canada is infringing its intellectual property rights, the Contractor must immediately do one of the following:

   (a) take whatever steps are necessary to allow Canada to continue to use the allegedly infringing part of the Work; or

   (b) modify or replace the Work to avoid intellectual property infringement, while ensuring that the Work continues to meet all the requirements of the Contract; or

   (c) take back the Work and refund any part of the Contract Price that Canada has already paid.

   If the Contractor determines that none of these alternatives can reasonably be achieved, or if the Contractor fails to take any of these steps within a reasonable amount of time, Canada may choose either to require the Contractor to do (c), or to take whatever steps are necessary to acquire the rights to use the allegedly infringing part(s) of the Work itself, in which case the Contractor must reimburse Canada for all the costs it incurs to do so.

2030 27 (2008-05-12) Amendment and Waivers

1. To be effective, any amendment to the Contract must be done in writing by the Contracting Authority and the authorized representative of the Contractor.

2. While the Contractor may discuss any proposed modifications to the Work with other representatives of Canada, Canada will not be responsible for the cost of any modification unless it has been incorporated into the Contract in accordance with subsection 1.

3. A waiver will only be valid, binding or affect the rights of the Parties if it is made in writing by, in the case of a waiver by Canada, the Contracting Authority and, in the case of a waiver by the Contractor, the authorized representative of the Contractor.

4. The waiver by a Party of a breach of any condition of the Contract will not be treated or interpreted as a waiver of any subsequent breach and therefore will not prevent that Party from enforcing of that term or condition in the case of a subsequent breach.

2030 28 (2008-05-12) Assignment

1. The Contractor must not assign the Contract without first obtaining the written consent of the Contracting Authority. Any assignment made without that consent is void and will have no effect. The assignment will be effective upon execution of an assignment agreement signed by the Parties and the assignee.

2. Assignment of the Contract does not relieve the Contractor from any obligation under the Contract and it does not impose any liability upon Canada.

2030 29 (2008-05-12) Suspension of the Work

1. The Contracting Authority may at any time, by written notice, order the Contractor to suspend or stop the Work or part of the Work under the Contract for a period of up to one hundred eighty (180) days. The Contractor must immediately comply with any such order in a way that

minimizes the cost of doing so. While such an order is in effect, the Contractor must not remove any part of the Work from any premises without first obtaining the written consent of the Contracting Authority. Within these one hundred eighty (180) days, the Contracting Authority must either cancel the order or terminate the Contract, in whole or in part, under section 30 or section 31.

2. When an order is made under subsection 1, unless the Contracting Authority terminates the Contract by reason of default by the Contractor or the Contractor abandons the Contract, the Contractor will be entitled to be paid its additional costs incurred as a result of the suspension plus a fair and reasonable profit.

3. When an order made under subsection 1 is cancelled, the Contractor must resume work in accordance with the Contract as soon as practicable. If the suspension has affected the Contractor's ability to meet any delivery date under the Contract, the date for performing the part of the Work affected by the suspension will be extended for a period equal to the period of suspension plus a period, if any, that in the opinion of the Contracting Authority, following consultation with the Contractor, is necessary for the Contractor to resume the Work. Any equitable adjustments will be made as necessary to any affected conditions of the Contract.

2030 30 (2008-05-12) Default by the Contractor

1. If the Contractor is in default in carrying out any of its obligations under the Contract, the Contracting Authority may, by giving written notice to the Contractor, terminate for default the Contract or part of the Contract. The termination will take effect immediately or at the expiration of a cure period specified in the notice, if the Contractor has not cured the default to the satisfaction of the Contracting Authority within that cure period.

2. If the Contractor becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or takes the benefit of any statute relating to bankrupt or insolvent debtors, or if a receiver is appointed under a debt instrument or a receiving order is made against the Contractor, or an order is made or a resolution passed for the winding down of the Contractor, the Contracting Authority may, to the extent permitted by the laws of Canada, by giving written notice to the Contractor, immediately terminate for default the Contract or part of the Contract.

3. If Canada gives notice under subsection 1 or 2, the Contractor will have no claim for further payment except as provided in this section. The Contractor will be liable to Canada for all losses and damages suffered by Canada because of the default or occurrence upon which the notice was based, including any increase in the cost incurred by Canada in procuring the Work from another source. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

4. Upon termination of the Contract under this section, the Contracting Authority may require the Contractor to deliver to Canada, in the manner and to the extent directed by the Contracting Authority, any completed parts of the Work, not delivered and accepted before the termination and anything the Contractor has acquired or produced specifically to perform the Contract. In such a case, subject to the deduction of any claim that Canada may have against the Contractor arising under the Contract or out of the termination, Canada will pay or credit to the Contractor:

   (a) the value, of all completed parts of the Work delivered to and accepted by Canada, based on the Contract Price, including the proportionate part of the Contractor's profit or fee included in the Contract Price; and

   (b) the cost to the Contractor that Canada considers reasonable in respect of anything else delivered to and accepted by Canada.

   The total amount paid by Canada under the Contract to the date of the termination and any

amount payable under this subsection must not exceed the Contract Price.

5. Title to everything for which payment is made to the Contractor will, once payment is made, pass to Canada unless it already belongs to Canada under any other provision of the Contract.

6. If the Contract is terminated for default under subsection 1, but it is later determined that grounds did not exist for a termination for default, the notice will be considered a notice of termination for convenience issued under subsection 1 of section 31.

2030 31 (2008-05-12) Termination for Convenience

1. At any time before the completion of the Work, the Contracting Authority may, by giving notice in writing to the Contractor, terminate for convenience the Contract or part of the Contract. Once such a notice of termination for convenience is given, the Contractor must comply with the requirements of the termination notice. If the Contract is terminated in part only, the Contractor must proceed to complete any part of the Work that is not affected by the termination notice. The termination will take effect immediately or, as the case may be, at the time specified in the termination notice.

2. If a termination notice is given pursuant to subsection 1, the Contractor will be entitled to be paid, for costs that have been reasonably and properly incurred to perform the Contract to the extent that the Contractor has not already been paid or reimbursed by Canada. The Contractor will be paid:

   (a) on the basis of the Contract Price, for all completed work that is inspected and accepted in accordance with the Contract, whether completed before, or after the termination in accordance with the instructions contained in the termination notice;

   (b) the Cost to the Contractor plus a fair and reasonable profit for all work terminated by the termination notice before completion; and

   (c) all costs incidental to the termination of the Work incurred by the Contractor but not including the cost of severance payments or damages to employees whose services are no longer required, except wages that the Contractor is obligated by statute to pay.

3. Canada may reduce the payment in respect of any part of the Work, if upon inspection, it does not meet the requirements of the Contract.

4. The total of the amounts, to which the Contractor is entitled to be paid under this section, together with any amounts paid, due or becoming due to the Contractor must not exceed the Contract Price. The Contractor will have no claim for damages, compensation, loss of profit, allowance arising out of any termination notice given by Canada under this section except to the extent that this section expressly provides. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

2030 32 (2008-05-12) Accounts and Audit

1. The Contractor must keep proper accounts and records of the cost of performing the Work and of all expenditures or commitments made by the Contractor in connection with the Work, including all invoices, receipts and vouchers. The Contractor must retain records, including bills of lading and other evidence of transportation or delivery, for all deliveries made under the Contract.

2. If the Contract includes payment for time spent by the Contractor, its employees, representatives, agents or subcontractors performing the Work, the Contractor must keep a record of the actual time spent each day by each individual performing any part of the Work.

3. Unless Canada has consented in writing to its disposal, the Contractor must retain all the information described in this section for six (6) years after it receives the final payment under the Contract, or until the settlement of all outstanding claims and disputes, whichever is later. During this time, the Contractor must make this information available for audit, inspection and examination by the representatives of Canada, who may make copies and take extracts. The Contractor must provide all reasonably required facilities for any audit and inspection and must furnish all the information as the representatives of Canada may from time to time require to perform a complete audit of the Contract.

4. The amount claimed under the contract, calculated in accordance with the Basis of Payment provision in the Articles of Agreement, is subject to government audit both before and after payment is made. If an audit is performed after payment, the Contractor agrees to repay any overpayment immediately on demand by Canada. Canada may hold back, deduct and set off any credits owing and unpaid under this section from any money that Canada owes to the Contractor at any time (including under other contracts). If Canada does not choose to exercise this right at any given time, Canada does not lose this right.

2030 33 (2008-05-12) Right of Set-off

Without restricting any right of set-off given by law, Canada may set-off against any amount payable to the Contractor under the Contract, any amount payable to Canada by the Contractor under the Contract or under any other current contract. Canada may, when making a payment pursuant to the Contract, deduct from the amount payable to the Contractor any such amount payable to Canada by the Contractor which, by virtue of the right of set-off, may be retained by Canada.

2030 34 (2008-05-12) Notice

Any notice under the Contract must be in writing and may be delivered by hand, courier, mail, facsimile or other electronic method that provides a paper record of the text of the notice. It must be sent to the Party for whom it is intended at the address stated in the Contract. Any notice will be effective on the day it is received at that address. Any notice to Canada must be delivered to the Contracting Authority.

2030 35 (2008-05-12) Conflict of Interest and Values and Ethics Codes for the Public Service

The Contractor acknowledges that individuals who are subject to the provisions of the *Conflict of Interest Act*, 2006, c. 9, s. 2, the Conflict of Interest Code for Members of the House of Commons, the Values and Ethics Code for the Public Service or all other codes of values and ethics applicable within specific organizations cannot derive any direct benefit resulting from the Contract.

2030 36 (2008-05-12) No Bribe

The Contractor declares that no bribe, gift, benefit, or other inducement has been or will be paid, given, promised or offered directly or indirectly to any official or employee of Canada or to a member of the family of such a person, with a view to influencing the entry into the Contract or the administration of the Contract.

2030 37 (2008-05-12) Survival

All the Parties' obligations of confidentiality, representations and warranties set out in the Contract as well as the provisions, which by the nature of the rights or obligations might reasonably be expected to survive, will survive the expiry or termination of the Contract.

2030 38 (2008-05-12) Severability

If any provision of the Contract is declared by a court of competent jurisdiction to be invalid, illegal or

unenforceable, that provision will be removed from the Contract without affecting any other provision of the Contract.

2030 39 (2008-05-12) Successors and Assigns

The Contract is to the benefit of and binds the successors and permitted assignees of Canada and of the Contractor.

2030 40 (2008-12-12) Contingency Fees

The Contractor certifies that it has not, directly or indirectly, paid or agreed to pay and agrees that it will not, directly or indirectly, pay a contingency fee for the solicitation, negotiation or obtaining of the Contract to any person, other than an employee of the Contractor acting in the normal course of the employee's duties. In this section, "contingency fee" means any payment or other compensation that depends or is calculated based on a degree of success in soliciting, negotiating or obtaining the Contract and "person" includes any individual who is required to file a return with the registrar pursuant to section 5 of the *Lobbying Act*, 1985, c. 44 (4th Supplement).

2030 41 (2010-01-11) International Sanctions

1. Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

2. The Contractor must not supply to the Government of Canada any goods or services which are subject to economic sanctions.

3. The Contractor must comply with changes to the regulations imposed during the period of the Contract. The Contractor must immediately advise Canada if it is unable to perform the Work as a result of the imposition of economic sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services. If the Parties cannot agree on a work around plan, the Contract will be terminated for the convenience of Canada in accordance with section 31.

2030 42 (2010-01-11) Code of Conduct for Procurement

The Contractor certifies that it has read the Code of Conduct for Procurement and agrees to be bound by its terms.

2030 43 (2008-05-12) Entire Agreement

The Contract constitutes the entire and only agreement between the Parties and supersedes all previous negotiations, communications and other agreements, whether written or oral, unless they are incorporated by reference in the Contract. There are no terms, covenants, representations, statements or conditions binding on the Parties other than those contained in the Contract.

2030 44 (2010-01-11) Transportation Carriers' Liability

The federal government's policy of underwriting its own risks precludes payment of insurance or valuation charges for transportation beyond the point at which ownership of goods passes to the federal government (determined by the FOB point or Incoterms). Where increased carrier liability is available without charge, the Contractor must obtain the increased liability for shipment.

2035 (2010/01/11) General Conditions - Higher Complexity - Services

Public Works and Government Services Canada

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2035 01 (2008-05-12) Interpretation

In the Contract, unless the context otherwise requires:

"Articles of Agreement" means the clauses and conditions incorporated in full text or incorporated by reference from the *Standard Acquisition Clauses and Conditions* Manual to form the body of the Contract;

it does not include these general conditions, any supplemental general conditions, annexes, the Contractor's bid or any other document;

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada as represented by the Minister of Public Works and Government Services and any other person duly authorized to act on behalf of that minister or, if applicable, an appropriate minister to whom the Minister of Public Works and Government Services has delegated his or her powers, duties or functions and any other person duly authorized to act on behalf of that minister;

"Contract" means the Articles of Agreement, these general conditions, any supplemental general conditions, annexes and any other document specified or referred to as forming part of the Contract, all as amended by agreement of the Parties from time to time;

"Contracting Authority" means the person designated by that title in the Contract, or by notice to the Contractor, to act as Canada's representative to manage the Contract;

"Contractor" means the person, entity or entities named in the Contract to supply goods, services or both to Canada;

"Contract Price" means the amount stated in the Contract to be payable to the Contractor for the Work, exclusive of Goods and Services Tax and Harmonized Sales Tax;

"Cost" means cost determined according to Contract Cost Principles 1031-2 as revised to the date of the bid solicitation or, if there was no bid solicitation, the date of the Contract;

"Government Property" means anything supplied to the Contractor by or on behalf of Canada for the purposes of performing the Contract and anything acquired by the Contractor in any manner in connection with the Work, the cost of which is paid by Canada under the Contract;

"Party" means Canada, the Contractor, or any other signatory to the Contract and "Parties" means all of them;

"Specifications" means the description of the essential, functional or technical requirements of the Work in the Contract, including the procedures for determining whether the requirements have been met;

"Work" means all the activities, services, goods, equipment, matters and things required to be done, delivered or performed by the Contractor under the Contract.

2035 02 (2008-05-12) Standard Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c. 16, the clauses and conditions identified by number, date and title in the Contract are incorporated by reference and form part of the Contract as though expressly set out in the Contract.

2035 03 (2008-05-12) Powers of Canada

All rights, remedies, powers and discretions granted or acquired by Canada under the Contract or by law are cumulative, not exclusive.

2035 04 (2008-05-12) Status of the Contractor

The Contractor is an independent contractor engaged by Canada to perform the Work. Nothing in the Contract is intended to create a partnership, a joint venture or an agency between Canada and the other Party or Parties. The Contractor must not represent itself as an agent or representative of Canada to anyone. Neither the Contractor nor any of its personnel is engaged as an employee or agent of Canada.

The Contractor is responsible for all deductions and remittances required by law in relation to its employees.

2035 05 (2008-05-12) Conduct of the Work

1. The Contractor represents and warrants that:

   (a) it is competent to perform the Work;

   (b) it has everything necessary to perform the Work, including the resources, facilities, labour, technology, equipment, and materials; and

   (c) it has the necessary qualifications, including knowledge, skill, know-how and experience, and the ability to use them effectively to perform the Work.

2. The Contractor must:

   (a) perform the Work diligently and efficiently;

   (b) except for Government Property, supply everything necessary to perform the Work;

   (c) use, as a minimum, quality assurance procedures, inspections and controls generally used and recognized by the industry to ensure the degree of quality required by the Contract;

   (d) select and employ a sufficient number of qualified people;

   (e) perform the Work in accordance with standards of quality acceptable to Canada and in full conformity with the Specifications and all the requirements of the Contract;

   (f) provide effective and efficient supervision to ensure that the quality of workmanship meets the requirements of the Contract.

3. The Work must not be performed by any person who, in the opinion of Canada, is incompetent, unsuitable or has been conducting himself/herself improperly.

4. All services rendered under the Contract must, at the time of acceptance, be free from defects in workmanship and conform to the requirements of the Contract. If the Contractor is required to correct or replace the Work or any part of the Work, it will be at no cost to Canada.

5. Canada's facilities, equipment and personnel are not available to the Contractor to perform the Work unless the Contract specifically provides for it. The Contractor is responsible for advising the Contracting Authority in advance if it requires access to Canada's facilities, equipment or personnel to perform the Work. The Contractor must comply and ensure that its employees and subcontractors comply with all security measures, standing orders, policies or other rules in force at the site where the Work is performed.

6. Unless the Contracting Authority orders the Contractor to suspend the Work or part of the Work pursuant to section 27, the Contractor must not stop or suspend the Work or part of the Work pending the settlement of any dispute between the Parties about the Contract.

7. The Contractor must provide all reports that are required by the Contract and any other information that Canada may reasonably require from time to time.

8. The Contractor is fully responsible for performing the Work. Canada will not be responsible for any negative consequences or extra costs if the Contractor follows any advice given by Canada

unless the Contracting Authority provides the advice to the Contractor in writing and includes a statement specifically relieving the Contractor of any responsibility for negative consequences or extra costs that might result from following the advice.

2035 06 (2010-01-11) Subcontracts

1. Except as provided in subsection 2, the Contractor must obtain the Contracting Authority's written consent before subcontracting or permitting the subcontracting of any part of the Work. A subcontract includes a contract entered into by any subcontractor at any tier to perform any part of the Work.

2. The Contractor is not required to obtain consent for subcontracts specifically authorized in the Contract. The Contractor may also without the consent of the Contracting Authority:

   (a) purchase "off-the-shelf" items and any standard articles and materials that are ordinarily produced by manufacturers in the normal course of business;

   (b) subcontract any portion of the Work as is customary in the carrying out of similar contracts; and;

   (c) permit its subcontractors at any tier to make purchases or subcontract as permitted in paragraphs (a) and (b).

3. In any subcontract other than a subcontract referred to in paragraph 2.(a), the Contractor must, unless the Contracting Authority agrees in writing, ensure that the subcontractor is bound by conditions compatible with and, in the opinion of the Contracting Authority, not less favourable to Canada than the conditions of the Contract.

4. Even if Canada consents to a subcontract, the Contractor is responsible for performing the Contract and Canada is not responsible to any subcontractor. The Contractor is responsible for any matters or things done or provided by any subcontractor under the Contract and for paying any subcontractors for any part of the Work they perform.

2035 07 (2008-05-12) Specifications

1. All Specifications provided by Canada or on behalf of Canada to the Contractor in connection with the Contract belong to Canada and must be used by the Contractor only for the purpose of performing the Work.

2. If the Contract provides that Specifications furnished by the Contractor must be approved by Canada, that approval will not relieve the Contractor of its responsibility to meet all requirements of the Contract.

2035 08 (2008-05-12) Replacement of Specific Individuals

1. If specific individuals are identified in the Contract to perform the Work, the Contractor must provide the services of those individuals unless the Contractor is unable to do so for reasons beyond its control.

2. If the Contractor is unable to provide the services of any specific individual identified in the Contract, it must provide a replacement with similar qualifications and experience. The replacement must meet the criteria used in the selection of the Contractor and be acceptable to Canada. The Contractor must, as soon as possible, give notice to the Contracting Authority of the reason for replacing the individual and provide:

   (a) the name, qualifications and experience of the proposed replacement; and

(b) proof that the proposed replacement has the required security clearance granted by Canada, if applicable.

3. The Contractor must not, in any event, allow performance of the Work by unauthorized replacement persons. The Contracting Authority may order that a replacement stop performing the Work. In such a case, the Contractor must immediately comply with the order and secure a further replacement in accordance with subsection 2. The fact that the Contracting Authority does not order that a replacement stop performing the Work does not relieve the Contractor from its responsibility to meet the requirements of the Contract.

2035 09 (2008-05-12) Time of the Essence

It is essential that the Work be performed within or at the time stated in the Contract.

2035 10 (2008-05-12) Excusable Delay

1. A delay in the performance by the Contractor of any obligation under the Contract that is caused by an event that

(a) is beyond the reasonable control of the Contractor,

(b) could not reasonably have been foreseen,

(c) could not reasonably have been prevented by means reasonably available to the Contractor, and

(d) occurred without the fault or neglect of the Contractor,

will be considered an "Excusable Delay" if the Contractor advises the Contracting Authority of the occurrence of the delay or of the likelihood of the delay as soon as the Contractor becomes aware of it. The Contractor must also advise the Contracting Authority, within fifteen (15) working days, of all the circumstances relating to the delay and provide to the Contracting Authority for approval a clear work around plan explaining in detail the steps that the Contractor proposes to take in order to minimize the impact of the event causing the delay.

2. Any delivery date or other date that is directly affected by an Excusable Delay will be postponed for a reasonable time that will not exceed the duration of the Excusable Delay.

3. However, if an Excusable Delay has continued for thirty (30) days or more, the Contracting Authority may, by giving notice in writing to the Contractor, terminate the Contract. In such a case, the Parties agree that neither will make any claim against the other for damages, costs, expected profits or any other loss arising out of the termination or the event that contributed to the Excusable Delay. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

4. Unless Canada has caused the delay by failing to meet an obligation under the Contract, Canada will not be responsible for any costs incurred by the Contractor or any of its subcontractors or agents as a result of an Excusable Delay.

5. If the Contract is terminated under this Section, the Contracting Authority may require the Contractor to deliver to Canada, in the manner and to the extent directed by the Contracting Authority, any completed parts of the Work not delivered and accepted before the termination and anything that the Contractor has acquired or produced specifically to perform the Contract. Canada will pay the Contractor:

(a) the value, of all completed parts of the Work delivered to and accepted by Canada, based on the Contract Price, including the proportionate part of the Contractor's profit or fee included in the Contract Price; and

(b) the Cost to the Contractor that Canada considers reasonable in respect of anything else delivered to and accepted by Canada.

The total amount paid by Canada under the Contract to the date of termination and any amounts payable under this subsection must not exceed the Contract Price.

2035 11 (2008-05-12) Inspection and Acceptance of the Work

1. All the Work is subject to inspection and acceptance by Canada. Inspection and acceptance of the Work by Canada do not relieve the Contractor of its responsibility for defects or other failures to meet the requirements of the Contract. Canada will have the right to reject any Work that is not in accordance with the requirements of the Contract and require its correction or replacement at the Contractor's expense.

2. The Contractor must provide representatives of Canada access to all locations where any part of the Work is being performed at any time during working hours. Representatives of Canada may make examinations and such tests of the Work as they may think fit. The Contractor must provide all assistance and facilities, test pieces, samples and documentation that the representatives of Canada may reasonably require for the carrying out of the inspection. The Contractor must forward such test pieces and samples to such person or location as Canada specifies.

3. The Contractor must inspect and approve any part of the Work before submitting it for acceptance or delivering it to Canada. The Contractor must keep accurate and complete inspection records that must be made available to Canada on request. Representatives of Canada may make copies and take extracts of the records during the performance of the Contract and for up to three (3) years after the end of the Contract.

2035 12 (2008-05-12) Invoice Submission

1. Invoices must be submitted in the Contractor's name. The Contractor must submit invoices for each delivery or shipment; invoices must only apply to the Contract. Each invoice must indicate whether it covers partial or final delivery.

2. Invoices must show:

   (a) the date, the name and address of the client department, item or reference numbers, deliverable and/or description of the Work, contract number, Client Reference Number (CRN), Procurement Business Number (PBN), and financial code(s);

   (b) details of expenditures in accordance with the Basis of Payment, exclusive of Goods and Services Tax (GST) or Harmonized Sales Tax (HST) (such as item, quantity, unit of issue, unit price, fixed time labour rates and level of effort, subcontracts, as applicable);

   (c) deduction for holdback, if applicable;

   (d) the extension of the totals, if applicable; and

   (e) if applicable, the method of shipment together with date, case numbers and part or reference numbers, shipment charges and any other additional charges.

3. If applicable, the GST or HST must be specified on all invoices as a separate item. All items that

are zero-rated, exempt or to which the GST or HST does not apply, must be identified as such on all invoices.

4. By submitting an invoice, the Contractor certifies that the invoice is consistent with the Work delivered and is in accordance with the Contract.

2035 13 (2008-12-12) Taxes

1. Municipal Taxes
Municipal Taxes do not apply.

2. Provincial Taxes

(a) Excluding legislated exceptions, federal government departments and agencies are not required to pay any sales tax payable to the province in which the taxable goods or services are delivered. This exemption has been provided to federal government departments and agencies under the authority of one of the following:

(i) Provincial Sales Tax (PST) Exemption Licence Numbers, for the provinces of:

Prince Edward Island OP-10000-250
Ontario 11708174G
Manitoba 390-516-0
British Columbia R005521

(ii) for Quebec, Saskatchewan, the Yukon Territory, the Northwest Territories and Nunavut, an Exemption Certification, which certifies that the goods or services purchased are not subject to the provincial/territorial sales and consumption taxes because they are purchased by the federal government with Canada funds for the use of the federal government.

(b) Currently, in Alberta, the Yukon Territory, the Northwest Territories and Nunavut, there is no general PST. However, if a PST is introduced in Alberta, the Yukon Territory, the Northwest Territories or Nunavut, the sales tax exemption certificate would be required on the purchasing document.

(c) Federal departments are required to pay the HST in the participating provinces of Newfoundland and Labrador, Nova Scotia and New Brunswick.

(d) The Contractor is not exempt from paying PST under the above Exemption Licence Numbers or Exemption Certification. The Contractor must pay the PST on taxable goods or services used or consumed in the performance of the Contract (in accordance with applicable provincial legislation), including material incorporated into real property.

3. Changes to Taxes and Duties

If there is any change to any tax or duty payable to any level of government in Canada after the bid submission date that affects the costs of the Work to the Contractor, the Contract Price will be adjusted to reflect the increase or decrease in the cost to the Contractor. However, there will be no adjustment for any change that increases the cost of the Work to the Contractor if public notice of the change was given before bid submission date in sufficient detail to have permitted the Contractor to calculate the effect of the change on its cost. There will be no adjustment if the change takes effect after the date required by the Contract for delivery of the Work.

4. GST or HST

The estimated GST or HST, if applicable, is included in the total estimated cost on page 1 of the Contract. The GST or HST is not included in the Contract Price but will be paid by Canada as provided in the Invoice Submission section above. The Contractor agrees to remit to Canada Revenue Agency any amounts of GST and HST paid or due.

5. Tax Withholding of 15 Percent

Pursuant to the *Income Tax Act*, 1985, c. 1 (5th Supp.) and the *Income Tax Regulations*, Canada must withhold 15 percent of the amount to be paid to the Contractor in respect of services provided in Canada if the Contractor is a non-resident unless the Contractor obtains a valid waiver. The amount withheld will be held on account for the Contractor in respect to any tax liability which may be owed to Canada.

2035 14 (2010-01-11) Transportation Costs

If transportation costs are payable by Canada under the Contract and the Contractor makes the transportation arrangements, shipments must be made by the most direct and economical means consistent with normal shipping practice. The costs must be shown as a separate item on the invoice.

2035 15 (2008-05-12) Payment Period

1. Canada's standard payment period is thirty (30) days. The payment period is measured from the date an invoice in acceptable form and content is received in accordance with the Contract or the date the Work is delivered in acceptable condition as required in the Contract, whichever is later. A payment is considered overdue on the 31st day following that date and interest will be paid automatically in accordance with the section 16.

2. If the content of the invoice and its substantiating documentation are not in accordance with the Contract or the Work is not in acceptable condition, Canada will notify the Contractor within fifteen (15) days of receipt. The 30-day payment period begins upon receipt of the revised invoice or the replacement or corrected Work. Failure by Canada to notify the Contractor within fifteen (15) days will only result in the date specified in subsection 1 to apply for the sole purpose of calculating interest on overdue accounts.

2035 16 (2008-12-12) Interest on Overdue Accounts

1. For the purpose of this section:

"Average Rate" means the simple arithmetic mean of the Bank Rates in effect at 4:00 p.m. Eastern Time each day during the calendar month immediately before the calendar month in which payment is made;

"Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association;

"date of payment" means the date of the negotiable instrument drawn by the Receiver General for Canada to pay any amount under the Contract;

an amount becomes "overdue" when it is unpaid on the first day following the day on which it is due and payable according to the Contract.

2. Canada will pay to the Contractor simple interest at the Average Rate plus 3 percent per year on any amount that is overdue, from the date that amount becomes overdue until the day before the date of payment, inclusive. The Contractor is not required to provide notice to Canada for interest to be payable.

3. Canada will pay interest in accordance with this section only if Canada is responsible for the delay in paying the Contractor. Canada will not pay interest on overdue advance payments.

2035 17 (2008-05-12) Compliance with Applicable Laws

1. The Contractor must comply with all laws applicable to the performance of the Contract. The Contractor must provide evidence of compliance with such laws to Canada at such times as Canada may reasonably request.

2. The Contractor must obtain and maintain at its own cost all permits, licenses, regulatory approvals and certificates required to perform the Work. If requested by the Contracting Authority, the Contractor must provide a copy of any required permit, license, regulatory approvals or certificate to Canada.

2035 18 (2008-05-12) Ownership

1. Unless provided otherwise in the Contract, the Work or any part of the Work belongs to Canada after delivery and acceptance by or on behalf of Canada.

2. However if any payment is made to the Contractor for or on account of any Work, either by way of progress or milestone payments, that work paid for by Canada belongs to Canada upon such payment being made. This transfer of ownership does not constitute acceptance by Canada of the Work or any part of the Work and does not relieve the Contractor of its obligation to perform the Work in accordance with the Contract.

3. Despite any transfer of ownership, the Contractor is responsible for any loss or damage to the Work or any part of the Work until it is delivered to Canada in accordance with the Contract. Even after delivery, the Contractor remains responsible for any loss or damage to any part of the Work caused by the Contractor or any subcontractor.

4. Upon transfer of ownership to the Work or any part of the Work to Canada, the Contractor must, if requested by Canada, establish to Canada's satisfaction that the title is free and clear of all claims, liens, attachments, charges or encumbrances. The Contractor must execute any conveyances and other instruments necessary to perfect the title that Canada may require.

2035 19 (2008-05-12) Copyright

In this section, “Material” means anything that is created by the Contractor as part of the Work under the Contract, that is required by the Contract to be delivered to Canada and in which copyright subsists. “Material” does not include anything created by the Contractor before the date of the Contract.

Copyright in the Material belongs to Canada and the Contractor must include the copyright symbol and either of the following notice on the Material: © Her Majesty the Queen in right of Canada (year) or © Sa Majesté la Reine du chef du Canada (année).

The Contractor must not use, copy, divulge or publish any Material except as is necessary to perform the Contract. The Contractor must execute any conveyance and other documents relating to copyright in the Material as Canada may require.

The Contractor must provide at the request of Canada a written permanent waiver of moral rights, in a form acceptable to Canada, from every author that contributed to the Material. If the Contractor is the author of the Material, the Contractor permanently waives its moral rights in the Material.

2035 20 (2008-05-12) Translation of Documentation

The Contractor agrees that Canada may translate in the other official language any documentation delivered to Canada by the Contractor that does not belong to Canada under section 19. The Contractor acknowledges that Canada owns the translation and that it is under no obligation to provide any translation to the Contractor. Canada agrees that any translation must include any copyright notice and any proprietary right notice that was part of the original. Canada acknowledges that the Contractor is not responsible for any technical errors or other problems that may arise as a result of the translation.

2035 21 (2008-05-12) Confidentiality

1. The Contractor must keep confidential all information provided to the Contractor by or on behalf of Canada in connection with the Work, including any information that is confidential or proprietary to third parties, and all information conceived, developed or produced by the Contractor as part of the Work when copyright or any other intellectual property rights in such information belongs to Canada under the Contract. The Contractor must not disclose any such information without the written permission of Canada. The Contractor may disclose to a subcontractor any information necessary to perform the subcontract as long as the subcontractor agrees to keep the information confidential and that it will be used only to perform the subcontract.

2. The Contractor agrees to use any information provided to the Contractor by or on behalf of Canada only for the purpose of the Contract. The Contractor acknowledges that all this information remains the property of Canada or the third party, as the case may be. Unless provided otherwise in the Contract, the Contractor must deliver to Canada all such information, together with every copy, draft, working paper and note that contains such information, upon completion or termination of the Contract or at such earlier time as Canada may require.

3. Subject to the *Access to Information Act*, R.S., 1985, c. A-1, and to any right of Canada under the Contract to release or disclose, Canada must not release or disclose outside the Government of Canada any information delivered to Canada under the Contract that is proprietary to the Contractor or a subcontractor.

4. The obligations of the Parties set out in this section do not apply to any information if the information:

   (a) is publicly available from a source other than the other Party; or

   (b) is or becomes known to a Party from a source other than the other Party, except any source that is known to be under an obligation to the other Party not to disclose the information; or

   (c) is developed by a Party without use of the information of the other Party.

5. Wherever possible, the Contractor must mark or identify any proprietary information delivered to Canada under the Contract as "Property of (Contractor's name), permitted Government uses defined under Public Works and Government Services (PWGSC) Contract No. (fill in Contract Number)". Canada will not be liable for any unauthorized use or disclosure of information that could have been so marked or identified and was not.

6. If the Contract, the Work, or any information referred to in subsection 1 is identified as TOP SECRET, SECRET, CONFIDENTIAL, or PROTECTED by Canada, the Contractor must at all times take all measures reasonably necessary for the safeguarding of the material so identified, including those set out in the PWGSC Industrial Security Manual and its supplements and any other instructions issued by Canada.

7. If the Contract, the Work, or any information referred to in subsection 1 is identified as TOP SECRET, SECRET, CONFIDENTIAL, or PROTECTED, by Canada, representatives of Canada

are entitled to inspect the Contractor's premises and the premises of a subcontractor at any tier for security purposes at any time during the term of the Contract. The Contractor must comply with, and ensure that any subcontractor complies with, all written instructions issued by Canada dealing with the material so identified, including any requirement that employees of the Contractor or of any subcontractor execute and deliver declarations relating to reliability screenings, security clearances and other procedures.

2035 22 (2008-05-12) Government Property

1. All Government Property must be used by the Contractor solely for the purpose of the Contract and remains the property of Canada. The Contractor must maintain adequate accounting records of all Government Property and, whenever feasible, mark it as being the property of Canada.

2. The Contractor must take reasonable and proper care of all Government Property while it is in its possession or subject to its control. The Contractor is responsible for any loss or damage resulting from its failure to do so other than loss or damage caused by ordinary wear and tear.

3. All Government Property, unless it is installed or incorporated in the Work, must be returned to Canada on demand. All scrap and all waste materials, articles or things that are Government Property must, unless provided otherwise in the Contract, remain the property of Canada and must be disposed of only as directed by Canada.

4. At the time of completion of the Contract, and if requested by the Contracting Authority, the Contractor must provide to Canada an inventory of all Government Property relating to the Contract.

2035 23 (2008-05-12) Liability

The Contractor is liable for any damage caused by the Contractor, its employees, subcontractors, or agents to Canada or any third party. Canada is liable for any damage caused by Canada, its employees or agents to the Contractor or any third party. The Parties agree that no limitation of liability or indemnity provision applies to the Contract unless it is specifically incorporated in full text in the Articles of Agreement. Damage includes any injury to persons (including injury resulting in death) or loss of or damage to property (including real property) caused as a result of or during the performance of the Contract.

2035 24 (2008-05-12) Intellectual Property Infringement and Royalties

1. The Contractor represents and warrants that, to the best of its knowledge, neither it nor Canada will infringe any third party's intellectual property rights in performing or using the Work, and that Canada will have no obligation to pay royalties of any kind to anyone in connection with the Work.

2. If anyone makes a claim against Canada or the Contractor concerning intellectual property infringement or royalties related to the Work, that Party agrees to notify the other Party in writing immediately. If anyone brings a claim against Canada, according to *Department of Justice Act*, R.S., 1985, c. J-2, the Attorney General of Canada must have the regulation and conduct of all litigation for or against Canada, but the Attorney General may request that the Contractor defend Canada against the claim. In either case, the Contractor agrees to participate fully in the defence and any settlement negotiations and to pay all costs, damages and legal costs incurred or payable as a result of the claim, including the amount of any settlement. Both Parties agree not to settle any claim unless the other Party first approves the settlement in writing.

3. The Contractor has no obligation regarding claims that were only made because:

   (a) Canada modified the Work or part of the Work without the Contractor's consent or used the Work or part of the Work without following a requirement of the Contract; or

(b) Canada used the Work or part of the Work with a product that the Contractor did not supply under the Contract (unless that use is described in the Contract or the manufacturer's specifications); or

(c) the Contractor used equipment, drawings, specifications or other information supplied to the Contractor by Canada (or by someone authorized by Canada); or

(d) the Contractor used a specific item of equipment or software that it obtained because of specific instructions from the Contracting Authority; however, this exception only applies if the Contractor has included the following language in its own contract with the supplier of that equipment or software: "[Supplier name] acknowledges that the purchased items will be used by the Government of Canada. If a third party claims that equipment or software supplied under this contract infringes any intellectual property right, [supplier name], if requested to do so by either [Contractor name] or Canada, will defend both [Contractor name] and Canada against that claim at its own expense and will pay all costs, damages and legal fees payable as a result of that infringement." Obtaining this protection from the supplier is the Contractor's responsibility and, if the Contractor does not do so, it will be responsible to Canada for the claim.

4. If anyone claims that, as a result of the Work, the Contractor or Canada is infringing its intellectual property rights, the Contractor must immediately do one of the following:

(a) take whatever steps are necessary to allow Canada to continue to use the allegedly infringing part of the Work; or

(b) modify or replace the Work to avoid intellectual property infringement, while ensuring that the Work continues to meet all the requirements of the Contract; or

(c) take back the Work and refund any part of the Contract Price that Canada has already paid.

If the Contractor determines that none of these alternatives can reasonably be achieved, or if the Contractor fails to take any of these steps within a reasonable amount of time, Canada may choose either to require the Contractor to do (c), or to take whatever steps are necessary to acquire the rights to use the allegedly infringing part(s) of the Work itself, in which case the Contractor must reimburse Canada for all the costs it incurs to do so.

2035 25 (2008-05-12) Amendment and Waivers

1. To be effective, any amendment to the Contract must be done in writing by the Contracting Authority and the authorized representative of the Contractor.

2. While the Contractor may discuss any proposed modifications to the Work with other representatives of Canada, Canada will not be responsible for the cost of any modification unless it has been incorporated into the Contract in accordance with subsection 1.

3. A waiver will only be valid, binding or affect the rights of the Parties if it is made in writing by, in the case of a waiver by Canada, the Contracting Authority and, in the case of a waiver by the Contractor, the authorized representative of the Contractor.

4. The waiver by a Party of a breach of any condition of the Contract will not be treated or interpreted as a waiver of any subsequent breach and therefore will not prevent that Party from enforcing of that term or condition in the case of a subsequent breach.

2035 26 (2008-05-12) Assignment

1. The Contractor must not assign the Contract without first obtaining the written consent of the Contracting Authority. Any assignment made without that consent is void and will have no effect. The assignment will be effective upon execution of an assignment agreement signed by the Parties and the assignee.

2. Assignment of the Contract does not relieve the Contractor from any obligation under the Contract and it does not impose any liability upon Canada.

2035 27 (2008-05-12) Suspension of the Work

1. The Contracting Authority may at any time, by written notice, order the Contractor to suspend or stop the Work or part of the Work under the Contract for a period of up to one hundred eighty (180) days. The Contractor must immediately comply with any such order in a way that minimizes the cost of doing so. While such an order is in effect, the Contractor must not remove any part of the Work from any premises without first obtaining the written consent of the Contracting Authority. Within these one hundred eighty (180) days, the Contracting Authority must either cancel the order or terminate the Contract, in whole or in part, under section 28 or section 29.

2. When an order is made under subsection 1, unless the Contracting Authority terminates the Contract by reason of default by the Contractor or the Contractor abandons the Contract, the Contractor will be entitled to be paid its additional costs incurred as a result of the suspension plus a fair and reasonable profit.

3. When an order made under subsection 1 is cancelled, the Contractor must resume work in accordance with the Contract as soon as practicable. If the suspension has affected the Contractor's ability to meet any delivery date under the Contract, the date for performing the part of the Work affected by the suspension will be extended for a period equal to the period of suspension plus a period, if any, that in the opinion of the Contracting Authority, following consultation with the Contractor, is necessary for the Contractor to resume the Work. Any equitable adjustments will be made as necessary to any affected conditions of the Contract.

2035 28 (2008-05-12) Default by the Contractor

1. If the Contractor is in default in carrying out any of its obligations under the Contract, the Contracting Authority may, by giving written notice to the Contractor, terminate for default the Contract or part of the Contract. The termination will take effect immediately or at the expiration of a cure period specified in the notice, if the Contractor has not cured the default to the satisfaction of the Contracting Authority within that cure period.

2. If the Contractor becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or takes the benefit of any statute relating to bankrupt or insolvent debtors, or if a receiver is appointed under a debt instrument or a receiving order is made against the Contractor, or an order is made or a resolution passed for the winding down of the Contractor, the Contracting Authority may, to the extent permitted by the laws of Canada, by giving written notice to the Contractor, immediately terminate for default the Contract or part of the Contract.

3. If Canada gives notice under subsection 1 or 2, the Contractor will have no claim for further payment except as provided in this section. The Contractor will be liable to Canada for all losses and damages suffered by Canada because of the default or occurrence upon which the notice was based, including any increase in the cost incurred by Canada in procuring the Work from another source. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.
4. Upon termination of the Contract under this section, the Contracting Authority may require the Contractor to deliver to Canada, in the manner and to the extent directed by the Contracting

Authority, any completed parts of the Work, not delivered and accepted before the termination and anything the Contractor has acquired or produced specifically to perform the Contract. In such a case, subject to the deduction of any claim that Canada may have against the Contractor arising under the Contract or out of the termination, Canada will pay or credit to the Contractor:

(a) the value, of all completed parts of the Work delivered to and accepted by Canada, based on the Contract Price, including the proportionate part of the Contractor's profit or fee included in the Contract Price; and

(b) the cost to the Contractor that Canada considers reasonable in respect of anything else delivered to and accepted by Canada.

The total amount paid by Canada under the Contract to the date of the termination and any amount payable under this subsection must not exceed the Contract Price.

5. Title to everything for which payment is made to the Contractor will, once payment is made, pass to Canada unless it already belongs to Canada under any other provision of the Contract.

6. If the Contract is terminated for default under subsection 1, but it is later determined that grounds did not exist for a termination for default, the notice will be considered a notice of termination for convenience issued under subsection 1 of section 29.

2035 29 (2008-05-12) Termination for Convenience

1. At any time before the completion of the Work, the Contracting Authority may, by giving notice in writing to the Contractor, terminate for convenience the Contract or part of the Contract. Once such a notice of termination for convenience is given, the Contractor must comply with the requirements of the termination notice. If the Contract is terminated in part only, the Contractor must proceed to complete any part of the Work that is not affected by the termination notice. The termination will take effect immediately or, as the case may be, at the time specified in the termination notice.

2. If a termination notice is given pursuant to subsection 1, the Contractor will be entitled to be paid, for costs that have been reasonably and properly incurred to perform the Contract to the extent that the Contractor has not already been paid or reimbursed by Canada. The Contractor will be paid:

(a) on the basis of the Contract Price, for all completed work that is inspected and accepted in accordance with the Contract, whether completed before, or after the termination in accordance with the instructions contained in the termination notice;

(b) the Cost to the Contractor plus a fair and reasonable profit for all work terminated by the termination notice before completion; and

(c) all costs incidental to the termination of the Work incurred by the Contractor but not including the cost of severance payments or damages to employees whose services are no longer required, except wages that the Contractor is obligated by statute to pay.

3. Canada may reduce the payment in respect of any part of the Work, if upon inspection, it does not meet the requirements of the Contract.

4. The total of the amounts, to which the Contractor is entitled to be paid under this section, together with any amounts paid, due or becoming due to the Contractor must not exceed the Contract Price. The Contractor will have no claim for damages, compensation, loss of profit, allowance arising out of any termination notice given by Canada under this section except to the extent that this section expressly provides. The Contractor agrees to repay immediately to Canada the

portion of any advance payment that is unliquidated at the date of the termination.

2035 30 (2008-05-12) Accounts and Audit

1. The Contractor must keep proper accounts and records of the cost of performing the Work and of all expenditures or commitments made by the Contractor in connection with the Work, including all invoices, receipts and vouchers. The Contractor must retain records, including bills of lading and other evidence of transportation or delivery, for all deliveries made under the Contract.

2. If the Contract includes payment for time spent by the Contractor, its employees, representatives, agents or subcontractors performing the Work, the Contractor must keep a record of the actual time spent each day by each individual performing any part of the Work.

3. Unless Canada has consented in writing to its disposal, the Contractor must retain all the information described in this section for six (6) years after it receives the final payment under the Contract, or until the settlement of all outstanding claims and disputes, whichever is later. During this time, the Contractor must make this information available for audit, inspection and examination by the representatives of Canada, who may make copies and take extracts. The Contractor must provide all reasonably required facilities for any audit and inspection and must furnish all the information as the representatives of Canada may from time to time require to perform a complete audit of the Contract.

4. The amount claimed under the contract, calculated in accordance with the Basis of Payment provision in the Articles of Agreement, is subject to government audit both before and after payment is made. If an audit is performed after payment, the Contractor agrees to repay any overpayment immediately on demand by Canada. Canada may hold back, deduct and set off any credits owing and unpaid under this section from any money that Canada owes to the Contractor at any time (including under other contracts). If Canada does not choose to exercise this right at any given time, Canada does not lose this right.

2035 31 (2008-05-12) Right of Set-off

Without restricting any right of set-off given by law, Canada may set-off against any amount payable to the Contractor under the Contract, any amount payable to Canada by the Contractor under the Contract or under any other current contract. Canada may, when making a payment pursuant to the Contract, deduct from the amount payable to the Contractor any such amount payable to Canada by the Contractor which, by virtue of the right of set-off, may be retained by Canada.

2035 32 (2008-05-12) Notice

Any notice under the Contract must be in writing and may be delivered by hand, courier, mail, facsimile or other electronic method that provides a paper record of the text of the notice. It must be sent to the Party for whom it is intended at the address stated in the Contract. Any notice will be effective on the day it is received at that address. Any notice to Canada must be delivered to the Contracting Authority.

2035 33 (2008-05-12) Conflict of Interest and Values and Ethics Codes for the Public Service

The Contractor acknowledges that individuals who are subject to the provisions of the *Conflict of Interest Act*, 2006, c. 9, s. 2, the Conflict of Interest Code for Members of the House of Commons, the Values and Ethics Code for the Public Service or all other codes of values and ethics applicable within specific organizations cannot derive any direct benefit resulting from the Contract.

2035 34 (2008-05-12) No Bribe or Conflict

1. The Contractor declares that no bribe, gift, benefit, or other inducement has been or will be paid,

given, promised or offered directly or indirectly to any official or employee of Canada or to a member of the family of such a person, with a view to influencing the entry into the Contract or the administration of the Contract.

2. The Contractor must not influence, seek to influence or otherwise take part in a decision of Canada knowing that the decision might further its private interest. The Contractor must have no financial interest in the business of a third party that causes or would appear to cause a conflict of interest in connection with the performance of its obligations under the Contract. If such a financial interest is acquired during the period of the Contract, the Contractor must immediately declare it to the Contracting Authority.

3. The Contractor warrants that, to the best of its knowledge after making diligent inquiry, no conflict exists or is likely to arise in the performance of the Contract. In the event the Contractor becomes aware of any matter that causes or is likely to cause a conflict in relation to the Contractor's performance under the Contract, the Contractor must immediately disclose such matter to the Contracting Authority in writing.

4. If the Contracting Authority is of the opinion that a conflict exists as a result of the Contractor's disclosure or as a result of any other information brought to the Contracting Authority's attention, the Contracting Authority may require the Contractor to take steps to resolve or otherwise deal with the conflict or, at its entire discretion, terminate the Contract for default. Conflict means any matter, circumstance, interest, or activity affecting the Contractor, its personnel or subcontractors, which may or may appear to impair the ability of the Contractor to perform the Work diligently and independently.

2035 35 (2008-05-12) Survival

All the Parties' obligations of confidentiality, representations and warranties set out in the Contract as well as the provisions, which by the nature of the rights or obligations might reasonably be expected to survive, will survive the expiry or termination of the Contract.

2035 36 (2008-05-12) Severability

If any provision of the Contract is declared by a court of competent jurisdiction to be invalid, illegal or unenforceable, that provision will be removed from the Contract without affecting any other provision of the Contract.

2035 37 (2008-05-12) Successors and Assigns

The Contract is to the benefit of and binds the successors and permitted assignees of Canada and of the Contractor.

2035 38 (2008-12-12) Contingency Fees

The Contractor certifies that it has not directly or indirectly, paid or agreed to pay and agrees that it will not, directly or indirectly, pay a contingency fee for the solicitation, negotiation or obtaining of the Contract to any person, other than an employee of the Contractor acting in the normal course of the employee's duties. In this section, "contingency fee" means any payment or other compensation that depends or is calculated based on a degree of success in soliciting, negotiating or obtaining the Contract and "person" includes any individual who is required to file a return with the registrar pursuant to section 5 of the *Lobbying Act*, 1985, c. 44 (4th Supplement).

2035 39 (2010-01-11) International Sanctions

1. Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or

services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

2. The Contractor must not supply to the Government of Canada any goods or services which are subject to economic sanctions.

3. The Contractor must comply with changes to the regulations imposed during the period of the Contract. The Contractor must immediately advise Canada if it is unable to perform the Work as a result of the imposition of economic sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services. If the Parties cannot agree on a work around plan, the Contract will be terminated for the convenience of Canada in accordance with section 29.

2035 40 (2010-01-11) Code of Conduct for Procurement

The Contractor certifies that it has read the Code of Conduct for Procurement and agrees to be bound by its terms.

2035 41 (2008-05-12) Harassment in the Workplace

1. The Contractor acknowledges the responsibility of Canada to ensure, for its employees, a healthy work environment, free of harassment. A copy of the Policy on the Prevention and Resolution of Harassment in the Workplace, which is also applicable to the Contractor, is available on the Treasury Board Web site.

2. The Contractor must not, either as an individual, or as a corporate or unincorporated entity, through its employees or subcontractors, harass, abuse, threaten, discriminate against or intimidate any employee, contractor or other individual employed by, or under contract with Canada. The Contractor will be advised in writing of any complaint and will have the right to respond in writing. Upon receipt of the Contractor's response, the Contracting Authority will, at its entire discretion, determine if the complaint is founded and decide on any action to be taken.

2035 42 (2008-05-12) Entire Agreement

The Contract constitutes the entire and only agreement between the Parties and supersedes all previous negotiations, communications and other agreements, whether written or oral, unless they are incorporated by reference in the Contract. There are no terms, covenants, representations, statements or conditions binding on the Parties other than those contained in the Contract.

2035 43 (2010-01-11) Transportation Carriers' Liability

The federal government's policy of underwriting its own risks precludes payment of insurance or valuation charges for transportation beyond the point at which ownership of goods passes to the federal government (determined by the FOB point or Incoterms). Where increased carrier liability is available without charge, the Contractor must obtain the increased liability for shipment.

2040 (2010/01/11) General Conditions - Research & Development

Public Works and Government Services Canada

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2040 01 (2008-05-12) Interpretation

1. In the Contract, unless the context otherwise requires:

"Articles of Agreement" means the clauses and conditions incorporated in full text or incorporated by reference from the *Standard Acquisition Clauses and Conditions* Manual to form the body of the Contract; it does not include these general conditions, any supplemental general conditions, annexes, the Contractor's bid or any other document;

"Background Information" means all Intellectual Property that is not Foreground Information that is incorporated into the Work or necessary for the performance of the Work and that is proprietary to or the confidential information of the Contractor, its subcontractors or any other third party;

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada as represented by the Minister of Public Works and Government Services and any other person duly authorized to act on behalf of that minister or, if applicable, an appropriate minister to whom the Minister of Public Works and Government Services has delegated his or her powers, duties or functions and any other person duly authorized to act on behalf of that minister;

"Contract" means the Articles of Agreement, these general conditions, any supplemental general conditions, annexes and any other document specified or referred to as forming part of the Contract, all as amended by agreement of the Parties from time to time;

"Contracting Authority" means the person designated by that title in the Contract, or by notice to the Contractor, to act as Canada's representative to manage the Contract;

"Contractor" means the person, entity or entities named in the Contract to supply goods, services or both to Canada;

"Contract Price" means the amount stated in the Contract to be payable to the Contractor for the Work, exclusive of Goods and Services Tax and Harmonized Sales Tax;

"Cost" means cost determined according to Contract Cost Principles 1031-2 as revised to the date of the bid solicitation or, if there was no bid solicitation, the date of the Contract;

"Deliverables" means any technical information, equipment, prototype, or any other thing developed under the Contract that are expressly required to be delivered by the Contractor in order to carry out its obligations under the Contract;

"Firmware" means computer programs that are stored in integrated circuits, read-only memory or other similar devices within the hardware or other equipment;

"Foreground Information" means all Intellectual Property first conceived, developed, produced or reduced to practice as part of the Work under the Contract;

"Government Property" means anything supplied to the Contractor by or on behalf of Canada for the purposes of performing the Contract and anything acquired by the Contractor in any manner in connection with the Work, the cost of which is paid by Canada under the Contract;

"Intellectual Property" means any information or knowledge of an industrial, scientific, technical, commercial, literary, dramatic, artistic or otherwise creative nature relating to the Work, whether oral or recorded in any form or medium and whether or not subject to copyright; this includes but is not limited to any inventions, designs, methods, processes, techniques, know-how, show-how,

models, prototypes, patterns, samples, schematics, experimental or test data, reports, drawings, plans, specifications, photographs, manuals and any other documents, Software, and Firmware;

"Intellectual Property Right" means any intellectual property right recognized by law, including any intellectual property right protected by legislation such as patents, copyright, industrial design, integrated circuit topography, and plant breeders' rights, or subject to protection under the law as trade secrets and confidential information;

"Party" means Canada, the Contractor, or any other signatory to the Contract and "Parties" means all of them;

"Software" means any computer program whether in source or object code (including Firmware), any computer program documentation recorded in any form or upon any medium, and any computer database, including any modification;

"Specifications" means the description of the essential, functional or technical requirements of the Work in the Contract, including the procedures for determining whether the requirements have been met;

"Work" means all the activities, services, goods, equipment, matters and things required to be done, delivered or performed by the Contractor under the Contract.

2. References in these general conditions to the Contractor owning the Foreground Information or any rights in it refer to the Contractor, its subcontractors, its suppliers, its agents, its representatives or any of their employees owning such information or rights, as the case may be.

2040 02 (2008-05-12) Standard Clauses and Conditions

Pursuant to the *Department of Public Works and Government Services Act*, S.C., 1996, c. 16, the clauses and conditions identified by number, date and title in the Contract are incorporated by reference and form part of the Contract as though expressly set out in the Contract.

2040 03 (2008-05-12) Powers of Canada

All rights, remedies, powers and discretions granted or acquired by Canada under the Contract or by law are cumulative, not exclusive.

2040 04 (2008-05-12) Status of the Contractor

The Contractor is an independent contractor engaged by Canada to perform the Work. Nothing in the Contract is intended to create a partnership, a joint venture or an agency between Canada and the other Party or Parties. The Contractor must not represent itself as an agent or representative of Canada to anyone. Neither the Contractor nor any of its personnel is engaged as an employee or agent of Canada. The Contractor is responsible for all deductions and remittances required by law in relation to its employees.

2040 05 (2008-12-12) Conduct of the Work

1. The Contractor represents and warrants that:

   (a) it is competent to perform the Work;

   (b) it has everything necessary to perform the Work, including the resources, facilities, labour, technology, equipment, and materials; and

   (c) it has the necessary qualifications, including knowledge, skill, know-how and experience,

and the ability to use them effectively to perform the Work.

2. The Contractor must:

   (a) perform the Work diligently and efficiently;

   (b) except for Government Property, supply everything necessary to perform the Work;

   (c) use, as a minimum, quality assurance procedures, inspections and controls generally used and recognized by the industry to ensure the degree of quality required by the Contract;

   (d) select and employ a sufficient number of qualified people;

   (e) perform the Work in accordance with standards of quality acceptable to Canada and in full conformity with the Specifications and all the requirements of the Contract;

   (f) provide effective and efficient supervision to ensure that the quality of workmanship meets the requirements of the Contract.

3. The Work must not be performed by any person who, in the opinion of Canada, is incompetent, unsuitable or has been conducting himself/herself improperly.

4. All services rendered under the Contract must, at the time of acceptance, be free from defects in workmanship and conform to the requirements of the Contract. If the Contractor must correct or replace the Work or any part of the Work, it will be at no cost to Canada.

5. Canada's facilities, equipment and personnel are not available to the Contractor to perform the Work unless the Contract specifically provides for it. The Contractor is responsible for advising the Contracting Authority in advance if it requires access to Canada's facilities, equipment or personnel to perform the Work. The Contractor must comply and ensure that its employees and subcontractors comply with all security measures, standing orders, policies or other rules in force at the site where the Work is performed.

6. Unless the Contracting Authority orders the Contractor to suspend the Work or part of the Work pursuant to section 37, the Contractor must not stop or suspend the Work or part of the Work pending the settlement of any dispute between the Parties about the Contract.

7. The Contractor must provide all reports that are required by the Contract and any other information that Canada may reasonably require from time to time.

8. The Contractor is fully responsible for performing the Work. Canada will not be responsible for any negative consequences or extra costs if the Contractor follows any advice given by Canada, unless the Contracting Authority provides the advice to the Contractor in writing and includes a statement specifically relieving the Contractor of any responsibility for negative consequences or extra costs that might result from following the advice.

2040 06 (2008-05-12) Subcontracts

1. Except as provided in subsection 2, the Contractor must obtain the Contracting Authority's written consent before subcontracting or permitting the subcontracting of any part of the Work. A subcontract includes a contract entered into by any subcontractor at any tier to perform any part of the Work.

2. The Contractor is not required to obtain consent for subcontracts specifically authorized in the Contract. The Contractor may also without the consent of the Contracting Authority:

(a) purchase "off-the-shelf" items and any standard articles and materials that are ordinarily produced by manufacturers in the normal course of business;

(b) subcontract any incidental services that would ordinarily be subcontracted in performing the Work;

(c) in addition to purchases and services referred to in paragraphs (a) and (b), subcontract any part or parts of the Work to one or more subcontractors up to a total value of 40 percent of the Contract Price; and

(d) permit its subcontractors at any tier to make purchases or subcontract as permitted in paragraphs (a), (b) and (c).

3. In any subcontract other than a subcontract referred to in paragraph 2.(a), the Contractor must, unless the Contracting Authority agrees in writing, ensure that the subcontractor is bound by conditions compatible with and, in the opinion of the Contracting Authority, not less favourable to Canada than the conditions of the Contract.

4. Even if Canada consents to a subcontract, the Contractor is responsible for performing the Contract and Canada is not responsible to any subcontractor. The Contractor is responsible for any matters or things done or provided by any subcontractor under the Contract and for paying any subcontractors for any part of the Work they perform.

2040 07 (2008-05-12) Specifications

1. All Specifications provided by Canada or on behalf of Canada to the Contractor in connection with the Contract belong to Canada and must be used by the Contractor only for the purpose of performing the Work.

2. If the Contract provides that Specifications furnished by the Contractor must be approved by Canada, that approval will not relieve the Contractor of its responsibility to meet all requirements of the Contract.

2040 08 (2008-05-12) Condition of Material

Unless provided otherwise in the Contract, material supplied must be new and conform to the latest issue of the applicable drawing, specifications and part number that is in effect on the bid closing date or, if there was no bid solicitation, the date of the Contract.

2040 09 (2008-05-12) Replacement of Specific Individuals

1. If specific individuals are identified in the Contract to perform the Work, the Contractor must provide the services of those individuals unless the Contractor is unable to do so for reasons beyond its control.

2. If the Contractor is unable to provide the services of any specific individual identified in the Contract, it must provide a replacement with similar qualifications and experience. The replacement must meet the criteria used in the selection of the Contractor and be acceptable to Canada. The Contractor must, as soon as possible, give notice to the Contracting Authority of the reason for replacing the individual and provide:

(a) the name, qualifications and experience of the proposed replacement; and

(b) proof that the proposed replacement has the required security clearance granted by Canada, if applicable.

3. The Contractor must not, in any event, allow performance of the Work by unauthorized replacement persons. The Contracting Authority may order that a replacement stop performing the Work. In such a case, the Contractor must immediately comply with the order and secure a further replacement in accordance with subsection 2. The fact that the Contracting Authority does not order that a replacement stop performing the Work does not relieve the Contractor from its responsibility to meet the requirements of the Contract.

2040 10 (2008-05-12) Time of the Essence

It is essential that the Work be performed within or at the time stated in the Contract.

2040 11 (2008-05-12) Excusable Delay

1. A delay in the performance by the Contractor of any obligation under the Contract that is caused by an event that

   (a) is beyond the reasonable control of the Contractor,

   (b) could not reasonably have been foreseen,

   (c) could not reasonably have been prevented by means reasonably available to the Contractor, and

   (d) occurred without the fault or neglect of the Contractor,

   will be considered an "Excusable Delay" if the Contractor advises the Contracting Authority of the occurrence of the delay or of the likelihood of the delay as soon as the Contractor becomes aware of it. The Contractor must also advise the Contracting Authority, within fifteen (15) working days, of all the circumstances relating to the delay and provide to the Contracting Authority for approval a clear work around plan explaining in detail the steps that the Contractor proposes to take in order to minimize the impact of the event causing the delay.

2. Any delivery date or other date that is directly affected by an Excusable Delay will be postponed for a reasonable time that will not exceed the duration of the Excusable Delay.

3. However, if an Excusable Delay has continued for thirty (30) days or more, the Contracting Authority may, by giving notice in writing to the Contractor, terminate the Contract. In such a case, the Parties agree that neither will make any claim against the other for damages, costs, expected profits or any other loss arising out of the termination or the event that contributed to the Excusable Delay. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

4. Unless Canada has caused the delay by failing to meet an obligation under the Contract, Canada will not be responsible for any costs incurred by the Contractor or any of its subcontractors or agents as a result of an Excusable Delay.

5. If the Contract is terminated under this section, the Contracting Authority may require the Contractor to deliver to Canada, in the manner and to the extent directed by the Contracting Authority, any completed parts of the Work not delivered and accepted before the termination and anything that the Contractor has acquired or produced specifically to perform the Contract. Canada will pay the Contractor:

   (a) the value, of all completed parts of the Work delivered to and accepted by Canada, based on the Contract Price, including the proportionate part of the Contractor's profit or fee included in the Contract Price; and

(b) the Cost to the Contractor that Canada considers reasonable in respect of anything else delivered to and accepted by Canada.

The total amount paid by Canada under the Contract to the date of termination and any amounts payable under this subsection must not exceed the Contract Price.

2040 12 (2008-05-12) Inspection and Acceptance of the Work

1. All the Work is subject to inspection and acceptance by Canada. Inspection and acceptance of the Work by Canada do not relieve the Contractor of its responsibility for defects or other failures to meet the requirements of the Contract. Canada will have the right to reject any Work that is not in accordance with the requirements of the Contract and require its correction or replacement at the Contractor's expense.

2. The Contractor must provide representatives of Canada access to all locations where any part of the Work is being performed at any time during working hours. Representatives of Canada may make examinations and such tests of the Work as they may think fit. The Contractor must provide all assistance and facilities, test pieces, samples and documentation that the representatives of Canada may reasonably require for the carrying out of the inspection. The Contractor must forward such test pieces and samples to such person or location as Canada specifies.

3. The Contractor must inspect and approve any part of the Work before submitting it for acceptance or delivering it to Canada. The Contractor must keep accurate and complete inspection records that must be made available to Canada on request. Representatives of Canada may make copies and take extracts of the records during the performance of the Contract and for up to three (3) years after the end of the Contract.

2040 13 (2008-05-12) Invoice Submission

1. Invoices must be submitted in the Contractor's name. The Contractor must submit invoices for each delivery or shipment; invoices must only apply to the Contract. Each invoice must indicate whether it covers partial or final delivery.

2. Invoices must show:

   (a) the date, the name and address of the client department, item or reference numbers, deliverable and/or description of the Work, contract number, Client Reference Number (CRN), Procurement Business Number (PBN), and financial code(s);

   (b) details of expenditures in accordance with the Basis of Payment, exclusive of Goods and Services Tax (GST) or Harmonized Sales Tax (HST) (such as item, quantity, unit of issue, unit price, fixed time labour rates and level of effort, subcontracts, as applicable);

   (c) deduction for holdback, if applicable;

   (d) the extension of the totals, if applicable; and

   (e) if applicable, the method of shipment together with date, case numbers and part or reference numbers, shipment charges and any other additional charges.

3. If applicable, the GST or HST must be specified on all invoices as a separate item. All items that are zero-rated, exempt or to which the GST or HST does not apply, must be identified as such on all invoices.

4. By submitting an invoice, the Contractor certifies that the invoice is consistent with the Work delivered and is in accordance with the Contract.

2040 14 (2008-12-12) Taxes

1. Municipal Taxes
Municipal Taxes do not apply.

2. Provincial Taxes

(a) Excluding legislated exceptions, federal government departments and agencies are not required to pay any sales tax payable to the province in which the taxable goods or services are delivered. This exemption has been provided to federal government departments and agencies under the authority of one of the following:

(i) Provincial Sales Tax (PST) Exemption Licence Numbers, for the provinces of:

Prince Edward Island	OP-10000-250
Ontario	11708174G
Manitoba	390-516-0
British Columbia	R005521

(ii) for Quebec, Saskatchewan, the Yukon Territory, the Northwest Territories and Nunavut, an Exemption Certification, which certifies that the goods or services purchased are not subject to the provincial/territorial sales and consumption taxes because they are purchased by the federal government with Canada funds for the use of the federal government.

(b) Currently, in Alberta, the Yukon Territory, the Northwest Territories and Nunavut, there is no general PST. However, if a PST is introduced in Alberta, the Yukon Territory, the Northwest Territories or Nunavut, the sales tax exemption certificate would be required on the purchasing document.

(c) Federal departments are required to pay the HST in the participating provinces of Newfoundland and Labrador, Nova Scotia and New Brunswick.

(d) The Contractor is not exempt from paying PST under the above Exemption Licence Numbers or Exemption Certification. The Contractor must pay the PST on taxable goods or services used or consumed in the performance of the Contract (in accordance with applicable provincial legislation), including material incorporated into real property.

3. Changes to Taxes and Duties

If there is any change to any tax or duty payable to any level of government in Canada after the bid submission date that affects the costs of the Work to the Contractor, the Contract Price will be adjusted to reflect the increase or decrease in the cost to the Contractor. However, there will be no adjustment for any change that increases the cost of the Work to the Contractor if public notice of the change was given before bid submission date in sufficient detail to have permitted the Contractor to calculate the effect of the change on its cost. There will be no adjustment if the change takes effect after the date required by the Contract for delivery of the Work.

4. GST or HST

The estimated GST or HST, if applicable, is included in the total estimated cost on page 1 of the Contract. The GST or HST is not included in the Contract Price but will be paid by Canada as provided in the Invoice Submission section above. The Contractor agrees to remit to Canada

Revenue Agency any amounts of GST and HST paid or due.

5. Tax Withholding of 15 Percent

Pursuant to the *Income Tax Act*, 1985, c. 1 (5th Supp.) and the *Income Tax Regulations*, Canada must withhold 15 percent of the amount to be paid to the Contractor in respect of services provided in Canada if the Contractor is a non-resident, unless the Contractor obtains a valid waiver. The amount withheld will be held on account for the Contractor in respect to any tax liability which may be owed to Canada.

2040 15 (2010-01-11) Transportation Costs

If transportation costs are payable by Canada under the Contract and the Contractor makes the transportation arrangements, shipments must be made by the most direct and economical means consistent with normal shipping practice. The costs must be shown as a separate item on the invoice.

2040 16 (2008-05-12) Shipment Documentation

For the shipment of goods, the transportation bill of lading must accompany the original invoice, except for "collect" shipments (if and when stipulated), in which event it must accompany the shipment. In addition, a packing slip must accompany each shipment, showing item, quantity, part or reference numbers, description of the goods and contract number, including the CRN and PBN. If the goods have been inspected at the Contractor's plant, the signed inspection voucher must be attached to the packing slip normally enclosed in the packing note envelope.

2040 17 (2008-05-12) Payment Period

1. Canada's standard payment period is thirty (30) days. The payment period is measured from the date an invoice in acceptable form and content is received in accordance with the Contract or the date the Work is delivered in acceptable condition as required in the Contract, whichever is later. A payment is considered overdue on the 31st day following that date and interest will be paid automatically in accordance with section 18.

2. If the content of the invoice and its substantiating documentation are not in accordance with the Contract or the Work is not in acceptable condition, Canada will notify the Contractor within fifteen (15) days of receipt. The 30-day payment period begins upon receipt of the revised invoice or the replacement or corrected Work. Failure by Canada to notify the Contractor within fifteen (15) days will only result in the date specified in subsection 1 to apply for the sole purpose of calculating interest on overdue accounts.

2040 18 (2008-12-12) Interest on Overdue Accounts

1. For the purpose of this section:

"Average Rate" means the simple arithmetic mean of the Bank Rates in effect at 4:00 p.m. (Eastern Time) each day during the calendar month immediately before the calendar month in which payment is made;

"Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association;

"date of payment" means the date of the negotiable instrument drawn by the Receiver General for Canada to pay any amount under the Contract;

an amount becomes "overdue" when it is unpaid on the first day following the day on which it is

due and payable according to the Contract.

2. Canada will pay to the Contractor simple interest at the Average Rate plus 3 percent per year on any amount that is overdue, from the date that amount becomes overdue until the day before the date of payment, inclusive. The Contractor is not required to provide notice to Canada for interest to be payable.

3. Canada will pay interest in accordance with this section only if Canada is responsible for the delay in paying the Contractor. Canada will not pay interest on overdue advance payments.

2040 19 (2008-05-12) Compliance with Applicable Laws

1. The Contractor must comply with all laws applicable to the performance of the Contract. The Contractor must provide evidence of compliance with such laws to Canada at such times as Canada may reasonably request.

2. The Contractor must obtain and maintain at its own cost all permits, licenses, regulatory approvals and certificates required to perform the Work. If requested by the Contracting Authority, the Contractor must provide a copy of any required permit, license, regulatory approvals or certificate to Canada.

2040 20 (2008-05-12) Ownership

1. Unless provided otherwise in the Contract, the Work or any part of the Work belongs to Canada after delivery and acceptance by or on behalf of Canada.

2. However if any payment is made to the Contractor for or on account of any Work, either by way of progress or milestone payments, that work paid for by Canada belongs to Canada upon such payment being made. This transfer of ownership does not constitute acceptance by Canada of the Work or any part of the Work and does not relieve the Contractor of its obligation to perform the Work in accordance with the Contract.

3. Despite any transfer of ownership, the Contractor is responsible for any loss or damage to the Work or any part of the Work until it is delivered to Canada in accordance with the Contract. Even after delivery, the Contractor remains responsible for any loss or damage to any part of the Work caused by the Contractor or any subcontractor.

4. Upon transfer of ownership to the Work or any part of the Work to Canada, the Contractor must, if requested by Canada, establish to Canada's satisfaction that the title is free and clear of all claims, liens, attachments, charges or encumbrances. The Contractor must execute any conveyances and other instruments necessary to perfect the title that Canada may require.

2040 21 (2008-05-12) Warranty

1. Despite inspection and acceptance of the Work by or on behalf of Canada and without restricting any other provision of the Contract or any condition, warranty or provision imposed by law, the Contractor warrants that, for twelve (12) months (or any other period stated in the Contract), the Work will be free from all defects in design, material or workmanship, and will conform to the requirements of the Contract. The warranty period begins on the date of delivery, or if acceptance takes place at a later date, the date of acceptance. With respect to Government Property not supplied by the Contractor, the Contractor's warranty will extend only to its proper incorporation into the Work.

2. In the event of a defect or non-conformance in any part of the Work during the warranty period, the Contractor, at the request of Canada to do so, must as soon as possible repair, replace or otherwise make good at its own option and expense the part of the Work found to be defective or

not in conformance with the requirements of the Contract.

3. The Work or any part of the Work found to be defective or non-conforming will be returned to the Contractor's plant for replacement, repair or making good. However, when in the opinion of Canada it is not expedient to remove the Work from its location, the Contractor must carry out any necessary repair or making good of the Work at that location. In such cases, the Contractor will be paid the fair and reasonable Cost (including reasonable travel and living expenses) incurred in so doing, with no allowance for profit, less an amount equal to the Cost of rectifying the defect or non-conformance at the Contractor's plant.

4. Canada must pay the transportation cost associated with returning the Work or any part of the Work to the Contractor's plant pursuant to subsection 3. The Contractor must pay the transportation cost associated with forwarding the replacement or returning the Work or part of the Work when rectified to the delivery point specified in the Contract or to another location directed by Canada.

5. The Contractor must remedy all data and reports pertaining to any correction or replacement under this section, including revisions and updating of all affected data, manuals, publications, software and drawings called for under the Contract, at no cost to Canada.

6. If the Contractor fails to fulfill any obligation described in this section within a reasonable time of receiving a notice, Canada will have the right to remedy or to have remedied the defective or non-conforming work at the Contractor's expense. If Canada does not wish to correct or replace the defective or non-conforming work, an equitable reduction will be made in the Contract Price.

7. The warranty period is automatically extended by the duration of any period or periods where the Work is unavailable for use or cannot be used because of a defect or non-conformance during the original warranty period. The warranty applies to any part of the Work repaired, replaced or otherwise made good pursuant to subsection 2, for the greater of:

   (a) the warranty period remaining, including the extension; or

   (b) ninety (90) days or such other period as may be specified for that purpose by agreement between the Parties.

2040 22 (2008-05-12) Confidentiality

1. The Contractor must keep confidential all information provided to the Contractor by or on behalf of Canada in connection with the Work, including any information that is confidential or proprietary to third parties, and all information conceived, developed or produced by the Contractor as part of the Work when copyright or any other intellectual property rights in such information belongs to Canada under the Contract. The Contractor must not disclose any such information without the written permission of Canada. The Contractor may disclose to a subcontractor any information necessary to perform the subcontract, as long as the subcontractor agrees to keep the information confidential and that it will be used only to perform the subcontract.

2. The Contractor agrees to use any information provided to the Contractor by or on behalf of Canada only for the purpose of the Contract. The Contractor acknowledges that all this information remains the property of Canada or the third party, as the case may be. Unless provided otherwise in the Contract, the Contractor must deliver to Canada all such information, together with every copy, draft, working paper and note that contains such information, upon completion or termination of the Contract or at such earlier time as Canada may require.

3. Subject to the *Access to Information Act*, R.S., 1985, c. A-1, and to any right of Canada under the Contract to release or disclose, Canada must not release or disclose outside the Government of

Canada any information delivered to Canada under the Contract that is proprietary to the Contractor or a subcontractor.

4. The obligations of the Parties set out in this section do not apply to any information if the information:

   (a) is publicly available from a source other than the other Party; or

   (b) is or becomes known to a Party from a source other than the other Party, except any source that is known to be under an obligation to the other Party not to disclose the information; or

   (c) is developed by a Party without use of the information of the other Party.

5. Wherever possible, the Contractor must mark or identify any proprietary information delivered to Canada under the Contract as "Property of (Contractor's name), permitted Government uses defined under Public Works and Government Services Canada (PWGSC) Contract No. (fill in Contract Number)". Canada will not be liable for any unauthorized use or disclosure of information that could have been so marked or identified and was not.

6. If the Contract, the Work, or any information referred to in subsection 1 is identified as TOP SECRET, SECRET, CONFIDENTIAL, or PROTECTED by Canada, the Contractor must at all times take all measures reasonably necessary for the safeguarding of the material so identified, including those set out in the PWGSC Industrial Security Manual and its supplements and any other instructions issued by Canada.

7. If the Contract, the Work, or any information referred to in subsection 1 is identified as TOP SECRET, SECRET, CONFIDENTIAL, or PROTECTED, by Canada, representatives of Canada are entitled to inspect the Contractor's premises and the premises of a subcontractor at any tier for security purposes at any time during the term of the Contract. The Contractor must comply with, and ensure that any subcontractor complies with, all written instructions issued by Canada dealing with the material so identified, including any requirement that employees of the Contractor or of any subcontractor execute and deliver declarations relating to reliability screenings, security clearances and other procedures.

2040 23 (2008-05-12) Use and Translation of Written Material

1. Unless provided otherwise in the Contract, copyright in any written material used, produced or delivered under the Contract belongs to its author or rightful owner. Canada has the right to use, copy and disclose, for government purposes, the written material related to the Work that is delivered to Canada.

2. If the Contract does not require the delivery of any written material in both of Canada's official languages, Canada may translate the written material into the other official language. The Contractor acknowledges that Canada owns the rights on the translation and that Canada is under no obligation to provide the translation to the Contractor. Canada agrees that any translation must include any copyright and any proprietary right notice that was part of the original. Canada acknowledges that the Contractor is not responsible for any technical errors or other problems that may arise as a result of the translation.

2040 24 (2008-05-12) Government Property

1. All Government Property must be used by the Contractor solely for the purpose of the Contract and remains the property of Canada. The Contractor must maintain adequate accounting records of all Government Property and, whenever feasible, mark it as being the property of Canada.

2. The Contractor must take reasonable and proper care of all Government Property while it is in its possession or subject to its control. The Contractor is responsible for any loss or damage resulting from its failure to do so other than loss or damage caused by ordinary wear and tear.

3. All Government Property, unless it is installed or incorporated in the Work, must be returned to Canada on demand. All scrap and all waste materials, articles or things that are Government Property must, unless provided otherwise in the Contract, remain the property of Canada and must be disposed of only as directed by Canada.

4. At the time of completion of the Contract, and if requested by the Contracting Authority, the Contractor must provide to Canada an inventory of all Government Property relating to the Contract.

2040 25 (2008-05-12) Liability

The Contractor is liable for any damage caused by the Contractor, its employees, subcontractors, or agents to Canada or any third party. Canada is liable for any damage caused by Canada, its employees or agents to the Contractor or any third party. The Parties agree that no limitation of liability or indemnity provision applies to the Contract unless it is specifically incorporated in full text in the Articles of Agreement. Damage includes any injury to persons (including injury resulting in death) or loss of or damage to property (including real property) caused as a result of or during the performance of the Contract.

2040 26 (2008-05-12) Intellectual Property Infringement and Royalties

1. The Contractor represents and warrants that, to the best of its knowledge, neither it nor Canada will infringe any third party's intellectual property rights in performing or using the Work, and that Canada will have no obligation to pay royalties of any kind to anyone in connection with the Work.

2. If anyone makes a claim against Canada or the Contractor concerning intellectual property infringement or royalties related to the Work, that Party agrees to notify the other Party in writing immediately. If anyone brings a claim against Canada, according to *Department of Justice Act*, R.S., 1985, c. J-2, the Attorney General of Canada must have the regulation and conduct of all litigation for or against Canada, but the Attorney General may request that the Contractor defend Canada against the claim. In either case, the Contractor agrees to participate fully in the defence and any settlement negotiations and to pay all costs, damages and legal costs incurred or payable as a result of the claim, including the amount of any settlement. Both Parties agree not to settle any claim unless the other Party first approves the settlement in writing.

3. The Contractor has no obligation regarding claims that were only made because:

   (a) Canada modified the Work or part of the Work without the Contractor's consent or used the Work or part of the Work without following a requirement of the Contract; or

   (b) Canada used the Work or part of the Work with a product that the Contractor did not supply under the Contract (unless that use is described in the Contract or the manufacturer's specifications); or

   (c) the Contractor used equipment, drawings, specifications or other information supplied to the Contractor by Canada (or by someone authorized by Canada); or

   (d) the Contractor used a specific item of equipment or software that it obtained because of specific instructions from the Contracting Authority; however, this exception only applies if the Contractor has included the following language in its own contract with the supplier of that equipment or software: "[Supplier name] acknowledges that the purchased items will be used by the Government of Canada. If a third party claims that equipment or software

supplied under this contract infringes any intellectual property right, [supplier name], if requested to do so by either [Contractor name] or Canada, will defend both [Contractor name] and Canada against that claim at its own expense and will pay all costs, damages and legal fees payable as a result of that infringement." Obtaining this protection from the supplier is the Contractor's responsibility and, if the Contractor does not do so, it will be responsible to Canada for the claim.

4. If anyone claims that, as a result of the Work, the Contractor or Canada is infringing its intellectual property rights, the Contractor must immediately do one of the following:

   (a) take whatever steps are necessary to allow Canada to continue to use the allegedly infringing part of the Work; or

   (b) modify or replace the Work to avoid intellectual property infringement, while ensuring that the Work continues to meet all the requirements of the Contract; or

   (c) take back the Work and refund any part of the Contract Price that Canada has already paid.

   If the Contractor determines that none of these alternatives can reasonably be achieved, or if the Contractor fails to take any of these steps within a reasonable amount of time, Canada may choose either to require the Contractor to do (c), or to take whatever steps are necessary to acquire the rights to use the allegedly infringing part(s) of the Work itself, in which case the Contractor must reimburse Canada for all the costs it incurs to do so.

2040 27 (2008-05-12) Records and Disclosure of Foreground Information

1. During and after the performance of the Contract, the Contractor must keep detailed records of the Foreground Information, including details of its creation, ownership and about any sale or transfer of any right in the Foreground Information. The Contractor must report and fully disclose to Canada all Foreground Information as required by the Contract. If the Contract does not specifically state when and how the Contractor must do so, the Contractor must provide this information when requested by the Contracting Authority or a representative of the department or agency for which the Contract is performed, whether before or after the completion of the Contract.

2. Before and after final payment to the Contractor, the Contractor must provide Canada with access to all records and supporting data that Canada considers pertinent to the identification of Foreground Information.

3. For any Intellectual Property that was developed or created in relation to the Work, Canada will be entitled to assume that it was developed or created by Canada, if the Contractor's records do not list that Intellectual Property or do not indicate that it was created by the Contractor, or by someone on behalf of the Contractor, other than Canada.

2040 28 (2008-05-12) Ownership of Intellectual Property Rights in Foreground Information

1. All Intellectual Property Rights in the Foreground Information belong to the Contractor as soon as they come into existence.

2. Despite the Contractor's ownership of all the Intellectual Property Rights in the Foreground Information, Canada has unrestricted ownership rights in any prototype, model, custom or customized system or equipment that is a deliverable under the Contract, including manuals and other operating and maintenance documents. This includes the right to make them available for public use, whether for a fee or otherwise, sell them or otherwise transfer ownership in them.

3. Any personal information, as defined in the *Privacy Act*, R.S., 1985, c. P-21, collected by the Contractor in the execution of the Work under the Contract becomes the property of Canada immediately upon collection and must be used only for the performance of the Work. The Contractor has no right in any such personal information.

4. If the Work under the Contract involves the preparation of a database or other compilation using information or data supplied by Canada and any personal information referred to above, the Intellectual Property Rights in the database or compilation containing such information will belong to Canada. The Contractor's Intellectual Property Rights in the Foreground Information are restricted to those capable of being exploited without the use of the information or data supplied by Canada and the personal information.

5. The Contractor must maintain the confidentiality of the information or data supplied by Canada and the personal information as required in the General Conditions. The Contractor must return all the information belonging to Canada on request or on completion or termination of the Contract. This includes returning all hard copies and electronic copies as well as any paper or electronic record that contains any part of the information or information derived from it.

2040 29 (2008-05-12) Licenses to Intellectual Property Rights in Foreground and Background Information

1. As Canada has contributed to the cost of developing the Foreground Information, the Contractor grants to Canada a license to exercise all Intellectual Property Rights in the Foreground Information for Canada's activities. Subject to any exception described in the Contract, this license allows Canada to do anything that it would be able to do if it were the owner of the Foreground Information, other than exploit it commercially and transfer or assign ownership of it. The Contractor also grants to Canada a license to use the Background Information to the extent that it is reasonably necessary for Canada to exercise fully all its rights in the deliverables and in the Foreground Information.

2. These licenses are non-exclusive, perpetual, irrevocable, worldwide, fully-paid and royalty-free. Neither license can be restricted in any way by the Contractor providing any form of notice to the contrary, including the wording on any shrink-wrap or click-wrap license or any other kind of packaging, attached to any deliverable.

3. For greater certainty, Canada's licenses include, but are not limited to:

   (a) the right to disclose the Foreground and Background Information to third parties bidding on or negotiating contracts with Canada and to sublicense or otherwise authorize the use of that information by any contractor engaged by Canada solely for the purpose of carrying out such contracts. Canada will require these third parties and contractors not to use or disclose that information except as may be necessary to bid on, negotiate or carry out those contracts;

   (b) the right to disclose the Foreground and Background Information to other governments for information purposes;

   (c) the right to reproduce, modify, improve, develop or translate the Foreground and Background Information or have it done by a person hired by Canada. Canada, or a person designated by Canada, will own the Intellectual Property Rights associated with the reproduction, modification, improvement, development or translation.

   (d) without restricting the scope of any license or other right in the Background Information that Canada may otherwise hold, the right, in relation to any custom-designed or custom-manufactured part of the Work, to exercise such of the Intellectual Property Rights in the

Background Information as may be required for the following purposes:

(i) for the use, operation, maintenance, repair or overhaul of the custom-designed or custom-manufactured parts of the Work;

(ii) in the manufacturing of spare parts for maintenance, repair or overhaul of any custom-designed or custom-manufactured part of the Work by Canada if those parts are not available on reasonable commercial terms to enable timely maintenance, repair or overhaul;

(e) for Software that is custom designed for Canada, the right to use any source code the Contractor must deliver to Canada under the Contract.

4. The Contractor agrees to make the Background Information, including in the case of Software, the source code promptly available to Canada for any purpose mentioned above. The license does not apply to any Software that is subject to detailed license conditions that are set out elsewhere in the Contract. Furthermore, in the case of commercial off-the-shelf software, the Contractor's obligation to make the source code promptly available to Canada applies only to source code that is within the control of or can be obtained by the Contractor or any subcontractor.

2040 30 (2008-05-12) Contractor's Right to Grant Licenses

The Contractor represents and warrants that it has the right to grant to Canada the licenses and any other rights to use the Foreground and Background Information. If the Intellectual Property Rights in any Foreground or Background Information are or will be owned by a subcontractor or any other third party, the Contractor must have or obtain promptly a license from that subcontractor or third party that permits compliance with section 29 or arrange, without delay, for the subcontractor or third party to grant promptly any required license directly to Canada.

2040 31 (2008-05-12) Waiver of Moral Rights

If requested by Canada, during and after the Contract, the Contractor must provide a written permanent waiver of moral rights, as defined in the *Copyright Act*, R.S., 1985, c. C-42, from every author that contributes to any Foreground Information subject to copyright protection that is a deliverable to Canada under the Contract. If the Contractor is an author of the Foreground Information, the Contractor permanently waives the Contractor's moral rights in that Foreground Information.

2040 32 (2008-05-12) License to Intellectual Property Rights to Canada's Information

1. Any information supplied by Canada to the Contractor for the performance of the Work remains the property of Canada. The Contractor must use Canada's Information only to perform the Contract.

2. If the Contractor wants to use any information owned by Canada for the commercial exploitation or further development of the Foreground Information, the Contractor must obtain a license from the department or agency for which the Contract is performed. In its request for a license to that department or agency, the Contractor must explain why the license is required and how the Contractor intends to use the information. If the department or agency agrees to grant a license, its terms will be negotiated between the Contractor and that department or agency and may include the payment of a compensation to Canada.

2040 33 (2008-05-12) Transfer or License of Contractor's Rights

1. During the Contract, the Contractor must not sell, transfer, assign or license the Foreground Information without first obtaining the Contracting Authority's written permission.

2. After the Contract, if the Contractor transfer ownership in the Foreground Information, the Contractor is not required to obtain Canada's permission, but must notify the department or agency for whom the Contract is performed in writing of the transfer by referring to the serial number of the Contract and its date and by providing details about the transferee, including the conditions of the transfer. The Contractor must ensure that the transfer requires the transferee to notify the Canada of any future transfer. Any transfer must be subject to all Canada's rights to use the Foreground Information.

3. After the Contract, if the Contractor grants a license or any other right (other than a transfer of ownership) to a third party to use the Foreground Information, the Contractor is not required to notify Canada, but the license or right granted must not affect Canada's rights in any way.

4. If the Contractor at any time transfers ownership of or grants rights in the Foreground Information that interfere in any way with Canada's rights to use the Foreground Information, the Contractor must, if requested by Canada, immediately take all steps necessary to restore Canada's rights. If the Contractor is not successful in doing so, within the time reasonably required by Canada, the Contractor must immediately reimburse Canada for all costs Canada incurs to do so itself.

2040 34 (2008-05-12) Transfer of Intellectual Property Rights upon Termination of the Contract for Default

1. If Canada terminates the Contract in whole or in part for default, Canada may, by giving notice to the Contractor, require the Contractor to transfer to Canada all the Intellectual Property Rights in the Foreground Information, including the rights owned by subcontractors. In the case of Intellectual Property Rights in the Foreground Information that have been sold or assigned to a third party, the Contractor must pay to Canada on demand, at Canada's discretion, the fair market value of the Intellectual Property Rights in the Foreground Information or an amount equal to the payment received by the Contractor from the sale or assignment of the Intellectual Property Rights in the Foreground Information.

2. In the event of the issuance of a notice under subsection 1, the Contractor must, at its own expense and without delay, execute such documents relating to ownership of the Intellectual Property Rights as Canada may require. The Contractor must, at Canada's expense, provide all reasonable assistance in the preparation of applications and in the prosecution of any applications for registration of any Intellectual Property Rights in any jurisdiction, including the assistance of the inventor in the case of an invention.

2040 35 (2008-05-12) Products created using the Foreground Information

If the Contractor uses the Foreground Information to develop any new product or any improvement in any existing product, the Contractor agrees that, if Canada wishes to purchase such new or improved product, the Contractor must sell them to Canada at a discount off the lowest price for which it has sold those products to other customers, to recognize Canada's financial contribution to the development of those products.

2040 36 (2008-05-12) Amendment and Waivers

1. To be effective, any amendment to the Contract must be done in writing by the Contracting Authority and the authorized representative of the Contractor.

2. While the Contractor may discuss any proposed modifications to the Work with other representatives of Canada, Canada will not be responsible for the cost of any modification unless it has been incorporated into the Contract in accordance with subsection 1.

3. A waiver will only be valid, binding or affect the rights of the Parties if it is made in writing by, in

the case of a waiver by Canada, the Contracting Authority and, in the case of a waiver by the Contractor, the authorized representative of the Contractor.

4. The waiver by a Party of a breach of any condition of the Contract will not be treated or interpreted as a waiver of any subsequent breach and therefore will not prevent that Party from enforcing of that term or condition in the case of a subsequent breach.

2040 37 (2008-05-12) Suspension of the Work

1. The Contracting Authority may at any time, by written notice, order the Contractor to suspend or stop the Work or part of the Work under the Contract for a period of up to one hundred eighty (180) days. The Contractor must immediately comply with any such order in a way that minimizes the cost of doing so. While such an order is in effect, the Contractor must not remove any part of the Work from any premises without first obtaining the written consent of the Contracting Authority. Within these one hundred eighty (180) days, the Contracting Authority must either cancel the order or terminate the Contract, in whole or in part, under section 38 or section 39.

2. When an order is made under subsection 1, unless the Contracting Authority terminates the Contract by reason of default by the Contractor or the Contractor abandons the Contract, the Contractor will be entitled to be paid its additional costs incurred as a result of the suspension plus a fair and reasonable profit.

3. When an order made under subsection 1 is cancelled, the Contractor must resume work in accordance with the Contract as soon as practicable. If the suspension has affected the Contractor's ability to meet any delivery date under the Contract, the date for performing the part of the Work affected by the suspension will be extended for a period equal to the period of suspension plus a period, if any, that in the opinion of the Contracting Authority, following consultation with the Contractor, is necessary for the Contractor to resume the Work. Any equitable adjustments will be made as necessary to any affected conditions of the Contract.

2040 38 (2008-05-12) Default by the Contractor

1. If the Contractor is in default in carrying out any of its obligations under the Contract, the Contracting Authority may, by giving written notice to the Contractor, terminate for default the Contract or part of the Contract. The termination will take effect immediately or at the expiration of a cure period specified in the notice, if the Contractor has not cured the default to the satisfaction of the Contracting Authority within that cure period.

2. If the Contractor becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or takes the benefit of any statute relating to bankrupt or insolvent debtors, or if a receiver is appointed under a debt instrument or a receiving order is made against the Contractor, or an order is made or a resolution passed for the winding down of the Contractor, the Contracting Authority may, to the extent permitted by the laws of Canada, by giving written notice to the Contractor, immediately terminate for default the Contract or part of the Contract.

3. If Canada gives notice under subsection 1 or 2, the Contractor will have no claim for further payment except as provided in this section. The Contractor will be liable to Canada for all losses and damages suffered by Canada because of the default or occurrence upon which the notice was based, including any increase in the cost incurred by Canada in procuring the Work from another source. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

4. Upon termination of the Contract under this section, the Contracting Authority may require the Contractor to deliver to Canada, in the manner and to the extent directed by the Contracting Authority, any completed parts of the Work, not delivered and accepted before the termination

and anything the Contractor has acquired or produced specifically to perform the Contract. In such a case, subject to the deduction of any claim that Canada may have against the Contractor arising under the Contract or out of the termination, Canada will pay or credit to the Contractor:

(a) the value, of all completed parts of the Work delivered to and accepted by Canada, based on the Contract Price, including the proportionate part of the Contractor's profit or fee included in the Contract Price; and

(b) the cost to the Contractor that Canada considers reasonable in respect of anything else delivered to and accepted by Canada.

The total amount paid by Canada under the Contract to the date of the termination and any amount payable under this subsection must not exceed the Contract Price.

5. Title to everything for which payment is made to the Contractor will, once payment is made, pass to Canada unless it already belongs to Canada under any other provision of the Contract.

6. If the Contract is terminated for default under subsection 1, but it is later determined that grounds did not exist for a termination for default, the notice will be considered a notice of termination for convenience issued under subsection 1 of section 39.

2040 39 (2008-05-12) Termination for Convenience

1. At any time before the completion of the Work, the Contracting Authority may, by giving notice in writing to the Contractor, terminate for convenience the Contract or part of the Contract. Once such a notice of termination for convenience is given, the Contractor must comply with the requirements of the termination notice. If the Contract is terminated in part only, the Contractor must proceed to complete any part of the Work that is not affected by the termination notice. The termination will take effect immediately or, as the case may be, at the time specified in the termination notice.

2. If a termination notice is given pursuant to subsection 1, the Contractor will be entitled to be paid, for costs that have been reasonably and properly incurred to perform the Contract to the extent that the Contractor has not already been paid or reimbursed by Canada. The Contractor will be paid:

(a) on the basis of the Contract Price, for all completed work that is inspected and accepted in accordance with the Contract, whether completed before, or after the termination in accordance with the instructions contained in the termination notice;

(b) the Cost to the Contractor plus a fair and reasonable profit for all work terminated by the termination notice before completion; and

(c) all costs incidental to the termination of the Work incurred by the Contractor but not including the cost of severance payments or damages to employees whose services are no longer required, except wages that the Contractor is obligated by statute to pay.

3. Canada may reduce the payment in respect of any part of the Work, if upon inspection, it does not meet the requirements of the Contract.

4. The total of the amounts, to which the Contractor is entitled to be paid under this section, together with any amounts paid, due or becoming due to the Contractor must not exceed the Contract Price. The Contractor will have no claim for damages, compensation, loss of profit, allowance arising out of any termination notice given by Canada under this section except to the extent that this section expressly provides. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

2040 40 (2008-05-12) Accounts and Audit

1. The Contractor must keep proper accounts and records of the cost of performing the Work and of all expenditures or commitments made by the Contractor in connection with the Work, including all invoices, receipts and vouchers. The Contractor must retain records, including bills of lading and other evidence of transportation or delivery, for all deliveries made under the Contract.

2. If the Contract includes payment for time spent by the Contractor, its employees, representatives, agents or subcontractors performing the Work, the Contractor must keep a record of the actual time spent each day by each individual performing any part of the Work.

3. Unless Canada has consented in writing to its disposal, the Contractor must retain all the information described in this section for six (6) years after it receives the final payment under the Contract, or until the settlement of all outstanding claims and disputes, whichever is later. During this time, the Contractor must make this information available for audit, inspection and examination by the representatives of Canada, who may make copies and take extracts. The Contractor must provide all reasonably required facilities for any audit and inspection and must furnish all the information as the representatives of Canada may from time to time require to perform a complete audit of the Contract.

4. The amount claimed under the contract, calculated in accordance with the Basis of Payment provision in the Articles of Agreement, is subject to government audit both before and after payment is made. If an audit is performed after payment, the Contractor agrees to repay any overpayment immediately on demand by Canada. Canada may hold back, deduct and set off any credits owing and unpaid under this section from any money that Canada owes to the Contractor at any time (including under other contracts). If Canada does not choose to exercise this right at any given time, Canada does not lose this right.

2040 41 (2008-05-12) Right of Set-off

Without restricting any right of set-off given by law, Canada may set-off against any amount payable to the Contractor under the Contract, any amount payable to Canada by the Contractor under the Contract or under any other current contract. Canada may, when making a payment pursuant to the Contract, deduct from the amount payable to the Contractor any such amount payable to Canada by the Contractor which, by virtue of the right of set-off, may be retained by Canada.

2040 42 (2008-05-12) Notice

Any notice under the Contract must be in writing and may be delivered by hand, courier, mail, facsimile or other electronic method that provides a paper record of the text of the notice. It must be sent to the Party for whom it is intended at the address stated in the Contract. Any notice will be effective on the day it is received at that address. Any notice to Canada must be delivered to the Contracting Authority.

2040 43 (2008-05-12) Conflict of Interest and Values and Ethics Codes for the Public Service

The Contractor acknowledges that individuals who are subject to the provisions of the *Conflict of Interest Act*, 2006, c. 9, s. 2, the Conflict of Interest Code for Members of the House of Commons, the Values and Ethics Code for the Public Service or all other codes of values and ethics applicable within specific organizations cannot derive any direct benefit resulting from the Contract.

2040 44 (2008-05-12) No Bribe

The Contractor declares that no bribe, gift, benefit, or other inducement has been or will be paid, given, promised or offered directly or indirectly to any official or employee of Canada or to a member of the

family of such a person, with a view to influencing the entry into the Contract or the administration of the Contract.

2040 45 (2008-05-12) Survival

All the Parties' obligations of confidentiality, representations and warranties set out in the Contract as well as the provisions, which by the nature of the rights or obligations might reasonably be expected to survive, will survive the expiry or termination of the Contract.

2040 46 (2008-05-12) Severability

If any provision of the Contract is declared by a court of competent jurisdiction to be invalid, illegal or unenforceable, that provision will be removed from the Contract without affecting any other provision of the Contract.

2040 47 (2008-05-12) Successors and Assigns

The Contract is to the benefit of and binds the successors and permitted assignees of Canada and of the Contractor.

2040 48 (2008-12-12) Contingency Fees

The Contractor certifies that it has not, directly or indirectly, paid or agreed to pay and agrees that it will not, directly or indirectly, pay a contingency fee for the solicitation, negotiation or obtaining of the Contract to any person, other than an employee of the Contractor acting in the normal course of the employee's duties. In this section, "contingency fee" means any payment or other compensation that depends or is calculated based on a degree of success in soliciting, negotiating or obtaining the Contract and "person" includes any individual who is required to file a return with the registrar pursuant to section 5 of the Lobbying *Act*, 1985, c. 44 (4th Supplement).

2040 49 (2010-01-11) International Sanctions

1. Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

2. The Contractor must not supply to the Government of Canada any goods or services which are subject to economic sanctions.

3. The Contractor must comply with changes to the regulations imposed during the period of the Contract. The Contractor must immediately advise Canada if it is unable to perform the Work as a result of the imposition of economic sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services. If the Parties cannot agree on a work around plan, the Contract will be terminated for the convenience of Canada in accordance with section 39.

2040 50 (2010-01-11) Code of Conduct for Procurement

The Contractor certifies that it has read the Code of Conduct for Procurement and agrees to be bound by its terms.

2040 51 (2008-05-12) Entire Agreement

The Contract constitutes the entire and only agreement between the Parties and supersedes all previous negotiations, communications and other agreements, whether written or oral, unless they are

incorporated by reference in the Contract. There are no terms, covenants, representations, statements or conditions binding on the Parties other than those contained in the Contract.

2040 52 (2010-01-11) Transportation Carriers' Liability

The federal government's policy of underwriting its own risks precludes payment of insurance or valuation charges for transportation beyond the point at which ownership of goods passes to the federal government (determined by the FOB point or Incoterms). Where increased carrier liability is available without charge, the Contractor must obtain the increased liability for shipment.

CCC50 (2004/12/10) Canadian Commercial Corporation

CCC50 00 (2004-12-10) Canadian Commercial Corporation (Non-defence Requirements)

Public Works and Government Services Canada

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CCC50 01 (2000-05-12) Interpretation

1. Unless the context otherwise requires,

"Agreement" means the particular Agreement or Contract of which, in any specific case, these general conditions are made a part;

"Allied Firm" means any firm or corporation which directly or indirectly controls or is controlled by or is affiliated with the Contractor, and includes any individual directly or indirectly controlling the Contractor or any such firm or corporation;

"Contract" means and includes the Agreement, these general conditions and any supplemental general conditions, Specifications, labour conditions, schedules and other documents (if any) referred to in the Agreement as constituting the Contract;

"Contract Price" means the amount expressed in the Agreement to be payable to the Contractor for the Work, regardless of whether the Contract is for a stipulated price or is on a cost-plus basis;

"the Corporation" means Canadian Commercial Corporation;

"Equipment" includes machinery, apparatus, jigs, tools, dies, gauges, instruments and equipment of all kinds;

"Finished Work" means the supplies and/or services and/or projects and/or work called for by the Contract, as and when completed in accordance therewith;

"Government Issue" means any materials, parts, components, equipment, Specifications, articles and things which may be supplied to the Contractor by or on behalf of Her Majesty for the purposes of the Work;

"herein", "hereby", "hereof", "hereunder", and similar expressions, refer to the Contract as a whole;

"Inspector" means the person (if any) designated as such in the Agreement or in the supplemental general conditions (if any) and/or any person for the time being acting on behalf of Her Majesty or the Corporation as the Inspector under the Contract;

"Specifications" means the Specifications, plans, drawings, designs and/or models (if any) referred to in the Agreement and/or furnished to the Contractor for the carrying out of the Contract;

"Supplemental General Conditions" means any other general conditions forming part of the Contract;

"Work" means the work done or required to be done by the Contractor in order to carry out the Contract and, where the context permits, includes services, Finished Work, work in process and all parts, materials, components, articles and things required or used or intended to be used to carry out the Contract.

The singular number includes the plural and vice versa.

2. In the event of any inconsistencies, the provisions of the Agreement and/or of these general conditions shall prevail over the Specifications (if any) and the provisions of the Agreement and of the supplemental general conditions (if any) shall prevail over these general conditions.

CCC50 02 (1991-06-01) Powers of the Corporation

The Corporation is the agent of Her Majesty for all purposes of the Contract.

CCC50 03 (2000-05-12) Assignment and Subletting

1. The Contractor shall not assign or sublet the Contract or any of the Work without the prior written consent of the Corporation and any assignment or subletting made without such consent shall be of no effect provided that (unless the Contract or the Corporation directs otherwise) the Contractor may sublet such portions of the Work as are usually sublet in similar cases. The Contractor shall promptly furnish to the Corporation full particulars of all subcontracts. No assignment or subletting shall relieve the Contractor from any of its obligations under the Contract or impose any liability upon Her Majesty or the Corporation to an assignee or subcontractor.

2. Subject to the foregoing, the Contract shall enure to the benefit of and shall be binding upon the successors and assigns of Her Majesty and of the Contractor, respectively.

CCC50 04 (1991-06-01) Conduct of the Work

1. The Contractor shall diligently carry out the work, shall provide efficient supervision and inspection thereof and shall be responsible for seeing that the Work is of proper quality, material and workmanship and satisfies the requirements of the Contract.

2. The nature and spirit of the Contract is to provide for the Work therein enumerated to be fully completed in every detail for the purpose designed; and the Contractor agrees to furnish any and every thing necessary for such purpose, notwithstanding any omission in the drawings or Specifications.

3. The Contractor shall apply to the Corporation for any explanation which the Contractor may require in regard to the meeting and intent of any clause in the Specifications and Contract, and shall be held responsible for any errors or losses consequent upon failure to obtain such explanation.

4. Drawings and Specifications are intended to complement each other, so that if anything is shown on the drawings but not mentioned in the Specifications, or vice versa, it is to be furnished and built as though specifically set forth in both. If any discrepancies are discovered in the drawings, or any conflict between the drawings and the Specifications, the same shall be referred to the Corporation before proceeding with the Work. Figured dimensions on drawings are to have precedence.

5. Materials used must conform to the Specifications whether shown on the Corporation's or the Contractor's drawings or not.

6. Approval by the Corporation of the Contractor's drawings shall not relieve the Contractor of responsibility for corrections thereof, nor for results arising from error or omission.

7. No materials or parts shall be used or processed and no Finished Work shall be submitted for acceptance or shall be delivered unless or until approved by the Contractor's inspection staff and, wherever practicable, marked with an approval stamp satisfactory to the Inspector. The Contractor shall keep proper and adequate inspection records which shall at all times be open to examination by the Inspector who may make copies thereof and take extracts therefrom.

8. The Corporation and the Inspector shall have access to the Work at all times and may make such tests of the Work as they may think fit. The Contractor shall provide all assistance and facilities, test pieces and samples which the Corporation or the Inspector may require for the carrying out of any such tests.

9. The Contractor shall not stop or suspend work pending the settlement or determination (by arbitration or otherwise) of any differences arising under the Contract.

CCC50 05 (1991-06-01) Inspector, the Final Judge of the Work

The Inspector shall be the final judge of the Work and of its quality and workmanship. The Inspector shall have full power to reject or refuse to accept any Finished Work or parts or materials or work in process which the Inspector considers are not in accordance with the requirements of the Contract. The Inspector shall also be the sole judge as to the meaning of the Specifications, if any.

CCC50 06 (1991-06-01) Making Good Rejected Work

The Contractor shall forthwith at its own expense make good any work which the Inspector may have refused to accept or, alternatively, at the option of the Corporation, all amounts previously paid to the Contractor in respect of Work rejected or not accepted shall forthwith be repaid by the Contractor.

CCC50 07 (1991-06-01) Acceptance and Delivery

Final acceptance by the Inspector of any Finished Work shall be deemed to be delivery to and acceptance by Her Majesty of the Work so accepted and such acceptance shall be a condition precedent to delivery. Provided always that if the Agreement provides for a particular place or manner of delivery, such delivery shall not be complete unless or until made in accordance therewith. Upon delivery, title to the Work delivered shall vest in Her Majesty if not already so vested. The right of the Inspector to refuse final acceptance of any of the Work shall not be affected by any prior inspection, approval or acceptance of any parts, materials or work in process or any other Finished Work.

CCC50 08 (1991-06-01) Warranty

Without restricting any other term of the Contract or any warranty stipulated or implied by law, the Contractor shall, at its own expense, replace any articles, parts or materials included in the Work (not including any Government Issue) which at any time within eighteen (18) months from the delivery thereof become defective as a result of faulty or inefficient manufacture, materials or workmanship.

CCC50 09 (1991-06-01) Government Issue

1. All items comprised in any Government Issue shall be used by the Contractor solely for the purposes of the Contract and shall always be and remain the property of Her Majesty and, wherever feasible, the Contractor shall mark the same as being Her Majesty's property.

2. Any items of Government Issue found to be damaged or defective shall be replaced by Her Majesty upon the Inspector certifying in writing to the Corporation that the damage or defect is not due to the fault or negligence of the Contractor. If the Inspector certifies that more than five (5) per cent of the total Government Issue of the same kind or type is damaged or defective (otherwise than as a result of the fault or negligence of the Contractor), Her Majesty shall reimburse the Contractor for any loss incurred by the Contractor which is directly attributable to such damaged or defective items in excess of five (5) percent.

3. All Government Issue (except such as are installed or incorporated in the Work) shall be returned to the Corporation upon demand, in the same condition as when supplied to the Contractor; provided that the Contractor shall not be responsible for any loss or damage resulting from ordinary wear and tear or from causes beyond the Contractor's reasonable control.

CCC50 10 (1991-06-01) Scrap, etc.

All scrap and waste materials derived from any Government Issue, or from any other materials, articles or things which are the property of Her Majesty, shall, unless otherwise specifically provided herein, remain the property of Her Majesty and shall be disposed of only as prescribed by the Corporation.

CCC50 11 (1991-06-01) Care of Crown Property; Insurance

1. The Contractor shall take reasonable and proper care of any and all property owned by Her Majesty which is from time to time in the Contractor's custody or control and shall be responsible for any loss thereof or damage thereto resulting from its failure to do so, other than loss or damage caused by fire or by ordinary wear and tear.

2. Unless otherwise provided elsewhere in the Contract, no insurance shall be carried by the Contractor on any property owned by Her Majesty provided that if the Contract is for a stipulated price, this subsection 2 shall not prevent the Contractor from carrying insurance upon property the title to which becomes vested in Her Majesty by virtue of section 19 of these general conditions.

CCC50 12 (1991-06-01) Time of the Essence; Extensions

Time shall be deemed to be of the essence of the Contract; provided that the time for completing any of the Work which has been or is likely to be delayed by reason of force majeure or other cause beyond the reasonable control of the Contractor shall be extended by a period equal to the length of the delay so caused, provided that prompt notice in writing of the occurrence causing or likely to cause such delay is given to the Corporation.

CCC50 13 (1991-06-01) Accounts

The Contractor shall keep proper and detailed accounts and records of the cost of the Work and invoices, receipts and vouchers relating thereto. If any part of the Work is performed by an Allied Firm in Canada, the Contractor shall also cause such Allied Firm to keep similar accounts, records, invoices, receipts and vouchers with respect to the cost of the work performed by such Allied Firm. All such accounts, records, invoices, receipts and vouchers shall be open to audit and inspection by the authorized representatives of the Corporation at any time until the expiration of six (6) years from the end of the calendar year in which the Contract is terminated or completed. The Corporation's authorized representatives may make copies thereof and take extracts therefrom. The Contractor shall afford all facilities for such audits and inspections and shall furnish the Corporation and its authorized representatives with all such information as it or they may from time to time require with reference to such accounts, records, invoices, receipts and vouchers.

CCC50 14 (1991-06-01) Secrecy and Protection of Work

1. The Contract and the Specifications and all information issued, used or disclosed in connection with the Work are confidential. The Contractor shall not use the same for any purpose other than the Contract without the written authority of the Corporation and shall, at all times, take and cause to be taken all measures necessary for the protection of the same and of the Government Issue, if any, against espionage, sabotage and fire.

2. The Contract and the Specifications and information aforesaid may be classified as to the degree of precaution necessary for their safeguarding. If so classified,

(a) the measures to be taken by the Contractor for their safeguarding shall include those set out in any instructions issued in that regard by or on behalf of the Corporation;

(b) if so directed by the Corporation, the Contractor shall dispense with the services in connection with the work of any person employed or engaged thereon; and

(c) the Contractor shall permit the Corporation at all times, through such agency as he may see fit, to take and to maintain on or about the premises of the Contractor where the Work or any part thereof is being carried on, such guards or other protective measures as in the opinion of the Corporation may be advisable.

CCC50 15 (1991-06-01) Patent Claims and Royalties

1. The Contractor shall indemnify the Corporation against all claims, actions, suits and proceedings for the infringement or alleged infringement of any patent based upon the use of any invention protected by such patent in carrying out the Contract, and for royalties or other payments which may be payable in connection with such patent.

2. Upon notification from the Corporation that any such claim, action, suit or proceeding has been made or commenced, the Contractor shall, unless otherwise instructed by the Corporation, conduct at its own expense all negotiations for the settlement of the same.

CCC50 16 (1992-04-01) Canadian Labour and Materials

CANCELLED.

CCC50 17 (1991-06-01) Conditions Precedent to Payment

No payment shall be made to the Contractor unless or until : (a) invoices, inspection notes and all other documents prescribed from time to time by the Corporation or by the Inspector are prepared, signed and submitted in accordance with the terms of the Contract or as instructed from time to time by the Corporation; and (b) the Contractor establishes to the satisfaction of the Corporation (if so required) that all materials, parts, work in process and/or Finished Work in respect of which payment is being made are free and clear from all claims, liens, attachments, charges or encumbrances.

CCC50 18 (1991-06-01) Indemnity Against Claims

The Contractor shall indemnify and save harmless Her Majesty and the Corporation from and against any and all claims, damages, loss, costs and expenses which they or either of them may at any time incur or suffer as a result of or arising out of: (a) any injury to persons (including injuries resulting in death) or loss of or damage to property which may be or be alleged to be caused by or suffered as a result of the carrying out of the Work or any part thereof; and/or (b) any liens, attachments, charges or other encumbrances or claims upon or in respect of any materials, parts, work in process and/or Finished Work delivered, to, or in respect of which any payment has been made by Her Majesty or the Corporation.

CCC50 19 (1991-06-01) Title on Progress Payments, etc.

Upon any payment being made to the Contractor for or on account of materials, parts and/or work in process acquired by the Contractor for the purposes of the Work, either by way of progress payments or accountable advances or otherwise, title in and to such materials, parts and/or work in process shall vest and remain in Her Majesty both before and after completion of the Work, unless already so vested under any other provision of the Contract, but the Contractor shall nevertheless remain responsible therefor until delivery of the Finished Work.

CCC50 20 (1991-06-01) Further Assurance

Wherever it is herein provided that title to any parts, materials, work in process and/or Finished Work becomes vested in Her Majesty, the Contractor shall execute such conveyances thereof and/or other instruments of further assurance as the Corporation may request.

CCC50 21 (1991-06-01) Suspension of Work and Changes in Specifications

The Corporation may at any time and from time to time order a suspension of the Work, in whole or in part and/or make modifications of, changes in and/or additions to the Specifications. All directions given by the Corporation with respect to the foregoing shall be complied with by the Contractor. If any such suspension, modification, change or addition shall result in an increase or decrease in the cost of the Work, the Contract Price shall be adjusted accordingly, provided that the Contractor shall, in no event, be entitled to compensation for any loss of anticipated profits (except that in the event of any change which results in a substantial part of the Work theretofore performed by the Contractor having to be discarded,

the Contractor shall be entitled to payment of an amount representing a fair and reasonable profit in respect of such discarded Work) and provided further that, unless the Contract is on a cost-plus basis, minor increases or decreases in cost shall be disregarded.

CCC50 22 (1991-06-01) Default by Contractor

1. If the Contractor is in default for a period of fifteen (15) days in carrying out the terms of the Contract as a result of events or occurrences for which it is responsible or which are within its control, or if the Contractor becomes bankrupt or insolvent, or has a receiving order made against it, or makes an assignment for the benefit of creditors, or if an order is made or resolution passed for the winding up of the Contractor, or if the Contractor takes the benefit of any statute for the time being in force relating to bankrupt or insolvent debtors, the Corporation may at its option, upon giving notice in writing to the Contractor,

(a) terminate the Contract as to Work not theretofore completed; or

(b) take the Work out of the Contractor's hands and employ such means as the Corporation may see fit to complete the Work in whole or in part.

2. Upon the giving of such notice, the Contractor shall have no claim for any further payment, save as hereinafter in section 22 provided, but shall remain liable for all loss and damage which may be suffered by Her Majesty by reason of the default or occurrence upon which such notice was based.

3. If the Work is taken over by the Corporation,

(a) all plant, equipment, materials, articles and rights available to the Contractor for the purposes of the Work may be utilized by the Corporation or its authorized representatives as fully as they might have been used and exercised by the Contractor; and

(b) unless the Contract is a cost-plus Contract, upon completion of the Work, or such part of it as the Corporation shall see fit to complete, the Contractor shall be entitled to credit, on the basis of the Contract Price, for such of the Work as shall have been so completed by the Corporation and the amount for which the Contractor is so entitled to credit shall be applied against the cost to Her Majesty of completing the Work so completed and the loss or damage for which the Contractor is liable as above provided, and any excess or deficiency shall be paid by Her Majesty to the Contractor or by the Contractor to Her Majesty, as the case may be.

CCC50 23 (1994-06-01) No Bribe, etc.

The Contractor warrants that no bribe, gift or other inducement has been paid, promised or offered to any official or employee of Her Majesty for, or with a view to, the obtaining of the Contract by the Contractor.

CCC50 24 (1991-06-01) Labour and Health Conditions

The Contractor shall comply with all labour conditions, and with all health conditions and requirements, from time to time applicable to the Work.

CCC50 25 (1991-06-01) Members of the House of Commons

No member of the House of Commons shall be admitted to any share or part of the Contract or to any benefit to arise therefrom.

CCC50 26 (1991-06-01) Notice

Any notice to the Contractor hereunder shall be effectively given if sent by letter or by telegram, postage prepaid or with charges prepaid, as the case may be, addressed to the Contractor at its address as given

in the Agreement or, if no address is so given, at its address as shown by the records of the Corporation. Any notice so given shall be deemed to have been received by the Contractor at the time when in the ordinary course such letter or telegram should have reached its destination.

CCC50 27 (1998-02-16) Arbitration

In the event of any dispute between the parties with respect to anything arising out of the Contract (save in respect of any matter as to which the decision of the Corporation or of the Inspector or other person is final or any matter with regard to which any other manner of settlement is herein expressly provided), the matter in dispute shall be referred for decision to a single arbitrator or, if the parties cannot agree upon a single arbitrator, to two arbitrators, one to be selected by the Corporation and the other by the Contractor. In case the two arbitrators so selected cannot agree, they shall select a third and the decision of any two of the three shall be binding. In case the two arbitrators so selected cannot agree upon the selection of the third arbitrator, the third arbitrator shall be appointed by the Federal Court upon a reference being made to such Court. A party who has not appointed an arbitrator after the other party has appointed one shall do so within five (5) days after being notified in writing by such other party to do so, and in default of appointment such other party's arbitrator may act as sole arbitrator whose decision shall be binding. If the arbitrator of either party shall fail to proceed with the consideration of the matters in dispute within five (5) days after being required in writing by the other party's arbitrator to do so, such other party's arbitrator, if a third arbitrator has not been appointed, shall be at liberty to act as sole arbitrator whose decision shall be binding, or the other two arbitrators, if a third has been appointed, may forthwith appoint an arbitrator in lieu of the one who has failed to proceed, and the decision of two of such three arbitrators shall be binding. The costs of the arbitration shall be in the discretion of the arbitrators; provided, however, that no party shall be obliged to pay more than its own costs and the costs of the third arbitrator.

CCC50 28 (2004-12-10) Termination

1. Notwithstanding anything in the Contract contained, the Corporation may, by giving notice to the Contractor (hereinafter sometimes referred to as a "termination notice"), terminate the Contract (save and except the provisions of this section and of section 13 of these General Conditions) as regards all or any part or parts of the Work not theretofore completed. Upon a termination notice being given, the Contractor shall cease Work (including the manufacturing and/or procuring of materials for the fulfilment of the Contract) in accordance with and to the extent specified in such notice. The Corporation may, at any time or from time to time, give one or more additional termination notices with respect to any or all parts of the Work not terminated by any previous termination notice.

2. In the event of a termination notice being given under the provisions of this section, and subject as hereinafter provided,

(a) all Finished Work, whether completed before the giving of such notice or completed thereafter pursuant to such notice, shall be paid for (subject to acceptance in accordance with the provisions of the Contract) on the basis of the Contract Price;

(b) in respect of Work not completed before the giving of such notice, and not completed thereafter pursuant to such notice, the Contractor shall be entitled to be reimbursed the actual cost to the Contractor of such uncompleted Work, and to receive, in addition, an amount representing a fair and reasonable profit in respect of Work done thereon. Cost shall be determined in accordance with the provisions of the Contract Cost Principles 1031-2, subject to any modifications thereof which the Corporation may consider to be appropriate in the circumstances;

(c) subject as provided in paragraph (d) of this subsection 2, the Contractor shall be entitled to be reimbursed the amount of any capital expenditures specifically authorized by the Contract or approved by the Corporation for the purposes of the Contract (and actually made or incurred) to the extent that the same (less any depreciation in respect thereof already taken into account in determining cost) were reasonably and properly incurred by the Contractor in respect of and are properly apportionable to the performance of the Contract and not included in the amounts paid or payable to the

Contractor in respect of Finished Work;

(d) if the Contract is exclusively a Contract for the making of capital expenditures in respect of additional equipment and/or plant additions, the foregoing paragraphs (a) to (c) inclusive of this subsection 2 shall not apply, but Her Majesty shall pay or reimburse the Contractor for the reasonable and proper cost to the Contractor (not previously paid by Her Majesty) of

(i) all additional equipment which prior to the giving of the termination notice shall have been purchased, acquired or manufactured by the Contractor, or contracted for and for which the Contractor is obligated to make payments; and

(ii) all additional equipment in process of manufacture by the Contractor as at the date of the giving of such notice and all Work in connection with the construction of the plant addition up to the said date, including the cost of materials and parts contracted for by the Contractor for the purposes of such manufacture or construction and for which the Contractor is obligated to make payment.

3. Provided always that no reimbursement shall be made in respect of Work which has been or may be rejected after inspection as not complying with the requirements of the Contract.

4. The Contractor shall not be entitled to be reimbursed any amount which taken together with any amounts paid or due or becoming due to the Contractor under the Contract, shall exceed the Contract Price applicable to the Work or the particular part thereof.

5. Notwithstanding the provisions of any of the foregoing subsections 1 to 4 inclusive, the amounts which the Contractor shall be entitled to be reimbursed in the event of the giving of a termination notice under this section 28 shall include, subject as hereinafter provided, the costs of the Contractor of an incidental to the cancellation of obligations incurred by the Contractor pursuant to the termination notice, the cost of preparing the necessary accounts and statements with respect to Work performed to the effective date of such termination and/or commitments made by the Contractor with respect to the terminated portions of the Work, wages which the Contractor is obligated under any laws and regulations for the time being in force, to pay to employees whose services are no longer required by reason of such termination, the costs of and incidental to the taking of an inventory of materials, components, work in process and Finished Work on hand at the effective date of the termination and other costs and expenses of and incidental to the termination, in whole or in part, of operations under the Contract; provided always that payment and reimbursement under the provisions of this subsection shall be made only to the extent that it is established to the satisfaction of the Corporation that the costs and expenses aforesaid were actually incurred by the Contractor and that the same are reasonable and are properly attributable to the termination of the Work or the part thereof so terminated.

6. In case of disagreement as to the amount which the Contractor is entitled to be reimbursed, the matter shall be referred to the Federal Court.

7. As far as practicable, the Contractor shall place purchase orders and subcontracts on terms that will enable the Contractor to terminate the same upon conditions and terms similar in effect to those provided in this section, and generally the Contractor shall co-operate with the Corporation and do everything reasonably within its power at all times to minimize and reduce the amount of Her Majesty's obligations in the event of termination hereunder.

8. Title to all materials, parts, plant, equipment and/or work in process in respect of which reimbursement is made to the Contractor as herein provided shall, upon such reimbursement being made, pass to and vest in Her Majesty unless already so vested under any other provision of the Contract and such materials, parts, plant, equipment and/or work in process shall be delivered to the order of the Corporation, but the materials thus taken over will in no case be in excess of what would have been required for performing the Contract in full if no termination notice had been given.

9. If the Corporation is satisfied that by reason of any action taken under the provisions of this

section exceptional hardship has resulted to the Contractor, then the Corporation may, in its absolute discretion, grant such allowance (not to include in any case, however, an allowance or compensation for loss of profit) to the Contractor as, in the opinion of the Corporation, is warranted by the circumstances.

10. The Contractor shall have no claim for damages, compensation, loss of profit, allowance or otherwise by reason of or directly or indirectly arising out of any action taken or notice given by the Corporation under or pursuant to the provisions of this section except to the extent in this section expressly provided.

CCC50 29 (1991-06-01) Foreign Exchange

Unless otherwise provided in the Contract or agreed to by the Corporation, the Contractor shall not be entitled to any increase in the Contract Price by reason of foreign exchange fluctuations.

CCC50 30 (1994-06-06) Certification - Contingency Fees

1. The Contractor certifies that it has not directly or indirectly paid or agreed to pay and covenants that it will not directly or indirectly pay a contingency fee for the solicitation, negotiation or obtaining of this Contract to any person other than an employee acting in the normal course of the employee's duties.

2. All accounts and records pertaining to payments of fees or other compensation for the solicitation, obtaining or negotiation of the Contract shall be subject to the Accounts and Audit provisions of the Contract.

3. If the Contractor certifies falsely under this section or is in default of the obligations contained therein, the Minister may either terminate this Contract for default in accordance with the termination for default provisions of the Contract or recover from the Contractor by way of reduction to the Contract Price or otherwise the full amount of the contingency fee.

4. In this section:

"contingency fee" means any payment or other compensation that is contingent upon or is calculated upon the basis of a degree of success in soliciting or obtaining a government contract or negotiating the whole or any part of its terms;

"employee" means a person with whom the Contractor has an employer/employee relationship;

"person" includes an individual or group of individuals, a corporation, a partnership, an organization and an association and, without restricting the generality of the foregoing, includes any individual who is required to file a return with the registrar pursuant to section 5 of the Lobbyist Registration Act R.S. 1985 c.44 (4th Supplement) as the same may be amended from time to time.

CCC50 31 (2000-12-01) Interest on Overdue Accounts

1. For the purposes of this section:

"Average Rate" means the simple arithmetic mean of the Bank Rates in effect at 4:00 p.m. Eastern Standard Time each day during the calendar month which immediately precedes the calendar month in which payment is made, where the "Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association.

"date of payment" means the date of the negotiable instrument drawn by the Receiver General for Canada and given for payment of an amount due and payable;

an amount is "due and payable" when it is due and payable by Canada to the Contractor in

accordance with the terms of the Contract; and

an amount becomes "overdue" when it is unpaid on the first day following the day upon which it is due and payable.

2. Subject to the Contract, Canada shall be liable to pay to the Contractor simple interest at the Average Rate plus 3 percent per annum on any amount that is overdue, from the date such amount becomes overdue until the day prior to the date of payment, inclusive. Interest shall be paid without notice from the Contractor.

3. Canada shall not be liable to pay interest in accordance with this section if Canada is not responsible for the delay in paying the Contractor.

4. Canada shall not be liable to pay interest on overdue advance payments.

Section 4

Supplemental General Conditions

1028 (2004/12/10) Ship Construction - Firm Price

1028 (2004-12-10) Ship Construction - Firm Price

Public Works and Government Services Canada

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1028 01 (2004-12-10) Interpretation

1. In the Contract, unless the context otherwise requires:

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada;

a "Design Change" is any change to approved drawings, Specifications, or statements of requirements. Work necessary to eliminate "fouling" points or for the correction of errors made by the Contractor is not a "Design Change" within the meaning of this section;

"the General Conditions" means general conditions 1026A forming part of the Contract;

"Inspector" means the inspection authority designated in the Contract to carry out the inspection duties;

the expression "make modifications of, changes in or additions to the specifications," as the same is employed in section 19 of the General Conditions, shall be deemed to include and to apply to "Design Changes" as herein before defined.

"these supplemental conditions" means these supplemental general conditions;

"vessels" means the ships or vessels to be constructed by the Contractor under the contract and includes the whole of their respective hulls, engines, boilers, machinery, auxiliaries, equipment, fittings, and appurtenances where the context permits, the term "work" as used in the Contract includes the vessels as herein defined;

2. These supplemental general conditions shall be read with the General Conditions, provided that, in the event of any inconsistencies between the provisions of the General Conditions and of these supplemental general conditions, the latter shall prevail.

3. Where the Inspector is not specifically mentioned in the Contract, the Minister may act in respect of any covenant, agreement, condition or matter under the Contract by or through the Inspector or by or through such other officers as he may from time to time designate, with power in the Inspector or any such officers to delegate in writing or by e-mail any of the powers contained in the Contract.

1028 02 (2004-12-10) Conduct of Work

1. **Canadian Labour**
To the full extent consistent with availability, proper economy and the expeditious performance of the Contract, the Contractor will employ Canadian labour exclusively. A reasonable proportion of the labour force employed will consist of persons who have been demobilized or honourably discharged from Active Service in Canadian Forces, where such persons are available and qualified for the Work to be performed.

2. **Materials**

The Contractor hereby warrants, represents, and agrees that it will procure all materials, parts, components and equipment required in connection with the performance of Contract from the sources proposed in its tender or such other sources as may be authorized by the Minister.

3. **Performance Control**

The Contractor may, at any time, apply to the Minister for advice or direction on matters

pertaining to the Contract.

The Contractor shall submit for examination by the Inspector and/or the Minister all proposed contracts including those to be effected by Purchase Orders, if requested to do so.

The Contractor shall permit the Inspector to examine any designs, drawings, models or Specifications, completed or under preparation by it or on its behalf in connection with the Contract at any time.

All directions and instructions that may, from time to time, be given by the Inspector and/or the Minister with respect to the recording and reporting upon the conduct, progress and cost of the work, shall be duly carried out by the Contractor.

1028 03 (1991-06-01) Inspector Final Judge of Work, Materials, etc.

If any part of the Specifications provides for a method of construction or for the supply and/or use of materials, equipment or parts which are not specified with particularity, the Contractor shall have the right of selection provided that the construction so performed and the materials, equipment and parts so supplied and/or used are in accordance with good marine building practice for the type and class of vessels covered by the Contract, and provided that the Specifications and drawings and all other Contract requirements are fully complied with. The Inspector shall be the final judge of the quality, quantity and suitability of the workmanship, parts, materials, plant, machinery, apparatus, tools and equipment used in or for the purposes of the Work and as to the meaning or interpretation of the Specifications and its decision with regard to the foregoing matters, or any of them, shall be final and binding upon the Contractor. All orders, directions or instructions at any time given by the Inspector with respect to the Work or the conduct or progress thereof or with respect to the parts, materials, plant, apparatus, machinery, tools or equipment used in or for the purposes of the Work, shall be promptly and fully complied with by the Contractor.

1028 04 (2004-12-10) Re-execution of Inferior Work

The Inspector may reject or refuse to accept or approve any part of the materials or Work if, in its opinion, the same or any workmanship, parts or materials used in the manufacture or production thereof are not in accordance with the provisions of the Contract. The Contractor shall forthwith at its own expense replace or otherwise make good to the satisfaction of the Inspector any part of the materials or Work which may have been rejected by the Inspector. Canada shall not be under any liability hereunder for any work done, materials, or parts delivered or assembly made by the Contractor hereunder, unless and until the same shall have been approved by the Inspector as evidenced by its certificate in writing.

1028 05 (2004-12-10) Drawings

1. All drawings, copies of drawings and models, which have been prepared by the Contractor pursuant to the Contract or furnished to the Contractor by Canada, shall be the sole property of Canada and may be used as Canada sees fit.

2. Approval of the drawings, whether express or implied, shall not relieve the Contractor of its responsibility under the Contract to deliver a vessel that will meet the performance requirements in the Specifications.

3. Where modifications are requested to the drawings prior to their approval, the Contractor shall be deemed to have accepted such modifications and to have agreed that they do not constitute a change in Specifications and that they will not affect the performance of the vessel adversely, unless it notifies the Minister, in writing, within fourteen (14) days after receipt by it or notice of the modification, that it considers that such modification constitutes a change in specification or that it will adversely affect the performance of the vessel. In the event that the Contractor does not withdraw such notice, it shall be deemed to be relieved of any liability for failure of the vessel to perform in accordance with the warranty

insofar as such failure can be shown to be the direct result of such modification.

4. The provisions of the preceding subsection shall apply to Design Changes, "*mutatis mutandis*".

1028 06 (2004-12-10) Design Changes and Modifications

1. Any adjustment to the contract price made pursuant to section 19 of the general conditions 1026A shall be ascertained and agreed to by the parties hereto prior to the purchase of any materials or the commencement of any work by the Contractor.

2. If the Contractor proposes to make a claim for adjustment of the contract price pursuant to section 19 as aforesaid, it must furnish notice to the Minister of its intention to do so within thirty (30) days of the date that it received information that a change within the scope of section 19 has been made. Failure by the Contractor to give such notice within the prescribed period shall be deemed to constitute a waiver by it of any rights that it may have hereunder to adjustment in the contract price as a result of such change.

1028 07 (1991-06-01) Labour Conditions

The applicable Labour provisions established by Order-in-Council PC 1954-2029 of December 22, 1954, and by all amendments thereto shall apply and form part of the Contract.

1028 08 (2004-12-10) Accommodation

1. **Personnel**

   The Contractor shall provide for the Inspector and any supervisory or other staff employed by Canada , such office space, office facilities, telephone service, and suitable sanitary and washing facilities as the Inspector or the Minister may require from time to time at the Contractor's shipyard.

2. **Storage and Handling**

   The Contractor shall supply suitable warehouse accommodation for all government supply stores issued in connection with the Contract for such length of time as the Minister may direct. The Contractor shall be responsible for the care, handling, embarking, loading, moving and similar duties in respect of supply stores in the custody or control of the Contractor or of the Inspector as the Inspector or the Minister may from time to time direct.

1028 09 (2004-12-10) Care of Vessel during Construction

1. All parts of the vessel including, but not limited to, structure, paint work, machinery, auxiliaries, appliances and apparatus shall be maintained in a satisfactory condition during the entire period of construction. Measures shall be taken to keep to a minimum any wear and damage incident to construction, and to prevent corrosion, or other deterioration, especially to unpainted, polished and moving parts. All water piping, heat exchangers, valve chests and equipment shall be kept drained, flushed, and cleaned except during trials and tests. Cold weather precautions will be taken when conditions so require.

2. The Contractor shall be responsible for the care of all machinery and equipment whether furnished by him or by Canada. Electrical, electronic and interior communication equipment shall, at all times, be fully protected against dust, moisture, or other foreign matter, and shall not be subjected to rapid temperature changes.

3. The Contractor shall ensure that the design form of the vessel is maintained throughout the course of construction and that no distortion of materials occurs which might cause locked-in stresses.

1028 10 (1991-06-01) Wharfage and Dockage Fee

Until the completion of the Contract, the Contractor shall be responsible for and shall pay all expenses of wharfage, towage, dockage, running lines, electric light, heating water for testing and refilling the tanks and all other charges, fees, expenses and disbursements for incidental to the construction, launching and delivery of the vessel. If at any time after the launching and before final acceptance of the said vessel, any contingency should arise making it, in the opinion of the Inspector, advisable to have such vessel placed in dock for survey, the Contractor shall dock the vessel at its own risk and expense.

1028 11 (2004-12-10) Overhanging Charges

In the event of any assessments, taxes or duties, or other levies or charges whatsoever, being unpaid after the vessel has been formally accepted by the Minister, and Canada has complied with all the provisions imposed upon Canada by the Contract, the Contractor shall reimburse Canada within thirty (30) days thereafter for any such assessments, taxes, duties, levies or charges as may have been paid by Canada.

1028 12 (2004-12-10) Warranty

The Contractor shall warrant the hull, propelling machinery and auxiliaries, fittings, and equipment of all kinds, for a full period of twelve (12) months after delivery to and acceptance of the vessel by Canada, excluding any time or times in excess of one (1) month upon any single occasion during which the vessel may be out of service while undergoing repair pursuant hereto, against all defects of design, material and workmanship, and undertakes that any part or parts of the vessel which may be found defective or show signs of weaknesses or undue wear within such period, owing to faulty design, material or workmanship, shall be repaired or removed and replaced and all such defects remedied and made good at the sole cost and expense of the Contractor. An immediate notice in writing shall be given by the Minister to the Contractor of the discovery of any such defects, weakness or undue wear, and the Contractor agrees to deliver the necessary part or parts and to fit, complete and make good the defective part or parts at the Contractor's yard at _____, but if the vessel is not brought to the Contractor's yard for repairs or replacement of a defective part or parts and such repairs or replacements are made elsewhere, the Contractor shall pay Canada such sums as are equivalent to the cost of supplying the necessary part or parts and doing the Work at the yard of the Contractor. The Contractor shall not be held responsible for fair wear and tear, or for breakage and defects arising through the negligence or carelessness of any person or persons employed on board the vessel during the warranty period, except the negligence or carelessness of the Contractor's representative if any. The Contractor will not be held responsible for or be under any obligation for consequential damages and delays to the vessel or her cargo.

1028 13 (1991-06-01) Public Ceremony

Unless otherwise provided in the Contract, the Contractor shall not be entitled to any increase in the contract price by reason of any public ceremony. The Contractor shall not allow any public ceremony in connection with the Work without having previously obtained the written permission of the Minister.

1028 14 (2004-12-101) Insurance

1. Notwithstanding any other provisions herein contained, the Contractor shall bear and be subject to all risk of loss or damage of or to the Work or any part thereof until delivery of the vessel and final acceptance of same pursuant to the provisions hereof. If any such loss or damage should occur prior to such delivery and final acceptance, the Contractor shall forthwith (unless otherwise directed by the Minister or the Inspector and subject to such conditions as the Minister or the Inspector may impose), at its own expense and without making any claim for reimbursement therefor, repair, restore and/or replace the Work or the part thereof so lost or damaged.

2. The Contractor shall indemnify and save harmless Canada against and from any and all claims,

damages, loss, costs and expenses which Canada may, at any time or times, suffer or incur as a result of or arising out of any actual or alleged injury to persons (including injuries resulting in death) or damage to property which may be or be alleged to be caused by or suffered as a result of the carrying out of this Contract or any part thereof, whether by the Contractor or by any subcontractor or assignee of the Contractor.

3. The Contractor shall enter into a contract of insurance issued in the joint names of the Contractor and Canada as their respective interests may appear in the standard form of Marine Builder's Risk Policy to provide full indemnification to Canada for any loss or damage to the vessel or any other materials which are the property of Canada for installation in the vessel in the custody of the Contractor or any claim or expenses to Canada as aforesaid for which the Contractor assumes responsibility hereunder, and the premium or cost of such insurance coverage shall be incorporated into and form part of the purchase price.

1028 15 (2004-12-10) Amendment to General Conditions 1026A

The general conditions 1026A as incorporated herein is amended by deleting section 14.

1029 (2004/12/10) Ship Repairs

1029 00 (2004-12-10) Ship Repairs

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09 Where Vessel Out of Commission
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1029 01 (2004-12-10) Interpretation

1. In the Contract, unless the context otherwise requires,

   "Canada", "Crown", "Her Majesty", "the Government" means Her Majesty the Queen in right of Canada;

   "the General Conditions" means general conditions 1026A forming part of the contract;

   "these supplemental general conditions" means these supplemental general conditions;

   "vessel" means the ship or vessel to be repaired, fitted, converted or otherwise dealt with by the Contractor under the contract and includes the whole of its hull, engines, boilers, machinery, auxiliaries, stores, equipment, fittings and appurtenances.

2. These supplemental general conditions shall be read with the General Conditions, provided that, in the event of any inconsistencies between the provisions of the General Conditions and of these supplemental general conditions, the latter shall prevail.

1029 02 (1991-06-01) Contractor to Provide Plant, etc.

Unless otherwise provided herein, the Contractor shall provide and make available, at its own expense, all labour, superintendence services, machinery, equipment, apparatus, tools, implements, materials, articles and things which may be requisite for the efficient carrying out and completion of the Work.

1029 03 (1991-06-01) Quality and Workmanship

All materials and parts used for the Work shall be of the quality required by the Specifications and shall be suitable for their particular purposes and shall be employed in the most substantial and workmanlike manner and only as approved by the Inspector.

1029 04 (1991-06-01) Inspector Final Judge of Work, Materials, etc.

If any part of the Specifications provides for a method of construction or for the supply and/or use of materials, equipment or parts which are not specified with particularity, the Contractor shall have the right of selection provided that the construction so performed and the materials, equipment and parts so supplied and/or used are in accordance with good marine building practice for the type and class of vessels covered by the contract, and provided that the Specifications and all other contract requirements are fully complied with. Subject to the foregoing, the Inspector shall be the final judge of the quality, quantity and suitability of the workmanship, parts, materials, plant, machinery, apparatus, tools and equipment used in or for the purposes of the Work and as to the meaning or interpretation of the Specifications and its decision with regard to the foregoing matters, or any of them, shall be final and binding upon the Contractor. All orders, directions or instructions at any time given by the Inspector with respect to the Work or the conduct or progress thereof or with respect to the parts, materials, plant, apparatus, machinery, tools or equipment used in or for the purposes of the Work, shall be promptly and fully complied with by the Contractor.

1029 05 (1991-06-01) Re-execution of Inferior Work

If, in the opinion of the Inspector, any part of the Work is not in accordance with the Contract, the Inspector may notify the Contractor to properly re-execute the same, which shall be done by the Contractor at its own expense, and if the Contractor fails to do so within such reasonable time as may be fixed by the said or any subsequent notice, then the Inspector may cause such work to be re-executed and replaced by any means which the Inspector considers advisable and the cost thereof shall be borne by the Contractor.

1029 06 (2004-12-10) Removed Parts, etc., Remain Canada Property

Any parts, equipment, materials or accessories of any vessel permanently removed in the carrying out of the Work, shall remain the property of Canada, and shall be disposed of as the Minister may direct.

1029 07 (2004-12-10) Wharfage and Dockage Fees and Charges

1. Until the completion of the Work, the Contractor shall be responsible for and shall pay all charges, fees, expenses and disbursements of or incidental to the carrying out of the Work, including wharfage, towage, dockage, running lines, electric light and water for testing and refilling the tanks.

2. In the event of any assessments, taxes or duties, or other levies and charges whatsoever, being unpaid after the Work has been formally accepted by the Minister, and Canada has complied with all the provisions imposed upon it by this Contract, the Contractor will reimburse Canada within thirty (30) days thereafter for any such assessments, taxes, duties, levies or charges as may have been paid by Canada.

1029 08 (2004-12-10) Where Vessel Remains in Commission

If the vessel is to remain in commission while the Work is being carried out, then

(a) the Work shall be carried out on the vessel at such place as the vessel is from time to time berthed, provided that every endeavour shall be made consistent with the necessity for speedy execution of the Work to have the vessel berthed at such place as will facilitate the Work required to be performed thereon by the Contractor;

(b) the Contractor shall not be in charge of or responsible for the care and protection of the vessel but shall be liable for all loss or damage or personal injury (to persons other than those in the employ of the Contractor) resulting from any negligent or wrongful act or omission on the part of the Contractor, its officers, servants, agents or employees during the carrying out of the Work. If any such loss or damage should occur to the vessel or to the Work, the Contractor shall forthwith, unless otherwise directed by the Minister or the Inspector and subject to such conditions as the Minister or the Inspector may impose, at its own expense, repair, restore and/or replace the vessel and/or the Work so lost or destroyed. The Contractor shall indemnify and save harmless Canada and the Minister against and from all loss, damages, costs and expenses arising from or in any way connected with any and all claims for or in respect of such loss, damages or personal injuries occasioned as aforesaid.

1029 09 (2004-12-10) Where Vessel out of Commission

If the vessel be out of commission while the Work is being carried out, then

(a) unless the prior approval of the Minister has been obtained to ground the vessel, it shall be berthed where it will not touch the ground at either high or low water;

(b) the Contractor shall be in charge of and be entirely responsible for the care and efficient protection of the vessel from the time of delivery thereof to the Contractor until redelivered to and accepted by the person or persons appointed by the Minister to receive and accept the same;

(c) a copy of all lists of fixtures and spare gear will be furnished to the Contractor who shall check the same in conjunction with the Inspector and thereafter acknowledge receipt of the items set forth therein; upon completion of the work, if such items are accounted for to the satisfaction of the Inspector, a clearance will be given to the Contractor;

(d) the Contractor shall provide the necessary warehouse or storage accommodation for and maintain in good conditions, lubricated, painted and protected from the weather, all equipment, fittings, articles or things temporarily removed from the vessel during the Work or which may be supplied to the Contractor by Canada for stowing or fitting in place on board the vessel prior to delivery thereof to Canada, and shall redeliver the same to Canada in as good condition as when so removed by or supplied to the Contractor. The Contractor shall also provide safe storage accommodation for any part or parts of the vessel permanently removed until the same are disposed of as hereinbefore provided;

(e) the Contractor shall take the usual and proper precautions to maintain in a proper state of preservation any machinery, equipment, fittings, stores or things left in the vessel which might become damaged by exposure;

(f) if the Work hereunder necessitates the removal of stores and no secure place of stowage is available on board the vessel, the Contractor shall provide the necessary labour for removal and a secure place for storage. The Contractor shall furnish receipts for such stores. The Contractor undertakes that such stores shall be well and carefully stored and not mingled with property of a similar nature;

(g) the Contractor shall be liable for all loss or damage of or to the vessel or the Work and for personal injury (to persons other than those in the employ of the Contractor) resulting from any negligent or wrongful act or omission on the part of the Contractor, its officers, servants, agents or employees from the time of the taking over of the vessel until delivery of the vessel and final acceptance of the Work pursuant to the provisions hereof. If any such loss or damage should occur prior to such delivery and final acceptance, the Contractor shall forthwith (unless otherwise directed by the Minister or the Inspector and subject to such conditions as the Minister or the Inspector may impose), at its own expense, repair, restore and/or replace the vessel and/or the Work so lost or damaged. Neither Canada nor the Minister shall be in any manner responsible or liable for any loss or damage which shall or may happen to the vessel and/or the Work, or any part or parts thereof (prior to delivery as herein provided), or for any injury including injuries resulting in death, to any person or persons, or for any other damages or injuries whatsoever, caused by or in connection with the vessel, or caused by or resulting from or in any way arising out of the Work, and the Contractor shall indemnify and save harmless Canada and the Minister against and from all loss, costs, damages and expenses arising from or in any way connected with any and all claims for or in respect of such loss, damages or injuries.

1029 10 (2004-12-10) Insurance

The Contractor warrants that it is carrying Shipbuilders' and/or Ship Repairers' Liability insurance in the amount stated in the agreement and hereby agrees to maintain the said insurance in force during the carrying out of the Contract; and the Contractor further agrees that, in the event of any loss or liability covered by the said insurance being suffered or incurred by or in relation to the vessel or to the Work, the said insurance shall be available for the benefit of Canada as Canada’s interest may appear.

1029 11 (1991-06-01) Public Ceremony

The Contractor shall not allow any public ceremony in connection with the Work without having previously obtained the written permission of the Minister.

1029 12 (2004-12-10) Security Deposit

1. The security (if any) referred to in the agreement shall be held and retained by Canada as security for the due and complete performance, observance and fulfilment by the Contractor of all the covenants and provisions of the Contract. Unless and until the security is forfeited to Canada as herein provided, Canada shall remit any revenues and income therefrom (provided that Canada shall in no event be obligated to invest moneys as interest or otherwise) to the

Contractor, and in the case of interest coupons, or dividend coupons payable to bearer, shall deliver the same to the Contractor as and when they mature. In the event of any default by the Contractor in fulfilment of any of the terms and conditions of the Contract, the security shall (without prejudice to any and all other rights and recourses accruing to Canada) be forfeited to and retained by Canada as liquidated damages and not as a penalty but, if the Contractor shall have duly performed, observed and fulfilled all the covenants, terms and conditions of the Contract, the security shall be returned to the Contractor.

2. Notwithstanding the foregoing, the Minister may, at its discretion, authorize a return of the security to the Contractor at any time before the Contractor has fulfilled all its obligations under the Contract. In such event, the return of the security shall not prejudice any rights or recourse accruing to Canada under the Contract.

1033 (2004/12/10) Shipbuilding - Cost Reimbursement

1033 00 (2004-12-10) Shipbuilding - Cost Reimbursement

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1033 01 (2004-12-10) Interpretation

1. In the Contract, unless the context otherwise requires,

   “Canada”, “Crown”, “Her Majesty”, “the Government” means Her Majesty the Queen in right of Canada;

   "General Conditions" means general conditions 1026B forming part of the Contract;

   "supplemental general conditions" means these supplemental general conditions;

   "Inspector" means the representative designated for the inspection function by the client department;

   "vessels" means the ships or vessels to be constructed by the Contractor under the Contract and includes the whole of their respective hulls, engines, boilers, machinery, components, auxiliaries, equipment, fittings and appurtenances; and "vessel" shall have a corresponding meaning. Where the context permits, the term "Work" as used in the Contract includes the vessels or vessel as herein defined.

2. These supplemental general conditions shall be read with the General Conditions, provided that, in the event of any inconsistencies between the provisions of the General Conditions and of these supplemental general conditions, the latter shall prevail; and in the event of any inconsistencies between these supplemental general conditions and the Agreement, the latter shall prevail.

1033 02 (2004-12-10) Sources of Labour

The Contractor shall make a special study of and exert special efforts for the training of its own workers and employees for the purpose of carrying out the Contract and shall not engage or employ any skilled or other workers or employees engaged or employed in any other shipyards under similar contract with Canada to build vessels.

1033 03 (2004-12-10) Supervision and Conduct of Work

1. The Contractor shall to such extent, if any, as may from time to time be requested by the Minister or the Inspector:

   (a) consult the Minister and the Inspector on matters pertaining to the performance of the Contract;

   (b) permit the examination by the Minister and the Inspector of all contracts entered into or to be entered into by the Contractor and of all Specifications and drawings prepared or under preparation by or for the Contractor in connection with the performance of the Contract; and

   (c) furnish to the Minister and to the Inspector

      (i) copies of all contracts, Specifications and drawings as may be necessary to complete their records of the performance of the Contract; and

      (ii) such information and data (including duplicates of orders, progress reports and flow sheets) with respect to the Work and the progress thereof as the Minister or the Inspector may from time to time require.

2. All directions and instructions which may from time to time be given by the Minister or the Inspector with respect to the Work or the conduct or progress thereof and the recording and reporting of the cost thereof, and/or with respect to the placing of contracts or the making of commitments for the purposes of the Work, shall be promptly and fully complied with by the Contractor.

1033 04 (2004-12-10) Inspector Final Judge of Work, Materials, etc.

If any part of the Specifications or drawings provide for a method of construction or for the supply and/or use of materials, equipment or parts which are not specified with particularity, the Contractor shall, subject to the approval of the Inspector, have the right of selection provided that the construction so performed and the materials, equipment and parts so supplied and/or used are in accordance with good marine building practice for the type and class of vessels covered by the Contract, and provided that the Specifications and drawings and all other contract requirements are fully complied with. The Inspector shall be the final judge of the quality, quantity and suitability of the workmanship, parts, materials, plant, machinery, apparatus, tools and equipment used in or for the purposes of the Work and as to the meaning or interpretation of the Specifications and drawings and his decision with regard to the foregoing matters, or any of them, shall be final and binding upon the Contractor. All orders, directions or instructions at any time given by the Inspector with respect to the Work or the conduct or progress thereof or with respect to the parts, materials, plant, apparatus, machinery, tools or equipment used in or for the purposes of the Work, shall be promptly and fully complied with by the Contractor.

1033 05 (2004-12-10) Re-execution of Inferior Work

The Inspector may reject or refuse to accept or approve any part of the materials or Work if, in his opinion, the same or any workmanship, parts or materials used in the manufacture or production thereof are not in accordance with the provisions of the Contract. Canada shall not be under any liability hereunder for any work done, materials or parts delivered or assembly made by the Contractor

hereunder, unless and until the same shall have been approved by the Inspector as evidence by its certificate in writing. The Contractor shall forthwith replace or otherwise make good to the satisfaction of the Inspector any part of the materials or work which may have been rejected by the Inspector.

1033 06 (2004-12-10) Economical Execution and Spoilage

1. The Contractor shall use its best efforts to launch, complete and equip the vessels as economically as possible and to avoid waste and shall, at all times, apply to the Work under the Contract, including the purchase and maintenance of inventories of materials and supplies therefor, and shall exercise in respect to the operations under the Contract, the same care, skill and supervision as it would if it were constructing the vessels for its own account.

2. The Contractor shall avoid spoilage of materials but, up to the time of final acceptance by Canada of the respective vessels, the cost of correction or replacement of rejected material and workmanship, the cost of rectifications required of component parts or completed vessels, and the cost of any repairs thereto occasioned by or in connection with the demonstration or test or trials thereof shall be part of the cost of the Work under the Contract and the Contractor shall be reimbursed therefor under and in accordance with the provisions hereof, unless the character and total value thereof shall, in the opinion of the Minister, clearly indicate gross mismanagement, wilful misconduct or lack of good faith on the part of the Contractor.

1033 07 (2004-12-10) Provision of Facilities

Canada reserves the right to furnish any material or components, or supplementary tools, machinery and equipment necessary for the performance of the Contract, and the right to pay private or common carriers any and all freight charges on equipment, materials and component parts.

1033 08 (2004-12-10) Discounts, etc.

The Contractor shall, as far as practicable, take all cash and trade discounts, rebates, credits, salvage, custom duty drawbacks, commissions and other allowances. In determining the actual net cost of articles and materials of every kind required for the performance of the Contract, there shall be deducted from the gross cost thereof all cash and trade discounts, rebates, credits, salvage, custom duty drawbacks, commissions and other allowances as aforesaid. Such benefits lost through no fault or neglect on the part of the Contractor or lost through the fault of Canada shall not be deducted from gross costs.

1033 09 (2004-12-10) Suspension of Work and Changes in Specifications

The Minister may, at any time and from time to time, order a suspension of the Work, in whole or in part, and may, from time to time, make modifications of, changes in or additions to the Specifications, and all orders and directions given by the Minister with respect to the foregoing shall be complied with by the Contractor. The Contractor may, with the written approval of the Minister, make any such modifications, changes or additions to the Specifications. Should any such suspension, modification, change or addition result in a material increase or decrease in the scope of the Work, the Minister may make an adjustment in the Contractor's fee, and the Minister's decision as to the adjustment to be made shall be final.

1033 10 (1991-06-01) Certificates Required

It shall be the duty of the Contractor, if so required by the Minister, to have the vessels classed and to obtain and deliver to the Inspector all necessary certificates to show the same to be in accordance with approved classification society's survey and/or any governmental requirements, and to provide any necessary documents for obtaining registration under the *Canada Shipping Act* and/or any other relevant statute. Certificates called for under the Contract shall be handed over to the Inspector prior to final payment to the Contractor in respect of each vessel.

1033 11 (2004-12-10) Warranty

Notwithstanding anything in the Contract contained, the Contractor warrants and guarantees that the vessels as herein defined will be of first-class quality, materials and workmanship and fully in accordance with the Specifications, said warranty and guarantee to continue for a period of twelve (12) months from and after delivery to and acceptance by the Minister of the respective vessels or such longer period as may be provided in the agreement. Such warranty shall apply against all defects of materials or workmanship and includes an undertaking that any part or parts of the vessels (excluding government issue) which may be found defective or with signs of weakness of undue wear within such period (owing to faulty materials or workmanship) shall be repaired or, at the Contractor's option, a new part or parts shall be furnished by the Contractor at the Contractor's shipyard without cost to Canada or Canada may repair or replace such defective part or parts and the Contractor will pay to Canada the cost of such repair or new part or parts not exceeding; however, the cost of a new part or parts, FOB the Contractor's shipyard, provided, however, that notice of such defective part or parts and of the whereabouts of the vessel shall be given by Canada to the Contractor within sixty (60) days following discovery of such defect.

1033 12 (2004-12-10) Title to Vest in Canada

The vessels and all materials and things acquired or intended for the purpose of the Work around or about the premises where any part of the Work is being carried on shall at all times be the property of Canada (and, to such extent as may be required by the Inspector, shall be marked with or identified by a statement to that effect) and shall not be removed from the said premises without the written consent of the Minister or the Inspector provided, however, that all materials and things which are normally kept by the Contractor in its common stores for use in its general business shall be at the risk of the Contractor until withdrawn by the Contractor for use in the performance of the Work under the Contract.

1033 13 (2004-12-10) Risk of Loss or Damage

1. Notwithstanding anything contained in section 12 of these supplemental general conditions and/or any other provision of the Contract, the Contractor shall bear and be subject to all risk of loss or damage of any nature whatsoever (except loss or damage the risk of which is assumed by Canada as provided in subsection 13.3 and except as provided in section 6 of these supplemental general conditions) of or to the Work or any part thereof until delivery of the vessels and final acceptance of same pursuant to the provisions hereof. If any such loss or damage should occur prior to such delivery and final acceptance, the Contractor shall forthwith (unless otherwise directed by the Minister or the Inspector and subject to such conditions as the Minister or the Inspector may impose) at its own expense and without making any claim for reimbursement therefor, repair, restore and/or replace the Work or the part thereof so lost or damaged.

2. The Contractor shall indemnify and save harmless Canada and the Minister against and from any and all claims, damages, loss, costs and expenses (except claims, damages, loss, costs and expenses and risk of which is assumed by Canada as provided in subsection 13.3 which Canada and/or the Minister may, at any time or times, suffer or incur as a result of or arising out of any actual or alleged injury to persons (including injuries resulting in death) or damage to property which may be or be alleged to be caused by or suffered as a result of the carrying out of this Contract or any part thereof, whether by the Contractor or by any subcontractor or assignee of the Contractor.

3. The Contractor shall not (except as and to the extent, if any, specifically required or permitted by the agreement), unless otherwise directed by the Minister, carry, or incur the expense of, any insurance on or in respect of the Work. Canada hereby assumes the same risk of loss of, damage to and liability in respect of the Work (except to the extent, if any, to which the Contractor is for the time being directed or permitted hereunder to carry insurance) as would have been assumed by the underwriters if the Work had been insured throughout the term of the Contract for full value under the form of builders' risk policy set forth in standard form of Marine Builders' Risk

Policy, forming part of the Contract, but excluding therefrom the "Collision" and the "Protection and Indemnity" clauses.

4. The Contractor will promptly notify the Minister of any action, claim or demand instituted or made in respect of which the Contractor may be entitled to be indemnified by Canada under the provisions of subsection 13.3, and shall furnish to the Minister the originals or true copies of all proceedings and papers received by the Contractor in respect of each such action, claim or demand, and shall, if hereunto requested by the Minister, authorize representatives of the Minister to settle or to direct or to take conduct of the defence of such action, claim or demand, and, in the absence of such request, the Contractor shall diligently proceed with such defence.

5. Canada shall be entitled or subrogated to all rights and remedies of the Contractor and/or any subcontractor against third parties in respect of any loss or damage, the risk of which is assumed by Canada hereunder, and the Contractor and/or the said subcontractors shall, at the expense of Canada , do, concur in doing and permit to be done all such acts and things as may be necessary or as the Minister may direct or require for the purpose of enforcing such rights and remedies.

6. If the Work or any part thereof shall be lost or damaged by reason of anything the risk whereof is assumed by Canada hereunder, then the Contractor shall, if the Minister so directs, with all possible speed and with equivalent materials and workmanship, repair, rebuild or replace the same in the like state and condition in every respect as before the happening of the said loss or damage, and the reasonable and proper net cost of such repair, rebuilding or replacement (calculated and determined in accordance with the Contract Cost Principles 1031-2 forming part of the Contract) shall be paid or reimbursed to the Contractor as herein provided in respect of the cost of the Work, and, in case such loss or damage shall have happened without the actual fault or privity of the Contractor, Canada will pay to the Contractor, in addition to such cost, a profit or fee in such amount as the Minister shall consider reasonable, having regard to all the circumstances.

7. The term "Work" and other words relative thereto, or of like "import", wherever used in this section, shall be deemed to include Government Issue and any other property owned by Canada which for the purposes of the Contract is in the Contractor's possession or subject to the Contractor's control.

1033 14 (2004-12-10) Amendment to General Conditions 1026B

For the purposes of the Contract, the words "for a period of thirty (30) days" are hereby added after the word "default" in the first line of subsection 24.1 of general conditions 1026B.

1033 15 (2004-12-10) Accommodation for Inspector

The Contractor shall provide for the Inspector and any supervisory or other staff employed by Canada, such office space, office facilities, telephone service and suitable sanitary and washing facilities as the Inspector or the Minister may reasonably require from time to time at the Contractor's shipyard. Such staff may, if required by the Inspector, include the ship's company standing by the vessels during the last stages of completion.

1033 16 (2004-12-10) Launching

1. The Contractor shall launch the vessels safely. Launching calculations shall be made available for inspection by the Inspector and, in the following circumstances, shall also be submitted by the Contractor through the Inspector to the client department:

   (a) if the Contractor shall not have previously built and launched a vessel of the same class at its shipyard; or

(b) if the Contractor is directed by the client department to submit such calculations.

2. Neither the submission of launching calculations to the Inspector or to the client department nor concurrence therein by the Inspector or the client department shall be deemed to be concurrence by Canada in the adequacy of such calculations.

1033 17 (1991-06-01) Public Ceremonies

The Contractor shall not allow any public ceremony in connection with the Work without having previously obtained the written approval of the Minister. Any ceremony approved by the Minister shall be conducted by the Contractor in accordance with the instructions of the Minister and/or the Inspector.

1033 18 (1991-06-01) Berthing of Vessel

After the launching or floating out of dock of the vessel, the vessel, while receiving her machinery or being completed, shall be placed by the Contractor in a suitable berth where the vessel cannot touch the ground at any time, unless prior approval shall have been obtained by the Contractor from the Inspector for the use of a particular berth where the vessel may touch bottom. No berth shall be considered a suitable berth unless prior approval thereof, having regard to the size of the vessel, shall have been received from the Inspector.

1033 19 (1991-06-01) Dry Docking of Vessel

In addition to any dry-docking by the Contractor for the completion of the vessel and for tests and trials, the vessel shall be dry-docked for survey at any time if required by the Minister or the Inspector.

1033 20 (2004-12-10) Commissioning of Vessel

Canada may commission the vessel before or during trials and shall not, by reason thereof, be deemed to have accepted the vessel.

1033 21 (1991-06-01) Storage of Materials, Parts, etc.

1. The Contractor shall supply suitable warehouse accommodation for the storage of all materials, parts and equipment regardless of the source of supply thereof, for such length of time as the Minister may direct.

2. Without limiting the Contractor's responsibility, as provided in the Contract, for the care of materials, parts and equipment in its custody or control, the Contractor shall carry out such maintenance, care, minor repairs, calibration, adjustment, handling, embarking, loading, care after loading and similar duties in respect of materials, parts and equipment in the custody or control of the Contractor or of the Inspector, as the Minister or the Inspector may from time to time direct.

1033 22 (2004-12-10) Drawings

All drawings and copies of drawings which have been prepared by the Contractor pursuant to the Contract or furnished to the Contractor by Canada, shall be sole property of Canada and may be used as Canada sees fit.

1033 23 (2004-12-10) Trials of Vessel

1. Each vessel shall, before delivery, be subjected to such trials as are required by the specifications. Delivery of a vessel shall not be complete until after such trials shall have been made to the satisfaction of the Inspector and in accordance with such instructions as may be given to the Contractor in writing by the Minister or the Inspector.

2. The Contractor shall be in charge of the vessel, including the machinery and the electrical installations thereof, and shall provide the staff for navigating the vessel and for the operation of the machinery and the electrical installation at all times during trials and until the vessel is accepted by Canada.

3. During sea trials, the vessel shall be commanded by a Master employed by the Contractor after such Master shall have been approved by the client department.

4. The vessel shall not move to open water for trials without the written consent of the Inspector.

5. The client department may place a reasonable number of its naval officers and men, including civilian personnel, on board the vessel during the period of trials and, regardless of their duties, they shall have access to any part of the vessel. The client department shall designate one of such personnel (who may or may not be the Inspector) to be the client department representative, and the Contractor shall appoint one of its personnel to be its senior representative. All client department personnel will observe the manner in which the Contractor conducts the trials and in the event of danger to the ship or its machinery or equipment or to life and property, they will report to the Contractor's senior representative and to the client department representative. The Contractor shall comply with any instructions which may be given by the client department representative to the Contractor's senior representative in respect of safety measures to counteract such danger.

1036 (2004/12/10) Research and Development

1036 00 (2004-12-10) Research and Development

Public Works and Government Services Canada

01 Interpretation
02 Conduct of the Work
03 Ownership of Designs, Reports, Property, etc.
04 Ownership of Inventions
05 Officers, Employees, Agents and Subcontractors
06 Patents and Royalties

1036 01 (2004-12-10) Interpretation

1. Unless the context otherwise requires,

   "the General Conditions" means general conditions 1026A forming part of the Contract;

   “Canada”, “Crown”, “Her Majesty”, “the Government” means Her Majesty the Queen in right of Canada;

   "Work" includes engineering investigations, tests, designs, technical reports, drawings, plans, specifications, models, prototypes, patterns, and samples procured, made or prepared for the purposes of the Contract;

   "Project Officer" means the person or persons (if any) designated as such in the agreement and/or any person or persons for the time being authorized to act on behalf of Canada or the Minister as the Project Officer under the Contract.

2. These supplemental general conditions shall be read with the General Conditions, provided that, in the event of any inconsistencies between the provisions of the General Conditions and of these supplemental general conditions, the latter shall prevail.

1036 02 (1991-06-01) Conduct of the Work

The Contractor shall carry out the Work to the satisfaction of the Project Officer and shall comply with all instructions and directions which may, from time to time, be given by the Minister or the Project Officer with respect to the Work or the conduct or progress thereof.

1036 03 (2004-12-10) Ownership of Designs, Reports, Property, etc.

All designs, technical reports, photographs, drawings, plans, specifications, models, prototypes, patterns, and samples produced by the Contractor in the performance of the Work shall vest in and remain the property of Canada. All other property produced or acquired by the Contractor in any manner in connection with the Work and the cost of which is paid by Canada shall vest in and remain the property of Canada. The Contractor shall account fully to the Minister in respect of the foregoing in such manner as the Minister shall direct.

1036 04 (2004-12-10) Ownership of Inventions

Unless otherwise provided in the Contract, all technical information, inventions, methods and processes conceived or developed or first actually reduced to practice in carrying out the Contract shall be the

property of Canada and shall be fully and promptly disclosed in writing to Canada by the Contractor. The Contractor shall have no rights in and to the same, except such rights therein as may be granted by Canada, and shall not apply for any patent in regard thereto without Canada's written consent. The Contractor shall not, without the written consent of Canada, divulge or use such technical information, inventions, methods, and processes other than in the carrying out of the Work and, in particular, shall not sell, other than to Canada, any articles or things embodying such technical information, inventions, methods, and processes or grant any license to manufacture such articles or things without the written consent of Canada.

1036 05 (2004-12-10) Officers, Employees, Agents, and Subcontractors

The Contractor shall take every reasonable measure and precaution to ensure that its officers, employees, agents, and subcontractors shall be bound to observe the provisions of these supplemental general conditions. Without limiting the generality of the foregoing, the contractors shall include in any subcontract hereunder clauses similar to these supplemental general conditions in terms not less favourable to Canada than the terms of these supplemental general conditions. The Contractor shall execute such documents and do such other acts and things as the Minister shall direct to fulfil the purposes of this section.

1036 06 (2004-12-10) Patents and Royalties

1. The Contractor shall forthwith notify the Minister of all royalties which the Contractor or any of its subcontractors will or may be obligated to pay or proposes to pay for or in respect of the carrying out of the Contract, and the basis thereof, and the parties to whom the same are payable, and shall, from time to time, promptly advise the Minister of any and all claims or arrangements made or proposed which would or might result in further or different payments by way of royalties being made by the Contractor or any of its subcontractors.

2. The Contractor shall not pay, and shall direct its subcontractors not to pay, any royalties in respect of the carrying out of the Contract except with the consent in writing of the Minister and subject to such conditions as the Minister may impose.

3. Subject to compliance by the Contractor with the foregoing provisions, Canada shall relieve and indemnify the Contractor from and against all claims, actions, or proceedings for payment of such royalties in cases where the Minister withholds such consent.

4001 (2010/01/11) Hardware Purchase, Lease and Maintenance

Public Works and Government Services Canada

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Part I - Conditions Common to Hardware Transactions

4001 01 (2010-01-11) Interpretation

1. In the Contract, unless the context requires otherwise,

"Delivery Date" means the date specified in the Contract for the delivery of the Hardware. If no date is specified elsewhere in the Contract, the Delivery Date is for any initial delivery, thirty (30) days from the date of the Contract; for any Hardware purchased or leased under an option, thirty (30) days from the date the option is exercised; and if the Contract provides for multiple orders, thirty (30) days from the date of each order;

"Downtime" means the time, measured in hours and whole minutes, during which the Hardware is not available for Fully Functional Operation during User Time because of a malfunction of the

Hardware. Downtime starts when Canada notifies the Contractor that the Hardware is not available for Fully Functional Operation and ends when the malfunction has been corrected and the Contractor notifies Canada that the Hardware has been restored to Fully Functional Operation, unless Canada then notifies the Contractor that the Hardware is still not available for Fully Functional Operation;

"Firmware" means any computer programs stored in integrated circuits, read-only memory, or other similar devices within the Hardware;

"Fully Functional Operation" means that the Hardware is working according to all the Specifications, so that all of the functionalities of the Hardware can be used;

"General Conditions" means the general conditions that form part of the Contract;

"Hardware" means all the equipment, materials, matters and things to be provided, maintained, and supported, as applicable, by the Contractor under the Contract (including cables and other ancillary items). The term "Hardware" includes Firmware, if any, but does not include software or services. Unless the context requires otherwise, the term "Hardware" includes any Leased Hardware. Also, unless the context requires otherwise, each time the term "Hardware" is used, it will be read as also applying to each System delivered under the Contract;

"Hardware Documentation" means all of the manuals, handbooks, user guides and other human-readable material to be provided by the Contractor to Canada for use with the Hardware, whether it is to be supplied in printed form or on an electronic storage medium, such as a CD-ROM;

"Leased Hardware" means the Hardware leased under the Contract;

"Hardware Maintenance Service" has the meaning given in Part V;

"Operational Use Time" means the time, measured in hours and whole minutes, during which the Hardware performs its functions or activities in accordance with the Specifications during User Time, and includes all intervals between the stop and start times of the Hardware during User Time that do not constitute Downtime, such as maintenance scheduled in advance with Canada;

"Ready for Use" describes the Hardware once the Contractor has delivered it and, if applicable, has installed, integrated and configured it so that it is available for Fully Functional Operation;

"Specifications", despite the definition in the General Conditions, for the Hardware, means the functional or technical description of the Work set out or referred to in the Contract, including drawings, samples and models, and also includes, except to the extent inconsistent with anything in the Contract, any such description set out or referred to in any brochure, product literature or other documentation provided by the Contractor under the Contract, as well as any technical documentation published or made generally available by the manufacturer of any of the Hardware. For any System to be provided, if there is any inconsistency between the Specifications for an individual System component and the Specifications for the System as a whole, the Specifications for the System will prevail over the Specifications for any System component;

"System" means the integrated combination of any of the Hardware delivered under the Contract and any other equipment, materials or software described in the Contract that are interconnected with or that otherwise interoperate with the Hardware together as a unit. There may be multiple "Systems" including different items of Hardware delivered under the Contract. A System may include Custom Software, if supplemental general conditions 4002 are part of the Contract and/or a System may include Licensed Software, if supplemental general conditions 4003 are part of the Contract;

"User Time" means 7:00 a.m. to 7:00 p.m., Eastern Time, Mondays through Fridays, excluding statutory holidays observed by Canada at the site where the Hardware is being used.

2. Words and expressions defined in the General Conditions and used in these supplemental general conditions have the meanings given to them in the General Conditions, unless provided otherwise. If the General Conditions contain sections entitled "Ownership" or "Warranty", those sections do not apply to the Hardware. Instead, the ownership and warranty provisions in these supplemental general conditions apply to the Hardware.

3. If there is any inconsistency between the General Conditions and these supplemental general conditions, the applicable provisions of these supplemental general conditions prevail.

4. Part I of these supplemental general conditions applies to the relationship between the Parties with respect to hardware transactions generally.

5. Part II of these supplemental general conditions applies if any Hardware is being purchased or leased under the Contract.

6. Part III of these supplemental general conditions applies if any Hardware is being purchased under the Contract, including Leased Hardware that is purchased because Canada exercises an option to purchase.

7. Part IV of these supplemental general conditions applies if any Hardware is being leased under the Contract.

8. Part V of these supplemental general conditions applies if either or both of Part III or Part IV applies, or if the Contract is for maintenance of Hardware already owned by Canada.

4001 02 (2010-01-11) Hardware Must be New

1. All Hardware supplied by the Contractor, including parts used to provide the Hardware Maintenance Service under Part V, must be new and unused. The Hardware must also:

(a) be off-the-shelf, meaning it must be composed of standard equipment requiring no further research or development;

(b) be a model that is still in production by the manufacturer at the time of delivery; and

(c) conform to the version of the applicable specification or part number of the manufacturer in effect at the time of delivery.

2. Unless the Contract provides otherwise, hardware or parts that have been refurbished or are certified as "equal to new quality" are not acceptable, including for the Hardware Maintenance Service.

3. By supplying the Hardware, the Contractor is guaranteeing that the Hardware is not counterfeit, meaning it is not an unauthorized copy, replica, or substitute for the product manufactured by the original equipment manufacturer identified by name on the Hardware.

Part II - Conditions Common to Lease and Purchase

4001 03 (2010-01-11) Delivery

The Contractor must deliver the Hardware to the location(s) designated by Canada by the Delivery Date. The Contractor must pay all costs associated with replacing any item damaged in transit to the final destination. The Contractor acknowledges that no item will be considered delivered on the Delivery Date

if it is damaged or otherwise not ready for Canada to begin its acceptance procedures. The Contractor must, at a minimum, package the Hardware according to industry standards and include a packing slip with each shipment. The Contractor must also arrange for any rigging and drayage necessary to deliver the Hardware. All costs associated with packaging, shipping, transportation and delivery are included in the price of the Hardware.

4001 04 (2008-05-12) Special Site Delivery or Installation Preparation Requirements

1. If the Contract describes special site preparation requirements, the Contractor must prepare the site for delivery or installation at its own expense according to those requirements, sufficiently in advance to meet the Delivery Date. All the costs associated with the special site preparation are included in the price of the Hardware.

2. If the Contract provides that Canada is responsible for special site preparation requirements, then the following applies instead of subsection 1:

(a) Canada must prepare the site at its own expense in accordance with the site preparation requirements described in the Contract.

(b) If the Contract provides that there are special site preparation requirements, but does not describe them, the Contractor must deliver a complete written description of them to Canada immediately following the date of the Contract or, if the Delivery Date is more than thirty (30) days after the date of the Contract, at any time at least thirty (30) days before the Delivery Date. If the Contractor delivers the special site preparation requirements to Canada by this time, and Canada does not object to any of the Contractor's requirements within ten (10) days, Canada must prepare the site according to these requirements. If Canada is required to make any alterations or modifications because the Contractor's special site preparation requirements were incomplete or incorrect, the Contractor must reimburse Canada for any additional expenses it incurs. The Contractor guarantees that, if the site is prepared and maintained by Canada according to the special site preparation requirements, the resulting environment will permit the Hardware to operate according to the Specifications.

(c) Canada must complete the special site preparations and notify the Contractor that the site is ready at least five (5) working days before the Delivery Date, after which the Contractor may inspect the site at a time agreed to by Canada. Inspection by the Contractor does not relieve Canada of its obligation to prepare the site according to the special site preparation requirements described in the Contract.

(d) If Canada does not prepare the site according to the special site preparation specifications on time, unless the delay is due to an event reasonably beyond Canada's control, the Contractor will be entitled to be reimbursed for any additional costs that it can demonstrate that it reasonably and properly incurred as a direct result of the delay.

3. If the Contract does not describe any special site preparation requirements, subsections 1 and 2 do not apply, and instead the Contractor guarantees that none are required for the Hardware to operate according to the Specifications.

4001 05 (2008-05-12) Installation, Integration and Configuration

1. Unless provided otherwise in the Contract, the Contractor must unpack, assemble, install, integrate, interconnect, and configure all the Hardware at the location(s) specified in the Contract. Where necessary to complete this part of the Work, the Contractor must provide all required moving and installation resources, including but not limited to personnel, packing material, vehicles, cranes, and floor protection panels. After completing this part of the Work, the Contractor must provide Canada's on-site representative with written notification that the Hardware is Ready for Use. If either or both of Supplemental General Conditions 4002 and/or

4003 apply to the Contract, and the Contract provides that the System consists of the Hardware together with Licensed Software and/or Custom Software, the Work described in this article also applies to the entire System.

2. The Contractor must supply all materials required to complete the assembly, installation, integration, interconnection, and configuration of the Hardware at the location(s) specified in the Contract so that it is Ready for Use and acceptance, including providing and setting up all the required connections to the power supply and any other necessary utilities, cables, and any other accessories or supplies.

3. The Contractor must leave all work areas clean and tidy at the end of each workday and once the Work is complete, which includes removing and disposing of all packing materials.

4. All costs associated with the Work described in this section are included in the price of the Hardware.

4001 06 (2008-05-12) Certification of Electrical Equipment

The Contractor guarantees that all electrical equipment delivered under the Contract is either:

(a) certified by an organization accredited by the Standards Council of Canada in accordance with Part I of the Canadian Electrical Code; or

(b) has been inspected by an organization acceptable to the Chief Electrical Inspector in the province, territory or city in Canada where the electrical equipment will be delivered, in which case the Contractor must present evidence of this inspection if requested by Canada.

4001 07 (2008-05-12) Hardware Documentation

1. The Contractor must provide to Canada the same Hardware Documentation that it provides to other purchasers of similar hardware, and must include all supplements and revisions to the Hardware Documentation effective up to the Delivery Date. The Hardware Documentation must at least include all the documentation available to consumers from the manufacturer of the Hardware about the technical specifications of the Hardware and the Firmware, installation requirements, and operating instructions, as well as details about the software programs with which the Hardware functions, regardless of whether licenses to those software programs are provided under the Contract.

2. The Contractor guarantees that the Hardware Documentation it provides is sufficiently detailed to allow Canada to use and test all the Hardware's functions.

3. If the Contract states that the Contractor must provide maintenance documentation, the Contractor guarantees that the Hardware Documentation it provides is sufficiently detailed to permit Canada, or someone authorized by Canada, to maintain and repair the Hardware properly, and to test it for that purpose.

4. The Contractor must deliver the Hardware Documentation to Canada with the Hardware. If multiple units are delivered, unless the Contract specifically provides otherwise, the Contractor must provide one complete set of Hardware Documentation with each item of Hardware.

5. If there are changes to the Hardware during the contract period, the Contractor must update the Hardware Documentation, at no additional cost to Canada. The Contractor must provide these updates within ten (10) days of the updates being made available by the manufacturer. If available from the manufacturer, the updates must include supporting documentation that identifies any problem resolved or enhancement made to the Hardware, any new feature(s) added, and any necessary installation instructions.

6. Despite anything in the General Conditions concerning copyright, the copyright in the Hardware Documentation will not be owned or transferred to Canada. However, Canada has the right to use the Hardware Documentation and may, for its own internal purposes, copy it for use by individuals using or supporting the Hardware, as long as Canada includes any copyright and proprietary right notices that are part of the original document.

7. Unless provided otherwise in the Contract, the Hardware Documentation must be delivered in both English and French. If the Contract provides that the Hardware Documentation is only required to be provided in one of Canada's official languages, Canada has the right to translate it or have it translated for its own use. Canada owns any translation and is not required to provide it to the Contractor. Canada must include any copyright and proprietary right notices that are part of the original document in any translation. The Contractor is not responsible for technical errors that arise as a result of any translation made by Canada.

4001 08 (2010-01-11) Minimum Availability Level Requirement

1. Each item of Hardware must achieve the minimum availability level specified in the Contract during each month of the contract period. If no minimum availability level is specified, this section does not apply to the Contract.

2. The availability level achieved each month must be calculated as follows:

Operational Use Time / [Operational Use Time + Downtime] x 100%

3. The Contractor must monitor the performance of the Hardware and submit written monthly reports regarding the availability level during each calendar month of the contract period. The report must be submitted to the Contracting Authority and the Technical or Project Authority within thirty (30) days of the end of the month covered by the report.

4. If the Contract states that no availability level reports are required, the Contractor acknowledges that Canada may monitor the availability level or perform testing at any time during the contract period.

5. If any Hardware does not meet the minimum availability level in any given month, in addition to any other remedy provided for in the Contract, the Contractor must immediately perform Hardware Maintenance Service to restore the Hardware to Fully Functional Operation at the minimum availability level.

4001 09 (2010-01-11) Availability-Level Testing Before Acceptance

1. Availability-level testing may be required by Canada before acceptance if the Contract specifies a Minimum Availability Level. If no Minimum Availability Level is specified, this section does not apply to the Contract.

2. The Contractor must notify the Technical or Project Authority in writing once the work under section 5 is complete and the Hardware is Ready for Use. Canada must start any availability-level testing within five (5) working days after receiving this notice or by the Ready-for-Use date specified in the Contract, whichever is later.

3. If the Contract provides that section 5 does not apply to the Contract, and Canada intends to conduct availability-level testing on the Hardware, Canada agrees to install the Hardware within ten (10) working days after receiving the Hardware or ten (10) working days after the Delivery Date, whichever is later. Canada agrees to start any availability-level testing within two (2) working days of completing the installation.

4. Without affecting any of Canada's other rights or remedies under the Contract, Canada must have full access to the Hardware and may make unrestricted operational use of it after the Contractor has given notice that it is Ready for Use or, where installation is Canada's responsibility, after it is delivered to and installed by Canada. However, Canada must provide the Contractor, at all times before the Hardware is accepted, priority access to the Hardware to maintain it and to perform the Contract.

5. To pass the availability-level test, the Hardware must achieve the Minimum Availability Level for thirty (30) consecutive days within ninety (90) days of the testing beginning. During availability-level testing, the Contractor must provide weekly written reports to Canada showing the Hardware performance in relation to the Minimum Availability Level.

6. If the Hardware does not pass the availability-level tests in the time described in subsection 5, Canada may, without affecting any other rights or remedies described in the Contract, choose to do one or more of the following:

(a) require the Contractor to replace some or all of the Hardware with new Hardware, which would again be subject to availability-level testing and acceptance;

(b) extend the availability-level testing period; and

(c) terminate the Contract for default, at no cost to Canada.

7. If Canada does not carry out any availability-level testing within the time described in this section, when the availability level of the Hardware is calculated, the time during which Canada otherwise would have conducted that testing will be considered uninterrupted Operational Use Time. However, this will not apply if Canada is unable to start or continue the availability-level testing because of an event reasonably beyond Canada's control. In that case, Canada may temporarily suspend the availability-level testing and the time limits for testing referred to in this section or elsewhere in the Contract will be extended by the number of days that testing is suspended, up to a maximum extension of sixty (60) days.

8. If Canada determines that the Hardware successfully passes the availability-level testing, which in addition to the above may include tests of any function of the Hardware to determine whether it meets the Specifications, the first day of the 30-day period in which the Hardware achieves the Minimum Availability Level will be considered the acceptance date.

4001 10 (2008-05-12) Acceptance

1. The Hardware, including all the Work related to it, is subject to acceptance by Canada. As part of its acceptance process, Canada may test any function of the Hardware to determine whether it meets the Specifications. If any of the Work does not meet the requirements of the Contract, Canada may reject it or require that it be corrected at the Contractor's expense before accepting it. No payments for the Hardware are due under the Contract unless the Hardware is accepted.

2. Acceptance by Canada does not relieve the Contractor of its responsibility for defects in the Hardware or other failures to meet the requirements of the Contract or of its warranty or maintenance obligations under the Contract.

3. Except where section 9 applies, the procedure for acceptance will be as follows:

(a) the Contractor must notify the Contracting Authority in writing once the Hardware is Ready for Use by referring to this provision of the Contract and requesting acceptance of the Work;

(b) Canada will have thirty (30) days to perform its acceptance procedures (the "Acceptance Period"); and

(c) if Canada provides notice of any deficiency during the Acceptance Period, the Contractor must address the deficiency at no cost to Canada as soon as possible and notify Canada in writing once the Work is complete, at which time Canada will be entitled to re-inspect the Work and the Acceptance Period will start again.

4. Despite Supplemental General Conditions 4002 and 4003, if either or both apply to the Contract, if the Contract states that the System consists of the Hardware together with Licensed Software and/or Custom Software, the period for conducting any acceptance tests for the System, including any Licensed Software and any Custom Software components of the System, will be the acceptance period for the Hardware specified in these supplemental general conditions.

4001 11 (2008-05-12) Firmware

1. The Contractor must deliver the Hardware equipped with all the Firmware required to use all the Hardware's functions.

2. Canada will not own any of the Firmware, but the Contractor grants to Canada a perpetual, non-exclusive, irrevocable, royalty-free license to use the Firmware with the Hardware. Canada may transfer this license if Canada transfers ownership of the Hardware to a third party. Any reference in the Contract to the Firmware being a deliverable is a reference to the license to use that Firmware, not ownership of the Firmware.

3. The Contractor guarantees that it has the right to license the Firmware and full power and authority to grant to Canada the rights to use the Firmware described in this section. The Contractor also guarantees that all necessary consents to that grant have been obtained.

4001 12 (2008-05-12) Total System Responsibility

1. If the Contract provides that the Hardware is part of one or more Systems, the Contractor must supply the System(s) as a whole and ensure that each System is available for Fully Functional Operation at all times.

2. If the Contract provides that the Contractor must incorporate Government Property into the System, the obligations under subsection 1 include the Government Property and the Contractor must make any adjustments to the Government Property required to ensure compatibility with the rest of the System. If requested by Canada during the Hardware Warranty Period (defined below), the Contractor must as soon as possible correct any failure of the System to conform to the Specifications that is caused by the improper interconnection or integration of any Government Property into the System. This provision survives acceptance of the Work and does not limit any of the Contractor's warranty or maintenance obligations under the Contract.

3. Despite subsections 1 and 2, the Contractor is not responsible for a failure of the System to meet the Specifications, if that failure is directly caused by a defect in any Government Property, or by any failure of Government Property to meet its specifications. This subsection does not apply to any Government Property that was originally supplied to Canada by the Contractor, but is then made available by Canada to the Contractor for use under the Contract.

Part III - Additional Conditions: Purchase

4001 13 (2008-05-12) Ownership of the Purchased Hardware and Risk of Loss or Damage

1. Unless provided otherwise in the Contract, including subsection 2, Canada becomes the owner of the Hardware once the Hardware has been delivered to and accepted by Canada according to the conditions of the Contract.

2. If Canada pays the Contractor for any materials, parts, work-in-process, or finished work, either by way of progress payments or otherwise, then Canada will own them once the payment is made, unless ownership has already passed to Canada under another provision of the Contract. The fact that ownership has transferred to Canada does not mean that Canada has accepted the materials, parts, work-in-process or finished work, and does not relieve the Contractor of its obligation to perform the Work in accordance with the Contract. Also, the risk of loss or damage to the materials, parts, work-in-process or finished work remains with the Contractor until they are delivered to Canada in accordance with the Contract, even if ownership has transferred to Canada.

3. After delivery, the Contractor remains responsible for loss or damage to any part of the Work caused by the Contractor or any subcontractor or any person for whom either is responsible.

4. The Contractor guarantees that it has the right to transfer ownership of the Hardware to Canada and that there are no liens, attachments, charges, encumbrances, or claims affecting the Hardware. Once ownership passes to Canada, the Contractor must, if Canada requests, establish to the Contracting Authority's satisfaction that the title is free and clear of all liens, attachments, charges, encumbrances, or claims. If requested by the Contracting Authority, the Contractor must execute any transfer documentation and take any other steps that are necessary to perfect Canada's title.

4001 14 (2010-01-11) Warranty for Purchased Hardware

1. Even if Canada has accepted the Work, the Contractor guarantees that, for twelve (12) months after the Hardware is accepted (the "Hardware Warranty Period"), it will be free from all defects in materials or workmanship, be free from all design defects, and conform in all ways with the requirements of the Contract, including the Specifications and any Minimum Availability Level requirements. Because items of Hardware may be accepted on different days, the Hardware Warranty Period for different items of Hardware delivered under the Contract may begin and end on different days. If the Contract provides that the System consists of the Hardware together with Licensed Software and/or Custom Software, the Hardware Warranty Period will also apply to the Licensed Software and/or Custom Software components of the System and this longer period will apply to all the warranty, maintenance and support obligations described in Supplemental General Conditions 4002 and 4003.

2. This warranty does not apply to a specific item of Hardware if the only reason that item fails to conform to the requirements of the Contract is because:

(a) Canada is negligent or does not use the Hardware in accordance with the Specifications;

(b) electric power or air conditioning or humidity control at the site does not perform according to any special site preparation requirements described in the Contract;

(c) a person other than the Contractor, a subcontractor, or a person approved by either of them modifies the Hardware or attaches equipment to the Hardware that was not designed or approved for use with the Hardware by the Contractor, a subcontractor, or the manufacturer of the Hardware; or

(d) Canada uses consumable supplies or materials in or on the Hardware that are supplied by a person other than the Contractor or a subcontractor or a person for whom either of them is responsible, if those consumables or materials do not conform to the Specifications or to the Hardware manufacturer's instructions to consumers.

3. The Contractor must provide Hardware Maintenance Service for the Hardware throughout the Hardware Warranty Period. All charges and costs associated with providing the Hardware Maintenance Service during the Hardware Warranty Period are included in the price of the

Hardware. The Contractor must continue to provide Hardware Maintenance Service for any part of the Hardware that is repaired, replaced or otherwise made good as part of the Hardware Maintenance Service for the remainder of the Hardware Warranty Period that applied to the original item of Hardware.

Part IV - Additional Conditions: Lease

4001 15 (2008-05-12) Ownership of Leased Hardware

1. The Contractor will remain the owner of all the Leased Hardware, unless Canada either exercises any option to purchase the Hardware included in the Contract, or purchases the Hardware under a separate agreement.

2. If the Contract contains an option to purchase the Hardware or any part of it, Canada will become the owner of that Hardware on the date it exercises that option, or the date Canada specifies when it exercises the option, if any. At the time of that purchase, the provisions of Part III automatically apply to the purchased Hardware. Once Canada becomes the owner, Canada bears the risk of loss or damage to the purchased Hardware, but the Contractor must honour the warranty in section 14. Once Canada becomes the owner, no more lease payments are due under the Contract for the purchased Hardware.

4001 16 (2008-05-12) Lease Period

1. The period of the lease starts on the day the Hardware is accepted and ends when it expires in accordance with the Contract (Lease Period), unless the lease is terminated earlier in accordance with the Contract. If it is not specified elsewhere in the Contract, the Lease Period is twelve (12) months.

2. Unless provided otherwise in the Contract, if the Contract allows for additional items to be leased during the contract period, regardless of when those items become part of the Leased Hardware, the Lease Period for all the Leased Hardware will end on the day that the Lease Period for the first item of Hardware leased under the Contract expires.

3. If the first day of the Lease Period is not on the first day of a calendar month, then the charge for the first and last months of the lease will be the portion of the specified monthly charge determined by multiplying the number of days in the month during which the lease is in effect by 1/30 of the monthly lease charge in effect under the Contract at the time.

4001 17 (2010-01-11) Warranty for Leased Hardware

1. Even if Canada has accepted the Leased Hardware, the Contractor warrants that, throughout the Lease Period (which is also the “Hardware Warranty Period”), it will be free from all defects in materials or workmanship, be free from all design defects, and conform in all ways with the requirements of the Contract, including the Specifications and any Minimum Availability Level requirements. If the Contract provides that the System consists of the Hardware together with Licensed Software and/or Custom Software, the Hardware Warranty Period will also apply to the Licensed Software and/or Custom Software components of the System and this longer period will apply to all the warranty, maintenance and support obligations described in Supplemental General Conditions 4002 and 4003.

2. This warranty does not apply to a specific item of Leased Hardware if the only reason that item fails to conform to the requirements of the Contract is because:

(a) Canada is negligent or does not use the Hardware in accordance with the Specifications;

(b) electric power or air conditioning or humidity control at the site does not perform according to any special site preparation requirements described in the Contract;

(c) a person other than the Contractor, a subcontractor, or a person approved by either of them modifies the Hardware or attaches equipment to the Hardware that was not designed or approved for use with the Hardware by the Contractor, a subcontractor, or the manufacturer of the Hardware; or

(d) Canada uses consumable supplies or materials in or on the Hardware that are supplied by a person other than the Contractor or a subcontractor or a person for whom either of them is responsible, if those consumables or materials do not conform to the Specifications or to the Hardware manufacturer's instructions to consumers.

3. The Contractor must provide Hardware Maintenance Service for the Leased Hardware throughout the Hardware Warranty Period. All charges and costs associated with providing the Hardware Maintenance Service during the Hardware Warranty Period are included in the lease rates. The Contractor must continue to provide Hardware Maintenance Service for any part of the Leased Hardware that is repaired, replaced or otherwise made good as part of the Hardware Maintenance Service for the remainder of the Hardware Warranty Period that applied to the original item of Leased Hardware.

4001 18 (2008-05-12) Termination of Lease for Convenience

1. Instead of the section of the General Conditions entitled "Termination for Convenience", this section applies to the Leased Hardware.

2. Despite anything contained in the Contract, Canada may terminate the lease for all or any part of the Leased Hardware at any time during the Lease Period by giving notice to the Contractor sixty (60) days in advance.

3. If the Contracting Authority issues a termination notice under subsection 2, the only amounts that the Contractor will be entitled to be paid in connection with the termination are:

(a) the monthly lease charges for the Leased Hardware, or the part of the Leased Hardware for which the lease is terminated, up to the date of termination, prorated as necessary if the termination date does not coincide with the end of the month; and

(b) the lease termination charge, if one is specifically set out in the Contract.

4. Despite subsection 3, the total amount that the Contractor will be entitled to be paid in connection with the termination under subsection 3, together with any amounts already paid to the Contractor for the lease of the Hardware, must not exceed the total Contract Price for the lease of the Hardware, or, in the case of a partial termination, the portion of the Contract Price that applies to the portion of the lease that is terminated.

4001 19 (2008-05-12) Risk of Loss or Damage to Leased Hardware

1. The Contractor agrees to bear the risk of loss of or damage to the Hardware while it is being transported or installed and during the entire time the Hardware is in Canada's possession, except losses or damages caused by the negligence of Canada or someone acting on Canada's behalf.

2. If the Hardware is lost or damaged during the Lease Period, unless the loss or damage is caused by Canada or by someone acting on Canada's behalf, Canada is not required to make lease payments while the Contractor repairs or replaces the Hardware and, at Canada's option, the Lease Period will be extended by the amount of time the Contractor takes to repair or replace the

Hardware. This subsection does not prevent Canada from terminating the Contract for default, if the Hardware is unavailable for Fully Functional Operation for more than thirty (30) days.

4001 20 (2008-05-12) Modifications to Leased Hardware

Canada agrees not to modify the Leased Hardware unless it obtains the Contractor's written approval, which the Contractor must not unreasonably withhold.

4001 21 (2008-05-12) Relocation of Leased Hardware

Canada may, at its option and cost, relocate the Leased Hardware within the facility where the Leased Hardware is in use or to another facility, using the moving resources of its choice. Any relocation in no way affects the Contractor's warranty or its obligation to provide Hardware Maintenance Service for the Leased Hardware, unless the Contractor can demonstrate that the relocation is directly responsible for the failure or malfunction of the Leased Hardware. In that case, Canada will be responsible for repairing any damage caused by the relocation, or for paying the Contractor to repair that damage, and the remainder of the Contractor's warranty and maintenance obligations will remain in effect.

4001 22 (2008-05-12) De-installation and Removal of Leased Hardware

1. The Contractor must de-install and remove the Hardware promptly after the expiration or termination of the lease. If the Lease Period is different for different items of Hardware, this obligation applies to each item of Hardware when the lease ends. The Contractor must provide all necessary removal resources, including cranes, and must arrange for any necessary transportation, rigging and drayage in connection with the removal of the Hardware from Canada's premises. All costs associated with the de-installation, removal and transportation to the Contractor's premises are included in the lease rates.

2. If the Contractor does not de-install and remove the Hardware within thirty (30) days of the end or termination of the lease, at Canada's option, ownership of the Leased Hardware will automatically transfer to Canada or Canada may arrange for the de-installation and removal of the Leased Hardware, at the Contractor's cost. Canada may deduct this amount from any amount owing by Canada to the Contractor from time to time, under the Contract or otherwise.

4001 23 (2008-05-12) Quiet Enjoyment

The Contractor guarantees that it has full power and authority to lease the Hardware to Canada. The Contractor also guarantees that, during the Lease Period, if Canada is performing its obligations under the Contract, Canada will have unlimited use of the Hardware without disturbance by the Contractor, or any person acting on behalf of the Contractor or who has rights granted by the Contractor, except when the Contractor is performing Hardware Maintenance Service under the Contract.

4001 24 (2008-05-12) Right to Withhold Lease Payments

If the Contractor is not carrying out all of its obligations under the Contract, Canada may, without affecting any other right that Canada may have, including the right to terminate for default, withhold the lease payments from the Contractor until the default is cured. The Contracting Authority may exercise this right by sending a notice to the Contractor that describes the default.

Part V - Additional Conditions: Maintenance

4001 25 (2010-01-11) Hardware Maintenance Service

1. In this Part, the "Hardware Maintenance Period" means:

(a) for Hardware purchased under the Contract, the Hardware Warranty Period described in section 14, plus any time by which the Hardware Maintenance Period is extended if the Contract includes an option for extending the Hardware Maintenance Service or the Contract is otherwise amended to extend the Hardware Maintenance Period;

(b) for the Leased Hardware, the entire Lease Period;

(c) for Leased Hardware that is later purchased under the Contract, both the Lease Period and, beginning on the date of purchase, the period described in (a); and

(d) for Hardware that is neither purchased nor leased under the Contract, but for which the Contractor is providing Hardware Maintenance Service under the Contract, the complete contract period, unless the Contract provides for a shorter period.

2. The Contractor agrees to maintain the Hardware according to this Part to ensure that it remains capable of Fully Functional Operation throughout the Hardware Maintenance Period (the "Hardware Maintenance Service"). As part of the Hardware Maintenance Service, the Contractor agrees to diagnose and resolve all problems that occur in the Hardware by repairing, replacing or otherwise making good the part or parts of the Hardware that are defective or do not meet the Specifications as soon as possible. The Contractor agrees that a problem is not resolved until the Hardware is restored to Fully Functional Operation.

3. The cost of providing all labour, parts and other materials or travel required to restore the Hardware to Fully Functional Operation or perform any other part of the Hardware Maintenance Service described in this section is included in the Hardware Maintenance Service. No additional charges for time, material or other costs related to maintaining the Hardware can be made during the Hardware Maintenance Period, other than the charges contemplated by subsections 26(3)(e) and (f).

4. The Contractor must accept and respond to Hardware Maintenance Service calls during the "Principal Period of Maintenance" (PPM). If the PPM is not defined elsewhere in the Contract, the PPM is twelve (12) hours each day, from 7 a.m. to 7 p.m., Eastern Time, Monday to Friday, not including statutory holidays observed by Canada.

5. As part of the Hardware Maintenance Service, the Contractor must provide Canada with technical support through a single toll-free hotline with service available in English and French, based on the caller's language preference, in accordance with the following:

(a) The Contractor's hotline must be staffed by qualified personnel who are able to respond to user questions and, to the extent possible, resolve user problems and provide advice about problems relating to all the Hardware and the Hardware Documentation, as well as installation, configuration, integration and interconnection issues relating to the Hardware. For all user problems that cannot be resolved over the telephone, the Contractor must issue a trouble ticket for Hardware Maintenance Service, either for Return-to-Depot Maintenance Service or On-Site Maintenance Service described in section 26, as applicable.

(b) The Contractor's hotline must be available, at a minimum, throughout the PPM.

(c) The Contractor must provide its hotline telephone number to the Contracting Authority immediately after the Contract is awarded.

(d) The Contractor must pick up all hotline calls within 5 rings 95 percent of the time. The Contractor must answer all calls, with a live service agent, within 2 minutes 95 percent of the time.

6. As part of the Hardware Maintenance Service, the Contractor must also provide Canada with technical support through a Web site support service, which must include, as a minimum,

frequently asked questions and, if applicable, on-line software diagnostic routines, support tools, and services. The Contractor's Web site must provide support in English and in French. The Contractor's Web site must be available to Canada's users twenty-four (24) hours a day, 365 days a year, and must be available 99 percent of the time. The Contractor must provide its Web site address to the Contracting Authority immediately after the Contract is awarded.

7. Each time the Contractor provides Hardware Maintenance Service, except Hardware Maintenance Service under sections 5 or 6, the Contractor's service technician must prepare a Hardware Maintenance Service report. For any Hardware Maintenance Service provided on site, the Contractor must provide one copy of this report to the representative of Canada at the site when the work is completed. For any Hardware Maintenance Service performed off site, the Contractor must include a copy of this report with the Hardware when it is returned to Canada. The Contractor must keep copies of the reports for six (6) years from the date the Contract expires or is terminated and provide a copy of any Hardware Maintenance Service reports to the Contracting Authority on request. Each Hardware Maintenance Service report must include the following:

(a) the date and time the Contractor received the maintenance call;

(b) the service location that received or responded to the maintenance call;

(c) the serial number for the item of Hardware;

(d) the name of person who performed the maintenance;

(e) if the maintenance is performed on site, the time the service technician arrived at the site, and all the time spent working at the site, including the number of hours and date for each day worked at the site;

(f) a description of symptom;

(g) the diagnosis of problem;

(h) a list of all parts replaced or installed;

(i) the identification number of each major assembly removed or exchanged, if any; and

(j) if the maintenance was performed on site, both the name of the Contractor's service technician and the service location from which the representative works, as well as the name and signature of Canada's representative at the site who accepts that the Hardware appears to have been restored to Fully Functional Operation.

8. The Contractor guarantees that the parts required to perform the Hardware Maintenance Service will be available throughout the Hardware Maintenance Period.

9. Canada becomes the owner of any parts used to repair or maintain the Hardware (which themselves become part of the Hardware), except for Leased Hardware.

10. Canada acknowledges that, in performing the Hardware Maintenance Service, the Contractor and its employees, agents, and subcontractors may develop and share with Canada ideas, know-how, teaching techniques, and other intellectual property. Except as otherwise provided in the Contract, ownership of that intellectual property will belong to the Contractor. As long as the Contractor at all times observes the confidentiality provisions of the Contract, the Contractor will be entitled to use that intellectual property for whatever purposes it sees fit, including in the services it provides to its other customers, on the condition that Canada also has the right, without cost, to use that intellectual property for its own purposes.

4001 26 (2010-01-11) Classes of Hardware Maintenance Service

1. This section describes two classes of Hardware Maintenance Service: “Return-to-Depot Maintenance Service” and “On-Site Maintenance Service”. If the Contract specifies that more than one class of service applies, Canada may specify the class of service required for each item of Hardware, either in the Articles of Agreement or, if the Contract contemplates multiple orders for the purchase or lease of Hardware, in the individual order at the time the Hardware is purchased or leased. If the Contract does not specify the required class of service, the Contractor must provide Return-to-Depot Maintenance Service only.

2. For Return-to-Depot Maintenance Service, during the PPM throughout the Hardware Maintenance Period, the Contractor must pick up and return the Hardware to and from the location in Canada where the Hardware was in use at the time the problem occurred. The Contractor must pick up the Hardware requiring maintenance within forty-eight (48) hours of Canada requesting maintenance. Within six (6) working days of Canada requesting maintenance, the Contractor must restore the Hardware to Fully Functional Operation and return it to Canada at the location where it was in use at the time the problem occurred, or must deliver a replacement that meets the requirements of the Contract.

3. For On-Site Maintenance Service, during the PPM throughout the Hardware Maintenance Period, the Contractor must perform on-site maintenance on any Hardware for which a problem is reported at the location in Canada where the Hardware was in use at the time the problem occurred, in accordance with the following:

(a) The Contractor must arrive on site within the following timeframes:

(i) If the equipment is located within a radius of 100 km from any population center of at least 100,000 people, a service technician must respond by telephone within 1 hour of the telephone call for service and a service technician must arrive at the site within twenty-four (24) hours of the initial call requesting service;

(ii) If the equipment is located within a radius of 100 km from any population center of 30,000 to 99,999 people, a service technician must respond by telephone within 1 hour of the telephone call for service and a service technician must arrive at the site within forty-eight (48) hours of the initial call requesting service; and

(iii) For all other locations within Canada, a service technician must respond by telephone within 1 hour of the telephone call for service and a service technician must arrive at the site within seventy-two (72) hours of the initial call requesting service.

(b) After starting the maintenance, the Contractor must work continuously throughout the PPM until it returns the Hardware to Fully Functional Operation or until Canada suspends the work.

(c) The period from the time that Canada notifies the Contractor to suspend the Work until Canada notifies the Contractor to resume work will not be considered Downtime in the availability level calculation, if applicable. If the Hardware requires maintenance at a time when the required response time would result in the Contractor’s service technician arriving at the site outside of the PPM, and Canada does not request service outside of the PPM at the applicable rate, if available under the Contract, then the period until the next PPM will not be considered Downtime in any availability level calculation.

(d) Within 4 working days of Canada requesting maintenance, the Contractor must restore the Hardware to Fully Functional Operation or must deliver a replacement that meets the requirements of the Contract.

(e) If the Contract includes a separate hourly rate for On-Site Maintenance Service performed outside the PPM, and the user placing the call for Hardware Maintenance Service specifically requests that the service be performed outside the PPM at an additional charge, the Contractor must arrive at the site within the timeframes specified in subsection 3(a) as though the service were being performed within the PPM. In this case, the Contractor is entitled to include a charge on the next invoice, at the On-Site Maintenance Service hourly rate for work outside the PPM specified in the Contract, for the hours worked outside the PPM. The Contractor is entitled to charge for the actual time worked outside of the PPM or two (2) hours, whichever is more, but is not entitled to charge for travel time. Where the Contractor performs the Hardware Maintenance Service outside the PPM, the time outside the PPM until the Hardware is restored to Fully Functional Operation will be considered Downtime.

(f) The Contractor may also submit a charge on its next invoice, at the On-Site Maintenance Service hourly rate for work outside the PPM specified in the Contract, for hours worked outside the PPM where the Contractor arrives at the site during the PPM and begins the Work, but is unable to complete the Work during the PPM, if Canada's on-site representative specifically requests that the service technician remain after the PPM ends to complete the Work at an additional charge. To submit this charge, the Contractor must obtain the signature of Canada's on-site representative agreeing to the additional charge. Because the Contractor's service technician is already at the site, the Contractor must only charge for the actual time worked outside the PPM, and no minimum charge applies. Where the Contractor performs the Hardware Maintenance Service outside the PPM, the time outside the PPM until the Hardware is restored to Fully Functional Operation will be considered Downtime.

(g) If no On-Site Maintenance Service hourly rate for work outside the PPM is specified in the Contract, the Contractor is not required to perform the Hardware Maintenance Service outside the PPM and must not submit a charge if it chooses to complete the Work outside the PPM.

4002 (2008/12/12) Software Development or Modification Services

Public Works and Government Services Canada

01 Interpretation

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Part III - Ownership and Risk

13 Ownership of Media
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15 Ownership of Developed Software

4002 01 (2008-05-12) Software Interpretation

1. In the Contract, unless the context requires otherwise,

"Custom Software" means the computer programs, data bases and documentation that Canada wishes to develop, or to have developed, either as new software or by modification of existing software, all as described in the Contract;

"Detailed Design Specifications" means the specifications for the detailed technical design of the Custom Software;

"Functional Specifications" means the functional description of the Custom Software set out or referred to in the Contract specifying the functions the Custom Software must perform and the features and capacities the Custom Software must have;

"General Conditions" means the general conditions that form part of the Contract;

2. Words and expressions defined in the General Conditions and used in these supplemental general conditions have the meanings given to them in the General Conditions unless provided otherwise. If the general conditions contain sections entitled "Ownership" or "Warranty", those sections do not apply to the Custom Software. Instead the ownership and warranty provisions in these supplemental general conditions apply to the Custom Software.

3. In the event of any inconsistency between the General Conditions and these supplemental general conditions, the applicable provisions of these supplemental general conditions will prevail.

Part I - Development of Functional Specifications and Detailed Design Specifications

4002 02 (2008-05-12) Application of Part I

This Part only applies if the Contract requires the Contractor either to design the Custom Software or to further develop an existing technical design for the Custom Software.

4002 03 (2008-05-12) Functional Specifications

The Functional Specifications developed by the Contractor under the Contract and accepted by Canada are incorporated in the Contract by reference and supersede any functional specifications that were originally incorporated in the Contract.

4002 04 (2008-05-12) Detailed Design Specifications

The Contractor must develop the Detailed Design Specifications for the Custom Software in accordance with the Functional Specifications and all other requirements of the Contract.

4002 05 (2008-05-12) Inspection Procedures for Detailed Design Specifications

1. The inspection procedures set out below will only apply in the absence of any other inspection procedures in the Contract.

2. In this section, "Review Period" means a period of five (5) working days from the date on which the Detailed Design Specifications must be submitted to Canada or from the actual date of submission of those specifications by the Contractor, whichever is later.

3. Canada may extend the Review Period by an additional five (5) working days by giving notice to the Contractor within the Review Period.

4. During the Review Period, Canada will inspect the Detailed Design Specifications submitted by the Contractor and, within two (2) working days following the end of the Review Period, will advise the Contractor whether or not the Detailed Design Specifications have passed inspection.

5. If the Detailed Design Specifications submitted by the Contractor are inconsistent with the Functional Specifications or fail in any other way to meet the requirements of the Contract, Canada will send a written description of the deficiencies to the Contractor within two (2) working days following the end of the Review Period.

6. Upon receipt of Canada's description of the deficiencies mentioned in subsection 5, the Contractor must immediately modify the Detailed Design Specifications to correct the deficiencies and promptly submit the corrected work to Canada for inspection.

7. During a second Review Period, Canada will inspect the corrected work submitted to Canada pursuant to subsections 4 and 5.

8. Despite anything else contained in this section, the Contractor must ensure that the Detailed Design Specifications developed by the Contractor pass inspection by Canada within thirty (30) days of their original delivery date set out in the Contract.

Part II - Implementation of Custom Software

4002 06 (2008-05-12) Coding and Pre-Installation Tests

1. The Contractor must develop the Custom Software based on the Detailed Design Specifications and the Functional Specifications. In the development of the Custom Software, the Contractor must carry out all detailed programming and coding required under the Detailed Design Specifications, and, if necessary, must revise the Detailed Design Specifications in order to ensure that they are derived from and are consistent with the Functional Specifications and all other requirements of the Contract.

2. The Contractor must conduct pre-installation testing to ensure that the Custom Software will operate in accordance with the Functional Specifications and all other requirements of the Contract. The Contractor must notify Canada of all such tests. Upon request from Canada, the Contractor must give Canada an opportunity to witness those tests and provide Canada with a copy of all intermediate and final test records and results.

4002 07 (2008-05-12) New Source Code

1. In this section, "New Source Code" means all of the source code for the Custom Software that is written by the Contractor or any subcontractor as part of the Work performed under the Contract.

2. The Contractor must deliver the New Source Code to Canada at such time or times as the Contract may require, and if no time is specified in the Contract, within thirty (30) days following acceptance of the Custom Software by Canada.

3. The New Source Code provided by the Contractor must contain a complete description of the operation of the developed software in sufficient detail to enable a programmer, experienced in the programming language or languages in which the source code is written, to modify all aspects of that software without assistance from the Contractor.

4002 08 (2008-05-12) Pre-existing Software

1. In this section, "Pre-existing Software" means software that is not developed as part of the Work performed under the Contract and that is proprietary to the Contractor or any of its subcontractors or to a third party.

2. The Contractor must not develop the Custom Software by modifying Pre-existing Software or incorporate any Pre-existing Software into the Custom Software without first obtaining the written consent of Canada. However, the consent of Canada is not required if the use of Pre-existing Software is specifically authorized in the Contract.

3. If Pre-existing Software forms part of the Custom Software, unless provided otherwise in the Contract, the Contractor must, within thirty (30) days following acceptance of the Custom Software by Canada, at its option and expense, either:

(a) deliver the source code for that software to Canada; or

(b) deliver the source code to an escrow agent approved by Canada, to be held in trust by that agent, for release to Canada upon the occurrence of any of the following events:

(i) Canada terminates either the Contract or any subsequent support or development arrangement relating to the Custom Software for default;

(ii) the Contractor or its supplier ceases to do business or ceases to make support or development services in relation to the Custom Software reasonably available to Canada;

(iii) the Contractor or its supplier becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or takes the benefit of any statute relating to bankrupt or insolvent debtors;

(iv) a receiver is appointed for the Contractor or its supplier under a debt instrument, or a receiving order is made against the Contractor or its supplier; or

(v) an order is made or a resolution passed for the winding up of the Contractor or its supplier.

4. The source code delivered by the Contractor to Canada or to any escrow agent, in relation to any Pre-existing Software that forms part of the Custom Software, must contain a complete description of the operation of that Pre-existing Software in sufficient detail to enable a programmer, experienced in the programming language or languages in which the source code is written, to modify all aspects of that software without assistance from the Contractor. If the source code for the Pre-existing Software is delivered to an escrow agent, the Contractor must ensure that the source code in the possession of the escrow agent is updated from time to time to correspond with the most current version of the object code in the possession of Canada.

5. Unless provided otherwise in the Contract or in any escrow agreement signed by Canada, Canada's rights to use, copy, modify and disclose any Pre-existing Software supplied under the Contract and any source code for that software must be identical to those set out in Supplemental General Conditions 4003.

4002 09 (2008-05-12) Object Code and User Documentation

1. Without limiting any of the Contractor's other obligations under the Contract, including its obligation with respect to the supply of source code, the Contractor must provide the Pre-existing Software and Custom Software to Canada in executable object code.

2. The operating manuals, technical manuals and other user documentation provided by the Contractor to Canada for use with the Custom Software must describe the operation of the Custom Software in sufficient detail to enable appropriately trained employees of Canada to use all functions and features of the Custom Software without assistance from the Contractor.

4002 10 (2008-05-12) Conversion of Data Files

The Contractor must convert, as required in the Contract, Canada's machine-readable data files, as they exist on any existing computer system used to fulfill all or part of the then-current functional requirements of Canada, to data files designed for use with the Custom Software. Canada is responsible for the accuracy and the completeness of data files delivered to the Contractor. The Contractor is responsible for the accuracy and completeness of the data files after conversion and for the compatibility of such data files with the Custom Software.

4002 11 (2008-05-12) Acceptance Procedures for Custom Software

1. The acceptance procedures set out in subsections 2 to 5 inclusive only apply in the absence of any other detailed acceptance procedures for the Custom Software in the Contract.

2. Canada must prepare and provide to the Contractor acceptance test data before the date specified in the Contract for the start of pre-installation testing of the Custom Software. Canada will consult with the Contractor in connection with the preparation of such data and the Contractor must assist in such preparation to the extent indicated in the Contract. Canada and the Contractor will use such data to determine whether the Custom Software, when executed on the hardware and its operating system, performs in accordance with the Functional Specifications and all other requirements of the Contract. Unless otherwise agreed, the test data must be in the format and media required for direct input to the computer system, as provided in the Detailed Design Specifications.

3. Following receipt of the acceptance test data referred to in subsection 2, and before the date

specified in the Contract for the start of acceptance testing of the Custom Software (the "Test Start Date"), the Contractor must provide an "Acceptance Test Plan" to Canada for Canada's review and approval. The Acceptance Test Plan must consist of a description of a series of tasks and verifications, based on the acceptance test data, in sufficient detail to enable Canada and the Contractor to determine whether the Custom Software performs in accordance with the Functional Specifications and all other requirements of the Contract.

4. On the Test Start Date, Canada must commence the acceptance tests in relation to the Custom Software using the pre-approved Acceptance Test Plan referred to in subsection 3. The acceptance tests must be conducted during the period of time specified in the Contract. If no other acceptance testing period is specified in the Contract, the acceptance tests must be conducted over a 40-day period from the Test Start Date. If the Custom Software passes the acceptance tests and if the Contractor has completed all other work under the Contract in accordance with the conditions of the Contract, Canada will promptly give notice to the Contractor that the Custom Software is accepted.

5. If the Custom Software fails to pass the acceptance tests referred to in subsection 4, Canada will send a written description of the deficiencies to the Contractor within ten (10) days following the end of the acceptance testing period referred to in that subsection. Upon receipt of Canada's description of the deficiencies, the Contractor must modify the Custom Software to correct the deficiencies within ten (10) days of receipt of such description. All acceptance tests in relation to the Custom Software must then be repeated, at no additional cost to Canada, and the Contractor must ensure that the Custom Software passes the second set of acceptance tests within the acceptance testing period specified in subsection 4.

6. Despite anything else contained in this section, if Canada is unable to commence or continue the acceptance tests in relation to the Custom Software because of an event reasonably beyond its control, the acceptance tests may be temporarily suspended for a period of time not to exceed sixty (60) days. The time limits for testing referred to in this section or elsewhere in the Contract will in such cases be extended by the number of days of the suspension. If the delay exceeds sixty (60) days, the Parties must use reasonable efforts to negotiate a mutually acceptable amendment to the Contract.

4002 12 (2008-05-12) Warranty

1. In this section, unless provided otherwise in the Contract, "Warranty Period" means a period of ninety (90) days commencing on the date of acceptance of the whole of the Work by Canada, with the exception only of warranty work.

2. Despite inspection and acceptance of the Custom Software by Canada and without restricting any condition of the Contract or any condition, warranty or provision imposed by law, the Contractor warrants that, during the Warranty Period, the Custom Software will perform in accordance with the Functional Specifications and all other requirements of the Contract on the computer system on which the Custom Software is installed under the Contract.

3. During the Warranty Period, if Canada notifies the Contractor in writing of any failure of the Custom Software to perform in accordance with the Functional Specifications or any other requirement of the Contract, the Contractor must, as soon as possible, provide, at no additional charge to Canada, corrections to the Custom Software. If Canada reports a failure to the Contractor, Canada must give the Contractor reasonable access to the computer system on which the Custom Software resides and provide such information as the Contractor may reasonably request, including sample output and other information, in order to permit the Contractor to expeditiously correct the error which caused that failure.

4. Although the Contractor must use all reasonable efforts to provide permanent corrections for all software errors, Canada acknowledges that certain errors may not be permanently corrected by

the Contractor under this section. The Contractor must provide a software patch or by-pass around the error in all cases where the error will not be permanently corrected. As a minimum, any such software patch or by-pass must cause the Custom Software to meet the functional and performance criteria set out in the Functional Specifications.

5. The Contractor is not obligated to correct errors in the Custom Software which result from modifications to the Custom Software or any part of it unless those modifications were made by the Contractor or by someone authorized by the Contractor to perform those modifications.

Part III - Ownership and Risk

4002 13 (2008-05-12) Ownership of Media

1. For the purposes of this section, the term "media" does not include the information stored on the media.

2. All media containing the Custom Software or any part of it, as well as any specification, design, prototype or any other information provided as part of the Work, becomes the property of Canada upon either delivery to Canada of the Work or upon any payment being made to the Contractor for or on account of the media or the information stored on it, whichever comes first. It is agreed however that the transfer of ownership of the media to Canada does not constitute acceptance by Canada of the media or of the information stored on it and it does not relieve the Contractor of its obligation to perform the Work in accordance with the requirements of the Contract.

3. The intellectual property rights in the information stored on the media become the property of either Canada or the Contractor, as indicated in the intellectual property provisions of the Contract.

4002 14 (2008-05-12) Risk of Loss

1. Risk of loss of or damage to the media or to the information stored on it pass to Canada upon delivery of the media to Canada. However, if the Contractor has retained a copy of the information that was stored on the media, the Contractor must, upon request by Canada, replace the lost or damaged media and information at no additional charge to Canada except for costs reasonably and properly incurred in the carrying out of such replacement.

2. Despite subsection 1, the Contractor will be liable for loss of or damage to the media and the information stored on it that is caused by the Contractor or any of its subcontractors after delivery.

4002 15 (2008-05-12) Ownership of Developed Custom Software

1. For the purposes of this section, "Developed Custom Software" includes object code, source code, documentation, data bases, specifications, designs, prototypes and other related information conceived, developed or produced as part of the Work performed under the Contract.

2. The Developed Custom Software belongs either to Canada or to the Contractor, whichever is indicated in the intellectual property provisions of the Contract. If the Developed Software belongs to the Contractor, the Contractor grants to Canada the license with respect to the Developed Software set out or referred to in those provisions.

4003 (2010/01/11) Licensed Software

Public Works and Government Services Canada

01 Interpretation
02 License Grant
03 Ownership
04 User License
05 Device License
06 Entity License
07 Disabling Codes
08 Licensed Software - Transfer
09 Software Documentation
10 Media
11 Term of License
12 Acceptance
13 Right to License
14 Enhancements, Improvements and Language Versions
15 Warranty
16 Source Code Escrow
17 Right to Modify
18 Risk of Loss
19 Destruction on Termination or Expiration

4003 01 (2008-05-12) Interpretation

1. In the Contract, unless the context otherwise requires,

"Client" means the department or agency for which the Work is performed, or, in the event of a transfer under section 08 below, the department, agency or Crown corporation to whom the Licensed Software is transferred.

"Device" means equipment having a physical central processor unit (CPU), mass storage and input output devices such as keyboard and monitor and includes servers, desktops, workstations, notebooks, laptops, personal digital assistants and mobile computing equipment.

"General Conditions" means the general conditions that form part of the Contract;

"Licensed Programs" means all of the computer programs, in object-code form, which must be provided by the Contractor to Canada under the Contract, and include all patches, fixes and other code that may be delivered to Canada under the Contract, including any code provided as part of the warranty, maintenance, or support;

"Licensed Software" means the Licensed Programs and the Software Documentation collectively;

"Media" means the material or medium on which the Licensed Programs are stored for delivery to Canada, including electronic media such as magnetic disks or electronic downloads. Media does not include the Licensed Software stored on the Media;

"Software Documentation" means all of the manuals, handbooks, user guides and other human-readable material to be provided by the Contractor to Canada under the Contract for use with the Licensed Programs, whether that material is to be provided in printed form or on Media;

"User" means an individual authorized by the Client to use the Licensed Software under the Contract and for the purposes of these supplemental general conditions, includes any employee, agent or contractor authorized to use the Licensed Software.

2. Words and expressions defined in the General Conditions and used in these supplemental general conditions have the meanings given to them in the General Conditions unless provided otherwise. If the General Conditions contain sections entitled "Ownership" and "Warranty", those sections do not apply to the Licensed Software and the Media. Instead, the ownership and warranty provisions in these supplemental general conditions apply to the Licensed Software and the Media.

3. If there is any inconsistency between the General Conditions and these supplemental general Conditions, the applicable provisions of these supplemental general conditions will prevail.

4003 02 (2008-05-12) License Grant

1. The Contractor grants to Canada a non-exclusive license to use and reproduce the Licensed Software in accordance with the conditions of the Contract.

2. Subject to the transfer rights described in section 08, the Client is the only entity authorized to use and reproduce the Licensed Software on behalf of Canada. If the Client is reconfigured, absorbed by another government department or agency, or is disbanded entirely, the Contracting Authority may, by giving notice to the Contractor, designate another department, agency or Crown corporation as the “Client” for the purposes of the Contract.

3. Unless provided otherwise in the Contract, the license granted under the Contract is unaffected by changes in the Client’s environment, such as changes to the operating system, types of Devices, or other software products used by the Client from time to time in addition to the Licensed Software.

4. Unless provided otherwise in the Contract, the license granted under the Contract is a User License as described in section 04 below.

5. The Contractor must provide the English language version of the Licensed Software and, if available, the French version of the Licensed Software.

4003 03 (2008-05-12) Ownership

1. Canada acknowledges that ownership of the Licensed Software belongs to the Contractor or its licensor and is not transferred to Canada. As a result, any reference in the Contract to any part of Licensed Software as a deliverable must be interpreted as a reference to the license to use that Licensed Software, not to own the Licensed Software.

2. Canada acknowledges that, in performing any warranty, maintenance, support and professional services related to the Licensed Software (if required under the Contract), the Contractor and its employees, agents, and subcontractors may develop and share with Canada ideas, know-how, teaching techniques and other intellectual property. Unless otherwise provided in the Contract, ownership to that intellectual property will remain with the Contractor. As long as the Contractor at all times observes the confidentiality provisions of the Contract, the Contractor will be entitled to use that intellectual property for whatever purposes it sees fit, including in the services it provides to its other customers, on the condition that Canada also has the right to use that intellectual property for its own business purposes at no additional cost. The Contractor agrees that all data, know-how or other intellectual property created or owned by Canada will remain the property of Canada, regardless of whether that data is created, processed, or stored using the Licensed Software.

4003 04 (2008-05-12) User License

Unless provided otherwise in the Contract, a "User License" entitles the designated number of Users specified in the Contract to access, install, copy, deploy, test and use the Licensed Software for government purposes unrestricted by the number or type of installations, locations, servers, processors, data, documents, transactions, platforms, devices, networks, operating systems, application program interfaces or operating environments that a User may be using or processing at any time including any equipment required to allow Users to work remotely; all without requiring the purchase of any further licenses or rights.

4003 05 (2008-05-12) Device License

Unless provided otherwise in the Contract, a "Device License" entitles Users to access, install, copy, deploy, test and use the Licensed Software for government purposes on the designated number of Devices specified in the Contract without requiring Canada to purchase any additional licenses to software or components; all without any restriction on the use of associated peripheral equipment. The Device License allows the Client to use the Licensed Software unrestricted by the number or type of Users, data, documents and/or transactions a Client or a User may be using or processing at any time, or the location of a Device.

4003 06 (2008-05-12) Entity License

Unless provided otherwise in the Contract, an "Entity License" entitles the Client to use the Licensed Software for government purposes throughout the entity in association with any number of Devices or by any number of Users. The Entity License allows the Client to use the Licensed Software in whole or in part, unrestricted by the number or type of Users, data, documents and/or transactions a Client or a User may be using or processing at any time, or the location of the Device.

4003 07 (2008-05-12) Disabling Codes

1. If the Licensed Software contains any features, functions or characteristics ("Disabling Codes") that might cause the Licensed Software to be unusable by Canada without passwords, authorization codes or similar information, the Contractor must provide to Canada, in advance and on an ongoing basis, provided Canada is not in default of its obligations regarding the use of the Licensed Software, all the information required by Canada to continue to use the Licensed Software.

2. If the license is perpetual, the Contractor must deliver this information regardless of whether the Contract has otherwise expired and regardless of whether Canada is currently receiving maintenance or support for the Licensed Software.

3. If the existence or characteristics of any Disabling Code are not known to the Contractor, but the Contractor later becomes aware of them, the Contractor must correct or remove the Disabling Code from the Licensed Software or take whatever other steps are necessary to ensure that Canada is able to continue using the Licensed Software.

4003 08 (2008-05-12) Licensed Software - Transfer

The license to use the Licensed Software under the Contract is transferable by Canada under the same conditions of the Contract, to any Device or Client, as applicable, or to any Canadian government department, corporation or agency, as defined in the *Financial Administration Act*, R.S.C. 1985, c. F-11, as amended from time to time, or to any other party for which the Department of Public Works and Government Services Canada has been authorized to act under section 16 of the *Department of Public Works and Government Services Act*, S.C. 1996, c. 16, as long as Canada informs the Contractor of the transfer within thirty (30) days of the transfer occurring. For the purposes of this section, in the circumstances where an Entity License is transferred, such license will be capped at the number of users

in the transferring department, corporation, agency or other party before the transfer.

4003 09 (2008-05-12) Software Documentation

1. Copyright in the Software Documentation will not be owned by or transferred to Canada. However, Canada has the right to use the Software Documentation and may, for its own internal purposes, copy it for use by individuals using or supporting the Licensed Software, as long as Canada includes any copyright and/or proprietary right notice that was part of the original document in any copy. Unless provided otherwise in the Contract, Canada must not otherwise reproduce the Software Documentation without first obtaining the written consent of the Contractor.

2. The Contractor guarantees that the Software Documentation contains enough detail to permit a User to access, install, copy, deploy, test and use all features of the Licensed Programs. If the source code for the Licensed Programs must be provided to Canada under the Contract, the Contractor guarantees that the code provided will contain enough detail to permit a programmer, experienced in the use of the programming language or languages in which the source code is written, to modify the Licensed Programs.

3. If the Software Documentation is available in both of the two official languages of Canada, the Contractor must deliver it in both French and English. If the Software Documentation is only available in either English or French, it may be delivered in that language; however, Canada then has the right to translate it. Canada owns any translation and is under no obligation to provide it to the Contractor. Canada will include any copyright and/or proprietary right notice that was part of the original document in any translation. The Contractor is not responsible for technical errors that arise as a result of any translation made by Canada.

4. Unless provided otherwise in the Contract, at no additional cost to Canada, the Contractor must update the Software Documentation throughout the period of the Contract to the most current release level consistent with the Licensed Software delivered under the Contract. The Contractor must provide these updates to Canada within ten (10) days of the update being available. These updates must include supporting documentation for all modifications to the Licensed Software, including new versions and new releases that Canada is entitled to receive under the Contract and must identify any problems resolved, enhancements made, or features added to the Licensed Software, together with installation instructions.

4003 10 (2008-05-12) Media

1. The Contractor must deliver the Licensed Programs to Canada on the medium of Canada's choice from among those the Contractor makes available to its other customers (for example, CD-ROM or Internet download). The Contractor agrees that Canada may distribute the Licensed Software to Users on Canada's choice of Media.

2. The Contractor guarantees that the Media will be compatible with the computer systems, as detailed in the Contract, on which the Licensed Programs will be installed. The Contractor also guarantees that the Media, as supplied by the Contractor, will be free from computer viruses.

3. Canada will own the Media once it has been delivered to and accepted by or on behalf of Canada.

4003 11 (2008-05-12) Term of License

1. Unless provided otherwise in the Contract, Canada's license to use the Licensed Software is perpetual, regardless of any termination of the Contract by mutual consent, for the convenience of Canada or for default of the Contractor, as long as Canada has paid for the license to the

Licensed Software. Any perpetual license granted under the Contract can only be terminated by the Contractor in accordance with subsection 2 below.

2. The Contractor may terminate Canada's license with respect to the Licensed Software by giving the Contracting Authority written notice to that effect if Canada is in breach of its license with respect to the Licensed Software, or fails to pay for the license in accordance with the Contract, and if that breach continues for a period of thirty (30) days after the Contracting Authority receives written notice from the Contractor giving particulars of the breach.

4003 12 (2010-01-11) Acceptance

1. Work Subject to Acceptance: All Licensed Programs delivered and all services provided under the Contract are subject to inspection by Canada. If any of the Licensed Programs does not meet all the requirements of the Contract, Canada may reject it or require that it be corrected, at the sole expense of the Contractor, before recommending payment.

2. Effect of Acceptance: Acceptance by Canada does not relieve the Contractor of any responsibility for defects or other failures to meet the requirements of the Contract or the Contractor's responsibilities with respect to warranty, maintenance or support under the Contract.

3. Period of Acceptance: Unless provided otherwise in the Contract, the acceptance procedures are as follows:

(a) when the Work is complete, the Contractor must notify the Technical or Project Authority in writing, with a copy to the Contracting Authority, by referring to this provision of the Contract and requesting acceptance of the Work;

(b) Canada will have thirty (30) days from receipt of the notice to perform its inspection (the "Acceptance Period").

4. If Canada provides notice of a deficiency during the Acceptance Period, the Contractor must address the deficiency as soon as possible and notify Canada in writing once the Work is complete, at which time Canada will be entitled to re-inspect the Work before acceptance and the Acceptance Period will begin again.

4003 13 (2008-05-12) Right to License

1. The Contractor guarantees that it has the right to license the Licensed Software and full power and authority to grant to Canada all the rights granted under the Contract. The Contractor also guarantees that all necessary consents to that grant have been obtained. Canada agrees that its only remedy and the Contractor's entire obligations in relation to a breach of this guarantee are the remedies and obligations set out in the section entitled "Intellectual Property Infringement and Royalties" contained in the General Conditions or in the Articles of Agreement, as the case may be.

2. The Parties agree that only the conditions that expressly form part of the Contract by being written out in full in the Articles of Agreement or an annex to the Contract listed in the Priority of Documents section in the Articles of Agreement form part of the Contract. Any conditions accompanying or enclosed with the Licensed Software, if any, do not form part of the Contract and, therefore, are not part of Canada's license and do not affect the rights of the Parties in any way. The Contractor agrees that in no event will Canada or any Client or User be required to enter into any additional license agreement with respect to the Licensed Software or any portion of it. The Contractor acknowledges that any additional license agreement relating to the Licensed Software signed by anyone other than the Contracting Authority is void and of no effect.

3. Canada is not bound by and does not accept any "shrink-wrap" or "click-wrap" conditions or any other conditions, express or implied, that are contained in or on the software packaging or conditions that may accompany the software in any manner, regardless of any notification to the contrary.

4003 14 (2008-05-12) Enhancements and Improvements

The Contractor agrees to provide Canada with all improvements, updates, upgrades and enhancements to the Licensed Software for ninety (90) days following the acceptance of the Licensed Software.

4003 15 (2008-05-12) Warranty

1. In this section, unless provided otherwise in the Contract, "Software Warranty Period" means a period of ninety (90) days from the date on which the Licensed Software is accepted in accordance with the conditions of the Contract, except for warranty work and any other work that is scheduled under the Contract to be performed after the start of the Software Warranty Period.

2. The Contractor warrants that, during the Software Warranty Period, the Licensed Programs will operate on the computer system or systems on which the Licensed Programs are installed in accordance with the Software Documentation that is associated with the Licensed Programs, as well as the Specifications set out in the Contract, if any. If the Licensed Programs fail to meet this warranty at any time during the Software Warranty Period, the Contractor, if requested by Canada, must, as soon as possible, correct, at the Contractor's expense, any programming errors and defects and make any additions, modifications or adjustments to the Licensed Software that are necessary to keep the Licensed Programs in operating order, in accordance with the Software Documentation that is associated with the Licensed Programs and the Specifications.

3. Although the Contractor must use all reasonable efforts to provide permanent corrections for all software errors, Canada acknowledges that certain errors may not be permanently corrected by the Contractor under the warranty. The Contractor must provide a software patch or by-pass around the error in all cases where the error will not be permanently corrected. As a minimum, any such software patch or by-pass must cause the Licensed Programs to meet the functional and performance criteria set out in the Software Documentation associated with the Licensed Programs and the Specifications.

4. The Contractor warrants that, throughout the Software Warranty Period, the Software Documentation will be free from all defects in materials and will conform with the requirements of the Contract. If Canada discovers a defect or non-conformance in any part of the Software Documentation during the Software Warranty Period, the Contractor must, if requested by Canada, as soon as possible, correct, at the Contractor's expense, the part of the Software Documentation found to be defective or not in conformance with the requirements of the Contract.

5. The Contractor warrants that, throughout the Software Warranty Period, the Media will be free from all defects in materials or workmanship, and will conform with the requirements of the Contract. Canada may return non-conforming or defective Media to the Contractor within the Software Warranty Period, with notice of the non-conformance or the defect, and the Contractor must promptly replace that Media with corrected Media at no additional cost to Canada.

6. If the Contractor must perform support services with respect to the Licensed Software during the Software Warranty Period, it is agreed that the provisions concerning support will not be interpreted so as to derogate from the warranty provisions set out in this section.

7. The warranties set out in this section will survive inspection and acceptance of the Work by or on behalf of Canada, and do not restrict any other provision of the Contract or any condition, warranty or provision imposed by law.

4003 16 (2008-05-12) Source Code Escrow

If requested by Canada, the Contractor must put in place for Canada, at no additional charge, whatever escrow arrangements, if any, it usually puts in place for its customers, and must give Canada, within thirty (30) days from the date of the Contract, a copy of the agreement with its escrow agent which sets out the conditions under which the escrow agent is authorized to release the source code to Canada.

4003 17 (2008-05-12) Right to Modify and no Reverse Engineer

1. If the source code for the Licensed Programs is provided to Canada under the Contract, that code forms part of the "Licensed Software" for the purposes of the Contract. Canada will have the right, at Canada's discretion, to copy and modify the Licensed Software for Canada's own purposes and use, through the services of Canada's own employees or of independent contractors, as long as those contractors agree not to disclose or distribute any part of the Licensed Software to any other person or entity or otherwise violate the proprietary rights of the owner of the Licensed Software.

2. Canada will be the owner of any modifications contemplated in this clause, but will obtain no ownership interest in the Licensed Software, and any portion of the Licensed Software contained in those modifications will remain subject to the conditions of Canada's license. The Contractor must not incorporate any such modifications into its software for distribution to third parties unless Canada has granted the necessary distribution rights to the Contractor under a written license agreement. The provisions of this section do not prevent the Contractor or its third-party licensors from independently developing modifications. Unless provided otherwise in the Contract, Canada agrees not to reverse engineer the Licensed Software.

4003 18 (2008-05-12) Risk of Loss

1. Risk of loss of or damage to the Licensed Software or the Media, or to any part of them, will pass to Canada upon delivery of the Licensed Software or the Media, or that part, to Canada.

2. Despite subsection 1, the Contractor will be liable for loss or damage to the Licensed Software or Media that is caused by the Contractor or any of its subcontractors after delivery.

4003 19 (2008-05-12) Destruction on Termination or Expiration

In the event of termination or expiration of Canada's license, Canada will, if requested by the Contractor, either return all copies of the Licensed Software to the Contractor or, at Canada's option, will confirm in writing to the Contractor that all copies of the Licensed Software have been destroyed except for one copy, which Canada may retain for archival purposes only.

4004 (2010/01/11) Maintenance and Support Services for Licensed Software

Public Works and Government Services Canada

01 Interpretation
02 Software Error Correction Services
03 Maintenance Releases
04 Media
05 Support Services
06 Support Charges and On-site Services
07 Canada's Responsibilities
08 Excluded Services

4004 01 (2008-05-12) Interpretation

1. In the Contract, unless the context requires otherwise,

"General Conditions" means the general conditions that form part of the Contract;

“Maintenance Releases” means all commercially available enhancements, extensions, improvements, upgrades, updates, releases, versions, renames, rewrites, cross-grades, components and back grades or other modifications to the Licensed Software developed or published by the Contractor or its licensor;

"Software Error" means any software instruction or statement contained in or absent from the Licensed Programs, which, by its presence or absence, prevents the Licensed Programs from operating in accordance with the Specifications;

"Software Support Period" means the period specified in the Contract during which the Contractor must support the Licensed Software, in accordance with the conditions of the Contract.

2. Words and expressions defined in the General Conditions and used in these supplemental general conditions have the meanings given to them in the General Conditions.

3. In the event of any inconsistency between the General Conditions and these supplemental general conditions, the applicable provisions of these supplemental general conditions will prevail.

4. If Supplemental General Conditions 4003 form part of the Contract, words and expressions defined in those supplemental general conditions and used in these supplemental general conditions will have the meanings given to them in those supplemental general conditions.

5. If Supplemental General Conditions 4003 do not form part of the Contract, then,

“Software Documentation” means all of the manuals, handbooks, user guides and other human-readable material which have been provided by the Contractor to Canada for use with the Licensed Programs, whether provided in printed form or on magnetic tape, disk or on other Media;

“Licensed Programs” means all of the computer programs, in object-code form, that must be supported by the Contractor under the Contract;

Licensed Software" means the Licensed Programs and the Software Documentation collectively;

“Media” means the material or medium on which the Licensed Programs are stored for delivery to Canada, including electronic media such as magnetic disks or electronic downloads. Media does not include the Licensed Software stored on the Media.

6. The sections of the General Conditions entitled “Ownership” and “Warranty” do not apply to the Licensed Software and the Media. The ownership, warranty and support provisions contained in these supplemental general conditions and in Supplemental General Conditions 4003, if that set forms part of the Contract, apply in place of those sections.

4004 02 (2008-05-12) Software Error Correction Services

1. Canada may report to the Contractor any failure of the Licensed Programs to operate in accordance with the Software Documentation or, if applicable, the Specifications during the Software Support Period. Canada may report failures either in writing or by telephone or other remote communication. Upon receipt of a report of a failure from Canada, unless provided otherwise in the Contract, the Contractor must use all reasonable efforts to provide Canada within the time frames established in subsections 2 and 3, with a correction of the Software Error which caused the failure. Any such software correction must cause the Licensed Programs to meet the Software Documentation or, if applicable, the Specifications during the Software Support Period. The Contractor must use all reasonable efforts to provide permanent corrections for all Software Errors and the Contractor warrants that the Licensed Software will meet the functional and performance criteria set out in the Specifications. All Software Error corrections will become part of the Licensed Software and will be subject to the conditions of Canada's license with respect to the Licensed Software.

2. Unless provided otherwise in the Contract, the Contractor must respond to a report of a Software Error in accordance with the severity of the Software Error, as detailed in subsection 3. The severity will be reasonably determined by Canada, and communicated to the Contractor, based on the following definitions:

   Severity 1: indicates total inability to use a Licensed Program, resulting in a critical impact on user objectives;

   Severity 2: indicates ability to use a Licensed Program but user operation is severely restricted;

   Severity 3: indicates ability to use a Licensed Program with limited functions which are not critical to overall user operations;

   Severity 4: indicates that the problem has been by-passed or temporarily corrected and is not affecting user operations.

3. Unless provided otherwise in the Contract, the Contractor must use reasonable efforts to correct Software Errors as follows:

   Severity 1: within twenty-four (24) hours of notification by Canada;

   Severity 2: within seventy-two (72) hours of notification by Canada;

   Severity 3: within fourteen (14) days of notification by Canada;

   Severity 4: within ninety (90) days of notification by Canada.

4. If Canada reports a Software Error to the Contractor, Canada must give the Contractor reasonable access to the computer system on which the Licensed Program resides, and must provide such information as the Contractor may reasonably request, including sample output and other diagnostic information, in order to permit the Contractor to expeditiously correct the Software Error.

4004 03 (2008-05-12) Maintenance Releases

During the Software Support Period, the Contractor must provide to Canada all Maintenance Releases, in object-code form, at no additional cost. All Maintenance Releases will become part of the Licensed Software and will be subject to the conditions of Canada's license with respect to the Licensed Software. Unless provided otherwise in the Contract, Canada will receive at least one Maintenance Release during any twelve (12) month maintenance period.

4004 04 (2008-05-12) Media

1. The Contractor must provide to Canada all Software Error corrections, Maintenance Releases and updates on Media that are free of defects and of computer viruses, and which are compatible with the computer systems on which the Licensed Programs are installed.

2. Canada will own the Media provided to Canada in the performance of the software support services upon delivery to and acceptance of the Media by or on behalf of Canada. For the purposes of this subsection, “Media” does not include the Licensed Software stored on the Media.

4004 05 (2008-05-12) Support Services

If the Contract provides for support services, the Contractor must provide to Canada access to the Contractor's personnel, to help Canada in answering questions with respect to the Licensed Software, during the hours specified in the Contract. If the hours are not specified in the Contract, this access to the Contractor’s personnel must be between the hours of 8:00 a.m. to 5:00 p.m., local time, at the site where the Licensed Programs are installed, Monday through Friday, exclusive of statutory holidays observed by Canada at such site. Canada's access to the Contractor's personnel must include telephone, fax, e-mail and Internet access and, if expressly provided in the Contract, on-site and Swift Action Tactical (SWAT) services. If applicable and if specified in the Contract, Canada will, by notice in writing to the Contractor, appoint a user representative or representatives who will be the only individual(s) entitled to access the support services on behalf of Canada. Canada may change any such appointment by subsequent notice to the Contractor.

4004 06 (2008-05-12) Support Charges and On-site Services

Unless provided otherwise in the Contract, the monthly or yearly support charge specified in the Contract is inclusive of all software support services described in the Contract, except for On-site and SWAT response and Software Error correction services. The Contractor must provide on-site services, when requested by Canada, at the hourly or daily labour rates specified in the Contract. Reasonable travel and living costs incurred by the Contractor in connection with on-site services, if approved in advance by Canada, will be reimbursed to the Contractor in accordance with the guidelines specified in the Contract, or, if no guidelines are specified, in accordance with applicable Treasury Board guidelines. All such pre-approved costs must be invoiced to Canada as a separate charge.

4004 07 (2008-05-12) Canada's Responsibilities

1. Unless provided otherwise in the Contract, Canada will maintain, for the Software Support Period, a telephone line and Internet access for use in connection with the software support services. Canada will be responsible for the installation, maintenance and use of such equipment and associated telephone charges. The Contractor may use the telephone line and electronic mail in connection with the provision of the software support services.

2. Unless provided otherwise in the Contract, Canada will be responsible for the installation of all Software Error corrections and Maintenance Releases and upgrades.

3. Canada will protect data from loss by implementing back-up procedures.

4004 08 (2008-05-12) Excluded Services

The Contractor is not obligated to correct a failure of the Licensed Programs to operate in accordance with the Specifications if the failure results from:

(a) use of the Licensed Software by Canada that is not in accordance with Canada's license;

(b) the use of hardware or software that is supplied by a person other than the Contractor or a subcontractor and that is not in accordance with the Specifications; or

(c) modifications to the Licensed Software that are not approved by the Contractor or a subcontractor.

4005 (2008/12/12) Telecommunications Services and Products

Public Works and Government Services Canada

Part I - Conditions Common to all Telecommunications Services and Products

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02 Termination Rights Associated with Breach of Telecommunications Warranties and Representations
03 Contractor to Advise of all Proceedings that may Affect the Contract
04 Contractor to Advise of all Relevant CRTC Rulings
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Part II - Additional Conditions: Tariffed Services and Products

08 Status of Contract Pending Final Approval from CRTC
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Part III - Additional Conditions: Non-tariffed Services and Products

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Part I - Conditions Common to all Telecommunications Services and Products

4005 01 (2008-05-12) Interpretation

1. In the Contract, unless the context otherwise requires,

   "CRTC" means the Canadian Radio-television and Telecommunications Commission;

   "General Conditions" means the general conditions that form part of the Contract; and

   "Tariff" means the tariff or tariffs approved by the CRTC that are identified in the Articles of Agreement, if any;

2. Words and expressions defined in the General Conditions and used in these supplemental general conditions have the meanings assigned to them in the General Conditions.

3. If there is any inconsistency between the General Conditions and these supplemental general conditions, the applicable provisions of these supplemental general conditions prevail.

4. Part I of these supplemental general conditions applies to the purchase of all telecommunications services and products.

5. Part II of these supplemental general conditions applies if a tariff approved by the CRTC that applies to the provision of any of the telecommunications services or products in the Contract has been specifically identified in the Articles of Agreement. If Part II applies, Part III does not.

6. Part III of these supplemental general conditions applies if no tariff has been specifically identified in the Articles of Agreement. If Part III applies, Part II does not.

4005 02 (2008-05-12) Termination Rights Associated with Breach of Telecommunications Warranties and Representations

1. Despite any other provision of the Contract (including the Tariff, if applicable, and the priority of documents clause in the Articles of Agreement), if, during the contract period, Canada learns that the Contractor's representations and warranties set out in section 09 or 15, as applicable, were or are untrue, the Contractor will be in default of the Contract and Canada will be entitled to terminate the Contract on thirty (30) calendar days' notice without any penalty (regardless of whether Canada has satisfied any minimum work guarantees in the Contract). The Contractor must pay to Canada its reasonable reprocurement costs resulting from the termination. However, Canada agrees that it will only exercise this right of termination if the Contracting Authority determines that the Contractor's breach of its warranties and representations has resulted in:

(a) a negative effect on the services or products to be provided under the Contract; or

(b) an increase in the amount payable under the Contract, without a commensurate benefit accruing to Canada.

2. Nothing in this section must be interpreted as limiting the rights and remedies that Canada is otherwise entitled to under the Contract or the law.

4005 03 (2008-05-12) Contractor to Advise of all Proceedings that May Affect the Contract

Within five (5) working days of becoming aware of any application to or proceeding before the CRTC that may have an effect on the Contract, the Contractor must advise the Contracting Authority of the nature of the proceeding and how its outcome might affect the Contract.

4005 04 (2008-05-12) Contractor to Advise of all Relevant CRTC Rulings

1. The Contractor must advise the Contracting Authority of any rulings made by the CRTC that could have an effect on the Contract, by identifying the specific ruling and the way it might affect the Contract. The Contractor must provide this information within a reasonable time following the ruling, not to exceed three (3) months or, if the Contracting Authority has requested information about a specific ruling, within thirty (30) calendar days of that request.

2. If a ruling by the CRTC results in an interpretation of the Tariff that is inconsistent with the other provisions of the Contract (or a ruling that additional tariffs apply to the Contract), the Contractor will be in breach of the warranties and representations set out in section 09 or 15, as applicable.

4005 05 (2008-05-12) Information on Canada

1. In relation to all telecommunications services and products provided by the Contractor under the Contract, unless Canada provides express consent or disclosure is pursuant to a legal power, all information kept by the Contractor regarding Canada or its users, other than the name, address and listed telephone number, is confidential and may not be disclosed by the Contractor to anyone other than:

(a) the Contracting Authority;

(b) a person who, in the reasonable judgment of the Contractor, is seeking the information as an agent of Canada; however, the Contractor acknowledges that only the Contracting Authority may designate an individual as an agent of Canada and will do so in writing;

(c) another telephone company, provided the information is required for the efficient and cost-effective provision of telephone service and disclosure is made on a confidential basis with the information to be used only for that purpose;

(d) a company involved in supplying Canada with telephone or telephone directory related services, provided the information is required for that purpose and disclosure is made on a confidential basis with the information to be used only for that purpose; or

(e) an agent retained by the Contractor to evaluate Canada's creditworthiness or collect Canada's account, provided the information is required for and is to be used only for that purpose.

2. Express consent may be taken to be given by Canada only where the Contracting Authority or a person designated in writing by the Contracting Authority provides:

(a) written consent;

(b) oral confirmation verified by an independent third party;

(c) electronic confirmation through the use of a toll-free number;

(d) electronic confirmation through the Internet;

(e) oral consent, where an audio recording of the consent is retained by the carrier; or

(f) consent through other methods, as long as an objective documented record of customer consent is created by Canada or by an independent third party.

3. The Contractor acknowledges that the security requirements of the Contract also apply to all Canada's information.

4005 06 (2008-05-12) Price Protection

1. The Contractor warrants that the rates being charged under the Contract are just and reasonable, as required by section 27 of the *Telecommunications Act*, S.C. 1993, c. 38. The Contractor also represents and warrants that the prices are at least as low as those charged by the Contractor to other customers for similar services under similar contract conditions.

2. On request by the Contracting Authority, within ten (10) working days, the Contractor must provide a certification signed by its chief financial officer confirming that the prices charged under the Contract are at least as low as those charged by the Contractor to other customers for similar services under similar contract conditions.

4005 07 (2008-05-12) Limitation of Liability for Mandatory 9-1-1 Emergency Service for Wireless Telecommunications Services

1. Despite any other provision of the Contract concerning liability, the Contractor's liability with respect to the provision of 9-1-1 emergency services for wireless telecommunications (if those services are provided under the Contract) will be determined as follows:

(a) The Contractor's liability is not limited by paragraphs (b) through (d) below, in cases of deliberate fault, gross negligence or anti-competitive conduct on the part of the Contractor or in cases of breach of contract where the breach results from gross negligence of the Contractor.

(b) Except in cases where negligence on the part of the Contractor results in physical injury, death or damage to Canada's property or premises, the Contractor's liability for negligence related to the provision of emergency services is limited to the greater of $20 and three times the amount

Canada would otherwise be entitled to receive as a refund for the provision of defective service under the Contract.

(c) In respect of the provision of emergency services, the Contractor is not liable:

(i) for libel, slander, defamation or the infringement of copyright arising from material or messages transmitted over the Contractor's telecommunications network from Canada's property or premises or recorded by Canada's equipment or the Contractor's equipment,

(ii) for damages arising out of the act, default, neglect or omission of Canada in the use or operation of equipment provided by the Contractor, or

(iii) for damages arising out of the transmission of material or messages over the Contractor's telecommunications network on behalf of Canada, which is in any way unlawful.

(d) When facilities of other companies or telecommunications systems are used in establishing connections to or from customer-controlled facilities and equipment, the Contractor is not liable for any act, omission or negligence of the other companies or telecommunications systems in relation to the provision of emergency services on a mandatory (i.e., as mandated by the CRTC) basis to Canada.

2. Any other provisions of the Contract concerning liability continue to apply to all services or products other than 9-1-1 emergency services for wireless telecommunications.

Part II - Additional Conditions: Tariffed Services and Products

4005 08 (2008-05-12) Status of Contract Pending Final Approval From CRTC

1. If the Contract has been awarded to the Contractor on the basis of an interim tariff approval from the CRTC, the Contractor must not start the Work before receiving final tariff approval from the CRTC. When it receives final approval, the Contractor must submit the following to the Contracting Authority:

(a) the Tariff in the final form approved by the CRTC; and

(b) a list of any revisions made to the version of the Draft Tariff originally submitted with the Contractor's bid and an explanation of how these revisions affect the Contract.

2. Canada will review the Contractor's submission and will determine whether the revisions to the original form of Draft Tariff submitted with the Contractor's bid affect:

(a) its compliance with the mandatory requirements of the bid solicitation that resulted in the contract award;

(b) its score under the rated requirements of the bid solicitation, if any; or

(c) its ranking compared to other bidders in accordance with the evaluation process described in the bid solicitation.

3. If Canada determines that the Contractor remains compliant to the requirements of the bid solicitation and that its ranking compared to other bidders has been unaffected by the revisions to the Draft Tariff, Canada will advise the Contractor to proceed with the Work.

4. If Canada determines that, as a result of the revisions to the Draft Tariff, the Contractor is either no longer compliant or would no longer have been the top-ranked bidder under the evaluation

process described in the bid solicitation, Canada may terminate the Contract for default, without any cost or penalty to Canada, and proceed to consider the next-ranked bid for contract award under the provisions of the bid solicitation.

5. Unless the Contractor receives approval sooner, Canada will allow no less than the following time period following the date of the Contract for the Contractor to obtain final approval of the Draft Tariff:

(a) if the CRTC granted the interim approval on the basis of an ex parte application, no fewer than seventy (70) working days following the date of the Contract; or

(b) if the CRTC granted the interim approval on the basis of a public process, no fewer than fifty-five (55) working days following the date of the Contract.

If the Contractor fails to obtain final approval of the Draft Tariff from the CRTC in this time period, Canada will be entitled to terminate the Contract for default, without cost or penalty, and proceed to consider the next-ranked bid for contract award.

4005 09 (2008-05-12) Telecommunications Warranties and Representations

1. Canada acknowledges that non-forborne telecommunications services and products, and bundled services that include non-forborne telecommunications services or products, are required to be provided in accordance with the applicable tariffs approved by the CRTC. However, the Contractor warrants that:

(a) the Tariff consists of the only tariff(s) that apply to the provision of the services and products to be provided under the Contract;

(b) the Tariff does not contain any rate ranges and all prices listed in the Tariff are firm prices;

(c) the services and products to be provided under the Contract and the rates at which those services and products will be provided are in accordance with the Tariff;

(d) the Tariff is not inconsistent with any other provisions of the Contract;

(e) the conditions respecting the provision of non-tariffed services and products under the Contract are in no way dependent on Canada subscribing to any tariffed or tariffable services and products, and the non-tariffed services and products are available on a stand-alone basis at the price set out in the basis of payment provision of the Contract for those services;

(f) the charges for, and availability of, the telecommunications services and products provided under the Contract are in no way contingent on Canada subscribing for the provision of any tariffed or tariffable telecommunications service or product from the Contractor or any of its affiliates, unless the arrangement is conditional on tariff approval; and

(g) the Contractor has sought and obtained all necessary approvals from the CRTC to ensure that the Contract represents the entire agreement between the Contractor and Canada.

2. The Contractor acknowledges that Canada has relied on these warranties and representations in awarding the Contract to the Contractor.

4005 10 (2008-05-12) Contractor not to File Amendments to Tariff without Consent

If the Contract was awarded as a result of a competitive process, the Contractor agrees that it will not, on its own initiative, seek any amendment to any tariff (including any general tariff, special facilities tariff or customer-specific tariff) that forms part of the Tariff without the Contracting Authority's prior written

consent. If the Contractor makes an amendment that results in the Tariff no longer being consistent with the other provisions of the Contract, the Contractor will be in breach of the warranties and representations set out in section 09 or 15, as applicable.

4005 11 (2008-05-12) Effect of CRTC-Mandated Amendments to the Tariff

If the CRTC, on its own initiative, directs the Contractor to amend the Tariff, the Contractor will not be considered to be in breach of the warranties and representations set out in the section of this Part entitled "Telecommunications Warranties and Representations". However, interpretations by the CRTC of the Tariff will not be considered to be CRTC-initiated amendments to the Tariff unless the CRTC specifically orders that the Tariff be amended as a result of its order. An order by the CRTC that the conditions of the Contract be amended to conform to the Tariff (without amending the Tariff itself) is not considered to be a CRTC-initiated amendment to the Tariff and will constitute a breach of the warranties and representations set out in section 09 or 15, as applicable.

4005 12 (2008-05-12) Limitation of Liability for Tariffed Telecommunications Services and Products

Despite any other provision of the Contract, any limitation of liability set out in the Tariff applies to the services or products subject to the Tariff. Any other provisions of the Contract concerning limitation of liability continue to apply to all other services or products to which the Tariff does not expressly apply.

4005 13 (2008-05-12) Termination for Convenience

Despite the contract period and the provisions of the General Conditions concerning termination for convenience, Canada has the right to terminate the Contract for convenience with thirty (30) calendar days' written notice, at no cost to Canada. If Canada terminates for convenience, Canada will be responsible only to pay for the services or products delivered and accepted up to the date of termination. However, Canada acknowledges that, if it exercises its right to terminate for convenience in respect of telecommunications services or products subject to the Tariff, where the price for that specific service or product is associated with a minimum term for the service, any termination charges specified in the Tariff will apply.

4005 14 (2008-05-12) Deregulation of Services or Products

1. If, during the contract period, the law no longer requires any of the services or products under in the Contract to be provided in accordance with the Tariff, at Canada's option, the conditions of the former Tariff will immediately cease to apply to the Contract and the Contract will be interpreted accordingly.

2. If the Contractor continues to be required by law to provide the services or products in accordance with the Tariff in only some locations, Canada may choose to have the conditions of the Tariff apply only to those locations.

3. At the time the conditions of the former Tariff cease to apply to any services or products, the Contractor agrees, throughout the remainder of the contract period, to lower its prices to the lowest price it charges to any other customer receiving similar quality and quantity of services or products.

Part III - Additional Conditions: Non-tariffed Services and Products

4005 15 (2008-05-12) Telecommunications Warranties and Representations

The Contractor warrants that the provision of each of the services and products to be provided by the Contractor under the Contract is either non-regulated or forborne and, as a result, no tariffs apply to the Contract. The Contractor also warrants and represents that it has sought and obtained all necessary

approvals from the CRTC to ensure that the Contract represents the entire agreement between the Contractor and Canada. The Contractor acknowledges that Canada has relied on these warranties and representations in awarding the Contract to the Contractor.

4005 16 (2008-05-12) Termination for Convenience

Despite the contract period and the provisions of the General Conditions concerning termination for convenience, Canada has the right to terminate the Contract for convenience with thirty (30) calendar days' written notice, at no cost to Canada. In the event of termination, Canada will be responsible only to pay for the services or products delivered and accepted up to the date of termination.

4006 (2008/12/12) Contractor to Own Intellectual Property Rights in Foreground Information

Public Works and Government Services Canada

01 Interpretation
02 Records and Disclosure of Foreground Information
03 Ownership of Intellectual Property Rights in Foreground Information
04 Licenses to Intellectual Property Rights in Foreground and Background Information
05 Contractor's Right to Grant Licenses
06 Waiver of Moral Rights
07 License to Intellectual Property Rights in Canada's Information
08 Transfer or License of Contractor's Rights
09 Transfer of Intellectual Property Rights Upon Termination of the Contract for Default
10 Products Created Using the Foreground Information

4006 01 (2008-05-12) Interpretation

1. In the Contract, unless the context otherwise requires:

"Background Information" means all Intellectual Property that is not Foreground Information that is incorporated into the Work or necessary for the performance of the Work and that is proprietary to or the confidential information of the Contractor, its subcontractors or any other third party;

"Firmware" means computer programs that are stored in integrated circuits, read-only memory or other similar devices within the hardware or other equipment;

"Foreground Information" means all Intellectual Property first conceived, developed, produced or reduced to practice as part of the Work under the Contract;

"General Conditions" means the general conditions that form part of the Contract;

"Intellectual Property" means any information or knowledge of an industrial, scientific, technical, commercial, literary, dramatic, artistic or otherwise creative nature relating to the Work, whether oral or recorded in any form or medium and whether or not subject to copyright; this includes but is not limited to any inventions, designs, methods, processes, techniques, know-how, show-how, models, prototypes, patterns, samples, schematics, experimental or test data, reports, drawings, plans, specifications, photographs, manuals and any other documents, Software, and Firmware;

"Intellectual Property Right" means any intellectual property right recognized by law, including any intellectual property right protected by legislation such as patents, copyright, industrial design, integrated circuit topography, and plant breeders' rights, or subject to protection under the law as trade secrets and confidential information.

"Software" means any computer program whether in source or object code (including Firmware), any computer program documentation recorded in any form or upon any medium, and any computer database, including any modification.

2. Canada's primary objective in entering into the Contract is to receive the deliverables contracted for, to be able to use those deliverables, and any Intellectual Property arising by virtue of the Contract for Canada's activities, including future contracts, procurements and to protect or advance the broader public interest. These supplemental general conditions do not affect any existing Intellectual Property Rights in any information belonging to Canada, the Contractor or a third party.

3. Words and expressions defined in the General Conditions and used in these supplemental general conditions have the meanings given to them in the General Conditions. In the event of any inconsistency between the General Conditions and these supplemental general conditions, the applicable provisions of these supplemental general conditions will prevail. If the General Conditions include a section on "Copyright", they are amended by deleting the section in its entirety.

4. If supplemental general conditions 4001, 4003 and 4004 are also incorporated in the Contract, the provisions of those supplemental general conditions concerning the ownership of Intellectual Property will prevail in relation to the subject matter of those supplemental general conditions.

5. References in these supplemental general conditions to the Contractor owning the Foreground Information or any rights in it refer to the Contractor, its subcontractors, its suppliers, its agents, its representatives or any of their employees owning such information or rights, as applicable.

4006 02 (2008-05-12) Records and disclosure of Foreground Information

1. During and after the performance of the Contract, the Contractor must keep detailed records of the Foreground Information, including details of its creation, ownership and about any sale or transfer of any right in the Foreground Information. The Contractor must report and fully disclose to Canada all Foreground Information as required by the Contract. If the Contract does not specifically state when and how the Contractor must do so, the Contractor must provide this information when requested by the Contracting Authority or a representative of the department or agency for which the Contract is performed, whether before or after the completion of the Contract.

2. Before and after final payment to the Contractor, the Contractor must provide Canada with access to all records and supporting data that Canada considers pertinent to the identification of Foreground Information.

3. For any Intellectual Property that was developed or created in relation to the Work, Canada will be entitled to assume that it was developed or created by Canada, if the Contractor's records do not list that Intellectual Property or do not indicate that it was created by the Contractor, or by someone on behalf of the Contractor, other than Canada.

4006 03 (2008-05-12) Ownership of Intellectual Property Rights in Foreground Information

1. All Intellectual Property Rights in the Foreground Information belong to the Contractor as soon as they come into existence.

2. Despite the Contractor's ownership of all the Intellectual Property Rights in the Foreground Information, Canada has unrestricted ownership rights in any prototype, model, custom or customized system or equipment that is a deliverable under the Contract, including manuals and other operating and maintenance documents. This includes the right to make them available for public use, whether for a fee or otherwise, sell them or otherwise transfer ownership in them.

3. Any personal information, as defined in the *Privacy Act*, R.S., 1985, c. P-21, collected by the Contractor in the execution of the Work under the Contract becomes the property of Canada immediately upon collection and must be used only for the performance of the Work. The Contractor has no right in any such personal information.

4. If the Work under the Contract involves the preparation of a database or other compilation using information or data supplied by Canada and any personal information referred to above, the Intellectual Property Rights in the database or compilation containing such information will belong

to Canada. The Contractor's Intellectual Property Rights in the Foreground Information are restricted to those capable of being exploited without the use of the information or data supplied by Canada and the personal information.

5. The Contractor must maintain the confidentiality of the information or data supplied by Canada and the personal information as required in the General Conditions. The Contractor must return all the information belonging to Canada on request or on completion or termination of the Contract. This includes returning all hard copies and electronic copies as well as any paper or electronic record that contains any part of the information or information derived from it.

4006 04 (2008-05-12) Licenses to Intellectual Property Rights in Foreground and Background Information

1. As Canada has contributed to the cost of developing the Foreground Information, the Contractor grants to Canada a license to exercise all Intellectual Property Rights in the Foreground Information for Canada's activities. Subject to any exception described in the Contract, this license allows Canada to do anything that it would be able to do if it were the owner of the Foreground Information, other than exploit it commercially and transfer or assign ownership of it. The Contractor also grants to Canada a license to use the Background Information to the extent that it is reasonably necessary for Canada to exercise fully all its rights in the deliverables and in the Foreground Information.

2. These licenses are non-exclusive, perpetual, irrevocable, worldwide, fully-paid and royalty-free. Neither license can be restricted in any way by the Contractor providing any form of notice to the contrary, including the wording on any shrink-wrap or click-wrap license or any other kind of packaging, attached to any deliverable.

3. For greater certainty, Canada's licenses include, but are not limited to:

(a) the right to disclose the Foreground and Background Information to third parties bidding on or negotiating contracts with Canada and to sublicense or otherwise authorize the use of that information by any contractor engaged by Canada solely for the purpose of carrying out such contracts. Canada will require these third parties and contractors not to use or disclose that information except as may be necessary to bid on, negotiate or carry out those contracts;

(b) the right to disclose the Foreground and Background Information to other governments for information purposes;

(c) the right to reproduce, modify, improve, develop or translate the Foreground and Background Information or have it done by a person hired by Canada. Canada, or a person designated by Canada, will own the Intellectual Property Rights associated with the reproduction, modification, improvement, development or translation;

(d) without restricting the scope of any license or other right in the Background Information that Canada may otherwise hold, the right, in relation to any custom-designed or custom-manufactured part of the Work, to exercise such of the Intellectual Property Rights in the Background Information as may be required for the following purposes:

(i) for the use, operation, maintenance, repair or overhaul of the custom-designed or custom-manufactured parts of the Work;

(ii) in the manufacturing of spare parts for maintenance, repair or overhaul of any custom-designed or custom-manufactured part of the Work by Canada, if those parts are not available on reasonable commercial terms to enable timely maintenance, repair or overhaul;

(e) for Software that is custom designed for Canada, the right to use any source code the Contractor must deliver to Canada under the Contract.

4. The Contractor agrees to make the Background Information, including in the case of Software, the source code promptly available to Canada for any purpose mentioned above. The license does not apply to any Software that is subject to detailed license conditions that are set out elsewhere in the Contract. Furthermore, in the case of commercial off-the-shelf software, the Contractor's obligation to make the source code promptly available to Canada applies only to source code that is within the control of or can be obtained by the Contractor or any subcontractor.

4006 05 (2008-05-12) Contractor's Right to Grant Licenses

The Contractor represents and warrants that it has the right to grant to Canada the licenses and any other rights to use the Foreground and Background Information. If the Intellectual Property Rights in any Foreground or Background Information are or will be owned by a subcontractor or any other third party, the Contractor must have or obtain promptly a license from that subcontractor or third party that permits compliance with section 4 or arrange, without delay, for the subcontractor or third party to grant promptly any required license directly to Canada.

4006 06 (2008-05-12) Waiver of Moral Rights

If requested by Canada, during and after the Contract, the Contractor must provide a written permanent waiver of moral rights, as defined in the *Copyright Act*, R.S., 1985, c. C-42, from every author that contributes to any Foreground Information subject to copyright protection that is a deliverable to Canada under the Contract. If the Contractor is an author of the Foreground Information, the Contractor permanently waives the Contractor's moral rights in that Foreground Information.

4006 07 (2008-05-12) License to Intellectual Property Rights to Canada's Information

1. Any information supplied by Canada to the Contractor for the performance of the Work remains the property of Canada. The Contractor must use Canada's Information only to perform the Contract.

2. If the Contractor wants to use any information owned by Canada for the commercial exploitation or further development of the Foreground Information, the Contractor must obtain a license from the department or agency for which the Contract is performed. In its request for a license to that department or agency, the Contractor must explain why the license is required and how the Contractor intends to use the information. If the department or agency agrees to grant a license, conditions will be negotiated between the Contractor and that department or agency and may include the payment of a compensation to Canada.

4006 08 (2008-05-12) Transfer or License of Contractor's Rights

1. During the Contract, the Contractor must not sell, transfer, assign or license the Foreground Information without first obtaining the Contracting Authority's written permission.

2. After the Contract, if the Contractor transfer ownership in the Foreground Information, the Contractor is not required to obtain Canada's permission, but must notify the department or agency for whom the Contract is performed in writing of the transfer by referring to the serial number of the Contract and its date and by providing details about the transferee, including the conditions of the transfer. The Contractor must ensure that the transfer requires the transferee to notify the Canada of any future transfer. Any transfer must be subject to all Canada's rights to use the Foreground Information.

3. After the Contract, if the Contractor grants a license or any other right (other than a transfer of ownership) to a third party to use the Foreground Information, the Contractor is not required to notify Canada, but the license or right granted must not affect Canada's rights in any way.

4. If the Contractor at any time transfers ownership of or grants rights in the Foreground Information that interfere in any way with Canada's rights to use the Foreground Information, the Contractor must, if requested by Canada, immediately take all steps necessary to restore Canada's rights. If the Contractor is not successful in doing so, within the time reasonably required by Canada, the Contractor must immediately reimburse Canada for all costs Canada incurs to do so itself.

4006 09 (2008-05-12) Transfer of Intellectual Property Rights upon Termination of the Contract for Default

1. If Canada terminates the Contract in whole or in part for default, Canada may, by giving notice to the Contractor, require the Contractor to transfer to Canada all the Intellectual Property Rights in the Foreground Information, including the rights owned by subcontractors. In the case of Intellectual Property Rights in the Foreground Information that have been sold or assigned to a third party, the Contractor must pay to Canada on demand, at Canada's discretion, the fair market value of the Intellectual Property Rights in the Foreground Information or an amount equal to the payment received by the Contractor from the sale or assignment of the Intellectual Property Rights in the Foreground Information.

2. In the event of the issuance of a notice under subsection 1, the Contractor must, at its own expense and without delay, execute such documents relating to ownership of the Intellectual Property Rights as Canada may require. The Contractor must, at Canada's expense, provide all reasonable assistance in the preparation of applications and in the prosecution of any applications for registration of any Intellectual Property Rights in any jurisdiction, including the assistance of the inventor in the case of an invention.

4006 10 (2008-05-12) Products created using the Foreground Information

If the Contractor uses the Foreground Information to develop any new product or any improvement in any existing product, the Contractor agrees that, if Canada wishes to purchase such new or improved product, the Contractor must sell them to Canada at a discount off the lowest price for which it has sold those products to other customers, to recognize Canada's financial contribution to the development of those products.

4007 (2008/12/12) Canada to Own Intellectual Property Rights in Foreground Information

Public Works and Government Services Canada

01 Interpretation
02 Records and Disclosure of Foreground Information
03 Ownership of Intellectual Property Rights in Foreground Information
04 License to Intellectual Property Rights in Background Information
05 Contractor's Right to Grant License
06 Waiver of Moral Rights

4007 01 (2008-05-12) Interpretation

1. In the Contract, unless the context otherwise requires:

"Background Information" means all Intellectual Property that is not Foreground Information that is incorporated into the Work or necessary for the performance of the Work, regardless of whether it is owned by the Contractor or a third party;

"Firmware" means computer programs that are stored in integrated circuits, read-only memory or other similar devices within the hardware or other equipment;

"Foreground Information" means all Intellectual Property first conceived, developed, produced or reduced to practice as part of the Work under the Contract;

"General Conditions" means the general conditions that form part of the Contract;

"Intellectual Property" means any information or knowledge of an industrial, scientific, technical, commercial, literary, dramatic, artistic or otherwise creative nature relating to the Work, whether oral or recorded in any form or medium and whether or not subject to copyright; this includes but is not limited to any inventions, designs, methods, processes, techniques, know-how, show-how, models, prototypes, patterns, samples, schematics, experimental or test data, reports, drawings, plans, specifications, photographs, manuals and any other documents, Software, and Firmware;

"Intellectual Property Right" means any intellectual property right recognized by law, including any intellectual property right protected by legislation such as patents, copyright, industrial design, integrated circuit topography, and plant breeders' rights, or subject to protection under the law as trade secrets and confidential information.

"Software" means any computer program whether in source or object code (including Firmware), any computer program documentation recorded in any form or upon any medium, and any computer database, including any modification.

2. Words and expressions defined in the General Conditions and used in these supplemental general conditions have the meanings given to them in the General Conditions. In the event of any inconsistency between the General Conditions and these supplemental general conditions, the applicable provisions of these supplemental general conditions will prevail.

3. If supplemental general conditions 4001 and 4003 are also incorporated in the Contract, the provisions of those supplemental general conditions concerning the ownership of Intellectual Property will prevail in relation to the subject matter of those supplemental general conditions.

4007 02 (2008-05-12) Record and Disclosure of Foreground Information

1. During and after the performance of the Contract, the Contractor must keep detailed records of the Foreground Information, including details of its creation. The Contractor must report and fully disclose to Canada all Foreground Information as required by the Contract. If the Contract does not specifically state when and how the Contractor must do so, the Contractor must provide this information if requested by the Contracting Authority, whether before or after the completion of the Contract.

2. Before and after final payment to the Contractor, the Contractor must provide Canada with access to all records and supporting data that Canada considers pertinent to the identification of Foreground Information.

3. For any Intellectual Property that was developed or created in relation to the Work, Canada will be entitled to assume that it was developed or created by Canada, if the Contractor's records do not list that Intellectual Property or do not indicate that it was created by the Contractor, or by someone on behalf of the Contractor, other than Canada.

4007 03 (2008-05-12) Ownership of Intellectual Property Rights in Foreground Information

1. All Intellectual Property Rights in the Foreground Information belong to Canada as soon as they come into existence. The Contractor has no right in or to any such Intellectual Property Rights in the Foreground Information, except any right that may be granted in writing by Canada.

2. The Contractor must incorporate the copyright symbol and one of the following notices, as appropriate into all Foreground Information that is subject to copyright regardless of the form or medium upon which it is recorded: © Her Majesty the Queen in Right of Canada (year), or © Sa Majesté la Reine du chef du Canada (année).

3. The Contractor must execute any documents relating to the Intellectual Property Rights in the Foreground Information as Canada may require. The Contractor must, at Canada's expense, provide Canada all reasonable assistance in the preparation of applications and in the prosecution of any applications for registration of any Intellectual Property Rights in any jurisdiction, including the assistance of the inventor in the case on inventions.

4007 04 (2008-05-12) License to Intellectual Property Rights in Background Information

1. The Contractor grants to Canada a license to use the Background Information to the extent that it is reasonably necessary for Canada to exercise fully all its rights in the deliverables and in the Foreground Information. This license is non-exclusive, perpetual, irrevocable, worldwide, fully-paid and royalty-free. The license cannot be restricted in any way by the Contractor providing any form of notice to the contrary, including the wording on any shrink-wrapped license attached to any deliverable.

2. For greater certainty, Canada's license in the Background Information includes, but is not limited to:

(a) the right to disclose the Background Information to third parties bidding on or negotiating contracts with Canada and to sublicense or otherwise authorize the use of that information by any contractor engaged by Canada solely for the purpose of carrying out such contracts. Canada will require these third parties and contractors not to use or disclose that information except as may be necessary to bid, negotiate or carry out those contracts;

(b) the right to disclose the Background Information to other governments for information purposes;

(c) the right reproduce, modify, improve, develop or translate the Background Information or have it done by a person hired by Canada. Canada, or a person designated by Canada, will own the Intellectual Property Rights associated with reproduction, modification, improvement, development or translation.

(d) without restricting the scope of any license or other right in the Background Information that Canada may otherwise hold in relation to any custom-designed or custom-manufactured part of the Work, the right to use and disclose to a contractor engaged by Canada the Background Information for the following purposes:

(i) For the use, operation, maintenance, repair or overhaul of the custom-designed or custom-manufactured parts of the Work;

(ii) In the manufacturing of spare parts for maintenance, repair or overhaul of any custom-designed or custom-manufactured part of the Work by Canada if those parts are not available on reasonable commercial terms to enable timely maintenance, repair or overhaul.

3. The Contractor agrees to make the Background Information, including in the case of Software, the source code, promptly available to Canada for any purpose mentioned above. The license does not apply to any Software that is subject to detailed license conditions that are set out elsewhere in the Contract. Furthermore, in the case of commercial off-the-shelf software, the Contractor's obligation to make the source code promptly available to Canada applies only to source code that is within the control of or can be obtained by the Contractor or any subcontractor.

4007 05 (2008-05-12) Contractor's Right to Grant Licence

The Contractor represents and warrants that it has the right to grant to Canada the license and any other rights to use the Background Information. If the Intellectual Property Rights in any Background Information are owned by a subcontractor or any other third party, the Contractor must have a license from that subcontractor or third party that permits compliance with section 4 or arrange, without delay, for the subcontractor or third party to grant promptly the required license directly to Canada.

4007 06 (2008-05-12) Waiver of Moral Rights

If requested by Canada, during and after the Contract, the Contractor must provide a written permanent waiver of moral rights, as defined in the *Copyright Act*, R.S., 1985, c. C-42, from every author that contributes to any Foreground Information subject to copyright protection that is a deliverable to Canada under the Contract. If the Contractor is an author of the Foreground Information, the Contractor permanently waives the Contractor's moral rights in that Foreground Information.

4008 (2008/12/12) Personal Information

Public Works and Government Services Canada

01 Interpretation
02 Ownership of Personal Information and Records
03 Use of Personal Information
04 Collection of Personal Information
05 Maintaining the Accuracy, Privacy and Integrity of Personal Information
06 Safeguarding Personal Information
07 Appointment of Privacy Officer
08 Quarterly Reporting Obligations
09 Threat and Risk Assessment
10 Audit
11 Statutory Obligations
12 Disposing of Records and Returning Records to Canada
13 Legal Requirement to Disclose Personal Information
14 Complaints
15 Exception

4008 01 (2008-05-12) Interpretation

1. In the Contract, unless the context otherwise requires,

   "General Conditions" means the general conditions that form part of the Contract;

   "Personal Information" means information about an individual, including the types of information specifically described in the *Privacy Act*, R.S. 1985, c. P-21;

   "Record" means any hard copy document or any data in a machine-readable format containing Personal Information;

2. Words and expressions defined in the General Conditions and used in these supplemental general conditions have the meanings given to them in the General Conditions.

3. If there is any inconsistency between the General Conditions and these supplemental general conditions, the applicable provisions of these supplemental general conditions prevail.

4008 02 (2008-05-12) Ownership of Personal Information and Records

To perform the Work, the Contractor will be provided with and/or will be collecting Personal Information from third parties. The Contractor acknowledges that it has no rights in the Personal Information or the Records and that Canada owns the Records.

On request, the Contractor must make all the Personal Information and Records available to Canada immediately in a format acceptable to Canada.

4008 03 (2008-05-12) Use of Personal Information

The Contractor agrees to create, collect, receive, manage, access, use, retain, and dispose of the Personal Information and the Records only to perform the Work in accordance with the Contract.

4008 04 (2008-05-12) Collection of Personal Information

1. If the Contractor must collect Personal Information from a third party to perform the Work, the Contractor must only collect Personal Information that is required to perform the Work. The Contractor must collect the Personal Information from the individual to whom it relates and the Contractor must inform that individual (at or before the time when it collects the Personal Information) of the following:

(a) that the Personal Information is being collected on behalf of, and will be provided to, Canada;

(b) the ways the Personal Information will be used;

(c) that the disclosure of the Personal Information is voluntary or, if there is a legal requirement to disclose the Personal Information, the basis of that legal requirement;

(d) the consequences, if any, of refusing to provide the information;

(e) that the individual has a right to access and correct his or her own Personal Information; and

(f) that the Personal Information will form part of a specific personal information bank (within the meaning of the *Privacy Act*), and also provide the individual with information about which government institution controls that personal information bank, if the Contracting Authority has provided this information to the Contractor.

2. The Contractor, its subcontractors, and their respective employees must identify themselves to the individuals from whom they are collecting Personal Information and must provide those individuals with a way to verify that they are authorized to collect the Personal Information under a Contract with Canada.

3. If requested by the Contracting Authority, the Contractor must develop a request for consent form to be used when collecting Personal Information, or a script for collecting the Personal Information by telephone. The Contractor must not begin using a form or script unless the Contracting Authority first approves it in writing. The Contractor must also obtain the Contracting Authority's approval before

making any changes to a form or script.

4. At the time it requests Personal Information from any individual, if the Contractor doubts that the individual has the capacity to provide consent to the disclosure and use of his or her Personal Information, the Contractor must ask the Contracting Authority for instructions.

4008 05 (2008-05-12) Maintaining the Accuracy, Privacy and Integrity of Personal Information

The Contractor must ensure that the Personal Information is as accurate, complete, and up to date as possible. The Contractor must protect the privacy of the Personal Information. To do so, at a minimum, the Contractor must:

(a) not use any personal identifiers (e.g., social insurance number) to link multiple databases containing Personal Information;

(b) segregate all Records from the Contractor's own information and records;

(c) restrict access to the Personal Information and the Records to people who require access to perform the Work (for example, by using passwords or biometric access controls);

(d) provide training to anyone to whom the Contractor will provide access to the Personal Information regarding the obligation to keep it confidential and use it only to perform the Work. The Contractor must provide this training before giving an individual access to any Personal Information and the Contractor must keep a record of the training and make it available to the Contracting Authority if requested;

(e) if requested by the Contracting Authority, before providing anyone with access to the Personal Information, require anyone to whom the Contractor provides access to the Personal Information to acknowledge in writing (in a form approved by the Contracting Authority) their responsibilities to maintain the privacy of the Personal Information;

(f) keep a record of all requests made by an individual to review his or her Personal Information, and any requests to correct errors or omissions in the Personal Information (whether those requests are made directly by an individual or by Canada on behalf of an individual);

(g) include a notation on any Record(s) that an individual has requested be corrected if the Contractor has decided not to make the correction for any reason. Whenever this occurs, the Contractor must immediately advise the Contracting Authority of the details of the requested correction and the reasons for the Contractor's decision not to make it. If directed by the Contracting Authority to

make the correction, the Contractor must do so;

(h) keep a record of the date and source of the last update to each Record;

(i) maintain an audit log that electronically records all instances of and attempts to access Records stored electronically. The audit log must be in a format that can be reviewed by the Contractor and Canada at any time; and

(j) secure and control access to any hard copy Records.

4008 06 (2008-05-12) Safeguarding Personal Information

The Contractor must safeguard the Personal Information at all times by taking all measures reasonably necessary to secure it and protect its integrity and confidentiality. To do so, at a minimum, the Contractor must:

(a) store the Personal Information electronically so that a password (or a similar access control mechanism, such as biometric access) is required to access the system or database in which the Personal Information is stored;

(b) ensure that passwords or other access controls are provided only to individuals who require access to the Personal Information to perform the Work;

(c) not outsource the electronic storage of Personal Information to a third party (including an affiliate) unless the Contracting Authority has first consented in writing;

(d) safeguard any database or computer system on which the Personal Information is stored from external access using methods that are generally used, from time to time, by prudent public and private sector organizations in Canada in order to protect highly secure or sensitive information;

(e) maintain a secure back-up copy of all Records, updated at least weekly;

(f) implement any reasonable security or protection measures requested by Canada from time to time; and

(g) notify the Contracting Authority immediately of any security breaches; for example, any time an unauthorized individual accesses any Personal Information.

4008 07 (2008-05-12) Appointment of Privacy Officer

The Contractor must appoint someone to be its privacy officer and to act as its representative for all matters related to the Personal Information and the Records. The Contractor must provide that person's name to the Contracting Authority within ten (10)

days of the award of the Contract.

4008 08 (2008-05-12) Quarterly Reporting Obligations

Within thirty (30) calendar days of the end of each quarter (January-March; April-June; July-September; October-December), the Contractor must submit the following to the Contracting Authority:

(a) a description of any new measures taken by the Contractor to protect the Personal Information (for example, new software or access controls being used by the Contractor);

(b) a list of any corrections made to Personal Information at the request of an individual (including the name of the individual, the date of the request, and the correction made);

(c) details of any complaints received from individuals about the way in which their Personal Information is being collected or handled by the Contractor; and

(d) a complete copy (in an electronic format agreed to by the Contracting Authority and the Contractor) of all the Personal Information stored electronically by the Contractor.

4008 09 (2008-05-12) Threat and Risk Assessment

Within ninety (90) calendar days of the award of the Contract and, if the Contract lasts longer than one year, within thirty (30) calendar days of each anniversary date of the Contract, the Contractor must submit to the Contracting Authority a threat and risk assessment, which must include:

(a) a copy of the current version of any request for consent form or script being used by the Contractor to collect Personal Information;

(b) a list of the types of Personal Information used by the Contractor in connection with the Work;

(c) a list of all locations where hard copies of Personal Information are stored;

(d) a list of all locations where Personal Information in machine-readable format is stored (for example, the location where any server housing a database including any Personal Information is located), including back-ups;

(e) a list of every person to whom the Contractor has granted access to the Personal Information or the Records;

(f) a list of all measures being taken by the Contractor to protect the Personal

Information and the Records;

(g) a detailed explanation of any potential or actual threats to the Personal Information or any Record, together with an assessment of the risks created by these threats and the adequacy of existing safeguards to prevent these risks; and

(h) an explanation of any new measures the Contractor intends to implement to safeguard the Personal Information and the Records.

4008 10 (2008-05-12) Audit

Canada may audit the Contractor's compliance with these supplemental general conditions at any time. If requested by the Contracting Authority, the Contractor must provide Canada (or Canada's authorized representative) with access to its premises and to the Personal Information and Records at all reasonable times. If Canada identifies any deficiencies during an audit, the Contractor must immediately correct the deficiencies at its own expense.

4008 11 (2008-05-12) Statutory Obligations

1. The Contractor acknowledges that Canada is required to handle the Personal Information and the Records in accordance with the provisions of Canada's *Privacy Act*, *Access to Information Act*, R.S. 1985, c. A-1, and Library and *Archives of Canada Act*, S.C. 2004, c. 11. The Contractor agrees to comply with any requirement established by the Contracting Authority that is reasonably required to ensure that Canada meets its obligations under these acts and any other legislation in effect from time to time.

2. The Contractor acknowledges that its obligations under the Contract are in addition to any obligations it has under the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, or similar legislation in effect from time to time in any province or territory of Canada. If the Contractor believes that any obligations in the Contract prevent it from meeting its obligations under any of these laws, the Contractor must immediately notify the Contracting Authority of the specific provision of the Contract and the specific obligation under the law with which the Contractor believes it conflicts.

4008 12 (2008-05-12) Disposing of Records and Returning Records to Canada

The Contractor must not dispose of any Record, except as instructed by the Contracting Authority. On request by the Contracting Authority, or once the Work involving the Personal Information is complete, the Contract is complete, or the Contract is terminated, whichever of these comes first, the Contractor must return all Records (including all copies) to the Contracting Authority.

4008 13 (2008-05-12) Legal Requirement to Disclose Personal Information

Before disclosing any of the Personal Information pursuant to any applicable legislation, regulation, or an order of any court, tribunal or administrative body with jurisdiction, the Contractor must immediately notify the Contracting Authority, in order to provide the Contracting Authority with an opportunity to participate in any relevant proceedings.

4008 14 (2008-05-12) Complaints

Canada and the Contractor each agree to notify the other immediately if a complaint is received under the *Access to Information Act* or the *Privacy Act* or other relevant legislation regarding the Personal Information. Each Party agrees to provide any necessary information to the other to assist in responding to the complaint and to inform the other immediately of the outcome of that complaint.

4008 15 (2008-05-12) Exception

The obligations set out in these supplemental general conditions do not apply to any Personal Information that is already in the public domain, as long as it did not become part of the public domain as a result of any act or omission of the Contractor or any of its subcontractors, agents, or representatives, or any of their employees.

LAB-180 (2004/12/10) Labour Conditions

LAB-180 (2004-12-10) Labour Conditions - Fair Wages and Hours of Labour

Public Works and Government Services Canada

01 Interpretation
02 General Fair Wage Clause
03 Hours of Work
04 Labour Conditions to be Posted
05 The Contractor to Keep Records which are to be Kept Open for Inspection
06 Departmental Requirements before Payment made to Contractor
07 Authority to pay Wages in the Event of Default by the Contractor
08 Conditions of Subcontracting
09 Non-discrimination in Hiring and Employment of Labour

LAB-180 01 (2004-12-10) Interpretation

1. In these conditions

"Act" means the *Fair Wages and Hours of Labour Act*;

"Regulations" means the *Fair Wages and Hours of Labour Regulations* made pursuant to the Act;

"Contract" means the contract of which these Labour Conditions are part;

"Contracting Authority" means the department of Government or a crown corporation with whom the contract is made;

"Contractor" means the person who has entered into the contract with the contracting authority;

"Regional Director" means the director of a regional office of the Department of Human Resources and Skills Development (HRSD) or the director's designated representative;

"Inspector" has the meaning assigned to the term by Part III of the *Canada Labour Code*.

"Minister" means the Minister of Labour of Canada;

"persons" means those workers employed by the contractor, subcontractor or any other person doing or contracting to do the whole or any part of the work contemplated by the contract;

LAB-180 02 (2004-12-10) General Fair Wage Clause

1. All persons in the employ of the Contractor, subcontractor, or any other person doing or contracting to do the whole or any part of the work contemplated by the Contract, shall during the continuance of the work:

(a) be paid fair wages that is, such wages as are generally accepted as current for competent workers in the district in which the work is being performed for the character or class of work in which such workers are respectively engaged; and

(b) in all cases, be paid no less than the minimum hourly rate of pay established by the Labour Program of the HRSD in the Fair Wage Schedules which form a part of this Contract as Appendix A to these Labour Conditions; and

(c) for contracts covering work performed in the province of Quebec, be paid at least the wage rates established by that province for the purposes of the Quebec Construction Decree.

2. Where there is no wage rate in the schedules referred to in 1. for a particular character or class of work, the Contractor shall pay wages for that character or class of work at a rate not less than the rate for an equivalent character or class of work.

3. Where during the term of the Contract, the Contractor receives notice from the Contracting Authority of any change in wage rates, the Contractor shall pay not less than the changed wage rate beginning on the first day after receipt, by the Contractor, of the notice of the change in wage rates.

LAB-180 03 (2000-05-12) Hours of Work

1. The hours of work in a day and in a week of persons employed in the execution of the Contract, including the hours of work in excess of which a person shall be paid overtime at a rate at least equal to one and one half times the fair wage, are the hours of work for the province in which the

work is being performed as set out from time to time in an Act of that province.

2. The daily or weekly hours of work referred to in paragraph 1. may be exceeded in accordance with the applicable provincial law.

LAB-180 04 (2000-05-12) Labour Conditions to be Posted

For the information and the protection of all persons, the Contractor agrees to post and keep posted, in a conspicuous place on the premises where work contemplated by the Contract is being carried out or on premises occupied or used by persons engaged in carrying out such work, a copy of these Labour Conditions, and a copy of the applicable Fair Wage Schedules along with any subsequent changes.

LAB-180 05 (2000-05-12) The Contractor to Keep Records which are to be Kept Open for Inspection

1. The Contractor agrees to keep books and records showing the names, addresses, classifications of employment and work of all workers employed under the Contract, the rate of wages to be paid, the wages paid and the daily hours worked by the workers.

2. The Contractor also agrees that the Contractor's books, records and premises will be open at all reasonable times for inspection by an Inspector.

3. The Contractor also agrees to furnish the Inspector and the Contracting Authority, on request, with such further information as is required to ascertain that the requirements of the Act, the Regulations and the Contract with respect to wages, hours of work and other labour conditions have been complied with.

LAB-180 06 (2000-05-12) Departmental Requirements before Payment made to Contractor

1. The Contractor agrees that the Contractor will not be entitled to payment of any money otherwise payable under the Contract until the Contractor has filed with the Contracting Authority in support of a claim for payment a sworn statement:

   (a) that the Contractor has kept the books and records required by these Regulations,

   (b) that there are no wages in arrears in respect of work performed under the Contract, and

   (c) that to the Contractor's knowledge, all the conditions in the Contract required by the Act and the Regulations have been complied with.

2. The Contractor also agrees that, where fair wages have not been paid by the Contractor to persons employed under the Contract, the Contracting Authority shall withhold from any money otherwise payable under the Contract to the Contractor the amount necessary to ensure that fair wages are paid to all employees until fair wages are paid.

LAB-180 07 (2000-05-12) Authority to pay Wages in the Event of Default by the Contractor

1. The Contractor agrees that where the Contractor is in default of payment of fair wages to an employee, the Contractor will pay the Minister the amount the Contractor is in default.

2. The Contractor agrees that where the Contractor fails to comply with paragraph 1., the Contracting Authority will pay to the Receiver General, out of any money otherwise payable to the Contractor, the amount for which the Contractor is in default.

LAB-180 08 (2000-05-12) Conditions of Subcontracting

The Contractor and the subcontractor agree that in subcontracting any part of the work contemplated by the Contract, they will place in the subcontract the conditions respecting fair wages, hours of work and other labour conditions set out in the Contract and the requirements set out in Section 4. The Contractor further agrees that the Contractor will be responsible for carrying out these conditions in the event the subcontractor fails to carry them out.

LAB-180 09 (2000-05-12) Non-discrimination in Hiring and Employment of Labour

1. The Contractor agrees that in the hiring and employment of workers to perform any work under the Contract, the Contractor will not refuse to employ and will not discriminate in any manner against any person because

   (a) of that person's race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status, disability, conviction for which a pardon has been granted, or family status;

   (b) of the race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status, disability, conviction for which a pardon has been granted, or family status of any person having a relationship or association with that person, or

   (c) a complaint has been made or information has been given in respect of that person relating to an alleged failure by the Contractor to comply with subparagraph (a) or (b).

LAB-180B (2004/12/10) Labour Conditions

LAB-180B (2004-12-10) Labour Conditions

Public Works and Government Services Canada

(For use in contracts for the manufacture and supply of articles and things)

01 Fair Wages and Hours Provisions
02 Fair Wages Provisions to be Posted
03 Contractor to Keep Records which are to be Open for Inspection
04 Premises and Work to be Kept Open for Inspection
05 Conditions of Subcontracting
06 Workmen to be Residents of Canada
07 Departmental Requirements before Payments made to Contractor
08 Authority to Pay Wages in Event of Default by Contractor
09 Non-discrimination Provision

LAB-180B 01 (1991-06-01) Fair Wages and Hours Provisions

1. All workmen, labourers, or other persons who perform labour in the construction of the Work hereby contracted for, shall be paid such wages as are generally accepted as current from time to time during the continuance of the Contract for competent workmen in the district in which the Work is being performed for the character or class of work in which they are respectively engaged, and if there be no current rate in such district, then a fair and reasonable rate. In no event shall the wages for the particular classification or classifications of labour concerned be less than those established by statute or regulation of the province in which the Work is being performed.

2. The working hours shall be those fixed by the custom of the trade as respects hours in the district where the Work is carried on, or if there be no custom of the trade as respects hours in the district, then fair and reasonable hours, except for the protection of life and property, or on due cause shown to the satisfaction of the Minister of Labour.

3. Where there are special circumstances which in the judgment of the Minister of Labour make it expedient that he should do so he may decide what are the current or fair and reasonable rates of wages for overtime, and what is the proper classification of any work for the purposes of wages and hours. Immediately upon receipt of notice of any decision of the Minister of Labour hereunder the Contractor shall adjust the wages and hours and classification of work so as to give effect to such decision. In the event of a dispute arising as to what is the current or a fair and reasonable rate of wages, or what are the current hours fixed by the custom of the trade or fair and reasonable hours or as to rates for overtime it shall be determined by the Minister of Labour, whose decision shall be final; payment may also be withheld of any moneys which would otherwise be payable to the contractor until the Minister of Labour's decision has been complied with.

   By the term "current wages" and the term "hours of labour fixed by the custom of the trade", in the foregoing, are meant respectively the standard rates of wages and hours of labour either recognized by signed agreements between employers and workmen in the district from which the labour required is necessarily drawn or actually prevailing, although not necessarily recognized by signed agreements.

LAB-180B 02 (1991-06-01) Fair Wages Provisions to be Posted

The Contractor shall post and keep posted in a conspicuous place on the premises where the Contract is being executed, occupied or frequented by the workpeople, the foregoing fair wages provisions for the protection of the workpeople employed.

LAB-180B 03 (1991-06-01) Contractor to Keep Records which are to be Kept Open for Inspection

The Contractor shall keep proper books and records showing the names, ages, trades and addresses of all workmen in his employ and the wages paid to and time worked by each workman and the books and documents containing such records shall be open for inspection by a Fair Wages Officer of the Government at any time it may be expedient to the Minister of Labour to have the same inspected.

LAB-180B 04 (1991-06-01) Premises and Work to be Kept Open for Inspection

The Contractor's premises and the Work being performed under this Contract shall be open for inspection at all reasonable times by any officer authorized by the Minister of Labour for this purpose; all such premises shall be kept by the Contractor in sanitary condition.

LAB-180B 05 (1991-06-01) Conditions of Subcontracting

With a view to avoidance of any abuses which might arise from the subletting of contracts it shall be understood that subletting is prohibited unless the approval of the Minister is obtained; subcontractors shall be bound in all cases to conform to the conditions of the main contract, and the main Contractor shall be held responsible for strict adherence to all contract conditions on the part of subcontractors; the Contract shall not, nor shall any portion thereof be transferred without the written permission of the Minister; no portion of the Work to be performed shall be done at the homes of the workpeople, or, except as specially provided for under legislative authority, by inmates of penal institutions.

LAB-180B 06 (1991-06-01) Workmen to be Residents of Canada

All workmen employed upon the Work comprehended in and to be executed pursuant to this Contract shall be residents of Canada, unless the Minister is of opinion that Canadian labour is not available or that special circumstances exist which would render it contrary to the public interest to enforce this provision.

LAB-180B 07 (1991-06-01) Departmental Requirements before Payments made to Contractor

The Contractor shall not be entitled to payment of any money which would otherwise be payable under the terms of the Contract in respect of work and labour performed in the execution of the Contract unless and until he shall have filed in the office of the Minister in support of his claim for payment a statement attested by statutory declaration showing:

(a) the rates of wages and hours of labour of the various classes of workmen employed in the execution of the Contract;

(b) whether any wages in respect of the said work and labour remain in arrears;

(c) that all the labour conditions of the Contract have been duly complied with; or, in the event of notice from the Minister of Labour of claims for wages, until the same are adjusted. The Contractor shall also from time to time furnish to the Minister such further detailed information and evidence as the Minister may deem necessary in order to satisfy him that the conditions herein contained to secure the payment of fair wages have been complied with, and that the workmen so employed as aforesaid upon the portion of the Work in respect of which payment is demanded have been paid in full.

LAB-180B 08 (1991-06-01) Authority to Pay Wages in Event of Default by Contractor

In the event of default being made in payment of any money owing in respect of wages of any workman employed on the said work, and if a claim therefor is filed in the office of the Minister and proof thereof satisfactory to the Minister is furnished, the said Minister may pay such claim out of the moneys at any time payable by Canada under said contract and the amount so paid shall be deemed payments to the Contractor.

LAB-180B 09 (1991-06-01) Non-discrimination Provision

1. In the hiring and employment of workmen to perform any work under this Contract, the Contractor shall not refuse to employ and shall not discriminate in any manner against any person because

   (a) of that person's race, national origin, colour, religion, age, sex or marital status,

   (b) of the race, national origin, colour, religion, age, sex or marital status of any person having any relationship or association with that person, or

   (c) a complaint has been made or information has been given by or in respect of that person relating to an alleged failure by the contractor to comply with paragraph (a) or (b).

2. If any question arises at any time as to whether or not there has been a failure on the part of the Contractor to comply with the provisions of this clause, the Minister or Deputy Minister of Labour or any other person designated by the Minister of Labour for the purpose shall decide the question, subject to subsection 5, and his decision shall be final for the purpose of this Contract.

3. The Contractor shall make available to the Minister or Deputy Minister of Labour or any person instructed by the Minister or Deputy Minister of Labour to inquire into any complaint of non-compliance with the provisions of this clause or to otherwise make inquiries as to compliance by the Contractor with the provisions thereof, his books and records and shall furnish to him such additional information as is required by him for the purposes of the inquiry.

4. Failure of the Contractor to comply with any of the provisions of this clause shall constitute a material breach of the Contract.

5. If the Contractor is dissatisfied with a decision under subsection 2 of this clause, he may, within thirty (30) days after the decision was made, request the Minister of Labour to refer the question to a judge, and thereupon the Minister of Labour shall refer the question to a judge of a superior, county or district court, whose decision is final for the purposes of this Contract.

Section 5

Standard Procurement Clauses

TABLE (2007/11/30) Standard Procurement Clauses

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Section 5

A - Instructions to Bidders/Contractors

Remarks: Use the following clause in contracts in conjunction with general conditions 1026A, 1026B, 2010A, 2010B, 2010C, 2029, 2030, 2035 or 2040.

Use the following clause only if the low dollar value (2T-LDV1), medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

A0000C (2008/05/12) Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada (PWGSC). The Manual is available on the PWGSC Website: http://sacc.pwgsc.gc.ca/sacc/index-e.jsp.

A0000D (1992/12/01) Standard Instructions and Conditions

Effective 1993/10/29, this clause is superseded by A0000T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations in conjunction with standard instructions 2003.

Use the following clause only if the low dollar value (2T-LDV1), medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

A0000T (2007/05/25) Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the Standard Acquisition Clauses and Conditions Manual issued by Public Works and Government Services Canada (PWGSC). The Manual is available on the PWGSC Website: **http://sacc.pwgsc.gc.ca/sacc/index-e.jsp**.

Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of this bid solicitation and accept the clauses and conditions of the resulting contract.

The standard instructions and conditions _____ (_____) (***Insert the number and date***) are incorporated by reference into and form part of the bid solicitation.

A0001T (1992/12/01) Survey of Facilities

Effective 1995/03/31, this clause is superseded by A0020T

A0002C (1991/06/01) Recoupment Charges - Defence Supplies

This clause is cancelled effective 1993/10/29

A0002T (1991/06/01) Recoupment Charges - Defence Supplies

This clause is cancelled effective 1993/10/29

A0003T (1991/06/01) Evaluation Criteria and Relative Weights

This clause is cancelled effective 1995/03/31

A0004T (1993/05/01) GATT - Notice to Suppliers

Effective 1993/10/29, this clause is superseded by A0048T

A0005T (2004/05/14) Evaluation Criteria - Goods

This clause is cancelled effective 2005/12/16

A0006T (2000/12/01) Request for Proposal

This clause is cancelled effective 2002/12/13

A0007T (1992/04/01) FTA - Notice to Suppliers

Effective 1993/10/29, this clause is superseded by A0048T

A0008T (1992/04/01) GATT - Notice to Suppliers

Effective 1993/05/01, this clause is superseded by A0004T

A0009T (1991/06/01) Instructions to Suppliers

This clause is cancelled effective 1992/12/01

A0010T (1991/06/01) Instructions to Suppliers

Effective 1993/10/29, this clause is superseded by A0048T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when a project schedule has not been requested elsewhere in the contract, if applicable. Use the clause in conjunction with A0011T.

A0011C (2007/05/25) Project Schedule

1. The Contractor must provide a detailed project schedule in _____ (**insert "network", "Gantt chart", or "detailed bar chart"**) format to theContracting Authority and the _____ (**insert "Technical", "Project", or "Inspection"**) Authority _____ (__) weeks after award of Contract. This schedule must highlight the specific dates for the

events listed below and all items listed in Annex _____.

2. The Contractor's schedule must include target dates for each of the following significant events:

(a) _____;
(b) _____;
(c) _____;
(d) _____;
(e) _____;
(f) _____;
(g) _____.

(**Option:** Contracting officers may include the following paragraph, but are advised that any update to the Contractor's schedule would then constitute an amendment to the Contract.)

3. The schedule is to be regularly updated and available in the Contractor's office for review by Canada's authorities to determine the progress of the Work.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when a project schedule has not been requested elsewhere in the bid solicitation, if applicable. Use the clause in conjunction with A0011C.

A0011T (2007/05/25) Project Schedule

1. As part of its technical bid, the Bidder must propose its preliminary project schedule, in _____ (**insert "network", "Gantt chart" or "detailed bar chart"**) format. The project schedule must include the Bidder's work breakdown structure, the scheduling of main activities and milestone events, and any potential problem areas involved in completing the Work.

2. The Bidder's schedule must also provide a target date for each of the following significant events:

(a) _____;
(b) _____;
(c) _____;
(d) _____;
(e) _____;
(f) _____;
(g) _____.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations in conjunction with standard instructions 2003.

Use the following clause only if the low dollar value (2T-LDV1), medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

A0012T (2007/05/25) Communications - Solicitation Period

All enquiries must be submitted to the Contracting Authority no later than _____ calendar days before the bid closing date. Enquiries received after that time may not be answered.

Bidders should reference as accurately as possible the numbered item of the bid solicitation to which the enquiry relates. Care should be taken by bidders to explain each question in sufficient detail in order to enable Canada to provide an accurate answer. Technical enquiries that are of a "proprietary " nature must be clearly marked "proprietary" at each relevant item. Items identified as proprietary will be treated as such except where Canada determines that the enquiry is not of a proprietary nature. Canada may edit the questions or may request that the Bidder do so, so that the proprietary nature of the question is eliminated, and the enquiry can be answered with copies to all bidders. Enquiries not submitted in a form that can be distributed to all bidders may not be answered by Canada.

A0013T (1991/06/01) Invitation to Submit Proposal

Effective 1993/10/29, this clause is superseded by A0006T

A0014T (1991/06/01) Unscheduled Work and Evaluation Price

Effective 1992/12/01, this clause is superseded by C0417T

A0015T (1995/12/15) Evaluation of Bids

This clause is cancelled effective 2003/05/30

A0016T (1991/06/01) Notes to Bidders

This clause is cancelled effective 1993/10/29

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when public bid openings will be held. Contracting officers are to insert the location, time and date for the public bid opening.

A0017T (2007/05/25) Public Bid Opening

A public bid opening will be held in _____ (***Insert the location***) at _____ (***Insert the time and time zone***) on _____ (***Insert the date***).

A0018T (2002/05/24) Motors - Specifications

This clause is cancelled effective 2005/12/16

A0019T (1992/01/31) Assessment

This clause is cancelled effective 1993/10/29

A0020T (2006/06/16) Conduct of Evaluation

This clause is cancelled effective 2007/05/25

A0021T (1992/08/01) Enquiries

Effective 1993/10/29, this clause is superseded by A0012T

A0022T (1992/08/01) Enquiries

Effective 1992/12/01, this clause is superseded by M0006T

A0023T (1998/06/15) Presentation of Proposals

This clause is cancelled effective 2005/12/16

Remarks: Use the following clause in all marine refit and repair contracts when the vessel being repaired will be unmanned and in the care or custody of the contractor and under its control.

Use this clause in conjunction with G3002C and/or G5001C when the ship is in the care or custody of the contractor and under its control, if applicable.

Contracting officers must ensure general conditions 1026A and supplemental general conditions 1029 are incorporated by reference in the contract.

A0024C (2008/05/12) Vessel Unmanned Refits

The vessel will be unmanned during the work period and will be considered to be out-of commission. The vessel during that period will be in the care or custody of the Contractor and under its control.

A0024D (1992/08/01) Presentation of Offers

Effective 1992/12/01, this clause is superseded by M0007T

A0025C (1992/01/31) Basis of Selection

This clause is cancelled effective 1993/10/29

A0026D (1992/08/01) Basis of Selection

Effective 1992/12/01, this clause is superseded by M0008T

A0027D (1993/10/29) Format and Content of Proposal

Effective 2005/12/16, this clause is superseded by A0055T

A0028D (1992/01/31) Completion of Proposal

This clause is cancelled effective 1993/10/29

A0029T (1993/10/29) Evaluation of Proposals

This clause is cancelled effective 2005/12/16

A0030T (1992/01/31) Basis of Selection

Effective 1995/03/31, this clause is superseded by A0034T

Remarks: Use the following clause when the bid solicitation contains mandatory technical evaluation criteria and the basis of selection will be the responsive bid with the lowest evaluated price.

Use clause A0069T when the bid solicitation contains no technical evaluation criteria and the basis of selection is the responsive bid with the lowest evaluated price.

A0031T (2010/01/11) Basis of Selection - Mandatory Technical Criteria

A bid must comply with the requirements of the bid solicitation and meet all mandatory technical evaluation criteria to be declared responsive. The responsive bid with the lowest evaluated price will be recommended for award of a contract.

Remarks: Use the following clause in marine refit and repair contracts when the vessel being repaired will be manned and in the care or custody of Canada and under its control.

Contracting officers must ensure general conditions 1026A and supplemental general conditions 1029 are incorporated by reference in the contract.

A0032C (2008/05/12) Vessel Manned Refits

1. The vessel will be manned during the work period and will be considered to be in commission. The vessel during that period will remain in the care or custody of Canada and under its control.

2. Fire fighting equipment must be readily accessible and made available by the Contractor should a fire emergency arise. The Contractor must take adequate precautions when burning or welding is carried out in compartments or other confined areas of the vessel.

A0032T (1992/01/31) Basis of Selection

Effective 1995/03/31, this clause is superseded by A0035T

A0033T (1992/01/31) Basis of Selection

Effective 1995/03/31, this clause is superseded by A0036T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the bid solicitation contains mandatory and point-rated technical evaluation criteria, and the basis of selection will be the responsive bid with the lowest evaluated price.

Do not use for low dollar value requirements if the 2T-LDV1 template is used.

Contracting officers must complete and insert in 1.(c) one of the following options:

Option 1:
"obtain the required minimum of _____ (insert minimum percentage) percent overall of the points for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of _____ (insert the total number of points available) points."

Option 2:
"obtain the required minimum of _____ (insert minimum number of points) points overall for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of _____ (insert the total number of points available) points."

Option 3:
"obtain the required minimum points for the technical evaluation criteria which are subject to point rating."

A0034T (2007/05/25) Basis of Selection - Minimum Point Rating

1. To be declared responsive, a bid must:

   (a) comply with all the requirements of the bid solicitation; and

   (b) meet all mandatory technical evaluation criteria; and

   (c) _____ (***contracting officers are to insert one of the options provided under the remarks section above***).

2. Bids not meeting (a) or (b) or (c) will be declared non-responsive. The responsive bid with the lowest evaluated price will be recommended for award of a contract.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the bid solicitation contains mandatory and point-rated technical evaluation

criteria, and the basis of selection will be the responsive bid with the lowest evaluated price per point.

Do not use for low dollar value requirements if the 2T-LDV1 template is used.

Contracting officers must complete and insert in 1.(c) one of the following options:

Option 1:
"obtain the required minimum of _____ (insert minimum percentage) percent overall of the points for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of _____ (insert the total number of points available) points."

Option 2:
"obtain the required minimum of _____ (insert minimum number of points) points overall for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of _____ (insert the total number of points available) points."

Option 3:
"obtain the required minimum points for the technical evaluation criteria which are subject to point rating."

A0035T (2007/05/25) Basis of Selection - Lowest Price Per Point

1. To be declared responsive, a bid must:

   (a) comply with all the requirements of the bid solicitation;

   (b) meet all mandatory technical evaluation criteria; and

   (c) _____ (***contracting officers are to insert one of the options provided under the remarks sections above***).

2. Bids not meeting (a) or (b) or (c) will be declared non-responsive. Neither the responsive bid that receives the highest number of points nor the one that proposed the lowest price will necessarily be accepted. The responsive bid with the lowest evaluated price per point will be recommended for award of a contract.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the bid solicitation contains mandatory and point-rated technical evaluation criteria, and the basis of selection will be the bid that received the highest number of points with the evaluated price within the budget.

Use this clause in conjunction with A0210T or some other clause which indicates to bidders the maximum funding available.

Do not use for low dollar value requirements if the template 2T-LDV1 is used.

Contracting officers must complete and insert in paragraph 1.(c) one of the following options:

Option 1:
"obtain the required minimum of _____ (insert minimum percentage) percent overall of the points for the technical evaluation criteria which are subject to point rating. The rating is performed on a

scale of _____ (insert the total number of points available) points."

Option 2:
"obtain the required minimum of _____ (insert minimum number of points) points overall for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of _____ (insert the total number of points available) points."

Option 3:
"obtain the required minimum points for the technical evaluation criteria which are subject to point rating."

A0036T (2007/05/25) Basis of Selection - Highest Rated Within Budget

1. To be declared responsive, a bid must:

   (a) comply with all the requirements of the bid solicitation;

   (b) meet all mandatory technical evaluation criteria; and

   (c) _____ (***contracting officers are to insert one of the options provided under the remarks sections above***)

2. Bids not meeting (a) or (b) or (c) will be declared non responsive.. The responsive bid with the highest number of points will be recommended for award of a contract, provided that the total evaluated price does not exceed the budget available for this requirement.

A0037T (1999/12/13) Instructions to Proposers

Effective 2000/05/12, this clause is superseded by A0012T

Remarks: Use the following clause in contracts covering air charters for the transportation of goods and passengers.

Contracting officers are reminded that the word “Identified User” needs to be defined in the standing offer to ensure that the identity of the user is clearly established.

A0038C (2006/06/16) Air Transportation

1. The Contractor must comply with the provisions of the *Canada Transportation Act, S.C. 1996, c. 10*, the *Aeronautics Act*, R.S.C. 1985, c. A-2, the *Canadian Aviation Regulations, SOR/96-433* and with all regulations, directions, orders and rules made pursuant to those Acts which are applicable to the services to be performed under the Contract. In particular, the Contractor must hold a valid Air Operator Certificate issued by Transport Canada and a valid licence issued by the Canadian Transportation Agency.

2. The pilot-in-command of the aircraft must receive and act upon instructions given by the authorized representative of the Identified User in respect of the scheduling and operational use of the aircraft,

subject to the serviceability and weather conditions.

3. When, for safety or other reasons, the Contractor or pilot-in-command temporarily suspends a flight or any portion of the specified service, the Identified User will have the right to demand a written statement of cause.

4. The aircraft provided for the purpose of this charter must be equipped with serviceable radio equipment capable of transmitting and receiving on frequencies in use at departure, en route and destination; and with an Emergency Locator Transmitter (ELT).

A0038T (2002/12/13) Air Transport

Effective 2006/06/16, this clause is superseded by A0038C

A0039T (1992/08/01) Basis for Selection of Carrier

Effective 1993/10/29, this clause is superseded by A0031T

A0040T (1992/08/01) Basis of Selection of Carrier

Effective 1992/12/01, this clause is superseded by M0009T

A0041T (1992/08/01) Technical Proposal

This clause is cancelled effective 1995/03/31

A0042T (1992/08/01) Technical Proposal

Effective 1992/12/01, this clause is superseded by M0010T

A0043T (1993/10/29) Facility Evaluation

Effective 2006/06/16, this clause is superseded by A0020T

A0044T (1992/01/31) Facility Evaluation

Effective 1992/12/01, this clause is superseded by M0011T

A0045D (1992/01/31) Offer Cost

Effective 1992/12/01, this clause is superseded by M0012T

A0046D (2002/12/13) Rules, Orders and Regulations

Effective 2006/06/16, this clause is superseded by A0038C

A0046T (1992/01/31) Rules, Orders, and Regulations

Effective 1993/10/29, this clause is superseded by A0046D

A0047D (1992/01/31) Notes to Proposer

This clause is cancelled effective 1993/10/29

A0048T (1996/05/01) Notice to Bidders

This clause is cancelled effective 1997/02/03

A0049D (1995/03/31) Recoupment Charges - Defence Supplies

This clause is cancelled effective 1995/12/15

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations issued by Public Works and Government Services Canada headquarters when bids must be submitted to the Bid Receiving Unit.

Contracting officers must review and delete the instruction contained in the clause.

Contracting officers must ensure that the bid receiving address on page 1 of the bid solicitation document is correct. Consult sections 04 to 08 of standard instructions 2003.

Use the following clause only if the low dollar value (2T-LDV1), medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

A0050T (2007/11/30) Bid Receiving Unit (Headquarters)

Bids must be submitted only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit by the date, time and place indicated on page 1 of the bid solicitation.

***Instruction to contracting officers**: Insert the following paragraph when bids submitted by facsimile will not be accepted and delete this instruction.*

Due to the nature of the bid solicitation, bids transmitted by facsimile to PWGSC will not be accepted.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Contracting officers may use the following clause in bid solicitations issued by Public Works and Government Services Canada regional offices, or when bids must be submitted directly to the contracting officer.

Do not use for Low Dollar Value and Medium Complexity requirements if the Plain Language templates 2T-LDV1 and 2T-MED1 are used with standard instructions 2003.

Contracting officers must ensure that the bid receiving address on page 1 of the bid solicitation document is correct.

A0051T (2006/06/16) Bid Receiving Address

Bids must be submitted by the date, time and place indicated on page 1 of the bid solicitation document.

(***NOTE TO CONTRACTING OFFICER:*** *Include the following sentence if applicable).*

Bids submitted by facsimile will not be accepted.

A0052T (2005/12/16) Bid Cost

This clause is cancelled effective 2007/05/25

A0053T (2006/06/16) Supporting Documentation

This clause is cancelled effective 2007/05/25

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations if a the specific format is requested.

Insert the following only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

A0054T (2007/11/30) Bid Format and Numbering System

Canada requests that bidders follow the format instructions described below in the preparation of their bid.

(a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
(b) use a numbering system corresponding to that of the bid solicitation;

Instruction to contracting officers*: Insert the following text when the bid solicitation contains certifications to be provided by bidders.*

(c) include the certification as a separate section of the bid.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when all bids submitted must include separate sections. These sections will normally include a technical bid and a financial bid, but may also include a management bid or other sections.

Contracting officers may delete "management bid" and add other bid sections, as appropriate.

Use the following clause only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

A0055T (2007/11/30) Bid - Number of Copies

1. Canada requests that bidders provide their bid in separately bound sections as follows:

   (a) Technical Bid (_____ hard copies) (*if applicable, add* "and ____ soft copies on ", and specify the medium such as CD, DVD);

   (b) Financial Bid (_____ hard copies) (*if applicable, add* "and ____ soft copies on ", and specify the medium such as CD, DVD);

   (c) Management Bid (_____ hard copies) (*if applicable, add* "and ____ soft copies on _____", and specify the medium such as CD, DVD);

   (d) _____ (_____ hard copies) (*if applicable, add* "and ____ soft copies on ", and specify the medium such as CD, DVD).

***Instruction to contracting officers**: Insert the following paragraph when soft copies are requested; if soft copies are not requested, delete the paragraph and this instruction.*

If there is a discrepancy between the wording of the soft copy and the hard copy, the wording of the hard copy will have priority over the wording of the soft copy.

2. Prices must appear in the financial bid only. No prices must be indicated in any other section of the bid.

A0056T (1996/05/01) Technical Proposal Evaluation

This clause is cancelled effective 2006/06/16

A0057T (1996/05/01) Technical Proposal

This clause is cancelled effective 2006/06/16

A0058T (1996/05/01) Financial Proposal

This clause is cancelled effective 2006/06/16

A0059T (2000/12/01) Financial Proposal

This clause is cancelled effective 2006/06/16

A0060T (1996/05/01) Financial Proposal - Costs

Effective 2006/06/16, this clause is superseded by A0055T

A0061T (1996/05/01) Evaluation Procedures of Proposals

This clause is cancelled effective 2006/06/16

A0062T (1996/05/01) Evaluation Procedures of Proposals

This clause is cancelled effective 2006/06/16

A0063T (2004/05/14) Evaluation Procedures of Proposals

This clause is cancelled effective 2006/06/16

A0064T (1997/09/15) Cost Proposal Evaluation

This clause is cancelled effective 2006/06/16

A0065T (1997/09/15) Cost Proposal Evaluation

This clause is cancelled effective 2006/06/16

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations, in the section relating to the preparation of financial bids.

Use clause 1 when the bidder must submit firm prices for all items; or clause 2 when the bidder must submit firm prices for one or multiple groups of items. Delete the clause not used.

A0066T (2007/05/25) Prices - Items

Clause 1

Bidders must submit firm prices for all items listed in Annex(es) "_____".

OR

Clause 2

Bidders must submit firm prices for one or multiple groups of items. However, bidders must submit firm prices for all items listed in the group(s) of items for which they submit prices. The groups of items are as follows:

(a) Group A: All items listed in Annex "____"
(b) Group B: All items listed in Annex "____"
(c) Group C: All items listed in Annex "____"
(d) Group D: All items listed in Annex "____".

A0067T (2006/06/16) Pricing - Groups of Items

Effective 2007/05/25, this clause is superseded by A0066T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations, in the section relating to the preparation of financial bids.

Use clause 1 when the bidder must submit firm rates for all categories of resources; or clause 2 when the bidder must submit firm rates for one or multiple groups of resource categories. Delete the clause not used.

A0068T (2007/05/25) Rates - Resources

Clause 1

Bidders must submit firm rates for all categories of resources listed in Annex(es) "_____".

OR

Clause 2

Bidders must submit firm rates for one or multiple groups of resource categories. However, bidders must submit firm rates for all categories listed in the group(s) for which they submit rates. The groups of categories are as follows:

(a) Group A: All categories of resources listed in Annex "____"
(b) Group B: All categories of resources listed in Annex "____"
(c) Group C: All categories of resources listed in Annex "____"
(d) Group D: All categories of resources listed in Annex "____".

Remarks: Use the following clause when there is no technical evaluation criteria in the bid solicitation and the basis of selection will be the responsive bid with the lowest evaluated price.

A0069T (2007/05/25) Basis of Selection

A bid must comply with all requirements of the bid solicitation to be declared responsive. The responsive bid with the lowest evaluated price will be recommended for award of a contract.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when there is an option for additional goods and/or services. For the second paragraph, contracting officers must choose one of the three options to complete the clause and delete the unused options.

Choose option 1 when the option can be exercised at any time during the contract period.
Choose option 2 when the option must be exercised before a specific date within the contract period.
Choose option 3 when the option must be exercised within a specific period following contract award.

A0070C (2007/11/30) Optional Goods and/or Services

The Contractor grants to Canada the irrevocable option to acquire the goods, services or both described at _____ of the Contract under the same conditions and at the prices and/or rates stated in the Contract. The option may only be exercised by the Contracting Authority and will be evidenced, for administrative purposes only, through a contract amendment.

Option 1

The Contracting Authority may exercise the option at any time before the expiry of the Contract by sending a written notice to the Contractor.

OR

Option 2

The Contracting Authority may exercise the option at any time before _____ (***insert date***) by sending a written notice to the Contractor.

OR

Option 3

The Contracting Authority may exercise the option within _____ (***insert the number of days or months***) after contract award by sending a written notice to the Contractor.

Remarks: Use the following clause in contracts for services when Canada wants to reserve the right to terminate the contract on thirty (30) days notice without paying termination costs, if applicable.

Do not use this clause:
(a) when the work is to be performed on an as and when requested basis ;and
(b) when clause B9030C is used.

A0072C (2008/12/12) Termination on Thirty Days Notice

1. Canada reserves the right to terminate the Contract at any time in whole or in part by giving thirty (30) calendar days written notice to the Contractor.

2. In the event of such termination, Canada will only pay for costs incurred for services rendered and accepted by Canada up to the date of the termination. Despite any other provision of the Contract, there will be no other costs that will be paid to the Contractor as a result of the termination.

Remarks: Use the following clause in contracts for building cleaning, food catering and security services when the contractor must keep its employees' records up to date and provide, upon request, information to the contracting officer in accordance with Ontario labour legislation. Consult Annex 4.6(4) of the Supply Manual.

A0075C (2010/01/11) Ontario Labour Legislation

1. The Contractor must keep records of its employees up to date and provide, within seven (7) days following a request from the Contracting Authority, the following information for each employee as provided for in section 77(2) of the *Employment Standards Act*, 2000, S.O. 2000, c. 41, and in *Ontario Regulation* 287/01:

   (a) the employee's name, residential address and telephone number;

   (b) the employee's job classification or job description;

   (c) the wage rate actually paid to the employee;

   (d) a description of the benefits, if any, provided to the employee including the cost of each benefit and the benefit period to which the cost relates;

   (e) the number of hours that the employee works in a regular work day and in a regular work week, or if the employee's hours of work vary from week to week, the number of the employee's non-overtime hours for each week that the employee worked during the thirteen (13) weeks before the date of the request for information;

   (f) the date on which the employer hired the employee;

   (g) any period of employment attributed to the employer under section 10 of the Act;

   (h) the number of weeks that the employee worked at the premises during the twenty-six (26) weeks before the request date. The 26-week period must be calculated without including any period during which the provision of services at the premises was temporarily discontinued, or during which the employee was on leave of absence under Part XIV of the Act;

   (i) a statement indicating whether either of the following subparagraphs applies to the employee

   (i) The employee's work, before the request date, included the provision of services at the premises, but the employee did not perform his or her job duties primarily

at those premises during the thirteen (13) weeks before the request date.

(ii) The employee's work included the provision of services at the premises, but the employee was not actively at work immediately before the request date, and did not perform his or her job duties primarily at the premises during the most recent thirteen (13) weeks of active employment.

2. In addition to the above information, the Contractor must provide, within seven (7) days following a request from the Contracting Authority, an up-to-date copy of the collective agreement regarding the employees at the premises or, if no collective agreement exists for these premises, a copy of the union certificate regarding these employees or, if no union certificate was issued, a copy of any pending union application if it exists.

3. The Contractor must immediately provide the Contracting Authority with updated information if changes occur between the date the information requested by the Contracting Authority is provided and the expiry date of the Contract.

4. The Contracting officer will provide the information described above, with the exception of 1.(a) to potentiel bidders for a future contract for those services relating to the premises.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations for janitorial, food catering and security services when information concerning each employee of the previous supplier is provided to bidders in accordance with Ontario Labour Legislation.

A0075T (2008/05/12) Ontario Labour Legislation

1. In accordance with the requirements of section 77(1) of the *Employment Standards Act*, 2000, S.O. 2000, c. 41, the following information concerning each employee of the previous supplier providing services at the premises is attached:

(a) the employee’s job classification or job description;

(b) the wage rate actually paid to the employee;

(c) a description of the benefits, if any, provided to the employee including the cost of each benefit and the benefit period to which the cost relates;

(d) the number of hours that the employee works in a regular work day and in a regular work week, or if the employee’s hours of work vary from week to week, the number of the employee's non-overtime hours for each week that the employee worked during the thirteen (13) weeks before the date of the request for information;

(e) the date on which the employer hired the employee;

(f) any period of employment attributed to the employer under section 10 of the Act;

(g) the number of weeks that the employee worked at the premises during the twenty-six (26) weeks before the request date. The 26-week period must be calculated without including any period during which the provision of services at the premises was temporarily discontinued, or during which the employee was on leave of absence under

Part XIV of the Act;

(h) a statement indicating whether either of the following subparagraphs applies to the employee:

(i) The employee's work, before the request date, included the provision of services at the premises, but the employee did not perform his or her job duties primarily at those premises during the thirteen (13) weeks before the request date.

(ii) The employee's work included the provision of services at the premises, but the employee was not actively at work immediately before the request date, and did not perform his or her job duties primarily at the premises during the most recent thirteen (13) weeks of active employment.

2. The name, residential address and telephone number of each employee as they appear in the previous employer's records will be provided to the successful Bidder after contract award.

3. In addition to the above information, a copy of either the collective agreement, union certificate, or pending union application(s) regarding these employees at the premises is also attached, if applicable.

4. Bidders must use the information referred to in subparagraphs 1.(a) to 1.(h) and paragraph 3 (if applicable) only for the purposes of preparing their bids and complying with the Act. Bidders must not disclose such information except as may be authorized by Canada in writing.

5. The enclosed information concerning the employees of the previous employer providing services at the premises has been received from the previous employer and Canada does not warrant its accuracy or completeness. Canada will not be responsible for any damage or loss which may result from use of or reliance upon any of this information.

6. Bidders who require clarification or further information may contact: _____.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when a transition period may be required at the end of the contract.

A0078C (2008/05/12) Transition Period

The Contractor acknowledges that the nature of the services provided under the Contract requires continuity and that a transition period may be required at the end of the Contract. The Contractor agrees that Canada may, at its discretion, extend the Contract by a period of _____ (***insert the number of days or months***) under the same conditions to ensure the required transition. The Contractor agrees that, during the extended period of the Contract, it will be paid in accordance with the applicable provisions as set out in the Basis of Payment.

The Contracting Authority will advise the Contractor of the extension by sending a written notice to the Contractor at least ____ calendar days before the contract expiry date. The extension will be evidenced for administrative purposes only, through a contract amendment.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations only if the medium complexity (2T-MED1) and higher complexity (2T-

HIGH1) templates are not used.

Do not use this clause for low dollar value requirements.

A0085T (2010/01/11) Communications Notification

As a courtesy, the Government of Canada requests that successful bidders notify the Contracting Authority in advance of their intention to make public an announcement related to the award of a contract.

A0200T (1995/03/31) Evaluation Criteria

This clause is cancelled effective 2006/06/16

A0205T (1995/03/31) Bids - Form of

Effective 2006/06/16, this clause is superseded by A0055T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations as a mandatory financial evaluation criteria when the bid must not exceed the maximum funding available for a specific requirement. Use in conjunction with A0036T.

A0210T (2007/05/25) Maximum Funding

The maximum funding available for the Contract resulting from the bid solicitation is $_____ (Goods and Services Tax or Harmonized Sales Tax extra, as appropriate). Bids valued in excess of this amount will be considered non-responsive. This disclosure does not commit Canada to pay the maximum funding available.

Remarks: Use the following clause in bid solicitations for goods when the financial evaluation of the bid will be conducted in accordance with the process described below.

A0220T (2007/05/25) Evaluation of Price

The price of the bid will be evaluated in Canadian dollars, the Goods and Services Tax or the Harmonized Sales Tax excluded, FOB destination, Canadian customs duties and excise taxes included.

A0221T (1997/09/15) Evaluation of Price

This clause is cancelled effective 2007/05/25

Remarks: Use the following clause in bid solicitations for goods when bids may be received from Canadian and foreign-based suppliers and the financial evaluation of the bid will be conducted in accordance with the process described below.

Use the clause in conjunction with C2000C.

A0222T (2010/01/11) Evaluation of Price

1. The price of the bid will be evaluated as follows:

   (a) Canadian-based bidders must submit firm prices, Canadian customs duties and excise taxes included, and Goods and Services Tax (GST) or Harmonized Sales Tax (HST) excluded.

   (b) foreign-based bidders must submit firm prices, Canadian customs duties, excise taxes and GST or HST excluded. Canadian customs duties and excise taxes payable by Canada will be added, for evaluation purposes only, to the prices submitted by foreign-based bidders.

2. Unless the bid solicitation specifically requires bids to be submitted in Canadian currency, bids submitted in foreign currency will be converted to Canadian currency for evaluation purposes. The rate given by the Bank of Canada in effect on the bid solicitation closing date, or on another date specified in the bid solicitation, will be applied as a conversion factor to the bids submitted in foreign currency.

3. Although Canada reserves the right to award the Contract either on an FOB plant or FOB destination, Canada requests that bidders provide prices FOB their plant or shipping point and FOB destination. Bids will be assessed on an FOB destination basis.

4. For the purpose of the bid solicitation, bidders with an address in Canada are considered Canadian-based bidders and bidders with an address outside of Canada are considered foreign-based bidders.

A0230T (1995/03/31) Evaluation - Multi Payments

This clause is cancelled effective 2006/06/16

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations for marine requirements. Contracting officers must use the latest table (Eastern Canada) or (Western Canada) approved by the Director, Marine Systems Directorate, to prepare the list of shipyard/ship repair facilities, as required under paragraph 2 of this clause, where the work could take place.

Contracting officers must include from the table the applicable vessel transfer costs for each shipyard/ship repair facility in the list based on the vessel's home port location and based on whether the work will be either a manned or unmanned refit. Where the table does not provide a specific home port for the vessel or the name of a potential shipyard/ship repair facility where work could take place, contracting officers must contact the Director, Marine Systems Directorate by telephone at: 819-956-0684, or by facsimile at: 819-956-0040, to obtain the necessary information.

A0240T (2008/05/12) Vessel Transfer Costs

1. The evaluation price must include the cost for transferring the vessel from its home port to the shipyard/ship repair facility where the Work will be performed and the cost of transferring the vessel to its home port following completion of the Work, in accordance with the following:

   (a) The Bidder must provide the location of the shipyard/ship repair facility where it proposes to perform the Work together with the applicable vessel transfer cost from the list provided under paragraph 2 of this clause:

   Proposed shipyard/ship repair facility: _____
   Applicable vessel transfer cost: _____.

   (b) If the list in paragraph 2 of this clause does not provide the shipyard/ship repair location where the Bidder intends to perform the Work, then the Bidder must advise the Contracting Authority, in writing, at least _____ calendar days *(**insert the number of days**)* before the bid closing date, of its proposed location for performing the Work. The Contracting Authority will confirm to the Bidder, in writing, at least _____ calendar days *(**insert the number of days**)* before the bid closing date, the location of the shipyard/ship repair and the applicable vessel transfer cost.

   A bid that specifies a location for executing the Work which is not on the list of paragraph 2 of this clause, and for which a notification in writing has not been received by the Contracting Authority as required above, will be considered non-responsive.

2. List of shipyard/ship repair facilities and applicable vessel transfer costs

   Vessel: _____
   Home port: _____

   Transfer costs in the case of vessels transferred using a government delivery crew include the fuel cost at the vessel's most economical speed of transit and for unmanned refits only, crew transportation costs for the delivery crew based on the location of the vessel's home port and the shipyard/ship repair facility. Crew transportation costs do not include any members of the delivery crew who remain at the shipyard/ship repair facility in order to discharge project responsibilities related to the vessel being transferred.

   Transfer costs in the case of vessels transferred unmanned by either commercial towing, railway, highway or other suitable means of transportation must be:

   (i) included as part of the Bidder's financial bid in the case where the Bidder is responsible for the transfer; or

   (ii) identified as the applicable vessel transfer cost, as given in the list below, in the case when Canada is responsible for the transfer.

(***Contracting officers must enter the list of shipyard/ship repair facilities where the Work could potentially be performed together with the applicable vessel transfer costs based on the latest approved table issued by the Marine Systems Directorate***).

Shipyard/ship repair facility	**Applicable vessel transfer cost**
_____	_____
_____	_____
_____	_____

_____ _____

A0250T (1995/03/31) Evaluating Methodology

This clause is cancelled effective 2005/12/16

A0260T (1995/03/31) Method of Evaluation

Effective 2005/12/16, this clause is superseded by A0031T

A0265T (1995/03/31) Basis of Selection

Effective 2006/06/16, this clause is superseded by A0034T

A0270T (1995/03/31) Basis of Selection

Effective 2006/06/16, this clause is superseded by A0035T

A0275T (1995/03/31) Basis of Selection

Effective 2006/06/16, this clause is superseded by A0036T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when bidders are required to provide specific documents with their bids.

A0280T (2007/05/25) Document Required for Bid Evaluation Purposes

The Bidder must provide the following documents with its bid:

1. _____

2. _____

3. _____.

Remarks: Use the following clause in contracts mainly for marine refit, repair and new construction when registration with Workers' Compensation Board is mandatory under the applicable provincial or territorial jurisdiction, and clause A0285T was included in the bid solicitation.

A0285C (2007/05/25) Workers Compensation

The Contractor must maintain its account in good standing with the applicable provincial or territorial Workers' Compensation Board for the duration of the Contract.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations mainly for marine refit, repair and new construction when registration with the Workers' Compensation Board is mandatory under the applicable province or territorial jurisdiction. The intent of the clause is to help protect workers in high risk industry sectors.

Use clause A0285C in resulting contracts.

Contracting officers may consult the following Human Resources and Social Development Canada Website http://www.hrsdc.gc.ca/asp/gateway.asp?hr=en/lp/lo/fwcs/boards.shtml&hs=fxf for a list of the provincial and territorial workers compensation organization and Website addresses.

A0285T (2007/05/25) Workers Compensation Certification- Letter of Good Standing

The Bidder must have an account in good standing with the applicable provincial or territorial Workers' Compensation Board.

The Bidder must provide, within _____ (***insert number of days***) days following a request from the Contracting Authority, a certificate or letter from the applicable Workers' Compensation Board confirming the Bidder's good

standing account. Failure to comply with the request may result in the bid being declared non-responsive.

Remarks: Use the following clause in contracts when the contractor acknowledges that sufficient information has been provided by Canada with respect to the location and estimated amount of hazardous materials or toxic substances.

A0290C (2008/05/12) Hazardous Waste - Vessels

1. The Contractor acknowledges that sufficient information has been provided by Canada with respect to the location and estimated amount of hazardous materials such as asbestos, lead, PCBs, silica or other hazardous materials or toxic substances.

2. The price includes all costs associated with the removal, handling, storage, disposal and/or working in the vicinity of hazardous materials such as asbestos, lead, PCBs, silica and other hazardous materials or toxic substances on board the vessel, including those costs resulting from the need to comply with applicable laws and regulations in relation to the removal, handling, disposal or storage of hazardous materials or toxic substances.

3. The completion date for the Work takes into account the fact that the removal, handling, storage, disposal and/or working in the vicinity of hazardous materials such as asbestos, lead, PCBs, silica and other hazardous materials or toxic substances may be affected by the need to comply with applicable laws or regulations and that this will not be considered to be an excusable delay.

A0290D (2001/12/10) Hazardous Waste - Vessels

Effective 2008/05/12, this clause is superseded by A0290C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations for military aviation replacement parts, including standard and commercial parts. Use in conjunction with D9010C.

A0300T (2007/05/25) Military Aviation Replacement Parts - Condition and Certification of Deliverables End Items

The following categories do not apply to standard and commercial parts. Standard parts consist of common hardware parts and raw materials, not necessarily designed for aviation use, produced to recognized industry or government specifications, which are available without proprietary limitations (such as Society of Automotive Engineers (SAE), National Aerospace Standard (NAS), Army-Navy Aeronautical Standard (AN), and Military Standard (MS) hardware items). Commercial parts consist of common non-aeronautical parts produced to recognized industry specifications and available on the commercial market. Deliverable standard and commercial parts must be in a new condition.

1. Category #1 - New Materiel

   Deliverable end items to be manufactured or which have been

manufactured but not used, which are supplied by:

(a) the owner of the design or manufacturing rights to the items; or,

(b) the authorized manufacturer or agent/distributor of the owner of the design or manufacturing rights to the items; or

(c) distributors approved by Transport Canada (TC) or accredited by the Aviation Suppliers Association, for parts that have an application to a civilian type certified aircraft; or

(d) maintenance organizations approved/accredited by TC, the Department of National Defence (DND)/Canadian Forces Technical Airworthiness Authority or repair stations certified by the Federal Aviation Administration (FAA).

2. Category #2 - New Surplus Materiel

Deliverable end items, unused and supplied by an entity other than Category #1 sources. Full traceability documentation back to the owner of the design or manufacturing rights to the items or their authorized manufacturer or agent/distributor is required.

3. Category #3 - Other Condition

Any deliverable end item condition other than Category # 1 or Category #2. Should the Bidder be offering deliverable end items in Category #3, a complete description of the item's condition and all available traceability documentation is required with the bid. Bids containing parts identified in this category are subject to evaluation by Canada.

Deliverable End Item Grid

Bidders must indicate the NATO Supply Code for Manufacturers or Commercial And Government Entity (NSCM/CAGE) code of the manufacturing entity under the appropriate category of the grid. For example, if a bidder is offering a Category #1 item(s), it must indicate the NSCM number under that category as per the example below. Bidders may use additional pages to provide the complete description called up under Category #3 if necessary.

Item	Category 1 New Materiel	Category 2 New Surplus Materiel	Category 3 Other Condition
For example NSCM: ABC12		Name: PWGSC	
1	_____	_____	_____
2	_____	_____	_____
3	_____	_____	_____

Requirements for Airworthiness Certification

The requirements for airworthiness certification do not apply to the provision of standard and commercial parts. Standard and commercial parts must be accompanied by a packing slip that identifies the name and address of the supplier, the NATO stock number, identification of the manufacturing standard (e.g. SAE, NAS, AN, MS) and/or manufacturer's part number and model number as applicable; quantity, identification of the lot or batch number if applicable; and the cure date/shelf life if applicable.

Bidders are advised that it will be a requirement of the resulting Contract to provide with each item, supplied under the resulting Contract, a Certificate of Conformance, or certified true copies as specified herein:

1. Category #1 and #2 military unique aviation replacement parts must have an Original Equipment Manufacturer (OEM) or an OEM's approved manufacturer's Certificate of Conformance, which includes all the following information:

    (a) positive identification of the item by type, class, style, grade, model, part number, description, nomenclature and/or serial number, as applicable;

    (b) either the following certification, or a similarly worded statement, signed by an authorized inspector, that satisfies the intent of the following:

        "I certify that the aeronautical product described here conforms to the applicable design data and is in a condition for safe operations."

    (c) identification of both the authorized signatory and the organization.

2. Category #1 and #2 items, which have an application to a civilian type certified aircraft, must be supplied with a Certificate of Conformance, namely:

    (a) form TCCA 24-0078, Authorized Release Certificate, signed by a TC authorized inspector, within the two (2) years before contract award;

    (b) FAA Form 8130-3, Airworthiness Approval Tag, or a FAA Form 8130-4, Export Certificate of Airworthiness, signed by a FAA authorized inspector, within the two (2) years before contract award;

    (c) Joint Aviation Authorities (JAA) Form One, Authorised Release Certificate, signed by a JAA authorized inspector, within the two (2) years before contract award;

    (d) European Aviation Safety Agency (EASA) Form One, Authorized Release Certificate, signed by an EASA authorized inspector, within the two (2) years before contract award; or

(e) OEM's or OEM's approved manufacturer's Certificate of Conformance; which includes:

(i) positive identification of the item by type, class style, grade, model, part number, description, nomenclature, and/or serial number, as applicable;

(ii) either the following certification, or a similarly worded statement, signed by an authorized inspector, that satisfies the intent of the following:

"I certify that the aeronautical product described here conforms to the applicable design data and is in a condition for safe operations".

(iii) identification of both the authorized signatory and organization.

3. Bidders must specify which one of the documents identified above will be provided for each item required to be supplied in response to the bid solicitation.

Remarks: Use the following clause in contracts to advise the contractor that it must retain, maintain and keep available for review any records of the manufacturer sufficient to constitute proof of origin.

A0301C (2007/05/25) Military Aviation Replacement Parts - Maintenance of Records

The Contractor must retain, maintain and keep available for review, for three (3) years following delivery of the last item under the contract, records of the manufacturer sufficient to constitute proof of origin. Such records include the following:

(a) sufficient information to identify the item by type, class, style, grade (including lot or batch number), cast number, the source of the part, and the date and place of manufacture, as appropriate;

(b) the name and description (or other positive identification) of, and the application issue of, the specification, drawing, process and inspection requirements, as appropriate;

(c) records of all inspections and tests carried out, including those carried out on behalf of either the manufacturer or the Contractor;

(d) copies of any Certificate of Conformance or Certificate of Compliance issued by the manufacturer;

(e) and any other relevant technical data.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations for military aviation replacement parts. It is not for use in bid

solicitations that make a particular part number mandatory.

A0301T (2007/05/25) Military Aviation Replacement Parts - Substitutes and Traceability

The Part Number and NATO Supply Code for Manufacturers (NSCM(s), or the Commercial And Government Entity (CAGE) code indicated in the bid solicitation are the only ones known to the Department of National Defence that meet the form, fit and function requirements of the Original Equipment Manufacturer (OEM) approved type design of the aircraft in which they will be installed.

If the Bidder proposes to supply any part with an alternative Part Number or NSCM/CAGE code, the Bidder must provide, either with its bid or within three (3) working days following receipt of a request from the Contracting Authority, all the technical information (e.g. drawings, specifications, engineering reports, and/or test reports) necessary to clearly demonstrate that the part proposed has the form, fit and function characteristics equivalent to the Part Number(s) and NSCM/CAGE code(s) specified in the bid solicitation.

Failure to provide the required technical information will result in the bid being declared non-responsive with respect to any part for which such information was requested.

If a part is not manufactured by the OEM of the aircraft, then it must be manufactured by an authorized supplier to the OEM or by the original manufacturer of the part chosen for use by the OEM of the aircraft (or the successor of or licensed by that original manufacturer). Canada reserves the right to verify with the OEM of the aircraft that the manufacturer of a part proposed is in fact authorized by the OEM to produce that part or supplies that part to the OEM.

If the Bidder proposes to supply any part with an alternative Part Number or NSCM/CAGE code, the Bidder must provide the following substitution notice fully completed.

SUBSTITUTION NOTICE

1. Item Number: _____

2. Original Technical Data (as referenced below):

   (a) Part Number: _____

   (b) NSCM/CAGE code: _____

   (c) Other: _____

   _____

   _____

3. Proposed Change(s)

(a) Part Number: _____

(b) NSCM/CAGE code: _____

(c) Other: _____

_____

_____

4. Reason for Change/Supporting Data:

_____

_____

The Bidder is advised that availability and retention of records of the manufacturer sufficient to constitute proof of origin will be a condition of the resulting Contract.

A1001C (1991/06/01) Science Contracting Officer

Effective 1993/10/29, this clause is superseded by A1024C

A1002C (1991/06/01) Science Contracting Officer

This clause is cancelled effective 1997/09/15

A1003C (1991/06/01) Scientific Authority

Effective 1995/03/31, this clause is superseded by A1029C

A1004C (1997/09/15) Technical Liaison Officer

This clause is cancelled effective 2006/06/16

A1005D (1995/03/31) Site Authority

This clause is cancelled effective 2006/06/16

A1006C (1991/06/01) Authorities

Effective 1992/12/01, this clause is superseded by M0013C

A1007C (1991/06/01) Authorities

Effective 1992/12/01, this clause is superseded by M0014C

A1008T (1991/06/01) Examination of Site

Effective 1992/12/01, this clause is superseded by A9038T

Remarks: Use the following clause when Canada's representatives may need to access work site(s) or the contractor's facilities during the contract period.

Use this clause only in conjunction with general conditions 2010A, 2010B, 2010C or 2029; not with 2030, 2035 and 2040 as the subject is already covered under the inspection provision.

A1009C (2008/05/12) Work Site Access

Authorized representatives of Canada must have access to any site where any part of the Work is being carried out at any time during working hours to make examinations and such tests of the Work as they may think fit.

A1009D (1993/10/29) Establishment, Contractor's

Effective 2006/06/16, this clause is superseded by A1009C

A1010D (1991/06/01) Hovercraft - Technical Authority

This clause is cancelled effective 1992/12/01

A1011T (1991/06/01) Contacts During Tender Period

Effective 1993/10/29, this clause is superseded by A0012T

A1012D (1992/08/01) Authorities

Effective 1995/03/31, this clause is superseded by A1022D

A1013D (1992/08/01) Enquiries

Effective 1993/10/29, this clause is superseded by A0012T

A1014D (1995/03/31) Authorities (GQAA)

This clause is cancelled effective 1997/09/15

A1014T (1992/08/01) Authorities

Effective 1993/10/29, this clause is superseded by A1014D

A1021D (1992/08/01) Administrative Authority

Effective 1992/12/01, this clause is superseded by M0015D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the term "Project Authority" is to be included in the contract (as requested by the client department). If the term "Technical Authority" is to be used instead, refer to clause A1030C. If both terms "Project Authority" and "Technical Authority" are required in the contract, contracting officers must revise the responsibilities of both authorities to reflect their respective roles.

Use the following clause only if the low dollar value (2T-LDV1), medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

A1022C (2007/05/25) Project Authority

The Project Authority for the Contract is:

Name: _____
Title: _____
Organization: _____
Address: _____

Telephone: ___-___-____
Facsimile: ___-___-____
E-mail: _____

The Project Authority is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Project Authority, however the Project Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

A1022D (1995/03/31) Project Authority

Effective 2006/06/16, this clause is superseded by A1022C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in all contracts.

Use the following clause only if the low dollar value (2T-LDV1), medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

A1024C (2007/05/25) Contracting Authority

The Contracting Authority for the Contract is:

Name: _____

Title: _____
Public Works and Government Services Canada
Acquisitions Branch
_____ Directorate
Address: _____

Telephone: ___-___-____
Facsimile: ___-___-____
E-mail: _____.

The Contracting Authority is responsible for the management of the Contract, and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when an "Inspection Authority" is named in the contract. Contracting officers must identify any designated inspector in the contract.

Use option 1 for marine requirements when Public Works and Government Services Canada is the inspection authority.

A1025C (2008/05/12) Inspection Authority

The Inspection Authority for the Contract is:

_____ (***Name of Inspection Authority***)
_____ (***Title***)
_____ (***Department or Agency***)
_____ (***Address***)

Telephone: ___-___-_____
Facsimile: ___-___-_____
E-mail address: _____

The Inspection Authority is the representative of the department or agency for whom the Work is being performed under the Contract and is responsible for inspection of the Work and acceptance of the finished work. The Inspection Authority may be represented on-site by a designated inspector and any other Government of Canada inspector who may from time to time be assigned in support of the designated Inspector.

Option 1

The Inspection Authority for the Contract is:

_____ (***Name of Inspection Authority***)
_____ (***Title***)
Public Works and Government Services Canada
_____ (***Address***)

Telephone: ___-___-_____
Facsimile: ___-___-_____
E-mail address: _____

The Inspection Authority is responsible for inspection of the Work and acceptance of the finished work. The Inspection Authority will be represented on-site by an assigned On-Site Inspector and any other departmental inspectors who will from time to time be assigned in support of the designated inspector.

A1026C (1992/01/31) Authorities

Effective 1995/03/31, this clause is superseded by A1022D

A1027C (1992/08/01) Authorities

Effective 1993/10/29, this clause is superseded by A1024C

A1028D (1992/01/31) Enquiries

Effective 1993/10/29, this clause is superseded by A0012T

A1029C (1995/03/31) Technical Authority

Effective 1997/09/15, this clause is superseded by A1030C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the term "Technical Authority" is to be included in the contract (as requested by the client department). If the term "Project Authority" is to be used instead, refer to clause A1022C. If both terms "Technical Authority" and "Project Authority" are required in the contract, contracting officers must revise the responsibilities of both authorities to reflect their respective roles.

A1030C (2007/05/25) Technical Authority

The Technical Authority for the Contract is:

Name: _____
Title: _____
Organization: _____
Address: _____

Telephone: ___-___-____
Facsimile: ___-___-____
E-mail: _____.

The Technical Authority named above is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Technical Authority, however the Technical Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when a "Procurement Authority" is named in the contract at the client department's request.

A1031C (2008/05/12) Procurement Authority

The Procurement Authority for the Contract is:

_____ (***Name of Procurement Authority***)
_____ (***Title***)
_____ (***Organization***)
_____ (***Address***)

Telephone: ___-___-____
Facsimile: ___-___-____
E-mail: _____.

The Procurement Authority is the representative of the department or agency for whom the Work is being carried out under the Contract. The Procurement Authority is responsible for the implementation of tools and processes required for the administration of the Contract. The Contractor may discuss administrative matters identified in the Contract with the Procurement Authority however the Procurement Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of Work can only be made through a contract amendment issued by the Contracting Authority.

A1035C (2006/06/16) No Partnership

This clause is cancelled effective 2008/12/12

A1035D (1999/12/13) No Partnership

Effective 2006/06/16, this clause is superseded by A1035C

Remarks: Use the following clause in contracts for goods and services with a Canadian contractor where there could be a need for the contractor to hire foreign nationals (i.e., non-Canadians or non-permanent residents) to work in Canada.

A2000C (2006/06/16) Foreign Nationals (Canadian Contractor)

The Contractor must comply with Canadian immigration requirements applicable to foreign nationals entering Canada to work temporarily in fulfillment of the Contract. If the Contractor wishes to hire a foreign national to work in Canada to fulfill the Contract, the Contractor should immediately contact the nearest Service Canada regional office to enquire about Citizenship and Immigration Canada's requirements to issue a temporary work permit to a foreign national. The Contractor is responsible for all costs incurred as a result of non-compliance with immigration requirements.

A2000D (2005/06/10) Non-Permanent Resident (Canadian Contractor)

Effective 2006/06/16, this clause is superseded by A2000C

Remarks: Use the following clause in contracts for goods and services with a foreign contractor where there could be a need for the contractor to hire foreign nationals (i.e., non-Canadians or non-permanent residents) to work in Canada.

A2001C (2006/06/16) Foreign Nationals (Foreign Contractor)

The Contractor must comply with Canadian immigration legislation applicable to foreign nationals entering Canada to work temporarily in fulfillment of the Contract. If the Contractor wishes to hire a foreign national to work in Canada to fulfill the Contract, the Contractor should immediately contact the nearest Canadian Embassy, Consulate or High Commission in the Contractor's country to obtain instructions, information on Citizenship and Immigration Canada's requirements and any required documents. The Contractor is responsible to ensure that foreign nationals have the required information, documents and authorizations before performing any work under the Contract in Canada. The Contractor is responsible for all costs incurred as a result of non-compliance with immigration requirements.

A2001D (2005/06/10) Non-Permanent Resident (Foreign Contractor)

Effective 2006/06/16, this clause is superseded by A2001C

A2100C (1993/10/29) Students - Graduate and Undergraduate

This clause is cancelled effective 2006/06/16

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB).

A3000C (2010/01/11) Aboriginal Business Certification

1. The Contractor warrants that its certification of compliance is accurate and complete and in accordance with the "Requirements for the Set-aside Program for Aboriginal Business" detailed in Annex 9.4 *of the Supply Manual*.

2. The Contractor must keep proper records and documentation relating to the accuracy of the certification provided to Canada. The Contractor must obtain the written consent of the Contracting Authority before disposing of any such records or documentation before the expiration of six (6) years after final payment under the Contract, or until settlement of all outstanding claims and disputes, under the Contract, whichever is later. All such records and documentation must at all times during the retention period be open to audit by the representatives of Canada, who may make copies and take extracts. The Contractor must provide all reasonably required facilities for any audits.

3. Nothing in this clause must be interpreted as limiting the rights and remedies which Canada may otherwise have pursuant to the Contract.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB).

Use this clause in conjunction with A3001T, A3000C, and if applicable, A3002T.

A3000T (2010/01/11) Set-aside for Aboriginal Business

1. This procurement has been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB), as detailed in Annex 9.4 of the *Supply Manual* entitled "Requirements for the Set-aside Program for Aboriginal Business".

2. The Bidder:

   (i) certifies that it meets, and will continue to meet throughout the duration of the contract, the requirements described in the above-mentioned annex.

   (ii) agrees that any subcontractor it engages under the contract must satisfy the requirements described in the above-mentioned annex.

   (iii) agrees to provide to Canada, immediately upon request, evidence supporting any subcontractor's compliance with the requirements described in the above-mentioned annex.

3. The Bidder must check the applicable box below:

   (i) ( ) The Bidder is an Aboriginal business that is a sole proprietorship, band, limited company, co-operative, partnership or not-for-profit organization.

   OR

   (ii) ( ) The Bidder is either a joint venture consisting of two or more Aboriginal businesses or a joint venture between an Aboriginal business and a non-Aboriginal business.

4. The Bidder must check the applicable box below:

   (i) ( ) The Aboriginal business has fewer than six full-time employees.

   OR

   (ii) ( ) The Aboriginal business has six or more full-time employees.

5. The Bidder must, upon request by Canada, provide all information and evidence supporting this certification. The Bidder must ensure that this evidence will be available for audit during normal business hours by a representative of Canada, who may make copies and take extracts from the evidence. The Bidder must provide all reasonably required facilities for any audits.

6. By submitting a bid, the Bidder certifies that the information submitted by the Bidder in response to the above requirements is accurate and complete.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB).

Use this clause in conjunction with A3000T, A3000C, and if applicable, A3002T.

A3001T (2010/01/11) Owner/Employee Certification - Set-aside for Aboriginal Business

If requested by the Contracting Authority, the Bidder must provide the following certification for each owner and employee who is Aboriginal:

"1. I am _____ (***insert*** "an owner" ***and/or*** "a full-time employee") of _____ (***insert name of business***), and an Aboriginal person, as defined in Annex 9.4 of the *Supply Manual* entitled "Requirements for the Set-aside Program for Aboriginal Business".

2. I certify that the above statement is true and consent to its verification upon request by Canada.

_____
Printed name of owner and/or employee

_____
Signature of owner and/or employee

_____
Date"

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB), when the procurement would have been otherwise subject to one or more trade agreements.

A3002T (2010/01/11) Set-aside under the Procurement Strategy for Aboriginal Business

This procurement has been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB), as detailed in Annex 9.4 of the *Supply Manual* entitled "Requirements for the Set-aside Program for Aboriginal Business" .

***Instruction to contracting officers**: Insert the following sentence, if applicable.*

"This procurement is set aside from the international trade agreements under the provision each has for set-asides for small and minority businesses."

***Instruction to contracting officers**: Insert the following sentence, if applicable*.

"Further to Article 1802 of the Agreement on Internal Trade (AIT), AIT does not apply to this procurement."

Remarks: Use the following clause in bid solicitations for service requirements, where specific individuals will be proposed for the work. Use in conjunction with A3015C.

When using the templates 2T-MED1 and 2T-HIGH1, insert this clause, if applicable, under "Certifications Precedent to Contract Award, and delete the last sentence of the second paragraph "Failure to comply with such request may result in the bid being declared non-responsive."

A3005T (2010/01/11) Status and Availability of Resources

The Bidder certifies that, should it be awarded a contract as a result of the bid solicitation, every individual proposed in its bid will be available to perform the Work as required by Canada's representatives and at the time specified in the bid solicitation or agreed to with Canada's representatives. If for reasons beyond its control, the Bidder is unable to provide the services of an individual named in its bid, the Bidder may propose a substitute with similar qualifications and experience. The Bidder must advise the Contracting Authority of the reason for the substitution and provide the name, qualifications and experience of the proposed replacement. For the purposes of this clause, only the following reasons will be considered as beyond the control of the Bidder: death, sickness, maternity and parental leave, retirement, resignation, dismissal for cause or termination of an agreement for default.

If the Bidder has proposed any individual who is not an employee of the Bidder, the Bidder certifies that it has the permission from that individual to propose his/her services in relation to the Work to be performed and to submit his/her résumé to Canada. The Bidder must, upon request from the Contracting Authority, provide a written confirmation, signed by the individual, of the permission given to the Bidder and of his/her availability. Failure to comply with the request may result in the bid being declared non-responsive.

Remarks: Use the following clause in bid solicitations when the education and experience of individuals will be evaluated. Use the clause in conjunction with A3015C.

If the medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are used, insert this clause, if applicable, in Part 5 - Certifications.

A3010T (2007/11/30) Education and Experience

The Bidder certifies that all the information provided in the résumés and supporting material submitted with its bid, particularly the information pertaining to education, achievements, experience and work history, has been verified by the Bidder to be true and accurate. Furthermore, the Bidder warrants that every individual proposed by the Bidder for the requirement is capable of performing the Work described in the resulting contract.

Remarks: Use the following clause in contracts when the bid solicitation includes certifications.

Use the following clause only if the medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

A3015C (2008/12/12) Certifications

Compliance with the certifications provided by the Contractor in its bid is a condition of the Contract and subject to verification by Canada during the term of the Contract. If the Contractor does not comply with any certification or it is determined that any certification made by the Contractor in its bid is untrue, whether made knowingly or unknowingly, Canada has the right, pursuant to the default provision of the Contract, to terminate the Contract for default.

Remarks: Use the following clause when the bid solicitation will include certifications.

Use the following clause only if the medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

A3015T (2008/12/12) Certifications

Compliance with the certifications bidders provide to Canada is subject to verification by Canada during the bid evaluation period (before award of a contract) and after contract award. The Contracting Authority will have the right to ask for additional information to verify bidders' compliance with the certifications before award of a contract. The bid will be declared non-responsive if any certification made by the Bidder is untrue, whether made knowingly or unknowingly. Failure to comply with the certifications or to comply with the request of the Contracting Authority for additional information will also render the bid non-responsive.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in all competitive bid solicitations for services requirements to identify any bidder who may be a former public servant for:

(a) approval purposes when the successful bidder is a former public servant in receipt of a pension paid under the Public Service Superannuation Act;

(b) the application of the $5,000 contract fee limit when the successful bidder is a former public servant, including former members of the Canadian Forces and the Royal Canadian Mounted Police, in receipt of a lump sum payment pursuant to a work force reduction program.

This certification will be a condition precedent to contract award as opposed to a mandatory requirement for evaluation purposes.

For more information, consult 3.90 of the Supply Manual.

A3025T (2010/01/11) Former Public Servant Certification

Contracts with former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny, and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts with FPS, bidders must provide the information required below.

Definitions

For the purposes of this clause,

"former public servant" is any former member of a department as defined in the *Financial Administration Act*, R.S., 1985, c. F-11, a former member of the Canadian Armed Forces or a former member of the Royal Canadian Mounted Police. A former public servant may be:

(a) an individual;
(b) an individual who has incorporated;
(c) a partnership made of former public servants; or
(d) a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the size of the Public Service. The lump sum payment period does not include the period of severance pay, which is measured in a like manner.

"pension" means, in the context of the fee abatement formula, a pension or annual allowance paid under the *Public Service Superannuation Act* (PSSA), R.S., 1985, c. P-36, and any increases paid pursuant to the *Supplementary Retirement Benefits Act*, R.S., 1985, c. S-24 as it affects the PSSA. It does not include pensions payable pursuant to the *Canadian Forces Superannuation Act*, R.S., 1985, c. C-17, the *Defence Services Pension Continuation Act*, 1970, c. D-3, the *Royal Canadian Mounted Police Pension Continuation Act* , 1970, c. R-10, and the *Royal Canadian Mounted Police Superannuation Act*, R.S., 1985, c. R-11, the *Members of Parliament Retiring Allowances Act* , R.S., 1985, c. M-5, and that portion of pension payable to the *Canada Pension Plan Act*, R.S., 1985, c. C-8.

Former Public Servant in Receipt of a Pension

Is the Bidder a FPS in receipt of a pension as defined above? **YES** ( ) **NO** ( )

If so, the Bidder must provide the following information:

(a) name of former public servant;
(b) date of termination of employment or retirement from the Public Service.

Work Force Reduction Program

Is the Bidder a FPS who received a lump sum payment pursuant to the terms of a work force reduction program? **YES** ( ) **NO** ( )

If so, the Bidder must provide the following information:

(a) name of former public servant;
(b) conditions of the lump sum payment incentive;
(c) date of termination of employment;
(d) amount of lump sum payment;
(e) rate of pay on which lump sum payment is based;
(f) period of lump sum payment including start date, end date and number of weeks;
(g) number and amount (professional fees) of other contracts subject to the restrictions of a work force reduction program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is $5,000, including the Goods and Services Tax or Harmonized Sales Tax.

Certification

By submitting a bid, the Bidder certifies that the information submitted by the Bidder in response to the above requirements is accurate and complete.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in all non-competitive bid solicitations for services requirements for:

(a) the application of the fee abatement formula and approval purposes when the successful bidder is a former public servant in receipt of a pension paid under the Public Service Superannuation Act;

(b) the application of the $5,000 contract fee limit when the successful bidder is a former public servant, including former members of the Canadian Forces and the Royal Canadian Mounted Police, in receipt of a lump sum payment pursuant to a work force reduction program.

For more information, consult 3.90 of the Supply Manual.

A3026T (2010/01/11) Former Public Servant Certification

Contracts with former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts with FPS, bidders must provide the information required below.

Definitions

For the purposes of this clause,

"former public servant" is any former member of a department as defined in the *Financial Administration Act*, R.S., 1985, c. F-11, a former member of the Canadian Armed Forces or a former member of the Royal Canadian Mounted Police. A former public servant may be:

(a) an individual;
(b) an individual who has incorporated;
(c) a partnership made of former public servants; or
(d) a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the size of the Public Service. The lump sum payment period does not include the period of severance pay, which is measured in a like manner.

"pension" means, in the context of the fee abatement formula, a pension or annual allowance paid under the *Public Service Superannuation Act* (PSSA), R.S., 1985, c. P-36, and any increases paid pursuant to the *Supplementary Retirement Benefits Act*, R.S., 1985, c. S-24 as it affects the PSSA. It does not include pensions payable pursuant to the *Canadian Forces Superannuation Act*, R.S., 1985, c. C-17, the *Defence Services Pension Continuation Act*, 1970, c. D-3, the *Royal Canadian Mounted Police Pension Continuation Act*, 1970, c. R-10, and the *Royal Canadian Mounted Police Superannuation Act*, R.S., 1985, c. R-11, the *Members of Parliament Retiring Allowances Act*, R.S., 1985, c. M-5, and that portion of pension to the *Canada Pension Plan Act*, R.S., 1985, c. C-8.

Former Public Servant in Receipt of a Pension

Is the Bidder a FPS in receipt of a pension as defined above? **YES** ( ) **NO** ( )

If so, the Bidder must provide the following information:

(a) name of former public servant;
(b) date of termination of employment or retirement from the Public Service.

A contract for the services of a FPS who has been retired for less than one year and who is in receipt of a pension as defined above is subject to a fee reduction (abatement formula) as required by Treasury Board Policy.

Work Force Reduction Program

Is the Bidder a FPS who received a lump sum payment pursuant to the terms of a work force reduction program? **YES** ( ) **NO** ( )

If so, the Bidder must provide the following information:

(a) name of former public servant;
(b) conditions of the lump sum payment incentive;
(c) date of termination of employment;
(d) amount of lump sum payment;
(e) rate of pay on which lump sum payment is based;
(f) period of lump sum payment including start date, end date and number of weeks;
(g number and amount (professional fees) of other contracts subject to the restrictions of a work force reduction program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is $5,000, including the Goods and Services Tax or Harmonized Sales Tax.

Certification

By submitting a bid, the Bidder certifies that the information submitted by the Bidder in response to the above requirements is accurate and complete.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations valued at $200,000 or more (including all applicable taxes), except for requirements excluded under paragraphs 2. (d), (e) and (f) of Annex 5.1 of the Supply Manual.

For more information on the Federal Contractors Program, consult also Annex 5.1.

For requests for standing offers, use clause M2000T; for requests for supply arrangements, use clause S3030T.

A3030T (2010/01/11) Federal Contractors Program - $200,000 or more

1. The Federal Contractors Program (FCP) requires that some suppliers, including a supplier who is a member of a joint venture, bidding for federal government contracts, valued at $200,000 or more (including all applicable taxes), make a formal commitment to implement employment equity. This is a condition precedent to contract award. If the Bidder, or, if the Bidder is a joint venture and if any member of the joint venture, is subject to the FCP, evidence of its commitment must be provided before the award of the Contract.

   Suppliers who have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive government contracts over the threshold for solicitation of bids as set out in the *Government Contracts Regulations*. Suppliers may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any bids from ineligible contractors, including a bid from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

2. If the Bidder does not fall within the exceptions enumerated in 3.(a) or (b) below, or does not have a valid certificate number confirming its adherence to the FCP, the Bidder must fax (819-953-8768) a copy of the signed form LAB 1168, Certificate of Commitment to Implement Employment Equity, to the Labour Branch of HRSDC.

3. The Bidder, or, if the Bidder is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

   The Bidder or the member of the joint venture

   (a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada;

   (b) ( ) is not subject to the FCP, being a regulated employer under the *Employment Equity Act, S.C.* 1995, c. 44;

   (c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC (having not bid on requirements of $200,000 or more), in which case a duly signed certificate of commitment is attached;

   (d) ( ) is subject to the FCP, and has a valid certificate number as follows: _____ (e.g. has not been declared an ineligible contractor by HRSDC.)

Further information on the FCP is available on the HRSDC Web site.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations valued at over $25,000 and below $200,000 (including all applicable taxes), except for requirements excluded under paragraphs 2.(d), (e) and (f) of Annex 5.1 of the Supply Manual.

For more information on the Federal Contractors Program, consult also Annex 5.1.

For requests for standing offers, use clause M2002T; for requests for supply arrangements, use clause S3031T.

A3031T (2010/01/11) Federal Contractors Program - over $25,000 and below $200,000

Suppliers who are subject to the Federal Contractors Program (FCP) and have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive federal government contracts over the threshold for solicitation of bids as set out in the *Government Contracts Regulations*. Suppliers may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any bids from ineligible contractors, including a bid from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

The Bidder, or, if the Bidder is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

The Bidder or the member of the joint venture

(a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada;

(b) ( ) is not subject to the FCP, being a regulated employer under the *Employment Equity Act,* S.C. 1995, c. 44;

(c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC, having not bid on requirements of $200,000 or more;

(d) ( ) has not been declared an ineligible contractor by HRSDC, and has a valid certificate number as follows: _____.

Further information on the FCP is available on the HRSDC Web site.

Remarks: Use the following clause in all bid solicitations when the requirement is subject to the Canadian Content Policy.

Use this clause in conjunction with one of the following clauses: A3051T, A3052T, A3053T, A3055T, A3056T, A3059T, A3061T, A3062T, A3063T, A3065T, A3066T, A3069T, M3051T, M3052T, M3053T, M3055T, M3056T, M3059T, M3061T, M3062T, M3063T, M3065T, M3066T, M3069T.

There is no equivalent clause for the Canadian Content Definition under subsection "5-M" of the SACC Manual. As an exception to procedures 2T-PROC2, article 2.(b)(i), this clause must be used in request for standing offers, and no modification is required to reflect the terminology used in standing offers.

A3050T (2010/01/11) Canadian Content Definition

1. **Canadian good**: A good wholly manufactured or originating in Canada is considered a Canadian good. A product containing imported components may also be considered Canadian for the purpose of this policy when it has undergone sufficient change in Canada, in a manner that satisfies the definition specified under the North American Free Trade Agreement (NAFTA) Rules of Origin. For the purposes of this determination, the reference in the NAFTA Rules of Origin to "territory", is to be replaced with "Canada". (Consult Annex 3.6(9) of the *Supply Manual*.)

   For photocopiers, computers and office equipment within Federal Supply Classification (FSC) groups 36, 70 and 74, see paragraph 6.(a)).

2. **Canadian service**: A service provided by an individual based in Canada is considered a Canadian service. Where a requirement consists of only one service, which is being provided by more than one individual, the service will be considered Canadian if a minimum of 80 percent of the total bid price for the service is provided by individuals based in Canada.

3. **Variety of goods**: When requirements consist of more than one good, one of the two methods below is applied:

   (a) aggregate evaluation: no less than 80 percent of the total bid price must consist of Canadian goods; or,

   (b) item by item evaluation: in some cases, the bid evaluation may be conducted on an item-by-item basis and contracts may be awarded to more than one supplier. In these cases, suppliers will be asked to identify separately each item that meets the definition of Canadian goods.

4. **Variety of services**: For requirements consisting of more than one service, a minimum of 80 percent of the total bid price must be provided by individuals based in Canada.

5. **Mix of goods and services**: When requirements consist of a mix of goods and services, no less than 80 percent of the total bid price must consist of Canadian goods and services (as defined above).

   For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the *Supply Manual*.

6. **Other Canadian goods and services**:

   (a) For photocopiers, computers and office equipment within FSC groups 36, 70 and 74, only the products of the following firms are considered Canadian goods:

      (i) MERIT Partner under the MERIT Partnership Program (administered by Industry Canada [IC] and Public Works and Government Services Canada [PWGSC]);

(ii) Companies which, on March 31, 1992, were allocated to Priority Group 1 under the Priority Groups Policy in effect at that time; or

(iii) CIRCLE Canada companies as agreed on by IC and PWGSC.

(b) Textiles: Textiles are considered to be Canadian goods according to a modified rule of origin, copies of which are available from the Clothing and Textiles Division, Commercial and Consumer Products Directorate.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations for single item (line item) when competition is solely limited to Canadian goods as defined in the clause A3050T.

Use this clause in conjunction with A3050T and A3060C.

Follow these instructions only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

1. Insert one of the following options at the end of the clause:

Option 1: use this paragraph when bidders must submit a completed certification with their bid.

"Failure to provide this certification completed with the bid will render the bid non-responsive."

Option 2: use this paragraph when bidders should submit a completed certification with their bid but if the certification is not submitted with the bid, contracting officers will request the bidder to submit the certification within a time frame.

"Bidders should submit this certification completed with their bid. If the certification is not completed and submitted with the bid, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to submit this completed certification. Failure to comply with the request of the Contracting Authority and submit the completed certification will render the bid non-responsive."

2. Use this clause in conjunction with A3015T.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

A3051T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian goods.

The Bidder certifies that:

( ) the good(s) offered are Canadian goods as defined in paragraph 1 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations for multiple items (line item) when competition is solely limited to Canadian goods and the certification must be done on an item by item basis as defined in paragraph 3.(b) of clause A3050T.

Contracting officers must select one of the options provided in the clause.

Use clause A3053T for multiple items when the certification must be done on an aggregate basis.

Use this clause in conjunction with A3050T and A3060C.

Follow these instructions only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

1. Insert one of the following options at the end of the clause :

Option 1: use this paragraph when bidders must submit a completed certification with their bid.

"Failure to provide this certification completed with the bid will render the bid non-responsive."

Option 2: use this paragraph when bidders should submit a completed certification with their bid but if the certification is not submitted with the bid, contracting officers will request the bidder to submit the certification within a time frame.

"Bidders should submit this certification completed with their bid. If the certification is not completed and submitted with the bid, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to submit this completed certification. Failure to comply with the request of the Contracting Authority and submit the completed certification will render the bid non-responsive."

2. Use this clause in conjunction with A3015T.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

A3052T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian goods.

***Instruction to contracting officers**: Choose one of the following options*:

"Bidders must clearly identify beside each item listed in the bid solicitation document which items meet the definition of Canadian goods and complete the following certification."

OR

"Bidders must clearly identify below which items meet the definition of Canadian goods and complete the certification below.

_____
_____
_____"

The Bidder certifies that:

( ) the item(s) offered and identified as Canadian goods are Canadian goods as defined in

paragraph 1 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations for multiple items (line item) when competition is solely limited to Canadian goods and the certification must be done on an aggregate basis as defined in paragraph 3.(a) of clause A3050T.

Use clause A3052T for multiple items when the certification must be done on an item by item basis.

Use this clause in conjunction with A3050T and A3060C.

Follow these instructions only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

1. Insert one of the following options at the end of the clause:

Option 1: use this paragraph when bidders must submit a completed certification with their bid.

"Failure to provide this certification completed with the bid will render the bid non-responsive."

Option 2: use this paragraph when bidders should submit a completed certification with their bid but if the certification is not submitted with the bid, contracting officers will request the bidder to submit the certification within a time frame.

"Bidders should submit this certification completed with their bid. If the certification is not completed and or submitted with the bid, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to submit this completed certification. Failure to comply with the request of the Contracting Authority and submit the completed certification will render the bid non-responsive."

2. Use this clause in conjunction with A3015T.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

A3053T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian goods.

The Bidder certifies that:

( ) a minimum of 80 percent of the total bid price consist of Canadian goods as defined in paragraph 1 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the Supply Manual.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations for single item (line item) when competition is solely limited to Canadian services as defined in paragraph 2 of clause A3050T.

Use this clause in conjunction with A3050T and A3060C.

Follow these instructions only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

1. Insert one of the following options at the end of the clause:

Option 1: use this paragraph when bidders must submit a completed certification with their bid.

"Failure to provide this certification completed with the bid will render the bid non-responsive."

Option 2: use this paragraph when bidders should submit a completed certification with their bid but if the certification is not submitted with the bid, contracting officers will request the bidder to submit the certification within a time frame.

"Bidders should submit this certification completed with their bid. If the certification is not completed and submitted with the bid, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to submit this completed certification. Failure to comply with the request of the Contracting Authority and submit the completed certification will render the bid non-responsive."

2. Use this clause in conjunction with A3015T.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

A3055T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian services.

The Bidder certifies that:

( ) the service offered is a Canadian service as defined in paragraph 2 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations for multiple items (variety of services) when competition is solely limited to Canadian services as defined in paragraph 4 of clause A3050T.

Use this clause in conjunction with A3050T and A3060C.

Follow these instructions only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

1. Insert one of the following options at the end of the clause:

Option 1: use this paragraph when bidders must submit a completed certification with their bid.

"Failure to provide this certification completed with the bid will render the bid non-responsive."

Option 2: use this paragraph when bidders should submit a completed certification with their bid but if the certification is not submitted with the bid, contracting officers will request the bidder to submit the certification within a time frame.

"Bidders should submit this certification completed with their bid. If the certification is not completed and submitted with the bid, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to submit this completed certification. Failure to comply with the request of the Contracting Authority and submit the completed certification will render the bid non-responsive."

2. Use this clause in conjunction with A3015T.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

A3056T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian services.

The Bidder certifies for that:

( ) the services offered are Canadian services as defined in paragraph 4 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the Supply Manual.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations when the requirement is a mix of goods and services, and the competition is solely limited to Canadian goods and Canadian services as defined in paragraph 5 of clause A3050T.

Use this clause in conjunction with clause A3050T and A3060C.

Follow these instructions only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

1. Insert one of the following options at the end of the clause:

Option 1: use this paragraph when bidders must submit a completed certification with their bid.

"Failure to provide this certification completed with the bid will render the bid non-responsive."

Option 2: use this paragraph when bidders should submit a completed certification with their bid but if the certification is not submitted with the bid, contracting officers will request the bidder to submit the certification within a time frame.

"Bidders should submit this certification completed with their bid. If the certification is not completed and submitted with the bid, the Contracting Authority will so inform the Bidder and provide the Bidder with a

time frame within which to submit this completed certification. Failure to comply with the request of the Contracting Authority and submit the completed certification will render the bid non-responsive."

2. Use this clause in conjunction with A3015T.

Contracting officers must consult the Canadian Content Policy (Annex 3.6) of the Supply Manual to establish if the requirement is subject to the policy.

A3059T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian goods and Canadian services.

The Bidder certifies that:

( ) a minimum of 80 percent of the total bid price consist of Canadian goods and Canadian services as defined in paragraph 5 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the *Supply Manual*.

Remarks: Use the following clause in contracts when the successful bidder had to complete and submit a Canadian content certification to be considered.

A3060C (2008/05/12) Canadian Content Certification

1. The Contractor warrants that the certification of Canadian Content submitted by the Contractor is accurate and complete, and that the goods, services or both to be provided under the Contract are in accordance with the definition contained in clause A3050T.

2. The Contractor must keep proper records and documentation relating to the origin of the goods, services or both provided to Canada. The Contractor must not, without obtaining before the written consent of the Contracting Authority, dispose of any such records or documentation until the expiration of six (6) years after final payment under the Contract, or until settlement of all outstanding claims and disputes under the Contract, whichever is later. All such records and documentation must at all times during the retention period be open to audit, inspection and examination by the representatives of Canada, who may make copies and take extracts. The Contractor must provide all facilities for such audits, inspections and examinations, and must furnish all such information as the representatives of Canada may from time to time require with respect to such records and documentation.

3. Nothing in this clause must be interpreted as limiting the rights and remedies which Canada may otherwise have pursuant to the Contract.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations for single item (line item) when competition is conditionally limited to Canadian goods as defined in A3050T.

Use this clause in conjunction with A3050T and A3060C.

Use this clause in conjunction with A3015T and A3070T only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

A3061T (2010/01/11) Canadian Content Certification

This procurement is conditionally limited to Canadian goods.

Subject to the evaluation procedures contained in the bid solicitation, bidders acknowledge that only bids with a certification that the good(s) offered are Canadian goods, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the bid will result in the good(s) offered being treated as non-Canadian goods.

The Bidder certifies that:

( ) the good(s) offered are Canadian goods as defined in paragraph 1 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations for multiple items (line item) when competition is conditionally limited to Canadian goods and the certification must be done on an item by item basis as defined in paragraph 3(b) of clause A3050T.

Contracting officers must select one of the options provided in the clause.

Use clause A3063T for multiple items when the certification must be done on an aggregate basis.

Use this clause in conjunction with A3050T and A3060C.

Use this clause in conjunction with A3015T and A3070T only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

Contracting officers must review the Canadian Content Policy (Supply Manual, Chapter 5 and Annex 5.1) to establish if the requirement is subject to the policy.

A3062T (2008/05/12) Canadian Content Certification

This procurement is conditionally limited to Canadian goods.

Subject to the evaluation procedures contained in the bid solicitation, bidders acknowledge that only bids for items with a certification that the item(s) offered are Canadian goods, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the bid will result in the item(s) offered being treated as non-Canadian goods.

Instruction to contracting officers: *Choose one of the following options.*

"Bidders must clearly identify beside each item listed in the bid solicitation document which items meet the definition of Canadian good and complete the following certification."

OR

"Bidders must clearly identify below which items meet the definition of Canadian good and complete the certification below."

The Bidder certifies that:

( ) the item(s) offered and identified as Canadian goods are Canadian goods as defined in paragraph 1 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations for multiple items (line item) when competition is conditionally limited to Canadian goods and the certification must be done on an aggregate basis as defined in paragraph 3.(a) of clause A3050T.

Use clause A3062T for multiple items when the certification must be done on an item by item basis.

Use this clause in conjunction with A3050T and A3060C.

Use this clause in conjunction with A3015T and A3070T only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

A3063T (2010/01/11) Canadian Content Certification

This procurement is conditionally limited to Canadian goods.

Subject to the evaluation procedures contained in the bid solicitation, bidders acknowledge that only bids with a certification that the good(s) offered are Canadian goods, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the bid will result in the good(s) offered being treated as non-Canadian goods.

The Bidder certifies that:

( ) a minimum of 80 percent of the total bid price consist of Canadian goods as defined in paragraph 1 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the *Supply Manual*.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations for single item (line item) when competition is conditionally limited to Canadian services as defined in paragraph 2 of clause A3050T.

Use this clause in conjunction with A3050T and A3060C.

Use this clause in conjunction with A3015T and A3070T only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

A3065T (2010/01/11) Canadian Content Certification

This procurement is conditionally limited to Canadian services.

Subject to the evaluation procedures contained in the bid solicitation, bidders acknowledge that only bids with a certification that the service offered is a Canadian service, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the bid will result in the service offered being treated as a non-Canadian service.

The Bidder certifies that:

( ) the service offered is a Canadian service as defined in paragraph 2 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations for multiple items (variety of services) when competition is conditionally limited to Canadian services as defined in paragraph 4 of clause A3050T.

Use this clause in conjunction with A3050T and A3060C.

Use this clause in conjunction with A3015T and A3070T only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

A3066T (2010/01/11) Canadian Content Certification

This procurement is conditionally limited to Canadian services.

Subject to the evaluation procedures contained in the bid solicitation, bidders acknowledge that only bids with a certification that the services offered are Canadian services, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the bid will result in the services offered being treated as non-Canadian services.

The Bidder certifies that:

( ) the services offered are Canadian services as defined in paragraph 4 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the *Supply Manual*.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations when the requirement is a mix of goods and services, and the competition is conditionally limited to Canadian goods and Canadian services as defined in paragraph 5 of clause A3050T.

Use this clause in conjunction with clause A3050T and A3060C.

Use this clause in conjunction with clause A3015T and A3070T only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1) template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

A3069T (2010/01/11) Canadian Content Certification

This procurement is conditionally limited to Canadian goods and Canadian services.

Subject to the evaluation procedures contained in the bid solicitation, bidders acknowledge that only bids with a certification that the goods and services offered are Canadian goods and Canadian services, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the bid will result in the goods and services offered being treated as non-Canadian goods and non-Canadian services.

The Bidder certifies that:

( ) a minimum of 80 percent of the total bid price consist of Canadian goods and Canadian services as defined in paragraph 5 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the *Supply Manual*.

Remarks: Use the following clause in the Evaluation Procedures of the bid solicitation when the competition is conditionally limited to bids offering Canadian goods, Canadian services or both.

Use this clause in conjunction with A3061T, A3062T, A3063T, A3065T, A3066T or A3069T as applicable.

Contracting officers must insert this clause as the first step within the evaluation procedures of the bid solicitation.

Use this clause only if the medium complexity (2T-MED1) or higher complexity (2T-HIGH1 template is not used. Contracting officers must consult the procedures 2T-PROC1 to confirm they cannot use the template for the requirement.

A3070T (2008/05/12) Evaluation Procedures for Procurement Conditionally Limited to Canadian Content

The evaluation team will determine first if there are three (3) or more bids with a valid Canadian content certification. In that event, the evaluation process will be limited to the bids with the certification; otherwise, all bids will be evaluated. If some of the bids with a valid certification are declared non-responsive, or are withdrawn, and less than three responsive bids with a valid certification remain, the evaluation will continue among those bids with a valid certification. If all bids with a valid certification are subsequently declared non-responsive, or are withdrawn, then all the other bids received will be evaluated.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations only when suppliers must have access to information that is confidential or proprietary to Canada or a third party, to prepare their bid. In the case of third party information, contracting officers must ensure that Canada has the right to disclose that information to suppliers.

A3500T (2010/01/11) Confidential Information for Bidding

In order to prepare a bid in response to the bid solicitation, suppliers must have access to information that is confidential or proprietary to Canada or a third party. It is a condition of the bid solicitation that bidders sign a Confidentiality Agreement substantially in the form set out in Annex _____ before being given access to such information at a facility identified in the bid solicitation or before it is provided to them as part of the bid solicitation.

***Instruction to contracting officers**: Insert the following Confidentiality Agreement as an annex.*

ANNEX _____

CONFIDENTIALITY AGREEMENT

TO: HER MAJESTY THE QUEEN IN RIGHT OF CANADA ("CANADA"), AS REPRESENTED BY THE MINISTER OF PUBLIC WORKS AND GOVERNMENT SERVICES CANADA

The description of the requirement of bid solicitation No. _____ contains information that is confidential or proprietary to Canada or to a third party (the Confidential Information) that is not to be disclosed or used in any way other than as set out below.

1. The Supplier agrees that:

   (a) it must not, without first obtaining the written permission of the Contracting Authority, disclose to anyone, other than an employee or a proposed subcontractor with a need to know, the Confidential Information;

   (b) it must not make copies of the Confidential Information or use it for any purpose other than for the preparation of a bid in response to the bid solicitation identified above;

   (c) at close or early termination of the bid period, it must immediately deliver the Confidential Information to the Contracting Authority as well as every draft, working paper and note that contains any information related to the Confidential Information.

2. The Supplier must require any proposed subcontractor referred to in (a) above to execute a Confidentiality Agreement on the same conditions as those contained in this agreement.

3. The Supplier acknowledges and agrees that it will be liable for any and all claims, loss, damages, costs, or expenses incurred or suffered by Canada caused by the failure of the Supplier, or by anyone to whom the Supplier discloses the Confidential Information to comply with these conditions.

4. Nothing in this Confidentiality Agreement should be construed as limiting the Supplier's right to disclose any information to the extent that such information:

   (a) is or becomes in the public domain through no fault of the Supplier or any proposed subcontractor;

   (b) is or becomes known to the Supplier from a source other than Canada, except any source that is known to the Supplier to be under an obligation to Canada not to disclose the information;

   (c) is independently developed by the Supplier; or

   (d) is disclosed under compulsion of a legislative requirement or any order of a court or other tribunal having jurisdiction.

_____
Name of Supplier

_____ _____
Signed by its authorized representative Date

A7000T (1991/06/01) Software Maintenance/Enhancements

This clause is cancelled effective 1993/10/29

A7001D (1991/06/01) Principal Period of Maintenance

Effective 1995/03/31, this clause is superseded by A7008D

A7002D (1991/06/01) Maintenance Services

Effective 1995/03/31, this clause is superseded by A7008D

A7003D (1991/06/01) Maintenance Services

Effective 1995/03/31, this clause is superseded by A7008D

A7004D (1991/06/01) Maintenance Services

Effective 1995/03/31, this clause is superseded by A7008D

A7005D (1991/06/01) Equipment Availability/Remedy

This clause is cancelled effective 2006/06/16

A7006D (1992/12/01) Maintenance Services

Effective 1995/03/31, this clause is superseded by A7008D

A7007D (1993/10/29) Cylinder Maintenance Responsibility

This clause is cancelled effective 2006/06/16

A7008D (1995/03/31) Maintenance Services

This clause is cancelled effective 2006/06/16

A7010C (2007/05/25) Supply Arrangement Reporting

Effective 2007/11/30, this clause is superseded by S0010C

A7010D (1991/06/01) Service to be Performed

This clause is cancelled effective 1993/10/29

A7011D (1991/06/01) Furniture - Repair and Refinishing

This clause is cancelled effective 2006/06/16

A7012D (1993/10/29) Warranty/Repair Service

This clause is cancelled effective 2007/05/25

A7012T (1991/06/01) Warranty/Repair Service

Effective 1993/10/29, this clause is superseded by A7012D

A7013D (2002/12/13) Licensing

This clause is cancelled effective 2007/05/25

A7014D (1991/06/01) Suitability of Service

This clause is cancelled effective 1993/10/29

A7015D (1991/06/01) Personnel Qualifications and Backup

This clause is cancelled effective 1993/10/29

A7016D (1991/06/01) Personnel

This clause is cancelled effective 1993/10/29

Remarks: Use the following clause in contracts including general conditions 2010A, 2010B, 2010C and 2029 when specific individuals are identified in the contract will perform the work.

The clause is not to be used with general conditions 2030, 2035 and 2040 as these general conditions already include the provision.

A7017C (2008/05/12) Replacement of Specific Individuals

1. If specific individuals are identified in the Contract to perform the Work, the Contractor must provide the services of those individuals unless the Contractor is unable to do so for reasons beyond its control.

2. If the Contractor is unable to provide the services of any specific individual identified in the Contract, it must provide a replacement with similar qualifications and experience. The replacement must meet the criteria used in the selection of the Contractor and be acceptable to Canada. The Contractor must, as soon as possible, give notice to the Contracting Authority of the reason for replacing the individual and provide:

   (a) the name, qualifications and experience of the proposed replacement; and

   (b) proof that the proposed replacement has the required security clearance granted by Canada, if applicable.

3. The Contractor must not, in any event, allow performance of the Work by unauthorized replacement persons. The Contracting Authority may order that a replacement stop performing the Work. In such a case, the Contractor must immediately comply with the order and secure a further replacement in accordance with subsection 2. The fact that the Contracting Authority does not order that a replacement stop performing the Work does not relieve the Contractor from

its responsibility to meet the requirements of the Contract.

A7017D (1995/03/31) Personnel, Replacement of Specified

Effective 2006/06/16, this clause is superseded by A7017C

A7018D (1991/06/01) Personnel and Replacement, Specified

Effective 1995/03/31, this clause is superseded by A7017D

A7019T (1991/06/01) Bid/Proposal

This clause is cancelled effective 1993/10/29

A7020D (1991/06/01) Licensing

Effective 1995/03/31, this clause is superseded by A7013D

A7022D (1992/08/01) Services to be Provided

Effective 1992/12/01, this clause is superseded by M0016D

A7023D (1992/01/31) Bidders' Conference

Effective 1992/12/01, this clause is superseded by M0017T

Remarks: Use the following clause in contracts for the provision of security guard services, where post orders are provided by Canada.

A7025C (2006/06/16) Post Orders

```
Post orders will be provided to the Contractor by authorized representatives
of Canada.  The Contractor must ensure that security personnel fully comply
with post orders and with any written and oral instructions from the
authorized representatives of Canada.
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A7025D (1993/10/29) Post Orders

Effective 2006/06/16, this clause is superseded by A7025C

A7026D (1992/01/31) Post Orders

Effective 1992/12/01, this clause is superseded by M0018D

A7028D (1992/01/31) EMR Personnel

This clause is cancelled effective 2000/12/01

A7030T (1996/05/01) Availability and Status of Personnel

Effective 2006/06/16, this clause is superseded by A3005T

Remarks: Use the following clause in bid solicitations if knowledge of potential subcontracts is desired before award of the contract.

A7035T (2007/05/25) List of Proposed Subcontractors

If the bid includes the use of subcontractors, the Bidder agrees, upon request from the Contracting Authority, to provide a list of all subcontractors including a description of the things to be purchased, a description of the work to be performed and the location of the performance of that work. The list should not include the purchase of off-the-shelf items, software and such standard articles and materials as are ordinarily produced by manufacturers in the normal course of business, or the provision of such incidental services as might ordinarily be subcontracted in performing the Work.

A8000T (1991/06/01) Purchase Option

This clause is cancelled effective 1995/03/31

A8001D (1991/06/01) Training

This clause is cancelled effective 1995/03/31

A8002D (1991/06/01) Technical Terminology

This clause is cancelled effective 1993/10/29

A8003D (1991/06/01) Spoiled Photocopies

This clause is cancelled effective 1995/03/31

A8004D (1991/06/01) Invoicing Instructions

This clause is cancelled effective 1995/03/31

A8005D (1991/06/01) Supplies

This clause is cancelled effective 1995/03/31

A8006D (1991/06/01) Life Cycle Cost

This clause is cancelled effective 1993/10/29

A8007D (1991/06/01) Rental Rebate, from Rental to Purchase

This clause is cancelled effective 1995/03/31

A8008D (1991/06/01) Invoicing for Supplies Items

This clause is cancelled effective 1995/03/31

A8009D (1991/06/01) Rental - Annual

This clause is cancelled effective 1993/10/29

Remarks: Use the following clause in contracts for rental of vehicles.

A8010C (2007/05/25) Division of Responsibilities - Vehicles Rental

Unless otherwise stated in the Contract, the following applies:

1. For the purposes of this clause,

(a) The term "Lease" refers to the Contract resulting from a call-up, by which the Contractor (as Lessor) grants Canada (as Lessee), for the term specified in the call-up, the right to possess, use and enjoy the vehicle specified in the call-up. The lease will be an operating and closed end type of lease, and will not convey ownership of the vehicle to Canada nor create any obligation on Canada to purchase the vehicle at lease expiry.

(b) The term "Normal Wear and Tear" refers to the natural amount of deterioration, which can be expected over the term of the lease and include:

(i) tire wear, paint chips and minor scratches that do not extend to the base metal;
(ii) all paint scratches and paint wear and minor dents to interior, top rails and tailgates of pick-up trucks;
(iii) paint chips caused by stones thrown by the wheels of the vehicles;
(iv) frayed or stretched emergency brake cables;
(v) interior wear of vehicles not including holes, burns or tears of interior surfaces;
(vi) interior wear of trucks including all paint scratches; and
(vii) tire wear and damage, provided that the tires meet provincial safety standards.

Removal of decals or signage and any resultant paint repairs are not considered normal wear and tear and will be chargeable as a repair.

2. The Contractor is responsible for:

(a) Delivery of the vehicle to the designated dealer closest to the area identified in the call-up;

(b) Pre-servicing the vehicle in the normal way for customer delivery;

(c) Supplying approximately one quarter (1/4) tank of fuel with the vehicles delivered;

(d) Ensuring each vehicle delivered has the following equipment and accessories:
(i) two ignition keys
(ii) vehicle jack
(iii) wheel wrench
(iv) all minimum features as detailed in the applicable Government Motor Vehicle Ordering Guide and specifications;

(e) Replacement of tires covered by the tire manufacturer's normal warranty. (Replacement tires will be to original equipment specifications with the same life, standard and quality.);

(f) All Warranty Servicing: Warranty servicing means the supply of parts normally provided by the manufacturer's warranty together with the labour necessary to install such parts. The warranty service must be made available at any dealer for the make of vehicle leased, within Canada; and

(g) Inspecting the vehicle upon its return to the designated dealer for any damages.

3. Canada is responsible for:

(a) Picking up the vehicle at the designated dealer;

(b) Supply of fuel during the lease period;

(c) Oil, fluids and lubricants between and including routine oil changes;

(d) Washing the vehicle;

(e) Maintenance in accordance with Contractor's published maintenance schedule for the vehicle;

(f) Ordinary tire repairs due to road hazards and replacement due to normal wear and tear, as required. (Replacement tires will be to original equipment specifications with the same life, standard and quality.);

(g) Providing written notification to the Contractor, five (5) business days before the end of the lease, that the vehicle will be returned to the closest Contractor's dealer;

(h) Returning the vehicle with one quarter (1/4) tank of fuel;

(i) Ensuring that all original manufacturers' components of the returned vehicle are in working condition; and

(j) Fines for traffic violations, including unlawful parking issued to representatives of Canada during the lease period.

4. **Loss, damage, repairs**

(a) Canada is responsible for loss and damage to the vehicle (including damage to optional equipment not requested but accepted by Canada) during the lease period and caused or contributed to by negligence or carelessness of representatives of Canada and recorded to the extent that the loss or damage is not the result of normal wear and tear. Loss or damage due to theft but not due to negligence of Canada will be self-underwritten by Canada.

(b) If a vehicle is returned to the Contractor at the end of the lease in damaged condition, the Contractor must provide to Canada within five (5) business days after the return of the vehicle, a written estimate for the cost of repairs or replacement of the loss to the authorized representative of Canada identified in the call-up document. Repair work must be in accordance with industry standard.

(c) Canada reserves the rights to obtain, through a third party, its own estimates for the identified repairs to validate the Contractor's estimate.

(d) Once the cost of repairs is agreed to by both parties, the Contractor will invoice Canada for the agreed amount. The Contracting Authority will resolve disagreements.

(e) If Canada decides to repair damage to a vehicle during the lease period, Canada will notify the Contractor before proceeding with the repairs. Both parties must agree to the repairs.

5. **General**

Where Canada requests the Contractor to plate the vehicle, an administration charge up to a maximum of $25 may apply.

A8010D (2005/06/10) Lessor/Lessee - Responsibilities

Effective 2007/05/25, this clause is superseded by A8010C

A8011D (1991/06/01) Rental Conditions

Effective 1995/03/31, this clause is superseded by A8010D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Contracting officers may use the following clause in contracts for the rental of equipment when an option to purchase has been granted by the contractor.

A8012C (2006/06/16) Option to Purchase

The Contractor grants to Canada the option to purchase any or all of the leased products at any time during the rental period. In this event, _____ percent of the rental paid will be credited at the time of purchase up to a maximum of _____ percent of the unit purchase price detailed below for the applicable item.

Canada may exercise this option at any time by sending a written notice to the Contractor at least ____ calendar days before the Contract expiry date. The option may only be exercised by the Contracting Authority, and will be evidenced for administrative purposes only, through a contract amendment.

Unit Purchase Price: Item _____ $_____

A8012D (1993/10/29) Option to Purchase

Effective 2006/06/16, this clause is superseded by A8012C

A8013D (1991/06/01) Photocopier Rental

This clause is cancelled effective 1995/03/31

A8014D (1991/06/01) Ninety Day Extension Option

Effective 1993/10/29, this clause is superseded by A9009C

A8015D (1991/06/01) Periodic Reports

This clause is cancelled effective 1993/10/29

A8016D (1991/06/01) Fittings and Adaptors

This clause is cancelled effective 1993/10/29

A8017D (1991/06/01) Authorization of Work

This clause is cancelled effective 1993/10/29

A8018D (1992/01/31) Work Location

Effective 1993/10/29, this clause is superseded by A1009D

A8019D (1992/01/31) Invoicing Instructions

Effective 1995/03/31, this clause is superseded by H3018D

A8500D (1991/06/01) Charter - Period

This clause is cancelled effective 1993/10/29

Remarks: Use the following clause in marine contracts when chartering a vessel.

A8501C (2008/05/12) Vessel Charter

1. The vessel must meet the following requirements:

   (a) be seaworthy;
   (b) the engine must be in good running order and all gear and equipment in good repair.

2. The Contractor must keep and maintain the vessel, engines, gear and equipment in good and sufficient repair for the duration of the Contract and must pay for all necessary repairs, renewals and maintenance.

3. The Contractor must :

   (a) indemnify and save harmless Canada from and against any claim for loss or damage to the vessel or any other property, engines, gear, or equipment, arising from the charter, and for injury or property of persons aboard the vessel, excepting any injury or damage to property of Canada's employees or agents;

   (b) ensure that the operations are only carried out by Canada's authorized representatives as specified by the Technical Authority;

   (c) ensure that approved personal floatation devices for all persons on board are in readily accessible positions at all times;

   (d) ensure that the use or possession of illegal drugs or alcohol is prohibited. If any member of the crew is found under the influence of such drugs and/or intoxicants while on duty, it will be cause for termination of the Contract for default.

4. If the vessel is disabled or is not in running order or is laid up without the consent of Canada, then Canada will not be liable for payment for the hire of the vessel during this period. If this period exceeds one week, Canada may terminate the Contract immediately for default.

5. If any gear or equipment necessary for the efficient operation of the vessel for the purpose of the Contract is not in good working order for any period of time, then the payment of hire will cease for the lost time, and if during the voyage the speed is reduced by a defect in or breakdown of any part of the hull, machinery or equipment, the time lost will be deducted from the hire. Canada will be the sole judge of the capability of the vessel.

6. If the vessel is unable to operate safely in the work area because of sea or weather conditions, as agreed to by the representative of the Contractor and the representative of Canada, then the charter for the day will be terminated and a pro-rated payment made to the Contractor for that

period engaged in the Work in accordance with the terms of the Contract.

7. If the particulars furnished by the Contractor and set out in the Contract are incorrect or misleading, Canada may, at Canada's discretion, terminate the Contract for default.

A8501D (1991/06/01) Vessel Charter

Effective 2008/05/12, this clause is superseded by A8501C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when the bidder is to provide details of its vessel.

Use this clause in conjunction with A8501C.

A8501T (2008/05/12) Vessel Charter

The vessel must meet the requirements listed in the attached specifications. The Bidder must provide the following details of its vessel:

(a) name of vessel _____ ;
(b) official number _____ ;
(c) length, beam, displacement _____ ;
(d) name of vessel's skipper during charter period _____.

A8999C (1996/05/01) Experience and Education

Effective 2006/06/16, this clause is superseded by A3015C

A8999T (1996/05/01) Education and Experience - Certification

Effective 2006/06/16, this clause is superseded by A3010T

A9000C (1994/06/01) Ammunition Handling

This clause is cancelled effective 2007/05/25

A9001T (1995/03/31) Education/Experience Certification

Effective 2006/06/16, this clause is superseded by A3010T

A9002C (1991/06/01) Contract Title

Effective 1993/10/29, this clause is superseded by A9002D

A9002D **(1993/10/29)** **Contract Title**

This clause is cancelled effective 2006/06/16

A9003C **(1991/06/01)** **Contract Title**

Effective 1993/10/29, this clause is superseded by A9002D

A9004C **(1991/06/01)** **Principal Investigator**

Effective 1993/10/29, this clause is superseded by A9002D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the original notice of contract award was issued by e-mail, facsimile or telephone.

A9005C **(2008/05/12)** **Confirmation of Contract Award**

The Contractor was notified of contract award by _____ (***insert*** "e-mail", "facsimile" ***or*** "telephone", ***as applicable***) on _____. The Work specified in the notice, if any, must not be duplicated.

Remarks: Use the following clause in contracts when the client has confirmed that the contract will be a defence contract as defined in the Defence Production Act.

A9006C **(2008/05/12)** **Defence Contract**

The Contract is a defence contract within the meaning of the *Defence Production Act*, R.S.C. 1985, c. D-1, and must be governed accordingly.

Title to the Work or to any materials, parts, work-in-process or finished work must belong to Canada free and clear of all claims, liens, attachments, charges or encumbrances. Canada is entitled, at any time, to remove, sell or dispose of the Work or any part of the Work in accordance with section 20 of the *Defence Production Act*.

A9006D **(2005/06/10)** **Defence Contract**

Effective 2006/06/16, this clause is superseded by A9006C

A9007C **(1991/06/01)** **Prior Rights and Obligations**

This clause is cancelled effective 1995/03/31

A9008C **(1991/06/01)** **Period of Contract**

Effective 1993/10/29, this clause is superseded by D0025D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the client department requests an option to extend the contract be included in the contract.

A9009C (2008/12/12) Option to Extend the Contract

The Contractor grants to Canada the irrevocable option to extend the term of the Contract by up to _____ additional _____ year period(s) under the same conditions. The Contractor agrees that, during the extended period of the Contract, it will be paid in accordance with the applicable provisions as set out in the Basis of Payment.

Canada may exercise this option at any time by sending a written notice to the Contractor at least _____ calendar days before the expiry date of the Contract. The option may only be exercised by the Contracting Authority, and will be evidenced for administrative purposes only, through a contract amendment.

A9009D (1995/12/15) Option to Extend Contract

Effective 2006/06/16, this clause is superseded by A9009C

A9010C (1995/03/31) Entire Agreement

This clause is cancelled effective 2004/05/14

A9011C (1991/06/01) Amendment

This clause is cancelled effective 1993/10/29

A9012C (1991/06/01) Subcontracting

This clause is cancelled effective 1994/01/04

A9013C (1991/08/09) Replacement of Personnel

Effective 1995/03/31, this clause is superseded by A7017D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the contractor must provide the services of specific person(s) with particular qualifications and experience to perform the work as requested by the client department.

A9014C (2006/06/16) Specific Person(s)

The Contractor must provide the services of the following person(s) to

perform the Work as stated in the Contract: _____ (***insert name(s) of person(s)***).

A9014D **(1993/10/29)** **Specified Personnel**

Effective 2006/06/16, this clause is superseded by A9014C

Remarks: Use the following clause in all contracts involving the care and use of experimental animals in the performance of the work.

A9015C **(2006/06/16)** **Experimental Animals**

Any work performed under the Contract involving the care and use of experimental animals must be carried out in compliance with the Canadian Council on Animal Care (CCAC) programs and only by an institution holding a CCAC Certificate of "GAP - Good Animal Practice". Additional information on the CCAC is available at the following Website: http://www.ccac.ca.

A9015D **(1992/01/31)** **Rates for Option Period**

Effective 1992/12/01, this clause is superseded by M0019T

Remarks: Use the following clause in contracts which include specific disposal requirements, when work is performed on government premises, for the contractor to dispose of hazardous waste that may be removed from or uncovered on the site.

Use clause A9019C when the contract does not include specific disposal requirements but the contractor must still comply with any applicable laws.

A9016C **(2007/11/30)** **Hazardous Waste Disposal**

The Contractor must dispose of any hazardous waste removed or uncovered in the performance of the Work in accordance with the requirements of the Contract and any applicable law.

A9016D **(1995/03/31)** **Hazardous Waste Disposal**

Effective 2006/06/16, this clause is superseded by A9016C

A9017C **(1991/06/01)** **Vessel Condition**

Effective 1993/10/29, this clause is superseded by A9017D

A9017D **(1993/10/29)** **Vessel Condition**

Effective 2008/05/12, this clause is superseded by A9141C

A9018C (1991/06/01) Status of Contractor

This clause is cancelled effective 1993/10/29

Remarks: Use the following clause in contracts when work is performed on government premises, for the Contractor to dispose of hazardous waste that may be removed from or uncovered on the site in accordance with the applicable laws.

Use clause A9016C when the contract includes specific hazardous waste disposal requirements.

A9019C (2007/11/30) Hazardous Waste Disposal

The Contractor must dispose of any hazardous waste removed or uncovered in the performance of the Work in accordance with any applicable law.

A9019T (1991/06/01) Labour Agreement, Valid

This clause is cancelled effective 1995/03/31

Remarks: Use the following clause for contracts for the supply of gases, when the contractor is responsible for both the delivery of the gas in cylinders and the hook-up of the cylinders to Canada's existing equipment.

A9020C (2006/06/16) Cylinder Hook-up

The Contractor will be responsible for the hook-up of the cylinders to Canada's existing equipment.

A9020D (1993/10/29) Cylinder Hook-Up

Effective 2006/06/16, this clause is superseded by A9020C

A9020T (1991/06/01) Cylinder Hook-Up

Effective 1993/10/29, this clause is superseded by A9020D

A9021D (1991/06/01) Period of Contract

Effective 1993/10/29, this clause is superseded by D0025D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for services. Use in conjunction with A9009C if the contract contains option periods.

Contracting officers are required to choose between three options, appropriately fill-in the blanks and delete the unused options. Choose the third option if the starting date of the contract period does not coincide with the contract award date.

A9022C (2007/05/25) Period of the Contract

The Work is to be performed during the period of _____ to _____ (***fill in start and end date of the work***).

OR

The period of the Contract is from date of Contract to _____ inclusive (***fill in end date of the period***).

OR

The period of the Contract is from _____ to _____ inclusive (***fill in start and end date of the period***).

A9022T (1993/10/29) Period of Contract

Effective 2006/06/16, this clause is superseded by A9022C

A9023D (1991/06/01) Performance

Effective 1993/10/29, this clause is superseded by D0025D

A9024D (1991/06/01) List of Names

Effective 1995/03/31, this clause is superseded by A9014D

A9025D (1991/06/01) Vehicles

This clause is cancelled effective 1993/10/29

A9026D (1991/06/01) Maintenance Services

Effective 1992/12/01, this clause is superseded by A7006D

A9027T (1991/06/01) Instructions to Bidders

This clause is cancelled effective 1993/10/29

A9028D (1991/06/01) Cylinder Maintenance Responsibility

Effective 1993/10/29, this clause is superseded by A7007D

A9029D (1991/06/01) Laws, Applicable

Effective 1993/10/29, this clause is superseded by A9070D

A9030D (1991/06/01) Unsatisfactory Service

This clause is cancelled effective 1993/10/29

A9031D (1991/06/01) Worker's Compensation Board

This clause is cancelled effective 1993/10/29

A9032D (1991/06/01) Classification, Vendors

Effective 1992/12/01, this clause is superseded by M0020C

Remarks: Use the following clause in bid solicitations when a financial opinion is required. If the required information must be received either before or after the number of days indicated in the clause, the contracting officer may modify the clause accordingly.

A9033T (2007/11/30) Financial Capability

1. Financial Capability Requirement: The Bidder must have the financial capability to undertake this requirement. To determine the Bidder's financial capability, the Contracting Authority may, by written notice to the Bidder, require the submission of some or all of the financial information detailed below during the evaluation of bids. The Bidder must provide the following information to the Contracting Authority within fifteen (15) working days of the request or as specified by the Contracting Authority in the notice:

   (a) Audited financial statements, if available, or the unaudited financial statements (prepared by the Bidder's outside accounting firm, if available, or prepared in-house if no external statements have been prepared) for the Bidder's last three fiscal years, or for the years that the Bidder has been in business if this is less than three years (including, as a minimum, the Balance Sheet, the Statement of Retained Earnings, the Income Statement and any notes to the statements).

   (b) If the date of the financial statements is more than five months before the date of the request for information by the Contracting Authority in (a) above, the Bidder must also provide the last quarterly financial statements (consisting of a Balance Sheet and a year-to-date Income Statement) as of two months before the date on which the Contracting Authority requests the information.

(c) If the Bidder has not been in business for at least one full fiscal year, the following must be provided:

(i) the opening Balance Sheet on commencement of business (in the case of a corporation, the date of incorporation); and

(ii) the last quarterly financial statements (consisting of a Balance Sheet and a year-to-date Income Statement) as of two months before to the date on which the Contracting Authority requests the information.

(d) A certification from the Chief Financial Officer or an authorized signing officer of the Bidder that the financial information provided is complete and accurate.

(e) A confirmation letter from all of the financial institution(s) that have provided short-term financing to the Bidder outlining the total of lines of credit granted to the Bidder and the amount of credit that remains available and not drawn upon as of one month prior to the date on which the Contracting Authority requests this information.

(f) A detailed monthly Cash Flow Statement, covering all the Bidder's activities (including the requirement) for the first two years of the requirement that is the subject of the bid solicitation. This statement must detail the Bidder's major sources and amounts of cash and the major items of cash expenditures on a monthly basis, for all the Bidder's activities. All assumptions made should be explained as well as details of how cash shortfalls will be financed.

(g) A detailed monthly Project Cash Flow Statement covering the first two years of the requirement that is the subject of the bid solicitation. This statement must detail the Bidder's major sources and amounts of cash and the major items of cash expenditures, for the requirement, on a monthly basis. All assumptions made should be explained as well as details of how cash shortfalls will be financed.

2. If the Bidder is a joint venture, the financial information required by the Contracting Authority must be provided by each member of the joint venture.

3. If the Bidder is a subsidiary of another company, then any financial information required by the Contracting Authority in 1. (a) to (f) must be provided by each level of parent company, to and including the ultimate parent company. Provision of parent company financial information does not satisfy the requirement for the provision of the financial information of the Bidder and the financial capability of a parent cannot be substituted for the financial capability of the Bidder itself, unless a duly executed Parental Guarantee is provided with the required information.

4. **Other Information**: Canada reserves the right to request from the Bidder any other information that Canada requires to conduct a complete financial capability assessment of the Bidder.

5. **Confidentiality**: Should the Bidder provide the information required above to Canada in confidence while indicating that the disclosed information is confidential, then Canada will treat the information in a confidential manner as permitted by the *Access to Information Act*, R.S., 1985, c. A-1, Section 20(1) (b) and (c).

6. **Security**: In determining the Bidder's financial capability to undertake this requirement, Canada may consider any security the Bidder is capable of providing, at the Bidder's sole expense (for example, an irrevocable letter of credit from a registered financial institution drawn in favour of Canada, a performance guarantee from a third party or some other form of security, as determined by Canada).

A9034T (1991/06/01) Current Operational Chart

This clause is cancelled effective 1993/10/29

A9035D (1991/06/01) Governing Law

Effective 1993/10/29, this clause is superseded by A9070D

A9036D (1991/06/01) Temporary Employees, Classification of

This clause is cancelled effective 1993/10/29

A9037D (1991/06/01) Temporary Employees, Classification of

This clause is cancelled effective 1993/10/29

A9038D (1991/06/01) Protection of Property

Effective 1993/10/29, this clause is superseded by A9062D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when it is beneficial, but not mandatory, for bidders to view the site where the work will be performed to improve their understanding of the requirement. In the case of marine requirements, the word “Vessel” may be added to the title.

The visit remains optional but there are two options and the contracting officer will choose one of the two proposed options. In the first option, bidders are only requested to communicate with the contracting officer to confirm attendance but should not be refused access to the site if they have not done so. In the second option, bidders who do not communicate with the contracting officer to submit the name(s) of attendee(s) will be refused access to the site (this could be for the security reasons for example). In both cases, bidders will not be precluded from submitting a bid if they do not attend or send a representative.

A9038T (2006/06/16) Optional Site Visit

It is recommended that the Bidder or a representative of the Bidder visit the work site. Arrangements have been made for a tour of the work site. The site visit will be held on _____ (date), at _____ (time and location). Bidders are requested to communicate with the Contracting Authority _____ day(s) before the scheduled visit to confirm attendance and provide the name(s) of the person(s) who will attend. Bidders may be requested to sign an attendance form. Bidders who do not attend or send a representative will not be given an alternative appointment but they will not be precluded from submitting a bid. Any clarifications or changes to the bid solicitation resulting from the site visit will be included as an amendment to the bid solicitation.

OR

It is recommended that the Bidder or a representative of the Bidder visit the work site. Arrangements have been made for a tour of the work site. The site visit will be held on _____ (date) at _____ (time and location). Bidders must communicate with the Contracting Authority no later than _____ day(s) before the scheduled visit to confirm attendance and provide the name(s) of the person(s) who will attend. Bidders who do not confirm attendance and provide the name(s) of the person(s) who will attend as required will not be allowed access to the site. Bidders will be requested to sign an attendance form. Bidders who do not attend or send a representative will not be given an alternative appointment but they will not be precluded from submitting a bid. Any clarifications or changes to the bid solicitation resulting from the site visit will be included as an amendment to the bid solicitation.

Remarks: Use the following clause in contracts which include general conditions other than 2030 or 2040 when the scrap and waste material will become the property of the contractor who will be required to remove it from the site.

Use clause A9041C for contracts which include general conditions 2030 or 2040.

A9039C (2008/05/12) Salvage

All scrap and waste material will become the property of the Contractor who must remove it from the site.

A9039T (1991/06/01) Site Visit

Effective 1995/03/31, this clause is superseded by A9040T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when it is mandatory for bidders to view the work site during the solicitation period to fully understand the scope of the work and the conditions of the site. In the case of marine requirements, the word "Vessel" may be added to the title.

A9040T (2007/05/25) Mandatory Site Visit

It is mandatory that the Bidder or a representative of the Bidder visit the work site. Arrangements have been made for site visit to be held on _____ (date) at _____ (time and location). Bidders must communicate with the Contracting Authority no later than _____ day(s) before the scheduled visit to confirm attendance and provide the names of the person(s) who will attend. Bidders will be required to sign an attendance form. Bidders should confirm in their bids that they have attended the site visit. Bidders who do not attend or send a representative will not be given an alternative appointment and their bids will be rejected as non-compliant. Any clarifications or changes to the bid solicitation resulting from the site visit will be included as an amendment to the bid solicitation.

Remarks: Use the following clause in contracts which include general conditions 2030 or 2040 when the scrap and waste material will become the property of the contractor who will be required to remove it from the site.

Use clause A9039C for contracts which include other general conditions.

A9041C (2008/05/12) Salvage

The General Conditions are amended by deleting in its entirety subsection 4 of the section entitled "Government Property" and inserting the following:

> "All scrap and waste material will become the property of the Contractor who must remove it from the site."

A9041D (1993/10/29) Salvage

Effective 2006/06/16, this clause is superseded by A9041C

A9042T (1991/06/01) Tenders/Quotations by Telex

This clause is cancelled effective 1993/10/29

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when reissuing a bid solicitation. Contracting officers are to insert the number, date and closing date and time of the bid solicitation which is being superseded.

A9043T (2007/05/25) Reissue of Bid Solicitation

This bid solicitation cancels and supersedes previous bid solicitation number _____ dated _____ with a closing of _____ (***insert the closing date***) at _____ (***insert the closing time***).

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive bid solicitations not subject to public advertising, for requirements that are

not classified, when a list is used to invite suppliers. Contracting officers must attach the list of suppliers invited to bid as an annex to the bid solicitation.

A9044T (2006/06/16) Suppliers List

The list of suppliers being invited to bid on this solicitation is attached as Annex "_____". This list will not be updated if additional suppliers request copies of the bid solicitation.

A9045C (1991/06/01) Confirmation

Effective 1992/12/01, this clause is superseded by A9005C

A9046T (1991/06/01) Reference to the Word "Tender"

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause in contracts when title to the vessel, including any government issue obtained or constructed with money provided by Canada, belongs to Canada.

Use this clause in conjunction with A9006C.

A9047C (2008/05/12) Title to Property - Vessel

If the Contractor is in default in carrying any of its obligations under the Contract, Canada, or its agents, will have the immediate right to enter the shipyard, without first obtaining a court order, to take possession of the vessel and all other property of Canada, including, but not limited to, work-in-process located on the premises, and to perform any further work required to enable the vessel and other such property to be removed from the shipyard.

A9047D (1993/10/29) Title to Property

This clause is cancelled effective 2006/06/16

A9048D (1991/06/01) Technical Representative

This clause is cancelled effective 1993/10/29

Remarks: Use the following clause in contracts covering the procurement of vehicles.

A9049C (2006/06/16) Vehicle Safety

Each vehicle supplied pursuant to the Contract must meet the provisions of the *Motor Vehicle Safety Act*, S.C. 1993, c. 16, and the applicable regulations that are in force on the date of its manufacture.

A9049D **(1995/03/31)** **Vehicles**

Effective 2006/06/16, this clause is superseded by A9049C

A9050D **(1995/03/31)** **Publications - Commercial**

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause in contracts for the procurement of equipment when Canada requires the right to translate existing publications.

Where the contractor will be providing document deliverables specifically written as part of the work under the contract, one of the following general conditions must be used: 2010A, 2010B, 2010C, 2030, 2035 or 2040. Under these general conditions, Canada owns the rights to translate custom-written documents provided under the contract as Canada owns the copyright in the work. In the case where both custom-written and existing publications are to be provided by the contractor, this clause is to be used in conjunction with the appropriate general conditions.

A9051C **(2008/05/12)** **Existing Technical Publications - Translation**

The Contractor grants to Canada a non-exclusive, perpetual, irrevocable and royalty-free license to translate and reproduce for government use all or any part of the technical publications supplied with the equipment delivered under the Contract. Copyright in the translation made by Canada or by independent contractors engaged by Canada will belong to Canada.

***Instruction to contracting officers**: Delete the following for non-Department of National Defence requirements.*

In addition to the copies which are to be delivered with the equipment, _____ copies of each publication must be forwarded to:

Department of National Defence
MGen George Pearkes Building
Ottawa, Canada
K1A 0K2

Attention: _____.

A9051D **(1995/03/31)** **Publications - Technical - Translation**

Effective 2006/06/16, this clause is superseded by A9051C

A9052D **(1991/06/01)** **Warranty**

This clause is cancelled effective 1995/12/15

Remarks: Contracting officers may use this clause in contracts for the procurement of medium and heavy

trucks, buses, and trailers when a trade-in is requested by the client department.

A9053C (2006/06/16) Vehicle Trade-in

The used vehicle to be traded in will be retained by Canada until exchanged for the new vehicle. No adjustment will be made to the trade-in allowance to allow for depreciation arising out of normal wear and tear on the used vehicle between the time of its appraisal and the time the used vehicle is exchanged. The Contractor must, immediately upon taking possession of the used vehicle, report in writing any significant change in the condition of the used vehicle to the Contracting Authority.

A9053D (1997/09/15) Trade-in Allowance

Effective 2006/06/16, this clause is superseded by A9053C

A9054D (1991/06/01) Vessel, Viewing of

Effective 1993/10/29, this clause is superseded by A9054T

A9054T (1993/10/29) Vessel, Viewing of

Effective 1995/03/31, this clause is superseded by A9038T

Remarks: Use the following clause in marine contracts when scrap and waste materials other than accountable material will be owned by the contractor.

A9055C (2008/05/12) Scrap and Waste Material

Despite the provisions of section 09 of general conditions 1026A, scrap and waste materials other than accountable material, derived from the Contract, will revert to the Contractor as part of the Contract Price.

A9055D (2004/12/10) Scrap and Waste Material

Effective 2008/05/12, this clause is superseded by A9055C

Remarks: Use the following clause in marine contracts when fueling and disembarking of fuel from Canadian government vessels is conducted under the supervision of a responsible supervisor.

A9056C (2008/05/12) Supervision of Fueling and Disembarking Fuel

The Contractor must ensure that fueling and disembarking of fuel from Canadian government vessels are conducted under the supervision of a responsible supervisor trained and experienced in these operations.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in marine bid solicitations when fueling and disembarking fuel from Canadian government vessels must be conducted under the supervision of a responsible supervisor and the successful bidder must provide details of its safety measures before contract award.

Use this clause in conjunction with A9056C.

A9056T (2008/05/12) Safety Measures for Fueling and Disembarking Fuel

Fueling and disembarking fuel from Canadian government vessels must be conducted under the supervision of a responsible supervisor trained and experienced in these operations.

Before contract award and within _____ calendar days (***insert the number of days***) of written request by the Contracting Authority, the successful Bidder must provide details of its safety measures for fueling and disembarking fuel together with the name and qualifications of the person in charge of this activity.

A9057T (1991/06/01) Telegraphic Bids

This clause is cancelled effective 1993/10/29

A9058T (1991/06/01) Bids - Submission

This clause is cancelled effective 1993/10/29

Remarks: Use the following clause in contracts when the contractor will be working in the Canadian Forces Base (CFB) Esquimalt Dockyard doing ship repair and/or related work that would normally be done by employees of the CFB Esquimalt Ship Repair Group.

A9059C (2007/05/25) Jurisdictions HMC Dockyard

When the Contractor performs work in the Canadian Forces Base (CFB) Esquimalt Dockyard, that is usually performed by employees of the Ship Repair Group, such work must normally be performed in accordance with the methods, practices, or work distribution prevailing at the said Dockyard which takes into consideration the trade jurisdictional limitations of the Federal Government Dockyards Trades and Labour Council (Victoria) affiliates.

Should there be a need for any work permit, this requirement must be borne by the Contractor or subcontractor. In this instance, the work permit will be ten dollars ($10) per worker per week and will be paid only when the workers of the outside Contractor or subcontractor do not belong to the same unions affiliated with the Federal Government Dockyards Trades and Labour Council (Victoria).

A9059D (2000/05/12) Jurisdictions HMC Dockyard

Effective 2007/05/25, this clause is superseded by A9059C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when representatives of Canada will be working at premises provided by the contractor. Contracting officers are to specify the number of people for which accommodation is required, the type of equipment required, etc.

A9060C (2006/06/16) Provision of Office Accommodation by the Contractor

For the period of the Contract, the Contractor must provide furnished office accommodation for authorized representatives of Canada as follows: _____.

A9060D (1997/02/03) Office Accommodation

Effective 2006/06/16, this clause is superseded by A9060C

A9061D (1991/06/01) Subcontracts - DND

This clause is cancelled effective 1993/10/29

Remarks: Use the following clause in contracts when the contractor is performing work on Canadian Forces sites across Canada.

Use clause A9068C when the work is performed on government sites other than Canadian Forces sites.

A9062C (2010/01/11) Canadian Forces Site Regulations

The Contractor must comply with all standing orders or other regulations, instructions and directives in force on the site where the Work is performed.

A9062D (1993/10/29) Site Regulations

Effective 2006/06/16, this clause is superseded by A9062C

A9063D (1991/06/01) Hovercraft - Warranty

This clause is cancelled effective 1992/12/01

A9064D (1991/06/01) Warranty - DND

Effective 1992/12/01, this clause is superseded by K0027D

Remarks: Use the following clause in contracts requiring work on government premises.

A9065C (2006/06/16) Identification Badge

Any person assigned to the performance of any part of the Work that is performed on government premises must wear in a conspicuous place the identification badge issued to that person by Canada.

When a person is required to wear a safety helmet, the Contractor, if requested to do so by the Contracting Authority, must paint the number appearing on the badge on the front of the safety helmet.

A9065D (1991/06/01) Security and Personnel Identification

Effective 2006/06/16, this clause is superseded by A9065C

Remarks: Use the following clause in all ship refit contract and in all ship/ship system repair and overhaul contracts when the ship will be docked at the contractor's facility or a service facility other than the client department's own docking facility, and Canada reserves the right to have its personnel carry out limited work.

A9066C (2008/05/12) Vessel - Access by Canada

Canada reserves the right to have its personnel carry out limited work on equipment on board the vessel. This work will be carried out at times mutually acceptable to Canada and the Contractor.

A9066D (1993/10/29) Vessel - Access by Canada

Effective 2008/05/12, this clause is superseded by A9066C

A9067D (1995/03/31) Warranty

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause in contracts when the contractor is performing work on government sites other than Canadian Forces sites.

Use clause A9062C when the work is performed on Canadian Forces sites across Canada.

A9068C (2010/01/11) Government Site Regulations

The Contractor must comply with all regulations, instructions and directives in force on the site where the Work is performed.

A9069T (1991/06/01) Bid Receiving/Return Address

This clause is cancelled effective 1993/10/29

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts. The contracting officer must ensure that the applicable law selected by the bidder, or in absence of such selection, the law indicated in the bid solicitation, is inserted in the blank. The bidder, as instructed, will be able to propose a change to the applicable laws in its bid.

Use the following clause only if the low dollar value (2T-LDV1), medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

Note: For the French version of the clause, the term "in" was not translated because there is no such common term in French for all the provinces and territory. Therefore, the word "en" must be added in front of Alberta, Colombie-Britannique, "Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut, the word "à" in front of Terre-Neuve-et-Labrador and l'Ile-du-Prince-Édouard, and the words "dans les" in front of Territoires du Nord Ouest.

A9070C (2007/05/25) Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____.

A9070D (1991/06/01) Applicable Law

Effective 1995/12/15, this clause is superseded by A9070T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations. Indicate the laws of which Canadian province or territory Canada proposes to apply to the resulting contract. The bidder, as instructed, may propose a change to the applicable laws in its bid.

Use the following clause only if the low dollar value (2T-LDV1), medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

Note: For the French version of the clause, the term "in" was not translated because there is no such common term in French for all the provinces and territory. Therefore, the word "en"must be added in front of Alberta, Colombie-Britannique, Saskatchewan, Ontario and Nouvelle-Écosse; the word "au" in front of Manitoba, Québec, Nouveau-Brunswick, Yukon and Nunavut, the word "à" in front of Terre-Neuve-et-Labrador and l'Ile-du-Prince-Édouard, and the words "dans les" in front of Territoires du Nord Ouest.

A9070T (2007/05/25) Applicable Laws

1. Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____.

2. The Bidder may, at its discretion, substitute the applicable laws of a Canadian province or territory of its choice without affecting the

validity of its bid, by deleting the name of the Canadian province or territory specified and inserting the name of the Canadian province or territory of its choice. If no change is made, it acknowledges that the applicable laws specified are acceptable to the Bidder.

A9071D (1992/01/31) Period of Contract

Effective 1993/10/29, this clause is superseded by D0025D

A9072D (1992/08/01) Period of Proposed Contract

Effective 1993/10/29, this clause is superseded by D0025D

A9073D (1992/01/31) Period of Contract

Effective 1993/10/29, this clause is superseded by D0025D

A9074D (1992/01/31) Period of Proposed Contract

Effective 1993/10/29, this clause is superseded by D0025D

A9075D (1992/01/31) Period of Contract

Effective 1993/10/29, this clause is superseded by D0025D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations to advise bidders that they could propose improvements to the technical requirements contained in the bid solicitation.

A9076T (2007/05/25) Improvement of Requirement During Solicitation Period

Should bidders consider that the specifications or Statement of Work contained in the bid solicitation could be improved technically or technologically, bidders are invited to make suggestions, in writing, to the Contracting Authority named in the bid solicitation. Bidders must clearly outline the suggested improvement as well as the reason for the suggestion. Suggestions that do not restrict the level of competition nor favour a particular bidder will be given consideration provided they are submitted to the Contracting Authority at least _____ days before the bid closing date. Canada will have the right to accept or reject any or all suggestions.

A9077C (1992/12/01) Period of Contract

Effective 1995/03/31, this clause is superseded by A9009D

A9078C (1992/01/31) Period of Proposed Contract

Effective 1995/03/31, this clause is superseded by A9009D

A9079C (1992/01/31) Period of Proposed Contract

Effective 1995/03/31, this clause is superseded by A9009D

A9080C (1992/08/01) Period of Proposed Contract

Effective 1993/10/29, this clause is superseded by D0025D

A9081C (1992/01/31) Government Smoking Policy

This clause is cancelled effective 2001/05/25

A9082C (1992/01/31) Replacement of Personnel

Effective 1995/03/31, this clause is superseded by A7017D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when a bidder's conference will be held.

A9083T (2006/06/16) Bidders' Conference

A bidders' conference will be held at _____ (***insert address***) on _____ (***insert date***). The conference will begin at _____ (***insert time***), in _____ (***insert location/room number***). The scope of the requirement outlined in the bid solicitation will be reviewed during the conference and questions will be answered. It is recommended that bidders who intend to submit a bid attend or send a representative.

Bidders are requested to communicate with the Contracting Authority before the conference to confirm attendance. Bidders should provide, in writing, to the Contracting Authority, the names of the person(s) who will be attending and a list of issues they wish to table at least _____ working days before the scheduled conference.

Any clarifications or changes to the bid solicitation resulting from the bidders' conference will be included as an amendment to the bid solicitation. Bidders who do not attend will not be precluded from submitting a bid.

A9084C (1992/08/01) Extension of Charter

This clause is cancelled effective 1993/10/29

A9085C (1992/01/31) Subcontracting

This clause is cancelled effective 1992/08/01

A9085T (1992/08/01) Telex/Fascimile Proposal

This clause is cancelled effective 1993/10/29

A9086T (1992/08/01) Telex/Fascimile Proposal

This clause is cancelled effective 1993/10/29

A9087D (1992/01/31) Meetings

This clause is cancelled effective 1993/10/29

Remarks: Use the following clause in contracts when a proposed contractor will be paid for work performed before the effective date of the contract.

If the work has been completed, the contracting officer must instead request that a confirming order be prepared by legal counsel.

Use this clause in conjunction with C0210C.

Use clause A9094C when the client department wishes to retain the rights to the intellectual property.

A9088C (2010/01/11) Pre-contractual Work - Not Authorized

In order for the Contractor to meet its obligations under the Contract, the Parties acknowledge that the Contractor has started the Work required pursuant to the Contract before the effective date of the Contract (Pre-contractual Work) and has incurred costs in the performance of such work. Costs incurred by the Contractor in the performance of the Pre-contractual Work, that would have been treated as costs reasonably and properly incurred if they had been incurred after the effective date of the Contract, will be paid to the Contractor in accordance with the Basis of Payment of the Contract subject to acceptance of the Pre-contractual Work by Canada. The Contractor agrees that upon such payment by Canada to the Contractor, Canada will be released and forever discharged from all manner of actions, claims, suits or demands in relation to the Pre-contractual Work.

A9088D (1993/10/29) Safety Regulations and Labour Codes

This clause is cancelled effective 2006/06/16

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when form PWGSC-TPSGC 1137, Application for Permission to Subcontract, is required.

A9089C (2006/06/16) Permission to Subcontract

When, pursuant to the general conditions applicable to the Contract, the

consent of the Minister is required to subcontract a portion of the Work, the Contractor must submit to the Contracting Authority a completed form PWGSC-TPSGC 1137 entitled Application for Permission to Subcontract.

A9090C (1998/02/16) Prior Rights and Obligations

This clause is cancelled effective 2005/06/10

A9091T (1991/06/01) Form of Bidding

This clause is cancelled effective 1993/10/29

A9092C (1995/03/31) Precontractual Work - Authorized

This clause is cancelled effective 1997/09/15

A9092D (1992/01/31) Boundaries of National Capital Region

Effective 1992/12/01, this clause is superseded by M0021D

A9093D (2001/05/25) Workers' Compensation

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause in contracts when a proposed contractor will be paid for work performed before the effective date of the contract.

If the work has been completed, the contracting officer must instead request that a confirming order be prepared by legal counsel.

Use this clause in conjunction with C0210C.

Use clause A9088C when the client department does not wish to retain the rights to the intellectual property.

A9094C (2010/01/11) Pre-contractual Work - Not Authorized

1. In order for the Contractor to meet its obligations under the Contract, the Parties acknowledge that the Contractor has started the Work required pursuant to the Contract before the effective date of the Contract (Pre-contractual Work) and has incurred costs in the performance of such work. Costs incurred by the Contractor in the performance of the Pre-contractual Work, that would have been treated as costs reasonably and properly incurred if they had been incurred after the effective date of the Contract, will be paid to the Contractor in accordance with the Basis of Payment of the Contract subject to acceptance of the Pre-contractual Work by Canada. The Contractor agrees that upon such payment by Canada to the Contractor, Canada will be released and forever discharged from all manner of actions, claims, suits or demands in relation to the Pre-contractual Work.

2. The Parties confirm that copyright in the Pre-contractual Work belongs to Canada and that

ownership of all intellectual property rights in all information of a scientific, technical or artistic nature relating to the Work, in any form or medium, conceived, developed or produced by the Contractor in the performance of the Pre-contractual Work belongs to Canada.

A9095C (1995/03/31) Precontractual Work - Ongoing Services

This clause is cancelled effective 1997/09/15

A9096T (2006/06/16) Signature of Bid

This clause is cancelled effective 2007/05/25

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when bidders are to indicate where the substantial information for specific sections of the bid solicitation can be found to assist the evaluation team in its evaluation of the technical bid.

Contracting officers must clearly identify in this clause which requirements must be substantiated by the bidders.

A9097T (2007/05/25) Substantial Information

Bidders must demonstrate their compliance with the following sections of the bid solicitation by providing substantial information describing completely and in detail how the requirement is met or addressed. Bidders must provide with their technical bid, a document indicating clearly where the substantial information for each of the sections identified below can be found.

_____
_____
_____

A9098T (1996/05/01) Education / Experience - Certification

Effective 2006/06/16, this clause is superseded by A3010T

A9099T (1996/05/01) Information to Assess

Effective 2006/06/16, this clause is superseded by A9101T

A9100T (2000/12/01) Vendor Performance

This clause is cancelled effective 2007/05/25

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when Canada needs to identify who will participate in the evaluation of bids.

Use clause 1 when only employees of the federal government will be involved in the bid evaluation. Use clause 2 when third parties will also be involved as it is necessary to disclose third party participants to all bidders in view of the confidentiality obligations of Canada.

Use the following clause only if the medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

A9101T (2007/05/25) Evaluation Team

Clause 1

An evaluation team composed of representatives of Canada will evaluate the bids.

OR

Clause 2

An evaluation team composed of representatives of Canada and _____ (***insert name of firm or consultant***) will evaluate the bids.

A9102T (1996/05/01) Technical Proposal

This clause is cancelled effective 2006/06/16

A9103T (2000/12/01) Work Force Reduction Programs

Effective 2007/11/30, this clause is superseded by A3025T

A9104T (2000/12/01) Work Force Reduction Programs

Effective 2007/11/30, this clause is superseded by A3026T

A9105C (1995/12/15) Work Force Reduction Programs

This clause is cancelled effective 2007/11/30

A9106T (1998/11/23) Work Force Reduction Program - Details

This clause is cancelled effective 2007/11/30

A9107T (2005/06/10) Civil Employment of Military Personnel

This clause is cancelled effective 2006/06/16

A9109T (2006/06/16) Procurement Business Number

This clause is cancelled effective 2007/05/25

A9110T (2007/05/25) Land Claims Set-aside

Effective 2007/11/30, this clause is superseded by W0005T

Remarks: Use the following clause in contracts when the contractor is required to warrant that it is not under common ownership control of another division, parent company or affiliate supplying materials and/or services in connection with the work under the contract. Consult 10.55(e) of the Supply Manual.

A9112C (2010/01/11) Common Ownership Control

The Contractor warrants that it is not under common ownership control of another division, parent company or affiliate supplying materials and/or services in connection with the performance of the Work under the Contract. For the purposes of this warranty, the phrase "ownership control" means that at least 50 percent of the voting rights are held by the related entity.

The Contractor acknowledges that Canada has relied on the warranty in establishing the price payable under the Contract. In the event of breach of such warranty, Canada will have the right to terminate the Contract for default or, alternatively, the right to readjust the price to reflect the level of profit payable under departmental policy when common ownership control exists, as set out in the Department of Public Works and Government Services Transfer Pricing Policy published in Chapter 10 of the *Supply Manual*.

Remarks: Use the following clause in all contracts including the collection or creation of personal information.

Do not use this clause when supplemental general conditions 4008 are used.

A9113C (2008/12/12) Handling of Personal Information

The Contractor acknowledges that Canada is bound by the *Privacy Act*, R.S., 1985, c. P-21, with respect to the protection of personal information as defined in the Act. The Contractor must keep private and confidential any such personal information collected, created or handled by the Contractor under the Contract, and must not use, copy, disclose, dispose of or destroy such personal information except in accordance with this clause and the delivery provisions of the Contract.

All such personal information is the property of Canada, and the Contractor has no right in or to that information. The Contractor must deliver to Canada all such personal information in whatever form, including all working papers, notes, memoranda, reports, data in machine-readable format or otherwise, and documentation which have been made or obtained in relation to the Contract, upon the completion or termination of the Contract, or at such earlier time as Canada may request. Upon delivery of the personal information to Canada, the Contractor will have no right to retain that information in any form and must ensure that no record of the personal information remains in the Contractor's possession.

A9115D (2003/05/30) T1204 Government Service Contract Payments

This clause is cancelled effective 2004/12/10

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the procurement of applicable services (such as transportation and telecommunication; advertising services; professional and special services; and repair and maintenance services), as well as contracts involving a mix of goods and services, when the service component is $500 or more in the calendar year, and whenever the client department wishes to receive the contractor information directly following contract award. This includes contracts or standing offers with Canadians undertaking government work abroad. The contracting officer must insert the contact and address specified by the client department.

A9116C (2007/11/30) T1204 - Information Reporting by Contractor

1. Pursuant to paragraph 221 (1)(d) of the *Income Tax Act*, R.S. 1985, c.1 (5th Supp.), payments made by departments and agencies to contractors under applicable services contracts (including contracts involving a mix of goods and services) must be reported on a T1204 Government Service Contract Payments slip.

2. To enable departments and agencies to comply with this requirement, the Contractor must provide the following information within ____ calendar days following contract award:

   (a) the legal name of the Contractor, i.e. the legal name associated with its business number or Social Insurance Number (SIN), as well as its address and postal code;

   (b) the status of the Contractor, i.e. an individual, a sole proprietorship, a corporation, or a partnership;

   (c) the business number of the Contractor if the Contractor is a corporation or a partnership and the SIN if the Contractor is an individual or a sole proprietorship. In the case of a partnership, if the partnership does not have a business number, the partner who has signed the Contract must provide its SIN;

   (d) in the case of a joint venture, the business number of all parties to the joint venture who have a business number or their SIN if they do not have a business number.

3. The information must be sent to the person and address specified below. If the information includes a SIN, the information should be provided in an envelope marked "PROTECTED".

   Name of person_____
   Address _____.

A9116D **(2005/06/10)** **T1204 - Information Reporting by Contractor**

Effective 2006/06/16, this clause is superseded by A9116C

Remarks: Use the following clause in contracts for the procurement of applicable services (such as transportation and telecommunications; advertising services; professional and special services; and repair and maintenance services), as well as contracts involving a mix of goods and services, when the service component is $500 or more in the calendar year, and whenever the client department wishes to contact the contractor directly to obtain the required information. This includes contracts or standing offers with Canadians undertaking government work abroad.

A9117C **(2007/11/30)** **T1204 - Direct Request by Customer Department**

1. Pursuant to paragraph 221 (1)(d) of the *Income Tax Act*, R.S. 1985, c. 1 (5th Supp.), payments made by departments and agencies to contractors under applicable services contracts (including contracts involving a mix of goods and services) must be reported on a T1204 Government Service Contract Payments slip.

2. To enable departments and agencies to comply with this requirement, the Contractor must provide Canada, upon request, its business number or Social Insurance Number, as applicable. (These requests may take the form of a general call-letter to contractors, in writing or by telephone).

A9117D **(2004/12/10)** **T1204 - Direct Request by Customer Department**

Effective 2006/06/16, this clause is superseded by A9117C

Remarks: Use the following clause in contracts when a proposed contractor will be paid for work performed before the effective date of the contract.

If the work has been completed, the contracting officer must instead request that a confirming order be prepared by legal counsel.

The second paragraph must be deleted if the client department does not wish to retain the rights to the intellectual property.

Use this clause in conjunction with C0210C.

A9120C **(2010/01/11)** **Pre-contractual Work - Authorized**

The Parties acknowledge that, as of _____, the Contractor, with the consent of _____ (***insert name of client department***) and without a written contract, has started the Work required pursuant to the

Contract (Pre-contractual Work) and has incurred costs in the performance of such Work. Costs incurred by the Contractor in the performance of the Pre-contractual Work, that would have been treated as costs reasonably and properly incurred if they had been incurred before the effective date of the Contract, will be paid to the Contractor in accordance with the Basis of Payment of the Contract subject to acceptance of the Pre-contractual Work by Canada. The Contractor agrees that upon such payment by Canada to the Contractor, Canada will be released and forever discharged from all manner of actions, claims, suits or demands in relation to the Pre-contractual Work.

The Parties confirm that copyright in the Pre-contractual Work belongs to Canada and that ownership of all intellectual property rights in all information of a scientific, technical or artistic nature relating to the Work, in any form or medium, conceived, developed or produced by the Contractor in the performance of the Pre-contractual Work belongs to Canada.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for services when the contractor will only be authorized to perform a specific portion of the work.

A9121C (2008/05/12) Work Authorization

Despite any other condition of the Contract, the Contractor is only authorized to perform the Work required to complete _____ *(**insert the applicable phase or task**)*, of the Contract (***insert*** "at a cost not to exceed $_____", ***if applicable***). Upon completion of _____ *(**insert*** "the phase" ***or*** "task"), the Work will be reviewed before the Contractor is authorized to commence any Work for _____ *(**insert the applicable phase or task**)*. Depending on the results of the review and evaluation of the Work, Canada will decide at its discretion whether to continue with the Work.

If Canada decides to continue with _____ *(**insert the applicable phase or task**)*, the Contracting Authority will advise the Contractor in writing to commence work on _____ *(**insert the applicable phase or task**)*. The Contractor must immediately comply with the notice.

If Canada decides not to proceed with _____ *(**insert the applicable phase or task**)*, the Contracting Authority will advise the Contractor in writing of the decision and the Contract will be considered completed at no further costs to Canada. In no event will the Contractor be paid for any cost incurred for unauthorized work.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the contractor must create a database containing personal information on employees or third parties. This clause should not be used routinely, but may be appropriate where there are concerns about the protection of sensitive information (either for security or privacy reasons), particularly where there are concerns about foreign legislation giving other governments or third parties rights to access this information without Canada's consent.

Contracting officers must consult with Legal Services before including this clause and, when the clause is used, if there are any requests from a bidder or contractor to store data outside of Canada.

A9122C (2008/05/12) Protection and Security of Data Stored in Databases

1. The Contractor must ensure that all the databases containing any information related to the Work

are located in Canada or, if the Contracting Authority has first consented in writing, in another country where:

(a) equivalent protections are given to personal information as in Canada under legislation such as the *Privacy Act*, R.S. 1985, c. P-21, and the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, and under any applicable policies of the Government of Canada; and

(b) the laws do not allow the government of that country or any other entity or person to seek or obtain the right to view or copy any information relating to the Contract without first obtaining the Contracting Authority's written consent.

In connection with giving its consent to locating a database in another country, the Contracting Authority may, at its option, require the Contractor to provide a legal opinion (from a lawyer qualified in the foreign country) that the laws in that country meet the above requirements, or may require the Contractor to pay for Canada to obtain such a legal opinion. Canada has the right to reject any request to store Canada's data in a country other than Canada if there is any reason to be concerned about the security, privacy, or integrity of Canada's data. Canada may also require that any data sent or processed outside of Canada be encrypted with Canada-approved cryptography and that the private key required to decrypt the data be kept in Canada in accordance with key management and storage processes approved by Canada.

2. The Contractor must control access to all databases on which any data relating to the Contract is stored so that only individuals with the appropriate security clearance are able to access the database, either by using a password or other form of access control (such as biometric controls).

3. The Contractor must ensure that all databases on which any data relating to the Contract is stored are physically and logically independent (meaning there is no direct or indirect connection of any kind) from all other databases, unless those databases are located in Canada (or in an another country approved by the Contracting authority under subsection 1) and otherwise meet the requirements of this article.

4. The Contractor must ensure that all data relating to the Contract is processed only in Canada or in another country approved by the Contracting Authority under subsection 1.

5. The Contractor must ensure that all domestic network traffic (meaning traffic or transmissions initiated in one part of Canada to a destination or individual located in another part of Canada) is routed exclusively through Canada, unless the Contracting Authority has first consented in writing to an alternate route. The Contracting Authority will only consider requests to route domestic traffic through another country that meets the requirements of subsection 1.

6. Despite any section of the General Conditions relating to subcontracting, the Contractor must not subcontract (including to an affiliate) any function that involves providing a subcontractor with access to any data relating to the Contract unless the Contracting Authority first consents in writing.

Remarks: Use the following clause in bid solicitations. The contracting officer should use discretion, but it is recommended that this clause be used when the work will not exceed four months. This clause is generally used for, but not limited to, marine requirements.

A9125T (2007/05/25) Valid Labour Agreement

Where the Bidder has a labour agreement, or other suitable instrument, in place with its unionized labour, it must be valid for the proposed period of any resulting contract. Documentary evidence of the agreement or suitable instrument must be provided on or before bid closing date.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when a contractor who will have access to confidential and sensitive information is required to obtain from its employee(s) or subcontractor(s) a non-disclosure agreement before they are given access to the information. This clause is used to supplement the confidentiality section of the general conditions.

A9126C (2010/01/11) Non-Disclosure Agreement

The Contractor must obtain from its employee(s) or subcontractor(s) the completed and signed non-disclosure agreement, attached at Annex ___, and provide it to the _____ *(**Insert** "Contracting" **or** "Technical" **or** "Project") Authority before they are given access to information by or on behalf of Canada in connection with the Work.*

Instruction to contracting officers: *Insert the following non-disclosure agreement as an annex.*

ANNEX ___

NON-DISCLOSURE AGREEMENT

I, _____, recognize that in the course of my work as an employee or subcontractor of _____, I may be given access to information by or on behalf of Canada in connection with the Work, pursuant to Contract Serial No _____ ____ between Her Majesty the Queen in right of Canada, represented by the Minister of Public Works and Government Services and _____, including any information that is confidential or proprietary to third parties, and information conceived, developed or produced by the Contractor as part of the Work. For the purposes of this agreement, information includes but not limited to: any documents, instructions, guidelines, data, material, advice or any other information whether received orally, in printed form, recorded electronically, or otherwise and whether or not labeled as proprietary or sensitive, that is disclosed to a person or that a person becomes aware of during the performance of the Contract.

I agree that I will not reproduce, copy, use, divulge, release or disclose, in whole or in part, in whatever way or form any information described above to any person other than a person employed by Canada on a need to know basis. I undertake to safeguard the same and take all necessary and appropriate measures, including those set out in any written or oral instructions issued by Canada, to prevent the disclosure of or access to such information in contravention of this agreement.

I also acknowledge that any information provided to the Contractor by or on behalf of Canada must be used solely for the purpose of the Contract and must remain the property of Canada or a third party, as the case may be.

I agree that the obligation of this agreement will survive the completion of the Contract Serial No: _____.

_____
Signature

_____

Date

A9130D (2002/05/24) Controlled Goods - Access

Effective 2003/12/12, this clause is superseded by A9130T

Remarks: Use the following clause in all bid solicitations when there is production of or access to controlled goods.

A9130T (2008/12/12) Controlled Goods Program

1. As the resulting contract will require the production of or access to controlled goods that are subject to the *Defence Production Act*, R.S. 1985, c. D-1, bidders are advised that within Canada only persons who are registered, exempt or excluded under the Controlled Goods Program (CGP) are lawfully entitled to examine, possess or transfer controlled goods. Details on how to register under the CGP are available at: http//:www.cgp.gc.ca and registration is carried out as follows:

   (a) When the bid solicitation includes controlled goods information or technology, the Bidder must be registered, exempt or excluded under the CGP before receiving the bid solicitation. Requests for technical data packages or specifications related to controlled goods should be made in writing to the Contracting Authority identified in the bid solicitation and must contain the CGP registration number or written proof of exemption or exclusion of the Bidder and of any other person to whom the Bidder will give access to the controlled goods.

   (b) When the bid solicitation does not include controlled goods information or technology but the resulting contract requires the production of or access to controlled goods, the successful Bidder and any subcontractor who will be producing or accessing controlled goods must be registered, exempt or excluded under the CGP before examining, possessing or transferring controlled goods.

   (c) When the successful Bidder and any subcontractor proposed to examine, possess or transfer controlled goods are not registered, exempt or excluded under the CGP at time of contract award, the successful Bidder and any subcontractor must, within seven (7) working days from receipt of written notification of contract award, ensure that the required application(s) for registration or exemption are submitted to the CGP. No examination, possession or transfer of controlled goods must be performed until the successful Bidder has provided proof, satisfactory to the Contracting Authority, that the successful Bidder and any subcontractor are registered, exempt, or excluded under the CGP.

   Failure to provide proof, satisfactory to the Contracting Authority, that the successful Bidder and any subcontractor are registered, exempt or excluded under the CGP, within thirty (30) days from receipt of written notification of contract award, will be considered a default under the resulting contract except to the extent that Canada is responsible for the failure due to delay in processing the application.

2. Bidders are advised that all information on the Application for Registration (or exemption) Form will be verified and errors or inaccuracies may cause significant delays and/or result in denial of registration or exemption.

Remarks: Use the following clause in contracts when there is production of or access to controlled goods to advise the contractor of its obligations under the controlled goods program.

Use this clause in conjunction with B4060C when the contract is for Department of National Defence.

A9131C (2008/12/12) Controlled Goods Program

1. As the Contract requires production of or access to controlled goods that are subject to the *Defence Production Act,* R.S. 1985, c. D-1, the Contractor and any subcontractor are advised that, within Canada, only persons who are registered, exempt or excluded under the Controlled Goods Program (CGP) are lawfully entitled to examine, possess or transfer controlled goods. Details on how to register under the CGP are available at: http://www.cgp.gc.ca.

2. When the Contractor and any subcontractor proposed to examine, possess or transfer controlled goods are not registered, exempt or excluded under the CGP at time of contract award, the Contractor and any subcontractor must, within seven (7) working days from receipt of written notification of the contract award, ensure that the required application(s) for registration or exemption are submitted to the CGP. No examination, possession or transfer of controlled goods must be performed until the Contractor has provided proof, satisfactory to the Contracting Authority, that the Contractor and any subcontractor are registered, exempt or excluded under the CGP.

   Failure of the Contractor to provide proof, satisfactory to the Contracting Authority, that the Contractor and any subcontractor are registered, exempt or excluded under the CGP, within thirty (30) days from receipt of written notification of contract award, will be considered a default under the Contract except to the extent that Canada is responsible for the failure due to delay in processing the application.

3. The Contractor and any subcontractor must maintain registration, exemption or exclusion from the CGP for the duration of the Contract and in any event for so long as they will examine, possess or transfer controlled goods.

A9131D (2002/05/24) Controlled Goods - Production

Effective 2003/12/12, this clause is superseded by A9131C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts. The order of documents shown below reflects current policy and legal advice. Contracting officers must amend the list to reflect the documents applicable to each contract and list the annexes by order of priority, as applicable.

Use the following clause only if the low dollar value (2T-LDV1), medium complexity (2T-MED1) and higher complexity (2T-HIGH1) templates are not used.

A9140C (2007/05/25) Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

1. the Articles of Agreement;

2. (***Contracting officer to delete if not applicable***) the supplemental general conditions _____ (***insert number, date and title***);

3. the general conditions _____ (***insert number, date and title***);

4. Annex "_____" - _____;

5. Annex "_____" - _____;

6. the Contractor's bid dated _____ (***insert date of bid***), as amended on _____ ***(insert date(s) of amendment(s), if applicable***).

Remarks: Use the following clause in marine contracts when the contractor has to charter a vessel in order to perform the work.

A9141C (2008/05/12) Vessel Condition

The Contractor warrants that the vessel provided to Canada is mechanically sound, completely seaworthy, equipped with readily accessible lifesaving equipment, will be adequately manned and in full compliance with the *Canada Shipping Act*, S.C. 2001, c. 26.

Section 5

B - Requirements Definition

B0001T (1991/06/01) Sample - Sealed

This clause is cancelled effective 2006/06/16

B0002D (1991/06/01) Sample - Sealed

This clause is cancelled effective 2006/06/16

B0003D (1991/06/01) Delivery - Samples

This clause is cancelled effective 1995/03/31

B0004D (1996/10/30) Test Samples

This clause is cancelled effective 2006/06/16

B0005D (1996/10/30) DND Test Facilites, Use of

This clause is cancelled effective 2006/06/16

B1000C (2006/06/16) Materiel

Effective 2007/05/25, this clause is superseded by B1000T

B1000D (1995/12/15) Materiel

Effective 2006/06/16, this clause is superseded by B1000C

Remarks: Use the following clause in bid solicitations when the requirement is for new material and must conform to the latest version of the drawing, specification and part number that is in effect on the bid solicitation closing date.

B1000T (2007/11/30) Condition of Material

Material supplied must be new and conform to the latest issue of the applicable drawing, specification and/or part number that is in effect on the bid solicitation closing date.

B1001D (1991/06/01) Hovercraft - Material

This clause is cancelled effective 1992/12/01

B1002D (1991/06/01) Hovercraft - Replacement Parts

This clause is cancelled effective 1992/12/01

B1003D **(1991/06/01)** **Weatherization - Equipment**

This clause is cancelled effective 1995/12/15

B1004D **(1995/12/15)** **Weatherization - Aircraft**

This clause is cancelled effective 2008/05/12

B1005D **(1991/06/01)** **Screws - Recessed Head Screws (Phillips)**

This clause is cancelled effective 1995/03/31

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for spare parts for the Department of National Defence when the contractor will provide material that is new production of current manufacture, or not.

Contracting officers must use option 1 or option 2 depending on which option the contractor has stated in its bid.

B1006C **(2008/05/12)** **Condition of Material - DND**

Option 1
The Contractor must provide material that is new production of current manufacture supplied by the principal manufacturer or its accredited agent. The material must conform to the latest issue of the applicable drawing, specification and part number, as applicable, that was in effect on the bid closing date.

OR

Option 2
If the material is not new production of current manufacture, or is from a source other than the principal manufacturer or its accredited agent, it must be unused and in new condition, provided by an approved contractor with the latest approved modifications incorporated as applicable, and include the release notes.

***Instruction to contracting officers**: Complete fill-ins as specified by the Contractor in its bid.*

Name of manufacturer: _____

Date of manufacture: _____

Cure date if the item contains elastomeric material: _____.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS.
Use the following clause in bid solicitations for spare parts for the Department of National Defence when the bidders must specify whether they offer to provide material that is new production of current manufacture, or not.

Use this clause in conjunction with B1006C.

B1006T (2008/05/12) Condition of Material - DND

Bidders must specify, by providing the information required below, if they offer to provide material that is new production of current manufacture, or not.

New Materiel

If the material is new production of current manufacture supplied by the principal manufacturer or its accredited agent, it must conform to the latest issue of the applicable drawing, specification and part number, as applicable, that is in effect on the bid closing date.

Not New Materiel

If the material is not new production of current manufacture, or is from a source other that the principal manufacturer or its accredited agent, it must be unused and in new condition. The material (end item) must contain items which have been refurbished or previously placed in service. If the item contains elastomeric material, e.g., hoses, rubber, adhesive compounds, etc., the shelf life remaining can not be less than 75 percent from the date of manufacture to the procurement date.

Bidders must further provide the name of the manufacturer, the date of manufacture and the cure date if the item contains elastomeric material.

New Material _____

OR

Not New Material: _____

Name of manufacturer: _____

Date of manufacture: _____

Cure date if the item contains elastomeric material: _____.

B1200D (1998/02/16) Storage - Shelf Life

Effective 2007/05/25, this clause is superseded by D2015C

B1201D (1995/12/15) Shelf Life/Cure Date

Effective 2007/05/25, this clause is superseded by D2015C

Remarks: Use the following clause in contracts for the procurement of aerospace elastomeric materials, on behalf of the Department of National Defence, to avoid receiving time expired and improperly packaged materials.

B1202C (2007/05/25) Age Control of Elastomeric Materials

The Contractor must apply age control for age sensitive elastomeric materials as specified in Canadian Forces Specification CFTO D-05-001-001/SF-000 (refers to Society of Automotive Engineering, Aerospace Recommended Practices for age control of aerospace elastomeric materials) to all aircraft, aircraft components, aircraft accessories and to elastomeric items when the elastomeric items are used in contact with fuel, hydraulic fluid, oil, alcohol, or oxygen, or when the elastomeric items form part of a pneumatic, coolant or any other fluid or gaseous systems.

Canada will not accept products that do not comply with the above specification.

B1202D (1995/12/15) Age Control (Elastomeric Material)

Effective 2007/05/25, this clause is superseded by B1202C

B1203D (1995/12/15) Shelf Life

This clause is cancelled effective 2007/05/25

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the Department of National Defence when item(s) contain elastomeric material, e.g. hoses, rubber, adhesive compounds, etc.

Use Option 1 for submarine spares containing elastomeric materials; and use Option 2 for all other items.

Use this clause in conjunction with D2015C and D2016C, if applicable.

B1204C (2010/01/11) Shelf Life

Option 1:
The Contractor must ensure that item(s) _____ (***insert the applicable item number***) will contain 75 percent of the authorized shelf life as listed in ISO 2230 at date of delivery to the Department of National Defence.

Option 2:
The Contractor must ensure that item(s) _____ (***insert the applicable item number***) will contain 75 percent of the authorized shelf life as listed in CFTO C-05-005-011/AM-000 at date of delivery to the Department of National Defence.

B1400D (1991/06/01) Age Limitations

This clause is cancelled effective 1995/12/15

B1500D (1995/12/15) P.C.P. Act

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause when electrical equipment purchased for use within Canada should be certified by a certification organization.

B1501C (2006/06/16) Electrical Equipment

All electrical equipment supplied under the Contract must be certified or approved for use in accordance with the Canadian Electrical Code, Part 1, before delivery, by a certification organization accredited by the Standards Council of Canada.

B1501D (2003/12/12) Electrical Equipment

Effective 2006/06/16, this clause is superseded by B1501C

B1502D (1991/06/01) Certification

This clause is cancelled effective 1995/03/31

B1503D (1995/03/31) Installation

This clause is cancelled effective 2006/06/16

B1504D (1998/02/16) State of Charge

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause in contracts where the contractor is required to ship hazardous materials. Suppliers have responsibilities regarding the shipment of hazardous materials which are specified in the Hazardous Products Act, the Controlled Products Regulation and the federal and provincial occupational safety and health legislation.

B1505C (2006/06/16) Shipment of Hazardous Materials

The Contractor must label and ship goods falling within the *Hazardous Products Act*, R.S.C. 1985, c. H-3 and regulation(s) in accordance with the said Act and regulation(s) accompanied by the required material safety data sheet(s) completed in either English or French. The label must clearly identify the contents of the hazardous material and the material safety data sheet must explain what those hazards are.

B1505D (1995/12/15) WHMIS Regulations

Effective 2006/06/16, this clause is superseded by B1505C

B1600D (1995/12/15) Exchange Parts Plan

This clause is cancelled effective 2006/06/16

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. If the following clause is used, enter fill-in data.

B2000D (1991/06/01) Qualified Products

The materiel identified in the Canadian or the U.S. Qualified Products List under Qualification Reference Number _____ shall be supplied. The supplied materiel shall comply with all conditions set forth in the Qualifications Certificate or in the Letter of Recognition that was granted for this materiel.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS.

B2001D (1991/06/01) Approved Products

_____ are approved products. Only those products appearing on the Approved Products List (APL) will be considered/accepted.

B2002D (1997/02/03) Approved Plants

This clause is cancelled effective 2000/12/01

B2003D (1991/06/01) Approved Plants

This clause is cancelled effective 1995/12/15

Remarks: Use the following clause in contracts whenever contracting officers need to purchase dimensional lumber or building supplies that might include the supply of dimensional lumber.

Grading stamps are provincially regulated and are applied at the mill to clearly mark the species and grade of the lumber being supplied.

B2004C (2006/06/16) Lumber - Grade Marking

All lumber supplied is to be stamped showing the grade, species and name of the grading agency authorized to grade mark lumber in Canada by the Canadian Lumber Standards Accreditation Board.

B2004D (1995/12/15) Grade Marking

Effective 2006/06/16, this clause is superseded by B2004C

Remarks: Use the following clause in contracts when purchasing fresh or frozen fish for human consumption.

B2005C (2007/05/25) Fish - Quality Stamping

Fish must be processed and packed in an establishment approved by the Department of Fisheries and Oceans in accordance with the *Fish Inspection Act*, R.S., 1985, c. F-12, and Regulations, and must be identified as follows:

(a) Fresh fish must be identified by the words "Processed under Government Supervision" or "Canada Inspected" within a line drawing of a maple leaf marked on wrappers, inserts containers or master containers.

(b) Frozen fish must be identified by the words "Canada Inspected" within a line drawing of a maple leaf marked on the wrappers, or containers, or where practicable on the whole fish.

B2005D (1998/02/16) Fish - Quality Stamping

Effective 2007/05/25, this clause is superseded by B2005C

B2006D (1991/06/01) Hovercraft - Airworthiness Certification

This clause is cancelled effective 1992/12/01

Remarks: Use the following clause in contracts when institutions listed in Schedule I, I.1 and II of the Financial Administration Act must comply with the Treasury Board (TB) policy on Common Look and Feel (CLF) Standards for the Internet.

CLF Standards offer a consistent and predictable presentation of government services and content, which facilitate effective online interaction between the Government of Canada and Canadians. CLF provides standards on web addresses, common web page formats, e-mail, accessibility, interoperability and usability of websites.

CLF Standards are revised periodically by TB; the most recent version may be found at the following address: http://www.tbs-sct.gc.ca/cio-dpi/pols_e.asp .

Any contract for electronic goods or services that are related to public facing websites or sub-sites and public facing web applications of the Government of Canada, performed for a department or agency that is an institution listed in the above mentioned schedules of the Act, should contain a clause referring the contractor to the obligation of complying with the most recent version of the CLF Standards.

CLF Standards may also be complemented by standards and guidelines developed by institutions. It is therefore necessary to refer to those standards and guidelines as well.

B2008C (2008/12/12) Common Look and Feel Standards for the Internet

The Work must comply with the standards established in the Treasury Board (TB) policy on Common Look and Feel Standards for the Internet (http://www.tbs-sct.gc.ca/clf2-nsi2/clfs-nnsi/clfs-nnsi-1-eng.asp).

The Work must also comply with the standards and guidelines that may be developed by the department or agency for whom the Work is being performed and which are a complement of the above mentioned TB policy. Such standards and guidelines are available from the department's or agency's CLF Centre of Expertise. For Public Works and Government Services Canada (PWGSC), contact the PWGSC Gatekeeper (ncr.gatekeeper@tpsgc-pwgsc.gc.ca).

Remarks: Use the following clause in all contracts for translation services.

B2010C (2008/05/12) Unauthorized Codes

The Contractor guarantees that the electronic medium and software provided to Canada under the Contract have no viruses or unauthorized codes, whether or not through fault or negligence on the part of the Contractor. If Canada suffers any loss or damage due to viruses or unauthorized codes, the Contractor must reimburse all the expenses incurred by Canada to return its systems to their initial condition.

Remarks: Use the following clause where a manufacturer's brand name, model and/or part number are used in the item description and a substitute product will be considered. Before issuing the bid solicitation, the contracting officer should contact the client to discuss the potential for equivalent products and any mandatory performance criteria related to the item being specified that must be included in the bid solicitation to ensure proper evaluation of a substitute product's equivalency.

Note: Contracting officers must ensure that all references to a manufacturer's brand name, model and/or part number contained anywhere within the bid solicitation are followed by the words “or equivalent”.

B3000T (2006/06/16) Equivalent Products

1. Products that are equivalent in form, fit, function and quality to the item(s) specified in the bid solicitation will be considered where the Bidder:

(a) designates the brand name, model and/or part number of the substitute product;

(b) states that the substitute product is fully interchangeable with the item specified;

(c) provides complete specifications and descriptive literature for each substitute product;

(d) provides compliance statements that include technical specifics showing the substitute product meets all mandatory performance criteria that are specified in the bid solicitation; and

(e) clearly identifies those areas in the specifications and descriptive literature that support the substitute product's compliance with any mandatory performance criteria.

2. Products offered as equivalent in form, fit, function and quality will not be considered if:

(a) the bid fails to provide all the information requested to allow the Contracting Authority to fully evaluate the equivalency of each substitute product; or

(b) the substitute product fails to meet or exceed the mandatory performance criteria specified in the bid solicitation for that item.

3. In conducting its evaluation of the bids, Canada may, but will have no obligation to, request bidders offering a substitute product to demonstrate, at the sole cost of bidders, that the substitute product is equivalent to the item specified in the bid solicitation.

B3001T (1991/06/01) Interchangeability

Effective 1995/12/15, this clause is superseded by B3000T

B3002T (1995/12/15) Product Demonstration

Effective 2006/06/16, this clause is superseded by B3000T

Remarks: Use the following clause in contracts for the purchase of meat.

B3003C (2007/05/25) Grades of Meat

If the grade of meat ordered is not available for delivery, the Contractor must supply a higher grade as a substitute, at no additional cost.

B3003D (1995/12/15) Grades - Meat

Effective 2007/05/25, this clause is superseded by B3003C

B3004T (1998/02/16) Substitutions

Effective 1999/06/21, this clause is superseded by B3000T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations for goods, for the Department of National Defence, when substitute products will be considered and Canada reserves the right to request a sample in order to determine its equivalency to the item specified in the bid solicitation.

Use this clause in conjunction with B3000T.

B3010T (2010/01/11) Substitute Products - Samples (DND)

If the Bidder offers a substitute product, Canada reserves the right to request a sample from the Bidder in order to determine its equivalency in form, fit, function, quality and performance to the item specified in the bid solicitation.

The Bidder must, upon request from the Contracting Authority, provide a sample to the Technical Authority, transportation charges prepaid, and without charge to Canada, within _____ (***insert the number of days***) calendar days from the date of request. The sample submitted by the Bidder will remain the property of Canada and will not be considered as part of the deliverables in any resulting contract. If the sample does not meet the requirements of the bid solicitation or the Bidder fails to comply with the request of the Contracting Authority, the bid will be declared non-responsive.

B4000T (1991/06/01) Drawings and Specifications

This clause is cancelled effective 2006/06/16

B4001T (1991/06/01) Stores Certification

Effective 1995/12/15, this clause is superseded by B4024T

B4002T (1995/12/15) Technical Data Package

This clause is cancelled effective 2006/06/16

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the bid solicitation includes references to standards from the Canadian General Standards Board (CGSB). Contracting officers must fill in the blank with the name(s) of the standard(s) available from CGSB.

B4003T (2006/06/16) Canadian General Standards Board - Standards

A copy of the _____ referred to in the bid solicitation is available and may be purchased from:

Canadian General Standards Board Sales Centre
Place du Portage III, 6B1
11 Laurier Street
Gatineau, Québec

Telephone: (819) 956-0425 or 1-800-665-CGSB (Canada only)
Fax: (819) 956-5644
E-mail: **ncr.cgsb-ongc@pwgsc.gc.ca**

CGSB Website: http://www.pwgsc.gc.ca/cgsb/home/index-e.html

B4004C (1998/02/16) Approval

This clause is cancelled effective 2006/06/16

B4005C (1991/06/01) Test Data Evaluation

This clause is cancelled effective 2006/06/16

B4006D (1995/12/15) Product, Use of (Pending Approval)

This clause is cancelled effective 1999/06/21

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Contracting officers are required to choose one of the clauses and delete the unused choices. Alternatively, use clause B4008C when the contract refers to a requirement.

Choose the first clause when the Statement of Work provided by the customer department is the sole specification for the work to be performed.

Choose the second clause when the Statement of Work provided by the customer department is the prevailing specification and the contract must also refer to the contractor's technical bid. If not applicable, delete the wording “entitled _____,.”

Choose the third clause when the Statement of Work provided by the customer department is the prevailing specification and the contract must also refer to the technical and management portions of the contractor's bid. If not applicable, delete the wording "entitled _____,”.

B4007C (2006/06/16) Statement of Work

Clause 1

The Contractor must perform the Work in accordance with the Statement of Work at Annex "____".

OR Clause 2

The Contractor must perform the Work in accordance with the Statement of Work at Annex "____" and the Contractor's technical bid entitled _____, dated _____.

OR Clause 3

The Contractor must perform the Work in accordance with the Statement of Work at Annex "____" and the technical and management portions of the Contractor's bid entitled _____, dated _____.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the resulting contract part of the bid solicitation includes one of the clauses under B4007C to incorporate a statement of work into the contract. Alternatively, use clause B4008T when the resulting contract refers to a requirement.

B4007T (2006/06/16) Statement of Work

The Work to be performed is detailed under Article _____ of the resulting contract clauses. (***Contracting officer to insert the article number which references B4007C.***)

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Contracting officers are required to choose one of the clauses and delete the unused choices. Alternatively, use clause B4007C when the resulting contract refers to the Statement of Work.

Choose the first clause when the list of items will be included as an annex.

Choose the second clause when the list of items is generated by the Automated Buyer Environment under the “Line Item Detail” as the second page of the contract.

Choose the third clause when the Requirement provided by the customer department is the sole description of the requirement.

Choose the fourth clause when the Requirement provided by the customer department is the prevailing specification and the contract must also refer to the contractor's technical bid. If not applicable, delete the wording “entitled _____,“.

Choose the fifth clause when the Requirement provided by the customer department is the prevailing specification and the contract must also refer to the technical and management portions of the Contractor's bid. If not applicable, delete the wording “entitled _____,”.

B4008C (2006/06/16) Requirement

Clause 1

The Contractor must provide the items detailed under the “Requirement” at Annex “_____”.

OR Clause 2

The Contractor must provide the items detailed under the “Line Item Detail”.

OR Clause 3

The Contractor must provide _____ (***fill in appropriate description of the requirement***) in accordance with the Requirement at Annex “_____”.

OR Clause 4

The Contractor must provide _____ (***fill in appropriate description of the requirement***) in accordance with the Requirement at Annex "_____" and the Contractor's technical bid entitled _____, dated _____.

OR Clause 5

The Contractor must provide _____ (***fill in appropriate description of the requirement***) in accordance with the Requirement at Annex "_____" and the technical and management portions of the Contractor's bid entitled _____, dated _____.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the resulting contract part of the bid solicitation includes one of the clauses under B4008C to incorporate into the contract either a statement of requirement or a list of items to be delivered.

Alternatively, use clause B4007T when the resulting contract refers to the Statement of Work.

Choose the first clause when the list of items is generated by the Automated Buyer Environment under “Line Item Detail” as the second page of the bid solicitation.

Choose the second clause when the requirement is detailed in the resulting contract clauses forming part of the bid solicitation.

B4008T (2006/06/16) Requirement

Clause 1

The requirement is detailed under the “Line Item Detail”.

OR Clause 2

The requirement is detailed under Article _____ of the resulting contract clauses. (**Contracting officer to insert the article number which references B4008C.**)

B4009C (1992/01/31) Statement of Work

This clause is cancelled effective 2006/06/16

B4010C (1998/02/16) Requirement

Effective 2001/05/25, this clause is superseded by B4010D

B4010D (2001/05/25) Requirement

Effective 2008/05/12, this clause is superseded by B4029C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when compressed gases are delivered or stored in contractor's-owned cylinders.

When using this clause for requirements in Ontario, insert "Ontario Propane Code Regulation 250/94", and for requirements in the rest of Canada, insert "the Canadian Standards Association code CAN/CSA-B149.2-05".

B4011C (2007/05/25) Testing and Remarking of Cylinders/Tanks

The Contractor is responsible for the testing and remarking of cylinders and/or tanks at five-year intervals starting from the date of manufacture, in accordance with _____.

B4011T (1995/12/15) Testing Responsibility

Effective 2007/05/25, this clause is superseded by B4011C

B4012D **(1991/06/01)** **Preservative**

This clause is cancelled effective 2008/05/12

B4013D **(1995/12/15)** **Flame Resistance Requirements**

This clause is cancelled effective 2006/06/16

B4014D **(1991/06/01)** **Proofs**

This clause is cancelled effective 2007/05/25

B4015D **(1991/06/01)** **Proofs**

This clause is cancelled effective 1995/12/15

B4016D **(1996/10/30)** **Drawings and Specifications**

This clause is cancelled effective 2006/06/16

B4017D **(1996/10/30)** **Drawings and Specifications**

This clause is cancelled effective 2006/06/16

B4018C **(1995/12/15)** **Specifications**

This clause is cancelled effective 2007/05/25

Remarks: Use the following clause when the contract contains references to United States military specifications or standards.

B4019C **(2007/11/30)** **United States Military Specifications and Standards**

The Contractor is responsible for obtaining copies of all United States (US) military specifications and standards which may be applicable to the requirement. These specifications and standards are available commercially, or may be obtained by visiting the US Department of Defence Website, at the following address: http://dodssp.daps.dla.mil/.

B4019D **(1996/10/30)** **US Military Specifications and Standards**

Effective 2006/06/16, this clause is superseded by B4019C

B4020D (1991/06/01) Print Quality

This clause is cancelled effective 1995/03/31

B4021D (1995/12/15) Warranty - Civilian

This clause is cancelled effective 1999/06/21

B4022D (1991/06/01) Documentation

Effective 1995/12/15, this clause is superseded by B4025D

B4023D (1991/06/01) Hovercraft - Standard of Work

This clause is cancelled effective 1992/12/01

Remarks: Use the following clause in bid solicitations when a manufacturer's brand name, model and/or part number are used in the item description and substitutes will not be considered. Use clause B3000T when equivalent substitutes will be considered.

Do not use this clause in bid solicitations subject to North American Free Trade Agreement or World Trade Organization on Government Procurement.

B4024T (2006/08/15) No Substitute Products

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Bidders must provide products that are of the same description, brand name,
model and/or part number as detailed in the item description of the bid
solicitation.  Bidders are advised that substitute products will not be
considered.
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B4025D (2004/12/10) Priority of Documents

Effective 2006/06/16, this clause is superseded by A9140C

B4026D (1992/01/31) Priority of Documents

Effective 1992/12/01, this clause is superseded by M2016D

B4027D (1992/08/01) Air Charter Services

This clause is cancelled effective 1995/12/15

Remarks: Use the following clause in contracts for all air charter services.

B4028C (2008/05/12) Air Charter Conditions

1. **Interpretation**

1.1 "day" means any period 24 consecutive hours;
1.2 "month" means any period of 30 consecutive days; and
1.3 "flight" means the movement of an aircraft from the point of take-off to the first point of landing.

2. **Operation, Interruption or Cancellation of Charter Flights**

2.1 The Carrier must have exclusive operational control over chartered aircraft and its contents and crew.

2.2 The Carrier must ensure that every person provided with transportation on a chartered aircraft complies with all the conditions of the Contract, and any persons and property aboard a chartered aircraft are subject to the authority of the pilot-in-charge.

2.3 The Carrier may:

(a) cancel or terminate a charter or any flight of a charter at any time,
(b) return to base or to the last point of landing, or
(c) divert or land at an intermediate point,

when such action is considered by the Carrier to be necessary owing to the unserviceability of the aircraft, weather conditions or other conditions beyond the control of the Carrier.

3. **Dangerous Goods or Hazardous Products**

The Carrier must comply with all laws and regulations applicable to the carriage of dangerous goods or hazardous products.

4. **Space for the Carrier's Use**

Any capacity in the chartered aircraft not being utilized by the Charterer may, unless the Charterer objects, be used by the Carrier for the carriage of its own personnel, baggage or goods.

5. **Cancellations, Non-completions or Deviations**

5.1 When a charter is cancelled by the Carrier after commencement, charges will apply for the completed portion only.

5.2 No charges will apply to the Charterer:

(a) where flights are not completed due to mechanical failure or crew casualties and the Carrier fails to arrange satisfactory alternative transportation; or

(b) in respect of any flying in an unsuccessful attempt to complete a flight required under the charter.

6. **Substitution of Aircraft**

6.1 When, owing to causes beyond the control of the Carrier, the chartered aircraft is unavailable at the time the charter commences or becomes unavailable while carrying out the charter, the Carrier may furnish another aircraft of the same type or, with the consent of the Charterer, substitute any other type of aircraft at the rates and charges

applicable to the aircraft originally chartered except as provided in subsections 6.2 and 6.3.

6.2 When a substituted aircraft is capable of a larger payload than the aircraft originally chartered, the payload carried in the substituted aircraft must not be greater than the payload that would have been available in the aircraft originally chartered, unless the Charterer agrees to pay the rates and charges applicable to the substituted aircraft.

6.3 When the maximum payload of a substituted aircraft is smaller than the maximum payload of the aircraft originally chartered, charges will be based on the rates and charges applicable to the type of substituted aircraft, except that where such rates and charges are higher than those for the aircraft originally chartered, the rates and charges for the original aircraft chartered will apply.

7. **Determination of Firm Rate Per Hour**

7.1 Except as provided in subsection 7.2, the hours and minutes for which a charge is made must be computed from the time the aircraft leaves the surface of the earth and terminating when the aircraft touches the surface of the earth at the next point of landing. The term "Firm Rate Per Hour" is an hourly charge or portion of an hourly charge of "Air Time" as defined in the *Canadian Aviation Regulations*, Part VIII, Air Navigation Services, and will be the basis of calculating charges for air services.

7.2 When operations involve a continuous succession of flights, each of less than ten (10) minutes duration, and the engine is not shut down between such flights, air time must be computed from the time the aircraft leaves the surface of the earth for the first flight and ceases when the aircraft touches the surface of the earth at the final point of landing.

7.3 In determining the duration of a flight:

(a) each fraction of an hour must be stated as a decimal, established on the basis of a six-minute period,
(b) each period of less than three minutes must be rounded to zero, and
(c) each period of between three and six minutes must be rounded to six minutes,

except that no flight must be considered to have a duration of less than 0.1 hour.

8. **Application of Rates and Charges Fixed Wing Only**

8.1 On charters, rates per mile must apply for all point-to-point flights where flight distances are measurable.

8.2 Rates by hour must apply when the Carrier is providing air service for the Charterer engaged in operations involving flights or parts of flights where flight distances are not measurable, or when requested by the Charterer and such request is noted by the Carrier on the invoice.

9. **Methods of Measuring Distance Fixed Wing Only**

9.1 When a flight is required to be flown over airways routes or routes prescribed by the Department of Transport, the distances must be measured in straight lines along such routes.

9.2 The distances of flights, other than a flight referred to in subsection 9.1, must be measured in a straight line between the places of commencement and completion of the Work provided for in the charter, using standard 8 miles to 1 inch aeronautical charts of

the National Topographic Series, as issued by the Department of Natural Resources, Ottawa.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in marine contracts when docking, maintenance and alterations of a government vessel and approved unscheduled work are required.

B4029C (2008/05/12) Requirement

The Contractor must:

(a) carry out the docking, maintenance and alterations of the Department of _____ (***insert the department's name***) vessel _____ (***insert the name and vessel designator***) in accordance with the Requirement at Annex ____ (***insert additional annexes that contain additional specifications, if applicable***).

(b) carry out any approved unscheduled work not covered in the above paragraph (a).

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations for marine requirements when docking, maintenance and alterations of a government vessel and approved unscheduled work are required.

Use this clause in conjunction with B4029C.

B4029T (2008/05/12) Requirement

The requirement is as follows:

(a) the docking, maintenance and alterations of the Department of _____ (***insert the department's name***) vessel _____ (***insert the name and vessel designator***) in accordance with the Requirement at Annex _____ (***insert additional annexes that contain additional specifications, if applicable***).

(b) any approved unscheduled work not covered in the above paragraph (a).

Remarks: Use the following clause in contracts for the charter of fixed wing aircraft.

The term “Identified User” must be defined in the contract.

B4030C (2006/06/16) Aircrew Requirements - Fixed Wing Aircraft

The pilot-in-command must have flown a minimum of 1,000 hours on fixed wing aircraft, including 500 hours as pilot-in-command of the type of aircraft specified and 250 hours in areas similar to the Contract area of operation. When so requested by the Identified User, the Contractor must provide

documentary proof of such experience.

If at any time during the course of the operations, the flight crew, the maintenance crew or both are considered by the Identified User to be unsatisfactory for safety or other reasons, the Identified User may notify in writing the Contractor that the flight crew, the maintenance crew or both must be replaced. The Identified User must immediately advise the Contracting Authority of the problem with the crew(s). The Contractor must immediately, upon receiving such notification, withdraw and replace the crew specified in the notice. The Contractor must advise the Contracting Authority of the corrective action taken. The aircraft involved must be considered unserviceable until a satisfactory crew resumes operations.

B4030D (1995/03/31) Aircrew Reqts - Fixed Wing Aircraft

Effective 2006/06/16, this clause is superseded by B4030C

Remarks: Use the following clause in contracts for the charter of rotary wing aircraft.

The term “Identified User” must be defined in the contract.

B4031C (2006/06/16) Aircrew Requirements - Rotary Wing Aircraft

The pilot-in-command must have flown a minimum of 1,000 hours on rotary wing aircraft, including 500 hours as pilot-in-command of the type of aircraft specified and 250 hours in areas similar to the Contract area of operation. When so requested by the Identified User, the Contractor must provide documentary proof of such experience.

If at any time during the course of the operations, the flight crew, the maintenance crew or both are considered by the Identified User to be unsatisfactory for safety or other reasons, the Identified User may notify in writing the Contractor that the flight crew, the maintenance crew or both must be replaced. The Identified User must immediately advise the Contracting Authority of the problem with the crew(s). The Contractor must immediately, upon receiving such notification, withdraw and replace the crew specified in the notice. The Contractor must advise the Contracting Authority of the corrective action taken. The aircraft involved must be considered unserviceable until a satisfactory crew resumes operations.

B4031D (1995/03/31) Aircrew Reqts - Rotary Wing

Effective 2006/06/16, this clause is superseded by B4031C

Remarks: Use the following clause in contracts for air travel requirements.

B4032C (2006/06/16) Safety Briefing

The pilot-in-command of the aircraft must ensure that all passengers are given a safety briefing before take-off in accordance with Section 602.89,

Part VI, General Operating and Flight Rules of the Canadian Aviation Regulations 2005-2.

B4032D (1996/10/30) Safety Briefing

Effective 2006/06/16, this clause is superseded by B4032C

Remarks: Use the following clause in contracts for the procurement of ammunition for the Department of National Defence.

B4033C (2006/06/16) Ammunition Data Cards

The Contractor must:

(a) prepare the ammunition data cards in accordance with Annex A or MIL-STD-1168B;

(b) forward the ammunition data cards to the consignee(s) identified in the Contract and to the Technical Authority; and

(c) annotate the propellant stabilizer content data on the ammunition data cards under Remarks, Block 16.

B4033D (1996/10/30) Ammunition Data Cards

Effective 2006/06/16, this clause is superseded by B4033C

Remarks: Use the following clause in contracts when a lot acceptance test is requested by the Department of National Defence.

B4034C (2006/06/16) Lot Acceptance Test

The Contractor must forward a copy of the lot acceptance test results to the Technical Authority.

B4034D (1996/10/30) Proof Data

Effective 2006/06/16, this clause is superseded by B4034C

B4035D (1996/10/30) Specialized Shipping Containers

This clause is cancelled effective 2007/05/25

B4037D (1996/10/30) Aerospace Engineering Change Proposal

This clause is cancelled effective 2007/05/25

B4039D (1996/10/30) Aircraft Tire Balancing

This clause is cancelled effective 2007/05/25

B4040D (1996/10/30) Tire Age Identification

This clause is cancelled effective 2007/05/25

B4041D (1996/10/30) Radioactive Material

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause in contracts for the Department of National Defence when identification markings are required.

Use this clause in conjunction with A1030C.

B4042C (2008/05/12) Identification Markings

1. When identification markings are required, the Contractor must arrange for their design and manufacture in accordance with the current issue of Canadian Forces Specification D-02-002-001/SG-001. The markings must be affixed to the deliverable end item(s) before delivery.

2. Identification markings applicable to the United States (U.S.) Navy F-18 program must be manufactured in accordance with the current issue of MIL-STD-130, except that the "U.S." must be blanked out and the Canadian contract number, prefixed with the word "CANADA", must be specified in the Contract Number block.

3. The Contractor must submit drawings for identification markings for approval through the responsible Department of National Defence Technical Authority at least sixty (60) days before production.

B4042D (1996/10/30) Identification Plates

Effective 2008/05/12, this clause is superseded by B4042C

Remarks: Use the following clause in contracts for the Department of National Defence to obtain nomenclature for equipment of military design for commercial equipment, if applicable.

Contracting officers must include the name of the Procurement Authority in the contract.

B4043C (2008/05/12) Military Nomenclature

1. The Contractor must prepare nomenclature data (or confirm existing data) in accordance with the current issue of Canadian Forces Specification D-01-000-200/SF-001 and the most recent issue of United States (U.S.) MIL-STD-196 for electronic equipment or MIL-STD-1812 for aeronautical and photographic equipment. Upon request from the Contractor, the specification will be

provided by the Contracting Authority.

2. The Contractor must submit the nomenclature data electronically through the Joint Electronics Type Designation Automated System (http://tdas6.monmouth.army.mil) or the Aeronautical and Support Equipment Type Designation System (http://asetds.casc.af.mil). These systems allow users to query and submit Requests for Nomenclature, U.S. Department of Defence DD Form 61 (formerly CF710 or DND 2091) via the Internet.

3. The Contractor must submit the data at least ninety (90) days before delivery of the deliverable end item(s) to which the data relates.

4. Access to the Joint Electronics Type Designation Automated System is restricted and users must apply for Logon ID and Password. The Contractor's representatives responsible for submitting Requests for Nomenclature must have a valid Reliability Check registered with the Department of National Defence and/or Public Works and Government Services Canada. For an Application for Logon-ID and Password, see the above specification or contact the Procurement Authority.

B4043D (1996/10/30) Military Nomenclature

Effective 2008/05/12, this clause is superseded by B4043C

B4044D (1996/10/30) Year of Pack and Marking

This clause is cancelled effective 2007/05/25

B4045D (1996/10/30) Shipping Containers

This clause is cancelled effective 2003/12/12

B4046D (1996/10/30) Batch Number

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause in contracts when marking of aircraft hose assemblies is required.

B4047C (2007/05/25) Marking of Aircraft Hose Assemblies

All rubber hose assemblies and all medium and high pressure teflon hose assemblies for aerospace applications, must have a permanent identification band attached by welding.

B4047D (1996/10/30) Marking - Aircraft Hose Assemblies

Effective 2007/05/25, this clause is superseded by B4047C

B4048D (1996/10/30) First Article Testing and Approval

This clause is cancelled effective 2006/06/16

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Used the following clause in contracts for the Department of National Defence when a Long Lead Time Item List is required.

Contracting officers must include the name of the Technical Authority and the Procurement Authority in the contract.

Use this clause in conjunction with B4060C and B4061C.

B4049C (2008/05/12) Long Lead Time Item List

1. The Contractor must, within _____ days after contract award, provide to the Procurement Authority a Long Lead Time Item List (LLTIL) prepared in accordance with the current issue of Canadian Forces Specification D-01-100-214/SF-000. Any items with a procurement lead time (from placement of order to delivery) of greater than _____ months must be included in the LLTIL. Upon request from the Contractor, the specification will be provided by the Contracting Authority.

2. Supplementary Provisioning Technical Documentation (SPTD), as prepared by the actual manufacturer of the item, is required for the codification and cataloguing of all items listed in the LLTIL. The SPTD called up in the above specification must accompany the LLTIL as detailed in the specification. Specific details of the data elements required must be listed on a Provisioning Documentation Selection Sheet, prepared in accordance with the above specification, and be submitted in electronic ASCII text format.

3. Questions regarding the preparation, format or contents of the above provisioning documentation must be directed to the Procurement Authority.

B4049D (2002/12/13) Long Lead Time Item List

Effective 2008/05/12, this clause is superseded by B4049C

Remarks: Use the following clause in bid solicitations for the Department of National Defence when a Long Lead Time Item List is required.

Use this clause in conjunction with B4049C, B4060C and B4061C.

B4049T (2008/05/12) Long Lead Time Item List

Bidders must quote the cost of a Long Lead Time Item List (LLTIL) in their bid. The list must indicate the approximate number of line items.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the

following clause in contracts for the Department of National Defence when an Interim Spares List is required.

Contracting officers must include the name of the Technical Authority and the Procurement Authority in the contract.

Use this clause in conjunction with B4060C and B4061C.

B4050C (2008/05/12) Interim Spares List

1. The Contractor must, within _____ days after contract award, provide to the Procurement Authority an Interim Spares List (ISL) prepared in accordance with the current issue of Canadian Forces Specification D-01-100-214/SF000. The ISL must identify those spares that must be delivered concurrent with or before the introduction of the equipment into service, to support that equipment from the first day of delivery until the receipt of spares selected at the Initial Provisioning Conference. Upon request from the Contractor, the specification will be provided by the Contracting Authority.

2. Supplementary Provisioning Technical Documentation (SPTD), as prepared by the actual manufacturer of the item, is required for the codification and cataloguing of all items listed in the ISL. The SPTD called up in the above specification must accompany the ISL as detailed in the specification. Specific details of the data elements required must be listed on a Provisioning Documentation Selection Sheet prepared in accordance with the above specification, and be submitted in electronic ASCII text format.

3. Questions regarding the preparation, format or contents of the above provisioning documentation must be directed to the Procurement Authority.

B4050D (2002/12/13) Interim Spares List

Effective 2008/05/12, this clause is superseded by B4050C

Remarks: Use the following clause in bid solicitations for the Department of National Defence when an Interim Spares List is required.

Use this clause in conjunction with B4050C, B4060C and B4061C.

B4050T (2008/05/12) Interim Spares List

Bidders must quote the cost of an Interim Spares List (ISL) in their bid, and the list must indicate the approximate number of line items.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the Department of National Defence when a Provisioning Parts Breakdown is required.

Contracting officers must include the name of the Technical Authority and the Procurement Authority in the contract.

Use this clause in conjunction with B4060C and B4061C.

B4051C (2008/05/12) Provisioning Parts Breakdown

1. The Contractor must, _____ days after the design of a deliverable is accepted by the Technical Authority, provide to the Procurement Authority a Provisioning Parts Breakdown (PPB) prepared in accordance with the current issue of Canadian Forces Specification D-01-100-214/SF0-000. Copies of all assembly level drawings and parts lists required to verify the complete and current configuration of the equipment must accompany the PPB. Upon request from the Contractor, the specification will be provided by the Contracting Authority.

2. Supplementary Provisioning Technical Documentation (SPTD), as prepared by the actual manufacturer of the item, is required for the codification and cataloguing of all items listed in the PPB. The SPTD called up in the above specification must be supplied, as detailed in the specification, within twenty (20) working days after receipt of a request from the Director Supply Chain Operations (DSCO). Specific details of the data elements required must be listed on a Provisioning Documentation Selection Sheet, prepared in accordance with the above specification and the PPB, and be submitted in electronic ASCII text format.

3. Final acceptance of the PPB and the SPTD will be made by DSCO. Questions regarding the preparation, format or contents of the above provisioning documentation must be directed to Procurement Authority.

B4051D (2002/12/13) Provisioning Parts Breakdown

Effective 2008/05/12, this clause is superseded by B4051C

Remarks: Use the following clause in bid solicitations for the Department of National Defence when a Provisioning Parts Breakdown is required.

Use this clause in conjunction with B4060C and B4061C.

B4051T (2008/05/12) Provisioning Parts Breakdown

Bidders must quote the cost of the Provisioning Parts Breakdown (PPB) and of the related documentation required in their bid.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the Department of National Defence when a Recommended Spare Parts List is required.

Contracting officers must include the name of the Technical Authority and the Procurement Authority in the contract.

Use this clause in conjunction with B4060C and B4061C.

B4052C (2008/05/12) Recommended Spare Parts List

1. The Contractor must, within ____ days after contract award, provide to the Procurement Authority a Recommended Spare Parts List (RSPL) prepared in accordance with the current issue of Canadian Forces Specification D-01-100-214/SF-000. The RSPL must contain the Contractor's recommendation for spares required to maintain the equipment for a 24-month period, and must provide the basis for the spares selection to be made by Department of National Defence. Upon request from the Contractor, the specification will be provided by the Contracting Authority.

2. Supplementary Provisioning Technical Documentation (SPTD), as prepared by the actual manufacturer of the item, is required for the codification and cataloguing of all items listed in the RSPL. The SPTD called up in the above specification must accompany the RSPL as detailed in the specification. Specific details of the data elements required must be listed on a Provisioning Documentation Selection Sheet, prepared in accordance with the above specification, and be submitted in electronic ASCII text format.

3. Questions regarding the preparation, format or contents of the above provisioning documentation must be directed to the Procurement Authority.

B4052D (2002/12/13) Recommended Spare Parts List

Effective 2008/05/12, this clause is superseded by B4052C

Remarks: Use the following clause in bid solicitations for the Department of National Defence when a Recommended Spare Parts List is required.

Use this clause in conjunction with B4052C, B4060C and B4061C.

B4052T (2008/05/12) Recommended Spare Parts List

Bidders must quote the cost of the Recommended Spare Parts List (RPSL) and of the related documentation required in their bid. The list must indicate the approximate number of line items.

Remarks: Use the following clause in contracts for the Department of National Defence for capital acquisitions if an Initial Provisioning Guidance Conference is required.

Contracting officers must include the name of the Technical Authority and the Procurement Authority in the contract.

B4053C (2008/05/12) Initial Provisioning Guidance Conference

The purpose of an Initial Provisioning Guidance Conference (IPGC) is to provide instructions and assistance to the Contractor in preparing the initial provisioning documentation required in the Contract. The Contractor must contact the Procurement Authority immediately after contract award if a IPGC is required. The Conference will be held in the offices of the Procurement Authority in the National Capital Region, as soon as possible after contract award. As this is a service to the Contractor, the Contractor may not charge Canada for its costs associated with the provision of the IPGC.

Questions regarding the IPGC must be directed to the Procurement Authority.

B4053D (1996/10/30) Initial Provisioning Guidance Conference

Effective 2008/05/12, this clause is superseded by B4053C

Remarks: Use the following clause in contracts for the Department of National Defence when an Initial Provisioning Conference is required.

Contracting officers must include the name of the Technical Authority and the Procurement Authority in the contract.

B4054C (2008/05/12) Initial Provisioning Conference

1. The purpose of an Initial Provisioning Conference (IPC) is to allow the Department of National Defence (DND) to verify that the Provisioning Parts Breakdown reflects the current and complete configuration of the equipment being procured by comparing it against full assembly drawings, and to select the range of spares required to support the system/equipment during an initial period of service, as determined in the Statement of Work. The IPC will be held in the offices of the Director Technical Information and Codification Services (DTICS), in the National Capital Region, unless Canada determines that it is necessary to hold the IPC at the Contractor's facility. If so, the Contractor must provide offices to hold the IPC at the Contractor's facility at no additional cost to Canada.

2. Upon acceptance of the provisioning documentation by DTICS, the Contractor may be required to provide:

   (a) engineering and product support assistance;
   (b) engineering, reliability and maintainability data;
   (c) modification data, if applicable.

3. DND certifies that it will adhere to all proprietary and intellectual property rights relating to items identified in this documentation.

4. Questions regarding the preparation, format or contents of the above provisioning documentation must be directed to the Procurement Authority.

B4054D (1996/10/30) Initial Provisioning Conference

Effective 2008/05/12, this clause is superseded by B4054C

Remarks: Use the following clause in bid solicitations for the Department of National Defence when an Initial Provisioning Conference is required.

Use this clause in conjunction with B4054C.

B4054T (2008/05/12) Initial Provisioning Conference

Bidders must quote the cost of an Initial Provisioning Conference (IPC) in their bid.

Remarks: Use the following clause in contracts for the Department of National Defence when Material Change Notices are applicable.

Contracting officers must include the name of the Technical Authority and the Procurement Authority in the contract.

B4055C (2008/05/12) Material Change Notice

1. The Contractor must submit each addition, deletion or substitution of components of the equipment being manufactured that may affect the Department of National Defence provisioning of support spares as a Materiel Change Notice (MCN) to the Procurement Authority. MCNs must be produced in accordance with the current issue of Canadian Forces Specification D-01-100-215/SF-000, which will be provided by the Contracting Authority upon request from the Contractor.

B4055D (1996/10/30) Material Change Notice

Effective 2008/05/12, this clause is superseded by B4055C

Remarks: Use the following clause in bid solicitations for the Department of National Defence when Material Change Notices are applicable.

Use this clause in conjunction with B4055C.

B4055T (2008/05/12) Material Change Notice

Bidders must quote the cost of each Material Change Notice (MCN) submission in their bid.

B4056D (1996/10/30) Revision of Provisioning Parts Breakdown

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the Department of National Defence (DND) when a system or equipment is newly introduced in the Canadian Forces Supply System and when the corresponding technical publications for manuals are provided in accordance with DND specifications and standards.

Contracting officers must:
1. insert only the applicable option(s) for the publications selected and indicate the delivery date for each publication in accordance with the bid of the successful bidder;
2. indicate the prices in the Basis of Payment clause; and
3. identify the Technical Authority in the contract.

B4057C (2008/05/12) Technical Publications - Manuals

The Contractor must provide and clearly label all technical publications required for description, operation, installation, maintenance and repair of the deliverable end items as follows:

BILINGUAL PUBLICATIONS

Option 1: Newly Written Manuals
The Contractor must provide the following publications in both English and French, in one of the following formats: side-by side, separate issues, separate joined, facing pages, or over and under. The selected format must be in full compliance with the latest issue of C-01-100-100/AG-006, Specification - Writing, Format and Production of Technical Publications. The Contractor must deliver the newly written manuals to the _____ *(**insert** "Technical" **or** "Procurement")* Authority on or before _____ (***insert the delivery date***).

Option 2: Existing Manuals
The Contractor must provide the following publications as existing commercial or foreign government off-the-shelf manuals, in both English and French, in side-by-side format, in full compliance with the latest issue of C-01-100-100/AG-005, Adoption of Commercial and Foreign Government Publications. The Contractor must deliver the existing manuals to the _____ *(**insert** "Technical" **or** "Procurement")* Authority on or before _____ (***insert the delivery date***).

Option 3: Alternate Format
The Contractor must provide the following publications in the format approved in writing by the Technical Authority, in both English and French. The format must be in full compliance with the latest issue of C-01-100-100/AG-005, Adoption of Commercial and Foreign Government Publications. The Contractor must deliver the publications in the approved alternate format to the _____ *(**insert** "Technical" **or** "Procurement")* Authority on or before _____ *(**insert the delivery date**).*

UNILINGUAL PUBLICATIONS

Option 1: Newly Written Manuals
The Contractor must provide the following publications in full compliance with the latest issue of C-01-100-100/AG-006, Specification - Writing, Format and Production of Technical Publications. The Contractor must deliver the newly written manuals to the _____ (***insert*** "Technical" ***or*** Procurement") Authority on or before _____ *(**insert the delivery date**).*

Option 2: Existing Manuals
The Contractor must provide the following publications as existing commercial or foreign government off-the-shelf manuals, in full compliance with the latest issue of C-01-100-100/AG-005, Adoption of Commercial and Foreign Government Publications. The Contractor must deliver the existing manuals to the _____ *(**insert** "Technical" **or** "Procurement")* Authority on or before _____ *(**insert the delivery date**).*

Right to Translate and Reproduce

The Contractor gives Canada the right to translate and reproduce, for government purposes, any or part of any publication provided under the Contract as existing unilingual commercial manuals.

B4057D (1996/10/30) Bilingual Publications

Effective 2008/05/12, this clause is superseded by B4057C

Remarks: Use the following clause in bid solicitations for the Department of National Defence (DND) when a system or equipment is newly introduced in the Canadian Forces Supply System, and when the corresponding technical publications for manuals are required in accordance with DND specifications and standards.

Use this clause in conjunction with B4057C.

B4057T (2008/05/12) Technical Publications - Manuals

Bidders must submit as part of their bid:

(a) a recommended list of publications for approval by the Technical Authority;
(b) a price for any or all publications based on:

(i) options 1 to 3 below for the bilingual publications and
(ii) options 1 or 2 below for the unilingual publications and for the right to translate or reproduce the unilingual publications.

The price structure must be itemized in such a way as to clearly reflect the price differential between the different options and to clearly indicate what costs are directly attributable to the second official language requirement; and

(c) delivery lead times required for the option(s) selected.

BILINGUAL PUBLICATIONS

Option 1*:* Newly Written Manuals
All publications provided in both English and French, in one of the following formats: side-by-side, separate issues, separate joined, facing pages, or over and under. The selected format must be in full compliance with the latest issue of C-01-100-100/AG-006, Specification - Writing, Format and Production of Technical Publications.

Option 2: Existing Manuals
All publications provided as existing commercial or foreign government off-the-shelf manuals in both English and French, in side-by-side format. The format must be in full compliance with the latest issue of C-01-100-100/AG-005, Adoption of Commercial and Foreign Government Publications. When existing commercial publications are not available, Option 1 must apply.

Option 3: Alternate Format
All publications provided in the format approved by the Technical Authority, in both English and French. The format must be in full compliance with the latest issue of C-01-100-100/AG-005, Adoption of Commercial and Foreign Government Publications. This option requires the written approval of the Technical Authority before contract award.

UNILINGUAL PUBLICATIONS

Option 1: Newly Written Manuals
All publications provided in full compliance with the latest issue of C-01-100-100/AG-006, Specification - Writing, Format and Production of Technical Publications.

Option 2*:* Existing Manuals
All publications provided as existing commercial or foreign government off-the-shelf manuals must be in full compliance with the latest issue of C-01-100- 100/AG-005,Adoption of Commercial and Foreign Government Publications. When existing commercial publications are not available, Option 1 must apply.

Right to Translate and Reproduce

For publications provided as existing unilingual commercial manuals in full compliance with the latest issue of C-01-100-100/AG-005,Adoption of Commercial and Foreign Government Publications. Canada must be given the right to translate and reproduce, for government purposes, any or part of those publications. Bidders must submit a price to give that right to Canada.

Remarks: Use the following clause in contracts for the Department of National Defence (DND) when a system or equipment is newly introduced in the Canadian Forces Supply System, and when publications must be provided in accordance with DND specifications and standards.

B4058C (2008/05/12) Publications - Specifications and Standards

1. The Contractor must provide publications in accordance with the following specifications and standards:

   (a) **Format**

   The latest issue of C-01-100-100/AG-002, Preparation of Technical Manuscripts by Contractors.

   The latest issue of C-01-100-100/AG-003, Production of Reproducibles for Department of National Defence Technical Publications.

   The latest issue of C-01-100-100/AG-005, Adoption of Commercial and Foreign Government Publications.

   (b) **Procurement**

   The latest issue of D-01-000-100/SF-000, Specification for Procurement of Publishing Services and Published Works.

   (c) **Packaging**

   The latest issue of D-LM-008-022/SG-000, Standard of Packaging for Documentation.

   (d) **Policy and Procedures**

   The latest issue of A-AD-100-100/AG-000, National Defence Publishing Policy and Administration Procedures.

   (e) **Technical Content**

   The technical content must meet the requirements of the latest issue of the following specifications:

D-01-100-200/SF-000 - Preparation of Equipment Data Summaries;
D-01-100-202/SF-000 - Preparation of Equipment Descriptions;
D-01-100-203/SF-000 - Preparation of Operating Instructions;
D-01-100-204/SF-000 - Preparation of Preventative Maintenance Instructions;
D-01-100-205/SF-000 - Preparation of Corrective Maintenance Instructions;
D-01-100-207/SF-000 - Preparation of Parts Identification Lists.

(f) **Quality Assurance**

The Contractor must conform to the Quality Assurance Program detailed in the latest issue of C-01-100-100/AG-002 and C-01-100-100/AG-003.

2. Upon request from the Contractor, the specification will be provided by the Contracting Authority.

B4058D (1996/10/30) Publications, Specs. and Standards

Effective 2008/05/12, this clause is superseded by B4058C

Remarks: Use the following clause in contracts for the Department of National Defence when the contractor must obtain the government supplied technical documents from the nearest National Defence Quality Assurance Region office, if applicable.

B4059C (2008/05/12) Government Supplied Technical Documents

1. If required, the Contractor must obtain the government drawings and publications or other technical documents from the nearest National Defence Quality Assurance Region office.

2. At contract completion, the Contractor must provide the Technical Authority with a list of all Department of National Defence-owned Canadian Forces Technical Orders and electronic data material, with a request for disposal instructions.

B4059D (1996/10/30) Government Supplied Technical Documents

Effective 2008/05/12, this clause is superseded by B4059C

Remarks: Use the following clause in contracts for the Department of National Defence when a contract involves controlled goods as defined by the Controlled Goods Regulations of the Defence Production Act.

B4060C (2008/05/12) Controlled Goods

The contract involves controlled goods as defined by the Controlled Goods Regulations of the *Defence Production Act*. The Contractor must identify those controlled goods to the Department of National Defence.

B4060D (1996/10/30) Cataloguing Requirements

Effective 2006/06/16, this clause is superseded by B4060C

Remarks: Use the following clause in contracts for the Department of National Defence for capital acquisitions.

Use this clause in conjunction with A1030C.

B4061C (2008/05/12) NATO Codification - Data Requirements

1. The Contractor must provide the Department of National Defence (DND), which is the National Codification Bureau (NCB) for Canada, sufficient technical data to permit the Director, Supply Chain Operations (DSCO) to classify, codify and describe new items being introduced into the Canadian Government Cataloguing System.

2. Technical data for each item may include the manufacturer's engineering drawing (minimum level 2), standard, specification and/or data specification sheet (brochure). Regardless of which of these formats is provided, the data must clearly provide the following, as applicable:

   (a) the name and address of the true manufacturer, or Design Control Authority;
   (b) the manufacturer's unique part number;
   (c) the physical characteristics (material, dimensions, tolerances);
   (d) performance data (i.e. functional and operating requirements such as speed, load);
   (e) electrical and/or electronic characteristics;
   (f) mounting requirements;
   (g) special features which contributed to the uniqueness of the item(s);
   (h) the end item application; and, if applicable
   (i) manufacturer's unique bar code number.

3. Technical descriptive data are not required for items that are identified in a Canadian or United States government specification or in a Military Standard which completely describes the item.

4. The Contractor is responsible for advising DND Technical Authority and the NCB (DSCO 5) of any proprietary data or restrictions imposed on the release of its technical data to government entities in Canada or abroad.

5. In the event of disputes regarding the acceptability of technical data submitted by the Contractor, the ruling of the NCB (DSCO) must prevail.

6. The Contractor is ultimately responsible, under the conditions of the Contract, for the provision of the technical data for all of the items identified in the Contract. The Contractor must include the terms of this clause in any subcontracts, to ensure the availability of the technical data to DND and the NCB (DSCO).

7. For end items procured by the Contractor from a subcontractor or supplier, the Contractor must provide the name of the actual manufacturer and their unique identifying part number along with all necessary technical documentation, and their bar code number if available.

8. The Contractor must submit all data to the DND Technical Authority at least sixty (60) days before delivery of the equipment. Items must not be released for shipment unless identified with a NATO Stock Number provided for in the Contract, or unless specifically authorized by the Contracting Authority.

9. The Contractor must contact the DSCO for any further clarification of the codification technical

data requirements at:

National Defence Headquarters
Mgen George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A 0K2

Attention: Director Supply Chain Operations (DSCO)

B4061D (2004/12/10) Technical Data Summary

Effective 2007/11/30, this clause is superseded by B4061C

B4062D (1996/10/30) Nomenclature and Identification Plates

Effective 2000/12/01, this clause is superseded by B4043D

Remarks: Use the following clause in contracts for the Department of National Defence (DND) related to air and aviation services provided in support of optimized weapon system management, aircraft modification, as well as maintenance/repair and overhaul of DND owned/controlled aircraft and propulsion systems.

Air and aviation services include, but are not limited to, all maintenance actions deeper than servicing and/or elementary tasks, first to third level maintenance, repair and overhaul, modification or systems upgrade activities for both hardware and software, and flying operations including test flight and/or ferry flight activities.

B4064C (2008/05/12) Flight Safety

1. The Contractor must comply with and participate in the Department of National Defence/Canadian Forces (DND/CF) Flight Safety (FS) Program, as stated in A-GA-135-001/AA 001, "*Flight Safety for the Canadian Forces*".

2. The Contractor must implement the following before conducting work on CF weapons systems including maintenance, modification and flying operations and before the beginning of flying operations:

   (a) a FS Program which mirrors the CF program's goals and objectives and includes the appointment of a FS manager or representative who will administer the program, establish investigative process for FS occurrences and reporting mechanism in accordance with the guidelines established in the A-GA-135-001/AA-001, "*Flight Safety for the Canadian Forces*". The FS Program must be made available for review on request from Directorate of Flight Safety (DFS);

   (b) a process to report and investigate any FS occurrences, incident or accident, in accordance with the guidelines and timelines established in the FS manual above; and

   (c) an Emergency Response Plan that details the actions to be taken by the Contractor in response to accidents or incidents involving a DND aircraft under contract as well as the support provided to DFS investigations into those accidents/incidents, as described in the FS manual above.

3. The Contractor must, with a two-week notice, allow DND/CF designated personnel to have access to all relevant data, documentation and facilities, for the purpose of conducting a FS survey.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the Department of National Defence when the contractor must provide manufacturers' service bulletins covering modifications, improvements, or special maintenance actions for goods delivered.

B4066C (2008/12/12) Service Bulletins - Manufacturer

The Contractor must provide to the _____ (*insert* “Technical” *or* “Project”) Authority ____ hard copies and/or _____ soft copies on _____ (*insert* "DVD" *or* "CD") of the manufacturers’ service bulletins covering modifications, improvements, or special maintenance actions for goods delivered. The Contractor must continue to provide the service bulletins for a period of ____ year(s) after delivery of the goods.

B4066D (1996/10/30) Service Bulletins

Effective 2008/05/12, this clause is superseded by B4066C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the Department of National Defence when a system or equipment is newly introduced in the Canadian Forces Supply System, and Canada must review the publications that constitute deliverable end items.

B4068C (2008/05/12) Government Review Period for Publications

1. The Contractor must provide to the Contracting Authority, a production and delivery schedule for the publications that constitute deliverable end items that will ensure availability of the publications concurrently with the delivery of the goods to which the publications relate. The Contractor's schedule must account for the time required by Canada to conduct reviews and provide acknowledgement or comments.

2. **Stages**

   The following production milestone review stages will be used for initial planning purposes:

   (a) english manuscript approval;
   (b) french manuscript translation accuracy check;
   (c) camera-ready pages (reproducible);
   (d) printed copy;
   (e) consignment of approved manuals.

3. **Quantities**

Following Certificate of Compliance approval, _____ copies of the publications that constitute deliverable end items must be delivered to the consignees indicated in the Contract.

B4068D (1996/10/30) Government Review Period

Effective 2008/05/12, this clause is superseded by B4068C

B4069D (1996/10/30) Markings - Shelf Life Materiel

Effective 2004/05/14, this clause is superseded by D2015D

B4070D (1996/10/30) Status

This clause is cancelled effective 2006/06/16

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when welding must be performed by a contractor certified by the Canadian Welding Bureau and all welding done must be in accordance with the requirements of the Canadian Standards Association (CSA) standards W47.1 and W47.2. Contracting officers must insert the applicable CSA standard and must identify the inspection authority in the contract.

B4075C (2008/05/12) Welding Certification

1. The Contractor must ensure that welding is performed by a welder certified by the Canadian Welding Bureau (CWB) in accordance with the requirements of the following Canadian Standards Association (CSA) standards:

   (a) CSA W47.1-03, Certification for Companies for Fusion Welding of Steel _____ (***insert division level***); and

   (b) CSA W47.2-M1987 (R2003), Certification for Companies for Fusion Welding of Aluminum _____ (***insert division level***).

2. In addition, welding must be done in accordance with the requirements of the applicable drawings and specifications.

3. Before the commencement of any fabrication work, and upon request from the Inspection Authority, the Contractor must provide approved welding procedures and/or a list of welding personnel he intends to use in the performance of the Work. The list must identify the CWB welding procedure qualifications attained by each of the personnel listed and must be accompanied by a copy of each person's current CWB welding certification.

B4075D (2001/05/25) Welding Certification

Effective 2008/05/12, this clause is superseded by B4075C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when welding must be performed by a contractor certified by the Canadian Welding Bureau and all welding done must be in accordance with the requirements of the Canadian Standards Association (CSA) standards W47.1 and W47.2. Contracting officers must insert the applicable CSA standard.

B4075T (2008/05/12) Welding Certification

1. Welding must be performed by a welder certified by the Canadian Welding Bureau and in accordance with the requirements of the following Canadian Standards Association (CSA) standards:

   (a) CSA W47.1-03, Certification of Companies for Fusion Welding of Steel _____ (***insert division level***); and

   (b) CSA W47.2-M1987(R2003), Certification of Companies for Fusion Welding of Aluminum _____ (***insert division level***).

2. Before contract award and within _____ (***insert number of days***) calendar days of the written request by the Contracting Authority, the successful Bidder must submit evidence demonstrating its certification to the welding standards.

Remarks: Use the following clause in all contracts for translation services.

B4078C (2008/05/12) Performance of the Work

1. Collection and delivery of the Work may be by hand, courier, mail, electronic mail or internet (or intranet), as specified in the Contract. If the Contractor is required to collect the Work at a government site and/or deliver the Work to a government site, the Contractor must collect and deliver the Work during normal working hours, unless provided otherwise in the Contract.

2. The Contractor must submit the Work on the prescribed electronic medium and software, following the layout and format of the original text. Any work submitted by the Contractor on the prescribed electronic medium and software must be formatted in such a way that it can be used without modification. The Contractor must follow the layout of the original in every respect. The Contractor must supply the prescribed electronic medium and software.

3. The Work must contain no heading, advertising or information whatsoever that could identify the Contractor. No handwritten corrections will be accepted. All French translations must include all the French accents on the prescribed electronic medium and software. The Contractor must reproduce any charts (including figures), unless otherwise indicated. The word count includes figures, and figures must be reproduced.

4. The Contractor must not remove any classified documents from the authorized work premises unless it receives authorization in writing from the Project Authority. The Contractor must ensure that its employees are aware of and comply with this requirement.

5. The Contractor must stamp the appropriate security classification on the Work produced by the Contractor under the Contract. The Contractor

must not keep or reproduce classified documents or translations of these, nor reveal their contents. Upon completion of the Work, the Contractor must return to the Project Authority all classified documents provided by Canada or produced by the Contractor under the Contract, as well as all the rough drafts, draft notes, working documents and research notes. All such documents must be submitted in person or sent by courier, enclosed in two envelopes, the inside envelope being marked at the required security level, and the outer one bearing only the addresses of the addressee and sender.

B5000C (1995/12/15) Design Change

This clause is cancelled effective 1999/12/13

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the requirement may be subject to design change/deviation and the procedures are not included in the statement of work.

Contracting officers must:

1. complete the clause;

2. ensure that the name of the technical or project authority is provided in the contract. Use clause A1022C or A1030C, as applicable;

3. use one of the options provided in the clause:
(a) option 1 when form PWGSC-TPSGC 9038 must be used;
(b) option 2 when DND form 672 must be used;

4. consult 8.70.25 and 8.70.25.1 of the Supply Manual.

B5001C (2010/01/11) Procedures for Design Change/Deviations

The Contractor must follow these procedures for any proposed design change/deviation to contract specifications.

Option 1
The Contractor must complete Part 1 of form PWGSC-TPSGC 9038, Design Change/Deviation, and forward _____ (___) copies to the *(**insert** "Technical" **or** "Project", **as applicable**)* _____ Authority and one (1) copy to the Contracting Authority.

Option 2
The Contractor must complete Part 1 of the Design Change/Deviation form DND 672 and forward _____ (_____) copies to the _____ (***insert*** "Technical" ***or*** "Project", ***as applicable***) Authority and one (1) copy to the Contracting Authority.

The Contractor will be authorized to proceed upon receipt of the design change/deviation form signed by the Contracting Authority. A contract amendment will be issued to incorporate the design change/deviation in the Contract.

B5002C **(1995/12/15)** **Substitution/Deviation - Authorization**

Effective 2006/06/16, this clause is superseded by A1024C

B5003D **(1998/02/16)** **Author's Alterations**

This clause is cancelled effective 2006/06/16

B5006D **(1997/09/15)** **Design Changes**

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in contracts when design changes or additional work may be required and the procedures are not included in the statement of work. This may include contracts for ship new construction/refit, repair contracts, general construction, etc.

Consult 8.70.25 and 8.70.25.1 of the Supply Manual.

B5007C **(2010/01/11)** **Procedures for Design Change or Additional Work**

These procedures must be followed for any design change or additional work.

1. **When Canada requests design change or additional work:**

   (a) The Technical Authority will provide the Contracting Authority with a description of the design change or additional work in sufficient detail to allow the Contractor to provide the following information:

      (i) any impact of the design change or additional work on the requirement of the Contract;

      (ii) a price breakdown of the cost (increase or decrease) associated with the implementation of the design change or the performance of the additional work using either the form PWGSC-TPSGC 1686, Quotation for Design Change or Additional Work, or the form PWGSC-TPSGC 1379, Work Arising or New Work, (**NOTE**: Only government employees have access to these forms) or any other form required by Canada;

      (iii) a schedule to implement the design change or to perform the additional work and the impact on the contract delivery schedule.

   (b) The Contracting Authority will then forward this information to the Contractor.

   (c) The Contractor will return the completed form to the Contracting Authority for evaluation and negotiation. Once agreement has been reached, the form must be signed by all parties in the appropriate signature blocks. This constitutes the written authorization for the Contractor to proceed with the work, and the Contract will be amended accordingly.

2. **When the Contractor requests design change or additional work**:

(a) The Contractor must provide the Contracting Authority with a request for design change or additional work in sufficient detail for review by Canada.

(b) The Contracting Authority will forward the request to the Technical Authority for review.

(c) If Canada agrees that a design change or additional work is required, then the procedures detailed in paragraph 1 are to be followed.

(d) The Contracting Authority will inform the Contractor in writing if Canada determines that the design change or additional work is not required.

3. **Approval**

The Contractor must not proceed with any design change or additional work without the written authorization of the Contracting Authority. Any work performed without the Contracting Authority's written authorization will be considered outside the scope of the Contract and no payment will be made for such work.

B5007D (2003/05/30) Design Change or Additional Work

Effective 2008/05/12, this clause is superseded by B5007C

B6000C (1995/12/15) Controlled Procurement Inventory

This clause is cancelled effective 2007/05/25

B6001D (1991/06/01) Design - Property of Canada

Effective 1995/12/15, this clause is superseded by K3006D

B6002D (1998/02/16) Government-Owned Cylinders, Servicing of

This clause is cancelled effective 2007/05/25

B6003D (1991/06/01) Components of the Work

This clause is cancelled effective 1995/12/15

B6004D (2005/06/10) Damage to or Loss of Crown Property

This clause is cancelled effective 2006/06/16

B6005D (1992/01/31) Ownership of Product

This clause is cancelled effective 2006/06/16

B6010C (2007/05/25) Transfer of Licenced Software

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in all ship repair contracts for government vessel unmanned refits.

Contracting officers must identify the technical authority in the contract.

B6100C (2008/05/12) Stability

The Contractor will be solely responsible for the stability and trim of the ship during the period the vessel is in the Contractor's facility, including docking and undocking. The Contractor must maintain weight change information pertinent to the vessel's stability during the docking period. The Technical Authority will supply the Contractor with cross curves of stability, hydrostatic curves, tank status, location of centre of gravity, and other information relevant to the ship's condition upon handing over of the vessel.

B6100D (2001/05/25) Stability

Effective 2008/05/12, this clause is superseded by B6100C

B6300C (1998/02/16) Shortages, Issue Equip. Owned by Canada

This clause is cancelled effective 2007/05/25

B6700C (1995/12/15) Government Issue

This clause is cancelled effective 2007/05/25

B6701C (1996/10/30) Government Supplied Materiel

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause in contracts when the contractor is required to provide a list of non-consumable equipment and material purchased in the performance of the work, the cost of which is billed against the contract.

B6800C (2007/11/30) List of Non-consumable Equipment and Material

At the completion of the Contract, the Contractor must provide Canada with a detailed list of all non-consumable equipment and material acquired by the Contractor in the performance of the Work and billed against the Contract. The Contractor must request disposal instructions and dispose of such non-consumable equipment and material only as directed by Canada. Non-consumable equipment and material means anything that is not incorporated into the Work delivered to Canada.

The Contractor must, where applicable, include for each item listed the name, manufacturer, model number, serial number, optional equipment, supplier and price.

B6801C (1991/06/01) Work-Site Regulations - Compliance

Effective 1995/03/31, this clause is superseded by A9062D

Remarks: Use the following clause in contracts only when the contractor and/or its employees are working on government premises using government equipment. This clause should only be used, when required, with general conditions 2010 or 2029.

B6802C (2007/11/30) Government Property

Government Property must be used only for the purpose of performing the Contract.

B6803D (1991/06/01) Accommodation

This clause is cancelled effective 2006/06/16

B6804D (1991/06/01) Components of the Work

This clause is cancelled effective 1995/12/15

B6805D (1995/12/15) Loan of Equipment

This clause is cancelled effective 2006/06/16

B6806C (1998/02/16) Work Location

This clause is cancelled effective 2007/11/30

B6807C (1992/08/01) Work Location

Effective 1995/12/15, this clause is superseded by B6806C

B6808C (1992/01/31) Work Location

This clause is cancelled effective 1995/12/15

B6808T (1992/01/31) Work Location

This clause is cancelled effective 1992/08/01

B6809C (1992/01/31) Work Location

Effective 1992/12/01, this clause is superseded by M2017C

B6811C (1995/12/15) Crown Property

Effective 2006/06/16, this clause is superseded by B6800C

B6812D (1998/02/16) Laundering

This clause is cancelled effective 2006/06/16

B6813D (1995/12/15) Garments and Towels - Rental and Laundry

This clause is cancelled effective 2006/06/16

B7000D (1998/02/16) Outright Rejections

Effective 2008/05/12, this clause is superseded by B7005C

B7001D (1998/02/16) Outright Rejections

Effective 2008/05/12, this clause is superseded by B7005C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when government-supplied material will be used in the manufacture of items.

Use this clause in conjunction with B7003C.

B7002T (2008/05/12) Usage of Government-supplied Material

1. Government-supplied material (GSM) must be used in the manufacture of the item(s) detailed in the Contract. The Bidder must state in its bid the following GSM information for each item:

   (a) description;
   (b) minimum width;
   (c) item;
   (d) quantity per unit;
   (e) unit price _____ meters/each (Goods and Services Tax or Harmonized Sales Tax extra, as applicable).

   Material usage must be accurately estimated, as material required in addition to that estimated

above must be purchased from Canada at the price indicated in the Contract. Usage of GSM is a component of the bid price and will be a factor in the bid evaluation. Failure to indicate the GSM required for each item will render the bid non-responsive.

2. Canada will provide to the successful Bidder the GSM specified in the bid free of charge, including transportation to the following address: _____ (***the Bidder must insert the destination address***).

Remarks: Use the following clause in contracts when government-supplied material will be used in the manufacture of items. If a pre-production sample is not required, then contracting officers must delete paragraph 4 and renumber the paragraphs accordingly.

B7003C (2008/05/12) Clothing - Government-supplied Material

1. Government-supplied material (GSM) is the property of the Government of Canada. The Contractor is responsible for maintaining satisfactory records of the disposition of all GSM.

2. The GSM described in the Contract must be used in the manufacture of the item(s) detailed in the Contract. Only the quantity of material stated in the Contract will be supplied by Canada without charge.

3. If additional GSM is required for contract completion, it must be purchased from Canada at the unit price stated in the Contract, Goods and Services Tax or Harmonized Sales Tax extra. The Contractor must send the request for additional material directly to the Contracting Authority at the address specified on page 1 of the Contract. The request must be accompanied by a certified cheque payable to the Receiver General for Canada. The material will be shipped to the Contractor, transportation charges collect.

Instruction to contracting officers: *Insert the following paragraph if a pre-production sample is a requirement of the Contract. If a pre-production sample is not a requirement then renumber the paragraphs accordingly.*

4. The Contractor agrees that no GSM, with the exception of material required for the pre-production sample(s), will be cut, used or processed until the Technical Authority has approved the pre-production samples and provided a written notice of acceptance. Damage incurred as a result of cutting GSM before acceptance of any pre-production sample(s) is the Contractor's responsibility.

5. The Contractor must replace or make good, at its own expense, any items which fail to conform to the Contract requirements, as a result of faulty or inefficient cutting, manufacture or workmanship.

6. In the event of problems with the GSM supplied, the Contractor must advise the Contracting Authority immediately, identifying the specific problem. If the Contractor proceeds without guidance from the Contracting Authority, any costs incurred and loss of GSM will be at the Contractor's expense.

7. The Contractor must rebate Canada for the value of GSM applicable to any quantity not delivered under the Contract. The value will be calculated at the unit price and usage stated in the Contract.

8. Upon completion of the total contract quantity, if there is GSM with a total value in excess of $250, the Contractor must either:

(a) return the material to the sender with transportation charges paid by Canada. The Contracting Authority must be contacted to make appropriate arrangements; or

(b) apply for an overrun to the contract quantity. Approval for an overrun will be provided under a contract amendment.

9. Canada will not pay for work performed on any GSM that is damaged or lost while in the Contractor's care.

10. The Contractor must not dispose of GSM and/or rejected units containing GSM without the written approval of the Contracting Authority. Transportation charges for the return of GSM where the Contract has not been satisfactorily completed will be at the Contractor's expense.

B7003D (1998/02/16) Government Supplied Material

Effective 2008/05/12, this clause is superseded by B7003C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the contractor is responsible for sponging all wool or wool blend fabrics supplied by Canada. Contracting officers must insert the name and address of the sponger.

B7004C (2008/05/12) Sponging - Wool or Wool Blend Fabric

1. The Contractor must sponge all wool or wool blend fabrics supplied by Canada before cutting. The sponging costs and any shrinkage loss are included in the price.

2. Canada will provide the fabric free of charge to the Contractor, including transportation to the sponger indicated below. The Contractor will be responsible for transportation costs from the sponger to its plant.

   Name of sponger: _____
   Address : _____.

B7004D (1998/02/16) Sponging - Wool or Wool Blend Material

Effective 2008/05/12, this clause is superseded by B7004C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the fabric must be free from defects that may affect its appearance or serviceability.

B7005C (2008/05/12) Assessment of Faults in Fabrics

1. The fabric detailed in the Contract must be free from defects such as imperfections and blemishes that may adversely affect its appearance or serviceability when viewed under

inspection conditions satisfactory to the Quality Assurance Representative (QAR) _____ (***insert the name of the QAR***).

2. Any defect acceptable to the QAR must be strung (flagged) along the right hand selvedge of the face side using colourfast strings for each two (2) linear decimetres where the defect occurs (not applicable to narrow fabrics 15 cm or less in width).

3. The Contractor must deduct allowances from the gross piece length for each defect or splice, on the basis of two (2) linear decimetres per fault. The Contractor must record gross length, net length and number of splices on each piece ticket.

4. Fabric with more than _____ defects (***insert the number of defects allowed***) per 100 metres _____ (***insert*** "square" ***or*** "linear"*)* will be rejected.

5. The following defects, if prevalent throughout the fabric, will result in rejection of the full pieces:

   (a) mill creases/calendar marks;
   (b) edge to edge shading;
   (c) tears, holes or marks beyond 12 mm from the outer edge of the selvedge;
   (d) poor dye penetration and/or streaks;
   (e) weak or tender fabric;
   (f) warp or filling defects throughout.

B7005D (1996/05/01) Assessment of Faults in Textile Fabrics

Effective 2008/05/12, this clause is superseded by B7005C

B7007D (2003/05/30) Tooling

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the contractor is required to make patterns for sealing as a special lot after acceptance of the pre-production sample and before production. Contracting officers must insert the name and address of the destination for the patterns for sealing.

B7008C (2008/05/12) Production Run for Patterns for Sealing

The Contractor must make patterns for sealing as a special lot after acceptance of the pre-production sample, if applicable, before production. These patterns must conform to the applicable technical requirements in the Contract and be delivered to Canada.

If these patterns are not acceptable, they will be returned to the Contractor specifying the reason for non-conformance and must be replaced by the Contractor.

The Contractor must forward patterns for sealing using Department of National Defence form CF 1280, Certificate of Inspection and Release. This document must be signed by the Contractor and sent to:

Name: _____
Address: _____

B7008D (1996/05/01) Production Run for Patterns for Sealing

Effective 2008/05/12, this clause is superseded by B7008C

Remarks: Use the following clause in contracts when tooling is provided by the Department of National Defence (DND) to the contractor for the performance of the contract. Disposal, Sales, Artefacts, Loans (DSAL) will establish a loan agreement with terms and conditions to manage all DND-owned loaned material.

B7009C (2008/05/12) Tooling Loaned by DND

1. The tooling listed in the supporting Department of National Defence (DND) loan agreement is required to perform the Work under the Contract and will be supplied FOB Destination by DND. The cutting tools will not be supplied. The provided tooling remains the property of Canada.

2. Upon completion of the Contract, the Contractor must inspect the tooling provided to the Contractor by DND for condition and count and must repair, replace or reimburse any items found unserviceable. The Contractor must report non-repairable items and list any components that have been lost or are non-repairable and send the list to the Contracting Authority. Each item will also include a Materiel Condition Tag CF 942. At the completion of the Contract, the Contractor must have in its possession a complete set of tooling in serviceable condition.

3. The Contractor must return the tooling prepaid immediately upon completion of the Contract to the point of issue for catalogued material. Non catalogued stock (without NATO Stock Numbers), will be directed through consultation between the Life Cycle Material Managers (LCMMs), technical authorities and Disposal, Sales, Artefacts & Loans (DSAL).

4. The items must be packaged in accordance with best commercial standards to ensure safe arrival at destination. Items must be tagged with a CF 942 tag identifying:

   (a) description;
   (b) kit number;
   (c) quantity;
   (d) condition; and
   (e) Technical Inspector (name, signature, telephone number).

5. Items not identified or packaged as required above and that are found to be unserviceable will be returned to the Contractor. The Contractor will be responsible for return shipping costs and associated labour costs involved.

6. Hazmat items must be clearly marked and made safe for redistribution in accordance with the Transport of Dangerous Goods Act and its regulations.

B7009D (2004/12/10) Tooling for Metal Insignia

Effective 2008/05/12, this clause is superseded by B7009C

Remarks: Use the following clause in contracts for Department of National Defence (DND) when goods must be marked and labeled in accordance with DND specification D-80-001-055/SF-001.

B7010C (2008/05/12) Marking and Labelling

1. The Contractor must clearly mark labels in accordance with the following:

   (a) **Marking**: A label must be positioned as described in the technical data. The label and markings must be in accordance with Department of National Defence specification D-80-001-055/SF-001. The markings must include characters not less than 1/8 inch (3.2 mm) and not more than 1/4 inch (6.3 mm) in height the following information:

   (1) Contract Number (e.g. W8463-2-BD0W/01-PC);
   (2) NATO Stock Number (number will be designated in the Contract for item or size) (e.g. 8415-21-909-7043);
   (3) size identification (see Scale of Measurements, e.g. 6732); and
   (4) date of start of production (month and year, e.g. 12 2007).

   When the marking of items as required above is not feasible, the NATO Stock Number must be etched or indelibly marked where possible.

   (b) **Care labelling**: As specified in the technical data, the care symbols must be in accordance with Canadian General Standards Board CAN/CGSB-86.1 and as detailed in item description of the Contract.

B7010D (1996/05/01) Labelling

Effective 2008/05/12, this clause is superseded by B7010C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for clothing requirements when pre-production sample(s) are required.

Use Option 1 for all government departments, except the Royal Canadian Mounted Police (RCMP).
Use Option 2 for RCMP requirements only.

Contracting officers must ensure paragraphs 3 to 8 are included for the option selected.

B7011C (2008/05/12) Pre-production Samples - Clothing

Option 1

1. Pre-production Samples: The Contractor must provide _____ ***(insert the number of pre-production samples required)*** pre-production samples, accompanied by the sealed sample(s) if applicable, to the Technical Authority for acceptance within _____ (***insert the number of days as specified by the Bidder in its bid***) calendar days from _____ (***insert*** "date of contract award" ***or insert one or both of the following:*** "receipt of Government Supplied Material" ***and/or*** "receipt of tooling").

2. If the first sample(s) are rejected, the Contractor must submit the second sample(s) within _____ (***insert the number of days as specified by the Bidder in its bid***) calendar days of notification

of rejection from the Technical Authority.

Option 2

1. (a) Government Available Material: The Contractor must purchase, within seven (7) calendar days following the date of contract award, sufficient materials from the Royal Canadian Mounted Police to make up pre-production sample(s) and submit for approval before commencing production.

   (b) Pre-production Samples: The Contractor must provide _____ (***insert the number of pre-production samples required)*** pre-production samples, accompanied by the sealed sample(s) if applicable, to the Technical Authority for acceptance within _____ (***insert the number of days as specified by the Bidder in its bid***) calendar days from _____ (***insert*** "date of contract award" ***or insert one or both of the following***: "receipt of purchased Government Available Material" ***and/or*** "receipt of tooling").

2. If the first sample(s) are rejected, the Contractor must submit the second sample(s) within _____ (***insert the number of days as specified by the Bidder in its bid***) calendar days of notification of rejection from the Technical Authority.

Instruction to contracting officers: *Ensure paragraphs 3 to 8 are included for the option selected.*

3. The Contractor must carry out all required inspection and tests to verify conformance to the technical requirements of the Contract.

4. The Contractor must provide the sample(s), and a copy of the inspection and test report(s), to the Technical Authority, transportation charges prepaid, and without charge to Canada. The sample(s) submitted by the Contractor will remain the property of Canada.

5. The Technical Authority will notify the Contractor, in writing, of the conditional acceptance, acceptance or rejection of the sample(s). A copy of this notification will be provided by the Technical Authority to the Contracting Authority. The notice of conditional acceptance or acceptance does not relieve the Contractor from complying with all requirements of the specification(s) and all other conditions of the Contract.

6. The Contractor must not commence or continue with production of the items and must not make any deliveries until the Contractor has received notification from the Technical Authority that the sample(s) are acceptable. Any production of items before sample acceptance will be at the sole risk of the Contractor.

7. Rejection by the Technical Authority of the second sample(s) submitted by the Contractor for failing to meet the contract requirements, will be grounds for termination of the Contract for default.

8. The sample(s) may not be required if the Contractor is currently in production. The request for waiver of sample(s) must be made by the Contractor in writing to the Technical Authority. The waiving of this requirement will be at the discretion of the Technical Authority.

B7011D (2003/05/30) Samples

Effective 2008/05/12, this clause is superseded by B7011C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the

following clause in bid solicitations for clothing requirements when pre-production sample(s) are required.

Use Option 1 for all government departments except the Royal Canadian Mounted Police (RCMP).
Use Option 2 for RCMP requirements only.

Use this clause in conjunction with clause B7011C.

B7012T (2008/05/12) Pre-production Samples - Clothing

Option 1

1. Pre-production Samples: After contract award, the successful Bidder will be required to provide _____ (***insert the number of pre-production samples required***) pre-production samples, accompanied by the sealed sample(s) if applicable, to the Technical Authority for acceptance within _____ (***bidders must insert the number of days***) calendar days from _____ (***insert*** "date of contract award" ***or insert one or both of the following:*** "receipt of Government Supplied Material" ***and/or*** "receipt of tooling").

2. If the first sample(s) are rejected, the successful Bidder will be required to submit the second sample(s) within _____ (***bidders must insert the number of days***) calendar days of notification of rejection from the Technical Authority.

Option 2

1. (a) Government Available Material: The successful Bidder must purchase, within seven (7) calendar days following the date of contract award, sufficient materials from the Royal Canadian Mounted Police to make up pre-production sample(s) and submit for approval before commencing production.

   (b) Pre-production Samples: After contract award, the successful Bidder will be required to provide _____ (***insert the number of pre-production samples required***) pre-production samples, accompanied by the sealed sample(s) if applicable, to the Technical Authority for acceptance within _____ (***bidders must insert the number of days***) calendar days from _____ (***insert*** "date of contract award" ***or insert one or both of the following:*** "receipt of Government Available Material" ***and/or*** "receipt of tooling").

2. If the first sample(s) are rejected, the successful Bidder will be required to submit the second sample(s) within _____ (***bidders must insert the number of days***) calendar days of notification of rejection from the Technical Authority.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS.*Use the following clause in bid solicitations for fabric requirements when pre-production and/or production sample(s) are required.*

Use Option 1 when pre-production sample(s) are required.
Use Option 2 when production sample(s) are required.
Use Option 3 when both pre-production and production samples are required.

Use this clause in conjunction with B7015C.

B7013T (2008/05/12) Sample(s) - Fabric

Option 1

1. Pre-production Samples: After contract award, the successful Bidder will be required to provide _____ (***insert the number of pre-production samples required***) pre-production sample(s) two (2) meters in length, full width, accompanied by the sealed sample(s) if applicable, to the Technical Authority for acceptance within ___ (***bidders must insert the number of days***) calendar days from date of contract award.

2. If the first sample(s) are rejected, the successful Bidder will be required to submit the second sample(s) within ____ (***bidders must insert the number of days***) calendar days of notification of rejection from the Technical Authority.

Option 2

1. Production Samples: After contract award, the successful Bidder will be required to take a production sample, two (2) meters in length, full width, from the first production run and provide it to the Technical Authority, accompanied by the sealed sample(s) if applicable, for acceptance within ___ (***bidders must insert the number of days***) calendar days from date of contract award.

2. If the first sample(s) are rejected, the successful Bidder will be required to submit the second sample(s) within _____ (***bidders must insert the number of days***) calendar days of notification of rejection from the Technical Authority.

Option 3

1. (a) Pre-production Samples: After contract award, the successful Bidder will be required to provide _____ (***insert the number of pre-production samples required***) pre-production sample(s) two (2) meters in length, full width, accompanied by the sealed sample(s) if applicable, to the Technical Authority. Bidders are required to deliver the pre-production samples for acceptance within _____ (***bidders must insert the number of days***) calendar days from date of contract award.

. (b) If the first sample(s) are rejected, the successful Bidder will be required to submit the second sample(s) within _____ (***bidders must insert the number of days***) calendar days of notification of rejection from the Technical Authority.

2. (a) Production Samples: After contract award, the successful Bidder will be required to take a production sample, two (2) meters in length, full width, from the first production run and provide it to the Technical Authority, accompanied by the sealed sample(s) if applicable, for acceptance within _____ (***bidders must insert the number of days***) calendar days from date of contract award.

(b) If the first sample(s) are rejected, the successful Bidder will be required to submit the second sample(s) within _____ (***bidders must insert the number of days***) calendar days of notification of rejection from the Technical Authority.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for fabric requirements when pre-production and/or production sample(s) are required.

Use Option 1 when pre-production sample(s) are required.
Use Option 2 when production sample(s) are required.
Use Option 3 when pre-production and production samples are required.

Contracting officers must ensure paragraphs 3 to 8 are included in each option.

B7015C (2008/05/12) Samples - Fabric

Option 1

1. Pre-production Samples: The Contractor must provide ____ (***insert the number of pre-production sample(s) required***) pre-production samples two (2) meters in length, full width, accompanied by the sealed sample(s) if applicable, to the Technical Authority for acceptance within ___ (***insert the number of days as specified by the Bidder in its bid***) calendar days from date of contract award.

2. If the first sample(s) are rejected, the Contractor must submit the second sample(s) within ____ (***insert the number of days as specified by the Bidder in its bid)*** calendar days of notification of rejection from the Technical Authority.

Option 2

1. Production Samples: The Contractor must take a production sample, two (2) meters in length, full width, from the first production run and provide it to the Technical Authority, accompanied by the sealed sample(s) if applicable, for acceptance within _____ (***insert the number of days as specified by the Bidder in its bid***) calendar days from date of contract award.

2. If the first sample(s) are rejected, the Contractor must submit the second sample(s) within _____ (***insert the number of days as specified by the Bidder in its bid***) calendar days of notification of rejection from the Technical Authority.

Option 3

1. (a) Pre-production Samples: The Contractor must provide _____ (***insert the number of pre-production sample(s) required***) pre-production samples two (2) meters in length, full width, accompanied by the sealed sample(s) if applicable, to the Technical Authority for acceptance within _____ ***(insert the number of days as specified by the Bidder in its bid***) calendar days from date of contract award.

   (b) If the first sample(s) are rejected, the Contractor must submit the second sample(s) within ____ ***(insert the number of days as specified by the Bidder in its bid***) calendar days of notification of rejection from the Technical Authority.

2. (a) Production Samples: The Contractor must take a production sample, two (2) meters in length, full width, from the first production run and provide it to the Technical Authority, accompanied by the sealed sample(s) if applicable, for acceptance within ___ (***insert the number of days as specified by the Bidder in its bid***) calendar days from date of contract award.

   (b) If the first sample(s) are rejected, the Contractor must submit the second sample(s) within _____ ***(insert the number of days as specified by the Bidder in its bid***) calendar days of notification of rejection from the Technical Authority.

Instruction to contracting officers: *Ensure paragraphs 3 to 8 are included in the option selected.*

3. The Contractor must carry out all required inspection and tests to verify conformance to the technical requirements of the Contract.

4. The Contractor must provide the sample(s), and a copy of the inspection and test report(s), to the Technical Authority, transportation charges prepaid, and without charge to Canada. The sample(s) submitted by the Contractor will remain the property of Canada.

5. The Technical Authority will notify the Contractor, in writing, of the conditional acceptance, acceptance or rejection of the sample(s). A copy of this notification will be provided by the

Technical Authority to the Contracting Authority. The notice of conditional acceptance or acceptance does not relieve the Contractor from complying with all requirements of the specification(s) and all other terms of the Contract.

6. The Contractor must not commence or continue with production of the items and must not make any deliveries until the Contractor has received notification from the Technical Authority that the sample(s) are acceptable. Any production of items before sample acceptance will be at the sole risk of the Contractor.

7. Rejection by the Technical Authority of the second sample(s) submitted by the Contractor for failing to meet the contract requirements, will be grounds for termination of the Contract for default.

8. The sample(s) may not be required if the Contractor is currently in production. The request for waiver of samples must be made by the Contractor in writing to the Technical Authority. The waiving of this requirement will be at the discretion of the Technical Authority.

B7020D (2001/05/25) Material

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause when the contractor must be advised of the consequences of delivering goods in excess of the quantity specified in the contract.

B7500C (2006/06/16) Excess Goods

The quantity of goods to be delivered by the Contractor is specified in the Contract. The Contractor remains liable for any shipment in excess of that quantity whether the excess quantity is shipped voluntarily or as a result of an error by the Contractor. Canada will not make any payment to the Contractor for goods shipped in excess of the specified quantity. Canada will not return the said goods to the Contractor unless the Contractor agrees to pay for all the costs related to the return, including but not limited to administrative, shipping and handling costs. Canada will have the right to deduct such costs from any invoice submitted by the Contractor.

B7500D (1998/02/16) Quantity Specified

Effective 2006/06/16, this clause is superseded by B7500C

B7800D (1998/02/16) Quantity - Minimum/Maximum

This clause is cancelled effective 2007/05/25

B7801D (1991/06/01) Quantity - Minimum (95%)

Effective 1995/12/15, this clause is superseded by B7800D

B7802D **(1998/02/16)** **Quantity - Guarantee (85 percent)**

This clause is cancelled effective 2007/05/25

B7803D **(1991/06/01)** **Quantity - Approximation**

Effective 1995/12/15, this clause is superseded by P1001D

B7804D **(1991/06/01)** **Overruns**

Effective 1995/12/15, this clause is superseded by P1027D

B7805D **(1991/06/01)** **Overruns**

Effective 1995/12/15, this clause is superseded by P1028D

B7806D **(1991/06/01)** **Overruns/Underruns**

Effective 1995/12/15, this clause is superseded by P1030D

B7807D **(1991/06/01)** **Commercial Pack Quotation**

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause in contracts for the Department of National Defence (DND) when DND is willing to provide a copy of the Canadian Government Catalogue of Material (CGCM) on CD-ROM as part of the information provided to the contractor while ensuring the protection of the data included in the CGCM.

Contracting officers must ensure that the address of the quality assurance representative is specified in the contract.

B8041C **(2008/05/12)** **Catalogue of Material on CD-ROM**

1. The Department of National Defence will provide a copy of the Canadian Government Catalogue of Material (CGCM) on CD-ROM, Publication A-LM-137-COM/LX-001 to the Contractor, upon written request to the National Defence Quality Assurance Representative (NDQAR) specified in the Contract. The CGCM includes limited rights data of certain NATO countries or manufacturers that are proprietary. Therefore, as required by NATO Standardization Agreement (STANAG) 4438, to have access to the CGCM, the Contractor must sign a non-disclosure agreement and protect the data in accordance with the conditions of the agreement.

2. The provision of the CGCM will be coordinated through the NDQAR.

B8041D **(2002/05/24)** **Catalogue of Materiel (CGCM) on CD-ROM**

Effective 2008/05/12, this clause is superseded by B8041C

Remarks: Use the following clause in aircraft repair and overhaul contracts when mobile repair parties will be used.

B8044C (2007/05/25) Mobile Repair Parties

The Contractor's Mobile Repair Parties must comply with the procedures set forth in the latest issue of the Canadian Forces Technical Order (CFTO) C-02-005-011/AM-000, Mobile Repair Parties Manned by Contractor Personnel.

All matters pertaining to the performance of the Work on the site must be referred to the appropriate Base Technical Services Officer (or to its appointed delegate), who must oversee the conduct of the Work and must when appropriate signify satisfactory completion and acceptance of the Work by signing a copy of Appendices "C" and "D" to the CFTO.

On completion of the Work, the Contractor must provide the Contracting Authority with a cost breakdown by category including person hours by trade, travel expenses, living expenses, etc.. Costs must be all inclusive, and must reflect the actual amount being claimed.

B8044D (2003/05/30) Mobile Repair Parties

Effective 2007/05/25, this clause is superseded by B8044C

B9000D (1991/06/01) Requirement

This clause is cancelled effective 1995/12/15

B9001D (1991/06/01) Official Languages

This clause is cancelled effective 1995/12/15

B9001T (1992/08/01) Introduction

This clause is cancelled effective 1995/12/15

B9002D (1991/06/01) Mechanic Qualifications

This clause is cancelled effective 2006/06/16

B9003D (1991/06/01) Recovery of Information

This clause is cancelled effective 1995/12/15

B9004D (1998/02/16) Equipment

Effective 2007/05/25, this clause is superseded by B9011C

B9005D (1991/06/01) Gaseous Pressure

This clause is cancelled effective 1995/12/15

B9006D (1991/06/01) Docking Facility Certification

Effective 1995/12/15, this clause is superseded by B9006T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when the successful bidder may be required to demonstrate that the capacity of the docking facility is adequate for the anticipated loading.

B9006T (2008/05/12) Docking Facility Certification

Before contract award, the successful Bidder may be required to demonstrate to the satisfaction of Canada that the certified capacity of the docking facility, including any means or conveyance to remove the vessel from the water, is adequate for the anticipated loading in accordance with the related dry docking plans and other documents detailed in the Contract. The successful Bidder will be notified in writing and will be allowed a reasonable period of time to provide detailed keel block load distribution sketches and blocking stability considerations, along with the supporting calculations to show the adequacy of the proposed docking arrangement.

Before contract award and within _____ *(**insert number of days**)* calendar days of written notification by the Contracting Authority, the successful Bidder must provide current and valid certification of the capacity and condition of the docking facility to be used for the Work. The certification must be provided by a recognized consultant or classification society and must have been issued within the past two years.

Although a dry docking facility may have a total capacity greater than the vessel to be docked, the weight distribution of the vessel may cause individual block loading to be exceeded. Also, while the physical dimensions of a dry docking facility may indicate acceptability for docking of a specific vessel, other limitations such as spacing of rails on a marine railway, concrete piers of abutments adjoining the dry dock may, preclude the facility from being considered as a possible dry docking site and render the bid non-responsive.

Remarks: Use the following clause in contracts for government vessel refits for Department of National Defence requirements.

B9007C (2008/05/12) Outstanding Work and Acceptance - DND

The acceptance of vessels must be in accordance with the procedures of CFTO C-03-005-012/AM-001, Part 13, using form CF 1148, Report of Inspection, and, as applicable, form CF702, Acceptance, of Canadian Forces.

The Quality Assurance Authority, in conjunction with the Contractor, will prepare a list of outstanding work items at the end of the work period. This list will form the annexes to the formal acceptance document for the vessel. A contract completion meeting will be convened by the Contracting Authority on the work

completion date to review and sign off the Acceptance Document. In addition to any amount held under the Warranty Holdback clause, a holdback of twice the estimated value of outstanding work will be held until completion of the Work. The Goods and Services Tax or Harmonized Sales Tax, as applicable, will be calculated on this outstanding work holdback amount and paid at the time that the outstanding work holdback is released.

The Contractor must complete the form CF 702, Acceptance, in three copies, which will be distributed by the Contracting Authority as follows:

(a) original to the Contracting Authority;
(b) one copy to the Technical Authority;
(c) one copy to the Contractor.

B9007D (1995/12/15) Outstanding Work

Effective 2008/05/12, this clause is superseded by B9007C

B9008T (1991/06/01) Hovercraft - Requirement

This clause is cancelled effective 1992/12/01

B9009D (1995/12/15) Data Collection

This clause is cancelled effective 2007/05/25

B9010D (1991/06/01) Requirement

Effective 2006/06/16, this clause is superseded by B4008C

B9011C (1998/02/16) Required Equipment

This clause is cancelled effective 2008/05/12

B9011T (1998/02/16) Required Equipment

This clause is cancelled effective 2008/05/12

B9013T (1992/08/01) Services to be provided

This clause is cancelled effective 1995/12/15

Remarks: Use the following clause in contracts for government vessel refits for civilian requirements.

B9014C (2008/05/12) Outstanding Work and Acceptance - Civilian

The acceptance of vessels must be in accordance with form PWGSC-TPSGC 1205, Acceptance.

The Inspection Authority, in conjunction with the Contractor, will prepare a list of outstanding work items at the end of the work period. This list will form the annexes to the formal acceptance document for the vessel. A contract completion meeting will be convened by the Inspection Authority on the work completion date to review and sign off the Acceptance Document. In addition to any amount held under the Warranty Holdback Clause, a holdback of twice the estimated value of outstanding work will be held until completion of the Work. The Goods and Services Tax or Harmonized Sales Tax, as applicable, will be calculated on this outstanding work holdback amount and paid at the time that the outstanding work holdback is released.

The Contractor must complete the above form in three (3) copies, which will be distributed by the Contracting Authority as follows:

(a) original to the Contracting Authority;
(b) one copy to the Technical Authority;
(c) one copy to the Contractor.

B9017T (1992/08/01) Period of Service

Effective 1995/03/31, this clause is superseded by A9009D

B9020T (1992/08/01) Bidder's Conference

This clause is cancelled effective 1995/03/31

B9021D (1992/08/01) Insurance Requirements

Effective 1992/12/01, this clause is superseded by G6000D

B9022D (1992/08/01) Insurance Requirements

Effective 1992/12/01, this clause is superseded by M2018D

B9023C (1996/05/01) Requirement

This clause is cancelled effective 2007/05/25

B9024C (1996/05/01) Optional Requirement

Effective 1996/10/30, this clause is superseded by B9024D

B9024D (1996/10/30) Optional Requirement

Effective 2007/05/25, this clause is superseded by A0070C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the

following clause in contracts for as-and-when requested on-site maintenance of Canada-owned equipment. Use in conjunction with B9030C.

B9025C (2008/12/12) On-site Maintenance

The Contractor must perform on-site maintenance and related services with respect to Canada-owned equipment and components located at the site(s) identified at Annex "_____". The Work will be performed on an as-and-when requested basis in accordance with the Statement of Work at Annex "_____".

B9026D (1996/05/01) Modifications of Equipment List

This clause is cancelled effective 2006/06/16

B9027D (1996/05/01) Replacement Parts

This clause is cancelled effective 2006/06/16

Remarks: Use the following clause in contracts when the contractor may require access to Canada's facilities, equipment, documentation or personnel.

B9028C (2007/05/25) Access to Facilities and Equipment

Canada's facilities, equipment, documentation and personnel are not automatically at the disposal of the Contractor. If access to government premises, computer systems (micro computer network), working space, telephones, terminals, documentation and personnel for consultation is required by the Contractor to perform the Work, the Contractor must advise the Contracting Authority of the need for such access in a timely fashion. If the Contractor's request for access is approved by Canada and arrangements are made to provide access to the Contractor, the Contractor, its subcontractors, agents and employees must comply with all the conditions applicable at the Work site. The Contractor must further ensure that the facilities and equipment are used solely for the performance of the Contract.

B9028D (1996/05/01) Access to Canadian Facilites

Effective 2007/05/25, this clause is superseded by B9028C

B9029D (1999/06/21) Administration Provisions

This clause is cancelled effective 2004/12/10

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts on an as-and-when requested basis. (Refer to PN-75, Task Authorization Contracts.)

B9030C (2008/05/12) Minimum Work Guarantee

1. In this clause,

   "Maximum Contract Value" means the amount specified in the "Limitation of Expenditure" clause set out in the Contract; and

   "Minimum Contract Value" means _____ of the Maximum Contract Value.

2. The Contractor must perform the Work described in the Contract as and when requested by Canada during the period of the Contract. Canada's obligation under the Contract is to request Work in the amount of the Minimum Contract Value or, at Canada's option, to pay the Contractor at the end of the Contract in accordance with paragraph 3. In consideration of such obligation, the Contractor agrees to stand in readiness throughout the Contract period to perform the Work described in the Contract. Canada's maximum liability for work performed under the Contract must not exceed the Maximum Contract Value, unless an increase is authorized in writing by the Contracting Authority.

3. In the event that Canada does not request work in the amount of the Minimum Contract Value during the period of the Contract, Canada must pay the Contractor the difference between the Minimum Contract Value and the cost of the Work requested.

4. Canada will have no obligation to the Contractor under this clause if Canada terminates the Contract in whole or in part for default.

Remarks: Use the following clause in contracts when progress meetings chaired and scheduled by the contracting officer will take place at the contractor's facility.

Contracting officers must identify the Contract (Project) Manager, Production Manager (Superintendent) and Quality Assurance Manager in the contract.

B9035C (2008/05/12) Progress Meetings

Progress meetings, chaired by the Contracting Authority, will take place at the Contractor's facility as and when required, generally once a month. Interim meetings may also be scheduled. Contractor’s attendees at these meetings will, as a minimum, be its Contract (Project) Manager, Production Manager (Superintendent) and Quality Assurance Manager. Progress meetings will generally incorporate technical meetings to be chaired by the Technical Authority.

B9035D (2001/12/10) Progress Meetings

Effective 2008/05/12, this clause is superseded by B9035C

Section 5

C - Price

Remarks: Use the following clause in non-competitive bid solicitations for goods and/or services valued at $50,000 or more, submitted to foreign suppliers.

C0001T (2007/05/25) Price Certification - Foreign Suppliers

The Bidder certifies that the price proposed is not in excess of the lowest price charged anyone else, including the Bidder's most favoured customer, for the like quality and quantity of the goods, services or both.

Remarks: Use the following certification in all non-competitive firm price contracts, for commercial goods and/or services, other than petroleum products, valued at $50,000 or more, to be awarded to Canadian-based suppliers other than agency and resale outlets.

Use this clause in conjunction with C0100C.

C0002T (2010/01/11) Price Certification - Canadian-based Suppliers (other than agency and resale outlets)

The Bidder certifies that the price proposed

(a) is not in excess of the lowest price charged anyone else, including the Bidder's most favoured customer, for the like quality and quantity of the goods, services or both;

(b) does not include an element of profit on the sale in excess of that normally obtained by the Bidder on the sale of goods, services or both of like quality and quantity, and

(c) does not include any provision for discounts to selling agents.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in non-competitive bid solicitations, for non-commercial goods and/or services valued at $50,000 or more, submitted to Canadian suppliers. Use in conjunction with C0101C.

C0003T (2008/12/12) Price Certification - Canadian Suppliers

The Bidder certifies that the price proposed is based on costs computed in accordance with Contract Cost Principles 1031-2, and includes an estimated amount of profit of $_____.

Remarks: Use the following clause in non-competitive bid solicitations, for commercial goods and/or services valued at $50,000 or more, submitted to Canadian agency and resale outlets, including subsidiaries of foreign manufacturers. Use in conjunction with C0100C.

C0004T (2007/05/25) Price Certification - Canadian Agency and Resale Outlets

The Bidder certifies that the price proposed

(a) is not in excess of the lowest price charged anyone else, including the Bidder's most favoured customer, for the like quality and quantity of the goods, services or both; and

(b) does not include an element of profit on the sale in excess of that normally obtained by the Bidder on the sale of goods, services or both of like quality and quantity.

C0005T (1991/06/01) Price Certification

Effective 1995/03/31, this clause is superseded by C0003T

Remarks: Use the following clause in non-competitive bid solicitations, for petroleum products valued at $50,000 or more.

Use this clause in conjunction with C0100C.

C0006T (2010/01/11) Price Certification - Petroleum Products

The Bidder certifies that the price proposed

(a) is not in excess of the lowest price charged anyone else, including the Bidder's most favoured customer, for the like quality and quantity, time, place and method of delivery of the goods;

(b) does not include an element of profit on the sale in excess of that normally obtained by the Bidder on the sale of goods of like quality and quantity, time, place and method of delivery of the goods; and

(c) does not include any provisions for discounts to selling agents.

C0007T (1991/06/01) Price Certification

Effective 1996/05/01, this clause is superseded by C0008T

Remarks: Use the following clause in non-competitive bid solicitations.

C0008T (2007/05/25) Price Support - Non-competitive Bid

The Bidder must provide, on Canada's request, one or more of the following price support, if applicable:

(a) a current published price list indicating the percentage discount available to Canada; or

(b) copies of paid invoices for the like quality and quantity of the goods,

services or both sold to other customers; or

(c) a price breakdown showing the cost of direct labour, direct materials, purchased items, engineering and plant overheads, general and administrative overhead, transportation, etc., and profit; or

(d) price or rate certifications; or

(e) any other supporting documentation as requested by Canada.

C0009T (2002/05/24) Sole Bid - Price Support

This clause is cancelled effective 2007/05/25

Remarks: Use the following clause in non-competitive bid solicitations, for requirements valued at $50,000 or more, submitted to Canadian universities, affiliated institutions and colleges.

For more information, consult 10.40(a) to (i) of the Supply Manual.

C0012T (2010/01/11) Price Certification - Canadian Universities and Colleges

The Bidder certifies that the price proposed is based on costs computed in accordance with 10.40(a) to (i) of the Supply Manual, Public Works and Government Services Canada, on the pricing of research and development contracts with universities and colleges.

Remarks: Use the following clause in non-competitive contracts for commercial goods and/or services valued over $50,000 whenever price certification clause C0002T or C0004T or C0006T is used, or when rate certification clause C0600T is used.

C0100C (2010/01/11) Discretionary Audit - Commercial Goods and/or Services

The Contractor's certification that the price or rate is not in excess of the lowest price or rate charged anyone else, including the Contractor's most favoured customer, for the like quality and quantity of the goods, services or both, is subject to verification by government audit, at the discretion of Canada, before or after payment is made to the Contractor.

If the audit demonstrates that the certification is in error after payment is made to the Contractor, the Contractor must, at the discretion of Canada, make repayment to Canada in the amount found to be in excess of the lowest price or rate or authorize the retention by Canada of that amount by way of deduction from any sum of money that may be due or payable to the Contractor pursuant to the Contract.

If the audit demonstrates that the certification is in error before payment is made, the Contractor agrees that any pending invoice will be adjusted by Canada in accordance with the results of the audit. It is further agreed that if the Contract is still in effect at the time of the verification, the price or rate will be lowered in accordance with the results of the audit.

C0100D **(1999/12/13)** **Discretionary Audit**

Effective 2007/05/25, this clause is superseded by C0100C

Remarks: Use the following clause in non-competitive contracts for non-commercial goods and/or services valued at $50,000 or more.

Use this clause in conjunction with C0003T or C0601T, as applicable.

C0101C **(2010/01/11)** **Discretionary Audit - Non-commercial Goods and/or Services**

The estimated amount of profit included in the Contractor's price or rate certification is subject to audit by Canada, before or after payment is made to the Contractor under the conditions of the Contract. The purpose of the audit would be to determine whether the actual profit earned on a single contract if only one exists, or the aggregate of actual profit earned by the Contractor on a series of negotiated firm price and fixed-time rate contracts performed during a particular period selected, is reasonable and justifiable based on the estimated amount of profit included in earlier price or rate certification(s).

If the audit demonstrates that the actual profit is not reasonable and justifiable, as defined above, the Contractor must repay Canada the amount found to be in excess.

C0101D **(2000/05/12)** **Discretionary Audit**

Effective 2007/11/30, this clause is superseded by C0101C

Remarks: Use the following clause in non-competitive contracts, for requirements valued at $50,000 or more, awarded to Canadian universities, affiliated institutions and colleges when a price certification was obtained.

For more information, consult 10.40(a) to (i) of the Supply Manual.

C0102C **(2010/01/11)** **Discretionary Audit - Canadian Universities and Colleges**

The Contractor's certification that the price quoted is based on costs computed in accordance with 10.40(a) to (i) of the *Supply Manual*, Public Works and Government Services Canada, on the pricing of research and development contracts with universities and colleges is subject to audit. The audit will determine if the total price charged by the Contractor on a single contract, when only one exists, or a

series of negotiated firm price contracts, when more than one exists, is in accordance with the procedures.

If the audit demonstrates that the certification is in error after payment is made to the Contractor, the Contractor must, at the discretion of Canada, refund any overpayment or authorize the retention by Canada of the overpayment by way of deduction from any sum of money that may be due or payable to the Contractor pursuant to the Contract.

If the audit demonstrates that the certification is in error before payment is made, the Contractor agrees that any pending invoice will be adjusted by Canada in accordance with the results of the audit. It is further agreed that if the Contract is still in effect at the time of the verification, the price will be lowered in accordance with the results of the audit.

C0102D (2005/12/16) Discretionary Audit

Effective 2007/05/25, this clause is superseded by C0102C

C0200D (2004/12/10) Basis of Payment - Incentive Fee

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in cost reimbursable with no fee contracts.

C0201C (2007/11/30) Basis of Payment - No Fee

The Contractor will be paid its costs reasonably and properly incurred in the performance of the Work, in accordance with Contract Cost Principles 1031-2, as determined by a government audit. The results and findings of the government's audit will be conclusive.

C0201D (2004/12/10) Basis of Payment - No Fee

Effective 2007/11/30, this clause is superseded by C0201C

Remarks: Use the following clause in cost reimbursable with fixed fee contracts.

C0202C (2007/11/30) Basis of Payment - Fixed Fee

The Contractor will be paid its costs reasonably and properly incurred in the performance of the Work, in accordance with Contract Cost Principles 1031-2, as determined by a government audit, plus a fixed fee of $_____. The results and findings of the government's audit will be conclusive.

C0202D **(2004/12/10)** **Basis of Payment - Fixed Fee**

Effective 2007/11/30, this clause is superseded by C0202C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in cost reimbursable with firm fee and swing points contracts.

C0203C **(2007/11/30)** **Basis of Payment - Firm Fee and Swing Points**

The Contractor will be paid its costs reasonably and properly incurred in the performance of the Work, in accordance with Contract Cost Principles 1031-2, as determined by a government audit, plus a firm fee of $_____. However, in the event that the incurred cost is less than $_____ or more than $ _____, the fee will be renegotiated based on actual costs incurred in accordance with Chapter 10, Cost and Profit, of the Public Works and Government Services Canada's *Supply Manual*. The results and findings of the government's audit will be conclusive.

C0203D **(2004/12/10)** **Basis of Payment - Fixed Fee and Swing Points**

Effective 2007/11/30, this clause is superseded by C0203C

C0204D **(1996/05/01)** **Basis of Payment**

This clause is cancelled effective 2004/12/10

Remarks: Use the following clause in cost reimbursable with fee based on actual costs (cost plus) contracts.

For more information, consult 4.70.20.25, 4.70.20.35 and Chapter 10 of the Supply Manual.

C0205C **(2010/01/11)** **Basis of Payment - Actual Costs**

The Contractor will be paid its costs reasonably and properly incurred in the performance of the Work, in accordance with Contract Cost Principles 1031-2, as determined by a government audit, plus a profit computed in accordance with Chapter 10, Cost and Profit, of the *Supply Manual*, Public Works and Government Services Canada. The results and findings of the government's audit will be conclusive.

C0205D (2004/12/10) Basis of Payment - Actual Costs

Effective 2007/11/30, this clause is superseded by C0205C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the price of the work is subject to a limitation of expenditure.

Use Option 1 when all the work is subject to a limitation of expenditure.
Use Option 2 when only a portion of the work is subject to a limitation of expenditure.

Use this clause in conjunction with C6001C; for option 2, clause C6001C applies only to the portion of the work which is subject to a limitation of expenditure.

C0206C (2008/05/12) Basis of Payment - Limitation of Expenditure

Option 1
The Contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work, _____ (***insert, if applicable***, "and profit,") as determined in accordance with the Basis of Payment _____ (***insert*** "in Annex _____" ***or*** "detailed below"), to a limitation of expenditure of ***$***_____ (***insert the amount at contract award***). Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

(***Insert details of the Basis of Payment if not included in an annex.***)

Option 2
For the Work described in _____ (***insert the applicable section(s) of the statement of work or requirement to which this basis of payment applies***) of the _____ (***insert*** "Statement of Work" ***or*** "Requirement") in Annex ____:

> The Contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work, _____ (***insert, if applicable,*** "and a profit,") as determined in accordance with the Basis of Payment _____ (***insert*** "in Annex ____" ***or*** "detailed below"), to a limitation of expenditure of ***$***_____ (***insert the amount at contract award***). Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.
>
> (***Insert details of the Basis of Payment if not included in an annex.***)

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in firm price contracts.

Use option 1 when all the work is subject to a firm price, firm unit price(s) or firm lot price(s).

Use option 2 when only a portion of the work is subject to a firm price or firm lot price(s).

C0207C (2010/01/11) Basis of Payment - Firm Price, Firm Unit Price(s) or Firm Lot Price(s)

Option 1

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid a _____ (***insert*** "firm price" ***OR*** "firm unit price(s)" ***OR*** "firm lot price(s)", as specified in the contract OR in Annex ____) for a cost of $ _____ (***insert the amount at contract award***). Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

Canada will not pay the Contractor for any design changes, modifications or interpretations of the Work, unless they have been approved, in writing, by the Contracting Authority before their incorporation into the Work.

Option 2
For the Work described in _____ (***insert the applicable section(s) of the statement of work or requirement to which this basis of payment applies***) of the _____ (***insert*** "Statement of Work" ***or*** "Requirement") in Annex ____.

In consideration of the Contractor satisfactorily completing its obligations under the Contract, the Contractor will be paid a _____, (***insert*** "firm price" ***OR*** "firm lot price(s)") for a cost of $_____ (***insert the amount at contract award***). Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

For the firm price portion of the Work only, Canada will not pay the Contractor for any design changes, modifications or interpretations of the Work unless they have been approved, in writing, by the Contracting Authority before their incorporation into the Work.

C0208C (1991/06/01) Hovercraft - Basis of Payment

This clause is cancelled effective 1992/12/01

C0209D (1997/09/15) Proposed Basis of Payment

This clause is cancelled effective 2007/05/25

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when a proposed contractor will be paid for work performed before the effective date of the contract.

Use this clause in conjunction with A9120C or A9094C or A9088C, as applicable.

C0210C (2010/01/11) Basis of Payment - Pre-contractual Work

In consideration of the work performed during the period from _____ (***insert start date***) up to _____ (***insert date before the effective date of the Contract***), the Contractor will be paid a firm price of $_____. Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption"*) and* Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the

following clause in preventive and remedial maintenance service contracts with firm monthly and hourly rates.

If Incoterms 2000 apply, replace FOB Destination with CPT Carriage Paid To (... named place of destination), CIP Carriage & Insurance Paid to (... named place of destination) or DDP Delivered Duty Paid (... named place of destination).

Add or delete paragraphs as applicable to meet specific requirements.

C0211C (2010/01/11) Basis of Payment

The Contractor will be paid firm monthly rates, in arrears, as follows, for the preventive and remedial maintenance services (including parts, labour, travel and living) performed during the Principal Period of Maintenance (PPM), FOB Destination. Customs duties are _____ (***insert*** "included" ***or*** "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax (GST/HST) is extra, if applicable.

(Insert details)

The Contractor will be paid firm hourly rates, as follows, for maintenance services performed outside of the PPM for items listed in Annex _____, FOB Destination. Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax (GST/HST) is extra, if applicable, as follows:

(Insert details)

Travel and Living Expenses

The Contractor will be reimbursed for the authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for overhead or profit, in accordance with the meal, private vehicle and incidental expense allowances specified in Appendices B, C and D of the Treasury Board Travel Directive, and with the other provisions of the directive referring to "travellers", rather than those referring to "employees".

All travel must have the prior authorization of the _____ (***insert*** "Technical" ***or*** "Project" ***or*** "Contracting") Authority. All payments are subject to government audit.

Estimated Cost: $ _____

Total Estimated Cost - Limitation of Expenditure: **$** _____ (GST/HST extra)

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in cost reimbursable contracts with hourly rates for on-site maintenance services.
If Incoterms 2000 apply, replace FOB Destination with CPT Carriage Paid To (...named place of destination), CIP Carriage and Insurance Paid to (...named place of destination) or DDP Delivered Duty Paid (...named place of destination).

Add or delete paragraphs as applicable to meet specific requirements.

C0212C (2010/01/11) Basis of Payment - Hourly Rates

The Contractor will be paid as follows for on-site maintenance and related services performed during and outside the Principal Period of Maintenance for the equipment listed in Annex _____.

Labour

The Contractor will be paid for the actual hours worked at the firm hourly rates detailed below. The Contractor will be paid an initial half hour minimum charge calculated from the time the Contractor's technician arrives on-site. All additional chargeable time, over and above the first half hour, will be rounded to the nearest quarter hour.

(Insert details)

Material and Replacement Parts

The material and replacement parts must be provided at the list price detailed in Annex _____, less a discount of ____ percent. All prices for parts and material are FOB destination. Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax (GST/HST) is extra, if applicable.

On-call Services (Wait-Time)

The Contractor will be paid for the actual hours of on-call period (wait time) at the firm hourly rate of $_____.

Travel and Living Expenses

There will be no travel time or travel and living expenses payable for services rendered within ____ kilometres from the Designated Service Centre listed in Annex _____.

For services rendered further than ____ kilometres from the Designated Service Centre, the Contractor will be paid its actual travel time in accordance with the hourly rates detailed in Annex ____.

The Contractor will be reimbursed for the authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for overhead or profit, in accordance with the meal, private vehicle and incidental expense allowances specified in Appendices B, C and D of the Treasury Board Travel Directive, and with the other provisions of the directive referring to "travellers", rather than those referring to "employees".

All travel must have the prior authorization of the _____ (***insert*** "Technical" ***or*** "Project" ***or*** "Contracting") Authority.

Estimated Cost: _____.

Total Estimated Cost - Limitation of Expenditure: _____ (GST/HST extra)

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when a firm price is established for professional fees and when travel and living expenses and/or direct expenses are to be reimbursed at actual cost without mark-up.

Add or delete paragraphs as applicable to meet specific requirements. Add the paragraph relative to the option to extend the contract, if applicable.

Use this clause in conjunction with C6000C for the firm price portion of the work and C6001C for the limitation of expenditure portion of the work.

C0213C (2010/01/11) Basis of Payment - Firm Price - Services

Professional Fees

In consideration of the Contractor satisfactorily completing all of its obligations under the Contract, the Contractor will be paid a firm price of $ _____ (***insert amount at contract award***). Customs duties are _____ (***insert*** "included", "excluded" ***or*** "are subject to exemption") and Goods and Services Tax or Harmonized Sales Tax (GST/HST) is extra, if applicable.

Travel and Living Expenses

The Contractor will be reimbursed for the authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for overhead or profit, in accordance with the meal, private vehicle and incidental expense allowances specified in Appendices B, C and D of the Treasury Board Travel Directive, and with the other provisions of the directive referring to "travellers", rather than those referring to "employees".

All travel must have the prior authorization of the _____ (***insert*** "Technical" ***or*** "Project" ***or*** "Contracting") Authority. All payments are subject to government audit.

Estimated Cost: $ _____

Other Direct Expenses

The Contractor will be reimbursed for the direct expenses reasonably and properly incurred in the performance of the Work. These expenses will be paid at actual cost without mark-up, upon submission of an itemized statement supported by receipt vouchers.

Estimated Cost: $_____

Total Estimated Contract Price : _____ (***insert the sum of the firm price and the limitation of expenditure***), GST/HST extra

Option to Extend the Contract
During the extended period of the Contract, the Contractor will be paid the firm price of $ _____ (***insert amount at contract award***) to perform all the Work in relation to the contract extension.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for services when firm hourly rates are established for professional fees and when travel and living expenses and direct expenses are to be reimbursed at actual cost without mark-up.

Add or delete paragraphs as applicable to meet specific requirements. Add the paragraph relative to the option to extend the contract, if applicable.

Use this clause in conjunction with C6001C.

C0214C (2010/01/11) Basis of Payment - Firm Hourly Rates

The Contractor will be paid firm hourly rates as follows, for work performed in accordance with the Contract. Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax (GST/HST) is extra, if applicable.

Category	Name (if applicable)	Firm Hourly Rate
_____	_____	$_____
_____	_____	$_____

Total Estimated Cost: $_____

Travel and Living Expenses

The Contractor will be reimbursed for the authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for overhead or profit, in accordance with the meal, private vehicle and incidental expense allowances specified in Appendices B, C and D of the Treasury Board Travel Directive, and with the other provisions of the directive referring to "travellers", rather than those referring to "employees".

All travel must have the prior authorization of the _____ (***insert*** "Technical" ***or*** "Project" ***or*** "Contracting") Authority. All payments are subject to government audit.

Estimated cost: $_____

Other Direct Expenses

The Contractor will be reimbursed for the direct expenses reasonably and properly incurred in the performance of the Work. These expenses will be paid at actual cost without mark-up, upon submission of an itemized statement supported by receipt vouchers.

Estimated cost: $ _____

Total Estimated Cost - Limitation of Expenditure**:** _____ (GST/HST extra)

Instruction to contracting officers: *Insert the following paragraph when the contract contains an option to extend the contract.*

Option to Extend the Contract
During the extended period of the Contract, the Contractor will be paid the following firm hourly rates to perform all the Work in relation to the contract extension.

Category	Firm Hourly Rate
_____	$_____
_____	$_____

Remarks: Use the following clause in cost reimbursable contracts or contracts with cost reimbursable

elements when costs will be computed in accordance with Contract Cost Principles 1031-2.

For more information, consult 4.70.20.35 and 4.70.35.5 of the Supply Manual.

C0300C (2010/01/11) Cost Submission

1. Upon completion of the Contract or annually for multi-year contracts spanning more than one contractor fiscal year, the Contractor must complete the form PWGSC-TPSGC 7953, Contractors Cost Submission, and forward three (3) copies to the Contracting Authority. Costs will be computed in accordance with Contract Cost Principles 1031-2.

2. The cost submission must contain a breakdown of all applicable cost elements as detailed in the Contract and must be signed and certified accurate by the Contractor's Senior Financial Officer, unless stated otherwise in writing by the Contracting Authority.

3. Supporting information for each cost element must be available in sufficient detail to allow for an in-depth audit.

C0300D (2003/05/30) Cost Submission

Effective 2007/05/25, this clause is superseded by C0300C

C0301D (1996/05/01) Cost Submission

This clause is cancelled effective 2007/05/25

C0302D (1991/06/01) Invoices

This clause is cancelled effective 1996/10/30

C0303C (2004/12/10) Audit and Cost Submission

This clause is cancelled effective 2008/05/12

C0304C (2004/12/10) Cost Submission

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in "Limitation of Expenditure" or "Ceiling Price" contracts when the basis of payment is other than cost reimbursable.

C0305C (2008/05/12) Cost Submission

1. If requested by the Contracting Authority or auditor designated by the Contracting Authority, the Contractor must submit to the Contracting Authority or the auditor as applicable, a cost submission, upon completion of the Contract or annually for multi-year contracts spanning more than one contractor fiscal year.

2. The cost submission must contain a breakdown of all applicable cost elements as detailed in the Contract and must be signed and certified accurate by the Contractor's Senior Financial Officer, unless stated otherwise in writing.

3. Supporting information for each cost element must be available in sufficient detail to allow for an in-depth audit.

Remarks: Use the following clause in cost reimbursable contracts.

C0306C (2007/05/25) Precontractual Cost

The Contractor will not be paid for any cost incurred before the effective date of the Contract unless it is expressly provided for in the Contract.

C0306T (2002/12/13) Proposal and Pre-award Costs

This clause is cancelled effective 2007/05/25

Remarks: Use the following clause in cost reimbursable contracts for repair and overhaul services.

Use this clause in conjunction with C6000C or C6001C.

C0307C (2008/05/12) Cost Submission

1. If requested by the Contracting Authority or auditor designated by the Contracting Authority, the Contractor must submit to the Contracting Authority or the auditor as applicable, a cost submission, upon completion of the Contract or annually for multi-year contracts spanning more than one contractor fiscal year.

2. The cost submission must contain a breakdown of all applicable cost elements as detailed in the Contract and must be signed and certified accurate by the Contractor's Senior Financial Officer, unless stated otherwise in writing by the Contracting Authority.

3. Supporting information must be available in sufficient detail for each cost element to allow for an in-depth audit.

C0307D (1997/09/15) Cost Submission

Effective 2008/05/12, this clause is superseded by C0307C

C0400D (1991/06/01) Basis of Pricing

This clause is cancelled effective 1996/05/01

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the

following clause in contracts when a published price list, less a discounted percentage, will form the basis of payment.

C0401C (2007/05/25) Pricing

Prices are as listed in the Contractor's regular, seasonal and sale catalogues or current published price lists, less a discount of _____ percent.

The Contractor must provide Canada with any further price reductions in effect as a result of a special offering due to year end or surplus manufacturing runs, special job lots, sales, clearances or promotions.

C0401D (1991/06/01) Pricing

Effective 2007/05/25, this clause is superseded by C0401C

C0402D (1991/06/01) Pricing

This clause is cancelled effective 2007/05/25

C0403D (1991/06/01) Pricing

This clause is cancelled effective 2007/05/25

C0404D (1991/06/01) Pricing

This clause is cancelled effective 1996/05/01

C0405D (1991/06/01) Pricing

This clause is cancelled effective 2007/05/25

C0406D (1991/06/01) Pricing

This clause is cancelled effective 1996/05/01

C0407D (1991/06/01) Pricing

This clause is cancelled effective 2007/05/25

C0408D (1991/06/01) Pricing

This clause is cancelled effective 2007/05/25

C0409D (1991/06/01) Pricing

This clause is cancelled effective 1996/05/01

C0410D (1991/06/01) Pricing

This clause is cancelled effective 1996/05/01

C0411D (1991/06/01) Correction Supplement

This clause is cancelled effective 2007/05/25

C0412D (1991/06/01) Price for Evaluation

Effective 1996/05/01, this clause is superseded by C0412T

C0412T (1997/09/15) Price for Evaluation

This clause is cancelled effective 2007/05/25

C0413D (1997/09/15) Pricing - Goods

This clause is cancelled effective 2007/05/25

C0414D (1998/02/16) Vessel Refit, Repair & Docking - Cost

Effective 2008/05/12, this clause is superseded by C0414T

Remarks:
Use the following clause in bid solicitations, for any vessel refit, repair and docking requirements.

Add or delete paragraphs as applicable.

C0414T (2008/05/12) Vessel Refit, Repair or Docking - Cost

The following costs must be included in the evaluation price:

1. **Services:** include all costs for ship services such as water, steam, electricity, etc., required for vessel maintenance for the duration of the Contract.

   This price must be firm and is subject to increase only if the period of the Contract is extended with the approval of the Contracting Authority.

2. **Docking and Undocking** include:
   (a) all costs resulting from drydocking, wharfage, security, shoring, shifting and/or moving of the vessel within the successful Bidder's facility;

   (b) the cost of services to tie up the vessel alongside and to cast off.

   Unless specified otherwise, the vessel will be delivered by Canada to the successful Bidder's

facility alongside a mutually agreed safe transfer point, afloat and upright, and the successful Bidder will do the same when the Work is completed. The cost of services to tie up the vessel alongside and to cast off must be included in the evaluation price.

3. **Field Service Representatives/Supervisory Services:** include all costs for field service representatives/supervisory services including manufacturers' representatives, engineers, etc.

   These services must not be an extra charge except where unscheduled work requiring these services is added to the Contract.

4. **Removals**: include all costs for removals necessary to carry out the Work and will be the responsibility of the successful Bidder whether or not they are identified in the specifications, except those removals not apparent when viewing the vessel or examining the drawings. The successful Bidder will also be responsible for safe storage of removed items and reinstalling them on completion of the Work. The successful Bidder will be responsible for renewal of components damaged during removal.

5. **Sheltering, Staging, Cranage and Transportation:** include the cost of all sheltering, staging including handrails, cranage and transportation to carry out the Work as specified.

   The successful Bidder will be responsible for the cost of any necessary modification of these facilities to meet applicable safety regulations.

C0415D (1991/06/01) Vessel Charter - Price

This clause is cancelled effective 1996/05/01

C0416D (1997/09/15) Contract Price

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in bid solicitations, for any vessel refit, repair or docking requirements, when unscheduled work will arise after the vessel and the equipment is opened up and surveyed.

Use this clause in conjunction with C0902C.

C0417T (2008/05/12) Unscheduled Work and Evaluation Price

In any vessel refit, repair or docking contract, unscheduled work will arise after the vessel and its equipment is opened up and surveyed. The anticipated cost of the Work will be included in the evaluation of bids. The overall total cost will be calculated by including an estimated amount of additional person-hours (and/or material) multiplied by a firm hourly charge-out labour rate and is added to the firm price for the Work.

The overall total referred to as the "Evaluation Price" will be used for evaluating the bids. The estimated work will be based on historical experience and there is no minimum or maximum amount of unscheduled work nor is there a guarantee of such work.

C0418D **(1995/03/31)** **Dry Cleaning/Fire Proofing of Drapes**

This clause is cancelled effective 2007/05/25

C0419D **(1997/09/15)** **Contract Price - Unscheduled Work**

Effective 2007/05/25, this clause is superseded by C0416D

C0430T **(2001/05/25)** **Pricing Data Sheets**

This clause is cancelled effective 2007/05/25

C0435T **(2001/12/10)** **Price Calculation for Evaluation**

This clause is cancelled effective 2008/05/12

C0500C **(1991/06/01)** **Overtime Work - Fixed-Time Rate**

Effective 1996/10/30, this clause is superseded by C0500D

C0500D **(1996/10/30)** **Overtime Work - Fixed Time Rate**

Effective 2008/05/12, this clause is superseded by C0504C

C0501C **(1991/06/01)** **Overtime Work - Other**

Effective 1996/10/30, this clause is superseded by C0501D

C0501D **(1996/10/30)** **Overtime Work - Other**

This clause is cancelled effective 2008/05/12

C0502C **(1991/06/01)** **Overtime**

Effective 2003/12/12, this clause is superseded by C0502D

C0502D **(2003/12/12)** **Overtime**

Effective 2008/05/12, this clause is superseded by C0503C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in marine contracts when overtime must be authorized in advance and in writing by the contracting officer.

C0503C (2008/05/12) Overtime

1. The Contractor must not perform any overtime under the Contract unless authorized in advance and in writing by the Contracting Authority. Any request for payment must be accompanied by a copy of the overtime authorization and a report containing the details of the overtime performed pursuant to the written authorization. Payment for authorized overtime will be calculated as follows:

   (a) For known work, the Contractor will be paid the Contract Price plus authorized overtime hours paid at the following premium rates:

   For time and one half: $_____ per hour, or

   For double time: $_____ per hour.

   (b) For unscheduled work, the Contractor will be paid the authorized overtime hours at the quoted charge-out labour rate, plus the following premium rates:

   For time and one half: $_____ per hour, or

   For double time: $_____ per hour.

2. The above premiums will be calculated by taking the average hourly direct labour rate premiums, plus certified fringe benefit, plus profit of 7.5 percent on labour premium and fringe benefits. These rates will remain firm for the duration of the Contract, including all amendments and are subject to audit if considered necessary by Canada.

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Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in fixed time rate contracts when overtime must be authorized in advance and in writing by the contracting officer.

For more information, consult 8.50 of the Supply Manual.

C0504C (2010/01/11) Overtime

The Contractor must not perform any overtime under the Contract unless authorized in advance and in writing by the Contracting Authority. Any request for payment must be accompanied by a copy of the overtime authorization and a report containing the details of the overtime performed pursuant to the written authorization. Payment for authorized overtime will be calculated as follows:

(***Insert details for calculation***.)

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in non-competitive bid solicitations for fixed time rate contracts, for commercial services valued at $50,000 or more, submitted to a Canadian-based bidder.

Use this clause in conjunction with C0100C or C0705C, as applicable.

C0600T (2010/01/11) Rate Certification - Commercial Services (Canadian-based Bidder)

The Bidder certifies that the rate proposed:

(a) is not in excess of the lowest rate charged anyone else, including the Bidder's most favoured customer, for the like quality and quantity of the service;

(b) does not include an element of profit on the sale in excess of that normally obtained by the Bidder on the sale of services of like quality and quantity, and

(c) does not include any provision for discounts to selling agents.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in non-competitive bid solicitations for fixed time rate contracts, for non-commercial services valued at $50,000 or more, submitted to a Canadian-based bidder.

Use this clause in conjunction with C0101C.

C0601T (2007/11/30) Rate Certification - Non-commercial Services (Canadian-based Bidder)

The Bidder certifies that the rate proposed is based on costs computed in accordance with Contract Cost Principles 1031-2, and includes an estimated amount of profit of *$* ____.

C0602T (1991/06/01) Labour Rate

This clause is cancelled effective 1996/10/30

C0603D (1992/08/01) Quoted Prices

This clause is cancelled effective 1995/03/31

Remarks: Use the following clause in contracts for metal products when prices are subject to adjustment.

C0604C (2010/01/11) Price Adjustment - Metals

1. The prices detailed in the Contract are subject to upward or downward adjustment, according to changes at time of delivery, to allow for:

(a) changes due to price adjustment in metal products that are a direct result of increased or decreased current base price imposed by the applicable metals commodity market. A copy of the Contractor's notification of base price increase or decrease from the metal producer must be provided to the Contracting Authority; and/or

(b) imposition of any new or changes to any existing levies, tariffs or fees of whatsoever nature applicable to any metal product, authorized, imposed or agreed to by Canada or any provincial government or by any Governmental Regulatory Authority.

2. The contract price will be amended to reflect the actual increase or decrease at time of delivery. The Contractor must not invoice at prices other than those specified in the Contract.

C0700C (1991/06/01) Time & Contract Price Verification

Effective 1996/10/30, this clause is superseded by C0700D

C0700D (1996/10/30) Time and Contract Price Verification

Effective 2007/11/30, this clause is superseded by C0710C

C0701C (1991/06/01) Time Verification

Effective 1996/10/30, this clause is superseded by C0701D

C0701D (1996/10/30) Time Verification

Effective 2007/11/30, this clause is superseded by C0711C

C0702D (1991/06/01) Submission

Effective 1996/10/30, this clause is superseded by C0708D

C0703T (1996/10/30) Price, Engineering Services

This clause is cancelled effective 2007/05/25

C0704C (1996/10/30) Price, Field Services

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in contracts which contain a "Limitation of Expenditure" or a "Ceiling Price" clause when the Basis of Payment is other than cost reimbursable in accordance with Contract Cost Principles 1031-2, with the exception of contracts with Canadian universities and colleges.

C0705C (2010/01/11) Discretionary Audit

1. The following are subject to government audit before or after payment is made:

   (a) The amount claimed under the Contract, as computed in accordance with the Basis of Payment, including time charged.

   (b) The accuracy of the Contractor's time recording system.

   (c) The estimated amount of profit in any firm-priced element, firm time rate, firm overhead rate, or firm salary multiplier, for which the Contractor has provided the appropriate certification. The purpose of the audit is to determine whether the actual profit earned on a single contract if only one exists, or the aggregate of actual profit earned by the Contractor on a series of negotiated contracts containing one or more of the prices, time rates or multipliers mentioned above, during a particular period selected, is reasonable and justifiable based on the estimated amount of profit included in earlier price or rate certification(s).

   (d) Any firm-priced element, firm time rate, firm overhead rate, or firm salary multiplier for which the Contractor has provided a "most favoured customer" certification. The purpose of such audit is to determine whether the Contractor has charged anyone else, including the Contractor's most favoured customer, lower prices, rates or multipliers, for like quality and quantity of goods or services.

2. Any payments made pending completion of the audit must be regarded as interim payments only and must be adjusted to the extent necessary to reflect the results of the said audit. If there has been any overpayment, the Contractor must repay Canada the amount found to be in excess.

C0706D (1991/06/01) Reporting

This clause is cancelled effective 1996/10/30

C0707D (1992/08/01) Estimated Hours of Service

Effective 1992/12/01, this clause is superseded by M3011D

C0708D (1998/02/16) Submission

This clause is cancelled effective 2008/05/12

C0709D (1995/06/30) Client - Time Verification

Effective 2007/05/25, this clause is superseded by C0701D

Remarks: Use the following clause in fixed time rate contracts for services and material. Fixed-time rates may include a pro-rata allowance for incidental materials.

C0710C (2007/11/30) Time and Contract Price Verification

Time charged and the contract price of incidental materials used are subject to verification by Canada, before or after payment is made to the Contractor. If verification is done after payment, the Contractor must repay any overpayment, at Canada's request.

Remarks: Use the following clause in fixed time rate contracts for the verification of time charged and accuracy of recording.

Do not use this clause when C0705C is used.

C0711C (2008/05/12) Time Verification

Time charged and the accuracy of the Contractor's time recording system are subject to verification by Canada, before or after payment is made to the Contractor. If verification is done after payment, the Contractor must repay any overpayment, at Canada's request.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in rental and maintenance contracts.

C0900C (2008/05/12) Basis of Payment - Rental and Maintenance

The Contractor will be paid firm monthly rates for rental and firm rates per specified number of copies for maintenance (covering all parts, labour, preventive and remedial maintenance), payable each month in arrears. Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

C0900D (1991/06/01) Basis of Payment

Effective 2007/11/30, this clause is superseded by C0900C

C0901D (1991/06/01) Rental - Fixed Monthly Rate

Effective 2008/05/12, this clause is superseded by C0901T

Remarks: Use the following clause in bid solicitations for short term rental of photocopiers when the rental will be on a month to month basis for a period of less than one year.

C0901T (2008/05/12) Rental of Photocopiers - Fixed Monthly Rate

Bidders must quote prices on a straight-line basis for the rental of photocopiers, that is, fixed monthly rental rate (not to include copies) and a fixed cost per copy (meter click) charge for each model of equipment offered using the average monthly volume.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in marine contracts when the contractor will be paid for unscheduled work.

C0902C (2008/12/12) Unscheduled Work

1. Price Breakdown:

The Contractor must, upon request, provide a price breakdown for all unscheduled work, by specific activities with trades, person-hours, material, subcontracts and services.

2. Pro-rated Prices:

Hours and prices for unscheduled work will be based on comparable historical data applicable to similar work at the same facility, or will be determined by pro-rating the quoted work costs in the Contract when in similar areas of the vessel.

3. Payment for Unscheduled Work:

The Contractor will be paid for unscheduled work arising, as authorized by Canada. The authorized unscheduled work will be calculated as follows:

Number of hours (to be negotiated) X $_____, being the Contractor's firm hourly charge-out labour rate which includes overhead and profit, plus net laid-down cost of materials to which will be added a mark-up of 10 percent, plus Goods and Services Tax or Harmonized Sales Tax, if applicable, calculated at ____ percent of the total cost of material and labour. The firm hourly charge-out labour rate and the material mark-up will remain firm for the term of the Contract and any subsequent amendments.

C0902D (1997/09/15) Unscheduled Work

Effective 2008/05/12, this clause is superseded by C0902C

C0903D (1991/06/01) Unscheduled Work, Authorization of

Effective 1997/09/15, this clause is superseded by B5007D

C0904D (2003/05/30) Amendment to Contract

This clause is cancelled effective 2008/05/12

C0906D (1991/06/01) Hovercraft - Pricing

This clause is cancelled effective 1992/12/01

C1000C (1991/06/01) Price to be negotiated

This clause is cancelled effective 1996/10/30

C1001C (1991/06/01) Price to be Negotiated, Progress payment

This clause is cancelled effective 1996/10/30

C1002C (1991/06/01) Price to be Negotiated - Other

This clause is cancelled effective 1996/10/30

C1003C (1991/06/01) Price

This clause is cancelled effective 1996/10/30

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the price of the work is subject to a ceiling price.

Use option 1 when all the work is subject to a ceiling price.
Use option 2 when only a portion of the work is subject to a ceiling price.

Use this clause in conjunction with C6000C; for option 2, clause C6000C applies only to the ceiling price portion of the work.

C1200C (2008/05/12) Basis of Payment - Ceiling Price

Option 1
The Contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work, plus _____ (***insert*** "a fixed fee," ***or*** "a profit,") as determined in accordance with the Basis of Payment _____ (***insert*** "in Annex ____" ***or*** "detailed below"), to a ceiling price of $ _____ (***insert amount at contract award***). Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

The ceiling price is subject to downward adjustment so as not to exceed the actual costs reasonably incurred in the performance of the Work and computed in accordance with the Basis of Payment.

(***Insert details of the Basis of Payment if not included in an annex.***)

Option 2
For the Work described in _____ (***insert the applicable section(s) of the statement of work or requirement to which this basis of payment applies***) of the _____ (***insert*** "Statement of Work" ***or*** "Requirement") in Annex ____:

> The Contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work, plus _____ (***insert*** "a fixed fee," ***or*** "a profit,") as determined in accordance with the Basis of Payment _____ (***insert*** "in Annex ____" ***or*** "detailed below"), to a ceiling price of $ _____ (***insert amount at contract award***). Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.
>
> The ceiling price is subject to downward adjustment so as not to exceed the actual costs

reasonably incurred in the performance of the Work and computed in accordance with the Basis of Payment.

(***Insert details of the Basis of Payment if not included in an annex.***)

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the work is subject to a ceiling price and costs will be audited in accordance with Contract Cost Principles 1031-2.

Use Option 1 when all the work is subject to a ceiling price and the costs will be audited in accordance with Contract Cost Principles 1031-2.
Use Option 2 when only a portion of the work is subject to a ceiling price and costs will be audited in accordance with Contract Cost Principles 1031-2.

Use this clause in conjunction with C6000C for ceiling price contracts; or C6001C for contracts with a limitation of expenditure. The audit provision is contained in the general conditions.

C1201C (2008/05/12) Basis of Payment - Contract Cost Principles 1031-2

Option 1
The Contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work as determined in accordance with Contract Cost Principles 1031-2 _____ (***insert date***), plus _____ (***insert*** "a fixed fee," ***or*** "a profit,") to a ceiling price of $_____ (***insert amount at contract award***). Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable. Payments will be subject to government audit. The results and findings of the government's audit will be conclusive.

The ceiling price is subject to downward adjustment so as not to exceed the actual costs reasonably incurred in the performance of the Work and computed in accordance with Contract Cost Principles 1031-2. Upon completion of the audit, the price will be adjusted to the extent necessary to reflect the results of the audit. If there has been any overpayment, it must be promptly refunded to Canada.

(***Insert details of the Basis of Payment if not included in an annex.***)

Option 2
For the Work described in _____ (***insert the applicable section(s) of the statement of work or requirement to which this basis of payment applies***) of the _____ (***insert*** "Statement of Work" ***or*** "Requirement") in Annex ____:

The Contractor will be reimbursed for the costs reasonably and properly incurred in the performance of the Work as determined in accordance with Contract Cost Principles 1031-2 _____ (***insert date***), plus _____ (***insert*** "a fixed fee," ***or*** "a profit,") to a ceiling price of $_____ (***insert amount at contract award***). Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable. Payments will be subject to government audit. The results and findings of the government's audit will be conclusive.

The ceiling price is subject to downward adjustment so as not to exceed the actual costs reasonably incurred in the performance of the Work and computed in accordance with Contract Cost Principles 1031-2. Upon completion of the audit, the price will be adjusted

to the extent necessary to reflect the results of the audit. If there has been any overpayment, it must be promptly refunded to Canada.

(***Insert details of the Basis of Payment if not included in an annex.***)

C1202C (2004/05/14) Ceiling Price

This clause is cancelled effective 2004/12/10

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the contractor is allowed to charge its actual costs in accordance with Contract Cost Principles 1031-2, subject to a mandatory audit.

This clause is not to be used in price to be negotiated contracts.

C1203C (2007/11/30) Basis of Payment

The Contractor will be paid its costs reasonably and properly incurred in the performance of the Work, in accordance with Contract Cost Principles 1031-2, as determined by a government audit, _____ (***insert, if applicable:*** *"plus a fixed profit of _____ percent of the audited costs*"). The results and findings of the government's audit will be conclusive.

C1204C (1991/06/01) Price (Ceiling)

Effective 1996/10/30, this clause is superseded by C1202C

C1205C (2005/06/10) Basis of Payment - Ceiling Price

This clause is cancelled effective 2007/11/30

Remarks: Use the following clause in contracts when a bid may be received from a foreign-based contractor.

For bid solicitations, use this clause in conjunction with A0222T.
For requests for standing offers, use this clause in conjunction with M0222T.

C2000C (2007/11/30) Taxes - Foreign-based Contractor

Unless specified otherwise in the Contract, the price includes no amount for any federal excise tax, state or local sales or use tax, or any other tax of a similar nature, or any Canadian tax whatsoever. The price, however, includes all other taxes. If the Work is normally subject to federal excise tax, Canada will, upon request, provide the Contractor a certificate of exemption from such federal excise tax in the form prescribed by the federal regulations.

Canada will provide the Contractor evidence of export that may be requested by the tax authorities. If, as a result of Canada's failure to do so, the Contractor has to pay federal excise tax, Canada will reimburse the Contractor if the Contractor takes such steps as Canada may require to recover any payment made by the Contractor. The Contractor must refund to Canada any amount so recovered.

C2000D (1998/02/16) Taxes - Foreign Suppliers

Effective 2007/11/30, this clause is superseded by C2000C

C2000T (1991/06/01) Taxes - U.S.

Effective 1995/03/31, this clause is superseded by C2000D

Remarks: Use the following clause in contracts for goods when the contract price does not include any duties and/or taxes required to be paid on imported goods to be delivered to Canada under the contract and that will be exported by Canada.

For more information, consult Annex 4.3(6) of the Supply Manual.

C2001C (2010/01/11) Duties and Taxes - Drawback Certificate

The Contract Price does not include any duties and/or taxes required to be paid on imported goods to be delivered to Canada under the Contract and that will be exported by Canada.

Canada waives to the Contractor all its rights of drawback accruing in connection with the Contract pursuant to the *Goods Imported and Exported Refund and Drawback Regulations* and the Canada Border Services Agency (CBSA) Memorandum D7-3-8, Goods Purchased by Canadian Government Departments.

Canada will provide upon request from the Contractor a Drawback Certificate which will enable the Contractor to claim duties drawback from CBSA.

Remarks: Use the following clause in all contracts with contractors located in California, when ownership will not be transferred to Canada until delivery of the goods, and when the contracting authority is to be informed of all duties and/or taxes that may or may not be required to be paid on the exported goods.

Use this clause in conjunction with D4003C.

Use this clause in conjunction with K9010C when the contract provides for progress or advance payments, or when the goods must remain in the State of California for a period of time.

For more information, consult Annex 4.3(12) and (13) the Supply Manual.

C2002C (2010/01/11) Duties and Taxes - Foreign-based Contractor - State of California

The Contractor must inform the Contracting Authority of all customs duties and of all sales, consumption, use, excise, personal property or any other taxes the Contractor proposes to pay or not to pay. The Contractor must carry out any instructions the Contracting Authority may give in respect of payment or non-payment of these taxes.

C2200C (1991/06/01) Goods and Services Tax

This clause is cancelled effective 1995/03/31

C2201C (1991/06/01) Goods and Services Tax

This clause is cancelled effective 1995/03/31

C2202D (1991/06/01) Tax

Effective 1995/12/15, this clause is superseded by C2210D

C2204C (1991/06/01) Goods and Services Tax

Effective 1997/09/15, this clause is superseded by C2215D

C2204T (1991/06/01) Goods and Services Tax

Effective 1997/09/15, this clause is superseded by C2215D

C2205C (1992/01/31) Goods and Services Tax

This clause is cancelled effective 1995/03/31

C2206T (1992/01/31) Goods and Services Tax

Effective 1992/12/01, this clause is superseded by M3008T

C2207D (1992/01/31) Goods and Services Tax

Effective 1992/12/01, this clause is superseded by M3009D

C2208D (2004/05/14) Air Transportation Tax

This clause is cancelled effective 2007/11/30

C2209D (1992/08/01) GST

Effective 1992/12/01, this clause is superseded by M3012D

C2210D **(1995/12/15)** **Goods and Services Tax (GST)**

Effective 1997/09/15, this clause is superseded by C2215D

C2215D **(2004/05/14)** **Goods and Services Tax / Harmonized Sales Tax**

This clause is cancelled effective 2007/11/30

C2500C **(1992/08/01)** **Provincial Sales Tax**

This clause is cancelled effective 2000/05/12

C2501D **(1991/06/01)** **Taxes - Tobacco**

Effective 1992/12/01, this clause is superseded by M3014D

C2502D **(1991/06/01)** **Sales Tax**

Effective 1996/10/30, this clause is superseded by C2500C

C2503D **(1991/06/01)** **Sales Tax**

This clause is cancelled effective 1996/10/30

C2504D **(1991/06/01)** **Sales Tax**

This clause is cancelled effective 1996/10/30

Remarks: Use the following clause in contracts when provincial fuel tax is not applicable to propane when used for heating or power generation purposes and not as automotive fuel.

C2505C **(2008/05/12)** **Propane - Provincial Fuel Tax Excluded**

Provincial fuel tax is not applicable to propane when used for heating or power generation purposes and is excluded from the Contract Price.

C2505D **(1991/06/01)** **Liquified Petroleum Gas**

Effective 2008/05/12, this clause is superseded by C2505C

C2600C **(2004/12/10)** **Customs Duty - Aircraft**

This clause is cancelled effective 2008/05/12

C2600T (2004/12/10) Customs Duty - Aircraft

This clause is cancelled effective 2008/05/12

C2601C (1993/05/01) Customs Duty - Defence

Effective 1993/10/29, this clause is superseded by C2601D

C2601D (2004/05/14) Customs Duty - Contractor Importer

Effective 2007/11/30, this clause is superseded by C2611C

Remarks: Use the following clause in contracts when the National Research Council Canada claims exemption of customs duties for goods imported under the Customs Tariff.

C2602C (2008/05/12) Customs Duties Exempt (National Research Council of Canada)

The goods described in the Contract constitute apparatus, utensils, instruments and related parts, other than glassware, and are for use directly in research by National Research Council Canada. They are exempt from customs duties under tariff item No. 9988.00.00 and Customs Ruling No. 153418, dated 15 September 1998.

C2602D (1999/06/21) Customs Duty - NRC

Effective 2008/05/12, this clause is superseded by C2602C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when a client department, other than National Research Council Canada, claims exemption of customs duties for goods imported under Customs Tariff, Schedule II, Annex Code 1760. The goods must be used in teaching, research or other specified use.

Contracting officers must insert the end-use and the authority number specified by the client department.

C2603C (2008/05/12) Customs Duties - Exemption

The goods described in the Contract are of a class or kind enumerated in Customs Tariff, Schedule II, Annex Code 1760, and are exempt from customs duties. The goods are for use directly in _____ by _____ (Authority No. _____).

C2603D (1996/10/30) Customs Duty

Effective 2008/05/12, this clause is superseded by C2603C

Remarks: Use the following clause in contracts when the contractor is a non-resident and is responsible for customs clearance of any tools, equipment or spare parts imported into Canada by its employees or a subcontractor and its employees for use in performing the work.

For more information, consult Annex 4.3(8) of the Supply Manual.

C2604C (2010/01/11) Customs Duties, Excise Taxes and GST/HST - Non-resident

The Contractor is responsible for customs clearance of any tools, equipment or spare parts imported into Canada by its employees or a subcontractor and its employees for use in performing the Work under the Contract. The Contractor is responsible for any customs duties, excise taxes and the Goods and Services Tax or Harmonized Sales Tax, if applicable, assessed by the customs officials and payable to the Canada Border Services Agency.

C2604D (1997/09/15) Customs Duty, Excise Taxes and GST

Effective 2008/05/12, this clause is superseded by C2604C

Remarks: Use the following clause in contracts with foreign-based contractors when the contractor is not responsible for the importation of goods into Canada, and when customs duties and sales tax, if applicable, are extra to the contract price.

C2605C (2008/05/12) Canadian Customs Duties and Sales Tax - Foreign-based Contractor

Canadian customs duties and sales tax, if applicable, are extra to the Contract Price and payable by Canada.

C2605D (1996/10/30) Canadian Customs Duty and Sales Tax

Effective 2008/05/12, this clause is superseded by C2605C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the goods are classed as exempt from customs duties and excise taxes under the Customs Tariff.

The contracting officer must insert the customs tariff item number as specified by the client department.

C2606C (2008/05/12) Customs Duties and Excise Taxes - Exemption

Canadian customs duties and excise taxes are not applicable. The goods described in the Contract are of a class or kind classed as exempt from customs duties and excise taxes under tariff item No. _____.

C2606D **(1991/06/01)** **Duty and Excise Taxes Exempt**

Effective 2008/05/12, this clause is superseded by C2606C

C2607D **(1996/10/30)** **Customs Exemption Certificate**

This clause is cancelled effective 2007/11/30

Remarks: Use the following clause in contracts for goods when the Department of National Defence will be the importer.

Use this clause in conjunction with D0035C, if applicable; and with C2610C when the contract value is C$250,000 or more.

C2608C **(2010/01/11)** **Canadian Customs Documentation**

General

1. The Contractor must provide two (2) copies of the Canada Customs Invoice (CCI) or two (2) copies of the commercial invoice marked "For Customs Purposes Only".

2. For shipments from the United States and Mexico that are of American, Mexican or Canadian origin, as defined by the North American Free Trade Agreement (NAFTA), the Contractor must provide proof of origin of the goods. This proof must be in the form of a NAFTA Certificate of Origin for goods valued at C$1,600 or more, or a simple statement on the invoice for goods valued at C$1,600 or less. In either case, the document must include an original signature and must reference the contract number. For contracts valued at C$250,000 or more, the proof of origin will not be required.

3. The Contractor must not employ commercial customs brokers to custom clear the goods provided under the Contract, unless authorized by the Canadian Material Support Group / Customs, at National Defence Headquarters, telephone: 613-996-0290, facsimile: 1-800-306-1811 or 613-992-9921.

Completion of Documents

4. The CCI or commercial invoice must include the following information:

   (a) complete description of the goods being shipped, including the applicable "Schedule B" codes (for exports) and the Harmonized Tariff Schedule codes (for imports);

   (b) value and terms of sale for each item (e.g. sale, loan, warranty, Incoterms 2000), including value of repairs, warranty repairs and/or replacement costs;

   (c) the Contract number and financial codes (use Field 3 on the CCI form);

   (d) country of origin of goods; and

   (e) when a NAFTA Certificate of Origin has been prepared, the "Description" field of the CCI or commercial invoice must include a statement confirming that it has been completed and is attached to that invoice.

Distribution of Documents

5. The Contractor must attach the following to shipping container No. 1 of all shipments using a waterproof envelope marked "Canada Customs Documentation":

   (a) one (1) copy of the CCI or one (1) copy of the commercial invoice as applicable, and;

   (b) one (1) copy of the NAFTA Certificate of Origin (if applicable).

6. The second copy of each of the above-mentioned forms must be attached to the shipping documents.

C2608D (2005/12/16) Canadian Customs Documentation

Effective 2007/11/30, this clause is superseded by C2608C

C2609C (1991/06/01) Customs Documents

Effective 1996/05/01, this clause is superseded by C2608D

Remarks: Use the following clause in contracts for defence supplies when the Department of National Defence is the importer and the contract value is C$250,000 or more. Contracting officers should request prices with customs duties identified as a separate item. Clause D0035C may apply.

C2610C (2007/11/30) Customs Duties - DND - Importer

1. As the goods to be supplied under the Contract are defence supplies, customs duties on importation to Canada may be remitted under the Tariff Item Number 9982.00.00 of the Schedule to the *Customs Tariff*.

2. Remission of customs duties payable may be granted under the Tariff Item Number 9982.00.00 when the total contract value of the defence supplies is C$250,000 or more. This reflects the import value of the goods plus the duty that would be applicable in the absence of the *Customs Tariff*.

3. The Department of National Defence (DND) will be responsible for prearranging remission on importation or for paying customs duties on importation and applying to Canada Border Services Agency for a refund. DND is also responsible for applying to Public Works and Government Services Canada in good time for the certification required by the *Customs Tariff*.

C2610D (2004/12/10) Customs Duty - Defence

Effective 2007/11/30, this clause is superseded by C2610C

Remarks: Use the following clause in contracts for defence supplies when the contractor is the importer and the contract value is C$250,000 or more.

C2611C (2007/11/30) Customs Duties - Contractor Importer

1. As the goods to be supplied under the Contract are defence supplies, customs duties on importation to Canada may be remitted under the Tariff Item Number 9982.00.00 of the Schedule to the *Customs Tariff*.

2. Remission of customs duties payable may be granted under the Tariff Item Number 9982.00.00 when the total contract value of the defence supplies is C$250,000 or more. This reflects the import value of the goods plus the duty that would be applicable in the absence of the *Customs Tariff*.

3. The Contractor will be responsible for pre-arranging remission on importation or for paying customs duties on importation and applying to Canada Border Services Agency for a refund. The Contractor is also responsible for applying to Public Works and Governments Services Canada in good time for the certification required by the *Customs Tariff*.

Remarks: Use the following clause in Canadian defence contracts awarded to United States (U.S.) contractors, for the provision of goods to be used directly in Canadian defence activities. This will indicate to the U.S. contractors that a defence priority rating will be assigned and communicated to them shortly.

NOTE:

1. A threshold of US$50,000 is included in the U.S. Defense Priorities and Allocations System regulation (15 CFR Part 700.17) where it is stated that for contracts under this value, a priority rating is not required "provided that delivery can be obtained in a timely fashion without the use of a priority rating."

2. The Tender Contract Distribution Unit will forward a copy of the Department of National Defence contracts, which have been awarded to U.S. contractors, to the Defence Priorities and Allocations Officer (DPAO), Public Works and Government Services Canada. If the contracting officer wishes to provide a copy of the contract directly to the DPAO, it can be done by sending a PDF version of the contract by e-mail to: ACQB Defence Priorities.

For more information on the application of a priority rating, consult 3.35.25.5 of the Supply Manual.

C2800C (2010/01/11) Priority Rating

Canada is a participant in the United States Defense Priorities and Allocations System and this defence contract is eligible for a priority rating. The Defence Priorities and Allocations Officer, Public Works and Government Services Canada, must advise the Contractor as to the appropriate priority rating within sixty (60) days of the date of the Contract.

Remarks: Use the following clause in Canadian defence contracts awarded to Canadian-based contractors who may obtain material from United States (U.S.) suppliers, for the provision of goods to be used directly in Canadian defence activities.

Note: A threshold of US$50,000 is included in the U.S. Defence Priorities and Allocations System regulations (15 CFR Part 700.17) where it is stated that for contracts under this value, a priority rating is not required, "provided that delivery can be obtained in a timely fashion without the use of the priority rating."

For more information on the application of a priority rating, consult 3.35.25.5 of the Supply Manual.

C2801C (2010/01/11) Priority Rating - Canadian-based Contractors

1. The Contract concerns a Canadian defence requirement and therefore is eligible to be assigned a "U.S. Priority Rating" for any materials/services imported from the United States which may be required in the performance of the Work. Accordingly, the Contractor must:

   (a) make an application to the Defence Priorities and Allocations Officer, Public Works and Government Services Canada (PWGSC), either by e-mail at: ACQB Defence Priorities ; or by facsimile: 819-956-1459; and

   (b) include this clause in subcontracts with Canadian-based contractors, and quote the PWGSC Contract Number indicated in the Contract.

2. Failure to comply with the above may impact on the Contractor's delivery commitments. Therefore, the Contractor is responsible for any breach of the Contract that arises from such a failure.

C2900C (1991/06/01) Withholding Tax of 15 Percent

Effective 1995/12/15, this clause is superseded by C2900D

C2900D (2000/12/01) Tax Withholding of 15 Percent

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in bid solicitations for goods when price(s) must not contain any element representing refundable duties and/or taxes paid on the import of materials, parts and components incorporated in the goods that are subsequently exported from Canada.

Use this clause in conjunction with C2001C.

For more information, consult Annex 4.3(6) of the Supply Manual.

C2901T (2010/01/11) Duties and Taxes - Export Drawbacks

The goods to be purchased under the Contract are for export. The Bidder certifies that the price(s) quoted in its bid do not contain any element representing refundable duties and/or taxes paid on the import of materials, parts and components incorporated in the goods.

C2902C (1998/06/15) Taxes and Duties, Changes to

This clause is cancelled effective 2004/05/14

C3000T (1991/06/01) Foreign Exchange Fluctuations

This clause is cancelled effective 1992/08/01

C3001T (1991/06/01) Foreign Exchange Adjustments

This clause is cancelled effective 1992/08/01

C3002C (1991/06/01) Foreign Exchange Fluctuations

This clause is cancelled effective 1992/08/01

C3003C (1991/06/01) Foreign Exchange Fluctuations

This clause is cancelled effective 1992/08/01

C3004C (1991/06/01) Foreign Exchange Fluctuations

This clause is cancelled effective 1992/08/01

C3005C (1991/06/01) Foreign Exchange Fluctuations

This clause is cancelled effective 1992/08/01

C3006D (1991/06/01) Foreign Exchange Fluctuations

This clause is cancelled effective 1992/08/01

C3007C (1991/06/01) Exchange Rate

This clause is cancelled effective 1992/08/01

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when it is proposed to offer protection against the risk of exchange rate fluctuation. Contracting officers should assess the risks in consultation with the Policy, Risk, Integrity and Strategic Management Sector.

Use this clause in conjunction with C3015C, C3020C, C3025C or C3030C, as applicable.

For more information, consult 4.65, 5.45.15, 5.60 and 8.40 of the Supply Manual.

C3010T (2010/01/11) Exchange Rate Fluctuation

1. Unless otherwise specified in the bid solicitation, bids must be in Canadian currency.

2. Bidders may request Canada to assume the risk for exchange rate fluctuation. This request must be specifically made at time of bidding.

3. The foreign currency component is defined as the element of the price that will be directly affected by exchange rate fluctuations. It could include the net price FOB foreign manufacturer's plant, costs associated with applicable duty, excise tax, Goods and Services Tax or Harmonized Sales Tax, if applicable, entry fees, transportation costs or delivery charges payable in a foreign currency, and any other charges associated with being the importer of record if they originated from and are required to be paid in a foreign currency.

4. The foreign value of the foreign currency component of the bid or negotiated price must be provided _____ (***insert*** "in the bid" ***or*** "before contract award"). Form PWGSC-TPSGC 9411, Claim for Exchange Rate Adjustments, may be used for this purpose. If milestone payments are proposed, it is recommended to indicate on the above form the foreign currency component associated with each milestone event.

5. All bids are evaluated in Canadian currency. Therefore, for evaluation purposes, the noon rate quoted by the Bank of Canada as being in effect on date of bid closing, or such other date as may be specified in the bid solicitation, will be applied as the initial conversion factor for the specified currency. (Column 3 of the above form will be completed by the Contracting Authority.)

6. Rates proposed by bidders will not be accepted for the purposes of this exchange rate adjustment provision.

7. If there are two (2) identical bids, and provided that the bid selected would still be considered the most advantageous to Canada, preference will be given to the Bidder who assumes all or part of the exchange rate adjustment risk over a bidder who does not assume any of this risk. Furthermore, preference will be given to the Bidder who assumes all of the exchange rate adjustment risk over a bidder who assumes only part of this risk.

8. Canada will pay the exchange rate adjustment amount in Canadian currency using the prevailing noon rate on the date of payment by Canada or, as applicable, in accordance with one of the following clauses: C3015C, C3020C, C3025C, or C3030C.

Remarks: Use the following clause in bid solicitations when exchange rate fluctuation is not expected to be an issue and it is not proposed to offer protection against it. Contracting officers must only use this clause when C3010T is not used.

For more information, consult 4.65 of the Supply Manual.

C3011T (2010/01/11) Exchange Rate Fluctuation

The requirement does not provide for exchange rate fluctuation protection. Any request for exchange rate fluctuation protection will not be considered and will render the bid non-responsive.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in firm price contracts subject to exchange rate fluctuation adjustment when the goods, services or both include a foreign currency component and the method of payment provides for payment on delivery.

Use this clause in conjunction with H1000C or H1001C, as applicable.

For more information, consult 8.40 of the Supply Manual.

C3015C (2010/01/11) Exchange Rate/Payment on Delivery

1. The price in Canadian currency includes the foreign currency component in respect of goods, services or both originating outside Canada, as detailed in Annex _____ of form PWGSC-TPSGC 9411, Claim for Exchange Rate Adjustments.

2. The price must be adjusted to reflect the exchange rate in effect and applied by Canada Border Services Agency (CBSA) on the date of importation, but only in respect of the foreign currency component detailed in the above form.

3. No price adjustment directly resulting from the application of the provisions contained in this clause will be applied for increases or decreases in the exchange rate within a variation of: plus or minus 2 percent of the exchange rate(s) mentioned above; or plus or minus $100 of the total cumulative amount claimed for exchange rate adjustment under the Contract.

4. On each invoice or claim for payment submitted under the Contract, the Contractor must indicate the exchange rate adjustment amount (either upward, downward or no change) as a separate item. In addition, the invoice must be accompanied by a copy of CBSA Form B3-3, Canada Customs Coding Form, for the imported goods, services or both.

5. Canada will have the right to audit any revision to costs and prices under this clause.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in firm price contracts subject to exchange rate fluctuation adjustment when the goods, services or both include a foreign currency component and the method of payment provides for milestone payments.

For more information, consult 8.40 of the Supply Manual.

C3020C (2010/01/11) Exchange Rate/Milestone Payment

1. The price in Canadian currency includes the foreign currency component in respect of goods, services or both originating outside Canada, as detailed on form PWGSC-TPSGC 9411, Claim for Exchange Rate Adjustments, in Annex _____. In the event that one or more of the milestones involve a foreign currency component that becomes due and payable on that particular milestone, a separate form PWGSC-TPSGC 9411 must accompany the invoice for each applicable

milestone.

2. When a milestone payable includes the importation of goods, services or both into Canada, the exchange rate used to calculate the adjustment will be the rate applied by Canada Border Services Agency (CBSA) on the date of importation. For a milestone that does not involve the importation of goods, services or both, but still includes a foreign currency component, the exchange rate used to calculate the adjustment will be the Bank of Canada exchange rate in effect at noon, on the date when the milestone became due and payable.

3. No price adjustment directly resulting from the application of the provisions contained in this clause will be applied for increases or decreases in the exchange rate within a variation of: plus or minus 2 percent of the exchange rate(s) mentioned above; or plus or minus $100 of the total cumulative amount claimed for exchange rate adjustment under the Contract.

4. On each invoice or claim for milestone payment submitted under the Contract, the Contractor must indicate the exchange rate adjustment amount (either upward, downward or no change) as a separate item. In the event of delivery, the invoice or claim for milestone payment must be accompanied by a copy of CBSA form B3-3, Canada Customs Coding Form. When the goods, services or both have not been imported, the Contractor must provide evidence, satisfactory to Canada, that the amount claimed is due and payable in foreign currency by the Contractor.

5. Canada will have the right to audit any revision to costs and prices under this clause.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the basis of payment for exchange rate adjustment is based on "actual costs incurred" and the method of payment may be any one of: payment on delivery, milestone or progress. A key requirement of this clause is that the contractor must provide evidence of payment when submitting its claim for exchange rate adjustment to Canada.

C3025C (2008/05/12) Exchange Rate/Actual Costs

1. The price must be adjusted either upwards or downwards to reflect the actual costs incurred associated with the actual foreign currency exchange rate obtained by the Contractor when remitting payment to a foreign-based supplier or subcontractor for the goods, services or both.

2. On each invoice or claim for payment submitted under the Contract, the Contractor must indicate the foreign value or exchange rate adjustment amount (either upward, downward or no change) as a separate item. The Contractor must provide appropriate documentation showing evidence of payment to a foreign-based supplier or subcontractor for the goods, services or both included in the claimed amount.

3. Canada will have the right to audit any revision to costs and prices under this clause.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in firm price contracts subject to exchange rate fluctuation adjustment, when the goods, services or both include a foreign currency component and the method of payment provides for "costs incurred" progress payments only.

For more information, consult 8.40 of the Supply Manual.

C3030C (2010/01/11) Exchange Rate/Progress Claim

1. The price in Canadian currency includes the foreign currency component in respect of goods, services or both originating outside Canada, as detailed in Annex _____ of form PWGSC-TPSGC 9411, Claim for Exchange Rate Adjustments.

2. The price must be adjusted either upwards or downwards to reflect the actual costs incurred associated with the actual foreign currency exchange rate obtained by the Contractor when remitting payment to a foreign-based supplier or subcontractor for the goods, services or both.

3. On each claim for progress payment submitted under the Contract, the Contractor must indicate the foreign value or exchange rate adjustment amount (either upward, downward or no change) as a separate item. The Contractor must provide appropriate documentation showing evidence of payment to a foreign-based subcontractor or supplier for the goods, services or both included in the claimed amount.

4. Canada will have the right to audit any revision to costs and prices under this clause.

C3500C (1991/06/01) Escalation, Labour/Material

This clause is cancelled effective 1996/10/30

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the purchase of petroleum products when prices are subject to adjustment in accordance with any increase or decrease established by the petroleum producer.

Contracting officers must use option 1 or option 2, as applicable.

C3501C (2008/05/12) Price Adjustment - Petroleum Products

Option 1

1. The prices detailed in the Contract are subject to upward or downward adjustment _____ calendar days after _____ ***(insert the applicable date)*** to allow for:

   (a) changes due to price adjustment in petroleum products that are a direct result of increased or decreased prices imposed by the petroleum producer. A copy of the Contractor's notification of price increase or decrease from the petroleum producer must be provided to the Contracting Authority; and/or

   (b) imposition of any new or changes to any existing levies, tariffs or fees of whatsoever nature applicable to any petroleum product, authorized, imposed or agreed to by Canada or any provincial government or by any Governmental Regulatory Authority.

2. The Contract will be amended to reflect the actual price of the increase or decrease at time of delivery. The Contractor must not invoice at prices other than those specified in the Contract.

OR

Option 2

1. The prices detailed in the Contract are subject to upward or downward adjustment after _____ *(**insert a date**)* to allow for:

   (a) changes due to price adjustment in petroleum products that are a direct result of increased or decreased prices imposed by the petroleum producer. A copy of the Contractor's notification of price increase or decrease from the petroleum producer must be provided to the Contracting Authority; and/or

   (b) imposition of any new or changes to any existing levies, tariffs or fees of whatsoever nature applicable to any petroleum product, authorized, imposed or agreed to by Canada or any provincial government or by any Governmental Regulatory Authority.

2. The Contract will be amended to reflect the actual price of the increase or decrease at time of delivery. The Contractor must not invoice at prices other than those specified in the Contract.

C3501D (1991/06/01) Escalation Conditions

Effective 2008/05/12, this clause is superseded by C3501C

C3502D (1996/05/01) Escalation for Mills

This clause is cancelled effective 2008/05/12

C3503D (1996/05/01) Escalation for Distributers

This clause is cancelled effective 2008/05/12

C3600C (1991/06/01) Escalation, Metals

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in contracts for the purchase of milk or cream when prices are subject to adjustment to reflect the actual minimum wholesale prices for milk established by the provincial milk marketing board.

C3601C (2010/01/11) Price Adjustment - Milk

The prices detailed in the Contract are subject to adjustment to reflect the actual minimum wholesale prices for milk established by the provincial milk marketing board. A copy of the Contractor's notification of price adjustment from the provincial milk marketing board must be provided to the Contracting Authority.

The Contract will be amended to reflect the actual price of the adjustment at time of delivery. The Contractor must not invoice at prices other than those specified in the Contract.

C3601D (1991/06/01) Escalation

Effective 2008/05/12, this clause is superseded by C3601C

Remarks: Use the following clause in contracts for the purchase of butter when prices are subject to adjustment in accordance with any increase or decrease established by the Canadian Dairy Commission.

C3602C (2008/05/12) Price Adjustment - Butter

The prices detailed in the Contract are subject to upward or downward adjustment to allow for any increase or decrease in the support prices for butter established by the Canadian Dairy Commission. A copy of the Contractor's notification of price increase or decrease from the Canadian Dairy Commission must be provided to the Contracting Authority.

The Contract will be amended to reflect the actual price of the increase or decrease at time of delivery. The Contractor must not invoice at prices other than those specified in the Contract.

C3602D (1991/06/01) Escalation

Effective 2008/05/12, this clause is superseded by C3602C

Remarks: Use the following clause in contracts for the purchase of wheat when prices are subject to adjustment in accordance with any increase or decrease established by the Canadian Wheat Board or the Ontario Marketing Board.

C3603C (2008/05/12) Price Adjustment - Wheat

The prices detailed in the Contract are subject to upward or downward adjustment to allow for any increase or decrease established by the Canadian Wheat Board or the Ontario Marketing Board. A copy of the Contractor's notification of price increase or decrease from the applicable Board must be provided to the Contracting Authority.

The Contract will be amended to reflect the actual price of the increase or decrease at time of delivery. The Contractor must not invoice at prices other than those specified in the Contract.

C3603D (1996/10/30) Escalation

Effective 2008/05/12, this clause is superseded by C3603C

C3900T (1991/06/01) Price Change, Notification of

Effective 1992/12/01, this clause is superseded by M3010T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the

following clause in contracts when travel and living expenses, plus profit and/or overhead, as applicable, will be directly charged to the contract.

For information on travel costs , consult Annex 10.5.4 of the Supply Manual.

C4000C (2010/01/11) Travel and Living Expenses

1. The Contractor will be reimbursed for the authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, in accordance with Contract Cost Principles 1031-2.

Instruction to contracting officers: *Insert the following paragraph when there is an allowance for profit and/or overhead.*

The following allowance will be paid as follows:

Administrative overhead: _____ percent of authorized travel and living expenses.

Profit on travel and living expenses and on administrative overhead: _____ percent.

2. All payments are subject to government audit.

Remarks: Use the following clause in contracts when travel and living expenses are at cost, with no allowance for profit and/or administrative overhead, as applicable, and will be directly charged to the contract.

For more information on travel costs, consult Annex 10.5.4 of the Supply Manual.

C4001C (2010/01/11) Travel and Living Expenses

The Contractor will be reimbursed for the authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, in accordance with Contract Cost Principles 1031-2, with no allowance for profit and/or administrative overhead. All payments are subject to government audit.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when a precise travel schedule is not included in the contract.

C4002C (2008/05/12) Travel Expenses

All travel outside of a radius of _____ kilometres of the immediate area of _____ (***insert location***) must have the prior authorization of the _____ (***insert*** *"Project"* ***or*** *"Technical"* ***or*** *"Contracting"*) Authority.

C4003D (1991/06/01) Travel and Living Expenses

This clause is cancelled effective 1996/10/30

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in mobile repair party and maintenance type contracts for the Department of National Defence when transportation, mess and lodging facilities are available to the contractor.

For more information on travel costs, consult Annex 10.5.4 of the *Supply Manual.*

C4004C (2010/01/11) Travel and Living Expenses

When the Contractor wishes to utilize Canada's transportation, mess and lodging facilities in the performance of the Work, the _____ (***insert*** "Project" ***or*** "Technical") Authority will, upon request, provide the Contractor with information concerning the availability of these facilities. Any charges paid by the Contractor for the use of these facilities plus any incidental expenses incurred will be reimbursed under the Contract, together with allowances for profit and/or administrative overhead at the rates detailed in the Contract.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the Treasury Board Travel Directive will be used and when there is no allowance for profit and/or administrative overhead on travel costs.

C4005C (2010/01/11) Travel and Living Expenses

The Contractor will be reimbursed its authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for profit and/or administrative overhead, in accordance with the meal, private vehicle and incidental expenses provided in Appendices B, C and D of the Treasury Board Travel Directive, and with the other provisions of the directive referring to "travellers", rather than those referring to "employees".

All travel must have the prior authorization of the _____ (***insert*** "Technical" ***or*** "Project" ***or*** "Contracting") Authority.

All payments are subject to government audit.

Estimated Cost: $ _____.

C4007C (1992/01/31) Direct Expenses

This clause is cancelled effective 1996/10/30

C4008D (1992/01/31) Direct Expenses

This clause is cancelled effective 1996/10/30

C4009C **(1992/01/31)** **Direct Expenses**

This clause is cancelled effective 1996/10/30

C5000D **(1991/06/01)** **Container, Cost**

Effective 1996/10/30, this clause is superseded by C5002D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the purchase of wire and cable when reels and lags are required.

C5001C **(2008/05/12)** **Reels and Lags - Deposit**

1. A deposit will be paid by the client department or agency on reels and lags as follows:

   Reels $_____ Types/Size _____
   Lags $_____ Types/Size _____

2. The deposit is refundable in full on reels and lags that are returned to the factory transportation costs prepaid and in good condition, within twelve (12) months from the date of shipment.

3. For each month over twelve (12) months, up to and including the 22nd month, a deduction of 5 percent by month will be made from the deposit, provided the reel or lag is returned to the factory transportation costs prepaid and in good condition.

4. After the 22nd month, 50 percent of the deposit is refundable for a reel or lag that is returned to the factory transportation costs prepaid and in good condition.

C5001D **(1996/10/30)** **Reels and Lags - Cost**

Effective 2008/05/12, this clause is superseded by C5001C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for goods when container charges are extra to the contract price and a full credit will be allowed for each container returned in good condition, transportation costs prepaid.

C5002C **(2008/05/12)** **Container Charges**

Containers will be charged extra to the contract price at the cost of $_____ by container. A full credit will be allowed for each container returned in good condition, transportation costs prepaid to: _____ (***insert the destination address***).

C5002D **(1991/06/01)** **Container Charges**

Effective 2008/05/12, this clause is superseded by C5002C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when drum charges are extra to the contract price and a full credit will be allowed for each drum returned in good condition, transportation costs prepaid.

C5003C (2008/05/12) Drum Charges

Drums (205 litres) will be charged extra to the contract price at the cost $ _____ by drum. A full credit will be allowed for each drum returned in good condition, transportation costs prepaid to _____ (***insert destination address***).

C5003D (1996/10/30) Drum Charges

Effective 2008/05/12, this clause is superseded by C5003C

C5100D (1991/06/01) Ttranportation

This clause is cancelled effective 1996/10/30

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the supply of compressed gases when contractor-owned cylinders will be loaned to Canada.

C5101C (2008/05/12) Gas Cylinder Charges

The Contractor will loan gas cylinders to Canada free of charge for a period of thirty (30) days following receipt of goods. After that time, a charge of $_____ by cylinder by day will apply. Canada will return the cylinders to the Contractor's nearest warehouse, transportation costs prepaid.

C5101D (1996/10/30) Cylinder Charges

Effective 2008/05/12, this clause is superseded by C5101C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the contractor is responsible for supplying cylinders to Canada.

C5102C (2008/05/12) Cost for Lost or Damaged Cylinders

If a cylinder belonging to the Contractor is lost or damaged beyond repair while in Canada's possession, its value will be determined as follows:

(a) cylinders of 6 cubic metres (200 cubic feet) and over: $_____ (***insert the cost***) by cylinder.

(b) cylinders under 6 cubic metres (200 cubic feet) and over 2.77 cubic metres (100 cubic feet):

$_____ (***insert the cost***) by cylinder.

(c) cylinders under 2.77 cubic metres (100 cubic feet): $_____ (***insert the cost***) by cylinder.

C5102D (1991/06/01) Cylinders, Loss of

Effective 2008/05/12, this clause is superseded by C5102C

Remarks: Use the following clause in contracts when the contractor is responsible for all demurrage charges caused by its actions or omissions.

C5103C (2008/05/12) Demurrage Charges

The Contractor must pay all demurrage charges caused by its actions or omissions.

C5103D (1996/10/30) Demurrage Charges

Effective 2008/05/12, this clause is superseded by C5103C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for goods when C5200T was used in the bid solicitation.

Do not use this clause in contracts for the Department of National Defence when it is responsible for shipping.

Use this clause in conjunction with D4000C or D4001C, if applicable.

C5200C (2008/05/12) Transportation Costs

The Contractor must ship the goods prepaid via _____ (***insert the method of transportation***) including all delivery charges to _____ (***insert the named place of destination***). Prepaid transportation costs must be shown as a separate item on the invoice, supported by a certified copy of the prepaid transportation bill of lading.

Remarks: Use the following clause in bid solicitations for goods when transportation costs must be submitted to Traffic Management Directorate, Services and Specialized Acquisitions Management Sector, for analysis.

Do not use this clause in bid solicitations for the Department of National Defence when it is responsible for shipping.

Use this clause in conjunction with C5200C, and D4000C or D4001C, if applicable.

For more information, consult 4.70.100 and 5.45.10 of the Supply Manual.

C5200T (2010/01/11) Transportation Costs Information

The Bidder must provide the following information concerning transportation costs for the delivery of the units to destination:

(a) shipping weight by unit;
(b) number of items by unit;
(c) cubic measurement by unit;
(d) freight classification;
(e) name of shipping point;
(f) name of rail carrier, if shipment is by rail; and
(g) recommended method of shipment and its costs.

Remarks: Use the following clause in contracts for goods when transportation costs are prepaid by the contractor and clause C5200C is not used in the contract.

Do not use this clause in contracts for the Department of National Defence when delivery is Incoterms 2000 FCA Free Carrier.

Use this clause in conjunction with D4000C, if applicable.

C5201C (2008/05/12) Prepaid Transportation Costs

The Contractor must prepay transportation costs. Prepaid transportation costs must be shown as a separate item on the invoice, supported by a certified copy of the prepaid transportation bill of lading.

C5202D (1991/06/01) Transportation Charges

This clause is cancelled effective 1996/10/30

C5205C (2002/12/13) Haulage Rates

This clause is cancelled effective 2008/12/12

C5205T (2002/12/13) Haulage Rates and/or Fair Wage Schedule

Effective 2008/12/12, this clause is superseded by R2940D

C5210C (2002/12/13) Fair Wages

Effective 2008/12/12, this clause is superseded by R2940D

Remarks: Use the following clause in firm price and ceiling price contracts where it is necessary to

ensure against the contractor making changes or carrying out additional work without the prior approval of the contracting officer.

C6000C (2007/05/25) Limitation of Price

Canada will not pay the Contractor for any design changes, modifications or interpretations of the Work unless they have been approved, in writing, by the Contracting Authority before their incorporation into the Work.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in all cost reimbursable contracts with a limitation of expenditure.

Do not use this clause in firm price or ceiling price contracts.

Use this clause in conjunction with C0206C. When contracts include two types of basis of payment, (e.g. firm price and cost reimbursable with a limitation of expenditure), contracting officers must insert the amount in the space below that is subject to the Limitation of Expenditure portion of the basis of payment only.

C6001C (2008/05/12) Limitation of Expenditure

1. Canada's total liability to the Contractor under the Contract must not exceed $ _____. Customs duties are _____ (***insert*** "included", "excluded" ***or*** "subject to exemption") and Goods and Services Tax or Harmonized Sales Tax is extra, if applicable.

2. No increase in the total liability of Canada or in the price of the Work resulting from any design changes, modifications or interpretations of the Work, will be authorized or paid to the Contractor unless these design changes, modifications or interpretations have been approved, in writing, by the Contracting Authority before their incorporation into the Work. The Contractor must not perform any work or provide any service that would result in Canada's total liability being exceeded before obtaining the written approval of the Contracting Authority. The Contractor must notify the Contracting Authority in writing as to the adequacy of this sum:

   (a) when it is 75 percent committed, or

   (b) four (4) months before the contract expiry date, or

   (c) as soon as the Contractor considers that the contract funds provided are inadequate for the completion of the Work,

   whichever comes first.

3. If the notification is for inadequate contract funds, the Contractor must provide to the Contracting Authority a written estimate for the additional funds required. Provision of such information by the Contractor does not increase Canada's liability.

C6002C (1991/06/01) Expenditure, Limitation - Fixed Time

Effective 1997/02/03, this clause is superseded by C6000C

C6003C **(1991/06/01)** **Expenditure, Limit. - Cost Reimbursable**

Effective 1997/02/03, this clause is superseded by C6001C

C6004C **(1991/06/01)** **Expenditure, Limit. - Cost Reimbursable**

Effective 1997/02/03, this clause is superseded by C6000C

C6005C **(1991/06/01)** **Limitation of Expenditure**

Effective 1997/02/03, this clause is superseded by C6001C

C6006C **(1991/06/01)** **Financial Limitation**

This clause is cancelled effective 1997/02/03

C6007C **(1992/08/01)** **Limitation of Expenditure**

Effective 1997/02/03, this clause is superseded by C6001C

C6008C **(1992/08/01)** **Limitation of Expenditure**

Effective 1992/12/01, this clause is superseded by M3013D

C7000C **(1991/06/01)** **Canadian Content**

Effective 1992/08/01, this clause is superseded by C7000C

C7000T **(1991/06/01)** **Canadian Content**

This clause is cancelled effective 1992/08/01

C7001D **(1991/06/01)** **Canadian Content**

This clause is cancelled effective 1992/08/01

Remarks: Use the following clause in bid solicitations when a contract may be awarded on a lowest price per item and/or destination or on a lowest aggregate basis.

C9000T **(2008/05/12)** **Pricing**

Bidders must provide individual prices for each item and/or destination.

C9001C **(1991/06/01)** **Certification of Invoices**

This clause is cancelled effective 1997/02/03

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contract amendments when the total contract price has been established, if applicable.

C9003C **(2008/05/12)** **Finalization of Costs**

The Work covered by the Contract has been completed in accordance with the conditions of the Contract. The Parties agree that the total Contract Price for all of the Work is $_____.

C9004C **(1991/06/01)** **Audit/Verification**

This clause is cancelled effective 1996/10/30

C9006C **(1992/08/01)** **Carrier Costs & Tarifs**

Effective 1997/02/03, this clause is superseded by C9006T

C9006T **(1997/02/03)** **Costs and Tariffs**

This clause is cancelled effective 2008/05/12

Section 5

D - Delivery, Inspection and Acceptance

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts with phased delivery, if applicable. The term "calendar days" may be replaced by "weeks" or "months", as appropriate, and "weekly" may be replaced by "daily" or "monthly", as appropriate.

D0001C (2008/05/12) Phased Delivery

The first delivery must be made within _____ calendar days from the effective date of the Contract. The quantity delivered must be _____. The balance must be delivered at the rate of _____ weekly after the first delivery until completion of the Contract.

D0001D (1997/09/15) Delivery - Phased

Effective 2007/11/30, this clause is superseded by D0001C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when "best delivery" may be offered by the bidder.

D0002T (2007/11/30) Delivery

While delivery is requested by _____, the best delivery that could be offered is _____.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when samples are required. The term "calendar days" may be replaced by "weeks" or "months", as appropriate; and "by week" may be replaced by "by day" or "by month", as appropriate.

D0003C (2007/11/30) Phased Delivery - Inspection

The first delivery must be made within _____ calendar days from the date on which the samples were inspected and accepted. The quantity delivered must be _____. The balance must be delivered at the rate of _____ per week after the first delivery until completion.

D0003D (1998/02/16) Delivery, Phased - Inspection

Effective 2007/11/30, this clause is superseded by D0003C

D0004T (1991/06/01) Delivery - Best Possible

This clause is cancelled effective 1997/09/15

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when complete delivery is applicable. The term "calendar days" may be replaced by "weeks" or "months", as appropriate.

D0005C (2007/11/30) Complete Delivery

The Contractor must make the complete delivery within _____ calendar days from the effective date of the Contract.

D0005D (1997/09/15) Delivery

Effective 2007/11/30, this clause is superseded by D0005C

D0006D (1997/09/15) Delivery - Mandatory

This clause is cancelled effective 2007/11/30

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when preparation for delivery must be in accordance with Canadian Forces Transportation Packaging Order.

D0007C (2008/05/12) Preparation for Delivery

Preparation for delivery for item(s) _____ (***insert the contract item number(s)***) must be in accordance with Canadian Forces Transportation Packaging Order (CFTPO) _____, dated _____ (***insert the number and the date of the CFTPO***).

D0007D (2004/05/14) Preparation for Delivery

Effective 2008/05/12, this clause is superseded by D0007C

D0008C (2000/12/01) Delivery

This clause is cancelled effective 2007/11/30

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for goods when inspection and shipment dates are required. This clause should not be used for Department of National Defence contracts.

D0009C (2007/11/30) Delivery

Goods must be ready for inspection within _____ days from effective date of the Contract, and shipment must be made _____ days from date of approval by Canada.

D0009D (1995/12/15) Delivery

Effective 2007/11/30, this clause is superseded by D0009C

D0010D (1991/06/01) Delivery

Effective 1992/08/01, this clause is superseded by D0010T

D0010T (1992/12/01) Delivery

Effective 1997/09/15, this clause is superseded by D0006D

D0011T (1991/06/01) Delivery

This clause is cancelled effective 1997/09/15

D0012T (1991/06/01) Delivery

This clause is cancelled effective 1997/09/15

D0013D (1991/06/01) Delivery

Effective 1997/09/15, this clause is superseded by M5002D

Remarks: Use the following clause in contracts for fresh chilled or frozen products, if applicable.

D0014C (2007/11/30) Delivery of Fresh Chilled or Frozen Products

Fresh chilled or frozen products must be delivered in accordance with Canadian Food Inspection Agency requirements stipulating that frozen products must be maintained at -18° C or lower, and fresh chilled products between 4° C and 1° C until delivery. All fresh chilled or frozen products must be delivered in refrigerated vehicles and show no evidence of deterioration. Frozen products must not have been frozen for longer than 90 days since the date of processing in the fresh state.

D0014D (1999/06/21) Fresh Chilled or Frozen Products, Delivery of

Effective 2007/11/30, this clause is superseded by D0014C

D0015T (1991/06/01) Delivery

Effective 1997/09/15, this clause is superseded by D0006D

D0016D (1991/06/01) Ordering Procedures

This clause is cancelled effective 1997/09/15

D0017D (1991/06/01) Ordering Procedures

This clause is cancelled effective 1997/09/15

Remarks: Use the following clause in contracts for goods when unloading is required without Canada's assistance.

D0018C (2007/11/30) Delivery and Unloading

1. Delivery trucks must be equipped with an unloading device which will permit unloading at sites with no hydraulic, stationary or other type of unloading facility.

2. When making deliveries, sufficient personnel must be provided to permit unloading of any type of vehicle without the assistance of federal government personnel.

3. At some sites, the delivery truck must be unloaded while parked at the curb. When material is placed on the sidewalk, it must be placed in proximity to the designated entrance so as to be readily accessible to transport by mechanical handling equipment utilized by site personnel.

D0018D (1998/06/15) Delivery and Unloading

Effective 2007/11/30, this clause is superseded by D0018C

D0019D (2004/12/10) Handling of Trucks

This clause is cancelled effective 2007/11/30

D0020D (1998/06/15) Delivery Responsibility - Contractor

This clause is cancelled effective 2007/11/30

D0021D **(2003/05/30)** **Delivery Responsibility - Canada**

This clause is cancelled effective 2007/11/30

D0022D **(1991/06/01)** **Metered Trucks**

This clause is cancelled effective 2007/11/30

D0023D **(1991/06/01)** **Vessel - Delivery**

This clause is cancelled effective 1998/02/16

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for goods or services when liquidated damages will be included in the contract.

D0024C **(2008/05/12)** **Liquidated Damages**

1. If the Contractor fails to _____ (***insert*** "deliver the goods" ***or*** "perform the services") within the time specified in the Contract, the Contractor agrees to pay to Canada liquidated damages in the amount of $ _____ for each calendar day of delay. The total amount of the liquidated damages must not exceed _____ percent of the contract price.

2. Canada and the Contractor agree that the amount stated above is their best pre-estimate of the loss to Canada in the event of such a failure, and that it is not intended to be, nor is it to be interpreted as, a penalty.

3. Canada will have the right to hold back, drawback, deduct or set off from and against the amounts of any monies owing at any time by Canada to the Contractor, any liquidated damages owing and unpaid under this section.

4. Nothing in this section must be interpreted as limiting the rights and remedies which Canada may otherwise have under the Contract.

D0024D **(1997/09/15)** **Liquidated Damages**

Effective 2008/05/12, this clause is superseded by D0024C

D0025D **(1997/09/15)** **Period of Work**

Effective 2007/11/30, this clause is superseded by A9022C

D0030D **(2004/12/10)** **Supplier Contacts**

This clause is cancelled effective 2007/11/30

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts described below when the contractor is located outside of Canada and the Department of National Defence (DND) is responsible for shipping:

(a) sole source contracts for goods;
(b) all repair and overhaul contracts where transportation was not part of the competitive bid; and
(c) contracts for United States Foreign Military Sales.

Use this clause in conjunction with C2608C for all shipments when DND will be the importer; and with C2610C when DND will be the importer and the contract value is C$250,000 or more.

D0035C (2010/01/11) Shipping Instructions (DND) - Foreign-based Contractors

1. Delivery will be FCA Free Carrier at _____ (***insert the named place, e.g. Contractor's facility***) Incoterms 2000. The Contractor must load the goods onto the carrier designated by the Department of National Defence (DND). Onward shipment from the delivery point to the consignee will be Canada's responsibility

2. Before shipping the goods, the Contractor must contact the following DND Inbound Logistics Coordination Center by facsimile or e-mail, to arrange for shipment, and provide the information detailed at paragraph 3.

***Instruction to contracting officers**: Before contract award, choose either shipping option (a), (b), (c), or (d), and delete the unused options and this instruction.*

(a) *Insert the following when the Contractor is located in the United States (U.S.):*

Inbound Logistics Coordination Center (ILCC):
Telephone: 1-877-447-7701 (toll free)
Facsimile: 1-877-877-7409 (toll free)
E-mail: ILHQOttawa@forces.gc.ca

OR

(b) *Insert the following when the Contractor is located in United Kingdom (UK) and Ireland*:

Inbound Logistics United Kingdom (ILUK):
Telephone: 011-44-1895-613023, or 011-44-1895-613024, or
Facsimile: 011-44-1895-613047
E-mail: CFSUEDetUKMovement@forces.gc.ca

In addition, the Contractor **must send** to ILUK the **completed** form "Shipping Advice and Export Certificate" by e-mail to: CFSUEDetUKMovement@forces.gc.ca.

The shipment of any items above the value of 600 GBP (pound sterling) being exported from the United Kingdom and Ireland will be cleared by DND using Her Majesty's Customs & Excise (HMCE) New Export Systems (NES). The Contractor must comply with HMCE requirements by registering with HMCE or by having a freight forwarder complete the entry. A printed copy of the NES entry Export Declaration clearly displaying the Declaration Unique Consignment Reference Number must be provided by the Contractor and attached to the consignment. The Contractor must ensure that this procedure is carried out for all stores whether they be initial purchase or repair and overhaul export items. HMCE will authorize Canadian Forces Support Unit (Europe) to ship the goods only if the procedure has been adhered to completely and properly by the Contractor.

OR

(c) *Insert the following when the Contractor is located in a country other than Canada, the U.S., the UK and Ireland*:

Inbound Logistics Europe Area (ILEA):
Telephone: +49-(0)-2451-717199 or 717200
Facsimile: +49-(0)-2451-717189
Email: ILEA@forces.gc.ca

OR

(d) *Insert the following for U.S. Foreign Military Sales (FMS)*:

Inbound Logistics Coordination Center (ILCC):
Telephone: 1-877-447-7701 (toll free)
Facsimile: 1-877-877-7409 (toll free)
Email: ILHQOttawa@forces.gc.ca

Canada is responsible for the carrier selection for shipments of the goods supplied under this FMS contract. Instructions on how to obtain carrier selection from Canada are contained in U.S. Department of Defense 4000.25-8-M, Military Assistance Program Address Directory, and Canadian Special Instructions Indicator (SII). The Contractor must not ship the goods until the SII has been complied with.

***Instruction to contracting officers**: Insert the following paragraphs 3 through 7 with all options above, except (d) - U.S. FMS, and delete this instruction.*

3. The Contractor must provide the following information to the DND Inbound Logistics contact when arranging for shipment:

(a) the Contract number;

(b) consignee address (if multiple addresses, items must be packaged and labeled separately with each consignee address);

(c) description of each item;

(d) the number of pieces and type of packaging (e.g. carton, crate, drum, skid);

(e) actual weight and dimensions of each piece type, including gross weight;

(f) copy of the commercial invoice (in accordance with clause C2608C, section 4, of the *Standard Acquisition Clauses and Conditions* Manual) or a copy of the Canada Border Services Agency form CI1, Canada Customs Invoice;

(g) Schedule B codes (for exports) and the Harmonized Tariff Schedule codes (for imports);

(h) North American Free Trade Agreement Certificate of Origin (in accordance with clause C2608C, section 2) for the U.S. and Mexico only;

(i) full details of dangerous material, as required for the applicable mode of transportation, signed certificates for dangerous material as required for shipment by the International Maritime Dangerous Goods Code, or International Air Transport Association regulations or the applicable *Canadian Dangerous Goods Shipping Regulations* and a copy of the

material safety data sheet.

4. Following receipt of this information by Canada, Canada will provide the appropriate shipping instructions, which may include the requirement for specific consignee address labelling, the marking of each piece with a Transportation Control Number and customs documentation.

5. The Contractor must not ship goods before receiving shipping instructions from the DND Inbound Logistics contact.

6. If the Contractor delivers the goods at a place and time that are not in accordance with the given delivery instructions or fail to fulfill reasonable delivery instructions given by Canada, the Contractor must reimburse Canada any additional expenses and costs incurred.

7. If Canada is responsible for delays in delivering the goods, ownership and risk will be transferred to Canada upon expiry of either thirty (30) days following the date on which a duly completed shipping application is received by Canada or by its appointed forwarding agent, or thirty (30) days following the delivery date specified in the Contract, whichever is later.

D0035D (2005/12/16) DND Shipping Instructions - International - Delivery at Origin

Effective 2007/11/30, this clause is superseded by D0035C

D0036D (2005/12/16) Delivery to Offshore Locations

Effective 2007/11/30, this clause is superseded by D0035C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts described below when the contractor is located in Canada and the Department of National Defence is responsible for shipping:

(a) sole source contracts for goods, and
(b) all repair and overhaul contracts where transportation was not part of the competitive bid.

Use this clause in conjunction with C2611C when the contractor is the importer and the contract value is C$250,000 or more.

D0037C (2010/01/11) Shipping Instructions (DND) - Canadian-based Contractor

1. Delivery will be FCA Free Carrier at _____ (***Insert the named place, e.g. Contractor's facility***) Incoterms 2000. The Contractor must load the goods onto the carrier designated by the Department of National Defence (DND). Onward shipment from the delivery point to the consignee will be Canada's responsibility.

2. Before shipping the goods, the Contractor must contact the following DND Inbound Logistics Coordination Center by facsimile or e-mail, to arrange for shipment, and provide the information detailed at paragraph 3.

***Instruction to contracting officers**: Before contract award, choose either shipping option (a), (b, (c), (d), or (e), and delete the unused options and this instruction.*

(a) *Insert the following for all sole source contracts, except repair and overhaul, where the*

Contractor is located in Canada:

Inbound Logistics Coordination Center (ILCC)
Telephone: 1-877-877-7423 (toll free)
Facsimile: 1-877-877-7409 (toll free)
E-mail: ILHQOttawa@forces.gc.ca

OR

(b) *Insert the following for all repair and overhaul contracts where the Contractor is located between Kingston inclusive and westward to the Ontario/Manitoba border*:

Inbound Logistics Central Area (ILCA)
Telephone: 1-866-371-5420 (toll free)
Facsimile: 1-866-419-1627 (toll free)
E-mail: ILCA@forces.gc.ca

OR

(c) *Insert the following for all repair and overhaul contracts where the Contractor is located in Manitoba, Saskatchewan, Alberta, British Columbia, and the National Capital Region inclusive to east of Kingston*:

Inbound Logistics Coordination Center (ILCC)
Telephone: 1-877-877-7423 (toll free)
Facsimile: 1-877-877-7409 (toll free)
E-mail: ILHQOttawa@forces.gc.ca

OR

(d) *Insert the following for all repair and overhaul contracts where the Contractor is located in Quebec*:

Inbound Logistics Quebec Area (ILQA)
Telephone: 1-866-935-8673 (toll free), or
1-514-252-2777, ext. 2323, 2852 or 4673
Facsimile: 1-866-939-8673 (toll free), or
1-514-252-2911

E-mail: 25DAFCTrafficQM@forces.gc.ca

OR

(e) *Insert the following for all repair and overhaul contracts where the Contractor is located in Atlantic (New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador)*:

Inbound Logistics Atlantic Area (ILAA)
Telephone: 1-866-242-1755 (toll free), or
1-902-720-1248
Facsimile: 1-866-242-1767 (toll free), or
1-902-720-2200
E-mail: w12flogILAA@forces.gc.ca

3. The Contractor must provide the following information to the DND Inbound Logistics Coordination Center when arranging for shipment:

(a) the Contract number;

(b) consignee address (for multiple addresses, items must be packaged and labeled separately with each consignee address);

(c) description of each item;

(d) the number of pieces and type of packaging (i.e., carton, crate, drum, skid);

(e) actual weight and dimensions of each piece type, including gross weight;

(f) full details of dangerous material, as required for the applicable mode of transportation, signed certificates for dangerous material as required for shipment by the International Maritime Dangerous Goods Code, the International Air Transport Association regulations or the applicable *Canadian Dangerous Goods Shipping Regulations*, and a copy of the materiel safety data sheet.

4. Following receipt of this information by Canada, Canada will provide the appropriate shipping instructions, which may include the requirement for specific consignee address labeling, and the marking of each piece with a Transportation Control Number.

5. The Contractor must not ship the goods before receiving shipping instructions from the DND Inbound Logistics contact.

6. If the Contractor delivers the goods at a place and time which are not in accordance with the given delivery instructions or fail to fulfill reasonable delivery instructions given by Canada, the Contractor must reimburse Canada any additional expenses and costs incurred.

7. If Canada is responsible for delays in delivering the goods, ownership and risk will be transferred to Canada upon expiry of either thirty (30) days following the date on which a duly completed shipping application is received by Canada or by its appointed forwarding agent, or thirty (30) days following the delivery date specified in the Contract, whichever is later.

D0037D (2005/12/16) DND Shipping Instructions - Canada - Delivery at Origin

Effective 2007/11/30, this clause is superseded by D0037C

D0038D (2004/12/10) DND Shipping Instructions - Foreign Military Sales

Effective 2007/11/30, this clause is superseded by D0035C

Remarks: Use the following clause in contracts with United States suppliers when an end user certificate may be requested due to the nature of the goods.

D0050C (2007/05/25) End User Certificate

Canada certifies that the goods, services or both ordered under the Contract are purchased by Canada for the exclusive use of the Canadian Armed Forces.

Remarks: Use the following clause in contracts when each item must be stamped or etched for identification purposes.

D2000C (2007/11/30) Marking

The Contractor must ensure that the manufacturer's name and part number are clearly stamped or etched on each item for positive identification purposes.

D2000D (1991/06/01) Marking

Effective 2007/11/30, this clause is superseded by D2000C

Remarks: Use the following clause in contracts when the manufacturer's and specification numbers must appear on each item, either printed on the container or on an adhesive label.

D2001C (2007/11/30) Labelling

The Contractor must ensure that the manufacturer's and specification numbers appear on each item, either printed on the container or on an adhesive label of highest commercial standard affixed to the container.

D2001D (1991/06/01) Labelling

Effective 2007/11/30, this clause is superseded by D2001C

D2003D (1991/06/01) Ownership Identification

This clause is cancelled effective 2007/11/30

D2004D (1991/06/01) Labelling

This clause is cancelled effective 2007/11/30

D2005D (1991/06/01) Packaging and Labelling

This clause is cancelled effective 2007/11/30

Remarks: Use the following clause in contracts for marking and preparation of paper for shipment in accordance with the Canadian General Standards Board standard.

Use this clause in conjunction with B4003T.

D2006C (2007/11/30) Marking and Preparation of Paper

1. Basic Pack - Commercial Standard

2. Bulk Pack:

   (a) Stock Number (Product Code);
   (b) Item Description;
   (c) Unit of Issue;
   (d) Quantity;
   (e) Batch Number or Contract Number;
   (f) Name and address of Consignee;
   (g) Name and address of the Contractor.

3. In addition, marking and preparation for shipment by the Contractor must be in accordance with Canadian General Standards Board standard 43-GP-103P, Packaging of Paper, Printing and Stationary.

4. Failure to comply with the requirement above will result in return for repacking or reworking or both at the Contractor's expense.

D2006D (2002/12/13) Labelling

Effective 2007/11/30, this clause is superseded by D2006C

D2007D (1991/06/01) Packaging, Marking and Preparation

Effective 2007/11/30, this clause is superseded by D2006C

D2008D (1997/09/15) Marking - Repaired Equipment

This clause is cancelled effective 2007/11/30

D2009D (1991/06/01) Marking - Dial Instruments

This clause is cancelled effective 1998/06/15

D2010D (1991/06/01) Marking (Labels)

This clause is cancelled effective 2007/11/30

D2011D (1992/12/01) Markings - Identification

This clause is cancelled effective 2007/11/30

D2012D (1996/10/30) Chain Cable and Associated Equipment

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the Department of National Defence requires additional package markings and the same markings apply to all items.

Consult clause D2016C when the additional package markings are different for some items.

Contracting officer must insert all applicable information in the second blank of paragraph 1:

(a) specification number;
(b) manufacturer's name;
(c drawing number;
(d) batch or lot number;
(e) qualification number;
(f) cure date of rubber components;
(g) data required by the contract or by the commodity specification;
(h) date of manufacture;
(i) date of repair or overhaul;
(j) name of repair or overhaul contractor;
(k) modification status;
(l) serial number; and
(m) expiration date of shelf life.

D2015C (2010/01/11) Additional Package Markings - Identical

1. The Contractor must ensure that in addition to the required interior and exterior package markings, the following information is provided: _____.

   Instruction to contracting officers: *Insert* "For item(s) _____:" *when the information is not required for all items*.

   (a) _____;
   (b) _____.

2. These markings must be applied and positioned in accordance with Canadian Forces Packaging Specification D-LM-008-002/SF-001.

D2015D (2004/05/14) Package Markings - Additional

Effective 2007/05/25, this clause is superseded by D2015C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the Department of National Defence requires additional

package markings and the markings will be different for some items.

Consult clause D2015C when the additional package markings are the same for all items.

Contracting officer must identify the item number and insert all applicable information in paragraph 1:

(a) specification number;
(b) manufacturer's name;
(c) drawing number;
(d) batch or lot number;
(e) qualification number;
(f) cure date of rubber components;
(g) data required by the contract or by the commodity specification;
(h) date of manufacture;
(i) date of repair or overhaul;
(j) name of repair or overhaul contractor;
(k) modification status;
(l) serial number; and
(m) expiration date of shelf life.

D2016C (2010/01/11) Additional Package Markings - Different

1. The Contractor must ensure that in addition to the required interior and exterior package markings, the following information is provided:

   For item(s) _____:
   (a) _____;
   (b) _____;

   For item(s) _____:
   (a) _____;
   (b) _____;

2. These markings must be applied and positioned in accordance with Canadian Forces Packaging Specification D-LM-008-002/SF-001.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the requirement and the fill-in information is identified by the Department of National Defence procurement and finance staff generating the requisition.

Use this clause in conjunction with B4060C.

D2017C (2008/05/12) Bar Coding - Material Marking

The Contractor must apply bar code information on items _____ *(**insert the list**)* with the Permanent System Control Number (PSCN) or NATO Stock Number (NSN) provided elsewhere in the Contract or by the Department of National Defence (DND), using bar code standard UCC/EAN-128 (Uniform Code Council/EAN International) with Application Identifier 241 for PSCN or 7001 for NSN. Below the bar code symbol, the Contractor must apply the Human-Readable Interpretation (HRI) markings.

These markings must be applied and positioned in accordance with Department of National Defence

standard D-02-002-001/SG-001, Identification Marking Of Canadian Military Property (in effect at the closing date of the bid solicitation), and must be of such quality that it will remain readable for the expected life of the item. The bar code must be imprinted upon material which will be compatible with the item to which it is to be attached, which items include, but are not limited to, items constructed of plastic, metal, cloth, synthetics or paper, or a combination of two or more of them.

D2017D (2004/05/14) Bar Coding - Material Marking

Effective 2008/05/12, this clause is superseded by D2017C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for goods, and in repair and overhaul services contracts. The clause defines the bar code requirement for content identification of Department of National Defence's (DND) packaged military equipment, in particular for items of a repairable nature or military purpose.

The requirement for this clause will be identified by the DND procurement staff generating the requisition. They will also be responsible for providing the fill-in information, as follows: in the first blank, the item number(s) will be inserted; in the second blank, the bar code's Application Identifier number, as shown in the list below, will be inserted:

7001 for the NATO Stock Number (NSN)
241 for the Permanent System Control Number (PSCN)
21 for the item's serial number
400 for the Contract Serial Number

D2020C (2008/05/12) Bar Coding - Package Marking

1. The Contractor must apply, on the package, bar code information for item(s) _____, with Application Identifier(s) ____, using bar code symbology UCC/EAN-128 (Uniform Code Council/EAN International). Below the bar code symbol, the Contractor must apply the Human-Readable Interpretation (HRI) markings.

2. The bar code marking(s) must be legible, applied to a printable surface or label and positioned in accordance with the Canadian Forces Packaging Specification D-LM-008-002/SF-001, Marking for Storage and Shipment (in effect at the closing date of the bid solicitation).

D2020D (2004/05/14) Bar Coding - Package Marking

Effective 2008/05/12, this clause is superseded by D2020C

Remarks: Use the following clause in contracts when there is a potential for international shipping.

D2025C (2008/12/12) Wood Packaging Materials

All wood packaging materials used in international shipping must conform to the "Guidelines for Regulating Wood Packaging Material in International Trade" - ISPM 15 (International Standards for

Phytosanitary Measures - http://www.spc.int/pps/ispm.htm).

Pertinent additional information on Canada's import and export programs is provided in the following Canadian Food Inspection Agency policy directives:

D-98-08 - Entry Requirements for Wood Packaging Materials Produced in All Areas Other Than the Continental United States (http://www.inspection.gc.ca/english/plaveg/protect/dir/d-98-08e.shtml); and

D-01-05 - The Canadian Wood Packaging Certification Program (CWPCP) (http://www.inspection.gc.ca/english/plaveg/protect/dir/d-01-05e.shtml).

D2025D (2005/06/10) Wood Packaging Materials

Effective 2007/11/30, this clause is superseded by D2025C

D3000D (2002/12/13) Packaging

This clause is cancelled effective 2007/11/30

D3001D (1991/06/01) Packing

This clause is cancelled effective 2007/11/30

D3002C (1991/06/01) Dangerous Goods Transportation

This clause is cancelled effective 1998/02/16

D3003D (1991/06/01) Delivery Standards

Effective 1998/02/16, this clause is superseded by D3005D

Remarks: Use the following clause in contracts when delivery must be in refrigerated transport.

D3004C (2007/11/30) Type of Transport

Delivery must be made in refrigerated transport. The acceptable temperature range is from 1.5° C to 4°□C or (35° F to 40° F).

D3004D (1999/06/21) Type of Transport

Effective 2007/11/30, this clause is superseded by D3004C

D3005D **(1997/09/15)** **Delivery Standard**

This clause is cancelled effective 2007/11/30

Remarks: Use the following clause in contracts for carcasses, if applicable.

D3006C **(2007/11/30)** **Carcasses**

The Contractor must hang beef and veal carcasses in the cooler upon delivery.

D3006D **(1991/06/01)** **Carcasses**

Effective 2007/11/30, this clause is superseded by D3006C

Remarks: Use the following clause in contracts when inspection by the Canadian Food Inspection Agency is required.

D3007C **(2007/11/30)** **Inspection and Stamping**

The Contractor must ensure that inspectors from the Canadian Food Inspection Agency (CFIA) have inspected all meat and meat products, poultry and poultry products, lard, shortening and margarine containing animal fats, and soups containing ingredients of animal origin, and have stamped those products "*CFIA inspected for CG*" before shipment.

The Contractor must arrange for all such products to be delivered to the consignee either from an establishment registered in accordance with the *Meat Inspection Act*, 1985, c. 25 (1st Supp.) and the regulations made under that Act, or from a food distributor that purchased the products from such an establishment. Canada will not accept products that have not been stamped by the CFIA.

The Contractor must not permit any food distributor to alter or further process any meats or other products that have been inspected by inspectors from the CFIA.

D3007D **(1999/06/21)** **Inspection and Stamping**

Effective 2007/11/30, this clause is superseded by D3007C

D3008D **(1991/06/01)** **Dangerous Goods**

Effective 1994/06/01, this clause is superseded by D3010D

D3009D **(1998/02/16)** **Delivery - Preparation**

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in contracts when dangerous goods/hazardous products must be transported during the performance of the work.

D3010C (2007/11/30) Dangerous Goods/Hazardous Products

1. The Contractor must mark dangerous goods/hazardous products material which is classed as dangerous / hazardous as follows:

   (a) shipping container - in accordance with the *Transportation of Dangerous Goods Act*, 1992, c. 34; and

   (b) immediate product container - in accordance with the *Hazardous Products Act*, R.S., 1985, c. H-3.

2. The Contractor must provide bilingual Material Safety Data Sheets, indicating the NATO Stock Number as follows:

   (a) two (2) hard copies:

   (i) one (1) copy to be enclosed with the shipment, and
   (ii) one (1) copy to be mailed to:

   National Defence Headquarters
   MGen George R. Pearkes Building
   101 Colonel By Drive
   Ottawa, Ontario K1A 0K2

   Attention: DSCO 3-2-3

   (b) one (1) soft copy: on a 3.5 inch diskette in ASCII, Rich Text Format (RTF) or common word processing format (i.e. MS Word or WordPerfect) must be mailed to the address provided at paragraph 2(a)(ii).

3. The Contractor will be responsible for any damages caused by improper packaging, labelling or carriage of goods/products.

4. The Contractor must ensure they adhere to all levels of regulations regarding dangerous goods/hazardous products as set forth by federal, provincial and municipal laws and by-laws.

5. The Contractor must contact the consignee (i.e. Supply Depot Traffic Section) at least 48 hours before shipping dangerous goods/hazardous products in order to schedule a receiving time.

D3010D **(2002/12/13)** **Dangerous Goods/Hazardous Products**

Effective 2007/05/25, this clause is superseded by D3010C

D3011D **(1991/06/01)** **Delivery - Preparation**

Effective 1996/05/01, this clause is superseded by D3016D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the Department of National Defence for preservation, packaging and packing of goods.

Use this clause with the three options in the part "resulting contract clauses" of the bid solicitation. At contract award, contracting officers must choose and complete one of the following options, as applicable:

1. Option 1 when delivery preparation is performed in Canada, or
2. Option 2 when delivery preparation is performed in the United States, or
3. Option 3 when delivery preparation is performed in the United Kingdom.

D3012C **(2008/05/12)** **Preparation for Delivery**

Option 1
Preservation and packaging must be to level _____ and packing must be to level _____ in accordance with Canadian Forces Packaging Specification _____.

Option 2
Preservation and packaging must be to level _____ and packing must be to level _____ in accordance with United States Department of Defense Military Specification _____.

Option 3
Preservation, packaging and packing must be manufacturer's Trade Export Packaging or such packaging of a higher grade as recommended by the British Ministry.

D3012D **(1996/10/30)** **Delivery - Preparation**

Effective 2008/05/12, this clause is superseded by D3012C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts with Canadian-based contractors to define Department of National Defence's military packaging requirements for militarized items which are covered by the following categories:

(a) items not covered by a Canadian Forces commodity packaging specification (see D3016C) or commercial packaging (see D3018C);
(b) repairable material for national stock;

(c) repair and overhaul of repairable material.

Use this clause in conjunction with D3019C in the part "resulting contract clauses" of the bid solicitation. At contract award, use either this clause or D3019C depending on whether the contractor is Canadian-based or from the United States.

D3013C (2007/11/30) Preparation for Delivery - Canadian-based Contractor

1. Preservation and packaging for items _____ must be in accordance with the Canadian Forces packaging specification D-LM-008-001/SF-001, and must be marked to D-LM-008-002/SF-001. Form Level B "PKG DATA FORM REQD" must be in accordance with D-LM-008-011/SF-001.

2. Packaging data forms previously approved by Canadian authorities are acceptable.

3. Approved coded packaging data is shown immediately below the description of the item to which it applies. Where no data is shown, the Contractor must submit a packaging data form for approval.

D3013D (2005/06/10) Preparation for Delivery

Effective 2007/11/30, this clause is superseded by D3013C

Remarks: Use the following clause in contracts when authorization for transportation of dangerous goods/hazardous products is required.

D3014C (2007/11/30) Transportation of Dangerous Goods/Hazardous Products

The Contractor must obtain the authorization from the Department of Transport to transport dangerous goods/hazardous products before the carrier may accept a charter involving the transportation of dangerous goods/hazardous products.

Remarks: Use the following clause in contracts for dangerous goods/hazardous products to ensure labelling and packaging is in accordance with regulations.

D3015C (2007/11/30) Dangerous Goods/Hazardous Products

1. The Contractor must ensure proper labelling and packaging in the supply and shipping of dangerous goods/hazardous products to the Government of Canada.

2. The Contractor will be held liable for any damages caused by improper packaging, labelling or carriage of dangerous goods/hazardous products.

3. The Contractor must clearly mark all merchandise labels with the percentage of volume that is a hazardous item. Failure to do so will result in the Contractor being held responsible for damages caused in the movement of goods/products by government vehicles or government personnel.

4. The Contractor must adhere to all applicable laws regarding dangerous goods/hazardous products.

D3015D (2000/12/01) Dangerous Goods

Effective 2007/11/30, this clause is superseded by D3015C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts to define the packaging specification for the procurement of items covered by a commodity packaging specification.

In the first blank, specify the item number(s).

In the second blank, insert the specified Commodity Packaging Specification number and title.

(a) D-LM-008-015/SF-000, Piezoelectric Crystals;

(b) D-LM-008-026/SF-001, Preformed Packing, Gaskets or Seals (rubber natural/synthetic, cork, asbestos or leather);

(c) D-LM-008-027/SF-001, Small Arms Weapons;

(d) D-LM-008-030/SF-001, Hose, Rubber, Plastic, Fabric or Metal (including tubing) and Fittings, Nozzles and Strainers;

(e) D-LM-008-033/SF-000, Maritime Bearings, Matched Sets;

(f) D-LM-008-035/SF-001, Electrostatic Discharge Protective Packaging - Electronic Parts, Assemblies and Equipment;

(g) D-LM-008-037/SF-000, Antifriction Bearings (other than instrument precision bearings).

D3016C (2007/11/30) Preparation for Delivery

The Contractor must prepare item(s) _____ for delivery in accordance with the latest issue of the Canadian Forces packaging specifications _____.

D3016D (2003/12/12) Preparation for Delivery

Effective 2007/11/30, this clause is superseded by D3016C

Remarks: Use the following clause in contracts to identify the packaging requirement for any item in NATO classes 1300 and 1410 (Ammunition and Missiles).

D3017C (2007/11/30) Preparation for Delivery

The Contractor must prepare for delivery any item in NATO classes 1300 and 1400 (Ammunition and Missiles) in accordance with the current issue of the Canadian Forces packaging specification D-09-002-004/SG-000.

D3017D (1997/02/03) Preparation for Delivery

Effective 2007/11/30, this clause is superseded by D3017C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts to define Department of National Defence's packaging requirements for the procurement of items which are covered by the following categories:

(a) Commercial Off-the-Shelf (COTS);
(b) direct to customer, for immediate use (including modifications);
(c) COLOG (co-operative logistics); or
(d) items not covered by another Canadian Forces commodity packaging specification (see D3016C) or military packaging (see D3013C).

D3018C (2007/11/30) Preparation for Delivery

The Contractor must prepare item number(s) _____ for delivery in accordance with the latest issue of the Canadian Forces Packaging Specification D-LM-008-036/SF-000, DND Minimum Requirements for Manufacturer's Standard Pack.

The Contractor must package item number(s) _____ in quantities of _____ (***insert a mandatory quantity per unit pack or "up to a maximum of 100"***) by package.

D3018D (2002/12/13) Delivery - Preparation

Effective 2007/11/30, this clause is superseded by D3018C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the clause in contracts with United States (U.S.)-based contractors to define Department of National Defence's military packaging requirements for militarized items which are covered by the following categories:

(a) items not covered by a Canadian Forces commodity packaging specification (see D3016C) or commercial packaging (see D3018C);
(b) repairable material for national stock;
(c) repair and overhaul of repairable material.

Use this clause in conjunction with D3013C in the part "resulting contract clauses" of the bid solicitation. At contract award, use either this clause or D3013C depending on whether the contractor is Canadian-based or U.S. Based.

D3019C (2007/11/30) Preparation for Delivery - United States-based Contractor

1. Preservation and packaging for items _____ must be in accordance with the current issue of United States (U.S.) Department of Defense Military Standard MIL-STD-2073 and must be marked to MIL-STD-129.

2. Packaging data forms previously approved by U.S. authorities are acceptable.

3. Approved coded packaging data is shown immediately below the description of the item to which it applies. Where no data is shown, the Contractor must submit a packaging data form for approval.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the Department of National Defence (DND) with European Union-based contractors to define DND's military packaging requirements for militarized items which are covered by the following categories:

(a) items which are not covered by another Canadian Forces commodity packaging specification (see D3016C) or commercial packaging (see D3018C);
(b) repairable material for national stock; or
(c) repair and overhaul of repairable material.

D3020C (2008/05/12) Preparation for Delivery - European Union

The Contractor must prepare item number(s) _____ for preservation and packaging in accordance with NATO Marking and Packaging Standards as contained in the latest issue of TL8100-0101/NATO-4.

The Contractor must use packaging data forms previously approved or contained in NATO-4.

The Contractor must ensure approved coded packaging data is shown immediately below the description of the corresponding item. Where no packaging data is shown, the Contractor must submit a packaging data form for approval.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when delivery is FOB origin or FCA contractor's facility and Canada will be

responsible for all delivery charges, administration, costs and risk of transport and customs clearance, including the payment of customs duties and taxes, if applicable.

Do not use this clause for Department of National Defence (DND) contracts when DND is responsible for shipping.

Use this clause in conjunction with C5200C or C5201C, as applicable.

D4000C (2008/05/12) Shipping Instructions - Delivery at Origin

Goods must be consigned to the destination specified in the Contract and delivered:

(a) Free on Board (Origin) common carrier _____ (***insert place of destination***) for shipments from the United States government, or

(b) FCA Free Carrier _____ (***insert the named place, e.g. Contractor's facility***) Incoterms 2000 for shipments from a commercial contractor.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when delivery is FOB destination or DDP Delivered Duty Paid and the contractor is responsible for all delivery charges, administration, costs and risks of transport and customs clearance, including the payment of customs duties and taxes.

Do not use this clause for the Department of National Defence (DND) when DND is responsible for shipping.

Use this clause in conjunction with C5200C.

D4001C (2008/12/12) Shipping Instructions - Delivery at Destination

Goods must be consigned to the destination specified in the Contract and delivered:

(a) Free on Board (Destination) common carrier _____ (*insert the place of destination*) for shipments from the United States government; or

(b) Delivered Duty Paid (DDP) _____ (*insert the named place of destination*) Incoterms 2000 for shipments from a commercial contractor.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when delivery is at destination and the contractor is responsible for all delivery charges, administration, costs and risks of transport and customs clearance, including the payment of customs duties and taxes.

Use Option 1 when delivery is FOB Destination. Use Option 2 when Incoterms 2000 are used and delivery is "Delivered Duty Paid".

Do not use this clause in Department of National Defence (DND) contracts when DND is responsible for shipping.

D4002C (2010/01/11) Shipping Instructions - FOB Destination and DDP

Goods must be consigned and delivered to the destination specified in the contract:

Option 1:
FOB Destination _____ (***insert the place of destination***) including all delivery charges and customs duties and taxes.

Option 2:
Incoterms 2000 "DDP Delivered Duty Paid" _____ (***insert the place of destination***).

D4002D (1991/06/01) Point of Manufacture/Shipping

This clause is cancelled effective 2007/11/30

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in all contracts with suppliers located in California.

Use this clause in conjunction with C2002C when ownership will not be transferred to Canada until delivery of the goods.

Use this clause in conjunction with K9010C when the contract provides for progress or advance payments or when the goods must remain in the State of California for a period of time.

D4003C (2007/11/30) FOB Point (California)

Delivery of the goods covered by the Contract must be FOB common carrier, Contractor's plant, _____, California, or, if so instructed by Canada, FOB a conveyance provided by the Government of Canada at _____, California. Ownership must be transferred to Canada at the time of the delivery of the goods. The goods must be consigned to the consignees and destinations outside the United States of America identified in the Contract.

D5000T (1991/06/01) Inspection - Authority

This clause is cancelled effective 1998/02/16

D5001D (1991/06/01) Inspection - Quality Assurance/Authority

This clause is cancelled effective 1998/02/16

D5002D (1992/12/01) Method of payment

Effective 1998/02/16, this clause is superseded by M9026D

D5300D **(1991/06/01)** **Inspection - DND at Destination**

Effective 1992/08/01, this clause is superseded by D5530D

D5301D **(1991/06/01)** **Inspection - DND**

Effective 1992/08/01, this clause is superseded by D5531D

D5302D **(1998/02/16)** **Inspection - Consignee**

This clause is cancelled effective 2007/11/30

D5303C **(1991/06/01)** **Inspection - DND QA at Source**

Effective 1992/08/01, this clause is superseded by D5510D

D5304C **(1991/06/01)** **Inspection - DND QA at Source (U.S.)**

Effective 1992/08/01, this clause is superseded by D5510D

D5305C **(1991/06/01)** **Inspection - QA Europe (NATO)**

Effective 1992/08/01, this clause is superseded by D5510D

D5306D **(1991/06/01)** **Inspection Requirements - QMB 100**

This clause is cancelled effective 1998/02/16

D5307D **(1991/06/01)** **Inspection Requirements - U.S. FAA/DOT**

Effective 1992/08/01, this clause is superseded by D5580D

D5308D **(1999/06/21)** **Inspection/Acceptance**

This clause is cancelled effective 2007/11/30

D5309D **(1991/06/01)** **Inspection**

This clause is cancelled effective 1998/02/16

D5310D **(1991/06/01)** **Inspection/Stamping - Meat Products**

This clause is cancelled effective 1999/06/21

Remarks: Use the clause in contracts for the procurement of meat.

D5311C (2007/11/30) Right of Access and Inspection of Meat

After final processing has been completed at a federally inspected plant, the Contractor must not alter, process or repack any meat that has been inspected and approved by the Canadian Food Inspection Agency.

Without limiting any of Canada's rights of access or inspection included in the Contract, the Inspection Authority or its designated representative must have access to the storage and refrigeration areas on the Contractor's premises at any time during the performance of the Contract in order to inspect the packaging and, if applicable, any processing of the meat. The Contractor must provide all reasonable assistance to the Inspection Authority or its designated representative and any information the Inspection Authority or its designated representative may require concerning the preparation, packaging, and quality of the meat.

D5311D (1999/06/21) Meat Products-Access to Plant

Effective 2007/11/30, this clause is superseded by D5311C

D5313D (1991/06/01) Service Site Authority

Effective 1998/02/16, this clause is superseded by A1005D

D5314D (1998/02/16) Inspection - DPWGS

This clause is cancelled effective 2007/11/30

D5315D (1994/06/01) Inspection - DSS/Consignee

This clause is cancelled effective 1998/02/16

D5316D (1991/06/01) Inspection - DND

Effective 1992/08/01, this clause is superseded by D5510D

D5317D (1991/06/01) Inspection

Effective 1992/08/01, this clause is superseded by D5700D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in ship refit contracts, if applicable. Contracting officers must identify the "Lead On-site Inspector" in the contract.

D5318C (2007/11/30) Inspection and Technical Services

1. The Contractor must provide marine inspection and related technical services to Public Works and Government Services Canada (PWGSC), as-and-when requested in the following area(s) of expertise:

   (a) _____
   (b) _____
   (c) _____
   (d) _____.

2. The duties include:

   (a) the examination, analysis and processing, to Inspection and Technical Services (I. & T.S.) Directorate instructions, of plans, drawings and specifications as received from contractors on site or from other sources;

   (b) the examination, analysis and processing, to I. & T.S. Directorate instructions, of purchase orders or subcontracts issued by the contractors with regard to their compliance with approved drawings, specifications and amendments, special contractual requirements and the applicable Classification and Regulatory requirements;

   (c) the examination of all significant material and equipment on arrival at the shipyard for compliance with the approved purchase order or subsequent requirements, physical condition and proposed storage conditions;

   (d) the examination and evaluation of cost elements of design changes proposed by the Contractors during the term of the Contract;

   (e) the surveillance and inspection of the work in progress at the contractors' offices and plant to ensure compliance with approved plans, drawings, specifications, contractual documents and amendments and also to ensure that the practices, procedures, techniques, workmanship, equipment and quality do not deviate from the standards as set out in the approved specifications and/or contractual documents;

   (f) the inspection and approval of work in progress to ensure compliance with contractual requirements in the selection and use of critical materials and the clean and orderly assembly of units, equipment and materials so as to minimize operational problems after acceptance;

   (g) the witnessing of systems and equipment preliminary tests, and trials, including dock trials for main and auxiliary machinery, evaluating results, reporting and inspecting the correction of defects;

(h) attendance at sea trials and final inspection to assist in evaluating results, compiling final defect and deficiency lists and advising the Lead On-site Inspector of the PWGSC Inspection Office on acceptability of the finished work.

D5318D (1998/06/15) Inspection and Technical Services

Effective 2007/11/30, this clause is superseded by D5318C

D5320D (1998/06/15) Inspection

This clause is cancelled effective 2007/11/30

D5321D (1992/01/31) Inspection

This clause is cancelled effective 1998/02/16

D5322D (1992/01/31) Inspection

Effective 1992/08/01, this clause is superseded by M5000D

Remarks: Use the following clause in contracts when services must be approved by the charterer or its authorized representative.

D5324C (2007/11/30) Inspection

All services provided must be approved by the Charterer or its authorized representative who will have the right to inspect the aircraft, and operational documentation including flight plan or flight notification, loading records, logs and aircrew logbooks, to ensure compliance with the conditions of the Contract.

D5324D (1998/02/16) Inspection

Effective 2007/11/30, this clause is superseded by D5324C

D5325D (1992/01/31) Inspection

Effective 1992/08/01, this clause is superseded by M5001D

D5326D (1996/05/01) Inspection and Acceptance

This clause is cancelled effective 2007/11/30

D5327D (1996/05/01) Inspection

This clause is cancelled effective 2007/11/30

Remarks: Use the following clause in contracts when the technical authority or the project authority is the inspection authority.

D5328C (2007/11/30) Inspection and Acceptance

The _____ (***insert*** *"Technical" or "Project"*) Authority is the Inspection Authority. All reports, deliverable items, documents, goods and all services rendered under the Contract are subject to inspection by the Inspection Authority or representative. Should any report, document, good or service not be in accordance with the requirements of the Statement of Work and to the satisfaction of the Inspection Authority, as submitted, the Inspection Authority will have the right to reject it or require its correction at the sole expense of the Contractor before recommending payment.

D5328D (2000/12/01) Inspection and Acceptance

Effective 2007/11/30, this clause is superseded by D5328C

D5401D (1998/11/23) Quality Plan - Solicitation

Effective 1999/12/13, this clause is superseded by D5401T

Remarks: Use the following clause in bid solicitations for the Deparment of National Defence when a documented quality plan is required at time of bid.

Use this clause in conjunction with D5402C.

D5401T (2007/11/30) Quality Plan - Solicitation

The Bidder must submit a Quality Plan with the bid. The Quality Plan must be in the same format that will be used after award of contract.

The Quality Plan may reference other documents. Where referenced documents do not already exist, but are required by the Quality Plan, the plan must identify them and also identify when, how and by whom they will be prepared and approved. The documents referenced in the Quality Plan must be made available when requested by Public Works and Government Services Canada or the Department of National Defence.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the Department of National Defence when a documented quality plan is required.

Use this clause in conjunction with D5510C and D5515C in the part "resulting contract clauses" of the bid solicitation. At contract award, use this clause in conjunction with D5510C or D5515C depending on whether the contractor is Canadian or non-Canadian.

In addition, use this clause in conjunction with D5401T and the associated clauses stipulating the Quality System Requirements.

D5402C (2010/01/11) Quality Plan

No later than _____ days after the effective date of the Contract, the Contractor must submit for acceptance by the Department of National Defence (DND) a Quality Plan prepared according to the latest issue (at contract date) of ISO 10005:2005 "Quality management systems - Guidelines for quality plans". The Quality Plan must describe how the Contractor will conform to the specified quality requirements of the Contract and specify how the required quality activities are to be carried out, including quality assurance of subcontractors. The Contractor must include a traceability matrix from the elements of the specified quality requirements to the corresponding paragraphs in the Quality Plan.

The documents referenced in the Quality Plan must be made available when requested by Public Works and Government Services Canada or DND.

If the Quality Plan was submitted as part of the bidding process, the Contractor must review and, where appropriate, revise the submitted plan to reflect any changes in requirements or planning which may have occurred as a result of pre-contract negotiations.

Upon acceptance of the Quality Plan by DND, the Contractor must implement the Quality Plan. The Contractor must make appropriate amendments to the Quality Plan throughout the term of the contract to reflect current and planned quality activities. Amendments to the Quality Plan must be acceptable to DND.

If the Contract includes the option for software design, development or maintenance of software, the Contractor must interpret the requirements of ISO 9001:2008 "Quality management systems - Requirements", according to the guidelines of the latest issue (at contract date) of ISO/IEC 90003:2004 "Software engineering - Guidelines for the application of ISO 9001:2000 to computer software".

D5402D (2005/12/16) Quality Plan - Contract

Effective 2007/11/30, this clause is superseded by D5402C

D5500D (1991/06/01) Retention of Documents and Records

Effective 1992/08/01, this clause is superseded by D5536D

D5501D (1991/06/01) Retention of Documents and Records

Effective 1992/08/01, this clause is superseded by D5537D

D5502D **(1991/06/01)** **Quality Control/Inspection Requirements**

This clause is cancelled effective 1992/08/01

D5504D **(1992/08/01)** **Quality Assurance**

This clause is cancelled effective 1998/02/16

Remarks: Use the following clause in contracts when a packing note and copies of the quality assurance document are required with each shipment.

This clause should not be used for Department of National Defence contracts.

D5505C **(2007/11/30)** **Quality Assurance Document**

The Contractor must ensure that a packing note and copies of the quality assurance document accompany each shipment. They must be enclosed in a waterproof envelope fastened to the last package of the shipment or inside the last package, which is to be marked to indicate the enclosures. In the case of a carload shipment, they must be fastened to the inside door frame of the railway car.

D5505D **(1991/06/01)** **Quality Assurance Document**

Effective 2007/11/30, this clause is superseded by D5505C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the Department of National Defence has indicated that the goods and services required involve the manufacture, repair or overhaul of systems or equipment affecting VICTORIA Class submarine safety.

Use this clause in conjunction with D5510C or D5515C (or D5540C if the requirement contains a design and development component).

Use clauses D5606C or D5604C or D5605C and D5620C in the contract for manufacturing and third-line repair and overhaul requirements.

Use clauses D5651C and D5402C, as applicable, for ship repair requirements.

D5509C **(2010/01/11)** **Quality Assurance Requirements - Submarine Safety**

The Work described in the Contract involves submarine systems or equipment classified as First Level or otherwise critical to submarine safety, as defined in Canadian Forces Technical Order (CFTO) C-23-VIC-000/AM-001, Quality Assurance for Safety in Submarines VICTORIA Class. Manufacture, repair, overhaul, installation, inspection and tests for each such item identified in the requirement must be documented in accordance with the requirements of the above

mentioned CFTO.

For each such item, the Contractor must provide a Certificate of Conformity [form DND 2327 or locally produced equivalent approved by the Quality Assurance Authority (QAA)] in accordance with this CFTO. For subcontracted work, the Contractor must obtain that Certificate of Conformity from the subcontractor. Obtaining the said certificate from a subcontractor does not relieve the Contractor from its obligation to ensure compliance with the technical requirements of the Contract, nor must it be construed as authorizing any liability on the part of Canada to the subcontractor.

For each such item, the Certificate of Conformity, along with certified true copies of any deviation, waiver and all required records identified in the Statement of Quality Requirements (form DND 2328 or equivalent) attached to the Statement of Requirement, Statement of Work or Technical Specifications in Annex _____ to the Contract or otherwise attached to or forming part of the Contract, must be completed and made available for review by the designated QAA before release of such item and associated documents to the Department of National Defence. Unless otherwise directed by the QAA, those documents must be attached to, or enclosed with, the shipment they are associated to, in a waterproof envelope.

D5509D (2004/12/10) Quality Assurance Requirements - Submarine Safety

Effective 2007/11/30, this clause is superseded by D5509C

Remarks: Use the following clause in contracts for the Department of National Defence (DND) when the work will be performed by Canadian-based contractors and when DND quality assurance at source is required.

Use this clause in conjunction with D5515C, D5604C, D5605C and D5606C, in the part "resulting contract clauses" of the bid solicitation. At contract award, use this clause in conjunction with the following clauses, as applicable: D5402C, D5509C, D5540C, D5606C and D5620C.

D5510C (2010/01/11) Quality Assurance Authority (DND) - Canadian-based Contractor

All work is subject to Government Quality Assurance performed at the Contractor's or subcontractor's facility, and at the installation site, by the Director of Quality Assurance, or its designated Quality Assurance Representative (QAR).

Director of Quality Assurance
National Defence Headquarters
MGen George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A 0K2
E-mail: ContractAdmin.DQA@forces.gc.ca

Within forty-eight (48) hours of contract award, the Contractor must contact the QAR. The name, location and phone number of the QAR can be obtained from the nearest National Defence Quality Assurance Region (NDQAR) listed below:

Atlantic - Halifax	902-427-7224 or 902-427-7150
Quebec - Montreal	514-732-4410 or 514-732-4477
Quebec - Quebec City	418-694-5998, ext. 5996
National Capital Region - Ottawa	819-994-8973
Ontario - Toronto	416-635-4404, ext. 6081 or 6075
Ontario - London	519-964-5757
Manitoba/Saskatchewan - Winnipeg	204-833-2500, ext. 6574
Alberta - Calgary	403-410-2320, ext. 3830
Alberta - Edmonton	780-973-4011, ext. 2276
Vancouver	604-225-2520, ext. 2466 or 2461
Victoria	250-363-5662

The Contractor is responsible for performing, or having performed, all inspections and tests necessary to substantiate that the material or services provided conform to the requirements of the Contract.

The Contractor must provide, at no additional cost, all applicable test data, all technical data, test pieces and samples as may reasonably be required by the QAR to verify conformity to the requirements of the Contract. The Contractor must forward at its expense such technical data, test data, test pieces and samples to such location as the QAR may direct.

Quality control, inspection and test records that substantiate conformity to the specified requirements, including records of corrective actions, must be retained by the Contractor for three (3) years from the date of completion or termination of the Contract and must be made available to the QAR upon request.

D5510D (2007/05/25) Quality Assurance Authority

Effective 2007/11/30, this clause is superseded by D5510C

Remarks: Use the following clause in contracts where test validation is considered a requirement.

Use this clause in conjunction with D5510C or D5515C.

D5511C (2010/01/11) Test Validation

1. The Contractor must collect a sample from the first batch of each of the items that will be supplied under the Contract. The sample must consist of a group of items or portion of products of sufficient size to conduct the testing required. The Contractor must split the sample into two equal portions. One portion must be tested by the Contractor's test facility. The other portion must be tested by a facility meeting one of the following criteria:

   (a) an independent, arms length third party laboratory accredited by the Standards Council of Canada (or other nationally or internationally recognized laboratory accrediting body) to conduct the tests identified in the item specification(s) or

   (b) an independent, arms length third party laboratory operating a ISO 17025:2005 system, and participating regularly in a recognized proficiency testing program for the contracted product(s).

2. Each portion must be tested to all requirements detailed in the item specification(s). The Contractor does not have to conduct tests identified by the specification(s) as qualification tests

only. The Contractor does not have to conduct a test on the first batch of items if the above program for sampling and testing has been conducted within six (6) months of the date of the Contract.

3. The Contractor must, on receipt of the third party test report, compare the results received with those of the Contractor's own test facility. Any deviation between results obtained by the two test facilities in excess of the reproducibility of the test methods involved, must be investigated, the root cause determined and corrective action taken.

4. The Contractor must repeat the above program for sampling and testing at least once every six (6) months during the life of the Contract.

5. The purpose of this correlation testing is to verify the quality of the contracted item(s) and to validate the capability of the Contractor's testing facility. The test report(s) received from the third party laboratory, the Contractor's test reports for the same batch(es) of contracted item(s), reports of any investigations of deviations of the results obtained by the two laboratories and any corrective actions taken, must be made available to the Quality Assurance Representative on request. Test validation must be conducted at Contractor's expense.

D5511D (2003/12/12) Test Validation

Effective 2007/11/30, this clause is superseded by D5511C

Remarks: Use the following clause in contracts for the Department of National Defence (DND) when the work will be performed by foreign-based and United States contractors and when DND quality assurance at source is required.

Use this clause in conjunction with D5604C and D5605C in the part "resulting contract clauses" of the bid solicitation. At contract award, use this clause in conjunction with the following clauses as applicable: D5402C, D5509C, D5540C and D5620C.

D5515C (2010/01/11) Quality Assurance Authority (DND) - Foreign-based and United States Contractor

All work is subject to Government Quality Assurance performed at the Contractor's or subcontractor's facility, and at the installation site, by the Director of Quality Assurance, or its designated Quality Assurance Representative (QAR).

Director of Quality Assurance
National Defence Headquarters
Major-General George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A 0K2
E-mail: ContractAdmin.DQA@forces.gc.ca

If the Contractor has not been contacted by the QAR performing GQA in the Contractor's facility or area within forty-five (45) working days of award of the Contract, the Contractor must notify the Contracting Authority.

Where no official arrangements for mutual GQA have been concluded, the Department of National Defence will arrange for the GQA services to be conducted by a National Quality Assurance Authority

acceptable to the Director of Quality Assurance. If the GQA services must be provided on a cost-recovery basis, the costs for the services must be accrued against the Contract and be discharged through separate invoicing.

The Contractor is responsible for performing, or having performed, all inspections and tests necessary to substantiate that the materiel or services provided conform to the requirements of the Contract.

The Contractor must provide, at no additional cost, all applicable test data, all technical data, test pieces and samples as may reasonably be required by the QAR to verify conformity to the requirements of the Contract. The Contractor must forward at its expense such technical data, test data, test pieces and samples to such location as the QAR may direct.

Quality control, inspection and test records that substantiate conformity to the specified requirements, including records of corrective actions, must be retained by the Contractor for three (3) years from the date of completion or termination of the Contract and must be made available to the QAR upon request.

D5530D (1993/10/29) GQA at Destination - Non-Tech (QAC B)

This clause is cancelled effective 1995/03/31

D5531D (1993/10/29) GQA at Destination - Tech. (QAC A)

This clause is cancelled effective 1995/03/31

D5532D (1993/10/29) AQAP-110 Design/Dev./Prod.(QAC H)

This clause is cancelled effective 1995/03/31

D5533D (1993/10/29) AQAP-130 Inspection (QAC G)

This clause is cancelled effective 1995/03/31

D5534D (1993/10/29) AQAP-131 Final Inspection (QAC D)

This clause is cancelled effective 1995/03/31

D5535D (1998/11/23) AQAP-150 Software Development (QAC F)

This clause is cancelled effective 2002/12/13

D5536D (1993/10/29) GQA at Source - QC/INSP-FUELS (QAC E)

This clause is cancelled effective 1994/06/01

D5537D (1993/10/29) GQA at Source - QC/INSP-OILS (QAC P)

This clause is cancelled effective 1994/06/01

D5538D (1993/05/01) Quality Systems/Inspection

This clause is cancelled effective 1993/10/29

D5539D (1993/10/29) AQAP-120 Production (QAC W)

This clause is cancelled effective 1995/03/31

Remarks: Use the following clause in contracts for the Department of National Defence when the quality assurance code is designated as QAC Q. In the event the requisition has multiple quality assurance codes, the contracting officer is to identify the line item numbers which are associated with each Quality Management Systems clause.

D5540C (2010/01/11) ISO 9001:2008 Quality Management Systems - Requirements (QAC Q)

In the performance of the Work described in the Contract, the Contractor must comply with the requirements of:

> ISO 9001:2008 - Quality management systems - Requirements, published by the International Organization for Standardization (ISO), current edition at date of submission of Contractor's bid.

The Contractor's quality management system must address each requirement contained in the standard, however, the Contractor is not required to be registered to the applicable standard.

Assistance for Government Quality Assurance (GQA)

The Contractor must provide the Quality Assurance Representative (QAR) with the accommodation and facilities required for the proper accomplishment of GQA and must provide any assistance required by the QAR for evaluation, verification, validation, documentation or release of product.

The QAR must have the right of access to any area of the Contractor's or subcontractor's facilities where any part of the Work is being performed. The QAR must be afforded unrestricted opportunity to evaluate and verify Contractor conformity with quality system procedures and to validate product conformity with the requirements of the Contract. The Contractor must make available for reasonable use by the QAR the equipment necessary for all validation purposes. Contractor personnel must be made available for operation of such equipment as required.

When the QAR determines that GQA is required at a subcontractor's facilities, the Contractor must provide for this in the purchasing document and forward copies to the QAR, together with relevant technical data as the QAR may request.

The Contractor must notify the QAR of non-conforming product received from a subcontractor when the product has been subject to GQA.

For the design, development or maintenance of software, the Contractor must interpret the requirements of ISO 9001:2008 "Quality management systems - Requirements", according to the guidelines of the latest issue (at contract date) of ISO/IEC 90003:2004 "Software engineering - Guidelines for the application of ISO 9001:2000 to computer software".

D5540D (2004/12/10) ISO 9001:2000 Quality Management Systems - Requirements (QAC X)

Effective 2007/11/30, this clause is superseded by D5540C

D5541C (2007/11/30) ISO 9001:2000 Quality Management Systems - Requirements (QAC Y)

Effective 2010/01/11, this clause is superseded by D5540C

D5541D (2003/12/12) ISO 9001:2000 Quality Management Systems - Requirements (QAC Y)

Effective 2007/11/30, this clause is superseded by D5541C

D5542C (2007/11/30) ISO 9001:2000 Quality Management Systems - Requirements (QAC Z)

Effective 2010/01/11, this clause is superseded by D5540C

D5542D (2003/12/12) ISO 9001:2000 Quality Management Systems - Requirements (QAC Z)

Effective 2007/11/30, this clause is superseded by D5542C

D5543C (1995/03/31) Contractor Quality System (QAC C)

Effective 1998/11/23, this clause is superseded by D5543D

D5543D (2004/12/10) ISO 9001:2000 - Quality Management Systems - Requirements (QAC C)

Effective 2007/11/30, this clause is superseded by D5545C

D5543T (1995/03/31) Contractor Quality System (QAC C)

This clause is cancelled effective 1998/11/23

Remarks: Use the following clause in contracts for the Department of National Defence when the work under the contract is for the calibration or testing of equipment.

D5544C (2010/01/11) Laboratories - ISO/IEC 17025:2005

In the performance of the Work described in the Contract, the Contractor must conform to the requirements of:

> ISO/IEC 17025:2005 General requirements for the competence of testing and calibration laboratories.

The Contractor's quality management system must address each requirement contained in the standard, however, the Contractor is not required to be registered to the applicable standard.

Assistance for Government Quality Assurance (GQA)

The Contractor must provide the Quality Assurance Representative (QAR) with the accommodation and facilities required for the proper accomplishment of GQA and must provide any assistance required by the QAR for evaluation, verification, validation, documentation or release of product.

The QAR must have the right of access to any area of the Contractor's or subcontractor's facilities where any part of the Work is being performed. The QAR must be afforded unrestricted opportunity to evaluate and verify Contractor conformity with Quality System procedures and to validate product conformity with the requirements of the Contract. The Contractor must make available for reasonable use by the QAR the equipment necessary for all validation purposes. Contractor personnel must be made available for operation of such equipment as required.

When the QAR determines that GQA is required at a subcontractor's facilities, the Contractor must provide for this in the purchasing document and forward copies to the QAR, together with relevant technical data as the QAR may request.

The Contractor must notify the QAR of non-conforming product received from a Subcontractor when the product has been subject to GQA.

D5544D (2006/06/16) Laboratories - ISO/IEC 17025:2005

Effective 2007/11/30, this clause is superseded by D5544C

Remarks: Use the following clause in contracts for the Department of National Defence for goods when conformance with the requirements of the contract can adequately be determined at destination (identity, condition and count). In the event the requisition has multiple quality assurance codes, the contracting officer is to identify the line items that are associated with each quality assurance clause.

D5545C (2010/01/11) ISO 9001:2008 - Quality Management Systems - Requirements (QAC C)

The Contractor is responsible for implementing a quality system appropriate to the scope of the work to be performed. It is recommended that the quality system be based on ISO 9001:2008 "Quality management systems - Requirements."

The Contractor is responsible for performing or having performed all inspections and tests necessary to substantiate that the materiel or services provided conform to the drawings, specifications and the requirements of the contract. The Contractor must keep accurate and complete inspection records which must, upon request, be made available to the authorized Department of National Defence (DND) representative, who may make copies and take extracts during the performance of the Contract and for a period of one (1) year after the completion of the Contract.

Despite the above, all materiel is subject to verification and acceptance by DND at destination. The authorized DND representative at destination may either be the consignee(s), the Technical Authority, or the Quality Assurance Authority.

D5545D (1995/12/15) ISO 9000 Certification Requirement

This clause is cancelled effective 2001/05/25

Remarks: Use the following clause in contracts when the requisition specifies U.S. Federal Aviation Administration (FAA) and/or Canadian Department of Transport regulations (DND QAC J). If the requisition has multiple quality assurance codes, the contracting officer is to identify the line item numbers which are associated with each quality assurance clause.

D5580C (2007/11/30) Civil Aircraft Inspection (QAC J)

The Contractor must inspect the Work described in the Contract in compliance with the requirements of the U.S. Federal Aviation Administration (FAA) and/or the Canadian Department of Transport (DOT) civil aircraft regulations. The Work is subject to verification by the Department of National Defence at destination. Proof of inspection must accompany each shipment.

The material must be released for shipment to the consignee(s) using properly completed FAA or DOT approved inspection documents. The completed inspection document(s) must be attached to, or enclosed with, each shipment, as applicable, in compliance with FAA/DOT regulations.

D5580D (1998/11/23) Civil Aircraft Inspection (QAC J)

Effective 2007/11/30, this clause is superseded by D5580C

D5600D (1992/12/01) Release Documents U.S. FAA/DOT

Effective 1995/03/31, this clause is superseded by D5580D

D5601C (1991/06/01) Release Documents - CF 1280

This clause is cancelled effective 1992/08/01

D5601D (2003/12/12) Release Documents - Contractor

Effective 2007/11/30, this clause is superseded by D5606C

D5601T (1991/06/01) Release Documents - CF 1280

Effective 1992/08/01, this clause is superseded by D5601D

D5602C (1991/06/01) Release Documents - CF 1280 (U.S.)

Effective 1992/08/01, this clause is superseded by D5601D

D5602T (1991/06/01) Release Documents - CF 1280 (US)

Effective 1992/08/01, this clause is superseded by D5601D

D5603C (1991/06/01) Release Documents - CF 1280/Site Instal.

Effective 1992/08/01, this clause is superseded by D5701C

D5603T (1991/06/01) Release Documents - CF1280/Site Install.

Effective 1992/08/01, this clause is superseded by D5701C

Remarks: Use the following clause in contracts for the Department of National Defence when the goods are supplied by a foreign-based contractor (except United States).

Use this clause in conjunction with D5515C and D5620C.

D5604C (2008/12/12) Release Documents (DND) - Foreign-based Contractor

Material must be released for shipment using a Certificate of Conformity in accordance with NATO STANAG 4107 which must be prepared by the Contractor.

Remarks: Use the following clause in contracts for the Department of National Defence when the goods are supplied by a United States-based contractor.

Use this clause in conjunction with D5515C and D5620C in the part "resulting contract clauses" of the bid solicitation.

D5605C (2010/01/11) Release Documents (DND) - United States-based Contractor

Material must be released for shipment using a DD Form 250, Material Inspection and Receiving Report, or a release document containing the same information and acceptable to the Quality Assurance Representative. The Contractor must prepare the release document(s).

Remarks: Use the following clause in contracts for the Department of National Defence when the goods

are supplied by a Canadian-based contractor.

Use this clause in conjunction with D5510C, D5604C and D5605C in the part "resulting contract clauses" of the bid solicitation. At contract award, use this clause in conjunction with D5510C.

Use this clause in conjunction with D5620C.

D5606C (2007/11/30) Release Documents (DND) - Canadian-based Contractor

Unless otherwise directed by the Department of National Defence (DND) Quality Assurance Authority, the signature of the DND Quality Assurance Representative on the release document is not required.

Material must be released for shipment using either DND form CF 1280, Certificate of Inspection and Release, or a release document containing the same information. The Contractor must prepare the release document(s).

For return of repair and overhaul material to the Canadian Forces Supply System Upgrade, use forms DND 2227/DND 2228 in lieu of DND form CF 1280.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts if the clause D5606C was used except where the contract is for repair and overhaul with a Canadian-based contractor who has an account on the Canadian Forces Supply System. Contracting officers are to insert the designation of the originator of the requisition.

D5620C (2007/11/30) Release Documents - Distribution

The Contractor must prepare the release documents in a current electronic format and distribute them as follows:

(a) Copy 1: mail to consignee marked: "Attention: Receipts Officer";

(b) Copies 2 and 3: with shipment (in a waterproof envelope) to the consignee;

(c) Copy 4: to the Contracting Authority;

(d) Copy 5: to: _____

National Defence Headquarters
Mgen George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A OK2

Attention: _____

(e) Copy 6: to the Quality Assurance Representative;

(f) Copy 7: to the Contractor;

(g) Copy 8: all non-Canadian contractors to:

DQA/Contract Administration
National Defence Headquarters
Mgen George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A OK2
E-mail: ContractAdmin.DQA@forces.gc.ca.

NOTE: For into-plane refuelling contracts copies 2, 3, 4 and 5 are not required and may be destroyed.

D5650D (2004/12/10) Government Quality Assurance - Ship Repairs

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in contracts for ship refits when acceptance of ships and vessels is subject to procedures.

D5651C (2007/11/30) Release Documents/Acceptance of Ships

The acceptance of ships and vessels must be in accordance with the procedures of CFTO C-03-005-012/AM-001, Part 13, using form CF 1148, Report of Inspection of (SHIP) and, as applicable, form CF 702, Acceptance of (SHIP) into the Canadian Forces.

D5651D (1995/03/31) Release Documents/Acceptance of Ships

Effective 2007/11/30, this clause is superseded by D5651C

D5700D (1992/08/01) GQA - Site Install

This clause is cancelled effective 1993/05/01

D5701C (1992/12/01) GQA - Site Instal - Release Documents

This clause is cancelled effective 1993/05/01

D5710D (1992/08/01) EMC Compliance Testing

This clause is cancelled effective 1995/03/31

D5720D (1992/08/01) Test Reports - Grade 8 Fasteners

This clause is cancelled effective 1995/03/31

Remarks: Use the following clause in contracts for the Department of National Defence to outline the contractor's responsibility to inspect and provide an inspection/test report of actual measurements taken when procurement is for Safety Critical Class 3 Threaded Fasteners, NATO Stock Number classes 5305, 5306, 5307, 5310 and 5315.

Use this clause in conjunction with D5510C or D5515C.

D5725C (2008/05/12) Inspection/Test Reports - Safety Critical Items

1. For items identified in the Contract as Safety Critical Class 3 fasteners, NATO Stock Number classes 5305, 5306, 5307, 5310 and 5315, the Contractor must provide to the Quality Assurance Representative (QAR) a valid inspection/test report of the results obtained for the following parameters:

   (a) "GO" functional diameter size;
   (b) pitch diameter size;
   (c) major diameter size (external threads only);
   (d) minor diameter size (does not apply to _____ [***insert applicable specification***] external threads);
   (e) root radius (applies to _____ [***insert applicable specification***] external threads only);
   (f) flank angle;
   (g) lead (including helix variations);
   (h) circularity;
   (i) taper;
   (j) runout; and
   (k) surface roughness.

2. Definitions of these terms can be found in the latest issue of _____ (***insert applicable specification***).

3. If the differential between "GO" functional and pitch diameter does not exceed _____ (***insert applicable dimension and pertinent specification***) of the pitch diameter tolerance, inspection of the flank angle and lead (including helix variations) is not necessary.

4. The Contractor must provide actual measurement results obtained for 100 percent of the contract quantity.

5. If the inspection/test report is not available from the manufacturer, the Contractor must have the inspection performed, at the Contractor's expense, either at its own facility or at a facility acceptable to the QAR.

D5725D (1994/06/01) Test Reports - Safety Critical Items

Effective 2008/05/12, this clause is superseded by D5725C

Remarks: Use the following clause in bid solicitations for the Department of National Defence for procurement of Safety Critical Class 3 threaded fasteners, NATO Stock Number classes 5305, 5306, 5307, 5310 and 5315.

Use this clause in conjunction with D5725C.

D5725T (2008/05/12) Inspection/Test Reports - Safety Critical Items - Certification

By submitting a bid, the Bidder certifies that the stated price for each of the items above includes inspection/test reports called up under clause D5725C.

D5726D (1994/06/01) Test Reports - Non-safety Critical Items

This clause is cancelled effective 1995/03/31

D5800D (1991/06/01) Inspection and Acceptance

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in marine refit, repair, and conversion contracts.

If a warranty holdback will be applied to the final payment for the contract then contracting officers are to insert the sentence that makes reference to the holdback.

D5801C (2008/05/12) Outstanding Work and Acceptance

1. The Inspection Authority, in conjunction with the Contractor, will prepare a list of outstanding work items at the end of the work period. This list will form the annexes to the formal acceptance document for the vessel. A contract completion meeting will be convened by the Inspection Authority on the work completion date to review and sign off the form PWGSC-TPSGC1205, Acceptance. (***Insert, if applicable:*** "In addition to any amount held under the Warranty Holdback Clause, a holdback of twice the estimated value of outstanding work will be held until that work is completed").

2. The Contractor must complete the above form in three (3) copies, which will be distributed by the Inspection Authority as follows:

   (a) original to the Contracting Authority;
   (b) one copy to the Technical Authority;
   (c) one copy to the Contractor.

D5801D (2002/12/13) Acceptance Document (Civilian)

Effective 2007/11/30, this clause is superseded by D5801C

D5802D (1991/06/01) Acceptance Document

Effective 2007/11/30, this clause is superseded by D5651C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for inspection and technical services for ship refit, if applicable. Contracting officers must identify the "Lead On-site Inspector" in the contract.

D5900C (2007/11/30) Basis of Pricing - Inspection and Technical Services

1. For the provision of Inspection Services as and when required during the period commencing _____ until _____ to carry out the Work as stated in Annex ____, on an all inclusive firm by day chargeout rate.

   CALENDAR YEAR: 20____

   $_____ by day

2. Overtime, if necessary, and where authorized by the Lead On-site Inspector of the Public Works and Government Services Canada Inspection Office, at the following firm chargeout rates:

   Outside regular hours: $_____
   Monday to Friday incl.: _____ by hour

   Outside regular hours: $_____
   Saturday and Sunday: $ _____ by hour.

D5900D (1998/02/16) Pricing

Effective 2007/11/30, this clause is superseded by D5900C

D5901D (1998/02/16) Inspection Office - DPWGS

This clause is cancelled effective 2007/11/30

D5902D (1998/02/16) Personal Suitability

This clause is cancelled effective 2007/11/30

D5903D (1998/02/16) Professional Qualifications

Effective 1998/06/15, this clause is superseded by D5903T

D5903T (1998/03/15) Professional Qualifications

This clause is cancelled effective 2007/11/30

D5904D (1991/06/01) Inspection and Technical Services

This clause is cancelled effective 2007/11/30

D5909D (1998/02/16) Administration Provisions

Effective 1999/06/21, this clause is superseded by B9029D

D5910D (1991/06/01) Conflict of Interest

Effective 1999/06/21, this clause is superseded by K2205D

D5911D (1991/06/01) Method of Payment

Effective 1998/02/16, this clause is superseded by H1000D

D5912D (1992/01/31) Method of Payment

Effective 1998/02/16, this clause is superseded by H1000D

D5913D (1992/01/31) Method of payment

Effective 1992/08/01, this clause is superseded by M5002D

D6000C (1991/06/01) Shipping Instructions

Effective 1997/09/15, this clause is superseded by D6000D

D6000D (2003/12/12) Shipping Instructions - United States Supplier

Effective 2008/05/12, this clause is superseded by D6012C

D6001C (1991/06/01) Shipping Instructions

Effective 1997/09/15, this clause is superseded by D6000D

D6002C (1991/06/01) Shipping Notices

This clause is cancelled effective 1998/02/16

D6003D (1991/06/01) Consignee

This clause is cancelled effective 2007/11/30

D6004D (1991/06/01) Consignee

This clause is cancelled effective 2007/11/30

D6005D (1991/06/01) Consignee

This clause is cancelled effective 1998/02/16

D6006D (2003/12/12) Shipping Instructions - DND Ammunition

This clause is cancelled effective 2004/12/10

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for ship refit, repair and conversion , if applicable.

Use this clause in conjunction with D6007T.

D6007C (2007/11/30) Work Period - Marine

1. Work must commence and be completed as follows:

   Commence: _____ (***insert date***);
   Complete: _____ (***insert date***).

2. The Contractor certifies that they have sufficient material and human resources allocated or available and that the above work period is adequate to both complete the known work and absorb a reasonable amount of unscheduled work.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations for ship refit, repair and conversion.

D6007T (2007/11/30) Work Period - Marine

1. Work must commence and be completed as follows:

   Commence: _____ (***insert date***)
   Complete: _____ (***insert date***).

2. By submitting a bid, the Bidder certifies that they have sufficient material and human

resources allocated or available and that the above work period is adequate to both complete the known work and absorb a reasonable amount of unscheduled work.

Remarks: Use the following clause in contracts for non-commercial, off-the-shelf or special production run batteries, to define delivery tolerances.

D6008C (2008/05/12) Batteries

When the Contractor is required to supply other than commercial off-the-shelf batteries or must make a special production run of batteries, the following over/under run allowances are acceptable:

(a) for quantities 1 to 500, plus or minus 5 percent;
(b) for quantities 501 to 5,000, plus or minus 2.5 percent; and
(c) for quantities in excess of 5,000, plus or minus 1 percent.

D6008D (1996/10/30) Quantity Supplied, Batteries

Effective 2008/05/12, this clause is superseded by D6008C

Remarks: Use the following clause in contracts for the Department of National Defence when destination and delivery schedules are not known at the time of contract award.

D6009C (2008/05/12) Shipping Instructions - Delivery and Destination Schedules Unknown

1. The Contractor must ship the goods prepaid DDP - Delivered Duty Paid (... named place of destination). Unless otherwise directed, delivery must be made by the most economical means. Shipping charges must be shown as a separate item on the Contractor's invoice. The Contractor is responsible for all delivery charges, administration, costs and risks of transport and customs clearance, including the payment of customs duties and taxes.

2. The Contractor must deliver the goods to Canadian Forces (CF) Supply Depots by appointment only. The Contractor or its carrier must arrange delivery appointments by contacting the Depot Traffic Section at the appropriate location shown below. The consignee may refuse shipments when prior arrangements have not been made.

   (a) 7 CF Supply Depot Lancaster Park
   Edmonton, Alta
   Telephone: 780-973-4011, ext. 4524

   (b) 25 CF Supply Depot Montreal
   Montreal, Qué.
   Telephone: 1-866-935-8673 (toll free), or
   514-252-2777, ext. 2363 / 4673 / 4282

   (c) 2B1 CF Esquimalt
   Esquimalt, B.C.
   Telephone: 250-363-4963

d) 7H1 CF Halifax
Halifax, N.S.
Telephone: 902-427-1441

D6009D (2004/05/14) Shipping Instructions - Delivery and Destination Schedules Unknown

Effective 2008/05/12, this clause is superseded by D6009C

Remarks: Use this clause in contracts to define the palletization requirements for shipments to Canadian Forces Supply Depots.

D6010C (2007/11/30) Palletization

1. For all shipments exceeding 0.566 m3 or 15.88 kg (20 ft3 or 35 lbs), except for those shipped by courier, the following applies:

   (a) The Contractor must strap, and if necessary wrap, shipments on standard 1.22 m x 1.02 m (48 in. x 40 in.) wood pallets. The four-way forklift entry pallet must be supplied at no charge to Department of National Defence. Total height, including pallet, must not exceed 1.19 m (47 in.). The pallet load must not extend further than 2.54 cm (1 in.) from any edge of the pallet.

   (b) The Contractor must group items by stock number (on the same pallet) within consolidated shipments. Pallet loads composed of more than one stock number must be marked as "MIXED ITEMS".

   (c) Individual items exceeding 1.22 m (48 in.) in length or 453.6 kg (1000 lbs) must be secured to larger pallets or must have 10.16 cm x 10.16 cm (4 in. x 4 in.) skids securely fastened to the bottom of the item. Skids must be separated by a minimum of 71.12 cm (28 in.).

2. Any exception requires the prior approval of the Contracting Authority.

D6010D (2004/12/10) Palletization

Effective 2007/11/30, this clause is superseded by D6010C

Remarks: Do not use this clause for food and bulk fertilizer for external aid or for Department of National Defence requirements.

Use the following clause in contracts awarded on the basis of FOB Free on Board origin when the

contractor is to ship the goods in accordance with the shipping instructions provided by Canada and when:

1. the delivery points are known and the material is shipped from a point in the United States (U.S.); or
2. the delivery points are not known at contract award and the material is shipped from either a point in Canada or the U.S.

D6012C (2008/05/12) Shipping Instructions

In addition to the shipping requirements contained in the section entitled “Transportation Charges” in the general conditions, the Contractor must ship the goods in accordance with the following shipping instructions:

(a) for shipments (truck/rail) weighing under 10,000 lbs and (air) under 1,000 lbs, the Contractor must, unless otherwise directed, ship the goods in accordance with normal shipping practice;

(b) for shipments (truck/rail) weighing 10,000 lbs and over and (air) 1,000 lbs and over, the Contractor must:

(i) provide the Contracting Authority with the following information:

- contract number;
- commodity and freight classification;
- gross weight and cube of shipment;
- name of railway serving the Contractor's plant site (if applicable);
- shipping point and address;
- date of availability;
- consignee and destination address;
- Contractor's recommended method of shipment and cost;
- type of packaging and dimensions of each package;
- if shipment is dangerous goods or hazardous products, the United Nations number, class, division, packing group and packing instructions;
- contact name and phone number; and

(ii) not make any shipment before receiving directions from the Contracting Authority concerning mode of shipment, carrier, routing, and method of billing for transportation charges.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the deliverable items have not been specifically identified in the Statement of Work and there will be items in addition to reports.

D9000C (2007/11/30) Deliverable Items

1. The Contractor must deliver the following deliverable items to the Technical Authority at the location and time designated below:

Item	Delivery Date/Location
1. _____	_____

2. _____ _____

3. _____ _____

2. The Contractor must notify the Contracting Authority, in writing, once these items have been delivered.

D9001C (1991/06/01) Printing Requirements

This clause is cancelled effective 1995/03/31

Remarks: Use the following clause in contracts when an authority is required to ship incomplete assemblies.

D9002C (2007/11/30) Incomplete Assemblies

The Contractor must not ship incomplete assemblies unless the authorization for such shipment has been obtained before from the Contracting Authority.

D9003C (1992/01/31) Deliverables

Effective 1998/02/16, this clause is superseded by D9003D

D9003D (2000/12/01) Deliverables

This clause is cancelled effective 2007/11/30

D9004C (1992/01/31) Deliverables

Effective 1998/02/16, this clause is superseded by D9003D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when airworthiness documentation is required.

Use this clause in conjunction with A0300T.

D9010C (2007/11/30) Military Aviation Replacement Parts - Airworthiness Documentation

The Contractor must provide the following airworthiness documentation, enclosed in the shipment or attached to the part:

_____

_____

_____.

D9011C (2004/12/10) Military Avation Replacement Parts - Traceability

Effective 2007/11/30, this clause is superseded by A0301C

Section 5

E - Financial Security

E0001T (2007/11/30) Security Deposits and/or Surety Bonds

This clause is cancelled effective 2008/05/12

E0002T (1991/06/01) Security Deposits and/or Surety Bonds

This clause is cancelled effective 1998/02/16

Remarks: Use the following clause in bid solicitations when clause E0004T is used to require bid financial security and a contract financial security is required under the resulting contract clauses.

See clause E0009T when E0004T is used but no contract financial security is required.

Use this clause in conjunction with E0004T.

For more information, consult 7.50 and Annex 5.2 of the Supply Manual.

E0003T (2010/01/11) Security Deposit

1. Canada will hold the security deposit as security to entry into a contract. If a successful bidder refuses to enter into contract, the amount of the security deposit will be forfeited to Canada or a demand for payment will be made against the letter of credit by Canada. The amount forfeited or payment demand will not exceed the difference between the bid price and the amount of the Contract awarded by Canada for the requirement.

2. Canada will return all non-forfeited security deposits to unsuccessful bidders after contract award, and to the successful Bidder upon receipt of the required contract financial security. If no contract is awarded, Canada will return all security deposits at the expiration of the bid validity period, including any extension.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when bid financial security is required.

Use this clause in conjunction with E0008T and E0009T or E0003T as applicable.

Contracting officers must complete paragraphs 3 and 4 before issuing the bid solicitation.

For more information, consult 4.50, 4.50.1 and 5.55.5 of the Supply Manual, and section 12.11 of the Treasury Board Contracting Policy. This list is not exhaustive.

E0004T (2010/01/11) Bid Financial Security

1. Bidders must provide bid financial security consisting of:

   (a) a security deposit as defined in clause E0008T, or

   (b) a bid bond (form PWGSC-TPSGC 504), which must be accepted as security by one of the bonding companies listed in Treasury Board Contracting Policy, Appendix L, Acceptable Bonding Companies.

2. Security deposits in the form of government guaranteed bonds with coupons attached will be accepted only if all coupons that are unmatured, at the time the security deposit is provided, are attached to the bonds. Bidders must provide written instructions concerning the action to be taken with respect to coupons that will mature while the bonds are pledged as security, when such coupons are in excess of the security deposit requirement.

3. If the financial security is in the form of a bill of exchange or a government guaranteed bond and:

   (a) the bid price is $250,000 or less, the amount of the security deposit must represent ____ (___) percent of the bid price; or

   (b) the bid price exceeds $250,000, the amount of the security deposit must be $_____ plus ____ (___) percent of the amount by which the bid price exceeds $250,000, to a maximum of $_____.

4. If the financial security is a bid bond, the amount of the bond must represent ____ (___) percent of the bid price.

5. Bidders who provide a security deposit as bid financial security must submit their bid under seal (does not apply in Quebec).

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when bid financial security was required in the bid solicitation and the successful bidder must provide a security deposit as contract financial security.

Use this clause in conjunction with E0008C.

E0005C (2008/05/12) Financial Security

1. The Contractor must provide the Contracting Authority with financial security within _____ calendar days after the date of contract award. The financial security must be in the form of a security deposit as defined in clause E0008C in the amount of $ _____ for the entire contract period, including any extension.

2. If, for any reason, Canada does not receive the security deposit in the amount set out above within the specified period, the Contractor will be in default. Canada may, at its discretion, retain the bid financial security and accept another bid, reject all bids or issue a new bid solicitation.

3. If the security deposit is in the form of government guaranteed bonds with coupons, all coupons that are unmatured at the time the security deposit is provided must be attached to the bonds. The Contractor must provide written instructions concerning the action to be taken with respect to coupons that will mature while the bonds are pledged as security, when such coupons are in excess of the security deposit requirement.

4. If the security deposit is in the form of a bill of exchange, Canada will deposit the bill of exchange in an open account in the Consolidated Revenue Fund. Bills of exchange that are deposited to the credit of the Consolidated Revenue Fund will bear simple interest, calculated on the basis of the rates which are in effect during the period the deposit is held.

   These rates are published monthly by the Department of Finance and are set to be equal to the average yield on 90-day Treasury Bills, less 1/8 of 1 percent. Interest will be paid annually or,

when the security deposit is returned to the Contractor, if earlier. The Contractor may, however, request Canada to hold and not cash the bill of exchange, in which case no interest will become payable.

5. Canada may convert the security deposit to the use of Canada if any circumstance exists which would entitle Canada to terminate the Contract for default, but any such conversion will not constitute termination of the Contract.

6. When Canada so converts the security deposit:

   (a) the proceeds will be used by Canada to complete the Work according to the conditions of the Contract, to the nearest extent that it is feasible to do so and any balance left will be returned to the Contractor on completion of the warranty period; and

   (b) if Canada enters into a contract to have the Work completed, the Contractor will:

      (i) be considered to have irrevocably abandoned the Work; and

      (ii) remain liable for the excess cost of completing the Work if the amount of the security deposit is not sufficient for such purpose. "Excess cost" means any amount over and above the amount of the Contract Price remaining unpaid together with the amount of the security deposit.

7. If Canada does not convert the security deposit to the use of Canada before completion of the contract period, Canada will return the security deposit to the Contractor within a reasonable time after such date.

8. If Canada converts the security deposit for reasons other than bankruptcy, the financial security must be reestablished to the level of the amount stated above so that this amount is continued and available until completion of the contract period.

E0006D (1992/08/01) Financial Security

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the contractor is required to provide contract financial security after contract award.

Use this clause in conjunction with E0004T and E0008C.

Contracting officers must insert the amount of percentage required under paragraph 1.

E0007C (2010/01/11) Contract Financial Security

1. The Contractor must provide one of the following contract financial securities within _____ calendar days after the date of contract award:

   (a) a performance bond (form PWGSC-TPSGC 505) in the amount of _____ percent of the Contract Price; or

(b) a performance bond (form PWGSC-TPSGC 505) and a labour and material payment bond (form PWGSC-TPSGC 506), each in the amount of _____ percent of the Contract Price; or

(c) a labour and material payment bond (form PWGSC-TPSGC 506) in the amount of _____ percent of the Contract Price; or

(d) a security deposit as defined in clause E0008C in the amount of _____ percent of the Contract Price.

Any bond must be accepted as security by one of the bonding companies listed in Treasury Board Contracting Policy, Appendix L, Acceptable Bonding Companies.

2. Security deposits in the form of government guaranteed bonds with coupons attached will be accepted only if all coupons that are unmatured, at the time the security deposit is provided, are attached to the bonds. The Contractor must provide written instructions concerning the action to be taken with respect to coupons that will mature while the bonds are pledged as security, when such coupons are in excess of the security deposit requirement.

3. If Canada does not receive the required financial security within the specified period, Canada may terminate the Contract for default pursuant to the Contract default provision.

E0007T (2007/11/30) Contract Financial Security

Effective 2008/05/12, this clause is superseded by E0007C

Remarks: Use the following clause in contracts when contract financial security is required.

Use this clause in conjunction with E0005C or E0007C.

E0008C (2008/05/12) Security Deposit Definition

1. "security deposit" means

(a) a bill of exchange that is payable to the Receiver General for Canada and certified by an approved financial institution or drawn by an approved financial institution on itself; or

(b) a government guaranteed bond; or

(c) an irrevocable standby letter of credit, or

(d) such other security as may be considered appropriate by the Contracting Authority and approved by Treasury Board;

2. "approved financial institution" means

(a) any corporation or institution that is a member of the Canadian Payments Association;

(b) a corporation that accepts deposits that are insured by the Canada Deposit Insurance Corporation or the Régie de l'assurance-dépôts du Québec to the maximum permitted by law;

(c) a credit union as defined in paragraph 137(6) of the *Income Tax Act*;

(d) a corporation that accepts deposits from the public, if repayment of the deposits is guaranteed by a Canadian province or territory;

(e) the Canada Post Corporation.

3. "government guaranteed bond" means a bond of the Government of Canada or a bond unconditionally guaranteed as to principal and interest by the Government of Canada that is:

(a) payable to bearer;

(b) accompanied by a duly executed instrument of transfer of the bond to the Receiver General for Canada in accordance with the *Domestic Bonds of Canada Regulations*;

(c) registered in the name of the Receiver General for Canada.

4. "irrevocable standby letter of credit"

(a) means any arrangement, however named or described, whereby a financial institution (the "Issuer"), acting at the request and on the instructions of a customer (the "Applicant"), or on its behalf,

(i) will make a payment to or to the order of Canada, as the beneficiary;

(ii) will accept and pay bills of exchange drawn by Canada;

(iii) authorizes another financial institution to effect such payment, or accept and pay such bills of exchange; or

(iv) authorizes another financial institution to negotiate, against written demand(s) for payment, provided that the conditions of the letter of credit are complied with.

(b) must state the face amount which may be drawn against it;

(c) must state its expiry date;

(d) must provide for sight payment to the Receiver General for Canada by way of the financial institution's draft against presentation of a written demand for payment signed by the authorized departmental representative identified in the letter of credit by his\her office;

(e) must provide that more than one written demand for payment may be presented subject to the sum of those demands not exceeding the face amount of the letter of credit;

(f) must provide that it is subject to the International Chamber of Commerce (ICC) Uniform Customs and Practice for Documentary Credits, 1993 Revision, ICC Publication No. 500;

(g) must clearly specify that it is irrevocable or considered to be irrevocable pursuant to article 6c) of the ICC Uniform Customs and Practice for Documentary Credits, 1993 Revision, ICC Publication No. 500; and

(h) must be issued (Issuer) or confirmed (Confirmer), in either official language, by a financial institution that is a member of the Canadian Payments Association and is on the letterhead of the Issuer or Confirmer. The format is left to the discretion of the Issuer or Confirmer.

E0008D (1999/06/21) Contract Financial Secutity

Effective 2008/05/12, this clause is superseded by E0008C

Remarks: Use the following clause in bid solicitations when bid financial security is required.

Use this clause in conjunction with E0004T.

E0008T (2010/01/11) Security Deposit Definition

1. "security deposit" means

   (a) a bill of exchange that is payable to the Receiver General for Canada and certified by an approved financial institution or drawn by an approved financial institution on itself; or

   (b) a government guaranteed bond; or

   (c) an irrevocable standby letter of credit, or

   (d) such other security as may be considered appropriate by the Contracting Authority and approved by Treasury Board;

2. "approved financial institution" means

   (a) any corporation or institution that is a member of the Canadian Payments Association;

   (b) a corporation that accepts deposits that are insured by the Canada Deposit Insurance Corporation or the "Régie de l'assurance-dépôts du Québec" to the maximum permitted by law;

   (c) a credit union as defined in paragraph 137(6) of the *Income Tax Act*;

   (d) a corporation that accepts deposits from the public, if repayment of the deposits is guaranteed by a Canadian province or territory;

   (e) the Canada Post Corporation.

3. "government guaranteed bond" means a bond of the Government of Canada or a bond unconditionally guaranteed as to principal and interest by the Government of Canada that is:

   (a) payable to bearer;

   (b) accompanied by a duly executed instrument of transfer of the bond to the Receiver

General for Canada in accordance with the Domestic Bonds of Canada Regulations;

(c) registered in the name of the Receiver General for Canada.

4. "irrevocable standby letter of credit"

(a) means any arrangement, however named or described, whereby a financial institution (the "Issuer"), acting at the request and on the instructions of a customer (the "Applicant"), or on its behalf,

(i) will make a payment to or to the order of Canada, as the beneficiary;

(ii) will accept and pay bills of exchange drawn by Canada;

(iii) authorizes another financial institution to effect such payment, or accept and pay such bills of exchange; or

(iv) authorizes another financial institution to negotiate, against written demand(s) for payment, provided that the conditions of the letter of credit are complied with.

(b) must state the face amount which may be drawn against it;

(c) must state its expiry date;

(d) must provide for sight payment to the Receiver General for Canada by way of the financial institution's draft against presentation of a written demand for payment signed by the authorized departmental representative identified in the letter of credit by his\her office;

(e) must provide that more than one written demand for payment may be presented subject to the sum of those demands not exceeding the face amount of the letter of credit;

(f) must provide that it is subject to the International Chamber of Commerce (ICC) Uniform Customs and Practice for Documentary Credits, 2007 Revision, ICC Publication No. 600;

(g) must clearly specify that it is irrevocable or considered to be irrevocable pursuant to article 6c) of the ICC Uniform Customs and Practice for Documentary Credits, 2007 Revision, ICC Publication No.600; and

(h) must be issued (Issuer) or confirmed (Confirmer), in either official language, by a financial institution that is a member of the Canadian Payments Association and is on the letterhead of the Issuer or Confirmer. The format is left to the discretion of the Issuer or Confirmer.

Remarks: Use the following clause in bid solicitations when clause E0004T is used to require bid financial security, but no contract financial security is required in the resulting contract clauses.

See clause E0003T when E0004T is used and a contract financial security is also required.

Use this clause in conjunction with E0004T.

For more information, consult 7.50 and Annex 5.2 of the Supply Manual.

E0009T (2010/01/11) Security Deposit

1. Canada will hold the security deposit as security to enter into contract. If a successful bidder refuses to enter into contract, the amount of the security deposit will be forfeited to Canada or a demand for payment will be made against the letter of credit by Canada. The amount forfeited or payment demand will not exceed the difference between the bid price and the amount of the Contract awarded by Canada for the requirement.

2. Canada will return all non-forfeited security deposits to bidders after contract award or, if no contract is awarded, at the expiration of the bid validity period, including any extension.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when financial security in the form of a performance bond is required.

Contracting officers must complete the first paragraph.

E5000C (2010/01/11) Performance Bonds

In order to ensure that funds will be available to complete the Work in accordance with the conditions of the Contract, the Contractor must, within _____ calendar days after the date of contract award, provide to the Contracting Authority a duly executed performance bond (form PWGSC-TPSGC 505). The performance bond must be _____ percent of the Contract Price and must be accepted as security by one of the bonding companies listed in Treasury Board Contracting Policy, Appendix L, Acceptable Bonding Companies.

If Canada does not receive the performance bond within the specified period, Canada may terminate the Contract for default pursuant to the default provision of the Contract.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when a contract financial security in the form of labour and material payment bond is required.

Contracting officers must complete paragraph 1.

E8000C (2010/01/11) Labour and Material Payment Bond

1. In order to provide funds for labour, services and material, the Contractor must, within _____ calendar days after the date of contract award, provide to the Contracting Authority a duly executed labour and material payment bond (form PWGSC-TPSGC 506). The labour and material bond must be _____ percent of the Contract Price and must be accepted as security by one of the bonding companies listed in Treasury Board Contracting Policy, Appendix L, Acceptable Bonding Companies.

2. The Contractor must post a copy of the bond in a plainly visible place where any of the Work is performed.

3. If Canada does not receive the required bond within the specified period, Canada may terminate the Contract for default pursuant to the default provision of the Contract.

Section 5

F - Industrial Security

F0000D (1992/12/01) Industrial Security - General Remarks

This clause is cancelled effective 2002/05/24

F0001D (1997/02/03) Security Requirements

This clause is cancelled effective 2002/05/24

F0005D (1997/02/03) Security Requirements

This clause is cancelled effective 2002/05/24

F1005D (2003/05/30) Protected Information - No Document Safeguarding Capability

This clause is cancelled effective 2007/11/30

F1006D (2002/12/13) Security Requirement for Canadian Supplier - No Access to Protected Information

This clause is cancelled effective 2007/11/30

F1010D (2003/05/30) Document Safeguarding and/or Production Capabilities - No EDP

This clause is cancelled effective 2007/11/30

F1015D (2003/05/30) Reliability Status, Designated Organization Screening and Production Capability - No EDP

This clause is cancelled effective 2007/11/30

F1020D (2005/06/10) Designated Organization Screening and COMSEC - No EDP

This clause is cancelled effective 2007/11/30

F1025D (2005/06/10) Designated Organization Screening, Reliability Status and Production Capability - No EDP

This clause is cancelled effective 2007/11/30

F1030D (2005/06/10) Designated Organization Screening - No Safeguarding of Material Overnight

This clause is cancelled effective 2007/11/30

F1035D (2003/05/30) Document Safeguard for Shredding - Protected

This clause is cancelled effective 2007/11/30

F2005D (2003/05/30) Facility Security Clearance - No Document Safeguarding Capability

This clause is cancelled effective 2007/11/30

F2010D (2003/05/30) Facility Security Clearance, Document Safeguarding and Production Capability - No EDP

This clause is cancelled effective 2007/11/30

F2015D (2003/05/30) Facility Security Clearance, Document Safeguarding and Production Capabilites - EDP Approved by CIISD

This clause is cancelled effective 2007/11/30

F2020D (2005/06/10) Facility Security Clearance, Document Safeguarding and Production Capability/COMSEC - No EDP

This clause is cancelled effective 2007/11/30

F2025D (2003/05/30) Classified Information/Assets and Document Safeguarding Clearance

This clause is cancelled effective 2007/11/30

F2030D (2005/06/10) Facility Security Clearance and Classified Information/Assets - No Safeguarding of Material Overnight

This clause is cancelled effective 2007/11/30

F2035D (2005/06/10) Reliability Status, Facility Security Clearance and Classified Information/Assets

This clause is cancelled effective 2007/11/30

F2036D (1999/12/13) Document Safeguard for Shredding - Designated

This clause is cancelled effective 2002/12/13

F2037D (2005/06/10) Document Safeguard for Shredding - Classified

This clause is cancelled effective 2007/11/30

F2038D (2003/05/30) Shredding Services at Client site with Security Cleared Personnel

This clause is cancelled effective 2007/11/30

F2040D (2005/06/10) Canadian Contracts - Foreign Contractor/Offeror

This clause is cancelled effective 2007/11/30

F2045D (1995/03/31) Security Requirements

This clause is cancelled effective 2007/11/30

F2046C (2002/12/13) Work Location

This clause is cancelled effective 2007/11/30

F2050D (2005/06/10) Foreign Ownership, Control or Influence Evaluation

This clause is cancelled effective 2007/11/30

F3010D (2003/05/30) Site Access Requirements Only

This clause is cancelled effective 2007/11/30

F5000C (1991/06/01) Security Classification

This clause is cancelled effective 1992/12/01

F5000T (1992/08/01) Security Classification

This clause is cancelled effective 1992/12/01

F5001C (1992/08/01) Security Classification

This clause is cancelled effective 1992/12/01

F5001T (1992/08/01) Security Classification

This clause is cancelled effective 1992/12/01

F5002C (1991/06/01) Security Classification

This clause is cancelled effective 1992/12/01

F5003D (1991/06/01) Security Clearance

This clause is cancelled effective 1992/12/01

F5005D (1991/06/01) Security Clearance

This clause is cancelled effective 1992/12/01

F5006D (1991/06/01) Security Clearance

This clause is cancelled effective 1992/12/01

F5007C (1991/06/01) Security Clearance

This clause is cancelled effective 1992/12/01

F5008C (1991/06/01) Security Requirements

This clause is cancelled effective 1992/12/01

F9000D (1991/06/01) Security

This clause is cancelled effective 1992/12/01

F9001D (1991/06/01) Secrecy and Protection of the Work

This clause is cancelled effective 1992/12/01

F9002D (1992/01/31) Disclosure of Information

This clause is cancelled effective 2000/12/01

F9005D (2004/12/10) Personnel Security Screening

This clause is cancelled effective 2007/11/30

F9010D (2005/06/10) Foreign Contractor/Offeror - Canadian Organization/Department (Personnel Assigned)

This clause is cancelled effective 2007/11/30

F9011D (2005/06/10) Site Access Clearance TBS - approval Sites Only

This clause is cancelled effective 2007/11/30

F9012D (2004/05/14) Canada Revenue Agency

This clause is cancelled effective 2007/11/30

Section 5

G - Insurance

G0001D **(1992/12/01)** **Insurance - Third Party Liability**

This clause is cancelled effective 1994/06/01

G0003D **(1992/12/01)** **Litigation Rights**

This clause is cancelled effective 1994/06/01

G0004D **(1992/12/01)** **Insurance, Evidence of**

This clause is cancelled effective 1994/06/01

G0005D **(1992/12/01)** **Proof of Coverage**

This clause is cancelled effective 1994/06/01

G0006D **(1991/06/01)** **Insurance - Vehicle Leasing**

This clause is cancelled effective 1994/06/01

G0007D **(1991/06/01)** **Insurance**

This clause is cancelled effective 1994/06/01

G0008D **(1992/08/01)** **Insurance Requirements**

This clause is cancelled effective 1994/06/01

G0009D **(1992/01/31)** **Insurance Requirements**

This clause is cancelled effective 1994/06/01

G0010C **(1992/01/31)** **Insurance Requirements**

This clause is cancelled effective 1994/06/01

G0010T **(1992/01/31)** **Insurance Requirements**

This clause is cancelled effective 1994/06/01

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Risk arising from work under the contract should be identified and assessed to determine whether specific insurance requirements should be included in the contract. All contracts must include either this clause or clause G1005C as may be applicable.

Use the following clause when insurance requirements are specifically described in the contract. Contracting officers must insert the applicable insurance clauses contained in Section 5-G of the Standard Acquisition Clauses and Conditions Manual in an annex to the contract. For any other insurance requirements, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

Use clause G1005C when there is no specific insurance requirements to be included in the contract.

G1001C (2008/05/12) Insurance Requirements

The Contractor must comply with the insurance requirements specified in Annex ____. The Contractor must maintain the required insurance coverage for the duration of the Contract. Compliance with the insurance requirements does not release the Contractor from or reduce its liability under the Contract.

The Contractor is responsible for deciding if additional insurance coverage is necessary to fulfill its obligation under the Contract and to ensure compliance with any applicable law. Any additional insurance coverage is at the Contractor's expense, and for its own benefit and protection.

The Contractor must forward to the Contracting Authority within ten (10) days after the date of award of the Contract, a Certificate of Insurance evidencing the insurance coverage and confirming that the insurance policy complying with the requirements is in force. Coverage must be placed with an Insurer licensed to carry out business in Canada. The Contractor must, if requested by the Contracting Authority, forward to Canada a certified true copy of all applicable insurance policies.

G1001D (2005/06/10) Contractor's Responsibility

Effective 2007/05/25, this clause is superseded by G1001C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when a contractor, who has care, custody or control of government property, is required to use a rigger to lift heavy equipment.

Use this clause in conjunction with G2001C.

If a licensed motor vehicle is required as part of the rigging operation and transportation of equipment, use this clause in conjunction with G2020C. Contracting officers must consult with Risk Management Advisory Services, PWGSC, by e-mail to: NCRRMIAS.RCNSCGRA@tpsgc-pwgsc.gc.ca, to determine whether Automobile Liability Insurance is required.

Rigger's liability insurance provides liability coverage for loss or damage to government property in the contractor's care, custody or control.

The value and basis of valuation of government property must be filled in the clause. The basis of valuation of this property should be established with the client and mentioned in the contractor's insurance policy. Contracting officers must insert one of the options provided in the second blank of paragraph 1.

The values are to be evaluated on a case-by-case basis and the minimum liability amount must be determined in consultation with Risk Management Advisory Services, PWGSC, by email to: NCRRMIAS.RCNSCGRA@tpsgc-pwgsc.gc.ca.

G1003C (2010/01/11) Rigger's Liability Insurance

1. The Contractor must obtain Rigger's Liability Insurance, in an amount usual for a contract of this nature, but for not less than $_____ per accident or occurrence and in the annual aggregate. The Contractor's Riggers Liability Insurance must provide coverage for loss or damage to all Government Property under its care, custody or control, and must be maintained in force throughout the duration of the Contract. The Government Property must be insured on _____ basis. (***insert one of the following basis of valuation***: "Replacement Cost (new)"; "Actual Cash Value (depreciated cost)" ***or*** "Agreed Value (appraisal)").

   The Contractor must notify Canada promptly about any losses or damages to Government Property and monitor, investigate and document losses of or damage to ensure that claims are properly made and paid.

2. The Rigger's Liability Insurance policy must include the following:

   (a) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of policy cancellation.

   (b) Loss Payee: Canada as its interest may appear or as it may direct, for loss or damage to Government property in the Contractor's care, custody or control.

   (c) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by _____ (***insert client department***) and Public Works and Government Services Canada for any and all loss of or damage to the property however caused.

Remarks: All contracts must contain either this clause or G1001C as may be applicable.

Use the following clause when there is no specific insurance requirement. Use clause G1001C when there are specific insurance requirements included in the contract.

For further assistance, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G1005C (2008/05/12) Insurance

The Contractor is responsible for deciding if insurance coverage is necessary to fulfill its obligation under the Contract and to ensure compliance with any applicable law. Any insurance acquired or maintained by the Contractor is at its own expense and for its own benefit and protection. It does not release the Contractor from or reduce its liability under the Contract.

G1005D (2005/06/10) Contractor's Responsibility

Effective 2007/05/25, this clause is superseded by G1005C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when proof of availability of insurance is required before contract award.

G1007T (2007/11/30) Insurance Requirements

The Bidder must provide a letter from an insurance broker or an insurance company licensed to operate in Canada stating that the Bidder, if awarded a contract as a result of the bid solicitation, can be insured in accordance with the Insurance Requirements specified in Annex _____.

If the information is not provided in the bid, the Contracting Authority will so inform the Bidder and provide the Bidder with a time frame within which to meet the requirement. Failure to comply with the request of the Contracting Authority and meet the requirement within that time period will render the bid non-responsive.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when insurance requirements are specifically described in the contract (except when using G2030C, G4001C or G5003C).

Whenever the liabilities of Canada and the contractor with respect to the contract are difficult to separate, contracting officers must replace paragraph 2.(a) by the following option:

"Additional Named Insured: Canada is added as an additional named insured, but only with respect to liability arising out of the performance of the Contract."

Contracting officers must choose options (l), (m), (n), (o), (p), (q) and/or (r) in paragraph 2 when applicable to their specific contract.

Contracting officers must consult PWGSC Risk Management Advisory Services, at:
NCR.RMIAS-SCGRA@pwgsc.gc.ca if the suggested limit of $2,000,000 per accident or occurrence is not considered adequate.

Construction Contracts: For the majority of construction contracts, the Contractor's Commercial General Liability policy is sufficient to protect the interests of Canada. If a large, multi-million dollar project involving many contractors and subcontractors is being planned, then a separate Wrap-Up Liability policy should be arranged specific to the project. Clauses pertaining to wrap-up liability should be drafted at that time and will be specific to the project.

G2001C (2008/05/12) Commercial General Liability Insurance

1. The Contractor must obtain Commercial General Liability Insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than $2,000,000 per accident or occurrence and in the annual aggregate.

2. The Commercial General Liability policy must include the following:

   (a) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of

Canada should read as follows: Canada, as represented by Public Works and Government Services Canada.

(b) Bodily Injury and Property Damage to third parties arising out of the operations of the Contractor.

(c) Products and Completed Operations: Coverage for bodily injury or property damage arising out of goods or products manufactured, sold, handled, or distributed by the Contractor and/or arising out of operations that have been completed by the Contractor.

(d) Personal Injury: While not limited to, the coverage must include Violation of Privacy, Libel and Slander, False Arrest, Detention or Imprisonment and Defamation of Character.

(e) Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.

(f) Blanket Contractual Liability: The policy must, on a blanket basis or by specific reference to the Contract, extend to assumed liabilities with respect to contractual provisions.

(g) Employees and, if applicable, Volunteers must be included as Additional Insured.

(h) Employers' Liability (or confirmation that all employees are covered by Worker's compensation (WSIB) or similar program)

(i) Broad Form Property Damage including Completed Operations: Expands the Property Damage coverage to include certain losses that would otherwise be excluded by the standard care, custody or control exclusion found in a standard policy.

(j) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of policy cancellation.

(k) If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.

(***Contracting officers must insert the applicable options below and renumber accordingly***.)

(l) Owners' or Contractors' Protective Liability: Covers the damages that the Contractor becomes legally obligated to pay arising out of the operations of a subcontractor.

(m) Non-Owned Automobile Liability - Coverage for suits against the Contractor resulting from the use of hired or non-owned vehicles.

(n) Advertising Injury: While not limited to, the endorsement must include coverage piracy or misappropriation of ideas, or infringement of copyright, trademark, title or slogan.

(o) All Risks Tenants Legal Liability - to protect the Contractor for liabilities arising out of its occupancy of leased premises.

(p) Amendment to the Watercraft Exclusion to extend to incidental repair operations on board watercraft.

(q) Sudden and Accidental Pollution Liability (minimum 120 hours): To protect the Contractor for liabilities arising from damages caused by accidental pollution incidents.

(r) Litigation Rights: Pursuant to subsection 5(d) of the *Department of Justice Act*, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:

Director Business Law Directorate,
Quebec Regional Office (Ottawa),
Department of Justice,
284 Wellington Street, Room SAT-6042,
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:
Senior General Counsel,
Civil Litigation Section,
Department of Justice
234 Wellington Street, East Tower
Ottawa, Ontario K1A 0H8

A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

G2001D (2005/06/10) Commercial General Liability Insurance

Effective 2008/05/12, this clause is superseded by G2001C

Remarks: Use the following clause in professional services contracts, for example: consulting, design, training, educational, management, architectural, engineering, research & development.

Use this clause in conjunction with G2001C.

If the professional services are medical in nature or related to healthcare, use clause G2004C.

Contracting officers must consult PWGSC Risk Management Advisory Services, at:
NCR.RMIAS-SCGRA@pwgsc.gc.ca if the suggested limit of $1,000,000 per accident or occurrence is not considered adequate as alternate limits may be established.

G2002C (2008/05/12) Errors and Omissions Liability Insurance

1. The Contractor must obtain Errors and Omissions Liability (a.k.a. Professional Liability) insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature but for not less than $1,000,000 per loss and in the annual aggregate, inclusive of defence costs.

2. If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.

3. The following endorsement must be included:

   Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

G2002D (2005/06/10) Errors and Omissions Liability Insurance

Effective 2008/05/12, this clause is superseded by G2002C

G2003D (2005/06/10) Product Liability Insurance

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in contracts when the services involve medical/healthcare professionals.

Use this clause in conjunction with G2001C.

Contracting officers must consult PWGSC Risk Management Advisory Services, at:
NCR.RMIAS-SCGRA@pwgsc.gc.ca if the suggested limit of $1,000,000 per accident or occurrence is not considered adequate as alternate limits may be established.

G2004C (2008/05/12) Medical Malpractice Liability Insurance

1. The Contractor must obtain Medical Malpractice Liability Insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than $1,000,000 per loss and in the annual aggregate, inclusive of the defence costs.

2. Coverage is for what is standard in a Medical Malpractice policy and must be for claims arising out of the rendering or failure to render medical services resulting in injury, mental injury, illness, disease or death of any person caused by any negligent act, error or omission committed by the Contractor in or about the conduct of the Contractor's professional occupation or business of good samaritan acts.

3. If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.

4. Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

G2010D (2003/12/12) Commercial General Liability Insurance

Effective 2004/05/14, this clause is superseded by G2015D

G2011D (2003/12/12) Errors and Omissions/Product Liability

Effective 2004/05/14, this clause is superseded by G2002D

G2015D (2005/06/10) Liability Insurance Endorsements

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the contractor must use its own vehicle to perform the work even though automobile liability insurance, at varying limits, is statutory in all Canadian jurisdictions.

When contracting with rental companies for the use of short-term leases by Federal Government employees, refer to clause G6005C.

Contracting officers must choose options (e), (f), (g), (h), (i), (j), (k), (l), and/or (m) under paragraph 2 when applicable to their specific contract.

Contracting officers must consult PWGSC Risk Management Advisory Services at: NCR.RMIAS-SCGRA@pwgsc.gc.ca if the suggested limit of $2,000,000 per accident or occurrence is not considered adequate.

G2020C (2008/05/12) Automobile Liability Insurance

1. The Contractor must obtain Automobile Liability Insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than $2,000,000 per accident or occurrence.

2. The policy must include the following:

   (a) Third Party Liability - $2,000,000 Minimum Limit per Accident or Occurrence

   (b) Accident Benefits - all jurisdictional statutes

   (c) Uninsured Motorist Protection

   (d) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

   (***Contracting officers must insert the applicable options below and renumber accordingly***.)

   e) OPCF/SEF/QEF #3 - Drive Government Automobiles Endorsement

   f) OPCF/QEF/SEF #4B - Permission to Carry Radioactive Material Endorsement

   g) OPCF/QEF/SEF #4a - Permission to Carry Explosives

   h) OPCF/SEF/QEF #6a - Permission to Carry Passengers for Compensation or Hire

   i) OPCF/SEF/QEF #6b - School Bus Endorsement

j) OPCF/SEF/QEF #6c - Public Passenger Vehicles Endorsement

k) OPCF/SEF/QEF #6f - Public Passenger Vehicles - Combined Limits for Passengers and road liability Passenger Hazard/Bodily Injury Minimum Limits required:

8 to 12 Passengers: $5,000,000
13 or more Passengers: $8,000,000

l) Liability for Physical Damage to Non-owned Automobiles: Ontario OPCF 27 or 27B / Quebec: QEF #27 / Other Provinces: SEF#27

m) OPCF/SEF/QEF #44 or #44R - Family Protection Endorsement - Private Passenger Vehicles.

G2020D (2004/05/14) Automobile Liability Insurance

Effective 2008/05/12, this clause is superseded by G2020C

G2025D (2005/06/10) Automobile Liability Endorcements

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts where the requirement includes operation of an aircraft, operation of airport premises, products or services that are provided and/or intended for flight related activities.

Whenever the liabilities of Canada and the contractor with respect to the contract are difficult to separate, contracting officers must replace paragraph 2.(a) by the following option:

"Additional Named Insured: Canada is added as an additional named insured, but only with respect to liability arising out of the performance of the Contract."

Contracting officers must choose options (i), (j), (k), (l), (m) and/or (o) in paragraph 2 when applicable to their specific contract.

Contracting officers must consult PWGSC Risk Management Advisory Services, at:
NCR.RMIAS-SCGRA@pwgsc.gc.ca if the suggested limit of $5,000,000 per accident or occurrence is not considered adequate.

G2030C (2008/05/12) Aviation Liability Insurance

1. The Contractor must obtain Aviation Liability Insurance for Bodily Injury (including passenger Bodily Injury) and Property Damage, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than $5,000,000 per accident or occurrence and in the annual aggregate.

2. The Aviation Liability policy must include the following:

(a) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada should read as follows: Canada, represented by Public Works and Government Services Canada.

(b) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of policy cancellation.

(c) Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.

(d) Contractual Liability: The policy must, on a blanket basis or by specific reference to the Contract, extend to assumed liabilities with respect to contractual provisions.

(e) Employees and, where applicable, Volunteers must be included as Additional Insured.

(f) Aviation Passenger Liability and inclusive Medical Payments: If sub-limits are applicable to Contractor's policy conforming to international carriage agreements or otherwise, such sub-limits must in any event be, not less than, $300,000 per person. The per accident limit should be no less than $300,000 multiplied by the number of passengers.

(g) If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.

(h) Employers Liability (unless we have confirmation that all employees are covered by Worker's compensation (WSIB) or similar program)

(***Contracting officers must insert the applicable options below and renumber accordingly.***)

(i) Hangarkeeper's Liability: To cover loss of and/or damage to aircraft on the ground in the care, custody or control of the Contractor.

(j) Products and Completed Operations: To cover liability arising from the sale and service of aviation products, assembly and repair activities, in connection with the Work performed by or on behalf of the Contractor.

(k) Airport Tenants' Legal Liability Broad Form: To protect the Contractor for liabilities arising from its occupancy of leased airport premises.

(l) Non-owned Aircraft Liability: To protect the Contractor for liabilities arising from its use of aircraft owned by other parties including Canada.

(m) Control Tower Liability: To cover for all liabilities arising from the ownership and/or operations of air traffic control towers

(n) Permission to Transport Hazardous Goods. The Insured must also obtain all the applicable provincial or federal permission to transport hazardous material in addition to this endorsement.

(o) Litigation Rights: Pursuant to subsection 5(d) of the *Department of Justice Act*, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by

registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:
Director Business Law Directorate,
Quebec Regional Office (Ottawa),
Department of Justice,
284 Wellington Street, Room SAT-6042,
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:
Senior General Counsel,
Civil Litigation Section,
Department of Justice
234 Wellington Street, East Tower
Ottawa, Ontario K1A 0H8

A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

G2030D (2005/06/10) Aviation Liability Insurance

Effective 2008/05/12, this clause is superseded by G2030C

G2035D (2005/06/10) Avation Liability Endorcements

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when Environmental Impairment Liability insurance is required. Environmental Impairment Liability insurance protects the Contractor against claims caused by gradual and sudden and accidental pollution damage to the environment as well as Bodily Injury and Property Damage to third parties.

There are four main types of Environmental Insurance coverage that may be carried by contractors depending on their operations. Contracting officers must insert one of the four types of insurance in paragraph 1 and 3 below:

Type 1: "Pollution Legal Liability - Fixed Site Coverage"
Type 2: "Contractors Pollution Liability"
Type 3: "Storage Tank Third Party Liability"
Type 4: "Contractors Professional Liability"

Whenever the liabilities of Canada and the Contractor with respect to the contract are difficult to separate, contracting officers must replace paragraph 3. (a) by the following option:

"Additional Named Insured: Canada is added as an additional named insured, but only with respect to liability arising out of the performance of the Contract."

Contracting officers must choose options (f) and/or (g) in paragraph 3 when applicable to their contract.

Depending on the services being provided by the Contractor (ex: non-hazardous operations), it is acceptable to simply use clause G2001C and include endorsement (r) Sudden and Accidental Pollution. However, it is important to note that Canada would have to discover the claim and report it within 120 hours for the coverage to respond.

Contracting officers must consult PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca if the suggested limit of $1,000,000 per accident or occurrence is not considered adequate.

G2040C (2008/05/12) Environmental Impairment Liability Insurance

1. The Contractor must obtain _____ (***Contracting officers must insert one of the four types of environmental insurance coverage provided under the remarks section above***) insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than $1,000,000 per accident or occurrence and in the annual aggregate.

2. If the policy is written on a claims-made basis, coverage must be in place for a period of at least 12 months after the completion or termination of the Contract.

3. The _____ (***Contracting officers must insert one of the four types of environmental insurance coverage provided under the remarks section above***) policy must include the following:

   (a) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada as additional insured should read as follows: Canada, represented by Public Works and Government Services Canada.

   (b) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of policy cancellation.

   (c) Separation of Insureds: The policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.

   (d) Contractual Liability: The policy must, on a blanket basis or by specific reference to the Contract, extend to assumed liabilities with respect to contractual provisions.

   (e) Incidental Transit Extension: The policy must extend to losses arising from any waste, products or materials transported, shipped, or delivered via any transportation mode to a location beyond the boundaries of a site at which the Contractor or any entity for which the Contractor is legally liable is performing or has performed the operations described in the contract.

   (***Contracting officers must insert the applicable options below and renumber accordingly.***)

   (f) Storage Tank Third-Party Liability - The policy must extend to off-site third party bodily injury and property damage due to releases from storage tanks (above and below ground). Coverage must include corrective action and clean-up due to releases from storage tanks.

(g) Litigation Rights: Pursuant to subsection 5(d) of the *Department of Justice Act*, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:
Director Business Law Directorate,
Quebec Regional Office (Ottawa),
Department of Justice,
284 Wellington Street, Room SAT-6042,
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:
Senior General Counsel,
Civil Litigation Section,
Department of Justice
234 Wellington Street, East Tower
Ottawa, Ontario K1A 0H8

A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

G2040D (2005/06/10) Environmental Impairment Liability Insurance

Effective 2008/05/12, this clause is superseded by G2040C

G2045D (2005/06/10) Director's and Officer's Liability Insurance

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause where the contractor has care, custody or control of government property for maintenance or repair such as dry cleaners and repair facilities. For storage facilities, use clause G2052C.

The value and basis of valuation of government property must be filled in the clause. The basis of valuation of this property should be established with the client and mentioned in the contractor's insurance policy. Contracting officers must insert one of the options provided in the second blank of paragraph 1.

The limits are to be evaluated on a case-by-case basis. For further assistance, contact PWGSC Risk

Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G2050C (2008/05/12) Bailee's Customer's Goods Insurance

The Contractor must obtain Bailee's Customer's Goods insurance while Government Property is under its care, custody or control for repair or servicing, and maintain it in force throughout the duration of the Contract, in an amount of not less than $_____. Government Property must be insured on a _____ basis. (***Contracting officers must insert one of the following basis of valuation***: "Replacement Cost (new)"; "Actual Cash Value (depreciated cost)" ***or*** "Agreed Value (appraisal)")

1. Administration of Claims: The Contractor must notify Canada promptly about any losses or damages to Government Property and monitor, investigate and document losses of or damage to ensure that claims are properly made and paid.

2. The Bailee's Customer's Goods must include the following:

   (a) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

   (b) Settlement of Claims: The insurance proceeds regarding any loss of or damage to Government Property must be payable to the appropriate party as directed by the Contracting Authority.

   (c) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by _____ (***insert department***) and Public Works and Government Services Canada for any and all loss of or damage to the property however caused.

G2050D (2005/06/10) Bailee's Customer's Goods Liability Insurance

Effective 2008/05/12, this clause is superseded by G2050C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contract when the contractor has care, custody or control of Government Property for storage. Warehouseman's Liability insurance protects the Contractor against claims for damages caused by its negligence to goods in its care, custody or control while in storage.

The value and basis of valuation of Government Property must be filled in the clause. The basis of valuation of this property should be established with the client and mentioned in the contractor's insurance policy. Contracting officers must insert one of the options provided in the second blank of paragraph 1.

The limits are to be evaluated on a case-by-case basis. For further assistance, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G2052C (2008/05/12) Warehouseman's Legal Liability Insurance

1. The Contractor must obtain Warehouseman's Legal Liability Insurance coverage on Government Property, and maintain it in force while under its care, custody or control for storage, in an amount of not less than $_____. The Government's Property must be insured on a _____ basis. (***Contracting officers must insert one of the following basis of valuation***: "Replacement Cost (new)"; "Actual Cash Value (depreciated cost)" ***or*** "Agreed Value (appraisal)")

2. Administration of Claims: The Contractor must notify Canada promptly about any losses or damages to Government Property and monitor, investigate and document losses of or damage to Government Property to ensure that claims are properly made and paid.

3. The following endorsements must be included:

   (a) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

   (b) Settlement of Claims: The insurance proceeds regarding any loss of or damage to Government Property must be payable to the appropriate party as directed by the Contracting Authority.

   (c) Loss Payee: Canada as its interest may appear or it may direct.

   (d) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by _____ (***insert department***) and Public Works and Government Services Canada for any and all loss of or damage to the property however caused.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in all contracts where the contractor has care, custody or control of government property other than for maintenance, repair or storage. For maintenance and repair, use clause G2050C; for storage facilities, use clause G2052C; for money and securities, use clause G3005C; and while the property is in transit, use clause G3010C.

All Risks Property insurance is required to cover loss or damage to government property.

The value and basis of valuation of government property must be filled in the clause. The basis of valuation of this property should be established with the client and mentioned in the contractor's insurance policy. Contracting officers must insert one of the options provided in the second blank of paragraph 1.

The values are to be evaluated on a case-by-case basis. For further assistance, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G3001C (2008/05/12) All Risk Property Insurance

The Contractor must obtain All Risks Property insurance while the Government Property is under its care, custody or control, and maintain it in force throughout the duration of the Contract, in an amount of not less than $_____. The Government's Property must be insured on _____ basis. (***Contracting officers must insert one of the following basis of valuation***: "Replacement Cost (new)"; "Actual Cash Value (depreciated cost)" ***or*** "Agreed Value (appraisal)")

1. Administration of Claims: The Contractor must notify Canada promptly about any losses or damages to Government Property and monitor, investigate and document losses of or damage to ensure that claims are properly made and paid.

2. The All Risks Property insurance policy must include the following:

   (a) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority at

least thirty (30) days written notice of policy cancellation.

(b) Loss Payee: Canada as its interest may appear or as it may direct.

(c) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by _____ (***insert department***) and Public Works and Government Services Canada for any and all loss of or damage to the property however caused.

G3001D (2005/06/10) All Risk Property Insurance

Effective 2008/05/12, this clause is superseded by G3001C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts where insurance coverage for the watercraft is required.

For further assistance, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G3002C (2008/05/12) Marine Hull Insurance

1. The Contractor must obtain Hull & Machinery insurance covering the watercraft, its equipment and appurtenances, and maintain it in force for the duration of the contract for an amount of not less than the agreed value of the watercraft as described below. Coverage must conform to the American Institute Hull Clauses (June 2, 1977) or an agreed equivalent.

   (***Contracting officers must insert the type of watercraft (make and model) and the value to be insured***)

Watercraft Agreed Value

2. The policy must include the following endorsements:

   (a) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by _____ (***insert department***) and Public Works and Government Services Canada for any and all loss of or damage to the watercraft, however caused.

   (b) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts where the contractor has care, custody or control of aircrafts owned by Canada.

The value and basis of valuation of government property must be filled in the clause. The basis of valuation of this property should be established with the client and mentioned in the contractor's

insurance policy. Contracting officers must insert one of the options provided in the second blank of paragraph 1.

The limits are to be evaluated on a case-by-case basis. For further assistance, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G3003C (2008/05/12) Aircraft Hull Insurance

The Contractor must obtain Aircraft Hull Insurance including All Risks Flight and Ground coverage, and maintain it in force throughout the duration of the contract, in an amount of not less than _____. The Aircraft must be insured on _____ (***contracting officers must insert one of the following***: "Replacement Cost (new)"; "Actual Cash Value (depreciated cost)" ***or*** "Agreed Value (appraisal)") value basis.

The Aircraft Hull insurance policy must include the following:

(a) Waiver of Subrogation: Contractor's Insurer to waive all rights of subrogation against Canada as represented by _____ (***insert department***) and Public Works and Government Services Canada for any and all loss of or damage to the aircraft however caused.

(b) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when contractor's employees will have care, custody or control of money, securities, and other valuable property belonging to other parties such as administering cash or instruments of securities; property of value that is in the trust of the contractor or that the contractor purchases on behalf of Canada.

Employee Dishonesty insurance can be regarded as a formal bonding for the contractor's employees.

The limits are to be evaluated on a case-by-case basis. For further assistance, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G3005C (2008/05/12) Comprehensive Crime Insurance

1. The Contractor must obtain Comprehensive Crime (Fidelity) insurance on a Blanket basis, and maintain it in force throughout the duration of the Contract period, in an amount as listed below:

   (a) Insuring Agreement 1: Employee Dishonesty (Form A) in an amount of not less than $_____ covering all employees of the Contractor. Such Fidelity Insurance must contain a "Third-Party Extension" or "Client Coverage" extending such coverage to Canada with respect to the risks associated with this agreement.

   (b) Agreement II/III: Money & Securities Loss Inside Premises/Outside Premises in an amount not less than $_____;

2. The Comprehensive Crime insurance must include the following:

   (a) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of policy cancellation.

(b) Loss Payee: Canada as its interest may appear or as it may direct.

G3005D (2005/06/10) Employee Dishonesty Insurance

Effective 2008/05/12, this clause is superseded by G3005C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the contractor has care, custody or control of government property while in transit.

The value and basis of valuation of government property must be filled in the clause. The basis of valuation of this property should be established with the client and mentioned in the contractor's insurance policy. Contracting officers must insert one of the options provided in the second blank of paragraph 1.

The limits are to be evaluated on a case-by-case basis. For further assistance, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G3010C (2008/05/12) All Risk in Transit Insurance

1. The Contractor must obtain on the Government's Property, and maintain in force throughout the duration of the Contract, All Risk Property in Transit insurance coverage for all applicable conveyances while under its care, custody or control, in an amount of not less than $_____ per shipment. Government Property must be insured on _____ basis. (***Contracting officers must insert one of the following basis of valuation***: "Replacement Cost (new)"; "Actual Cash Value (depreciated cost)" ***or*** "Agreed Value (appraisal)")

2. Administration of Claims: The Contractor must notify Canada promptly about any losses or damages to Government Property and monitor, investigate and document losses of or damage to ensure that claims are properly made and paid.

3. The All Risk Property in Transit insurance must include the following:

   (a) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority at least thirty (30) days written notice of any policy cancellation.

   (b) Loss Payee: Canada as its interest appears or as it may direct.

   (c) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by _____ (***insert department***) and Public Works and Government Services Canada for any and all loss of or damage to the property however caused.

G3010D (2005/06/10) All Risk in Transit Insurance

Effective 2008/05/12, this clause is superseded by G3010C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when chartering an aircraft.

Whenever the liabilities of Canada and the contractor with respect to the contract are difficult to separate, contracting officers must replace paragraph 3.(a) by the following option:

"Additional Named Insured: Canada is added as an additional named insured, but only with respect to liability arising out of the performance of the Contract."

Contracting officers must choose option (e) in paragraph 3 below when applicable to their contract.

For further assistance, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G4001C (2008/05/12) Aircraft Charter Insurance

1. The Contractor must not provide a domestic or international aircraft charter service to Canada unless, for every incident related to the Contractor's operation of that service, it has:

   (a) liability insurance covering risks of injury to or death of passengers in an amount that is not less than the amount determined by multiplying $300,000 by the number of passenger seats on board the aircraft engaged in the service, or in accordance with the applicable regulations, whichever is greater;

   (b) in addition to passenger liability limits in (a) above, insurance covering risks of public liability in an amount that is not less than:

      (i) $1,000,000, where the maximum permissible take-off weight of the aircraft less than 3,402 kg (7,500 pounds);

      (ii) $2,000,000, where the maximum permissible take-off weight of the aircraft is between 3,402 kg (7,500 pounds) and 8,165kg (18,000 pounds); and,

      (iii) $2,000,000 plus an amount determined by multiplying $68 by the number of kilograms by which the maximum permissible take-off weight of the aircraft exceeds 8,165 kg (18,000 pounds), where the maximum permissible take-off weight of the aircraft is over 8,165 kg.

2. The insurance coverage required by subsection 1.(a) does not need to extend to any passenger who is an employee of the Contractor if workers' compensation legislation governing a claim for damages against that Contractor by the employee is applicable.

3. The Contractor's insurance must include the following:

   (a) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada as additional insured should read as follows: Canada, represented by Public Works and Government Services Canada.

   (b) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

   (c) Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.

(d) Contractual Liability: The policy must, on a blanket basis or by specific reference to the contract, extend to assumed liabilities with respect to contractual obligations.

(***Contracting officers must insert the following option, if applicable.***)

(e) Litigation Rights: Pursuant to subsection 5(d) of the *Department of Justice Act*, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:
Director Business Law Directorate,
Quebec Regional Office (Ottawa),
Department of Justice,
284 Wellington Street, Room SAT-6042,
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:
Senior General Counsel,
Civil Litigation Section,
Department of Justice
234 Wellington Street, East Tower
Ottawa, Ontario K1A 0H8

A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

G4001D (2005/06/10) Aircraft Charter

Effective 2008/05/12, this clause is superseded by G4001C

G4002D (1994/06/01) Aircraft Dry Lease

This clause is cancelled effective 2008/05/12

G5000D (1991/06/01) Insurance - Ship Repairers

This clause is cancelled effective 1994/06/01

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the

following clause in contracts for ship repair (including emergencies) and conversion contractual documents. Note that general contractors who are only performing casual and intermittent work on ships (e.g. welders) may not have a specialized policy. Commercial General Liability clause G2001C, including option (p) of paragraph 2, should be used accordingly.

Whenever the liabilities of Canada and the contractor with respect to the contract are difficult to separate, contracting officers must replace paragraph 2. (a) by the following option:

"Additional Named Insured: Canada is added as an additional named insured, but only with respect to liability arising out of the performance of the Contract."

Contracting officers must choose option (f) in paragraph 2 below when applicable to their contract.

Contracting officers must consult PWGSC Risk Management Advisory Services, at:
NCR.RMIAS-SCGRA@pwgsc.gc.ca if the suggested limit of $10,000,000 per accident or occurrence is not considered adequate as alternate limits may be established.

G5001C (2008/05/12) Ship Repairers' Liability Insurance

1. The Contractor must obtain Ship Repairer's Liability Insurance and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than $10,000,000 per accident or occurrence and in the annual aggregate.

2. The Ship Repairer's Liability insurance must include the following:

   (a) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada as additional insured should read as follows: Canada, represented by Public Works and Government Services Canada.

   (b) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by _____ (***insert department***) and Public Works and Government Services Canada for any and all loss of or damage to the vessel, however caused.

   (c) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

   (d) Contractual Liability: The policy must, on a blanket basis or by specific reference to the contract, extend to assumed liabilities with respect to contractual provisions.

   (e) Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.

   (***Contracting officers must insert the following option, if applicable.***)

   (f) Litigation Rights: Pursuant to subsection 5(d) of the *Department of Justice Act*, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

   For the province of Quebec, send to:

Director Business Law Directorate,
Quebec Regional Office (Ottawa),
Department of Justice,
284 Wellington Street, Room SAT-6042,
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:
Senior General Counsel,
Civil Litigation Section,
Department of Justice
234 Wellington Street, East Tower
Ottawa, Ontario K1A 0H8

A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

G5001D (2004/05/14) Ship Repairers' Liability (A)

Effective 2008/05/12, this clause is superseded by G5001C

Remarks: Use the following clause in ship repair contractual documents where: (1) a general contractor (e.g., welding specialist) is expected to perform casual and intermittent work on vessels owned by Canada, in addition to its more usual land-based type of work; or, (2) a standing offer.

If either the contracting officer or the client believes that the suggested MINIMUM LIMIT of liability of $5,000,000 per accident or occurrence is not sufficient, the suggested limit should be established in consultation with the Risk Management and Insurance Advisor, Public Works and Government Services Canada, at NCR RMIAS-SCGRA@pwgsc.gc.ca.

G5002D (2004/05/14) Ship Repairers' Liability (B)

1. Ship Repairers' Liability Insurance or Commercial General Liability Insurance shall be effected by the Contractor and maintained in force in an amount usual for a contract of this nature, but, in any case, for not less than $5,000,000 per accident or occurrence.

2. Should the Contractor decide to obtain and maintain Commercial General Liability insurance, the policy shall be endorsed as follows:

"Notwithstanding anything to the contrary mentioned in the policy, it is agreed that:

(a) Watercraft exclusion is deleted;

(b) Broad Form Property Damage coverage is

included; and,

(c) Broad Form Completed Operations coverage is also included."

3. The policy must include the following endorsements:

(a) Notice of Cancellation: The Insurer agrees to provide the Contracting Authority thirty (30) days written notice of cancellation.

(b) Contractual Liability: The policy shall, on a blanket basis or by specific reference to this contract, extend to assumed liabilities with respect to contractual insurance provisions.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts whenever the risk exposures include operation of watercraft. This includes contracts involving marine operations such as tugs, barges, fishing vessels, excursion boats and marine contractors.

Note that the Protection & Indemnity Limits will be determined by the Marine Liability Act, S.C. 2001, c. 6.

Whenever the liabilities of Canada and the contractor with respect to the contract are difficult to separate, contracting officers must replace paragraph 3. (a) by the following option:

"Additional Named Insured: Canada is added as an additional named insured, but only with respect to liability arising out of the performance of the Contract."

Contracting officers must choose option (e) in paragraph 3 below when applicable to their contract.

For further assistance, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G5003C (2008/05/12) Marine Liability Insurance

1. The Contractor must obtain Protection & Indemnity (P&I) insurance that must include excess collision liability and pollution liability. The insurance must be placed with a member of the International Group of Protection & Indemnity Associations or with a fixed market in an amount of not less than the limits determined by the *Marine Liability Act*, S.C. 2001, c. 6. Coverage must include crew liability, if it is not covered by Worker's Compensation as detailed in paragraph (2.) below.

2. The Contractor must obtain Worker's Compensation insurance covering all employees engaged in the Work in accordance with the statutory requirements of the Territory or Province or state of nationality, domicile, employment, having jurisdiction over such employees. If the Contractor is assessed any additional levy, extra assessment or super-assessment by a Worker's Compensation Board, as a result of an accident causing injury or death to an employee of the Contractor or subcontractor, or due to unsafe working conditions, then such levy or assessment must be paid by the Contractor at its sole cost.

3. The Protection and Indemnity insurance policy must include the following:

(a) Additional Insured: Canada is added as an additional insured, but only with respect to

liability arising out of the Contractor's performance of the Contract. The interest of Canada as additional insured should read as follows: Canada, represented by Public Works and Government Services Canada.

(b) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by _____ (***insert department***) and Public Works and Government Services Canada for any and all loss of or damage to the watercraft however caused.

(c) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

(d) Cross Liability/Separation of Insureds: Without increasing the limit of liability, the policy must protect all insured parties to the full extent of coverage provided. Further, the policy must apply to each Insured in the same manner and to the same extent as if a separate policy had been issued to each.

(***Contracting officers must insert the following option, if applicable***.)

(e) Litigation Rights: Pursuant to subsection 5(d) of the *Department of Justice Act*, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:
Director Business Law Directorate,
Quebec Regional Office (Ottawa),
Department of Justice,
284 Wellington Street, Room SAT-6042,
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:
Senior General Counsel,
Civil Litigation Section,
Department of Justice
234 Wellington Street, East Tower
Ottawa, Ontario K1A 0H8

A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

G6000D (1992/12/01) Insurance Requirements

This clause is cancelled effective 1994/06/01

Remarks: Use the following clause in contracts when vehicles are leased by Canada on a long-term basis.

G6001C (2008/05/12) Vehicles - Long Term Lease

1. The Contractor must not insure the risks to Canada arising from the use or operation of vehicles leased by Canada on a long-term basis (over 30 days) except where Provincial law makes it mandatory for the Contractor to insure any leased vehicles. Where Provincial law makes it mandatory to insure a leased vehicle, the Contractor must obtain insurance coverage in respect of the vehicle supplied under the lease, and a copy or evidence of such insurance is to be provided to Canada.

2. Canada may decide not to purchase Collision, All Perils or Comprehensive insurance. The option that must be chosen by Canada when renting a vehicle must depend on the applicable Treasury Board Risk Management Policy.

3. In the event of an accident that is self-insured by Canada (as Lessee), Canada must obtain a written estimate for the repairs and, in consultation with the Contractor (as Lessor), must decide where the repairs are to be performed. If the Contractor decides to have the damage repaired at another place and the cost of said repairs is higher then the estimate obtained by Canada, Canada must only pay the lesser amount. Further, if the Contractor decides that the vehicle is to be repaired at a place other then the place Canada chooses, the Contractor must be responsible to pay transport costs of the vehicle to the alternate location.

4. When a rental vehicle is in a disabling accident, all rental charges must cease on said vehicle.

G6001D (1994/06/01) Vehicles - Long-term Lease

Effective 2008/05/12, this clause is superseded by G6001C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts involving selling, repairing or servicing automobiles.

Whenever the liabilities of Canada and the contractor with respect to the contract are difficult to separate, contracting officers must replace paragraph 2.(a) by the following option:

"Additional Named Insured: Canada is added as an additional named insured, but only with respect to liability arising out of the performance of the Contract."

Contracting officers must choose option (e) in paragraph 2 below when applicable to their contract.

For further assistance, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G6002C (2008/05/12) Garage Automobile Liability Insurance

1. The Contractor must obtain Garage Automobile Liability insurance, and maintain it in force throughout the duration of the Contract, in an amount usual for a contract of this nature, but for not less than $2,000,000 per accident or occurrence and in the annual aggregate.

2. The Garage Automobile Liability policy must include the following:

(a) Third Party Liability - $2,000,000 Minimum Limit per Accident or Occurrence

(b) Legal Liability for damage to a Customer's Automobile while in the care, custody or control of the Insured including Collision or Upset and Comprehensive Damage (including open lot theft).

(c) Additional Insured: Canada is added as an additional insured, but only with respect to liability arising out of the Contractor's performance of the Contract. The interest of Canada as additional insured should read as follows: Canada, represented by Public Works and Government Services Canada.

(d) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.

(***Contracting officers must insert the following option, if applicable.***)

(e) Litigation Rights: Pursuant to subsection 5(d) of the *Department of Justice Act*, S.C. 1993, c. J-2, s.1, if a suit is instituted for or against Canada which the Insurer would, but for this clause, have the right to pursue or defend on behalf of Canada as an Additional Named Insured under the insurance policy, the Insurer must promptly contact the Attorney General of Canada to agree on the legal strategies by sending a letter, by registered mail or by courier, with an acknowledgement of receipt.

For the province of Quebec, send to:
Director Business Law Directorate,
Quebec Regional Office (Ottawa),
Department of Justice,
284 Wellington Street, Room SAT-6042,
Ottawa, Ontario, K1A 0H8

For other provinces and territories, send to:
Senior General Counsel,
Civil Litigation Section,
Department of Justice
234 Wellington Street, East Tower
Ottawa, Ontario K1A 0H8

A copy of the letter must be sent to the Contracting Authority. Canada reserves the right to co-defend any action brought against Canada. All expenses incurred by Canada to co-defend such actions will be at Canada's expense. If Canada decides to co-defend any action brought against it, and Canada does not agree to a proposed settlement agreed to by the Contractor's insurer and the plaintiff(s) that would result in the settlement or dismissal of the action against Canada, then Canada will be responsible to the Contractor's insurer for any difference between the proposed settlement amount and the amount finally awarded or paid to the plaintiffs (inclusive of costs and interest) on behalf of Canada.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts involving short-term automobile leases (fewer than 31 days).

This clause is used to ensure that any liability claim arising from the use of the rented vehicle by federal government employees traveling on official government business, be resolved by Canada rather than the employees own Automobile Liability policy. (Bill 18, Ontario - changes to the Highway Traffic Act).

For further assistance, contact PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca.

G6005C (2008/05/12) Short Term Lease

For vehicles rented by federal government employees, while travelling on official government business, for a period of less than 31 days, the Contractor must insert as lessee, Canada, as presented by _____ (***insert the employee's department***).

Section 5

H - Terms of Payment

H0001D (1998/06/15) Interest on Overdue Accounts

This clause is cancelled effective 2000/12/01

H0002D (1992/08/01) Interest on Overdue Accounts

Effective 1996/10/30, this clause is superseded by H0001D

H0003D (1992/08/01) Interest on Overdue Accounts

Effective 1992/12/01, this clause is superseded by M9025D

H0004C (2007/11/30) Payment Period

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in contracts for goods and services (except construction and utility contracts) when a single payment will be made upon completion of all work and deliveries.

H1000C (2008/05/12) Single Payment

Canada will pay the Contractor upon completion and delivery of the Work in accordance with the payment provisions of the Contract if:

a) an accurate and complete invoice and any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;

b) all such documents have been verified by Canada;

c) the Work delivered has been accepted by Canada.

H1000D (2005/06/10) Method of Payment

Effective 2007/11/30, this clause is superseded by H1000C

Remarks: Use the following clause in contracts for goods (except construction and utility contracts) with multiple deliveries when payment will be made on completion of each delivery.

H1001C (2008/05/12) Multiple Payments

Canada will pay the Contractor upon completion and delivery of units in accordance with the payment provisions of the Contract if:

a) an accurate and complete invoice and any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;

b) all such documents have been verified by Canada;

c) the Work delivered has been accepted by Canada.

H1001D (2004/12/10) Method of Payment - Multiple Deliveries

Effective 2007/11/30, this clause is superseded by H1001C

H1002C (2005/12/16) Method of Payment - One Lump Sum

This clause is cancelled effective 2007/11/30

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when progress payments will be made based on cost incurred using progress claim form PWGSC-TPSGC 1111.

Use this clause in conjunction with H3022C or H3024C, if applicable; and in conjunction with H4500C in contracts for goods with a Canadian-based contractor.

For more information on progress payments, consult 4.70.30.15 of the Supply Manual.

Instructions to contracting officers:

1. Complete the clause where required.

2. Insert one of the following options in paragraph 2 of the clause. If the options provided below do not reflect the requirement, contracting officers may revise the paragraph accordingly.

Option 1: Use this paragraph in unit prices contract when the holdback will be paid upon delivery and acceptance of each item.

"The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of the item if the Work has been accepted by Canada and a final claim for the payment is submitted."

Option 2: Use this paragraph when payment will be made upon completion and acceptance of all work and deliveries.

"The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of all work required under the Contract if the Work has been accepted by Canada and a final claim for the payment is submitted."

H1003C (2010/01/11) Progress Payments

1. Canada will make progress payments in accordance with the payment provisions of the Contract, no more than once a month, for cost incurred in the performance of the Work, up to _____ percent of the amount claimed and approved by Canada if:

   (a) an accurate and complete claim for payment using form PWGSC-TPSGC 1111, Claim for

Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;

(b) the amount claimed is in accordance with the basis of payment;

(c) the total amount for all progress payments paid by Canada does not exceed _____ percent of the total amount to be paid under the Contract;

(d) all certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives.

2. _____ (***insert one of the options provided under the Remarks section above***.)

3. Progress payments are interim payments only. Canada may conduct a government audit and interim time and cost verifications and reserves the rights to make adjustments to the Contract from time to time during the performance of the Work. Any overpayment resulting from progress payments or otherwise must be refunded promptly to Canada.

H1003D (2005/12/16) Method of Payment - Progress Payments

Effective 2007/11/30, this clause is superseded by H1003C

H1004D (1992/08/01) Method of Payment

Effective 1997/02/03, this clause is superseded by H1000D

H1005D (1992/08/01) Method of Payment

Effective 1992/12/01, this clause is superseded by M9026D

H1006D (1992/01/31) Proposed Basis of Payment

This clause is cancelled effective 1995/03/31

H1007D (2004/12/10) Quarterly Release of Holdbacks

This clause is cancelled effective 2007/11/30

Remarks: Use the following clause in contracts for services when payment will be made on a monthly basis for work performed.

H1008C (2008/05/12) Monthly Payment

Canada will pay the Contractor on a monthly basis for work performed during the month covered by the invoice in accordance with the payment provisions of the Contract if:

I. an accurate and complete invoice and any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;

II. all such documents have been verified by Canada;

III. the Work performed has been accepted by Canada.

H3000D (1991/06/01) Progress Payments

Effective 1997/09/15, this clause is superseded by H1003D

H3001T (1991/06/01) Progress or Advance Payments

This clause is cancelled effective 1997/02/03

H3002D (1991/06/01) Progress Payments

Effective 1997/09/15, this clause is superseded by H1003D

H3003D (1991/06/01) Progress Payments

Effective 1997/09/15, this clause is superseded by H1003D

H3004D (2003/12/12) Payment, Conditions Precedent to

Effective 2008/05/12, this clause is superseded by K9012C

H3005C (1991/06/01) Method of Payment

Effective 1998/03/15, this clause is superseded by H3005D

H3005D (2005/12/16) Method of Payment - Milestone Payments

Effective 2007/11/30, this clause is superseded by H3010C

H3006C (2005/12/16) Method of Payment - Universities

Effective 2007/11/30, this clause is superseded by H1003C

H3007C (2005/12/16) Method of Payment - Progress Payments

Effective 2007/11/30, this clause is superseded by H1003C

H3008C (1991/06/01) Conditions Precedent to Payment

This clause is cancelled effective 1995/03/31

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when progress payment against milestone will be made in accordance with an established schedule of milestones using form PWGSC-TPSGC 1111 and the amount claimed is subject to holdback. Use clause H3010C when the amount claimed is not subject to holdback.

Use this clause in conjunction with H3022C or H3024C and H4012C, if applicable.

For more information on progress payments, consult 4.70.30.15 of the Supply Manual. Milestone payment is a form of progress payment addressed under the policy related to progress payments.

Instructions to contracting officers:

1. Delete paragraph 1.(b) if not applicable.

2. Insert one of the following options in paragraph 2 of the clause. If the options provided below do not reflect the requirement, contracting officers may revise the paragraph accordingly.

Option 1: Use this paragraph in unit prices contract when the holdback will be paid upon delivery and acceptance of the item for which milestones payments were made.

"The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of the item if the Work has been accepted by Canada and a final claim for the payment is submitted."

Option 2: Use this paragraph when payment will be made upon completion and acceptance of all work and deliveries.

"The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of all Work required under the Contract if the Work has been accepted by Canada and a final claim for the payment is submitted."

H3009C (2010/01/11) Milestone Payments

1. Canada will make milestone payments in accordance with the Schedule of Milestones detailed in the Contract and the payment provisions of the Contract, up to _____ percent of the amount claimed and approved by Canada if:

   (a) an accurate and complete claim for payment using form PWGSC-TPSGC 1111, Claim for Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;

   (b) the total amount for all milestone payments paid by Canada does not exceed _____ percent of the total amount to be paid under the Contract;

   (c) all the certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives;

   (d) all work associated with the milestone and as applicable any deliverable required have

been completed and accepted by Canada.

2. _____ (***insert one of the options provided under the Remarks section above***.)

Remarks: Use the following clause in contracts when progress payment against milestone will be made in accordance with an established schedule of milestones using form PWGSC-TPSGC 1111 and the amount claimed is not subject to holdback. Use clause H3009C when the amount claimed is subject to holdback.

Use this clause in conjunction with H3022C or H3024C and H4012C, if applicable.

For more information on progress payments, consult 4.70.30.15 of the Supply Manual. Milestone payment is a form of progress payment addressed under the policy related to progress payments.

H3010C (2010/01/11) Milestone Payments

Canada will make milestone payments in accordance with the Schedule of Milestones detailed in the Contract and the payment provisions of the Contract if:

(a) an accurate and complete claim for payment using PWGSC-TPSGC 1111, Claim for Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;

(b) all the certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives;

(c) all work associated with the milestone and as applicable any deliverable required has been completed and accepted by Canada.

H3012D (1992/01/31) Method of Payment

Effective 1997/09/15, this clause is superseded by H1003D

H3013D (1992/01/31) Method of Payment

Effective 1997/09/15, this clause is superseded by H1003D

H3014D (1992/01/31) Method of Payment

Effective 1997/09/15, this clause is superseded by H1003D

H3016C (1992/01/31) Method of Payment

Effective 1997/02/03, this clause is superseded by H1000D

H3017D **(1992/01/31)** **Invoicing and Method of Payment**

This clause is cancelled effective 1997/02/03

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in standing offers for air charter services for the carriage of goods and people.

H3018C **(2007/11/30)** **Invoicing - Air Charter**

1. The Contractor must submit invoices in accordance with the section entitled "Invoice Submission" of the general conditions.

   Each invoice must show:

   a) all applicable information as detailed under the section entitled "Invoice Submission" of the general conditions;
   b) the total amount payable based on the Basis of Payment;
   c) the name and address of the client department as shown on the call-up;
   d) the call-up number;
   e) all direct expenses, supported by a copy of invoice

2. Each original invoice for flying must be supported by charter tickets signed by the Charterer after each flight, showing that the service covered by the invoice has been completed in accordance with the Contract.

   Contracting officer must choose one of the following options:

3. The original and one (1) copy of the invoice must be forwarded to the consignee for certification and payment.

   OR

3. The invoice must be distributed as follows:

   a) the original and one (1) copy must be forwarded to the following address for certification and payment: _____. ***(contracting officers must insert the name and address of the organization)***

   b) a copy must be forwarded to the Standing Offer Authority identified under the section entitled "Authorities" of the Standing Offer.

H3018D **(1997/09/15)** **Invoicing, Air Charter**

Effective 2007/11/30, this clause is superseded by H3018C

H3019T (2002/12/13) Invoicing Instructions

Effective 2007/11/30, this clause is superseded by H5001C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for maintenance services invoiced monthly or bi-monthly or quarterly.

H3020C (2007/11/30) Invoicing Instructions - Maintenance Services

1. The Contractor must submit invoices in accordance with the section entitled "Invoice Submission" of the general conditions along with the _____ (***insert*** *"monthly"* ***or*** *"bi-monthly"* ***or*** *"quarterly"*) maintenance report described in _____ (***insert*** *"the Statement of Work"* ***or*** *"article ____"*) of the Contract.

   Invoices cannot be submitted until all work identified in the invoice has been completed and that all maintenance service call reports related to the Work identified in the invoice have been received by the Project Authority.

2. The Contractor must distribute the invoices and reports as follows:

   (a) The original and two (2) copies of the invoices and _____ (***insert*** *"monthly"* ***or*** *"bi-monthly"* ***or*** *"quarterly"*) maintenance reports must be forwarded to the address shown on page 1 of the Contract for certification and payment.

   OR

   (a) The original and two (2) copies of the invoices and _____ (***insert*** *"monthly"* ***or*** *"bi-monthly"* ***or*** *"quarterly"*) maintenance reports must be forwarded to the following address for certification and payment _____. (***Contracting officers must insert the name and address of the organization***)

   (b) One (1) copy of the invoice and _____ (***insert*** *"monthly"* ***or*** *"bi-monthly"* ***or*** *"quarterly"*) maintenance report must be forwarded to the Contracting Authority identified under the section entitled "Authorities" of the Contract

H3020D (2004/12/10) Invoicing Instructions - Maintenance Services

Effective 2007/11/30, this clause is superseded by H3020C

H3020T (2002/12/13) Invoicing Instructions

Effective 2004/12/10, this clause is superseded by H3020D

H3021D (2002/12/13) Invoicing Instructions

Effective 2007/11/30, this clause is superseded by H5001C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the form PWGSC-TPSGC 1111 is required to make progress or milestone payments and supporting documents must be submitted with the claim.

See clause H3024C when no supporting document is required with the claim.

H3022C (2010/01/11) Invoicing Instructions - Progress Payment Claim

1. The Contractor must submit a claim for payment using form PWGSC-TPSGC 1111, Claim for Progress Payment.

   Each claim must show:

   (a) all information required on form PWGSC-TPSGC 1111;
   (b) all applicable information detailed under the section entitled “Invoice Submission” of the general conditions;

Instruction to contracting officers: *Insert specific information that must be shown on the claim and is not covered under (a) and (b) above to reflect the requirement. The following are examples only*.

   (c) a list of all expenses;
   (d) expenditures plus pro-rated profit or fee;
   (e) the description and value of the milestone claimed as detailed in the Contract.

Instruction to contracting officers: *Use the following paragraph when claims must be accompanied by supporting documents. The documents listed are examples only and must be revised to reflect the requirement*.

   Each claim must be supported by:

   (a) a copy of time sheets to support the time claimed;
   (b) a copy of the invoices, receipts, vouchers for all direct expenses, travel and living expenses;
   (c) a copy of the monthly progress report.

2. The Goods and Services Tax or Harmonized Sales Tax (GST/HST), as applicable, must be calculated on the total amount of the claim before the holdback is applied. At the time the holdback is claimed, there will be no GST/HST payable as it was claimed and payable under the previous claims for progress payments.

3. The Contractor must prepare and certify one original and two (2) copies of the claim on form PWGSC-TPSGC 1111, and forward it to the _____ (***insert*** “Project” ***or*** “Technical” ***or*** “Inspection”) Authority identified under the section entitled “Authorities” of the Contract for appropriate certification after inspection and acceptance of the Work takes place.

   The _____ (***insert*** “Project” ***or*** “Technical” ***or*** “Inspection”) Authority will then forward the original and two (2) copies of the claim to the Contracting Authority for certification and onward

submission to the Payment Office for the remaining certification and payment action.

4. The Contractor must not submit claims until all work identified in the claim is completed.

H3022D (2005/12/16) Invoicing Instructions

Effective 2007/11/30, this clause is superseded by H3022C

H3023C (2006/06/16) T1204 - Invoicing Instructions

Effective 2007/11/30, this clause is superseded by A9116C

H3023D (2004/12/10) T1204 - Invoicing Instructions

Effective 2006/06/16, this clause is superseded by H3023C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the form PWGSC-TPSGC 1111 is required to make progress or milestone payments and no supporting document is required with the claim.

See clause H3022C when supporting documents must be submitted with the claim.

H3024C (2010/01/11) Invoicing Instructions - Progress Payment Claim

1. The Contractor must submit a claim for payment using form PWGSC-TPSGC 1111, Claim for Progress Payment.

   Each claim must show:

   (a) all information required on form PWGSC-TPSGC 1111;
   (b) all applicable information detailed under the section entitled "Invoice Submission" of the general conditions;

Instruction to contracting officers: *Insert specific information that must be shown on the claim and is not covered under (a) and (b) above to reflect the requirement. The following are examples only.*

   (c) a list of all expenses;
   (d) expenditures plus pro-rated profit or fee;
   (e) the description and value of the milestone claimed as detailed in the Contract.

2. The Goods and Services Tax or Harmonized Sales Tax (GST/HST), as applicable, must be calculated on the total amount of the claim before the holdback is applied. At the time the holdback is claimed, there will be no GST/HST payable as it was claimed and payable under the previous claims for progress payments.

3. The Contractor must prepare and certify one original and two (2) copies of the claim on form PWGSC-TPSGC 1111, and forward it to the _____ (***insert*** "Project" ***or*** "Technical" ***or*** "Inspection") Authority identified under the section entitled "Authorities" of the Contract for appropriate certification after inspection and acceptance of the Work takes place.

The _____ (***insert*** "Project" ***or*** "Technical" ***or*** "Inspection") Authority will then forward the original and two (2) copies of the claim to the Contracting Authority for certification and onward submission to the Payment Office for the remaining certification and payment action.

4. The Contractor must not submit claims until all work identified in the claim is completed.

H3025D (1991/06/01) Progress Payments

Effective 1997/09/15, this clause is superseded by H1003D

H3026T (1991/06/01) Progress or Advance Payments

This clause is cancelled effective 1997/02/03

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the successful bidder indicated in its bid that payment of invoices by Government of Canada Acquisition Card (credit card) will be accepted, and clause H3027T was included in the bid solicitation.

For more information, consult 4.70.55 of the Supply Manual.

Contracting officers must indicate below the name of credit card(s) accepted by the bidder as specified in its bid, e.g. Visa, Master Card.

H3027C (2010/01/11) Payment of Invoices by Credit Card

The credit card _____ is accepted.

OR

The credit cards _____ and _____ are accepted.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when the client department has indicated that Government of Canada Acquisition Card (credit card) may be used to pay invoices in the resulting contract, if applicable.

Use this clause in conjunction with H3027C.

Refer to the Supply Manual procedure 7A.042.

H3027T (2008/05/12) Payment of Invoices by Credit Card

Canada requests that bidders complete one of the following:

( ) Government of Canada Acquisition Cards (credit cards) will be accepted for payment of invoices.

The following credit card(s) are accepted:
( ) VISA
( ) MasterCard

OR

( ) Government of Canada Acquisition Cards (credit cards) will not be accepted for payment of invoices.

The Bidder is not obligated to accept payment by credit card.

Acceptance or credit cards for payment of invoices will not be considered as an evaluation criterion.

Remarks: Use the following clause in contracts when advance payment will be made.

Use this clause in conjunction with K9010C, if applicable.

For more information, consult 4.70.30 of the Supply Manual.

H3028C (2010/01/11) Advance Payment

Canada will pay the Contractor in advance for the Work if:

(a) an accurate and complete invoice and any other documents required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;

(b) all such documents have been verified by Canada.

H3028D (2004/12/10) Method of Payment/Advance Payment

Effective 2007/11/30, this clause is superseded by H3028C

H4000C (1991/06/01) Progress Reports, etc.

Effective 1997/09/15, this clause is superseded by H4002D

H4001C (1991/06/01) Reports

Effective 1997/09/15, this clause is superseded by H4001D

H4001D (1997/09/15) Draft and Final Report

Effective 2007/11/30, this clause is superseded by H4015C

H4002C **(1991/06/01)** **Progress Reports - Monthly**

Effective 1997/09/15, this clause is superseded by H4002D

H4002D **(2003/05/30)** **Progress Reports**

Effective 2007/11/30, this clause is superseded by H4016C

H4003C **(1998/06/15)** **Milestone Report**

Effective 2003/05/30, this clause is superseded by H3005D

H4004C **(1991/06/01)** **Milestone/Phase Authorization**

Effective 1997/09/15, this clause is superseded by H4004D

H4004D **(1997/09/15)** **Milestone / Phase Authorization**

This clause is cancelled effective 2007/11/30

H4005C **(1991/06/01)** **Draft Final Report**

Effective 1997/09/15, this clause is superseded by H4005D

H4005D **(1997/09/15)** **Draft Final Report**

Effective 2007/11/30, this clause is superseded by H4017C

H4006C **(1991/06/01)** **Final Report**

Effective 1997/09/15, this clause is superseded by H4006D

H4006D **(1997/09/15)** **Final Report**

Effective 2007/11/30, this clause is superseded by H4018C

H4007C **(1991/06/01)** **Final Report**

Effective 1997/09/15, this clause is superseded by H4007D

H4007D **(1997/09/15)** **Final Report**

Effective 2007/11/30, this clause is superseded by H4019C

Remarks: Use the following clause in "Limitation of Expenditure" and "Ceiling Price" contracts when progress or milestone payments will be made and the submission of the contract plan and report form is a condition for payment.

Contracting officers must ensure that the submission of the contract plan and report form is indicated in the invoicing instructions of the contract.

H4008C (2007/11/30) Contract Plan and Report Form

1. The Contractor must use the Contract Plan and Report Form, PWGSC-TPSGC 9143 (or an equivalent form acceptable to the Contracting Authority) to report the progress of the Work and the costs to date against the original work plan.

2. An updated copy of the contract plan and report form must be provided with each claim for payment.

3. Receipt and acceptance of the contract plan and report form by the Contracting Authority is a condition for payment in accordance with the Contract.

H4009C (1998/06/15) Cash Flow

This clause is cancelled effective 2007/11/30

H4010D (1997/02/03) Progress Report

Effective 1997/09/15, this clause is superseded by H4002D

H4011D (1997/09/15) Method of Payment - Services

Effective 2007/11/30, this clause is superseded by H5001C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in firm price contracts when progress payments against milestones will be made. For more information, consult 4.70.30.15 of the Supply Manual.

Use this clause in conjunction with H3010C or H3009C.

Contracting officers must revise the title of each column as applicable.

H4012C (2010/01/11) Schedule of Milestones

The schedule of milestones for which payments will be made in accordance with the Contract is as follows:

Milestone No.	Description or "Deliverable"	Firm Amount	Due Date or "Delivery Date"

_____ _____ _____ _____
_____ _____ _____ _____

H4012D (2000/12/01) Method of Payment

Effective 2007/11/30, this clause is superseded by H4012C

H4013D (1992/01/31) Progress Reports

Effective 1997/09/15, this clause is superseded by H4002D

H4014D (1996/10/30) Cash Flow Prediction

This clause is cancelled effective 2007/11/30

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the schedule of reports to be delivered is not included in the Statement of Work.

Use this clause in conjunction with H4016C.

H4015C (2008/12/12) Draft and Final Report

In addition to the _____ (*insert* "monthly" *or* "bi-monthly" *or* "quarterly" as per clause H4016C) reports on the progress of the Work, the Contractor must deliver a draft final report in _____ copies, no later than _____ (*insert date*), and a final report in ____ copies, no later than _____ (*insert date*), to the _____ (*insert* "Technical" *or* "Project") Authority.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when progress reports are required and the schedule and the details of the progress reports content are not included in the Statement of Work.

Use this clause in conjunction with H4015C, if applicable.

H4016C (2007/11/30) Progress Reports

1. The Contractor must submit _____ (***insert*** *"monthly" or "bi-monthly" or "quarterly"*) reports on the progress of the Work in _____ copies to the _____ (***insert*** *"Technical" or "Project"*) Authority and one copy to the Contracting Authority.

2. The progress report must contain three parts:

   (a) PART 1: The Contractor must answer the following three

questions:

(i) Is the project on schedule?

(ii) Is the project within budget?

(iii) Is the project free of any areas of concern in which the assistance or guidance of Canada may be required?

Each negative response must be supported with an explanation.

(b) PART 2: A narrative report, brief, yet sufficiently detailed to enable the _____ (***insert*** *"Technical" or "Project"*) Authority to evaluate the progress of the Work, containing as a minimum:

(i) A description of the progress of each task and of the Work as a whole during the period of the report. Sufficient sketches, diagrams, photographs, etc., must be included, if necessary, to describe the progress accomplished.

(ii) An explanation of any variation from the work plan.

(iii) A description of trips or conferences connected with the Contract during the period of the report.

(iv) A description of any major equipment purchased or constructed during the period of the report.

(c) PART 3: The "Contract Plan and Report Form", PWGSC-TPSGC 9143, (or an equivalent form acceptable to the Contracting Authority) showing the following:

i)Actual and forecast expenditure on a monthly basis for the period being covered. (Expenditures are to be outlined by month and by task.)

ii)Progress of the Work against the Contractor's original Contract Plan (instructions for showing the above on the Contract Plan are detailed in Annex "_____" attached). The "Contract Plan and Report Form" will provide the basis for planning and estimating the cost of work, and reporting actual progress and cost against the plan during contract performance.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when a draft final report is required and details of the report content are not

included in the Statement of Work.

Use this clause in conjunction with H4018C.

H4017C (2007/11/30) Draft Final Report

The Contractor must submit a draft of the final report to the _____ (***insert*** *"Technical" or "Project"*) Authority for approval on or before _____ (***insert date***). It must be a comprehensive report on all facets of the Work and must include sufficient drawings, sketches, photographs and a discussion of problems and successes associated with the Work to facilitate a full and accurate evaluation of the Work by the _____ (***insert*** *"Technical" or "Project"*) Authority. The report must be prepared in accordance with good engineering/professional practices and include, as a minimum, the following: a title page, a table of contents, an executive summary, an introduction, a technical discussion with conclusions and include, as applicable, supporting graphs, tables and figures.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when a draft final report is required.

Use this clause in conjunction with H4017C.

H4018C (2007/11/30) Final Report

The Contractor must provide the final report in _____ copies to the _____ (***insert*** *"Technical" or "Project"*) Authority within _____ days following approval of the draft final report. The final report must contain an executive summary, prepared in both of Canada's official languages.

The Contractor must forward a copy of the covering letter accompanying the final report to the Contracting Authority.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the requirement does not require a draft final report, and the details of the final report content are not included in the Statement of Work.

H4019C (2007/11/30) Final Report

1. The Contractor must submit a final report in _____ copies to the _____ (***insert*** *"Technical" or "Project"*) Authority on or before _____ (***insert date***). It must be a comprehensive report on all facets of the Work and must include sufficient drawings, sketches, photographs and a discussion of problems and successes associated with the Work to facilitate a full and accurate evaluation of the Work by the _____ (***insert*** *"Technical" or "Project"*) Authority. The report must be prepared in accordance with good engineering/professional practices and include, as a minimum, the following: a title page, a table of contents, an executive summary, an introduction, a technical discussion with conclusions and include, as applicable, supporting graphs, tables and figures. A

sample title page is attached as Annex "_____" to the Contract.

2. The final report must be prepared in both of Canada's official languages.

3. The Contractor must forward a copy of the title page of the final report to the Contracting Authority.

Remarks: Use the following clause in all contracts for goods with Canadian-based suppliers when advance or progress payments will be made.

For more information, consult 4.70.30.15 of the Supply Manual.

H4500C (2010/01/11) Lien - Section 427 of the Bank Act

1. If any lien under section 427 of the *Bank Act*, S.C. 1991, c. 46, exists in respect to any materials, parts, work-in-process, or finished work for which the Contractor intends to claim payment, the Contractor agrees to inform the Contracting Authority without delay and agrees, unless instructed otherwise by the Contracting Authority, either:

   (a) to cause the bank to remove such lien and to provide the Contracting Authority with written confirmation from the bank; or,

   (b) to provide to the Contracting Authority an undertaking from the bank that the bank will not make any claim under section 427 of the *Bank Act* on materials, parts, work-in-process, or finished work in respect of which payment is made to the Contractor under the Contract.

2. Failure to inform the Contracting Authority of such lien or failure to implement paragraph 1(a) or (b) above will constitute default under the default section of the general conditions and will entitle Canada to terminate the Contract.

H4900D (1997/09/15) Method of Payment

Effective 2003/12/12, this clause is superseded by H1003D

H5000C (1998/02/16) Invoicing

Effective 2007/11/30, this clause is superseded by H5001C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for goods and services when all information required are covered under the general conditions.

H5001C (2008/12/12) Invoicing Instructions

1. The Contractor must submit invoices in accordance with the section entitled "Invoice Submission" of the general conditions. Invoices cannot be submitted until all work identified in the invoice is completed.

***Instruction to contracting officers**: Use the following paragraph when invoices must be accompanied by supporting documents. The documents listed are examples only and must be revised to reflect the requirement. Delete this paragraph if no supporting documents are required.*

Each invoice must be supported by:

(a) a copy of time sheets to support the time claimed;
(b) a copy of the release document and any other documents as specified in the Contract;
(c) a copy of the invoices, receipts, vouchers for all direct expenses, and all travel and living expenses;
(d) a copy of the monthly progress report.

2. Invoices must be distributed as follows:

(a) The original and one (1) copy must be forwarded to the address shown on page 1 of the Contract for certification and payment.

OR

(a) The original and one (1) copy must be forwarded to the following address for certification and payment. (*Insert the name and address of the organization*)

_____
_____

(b) One (1) copy must be forwarded to the Contracting Authority identified under the section entitled "Authorities" of the Contract.

***Instruction to contracting officers**: Insert additional distribution as applicable. The following is an example.*

(c) one (1) copy must be forwarded to the consignee.

H5001D (2005/06/10) Invoicing Instructions

Effective 2007/11/30, this clause is superseded by H5001C

H5002D (2002/12/13) Invoices

Effective 2007/11/30, this clause is superseded by H5001C

H9000D (1991/06/01) Payment and Appropriations

This clause is cancelled effective 1992/12/01

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the contract period covers more than one fiscal year and the customer department requests that maximum funding for each fiscal year be limited.

H9001C (2007/11/30) Funding by Fiscal Year

Despite the Total Estimated Cost (Limitation of Expenditure) specified in the Contract, and unless otherwise authorized in writing by the Contracting Authority, the maximum amount which may be paid for work completed in the period ending 31 March of the year specified is as follows:

Period of 1st April 20__ to 31 March 20___: $_____
Period of 1st April 20__ to 31 March 20___: $_____
Period of 1st April 20__ to 31 March 20___: $_____.

Section 5

J - Termination

J0000C (1991/06/01) Termination - General Remarks

This clause is cancelled effective 1996/10/30

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause to terminate the entire contract for convenience when a claim may be expected from the contractor.

Use Option 1 when the contract is subject to general conditions only.
Use Option 2 when the contract is subject to supplemental general conditions 4001 or 4005.

Contracting officers must seek advice from Legal Services before issuing a notice of termination for convenience.

J0001C (2008/05/12) Termination for Convenience

This is further to the Stop Work Order dated _____ (***delete this paragraph if no Stop Work Order was sent by the Contracting Authority***).

Option 1
In accordance with the unrestricted right of Canada to terminate the Contract for convenience, the Contracting Authority notifies the Contractor that the Contract is terminated pursuant to section ____ Termination for Convenience, of general conditions ____.

Option 2
In accordance with the unrestricted right of Canada to terminate the Contract for convenience, the Contracting Authority notifies the Contractor that the Contract is terminated pursuant to section ____ Termination for Convenience, of supplemental general conditions ____.

The Contractor is requested to submit to the Contracting Authority, for consideration, any claim that the Contractor may have as a result of this termination. The claim must be submitted on the prescribed departmental termination claim forms, which can be obtained by submitting a written request to the Contracting Authority. Termination claims should be prepared and submitted at the earliest possible time. Allowable costs are set out in the clause mentioned above. The procedure for the termination is set out in the *Procedures Manual on Termination of Contracts* to be provided by the Contracting Authority. The claim and all related correspondence must be addressed to the Contracting Authority.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause to terminate the contract in part for convenience when a claim may be expected from the contractor.

Use Option 1 when the contract is subject to general conditions only.
Use Option 2 when the contract is subject to supplemental general conditions 4001 or 4005.

Contracting officers must seek advice from Legal Services before issuing a partial notice of termination for convenience.

J0002C (2008/05/12) Partial Termination for Convenience

This is further to the Stop Work Order dated _____ (***delete this paragraph if no Stop Work Order was sent by the Contracting Authority***).

Option 1
In accordance with the unrestricted right of Canada to terminate the Contract in part for convenience, the Contracting Authority notifies the Contractor that the following part of the Contract is terminated pursuant to section _____, Termination for Convenience, of general conditions _____:

Option 2
In accordance with the unrestricted right of Canada to terminate the Contract in part for convenience, the Contracting Authority notifies the Contractor that the following part of the Contract is terminated pursuant to section _____, Termination for Convenience, of supplemental general conditions _____:

(***Describe the part of the contract that is terminated***)

The Contractor must continue with the rest of the Work in accordance with the conditions of the Contract.

The Contractor is requested to submit to the Contracting Authority, for consideration, any claim that the Contractor may have as a result of this termination. The claim must be submitted on the prescribed departmental termination claim forms, which can be obtained by submitting a written request to the Contracting Authority. Termination claims should be prepared and submitted at the earliest possible time. Allowable costs are set out in the clause mentioned above. The procedure for the termination is set out in the *Procedures Manual on Termination of Contracts* provided by the Contracting Authority. The claim and all related correspondence must be addressed to the Contracting Authority.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause to terminate the entire contract for convenience when the contractor has advised that it will not make any claim.

Contracting officers must seek advice from Legal Services before issuing a notice of termination for convenience.

J0003C (2008/05/12) Termination for Convenience

This is further to the Stop Work Order dated _____ (***delete this paragraph if no Stop Work Order was sent by the Contracting Authority***).

In accordance with the unrestricted right of Canada to terminate the Contract for convenience, the Contracting Authority notifies the Contractor that the Contract is terminated pursuant to section _____, Termination for Convenience, of general conditions _____.

The Contractor has advised that the Contractor will make no claim against Canada as a result of this termination. The Contractor therefore agrees to release Canada, its employees and agents from all claims and demands arising out of this termination or out of anything done or omitted to be done under the Contract.

The Contractor is requested to confirm its agreement with this termination on the above conditions by signing and returning a copy of this Notice to the Contracting Authority.

_____
(Signature of the Contractor)

J0004D (1996/10/30) Termination for Convenience

Effective 2008/05/12, this clause is superseded by A0072C

J0005D (1998/06/15) Termination for Convenience

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause to terminate the contract in part for convenience when the contractor has advised that it will not make any claim.

Contracting officers must seek advice from Legal Services before issuing a partial notice of termination.

J0006C (2008/05/12) Partial Termination for Convenience

This is further to the Stop Work Order dated _____ (***delete this paragraph if no Stop Work Order was sent by the Contracting Authority***).

In accordance with the unrestricted right of Canada to terminate the Contract in part for convenience, the Contracting Authority notifies the Contractor that the following part of the Contract is terminated pursuant to section _____, Termination for Convenience, of general conditions _____.

(***Describe the part of the contract that is terminated***)

The Contractor must continue with the rest of the Work in accordance with the conditions of the Contract.

The Contractor has advised that the Contractor will make no claim against Canada as a result of this termination. The Contractor agrees to release Canada, its employees and agents from all claims and demands arising out of this termination or out of anything done or omitted to be done under the Contract.

The Contractor is requested to confirm its agreement with this termination on the above conditions by signing and returning a copy of this Notice to the Contracting Authority.

_____
(Signature of the Contractor)

J0200C (2003/05/30) Notice of Termination for Convenience

This clause is cancelled effective 2008/05/12

J0205C (2003/05/30) Notice of Termination for Convenience - Partial

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause to order the contractor to suspend all work under the contract when the client has requested, in writing, a suspension of the work in order to investigate Canada's alternatives and/or a review of the contract status is required before deciding whether termination is appropriate and, if so, the type and extent of termination.

J0500C (2008/05/12) Stop Work Order

This Stop Work Order is issued pursuant to Section _____, Suspension of the Work, of general conditions _____.

The Contractor must stop immediately all work related to the Contract, including the Work of subcontractors, until further notice by the Contracting Authority. The Contractor must place no further orders and incur no further expense. The Contractor must also provide the Contracting Authority with current detailed contract status information.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause to cancel a stop work order.

J0501C (2008/05/12) Cancellation of Stop Work Order

The Stop Work Order dated _____ and issued pursuant to section _____, Suspension of the Work of general conditions _____ is canceled.

The Contractor must resume work in accordance with the Contract and inform the Contracting Authority immediately, in writing, if performance of the Work will be affected by the suspension.

The Contractor is entitled to be paid additional costs and expenses reasonably and properly incurred as a result of the suspension of the Work, plus a fair profit in accordance with the "Suspension of the Work" provision of the Contract. If the Contractor wishes to submit a claim for payment of costs incurred as a result of the suspension, the Contractor must apply, in writing, to the Contracting Authority for the required forms.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause to order the contractor to suspend part of the work under the contract when the client has requested, in writing, a partial suspension of the work in order to investigate Canada's alternatives and/or a review of the contract status is required before deciding whether termination is appropriate and, if so, the type and extent of termination.

J0502C (2008/05/12) Partial Stop Work Order

This Stop Work Order is issued pursuant to section ____, Suspension of the Work, of general conditions _____.

The Contractor must stop immediately the following part of the Work, including the Work of subcontractors, until further notice by the Contracting Authority:

(***Describe the part of the work being suspended***).

The Contractor must place no further orders and incur no further expense related to that part of the Work. The Contractor must also provide the Contracting Authority with current detailed contract status information.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause to terminate the entire contract for default. Contracting officers must state on what grounds the contract is terminated (i.e. goods that have not been delivered, services not performed in accordance with the contract).

Contracting officers must seek advice from Legal Services before issuing a notice of termination for default.

J1000C (2008/05/12) Termination for Default

This is further to the Stop Work Order dated _____ (***delete this paragraph if no Stop Work Order was sent by the Contracting Authority***).

In accordance with the unrestricted right of Canada to terminate the Contract for default if the Contractor is in default in carrying out any of its obligations under the Contract, the Contracting Authority notifies the Contractor that the Contract is terminated for default pursuant to section _____, Default by the Contractor, of general conditions _____ on the following grounds:

(***Insert the grounds for terminating the contract for default***).

Canada reserves its right under the Contract to charge the Contractor for all losses and damages which Canada may suffer by reason of the default, including any amount in excess of the Contract Price that Canada may be obliged to pay in procuring the goods, services or both elsewhere.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause to terminate the contract in part for default. Contracting officers must state on what grounds the contract is partially terminated (i.e. goods that have not been delivered, services not performed in accordance with the contract).

Contracting officers must seek advice from Legal Services before issuing a notice of termination for default.

J1001C (2008/05/12) Partial Termination for Default

This is further to the Stop Work Order dated _____ (***delete this paragraph if no Stop Work Order was sent by the Contracting Authority***).

In accordance with the unrestricted right of Canada to terminate the Contract in part for default if the Contractor is in default in carrying out any of its obligations under the Contract, the Contracting Authority notifies the Contractor that the following part of the Contract is terminated pursuant to section _____, Default by the Contractor, of general conditions _____, on the following grounds:

(***Insert the terminated part(s) and the grounds for terminating the contract in part for default***)

The Contractor must continue with the rest of the Work in accordance with the Contract.

Canada reserves its right under the Contract to charge the Contractor for all losses and damages which Canada may suffer by reason of the default, including any amount in excess of the Contract Price which Canada may be obliged to pay in procuring the goods, services or both related to the part of the Contract being terminated elsewhere.

J1002C (1991/06/01) Default

Effective 1995/03/31, this clause is superseded by K0028D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause to terminate the entire contract for default when default arises as a result of bankruptcy, insolvency or receivership.

Contracting officers must seek advice from Legal Services before issuing a notice of termination for default.

J1003C (2008/05/12) Termination for Default

This is further to the Stop Work Order dated _____ (***delete this paragraph if no Stop Work Order was sent by the Contracting Authority***).

In accordance with the unrestricted right of Canada to terminate the Contract for default if the Contractor becomes bankrupt or insolvent or a receiving order is made against the Contractor, the Contracting Authority notifies the Contractor that the Contract is terminated for default pursuant to section _____, Default by the Contractor, of general conditions ____ as the Contractor is _____ (***insert*** "bankrupt", "insolvent" ***or*** "in receivership"***, as applicable***).

Canada reserves its right under the Contract to charge the Contractor for all losses and damages which Canada may suffer by reason of the default, including any amount in excess of the Contract Price which Canada may be obliged to pay in procuring the goods, services or both elsewhere.

J1004C (1998/06/15) Termination for Default

This clause is cancelled effective 2008/05/12

J1005C (1998/06/15) Termination for Default - Partial

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause to terminate the contract by mutual consent.

Contracting officers must seek advice from Legal Services before issuing a notice of termination by mutual consent.

J2000C (2008/05/12) Termination by Mutual Consent

The Contract is terminated by mutual consent of the Parties. The Parties mutually agree to release each other, their employees and agents from all claims and demands arising out of this termination or out of anything done or omitted to be done under the Contract.

The Contractor is requested to confirm its agreement with this termination by signing and returning a copy of this Notice to the Contracting Authority.

_____
(Signature of Contractor)

J3000C (1991/06/01) Standing Offer, Withdrawal from

Effective 1992/12/01, this clause is superseded by M9024C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the offeror has advised that it wants to withdraw its standing offer. If the standing offer is under seal, contracting officers must consult Legal Services.

J3005C (2008/05/12) Standing Offer - Withdrawal

Canada acknowledges receipt of the Offeror's notice dated _____ informing Canada of the Offeror's decision to withdraw its offer made under Standing Offer number _____, effective as of _____ (***insert date of withdrawal***). The Offeror must fulfill any call-up received before that date in accordance with the conditions of the Standing Offer.

J4000D (1991/06/01) Liquidated Damages

Effective 1993/10/29, this clause is superseded by D0024D

Section 5

K - General Conditions - Modifications

K0000D **(2005/12/16)** **Conditions**

This clause is cancelled effective 2007/05/25

K0005C **(2004/12/10)** **Supplemental General Conditions 1029**

This clause is cancelled effective 2007/05/25

K0012C **(1995/03/31)** **Order of Precedence**

Effective 1995/12/15, this clause is superseded by B4025D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in conjunction with general conditions 2040 or supplemental general conditions 4006 or 4007, when the contractor must provide a certification of disclosure on completion of the work.

When used in conjunction with general conditions 2040, insert: "section 27 of general conditions 2040".

When used in conjunction with supplemental general conditions 4006 or 4007, insert: "section 02 of supplemental general conditions 4006 or 4007".

K0013C **(2008/05/12)** **Disclosure Certification**

On completion of the Work, the Contractor must submit to the _____ (***insert*** "Technical Authority" ***or*** "Project Authority") and to the Contracting Authority a copy of the Disclosure Certification attached as Annex "_____" (***insert the applicable annex***) stating that all applicable disclosures were submitted or that there were no disclosures to submit under _____ (***insert applicable section***).

K0014C **(1991/06/01)** **Disclosures Certification**

Effective 1997/09/15, this clause is superseded by

K0015C **(1991/06/01)** **General Conditions, DSS-MAS 1053**

This clause is cancelled effective 1999/06/21

K0016C **(1997/09/15)** **Modifications to DSS-MAS 1053**

This clause is cancelled effective 2004/05/14

K0017C **(1999/06/21)** **General Conditions, DSS-MAS 9624**

This clause is cancelled effective 2004/12/10

K0018C **(1991/06/01)** **General Conditions, DSS-MAS 9076**

This clause is cancelled effective 1994/01/04

K0019C (1991/06/01) Taxes, Provincial Gallonage

This clause is cancelled effective 1997/02/03

K0020D (1992/08/01) Air Charter Conditions

This clause is cancelled effective 1997/02/03

K0021D (1992/08/01) Air Charter Conditions

Effective 1992/12/01, this clause is superseded by M8011D

Remarks: Use the following clause in contracts for air charters when the contractor has submitted to Canada a cancellation policy acceptable to Canada.

K0022C (2008/05/12) Cancellation of Flights

Section 29 of general conditions 2035 is amended by adding the following subsection:

4. If the Contractor has submitted to Canada a cancellation policy that is acceptable to Canada, subsection 2 will not apply and the Contractor, as a result of a notice mentioned in subsection 1, will be paid cancellation cost in accordance with the provisions of the Contractor's cancellation policy.

K0023C (2005/06/10) Liability

This clause is cancelled effective 2007/05/25

K0023D (1991/06/01) Vessels in Commission - Gen. Cond.

Effective 1997/09/15, this clause is superseded by K0032D

K0024D (2004/12/10) Vessel Unmanned Refits

Effective 2008/05/12, this clause is superseded by A0024C

K0025T (1992/08/01) Contractual Obligation

Effective 1992/12/01, this clause is superseded by M8012D

K0026C (2004/12/10) Priority of Documents

This clause is cancelled effective 2005/06/10

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in marine refit and repair contracts only. It is not intended to be used in marine new construction contracts. The contracting officer must insert the number of days for paint warranty as required.

K0027C (2007/05/25) Vessel Warranty - Refit and Repair

General conditions 1026A, Supplies - Firm Price, are amended by replacing section 08, Warranty, by the following:

"08 Warranty

1. The Contractor, if requested by Canada, must replace or repair at its own expense any finished work, excluding Government Issue incorporated in the Work, which becomes defective or which fails to conform to contract requirements as a result of faulty or inefficient manufacture, material or workmanship.

2. Despite acceptance of the finished work, and without restricting any other term of the Contract or any condition, warranty or provision imposed by law, the Contractor warrants that the following will be free from all defects and will conform with the requirements of the Contract:

(a) The painting of the underwater portion of the hull for a period of _____ (***insert the number of days as required***) days commencing from the date of undocking, except that the Contractor will only be liable to repair and/or replace to a value to be determined as follows:

Original cost to Canada of the underwater painting work, divided by _____ (***insert the warranty period as indicated above***) days and multiplied by the number of days remaining in the warranty period. The resultant sum would represent the "Dollar Credit" due to Canada from the Contractor.

(b) All other painting work for a period of _____ (***insert the number of days as required***) days commencing from the date of acceptance of the Work;

(c) All other items of work for a period of ninety (90) days commencing from the date of acceptance of the Work, except that:

(i) the warranty on the work related to any system or equipment not immediately placed in continuous use or service will be for a period of ninety (90) days from the date of acceptance of the vessel;

(ii) for all outstanding defects, deviations, and work items listed on the Acceptance

Document at Delivery, the warranty will be ninety (90) days from the subsequent date of acceptance for each item.

3. The Contractor agrees to pass to Canada, and exercise on behalf of Canada, all warranties on the materials supplied or held by the Contractor which exceed the periods indicated above."

4. Refer to Annex "_____" for Warranty Defect Claim Procedures and forms."

K0027D (2003/12/12) Vessel Warranty - Refit and Repair

Effective 2007/05/25, this clause is superseded by K0027C

K0028D (1995/03/31) Default

This clause is cancelled effective 1999/06/21

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the warranty period is to be amended.

Use clause 1 for contracts with general conditions, or use clause 2 for contracts with supplemental general conditions.

K0029C (2007/11/30) Warranty Period

Clause 1

Section _____ of general conditions _____ is amended by replacing the period of _____ (***insert the warranty period as stated in the general conditions***) by _____ (***insert the revised warranty period in terms of "days" or "months"***).

All other provisions of the warranty section remain in effect.

OR

Clause 2

Section _____ of supplemental general conditions _____ is amended by replacing the period of _____ (***insert the warranty period as stated in the supplemental general conditions***) by _____ (***insert the revised warranty period in terms of "days" or "months"***).

All other provisions of the warranty section remain in effect.

K0029D (1996/05/01) Warranty

Effective 2007/05/25, this clause is superseded by K0029C

K0030D (2004/12/10) Conduct of the Work - Supplemental General Conditions 1036

This clause is cancelled effective 2007/05/25

K0031D (1998/02/16) Revision of DSS-MAS 1053

This clause is cancelled effective 2004/05/14

K0032D (2004/12/10) Vessel Manned Refits

Effective 2008/05/12, this clause is superseded by A0032C

K0033D (1998/02/16) Health and Labour Conditions

This clause is cancelled effective 2000/12/01

K0034D (1998/02/16) Revision of DSS-MAS 1034

This clause is cancelled effective 2000/12/01

K0035D (1998/02/16) Conduct of Work - Revision of

This clause is cancelled effective 2000/12/01

K0039D (1998/06/15) Y2000 Warranty - Goods

This clause is cancelled effective 2005/06/10

K0040D (1998/06/15) Y2000 Warranty - Facility Management or Outsourcing

This clause is cancelled effective 2005/06/10

K0041D (1998/06/15) Y2000 Warranty - System Integration

This clause is cancelled effective 2005/06/10

K0042D (1998/06/15) Y2000 Warranty - Service

This clause is cancelled effective 2005/06/10

K0043D (2000/05/12) Y2000 Warranty - Goods Not Directly Related to IT Procurements

This clause is cancelled effective 2005/06/10

K0044D (1998/11/23) Y2000 Warranty - Services Not Directly Related to IT Procurements

This clause is cancelled effective 2005/06/10

K0045D (2004/12/10) Subcontracting

Effective 2008/05/12, this clause is superseded by A7035T

K1000T (1991/08/05) Statement of Eligible Goods

This clause is cancelled effective 1992/12/01

K1001T (1992/04/01) Statement of Eligible Goods

This clause is cancelled effective 1994/06/01

K1002T (1992/04/01) Statement of Eligible Goods

This clause is cancelled effective 1994/06/01

K1100C (1992/04/01) Statement of Eligible Goods

This clause is cancelled effective 1994/06/01

K2000T (2007/05/25) Federal Contractors Program for Employment Equity - $200,000 or more

Effective 2007/11/30, this clause is superseded by A3030T

K2001T (1992/01/31) Employment Equity Program

This clause is cancelled effective 1992/12/01

K2002T (2007/05/25) Federal Contractors Program for Employment Equity - over $25,000 and below $200,000

Effective 2007/11/30, this clause is superseded by A3031T

K2003C (2003/12/12) Federal Contractors Program for Employment Equity - Certification

Effective 2007/05/25, this clause is superseded by A3015C

K2100D (1991/12/11) South African/Haitian Conditions

This clause is cancelled effective 1993/10/29

K2105D (2006/06/16) International Sanctions

This clause is cancelled effective 2007/05/25

K2200D (2003/12/12) Conflict of Interest

This clause is cancelled effective 2004/05/14

K2205D (2003/05/30) Conflict of Interest

This clause is cancelled effective 2007/11/30

K2210T (1995/03/31) Conflict of Interest

This clause is cancelled effective 2007/11/30

K3000D (1992/12/01) Intellectual Property Rights

This clause is cancelled effective 1994/01/04

K3001D (1992/12/01) Intellectual Property Rights

This clause is cancelled effective 1994/01/04

Remarks: Use the following clause in contracts to delete the copyright clause in general conditions 2010B and 2035, when the client department has specified that copyright in the work will belong to the contractor and when Canada does not wish to have any license to the work.

Use this clause in conjunction with general conditions 2010B and 2035. Clause K3030C may be used in conjunction with this clause when material subject to copyright protection will be created in the performance of the contract and the client department wishes to ensure that it obtains a license to exercise all rights comprised in the copyright in that material.

Do not use this clause in conjunction with general conditions 2040.

K3002C (2008/05/12) Contractor to own IP: No Explicit License Rights for Canada

The general conditions are amended by deleting in its entirety the section entitled "Copyright", and replacing it with the following:

"Without affecting any existing intellectual property rights or relating to information or data supplied

by Canada for purposes of the Contract, copyright in anything conceived, developed, or produced as part of the Work under the Contract will belong to the Contractor."

K3002D (2004/12/10) Contractor to own IP: No Explicit License Rights for Canada

Effective 2008/05/12, this clause is superseded by K3002C

K3005D (2004/12/10) Protection of Intellectual Property

This clause is cancelled effective 2008/05/12

K3006D (1995/12/15) Design - Property of Canada

This clause is cancelled effective 2007/05/25

K3010D (1992/12/01) Disclosure to Other Governments

This clause is cancelled effective 1994/01/04

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts if the contractor is required to keep the foreground information confidential for a specific period of time following the performance of the contract. This clause would be suitable where the client department wishes to give the intellectual property rights to the contractor but wishes to prevent publishing and to restrict disclosure of that information for a period of time for security or other reasons.

Use this clause in conjunction with supplemental general conditions 4006 or general conditions 2040.

K3015C (2008/05/12) Confidentiality of Foreground Information

The Contractor, during the performance of the Contract and for a period of _____ months after the Contract, must keep confidential and must not publish or otherwise disclose to any person any Foreground Information, except as may be necessary to perform the Work under the Contract. The Contractor must impose the same obligation of confidentiality on any person to whom the information is disclosed to perform the Work.

K3015D (2004/12/10) Foreground Information - Confidentiality

Effective 2008/05/12, this clause is superseded by K3015C

Remarks: Use the following in contracts if the client department is willing, for commercial exploitation or further development of the foreground information, to give the contractor access to information over and above any Canada-owned technical information disclosed to the contractor for purposes of performing the contract. If appropriate, replace "certain Canada-owned information" by a list of specific items.

Use this clause in conjunction with supplemental general conditions 4006 or general conditions 2040.

K3020C (2008/05/12) Licence to Canada's Information

If commercial exploitation or further development of the Foreground Information reasonably requires the use of certain Canada-owned information other than that supplied to the Contractor for purposes of the Contract, Canada may provide the Contractor with a license for that purpose, on conditions to be negotiated between the Contractor and the client department or agency for whom the Work is being performed. Those conditions may include the payment of compensation. The Contractor must give the client department or agency an explanation as to why such a license is required. The client department or agency must respond in writing to the request within a reasonable period of time.

K3020D (2004/12/10) Licence to Canada's Information

Effective 2008/05/12, this clause is superseded by K3020C

K3025D (2004/12/10) License to Intellectual Property Rights in Background Information (Contractor Owns)

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in contracts if the client department has decided that the copyright in the work will belong to the contractor but the client wishes to obtain a license to exercise all rights comprised in the copyright in the work arising in the contractor's performance of the contract.

Use this clause in conjunction with general conditions 2035, 2010B and clause K3002C to delete the existing copyright clause. Do not use this clause in conjunction with general conditions 2040.

K3030C (2010/01/11) License to Material Subject to Copyright

1. In this section, “Material” means anything that is created or developed by the Contractor as part of the Work under the Contract, and in which copyright subsists.

2. The Contractor grants to Canada a non-exclusive, perpetual, irrevocable, world-wide, fully-paid and royalty-free license to exercise all rights comprised in the copyright in the Material, for any government purposes. Canada may use independent contractors in the exercise of Canada’s license pursuant to this clause.

3. Copyright in any translation of the Material made by or for Canada belongs to Canada. Canada agrees to reproduce the Contractor’s copyright notice, if any, on all copies of the Material, and to acknowledge the Contractor’s title to the copyright in the original Work on all copies of translations of the Material effected by or for Canada.

4. No restrictions other than those set out in this section must apply to Canada’s use of copies of the Material or of translated versions of the Material.

5. At the request of Canada, the Contractor must provide to Canada, at the completion of the Work or at such other time as Canada may require, a written permanent waiver of moral rights, in a form acceptable to Canada, from every author that contributed to the Material. If the Contractor is an author of the Material, the Contractor permanently waives its moral rights in respect of the Material.

K3030D (2004/12/10) License to Material Subject to Copyright

Effective 2008/05/12, this clause is superseded by K3030C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when copyright belongs to Canada and the client department agrees to give publication rights at the request of the contractor.

This clause is not required if the contractor will own the intellectual property rights.

K3053C (2008/05/12) Publication Rights

1. In this section,

   (a) "copyright work" means any work in which a copyright may subsist, produced in or as a result of performing the Contract;

   (b) "publication" or "publish" do not include disclosure to an academic supervisor or appraiser, for the sole purpose of academic evaluation.

2. Canada grants to the Contractor and to the author a royalty-free non-exclusive license to publish or have published any copyright work in the course of the normal dissemination of knowledge in the subject field. The Contractor or the author must not however publish or have published any copyright work during the performance of the Contract or for a period of ____ ( ) ____ *(**insert the the number of days, months or years**)* after without obtaining before the written consent of Canada.

3. Any copyright work published by or on behalf of the Contractor or the author must acknowledge that the Work was performed under the Contract with Canada, unless specified otherwise by Canada.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use this clause in all bid solicitations when the client department or agency has determined that Canada will own any intellectual property arising from the work under the contract.

Contracting officers will insert one or more of the following grounds for Canada ownership, as supplied by the client department or agency (do not include the Treasury Board exception number in bid solicitations):

(6.1) national security;

(6.2) statutes, regulations or previous obligations of Canada to a third party or parties preclude contractor ownership of the Intellectual Property Rights in Foreground Information;

(6.3) the bidder has declared in writing that he is not interested in owning the Intellectual Property Rights in Foreground Information;

(6.4.1) the main purpose of the contract, or of the deliverables contracted for, is to generate knowledge and information for public dissemination;

(6.4.2) the main purpose of the contract, or of the deliverables contracted for, is to augment an existing body of Canada's background information as a prerequisite to the transfer of the augmented background to the private sector, through licensing or assignment of ownership (not necessarily to the original contractor), for the purposes of commercial exploitation;

(6.4.3) the main purpose of the contract, or of the deliverables contracted for, is to deliver a component or subsystem that will be incorporated into a complete system at a later date, as a prerequisite to the planned transfer of the complete system to the private sector, through licensing or assignment of ownership, for purposes of commercial exploitation;

(6.5) where the material developed or produced consists of material subject to copyright, with the exception of computer software and all documentation pertaining to that software.

K3200T (2008/12/12) Basis for Canada's Ownership of Intellectual Property

The _____ (*insert the name of the client department or agency*) has determined that any intellectual property rights arising from the performance of the Work under the resulting contract will belong to Canada, on the following grounds: _____.

K3300D (1992/12/01) Intellectual Property Rights

This clause is cancelled effective 1994/01/04

K3301D (1992/12/01) Intellectual Property Rights

This clause is cancelled effective 1994/01/04

K3302D (1992/12/01) Intellectual Property Rights

This clause is cancelled effective 1994/01/04

Remarks: Use the following clause in contracts if Canada owns the foreground information and when supplemental general conditions 4007 or clause K3410C form part of the contract, if Canada is prepared, at the time of contract, to consider granting the contractor a license to exercise the Intellectual Property Rights in the Foreground Information owned by Canada for commercial exploitation or further development.

Article 9.1 of the Intellectual Property Policy states that Canada should not unreasonably refuse to grant a license to the contractor for the contractor's use of the Foreground Information.

K3305C (2008/05/12) License to Intellectual Property Rights in Foreground Information

1. Subject to subsection 2, if the Contractor wishes to make use of the Foreground Information for purposes of its commercial exploitation or further development, the Contractor may make a written request for a license to the client department or agency for whom the Work is being or

was performed. Such a request should be made within thirty (30) working days following the performance of the Work. The Contractor must give the client department or agency an explanation as to why such a license is required. The client department or agency must respond in writing to the request within a reasonable period of time. If the request is refused the response must provide an explanation for the refusal. If the client department or agency agree to grant the license, it will be on conditions to be negotiated between the Contractor and the client department or agency.

2. When the Work under the Contract involves the preparation of a database or other compilation using information or data supplied by Canada, or personal information (as this term is defined in the *Privacy Act*, R.S., 1985, c. P-21) collected by the Contractor as part of the Work, then the license referred to in subsection 1 will be restricted to the Intellectual Property Rights in Foreground Information that are capable of being exploited without the use of such information or data or personal information.

K3305D (2004/12/10) License to Intellectual Property Rights in Foreground Information (Royalty Free)

Effective 2008/05/12, this clause is superseded by K3305C

K3306D (2001/05/25) License to Intellectual Property Rights in Foreground Information (Possible Royalty)

Effective 2008/05/12, this clause is superseded by K3305C

Remarks: Use the following clause in contracts only if Canada owns the Intellectual Property Rights in the Foreground Information pursuant to the conditions of the contract and agrees to grant a license to the contractor to use the foreground information without the right to sublicense the use of that foreground information.

Use this clause in conjunction with K3305C.

K3310C (2008/05/12) No Right for Contractor to Sub-license

The Contractor does not have the right to sub-license or otherwise authorize any party to exercise any of the Intellectual Property Rights in the Foreground Information.

K3310D (2001/05/25) No Right for Contractor to Sub-license

Effective 2008/05/12, this clause is superseded by K3310C

Remarks: Use the following clause in contracts when Canada will own the foreground information pursuant to supplemental general conditions 4007 or clause K3410C, if the client department or agency agrees to grant the contractor access to Canada-owned information for purposes of contractor's further development or commercial exploitation of the licensed foreground information, where such development and commercial exploitation is permitted under the license from Canada. Such a license to Canada-owned information would be negotiated separately between the client department or agency and the

contractor.

If appropriate, replace "certain Canada-owned information" by a list of specific items Canada may be willing to licence to the contractor.

Use this clause in conjunction with K3305C.

K3315C (2008/05/12) License to Intellectual Property Rights in Canada-owned Information

If the Contractor wishes to make use of certain Canada-owned information for purposes of the commercial exploitation or further development of the Foreground Information licensed to the Contractor, the Contractor may make a written request for a license to exercise the required Intellectual Property Rights in such Canada-owned information, to the client department or agency for whom the Work is or was performed. The Contractor must give the client department or agency an explanation as to why such a license is required. The client department or agency must respond in writing to any request for such a license within a reasonable period of time. If the client department or agency agree to grant such a license, it will be on conditions to be negotiated between the Contractor and the client department or agency. It is understood that those conditions may include payment of compensation to Canada.

K3315D (2004/12/10) License to Intellectual Property Rights in Canada-owned Information

Effective 2008/05/12, this clause is superseded by K3315C

K3320D (2004/12/10) License to Intellectual Property Rights in Background Information

This clause is cancelled effective 2008/05/12

K3400D (2000/12/01) Intellectual Propriety Condition Substitutions

This clause is cancelled effective 2004/12/10

K3405D (2001/05/25) Foreground Information License Amendment

This clause is cancelled effective 2004/05/14

Remarks: Use the following clause in contracts when there is an element of intellectual property and Canada is to own intellectual property rights in foreground information.

Use this clause in conjunction with general conditions 2040 where Canada is to own the foreground information.

K3410C (2008/12/12) Canada to Own Intellectual Property Rights in Foreground Information

1. The general conditions 2040 are amended by deleting the sections entitled "Records and Disclosure of Foreground Information", Ownership of Intellectual Property Rights in Foreground

Information", "Licenses to Intellectual Property Rights in Foreground and Background Information", "Contractor's Rights to Grant Licenses", "Waiver of Moral Rights", "License to Intellectual Property Rights in Canada's Information", "Transfer or License of Contractor's Rights", "Transfer of Intellectual Property Rights upon Termination of the Contract for Default", and "Products Created Using the Foreground Information" in their entirety. This section applies in lieu of those sections.

[Canada to Own Intellectual Property Rights in Foreground Information]

2. (a) During and after the performance of the Contract, the Contractor must keep detailed records of the Foreground Information, including details of its creation. The Contractor must report and fully disclose to Canada all Foreground Information as required by the Contract. If the Contract does not specifically state when and how the Contractor must do so, the Contractor must provide this information if requested by the Contracting Authority, whether before or after the completion of the Contract.

   (b) Before and after final payment to the Contractor, the Contractor must provide Canada with access to all records and supporting data that Canada considers pertinent to the identification of Foreground Information.

   (c) For any Intellectual Property that was developed or created in relation to the Work, Canada will be entitled to assume that it was developed or created by Canada, if the Contractor's records do not list that Intellectual Property or do not indicate that it was created by the Contractor, or by someone on behalf of the Contractor, other than Canada.

3. (a) All Intellectual Property rights in the Foreground Information belong to Canada as soon as they come into existence. The Contractor has no right in or to any such Intellectual Property Rights in the Foreground Information, except any right that may be granted in writing by Canada.

   (b) The Contractor must incorporate the copyright symbol and one of the following notices, as appropriate into all Foreground Information that is subject to copyright regardless of the form or medium upon which it is recorded: © Her Majesty the Queen in Right of Canada (year), or © Sa Majesté la Reine du chef du Canada (year).

   (c) The Contractor must execute any documents relating to the Intellectual Property Rights in the Foreground Information as Canada may require. The Contractor must, at Canada's expense, provide Canada all reasonable assistance in the preparation of applications and in the prosecution of any applications for registration of any Intellectual Property Rights in any jurisdiction, including the assistance of the inventor in the case on inventions.

4. (a) The Contractor grants to Canada a license to use the Background Information to the extent that it is reasonably necessary for Canada to exercise fully all its rights in the deliverables and in the Foreground Information. This license is non-exclusive, perpetual, irrevocable, worldwide, fully-paid and royalty-free. The license cannot be restricted in any way by the Contractor providing any form of notice to the contrary, including the wording on any shrink-wrapped license attached to any deliverable.

   (b) For greater certainty, Canada's license in the Background Information includes, but is not limited to:

      (i) the right to disclose the Background Information to third parties bidding on or negotiating contracts with Canada and to sublicense or otherwise authorize the use of that information by any contractor engaged by Canada solely for the purpose of carrying out such contracts. Canada will require these third parties

and contractors not to use or disclose that information except as may be necessary to bid, negotiate or carry out those contracts;

(ii) the right to disclose the Background Information to other governments for information purposes;

(iii) the right reproduce, modify, improve, develop or translate the Background Information or have it done by a person hired by Canada. Canada, or a person designated by Canada, will own the Intellectual Property Rights associated with reproduction, modification, improvement, development or translation.

(iv) without restricting the scope of any license or other right in the Background Information that Canada may otherwise hold in relation to any custom-designed or custom-manufactured part of the Work, the right to use and disclose to a contractor engaged by Canada the Background Information for the following purposes:

(A) For the use, operation, maintenance, repair or overhaul of the custom-designed or custom-manufactured parts of the Work;

(B) In the manufacturing of spare parts for maintenance, repair or overhaul of any custom-designed or custom-manufactured part of the Work by Canada if those parts are not available on reasonable commercial terms to enable timely maintenance, repair or overhaul.

(c) The Contractor agrees to make the Background Information, including in the case of Software, the source code, promptly available to Canada for any purpose mentioned above. The license does not apply to any Software that is subject to detailed license conditions that are set out elsewhere in the Contract. Furthermore, in the case of commercial off-the-shelf software, the Contractor's obligation to make the source code promptly available to Canada applies only to source code that is within the control of or can be obtained by the Contractor or any subcontractor.

5. The Contractor represents and warrants that it has the right to grant to Canada the license and any other rights to use the Background Information. If the Intellectual Property Rights in any Background Information are owned by a subcontractor or any other third party, the Contractor must have a license from that subcontractor or third party that permits compliance with paragraph 4 or arrange, without delay, for the subcontractor or third party to grant promptly the required license directly to Canada.

6. If requested by Canada, during and after the Contract, the Contractor must provide a written permanent waiver of moral rights, as defined in the *Copyright Act*, R.S., 1985, c. C-42, from every author that contributes to any Foreground Information subject to copyright protection that is a deliverable to Canada under the Contract. If the Contractor is an author of the Foreground Information, the Contractor permanently waives the Contractor's moral rights in that Foreground Information.

K3410D (2003/05/30) Canada to Own Intellectual Property Rights in Foreground Information

Effective 2008/05/12, this clause is superseded by K3410C

Remarks: Use the following clause in contracts when the contractor is required to exploit the Intellectual Property in the Foreground Information in Canada.

The following clause must not be used in a contract for the procurement of goods or services which is subject to the procurement disciplines of either the World Trade Organization - Agreement on Government Procurement (WTO-AGP) or the North American Free Trade Agreement (NAFTA). Any use of this provision, which is not prohibited pursuant to the WTO-AGP or the NAFTA, should be tailored to the specific circumstances of the situation as the clause may be difficult to enforce or may impose impractical restrictions on the contractor's commercialization and thus may result in the contractor failing to commercialize the IP. Furthermore, the use of the clause will require on-going monitoring by the client department.

K3415C (2008/05/12) Commercialization in Canada

1. In consideration of the Contractor receiving ownership of the Intellectual Property Rights in the Foreground Information, the Contractor agrees that manufacture of any product incorporating or derived from the Foreground Information will be done substantially in Canada and that the provision of any service incorporating or derived from the Foreground Information will be substantially from a base in Canada.

2. The client department or agency for whom the Work is being or was performed will determine what evidence will be required to demonstrate that the obligation set out in subsection 1 has been met and will set the time period required to meet it. When the obligation has been met in relation to any part of the Foreground Information, the obligation will cease to apply to that part of the Foreground Information.

   If at the end of the period specified by the client department or agency, the obligation to market and sell a product or service as required has not yet been satisfied in relation to any part of the Foreground Information, the Contractor must immediately submit to the client department or agency, a report setting out:

   (a) a description of the efforts that have been and will be made by the Contractor to satisfy the obligation; and

   (b) the reasons why the obligation has not been satisfied.

3. At the expiration of the period specified, if the client department or agency for whom the Work is being or was performed is satisfied that the Foreground Information is capable of commercial exploitation in Canada but that:

   (a) the Contractor is incapable of achieving that; or

   (b) the Contractor has not made every reasonable effort to fulfil the obligation;

   then that client department or agency may invoke either of the remedies set out in subsection 5. If that department is satisfied that the potential value to Canada of commercial exploitation of the Foreground Information substantially in Canada so justifies, it may also extend the time for the Contractor to fulfil the obligation.

4. The Contractor agrees that any of the following, affecting any part of the Foreground Information, would constitute a breach of the Contractor's obligation entitling Canada to exercise, in relation to that part of the Foreground Information, the option to collect the liquidated damages provided for in the Contract (if any) for such a breach, or, without affecting any other remedy available at law or under the Contract, to exercise a remedy set out in subsection 5:

(a) the Contractor or any affiliate, subcontractor or agent of the Contractor manufactures outside Canada a product incorporating or derived from the Foreground Information without that product also being manufactured substantially in Canada, or provides from a base outside Canada a service incorporating or derived from the Foreground Information without that service also being provided substantially from a base in Canada;

(b) through the act or omission, whether direct or indirect, and whether deliberate or negligent, of the Contractor or an employee or a subcontractor (including the sale or assignment of the Foreground Information or license or other authorization of the use of the Foreground Information), any person or entity is enabled to manufacture outside Canada a product incorporating or derived from the Foreground Information without that product also being manufactured substantially in Canada, or to provide from a base outside Canada a service incorporating or derived from the Foreground Information without that service also being provided substantially from a base in Canada;

(c) the Contractor or a controlling interest in the Contractor, is acquired by a person not resident in Canada or by an entity controlled outside of Canada, and that person, or other entity does not enter into an agreement with the department or agency for whom the Work is being or was carried out concerning the use of the Foreground Information, promptly and before a breach described in paragraph (a) or (b) has occurred; or

(d) to the extent permitted by the laws applicable in Canada, the Contractor becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or takes the benefit of any statute relating to bankrupt or insolvent debtors, or the Contractor suffers the appointment against it of a receiver under a debt instrument or by a court, or an order is made or a resolution passed for the winding up of the Contractor.

5. In the event of a breach of subsection 3 or 4, the client department or agency for whom the Work is being or was performed may, by notice, either:

(a) require the Contractor to assign or transfer to Canada at no cost the Intellectual Property Rights in the Foreground Information; or

(b) require the Contractor to provide to one or more persons, or other entities specified by that client department or agency at no cost a non-exclusive, perpetual, unconditional, irrevocable, world-wide, and royalty-free license permitting the commercial exploitation of the Intellectual Property Rights in the Foreground Information, including the right to further develop the Foreground Information and to own the Intellectual Property Rights in any such further development.

The Contractor agrees that it will promptly execute such transfer documents relating to ownership or licensing as the client department or agency may require, and that it will afford that department or agency or a licensee, as the case may be, at that party's expense all reasonable assistance in the preparation of applications and in the prosecution of any application for registration of any Intellectual Property Rights in any jurisdiction arising out of the Foreground Information, including without limitation the assistance of the inventor in the case of an invention.

6. In the event of a breach described in paragraph (a) or (b) of subsection 5 , in addition to all other remedies available to Canada at law or under the Contract, the Contractor must upon demand pay to Canada any net revenues earned by the Contractor as a result of the breach.

K3415D (2001/05/25) Commercialization in Canada

Effective 2008/05/12, this clause is superseded by K3415C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts if the contractor is to be liable for liquidated damages in the event that the foreground information is exploited outside of Canada. If there will be more than one item of foreground information with separate commercial potential, separate damages should be specified for each.

Use this clause only in conjunction with K3415C.

K3420C (2008/05/12) Liquidated Damages - Commercial Exploitation

The Contractor agrees that Canada would suffer actual damages as a result of a breach of the obligations set out in subsection 1 of clause K3415C, and that such damages are likely to be extremely difficult to quantify. In the event that such a breach occurs, the Contractor agrees to pay to Canada liquidated damages in the amount of $_____. Canada and the Contractor agree that this amount is their best pre-estimate of the loss to Canada in the event of such a failure, and that it is not intended to be, nor is it to be interpreted, as a penalty.

K3420D (1994/01/04) Liquidated Damages

Effective 2008/05/12, this clause is superseded by K3420C

K3500T (2001/12/10) Confidential Information for Bidding

Effective 2008/05/12, this clause is superseded by A3500T

K4000D (2007/05/25) Canadian Content Definition

Effective 2008/05/12, this clause is superseded by A3050T

K4001T (2002/05/24) Canadian Content Certification - Mandatory With Bid - Solely Limited - Single Item or Aggregate Basis

This clause is cancelled effective 2008/05/12

K4002T (2005/12/16) Canadian Content Certification - Conditionally Limited - Single Item or Aggregate Basis

This clause is cancelled effective 2008/05/12

K4003T (2005/12/16) Canadian Content Certification - Mandatory With Bid - Solely Limited - Multi-Items Listed in Bid

Effective 2008/05/12, this clause is superseded by A3052T

K4004T (2002/05/24) Canadian Content Certification - Mandatory With Bid - Solely Limited - Multi-Item Requirements Listed in Clause

Effective 2008/05/12, this clause is superseded by A3052T

K4005T (2005/12/16) Canadian Content Certification - Conditionally Limited - Multi-Items Listed in Bid

Effective 2008/05/12, this clause is superseded by A3062T

K4006T (2007/05/25) Canadian Content Certification - Conditionally Limited - Multi-Items Listed in Clause

Effective 2008/05/12, this clause is superseded by A3062T

K4011T (2002/05/24) Canadian Content Certification - Not Mandatory With Bid - Solely Limited - Single Item or Aggregate Basis

This clause is cancelled effective 2008/05/12

K4013T (2005/12/16) Canadian Content Certification - Not Mandatory With Bid - Solely Limited - Multi-Items Listed in Bid

Effective 2008/05/12, this clause is superseded by A3052T

K4014T (2002/05/24) Canadian Content Certification - Not Mandatory With Bid - Solely Limited - Multi-Item Requirements Listed in Clause

Effective 2008/05/12, this clause is superseded by A3052T

K4015T (2001/12/10) Canadian Content Certification - S and T

This clause is cancelled effective 2003/12/12

K4016T (1995/03/31) Canadian Content - Science & Technology

This clause is cancelled effective 1995/06/30

K4100C (2004/12/10) Canadian Content Certification

Effective 2008/05/12, this clause is superseded by A3060C

K5000D (2002/05/24) CKTEA Definitions

This clause is cancelled effective 2005/12/16

K5001T (2002/05/24) CKTEA Certification - Mandatory With Bid - Solely Limited - Single Item or Aggregate Basis

This clause is cancelled effective 2005/12/16

K5002T (2002/05/24) CKTEA Certification - Conditionally Limited - Single Item or Aggregrate Basis

This clause is cancelled effective 2005/12/16

K5003T (2002/05/24) CKTEA Certification - Mandatory With Bid - Solely Limited - Multi-Item Requirements Listed in Bid

This clause is cancelled effective 2005/12/16

K5004T (2002/05/24) CKTEA Certification - Mandatory With Bid - Solely Limited - Multi-Item Requirements Listed in Clause

This clause is cancelled effective 2005/12/16

K5005T (2002/05/24) CKTEA Certification - Conditionally Limited - Multi-Item Requirements Listed in Bid

This clause is cancelled effective 2005/12/16

K5006T (2002/05/24) CKTEA Certification - Conditionally Limited - Multi-Item Requirements Listed in Clause

This clause is cancelled effective 2005/12/16

K5011T (2002/05/24) CKTEA Certification - Not Mandatory With Bid - Solely Limited - Single Item or Aggregate Basis

This clause is cancelled effective 2005/12/16

K5013T (2002/05/24) CKTEA Certification - Not Mandatory With Bid - Solely Limited - Multi-Item Requirements Listed in Bid

This clause is cancelled effective 2005/12/16

K5014T (2002/05/24) CKTEA Certification - Not Mandatory With Bid - Solely Limited - Multi-Item Requirements Listed in Clause

This clause is cancelled effective 2005/12/16

K5100C (2001/12/10) CKTEA Certification

This clause is cancelled effective 2005/12/16

K9000C (1998/06/15) Common Ownership Control

Effective 2008/05/12, this clause is superseded by A9112C

K9001T (2000/12/01) Joint Venture

This clause is cancelled effective 2007/05/25

K9002D (2000/12/01) Canadian Arsenals Limited, Certification

This clause is cancelled effective 2007/05/25

K9003C (2003/05/30) Timeliness

This clause is cancelled effective 2004/05/14

K9004C (1991/06/01) Human Ethics Review Committee

This clause is cancelled effective 1997/09/15

K9005D (1992/01/31) Master and Servant Relationship

This clause is cancelled effective 1994/06/01

K9006C (2007/05/25) Title to Property - Vessel

Effective 2008/05/12, this clause is superseded by A9047C

K9007D (1991/06/01) Personal Injuries

This clause is cancelled effective 2003/12/12

K9009D (2000/12/01) Air Charter Conditions

Effective 2008/05/12, this clause is superseded by B4028C

Remarks: Use the following clause in contracts with suppliers located in California when ownership will not be transferred to Canada until delivery of the goods, and payment will be made either by progress or advance payments.

Use this clause in conjunction with C2002C and D4003C.

K9010C (2007/11/30) Transfer of Ownership

Payments made under clauses relating to progress or advance payments will not constitute or result in a transfer of ownership of the raw materials, work-in-process, finished goods or other articles.

Remarks: Use the following clause in contracts which include progress payments when general conditions 1026A, 1026B or CCC-50 are used.

Do not use this clause with any of the other general conditions.

K9012C (2008/05/12) Conditions Precedent to Payment

The section entitled “Conditions precedent to payment” of the general conditions is deleted and replaced with the following:

1. No payment will be made to the Contractor unless or until invoices, inspection notes, and all other documents required by Canada are submitted in accordance with either the terms of the Contract or the instructions of Canada.

2. When costs have been paid by the Contractor, Canada will make no payment to the Contractor unless or until the Contractor, if required by Canada, establishes to the satisfaction of Canada that the materials, parts, work in process, or finished work are free from all claims, liens, attachments, charges, or encumbrances.

3. When costs have accrued in the accounts of the Contractor as liabilities to be discharged in the normal course of business, Canada will make no payment to the Contractor unless or until the Contractor, if required by Canada, establishes to the satisfaction of Canada that :

IV. the Contractor is not, in the ordinary course of business, delinquent in discharging any accrued liabilities that have arisen under the Contract,

V. payment made to the Contractor by Canada under the Contract will be used only to discharge such liabilities, and

VI. upon such discharge, the materials, parts, work in process, and finished work will be free from all claims, liens, charges, or encumbrances.

4. For finished work, Canada will make no payment to the Contractor unless or until such finished work has been inspected and accepted in accordance with the terms of the Contract.

K9015C (2002/12/13) Ontario Labour Legislation

Effective 2008/05/12, this clause is superseded by A0075C

K9015T (2002/12/13) Ontario Labour Legislation

Effective 2008/05/12, this clause is superseded by A0075T

K9025C (1997/09/15) Aboriginal Business Certification

Effective 2007/11/30, this clause is superseded by A3000C

K9025T (1997/09/15) Set-Aside / Aboriginal Business

Effective 2007/11/30, this clause is superseded by A3000T

K9026D (1997/09/15) Entire Agreement

This clause is cancelled effective 2007/05/25

K9035D (1998/11/23) Handling of Personal Information

Effective 2008/05/12, this clause is superseded by A9113C

Section 5

L - Production Tooling and Special Test Equipment

L0001T (1991/06/01) Tooling

This clause is cancelled effective 1998/06/15

L0002T (1991/06/01) Tooling

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts for the Department of National Defence (DND) when Special Production Tooling and Special Test Equipment (SPT/STE) is applicable. This set of conditions pertains to cases where Canada expects the contractor to acquire or manufacture SPT and STE under the contract. This materiel is not catalogued in DND and becomes the property of Canada.

Contracting officers must indicate the name of the Technical Authority, Procurement Authority and Disposal, Sales, Artefacts and Loans (DSAL) Authority in the contract, as applicable.

Do not use this clause for Optimized Weapon Systems Management contracts.

L0003C (2008/05/12) Special Production Tooling and Special Test Equipment

1. The Contractor must provide the Special Production Tooling and Special Test Equipment (SPT/STE) to perform the Work under the Contract as listed in Annex _____.

2. The Contractor must identify each item of SPT/STE as Canada's property by affixing a plate, or by etching or by stamping. The plate or marking must include reference to Public Works and Government Services Canada (PWGSC) file number and contract number, and a number for the SPT/STE to identify the individual item.

3. The Contractor must provide an inventory in electronic format on a Production Tooling Control (PTC) sheet for each piece of SPT/STE paid for by the Department of National Defence. The control sheet must include:

   (a) a 5 X 7 inch photograph of the SPT/STE - the standard of measurement (ruler) must be included in the photo;
   (b) the Government Control Number which indicates the item is government owned, relates to a specific piece of SPT/STE and sequential numbers;
   (c) the contract number and date;
   (d) the NATO Stock Number and Part Number;
   (e) a full description of the item;
   (f) quantity;
   (g) invoice price;
   (h) reference number to the technical data sheet;
   (i) original manufacturer;
   (j) stock code and NATO Stock Number and item name of the product the SPT/STE is used to produce.

4. The PTC sheet must be verified, signed and dated by an authorized representative of the company. The Contractor must provide the PTC sheet to the Contracting Authority who will forward it to the _____ (***insert*** "Technical" ***or*** "Procurement") Authority, and to the Disposal, Sales, Artefacts, & Loans (DSAL) Authority.

5. Ownership of the SPT/STE and any replacement belongs to Canada and the SPT/STE remains Canada's property at all times.

6. The Contractor must take reasonable and proper care of the SPT/STE while it is in its possession.

7. The Contractor must provide written notice to the _____ (***insert*** "Technical" **or** "Procurement") Authority at least sixty (60) calendar days before the date when the SPT/STE will no longer be required for use in the performance of the Contract. The Contractor must act as custodian of the SPT/STE at no direct cost to Canada. Disposal or redistribution instructions will be provided by Canada when the notice is received or at the end of the Contract. Preparation for the transport of dangerous goods, packaging, and crating charges for redistribution of SPT/STE must be in accordance with the instructions provided by the Contracting Authority.

8. The Contractor must submit a separate invoice accompanied by a PTC sheet. The Contractor must provide the following information:

   (a) the Contractor's name;
   (b) the date, and the PWGSC file number and contract number;
   (c) the supplies or components in the manufacture of which the SPT/STE is used;
   (d) the quantity, the item number (reference paragraph 3 above), the production part number to which the SPT/STE relates and a brief description of the SPT/STE; and,
   (e) the price of each item of SPT/STE, where available, and the total amount.

9. The Contractor must forward the original and two (2) copies of the invoice accompanied by the original and two (2) copies of the PTC sheet to the Contracting Authority. The Contractor must verify this inventory once every two years in accordance with the *Canadian Forces Supply Manual* document A-LM-007-014/AG-001.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in Optimized Weapon Systems Management contracts for the Department of National Defence (DND) when the contractor will provide the Special Production Tooling and Special Test Equipment (SPT/STE).

The listing of SPT/STE will be used by DND authorities to determine proper disposition instructions later in the program.

Contracting officers must specify the name of the Technical Authority and Procurement Authority in the contract.

L0004C (2008/05/12) Special Production Tooling and Special Test Equipment - OWSM

1. The Contractor must provide the Special Production Tooling and Special Test Equipment (SPT/STE) required under the Contract. The SPT/STE acquired from commercial sources or manufactured by the Contractor will be managed within the Contractor's inventory management system and must be available to Canada under the Contract.

2. For cost reimbursement on the purchase of SPT/STE, the Contractor must provide a listing with SPT/STE numbers, descriptions, quantity, cost, and original equipment manufacturer to the Procurement Authority.

3. The Contractor must identify each item of SPT/STE as Canada's property by affixing a plate, or by etching or by stamping. The plate or marking must include reference to Public Works and Government Services Canada file number and contract number and a number to identify the

individual item of SPT/STE.

4. Ownership of the SPT/STE and any replacement belongs to Canada.

5. The Contractor must take reasonable and proper care of the SPT/STE while it is in its possession and must maintain and replace the SPT/STE during the period of the Contract at its expense so that, at the end of the Contract, the Contractor must possess a complete set of the SPT/STE in a usable condition.

6. The Contractor must provide written notice to the _____ (***insert*** "Technical" ***or*** "Procurement") Authority at least sixty (60) calendar days before the date when the SPT/STE will no longer be required for use in the performance of the Contract. The Contractor must act as custodian of the SPT/STE at no direct cost to Canada. Disposal or redistribution instructions will be provided by Canada when the notice is received or at the end of the Contract. Preparation for the transport of dangerous goods, packaging, and crating charges for redistribution of SPT/STE must be in accordance with the instructions provided by the Contracting Authority.

Remarks: Use the following clause in Optimized Weapon Systems Management contracts for the Department of National Defence (DND) when Canada owns and will provide Special Production Tooling and Special Test Equipment (SPT/STE) to the contractor.

The listing of SPT/STE will be used by DND authorities to determine proper disposition instructions later in the program.

L0005C (2008/05/12) Special Production Tooling and Special Test Equipment Owned by Canada - OWSM

1. Canada will provide the Special Production Tooling and Special Test Equipment (SPT/STE) to the Contractor under the Contract. The SPT/STE provided by Canada will be recorded and managed under a Department of National Defence Loan Agreement.

2. The Contractor must identify all SPT/STE owned by Canada as Canada's property by affixing a plate, or by etching or by stamping. The plate or marking must include reference to Public Works and Government Services Canada file number and contract number and a number for the SPT/STE to identify the individual item.

L0006C (1991/06/01) Tooling Owned by Canada

This clause is cancelled effective 2008/05/12

L0007C (1991/06/01) Tooling Owned by Canada

This clause is cancelled effective 2008/05/12

L0008C (1991/06/01) Tooling Owned by Canada

This clause is cancelled effective 2008/05/12

L0009C (1991/06/01) Production or Tooling

This clause is cancelled effective 1998/06/15

L5000C (1991/06/01) Special Test Equipment

This clause is cancelled effective 1998/02/16

Remarks: Use the following clause in contracts for the Department of National Defence when government property such as tooling, test equipment and materials, may become surplus.

L5001C (2008/05/12) Surplus Government Property

If, during the period of or at the time of completion of the Contract, the Contractor determines that government property such as tooling, test equipment and materials is surplus, the Contractor must report such surplus to the Contracting Authority by providing a spreadsheet that identifies all surplus government property. The spreadsheet must include as a minimum, the quantity, unit of issue, description of items including part number, location of property and classification of property. The classification of property field must identify if the surplus property must be classified as a controlled or a non-controlled good, which is either new serviceable, used serviceable or repairable, used unserviceable or scrap. The Contractor must complete and submit to the Contracting Authority Form CF152, Material Adjustment Report.

If some or all of the surplus property is not required by Canada, then Canada may give the Contractor the right of first refusal to purchase the property at fair market value to be negotiated with Crown Assets Distribution.

Section 5

M - Standing Offers

M0000C (2005/12/16) Standard Clauses and Conditions - Standing Offers

This clause is cancelled effective 2006/08/15

M0000T (2005/12/16) Standard Instructions, Clauses and Conditions - Requests for a Standing Offer

This clause is cancelled effective 2006/08/15

M0001D (1991/06/01) Call-Up Form

This clause is cancelled effective 1995/03/31

M0002D (1991/06/01) Call-up Form

This clause is cancelled effective 1995/03/31

M0003D (1991/06/01) Reference to the Word "Contract"

This clause is cancelled effective 1995/03/31

M0004T (1992/08/01) Nature of Document

This clause is cancelled effective 1995/03/31

M0005T (1992/01/31) Nature of Documents

This clause is cancelled effective 1995/03/31

M0006T (1995/03/31) Enquiries - Solicitation Stage

Effective 2002/12/13, this clause is superseded by A0012T

M0007T (1998/06/15) Presentation of Offers

This clause is cancelled effective 2006/08/15

M0008T (1992/12/01) Basis of Selection

Effective 1995/03/31, this clause is superseded by A0270T

M0009T (1992/12/01) Basis of Selection of Carrier

Effective 1995/03/31, this clause is superseded by A0031T

M0010T (1992/12/01) Technical Proposal

This clause is cancelled effective 1995/03/31

M0011T (2006/08/15) Facility Evaluation

This clause is cancelled effective 2008/12/12

M0012T (1992/12/01) Offer Cost

This clause is cancelled effective 1995/03/31

M0013C (1992/12/01) Authorities

Effective 1995/03/31, this clause is superseded by M0015D

M0014C (1992/12/01) Authorities

Effective 1995/03/31, this clause is superseded by M0015D

M0015D (1995/03/31) Contracting Authority

This clause is cancelled effective 2006/08/15

M0016D (1992/12/01) Services to be Provided

This clause is cancelled effective 1995/03/31

M0017T (1992/12/01) Bidders' Conference

Effective 1995/03/31, this clause is superseded by A9083T

M0018D (2000/12/01) Post Orders

This clause is cancelled effective 2006/08/15

Remarks: Use the following clause in requests for standing offers when firm prices and/or rates are requested.

M0019T (2007/05/25) Firm Price and/or Rates

```
The Offeror is required to submit firm prices, rates or both that will apply
for the entire period of the Standing Offer.
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M0020C **(1992/12/01)** **Classification, Vendors**

This clause is cancelled effective 1995/03/31

M0021D **(1992/12/01)** **Boundaries of National Capital Region**

This clause is cancelled effective 1995/03/31

M0022D **(2005/06/10)** **Defence Contract**

Effective 2006/08/15, this clause is superseded by A9006C

M0023C **(2004/05/14)** **Applicable Laws**

This clause is cancelled effective 2006/08/15

M0023T **(2004/12/10)** **Applicable Laws**

This clause is cancelled effective 2006/08/15

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for standing offers when the request for standing offers (2T-RFSO1) template is not used.

M0025T **(2010/01/11)** **Communications Notification**

As a courtesy, the Government of Canada requests that successful offerors notify the Standing Offer Authority in advance of their intention to make public an announcement related to the issuance of a standing offer.

Remarks: Use the following clause when the request for standing offers contains mandatory technical evaluation criteria and the basis of selection will be the responsive offer with the lowest evaluated price.

Use clause M0069T when the request for standing offers contains no technical evaluation criteria and the basis of selection is the responsive offer with the lowest evaluated price.

M0031T **(2007/05/25)** **Basis of Selection - Mandatory Technical Criteria Only**

An offer must comply with the requirements of the Request for Standing Offers and meet all mandatory technical evaluation criteria to be declared responsive. The responsive offer with the lowest evaluated price will be recommended for issuance of a standing offer.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the request for standing offers contains mandatory and point-rated technical evaluation criteria, and the basis of selection will be the responsive offer with the lowest evaluated price.

Contracting officers must complete and insert in 1.(c) one of the following options:

Option 1:
"obtain the required minimum of _____ (insert minimum percentage) percent overall of the points for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of _____ (insert total number of available points) points."

Option 2:
"obtain the required minimum of _____ (insert minimum number of points) points overall for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of _____ (insert total number of available points) points."

Option 3:
"obtain the required minimum of points overall for the technical evaluation criteria which are subject to point rating."

M0034T (2007/11/30) Basis of Selection - Minimum Point Rating

1. To be declared responsive, an offer must:

   (a) comply with all the requirements of the Request for Standing Offers (RFSO); and

   (b) meet all mandatory technical evaluation criteria; and

   (c) _____ (***Contracting officers are to insert one of the options provided under the remarks section above***.)

2. Offers not meeting (a) or (b) or (c) above will be declared non-responsive. The responsive offer with the lowest evaluated price will be recommended for issuance of a standing offer.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the request for standing offers contains mandatory and point-rated technical evaluation criteria, and the basis of selection will be the responsive offer with the lowest evaluated price per point.

Contracting officers must complete and insert in 1.(c) one of the following options:

Option 1:
"obtain the required minimum of _____ (insert minimum percentage) percent overall of the points for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of _____ (insert the total number of points available) points."

Option 2:

"obtain the required minimum of _____ (insert minimum number of points) points overall for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of _____ (insert the total number of points available) points."

Option 3:

"obtain the required minimum points for the technical evaluation criteria which are subject to point rating."

M0035T (2007/05/25) Basis of Selection - Lowest Price Per Point

1. To be declared responsive, an offer must:

   (a) comply with all the requirements of the Request for Standing Offers;

   (b) meet all mandatory technical evaluation criteria; and

   (c) _____ (***contracting officers are to insert one of the options provided under the remarks sections above***).

2. Offers not meeting (a) or (b) or (c) will be declared non-responsive. Neither the responsive offer that receives the highest number of points nor the one that proposed the lowest price will necessarily be accepted. The responsive offer with the lowest evaluated price per point will be recommended for issuance of a standing offer.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for standing offers, in the section relating to the preparation of financial offers.

Use clause 1 when the offeror must submit firm prices for all items; or clause 2 when the offeror must submit firm prices for one or multiple groups of items. Delete the clause not used.

M0066T (2007/05/25) Prices - Items

Clause 1

Offerors must submit firm prices for all items listed in Annex(es) "_____".

OR

Clause 2

Offerors must submit firm prices for one or multiple groups of items. However, offerors must submit firm prices for all items listed in the group(s) of items for which they submit prices. The groups of items are as follows:

(a) Group A: All items listed in Annex "____"
(b) Group B: All items listed in Annex "____"
(c) Group C: All items listed in Annex "____"
(d) Group D: All items listed in Annex "____".

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for standing offers, in the section relating to the preparation of financial offers.

Use clause 1 when the offeror must submit firm rates for all categories of resources; or clause 2 when the offeror must submit firm rates for one or multiple groups of resource categories. Delete the clause not used.

M0068T (2007/05/25) Rates - Resources

Clause 1

Offerors must submit firm rates for all categories of resources listed in Annex(es) "_____".

OR

Clause 2

Offerors must submit firm rates for one or multiple groups of resource categories. However, offerors must submit firm rates for all categories listed in the group(s) for which they submit rates. The groups of categories are as follows:

(a) Group A: All categories of resources listed in Annex "____"
(b) Group B: All categories of resources listed in Annex "____"
(c) Group C: All categories of resources listed in Annex "____"
(d) Group D: All categories of resources listed in Annex "____".

Remarks: Use the following clause when there is no technical evaluation criteria in the request for standing offers and the basis of selection will be the responsive offer with the lowest evaluated price.

M0069T (2007/05/25) Basis of Selection

An offer must comply with the requirements of the Request for Standing Offers to be declared responsive. The responsive offer with the lowest evaluated price will be recommended for issuance of a standing offer.

M0090C (1997/09/15) Disclosure of Information

This clause is cancelled effective 2006/08/15

M0090T (1997/09/15) Disclosure of Information

This clause is cancelled effective 2006/08/15

M0100D (2005/12/16) Standard Instructions and Conditions - Standing Offers

This clause is cancelled effective 2006/08/15

Remarks: Use the following clause in requests for standing offers for goods when the financial evaluation of the offer will be conducted in accordance with the process described below.

M0220T (2007/05/25) Evaluation of Price

The price of the offer will be evaluated in Canadian dollars, the Goods and Services Tax or the Harmonized Sales Tax excluded, FOB destination, Canadian customs duties and excise taxes included.

Remarks: Use the following clause in requests for standing offers for goods when offers may be received from Canadian and foreign-based suppliers and the financial evaluation of the offer will be conducted in accordance with the process described below.

Use this clause in conjunction with C2000C.

M0222T (2010/01/11) Evaluation of Price

1. The price of the offer will be evaluated as follows:

   (a) Canadian-based offerors must submit firm prices, Canadian customs duties and excise taxes included, and Goods and Services Tax (GST) or Harmonized Sales Tax (HST) excluded.

   (b) foreign-based offerors must submit firm prices, Canadian customs duties, excise taxes and GST or HST excluded. Canadian customs duties and excise taxes payable by Canada will be added, for evaluation purposes only, to the prices submitted by foreign-based offerors.

2. Unless the Request for Standing Offers (RFSO) specifically requires offers to be submitted in Canadian currency, offers submitted in foreign currency will be converted to Canadian currency for evaluation purposes. The rate given by the Bank of Canada in effect on the RFSO closing date, or on another date specified in the RFSO, will be applied as a conversion factor to the offers submitted in foreign currency.

3. Although Canada reserves the right to issue the Standing Offer either on an FOB plant or FOB destination, Canada requests that offerors provide prices FOB their plant or shipping point and FOB destination. Offers will be assessed on an FOB destination basis.

4. For the purpose of the RFSO, offerors with an address in Canada are considered Canadian-based offerors, and offerors with an address outside of Canada are considered foreign-based offerors.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for standing offers when offerors are required to provide specific documents with their offer.

M0280T **(2007/05/25)** **Document Required for Offers Evaluation Purposes**

The Offeror must provide the following documents with its offer:

1. _____

2. _____

3. _____.

M1000T **(1991/06/01)** **Potential Utilization**

This clause is cancelled effective 1995/03/31

M1001T **(1991/06/01)** **Resulting Contracts**

This clause is cancelled effective 1995/03/31

M1002D **(1991/06/01)** **Identified User**

This clause is cancelled effective 1995/03/31

M1003D **(1991/06/01)** **Identified User**

This clause is cancelled effective 1995/03/31

Remarks: Use the following clause in requests for standing offers when the requirement is for new materiel and must conform to the latest version of the drawing, specification and part number that is in effect on the closing date of the request for standing offers.

M1004T **(2007/05/25)** **Materiel**

Materiel supplied must be new and conform to the latest issue of the applicable drawing, specification and/or part number that is in effect on the closing date of the Request for Standing Offers.

M1100D **(1995/03/31)** **Service Site Authority**

This clause is cancelled effective 2006/08/15

M1200D **(1991/06/01)** **Returns and Refunds**

This clause is cancelled effective 1995/03/31

M1300D **(1991/06/01)** **Request for a Standing Offer**

This clause is cancelled effective 1995/03/31

M1302D **(1995/03/31)** **Standing Offers (Multiple)**

Effective 1999/06/21, this clause is superseded by M1302T

M1302T **(1999/06/21)** **Standing offers (Multiple)**

This clause is cancelled effective 2006/08/15

M1303D **(1992/01/31)** **Request For a Standing Offer**

This clause is cancelled effective 1995/03/31

M1500D **(1995/03/31)** **Offeror's Personnel**

This clause is cancelled effective 2006/08/15

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in standing offers for temporary help when personnel for administrative support classification must meet the standards identified in the clause below.

Contracting officers may delete the standard which does not apply to the requirement.

Contracting officers must choose one of the options under paragraph 2 and complete the information to advise offerors how they can obtain a copy of that standard.

M1501C **(2008/05/12)** **Qualification of Temporary Help Personnel**

The Offeror must provide the services of temporary help personnel who meets the applicable minimum standards in the:

(a) Classification and Descriptions for Administrative Support Temporary Help published by Canadian General Standards Board (CGSB), catalogue number CAN/CGSB-168.1-991, with the exception of minimum typing level for secretaries that is amended to read "40 words by minute to a maximum of 5 percent error rate".

The standard may be purchased from CGSB, Ottawa, Ontario. Information for placing orders are available on: http://www.pwgsc.gc.ca/cgsb/pubs/catalogue/order-e.html.

(b) Public Works and Government Services Canada "Catalogue of Temporary Employee Classification Descriptions for Professional, Administrative, Technical and Operational Temporary Help Services", dated March 1992.

Instruction to contracting officers: *Choose one of the following options*

Copies of this catalogue are available, upon request, from: _____.

OR

These descriptions are available on the following Website: _____.

M1501D (1997/02/03) Personnel Provided - Qualification

Effective 2008/05/12, this clause is superseded by M1501C

M1502D (1991/06/01) Personnel, Assignment of

Effective 1995/12/15, this clause is superseded by M1501D

M1600D (1991/06/01) Employee Deductions

This clause is cancelled effective 1995/03/31

M1700D (1991/06/01) Supplier Profile, Changes to

This clause is cancelled effective 1995/03/31

M1701D (1991/06/01) Documents to be Provided

This clause is cancelled effective 1995/03/31

M1800D (1991/06/01) Invoicing

This clause is cancelled effective 1995/03/31

M1801D (1991/06/01) Invoices

This clause is cancelled effective 1995/03/31

M1802D (1991/06/01) Invoicing

This clause is cancelled effective 1995/03/31

M1804D (1992/01/31) Invoicing

This clause is cancelled effective 1995/03/31

M1900D (1991/06/01) Call-Up Procedures

This clause is cancelled effective 1995/03/31

M1901D (1991/06/01) Call-up Procedures

This clause is cancelled effective 1995/03/31

M1902D (1991/06/01) Call-up Procedures

This clause is cancelled effective 1995/03/31

M1903D (1992/01/31) Call-ups

This clause is cancelled effective 1995/03/31

M1904D (2003/05/30) Standing Offers (Multiple)

This clause is cancelled effective 2006/08/15

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for standing offers when the authorized standing offer will be added to the Electronic Supply Chain (e-purchasing) and Government of Canada Marketplace (GOCM) websites.

M1910T (2008/05/12) Electronic Purchasing

1. Any standing offer that will be issued as a result of the Request for Standing Offers can be listed on e-purchasing, which is a web-based desk top purchasing system provided to federal government departments.

2. While not obligated to agree to have their products/prices listed on e-purchasing, offerors are strongly encouraged to do so as this is the direction that the federal government may be taking in the future. Further, it will increase the visibility of the successful Offeror's catalogued products.

3. The Offeror's decision to agree or decline to list its products on e-purchasing will not affect the evaluation of its offer or the authorization of a Standing Offer.

4. If the Offeror is interested in having its Standing Offer on e-purchasing, it can obtain a copy of the set-up requirements by sending a written request to the Public Works and Government Services Canada (PWGSC) Standing Offer Authority identified in the Request for Standing Offer. The Offeror should also indicate:

   (a) its interest in listing its catalogue (products/prices) on e-purchasing:

   Interested: YES ___ NO ___

   (b) its capability to load the standing offer products on a file layout in either Excel or Lotus 123 in bilingual format (a sample layout will be provided by PWGSC upon request);

   (c) in which software the catalogue (products/prices) can be loaded:

   Excel: YES ___ NO ___ and/or

   Lotus 123 YES ___ NO ___; and

(d) if green products are easily identifiable:

Green products are highlighted: YES ___ NO ___

Green products can be highlighted: YES ___ NO ___

Contact Name: _____
Phone Number: ____-____-_____

M2000D (1995/12/15) Temporary Help Services

This clause is cancelled effective 2006/08/15

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for standing offers valued at $200,000 or more (including all applicable taxes), except for requirements excluded under paragraphs 2.(d), (e) and (f) of Annex 5.1 of the Supply Manual.

For bid solicitations, use clause A3030T; for requests for supply arrangements, use clause S3030T.

For more information on the Federal Contractors Program, consult also Annex 5.1.

M2000T (2010/01/11) Federal Contractors Program - $200,000 or more

1. The Federal Contractors Program (FCP) requires that some suppliers, including a supplier who is a member of a joint venture, bidding for federal government contracts, valued at $200,000 or more (including all applicable taxes), make a formal commitment to implement employment equity. This is a condition precedent to the issuance of a standing offer. If the Offeror, or, if the Offeror is a joint venture and if any member of the joint venture, is subject to the FCP, evidence of its commitment must be provided before the issuance of a standing offer.

   Suppliers who have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive government contracts over the threshold for solicitation of bids as set out in the *Government Contracts Regulations*. Suppliers may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any offers from ineligible contractors, including an offer from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

2. If the Offeror does not fall within the exceptions enumerated in 3.(a) or (b) below, or does not have a valid certificate number confirming its adherence to the FCP, the Offeror must fax (819-953-8768) a copy of the signed form LAB 1168, Certificate of Commitment to Implement Employment Equity, to the Labour Branch of HRSDC.

3. The Offeror, or, if the Offeror is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

   The Offeror or the member of the joint venture

   (a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, or temporary employees having worked 12

weeks or more in Canada;

(b) ( ) is not subject to the FCP, being a regulated employer under the *Employment Equity Act*, S.C. 1995, c. 44;

(c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full- time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC (having not bid on requirements of $200,000 or more), in which case a duly signed certificate of commitment is attached;

(d) ( ) is subject to FCP, and has a valid certificate number as follows: _____ (e.g. has not been declared an ineligible contractor by HRSDC).

Further information on the FCP is available on the HRSDC Web site.

M2001D (1995/12/15) Estimated Utilization - Standing Offer

Effective 1999/12/13, this clause is superseded by M2001T

M2001T (1999/12/13) Estimated Utilization - Standing Offer

This clause is cancelled effective 2006/08/15

M2002D (1991/06/01) Estimated Utilization - Standing Offer

This clause is cancelled effective 1995/03/31

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for standing offers valued at over $25,000 and below $200,000 (including all applicable taxes), except for requirements excluded under paragraphs 2.(d), (e) and (f) of Annex 5.1 of the Supply Manual.

For bid solicitations, use clause A3031T; for requests for supply arrangements, use clause S3031T.

For more information on the Federal Contractors Program, consult also Annex 5.1.

M2002T (2010/01/11) Federal Contractors Program - over $25,000 and below $200,000

Suppliers who are subject to the Federal Contractors Program (FCP) and have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive federal government contracts over the threshold for solicitation of bids as set out in the *Government Contracts Regulations*. Suppliers may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than a reduction of their workforce to less than 100 employees. Any offers from ineligible contractors, including an offer from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

The Offeror, or, if the Offeror is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

The Offeror or the member of the joint venture

(a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada;

(b) ( ) is not subject to the FCP, being a regulated employer under the *Employment Equity Act*, S.C. 1995, c. 44;

(c) ( ) is subject to the requirements of FCP, having a workforce of 100 or more full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC, having not bid on requirements of $200,000 or more;

(d) ( ) has not been declared an ineligible contractor by HRSDC, and has a valid certificate number as follows: _____.

Further information on the FCP is available on the HRSDC Web site.

M2003D (1991/06/01) Fire Extinguisher Service

This clause is cancelled effective 1995/03/31

M2004D (1991/06/01) Petroleum Products, Supply of

This clause is cancelled effective 2008/05/12

M2005D (1991/06/01) Scope

This clause is cancelled effective 1995/03/31

M2006D (1995/03/31) Identified Users

This clause is cancelled effective 2006/08/15

M2007D (1991/06/01) Standing Offer

This clause is cancelled effective 1995/03/31

M2008D (1991/06/01) Requirement/Statement of Work

This clause is cancelled effective 1995/03/31

M2009D **(1991/06/01)** **Dry Cleaning/Fire Proofing of Drapes**

Effective 1995/03/31, this clause is superseded by C0418D

M2010D **(1991/06/01)** **Laundering**

Effective 1995/12/15, this clause is superseded by B6812D

M2011D **(1991/06/01)** **Garments - Rental and Laundry**

Effective 1995/12/15, this clause is superseded by B6813D

M2012D **(1991/06/01)** **Safety Glasses**

This clause is cancelled effective 1995/03/31

M2013D **(1992/08/01)** **Aircrew Requirements**

Effective 1995/03/31, this clause is superseded by B4030D

M2014D **(1992/08/01)** **Safety Briefing**

Effective 1995/03/31, this clause is superseded by B4032D

M2015D **(1992/08/01)** **Aircrew Requirements**

Effective 1995/03/31, this clause is superseded by B4031D

M2016D **(1992/12/01)** **Priority of Documents**

Effective 1995/03/31, this clause is superseded by K0012C

M2017C **(1992/12/01)** **Work Location**

Effective 1995/03/31, this clause is superseded by F2046C

M2018D **(1992/12/01)** **Insurance Requirements**

Effective 1995/03/31, this clause is superseded by G4001D

M2100D **(2006/06/16)** **International Sanctions**

This clause is cancelled effective 2006/08/15

M2400D **(1992/08/01)** **Revision - General**

This clause is cancelled effective 1995/03/31

M2405D **(1992/08/01)** **Revision - New Offer**

This clause is cancelled effective 1995/03/31

M2410C **(1992/08/01)** **Revision - Financial Limitation**

This clause is cancelled effective 1995/03/31

M2415C **(1992/08/01)** **Revision - Period of Standing Offer**

This clause is cancelled effective 1995/03/31

M2420C **(1992/08/01)** **Revision - Limitation of Expenditure**

This clause is cancelled effective 1995/03/31

M2430C **(1995/03/31)** **Withdrawal of Authority**

This clause is cancelled effective 2006/08/15

M2435D **(1992/08/01)** **Default**

This clause is cancelled effective 1995/03/31

M2500D **(1991/06/01)** **Call-Up Period - Minimum**

This clause is cancelled effective 2006/08/15

M2501D **(1995/12/15)** **Call-Ups, Period for Placing**

This clause is cancelled effective 2006/08/15

M2502D **(1992/01/31)** **Period of Standing Offer**

This clause is cancelled effective 1995/03/31

M2600D **(1991/06/01)** **Option**

This clause is cancelled effective 1995/03/31

Remarks: Use the following clause in standing offers when price lists form part of the basis of payment.

M3000C (2006/08/15) Price Lists

Following issuance of a Standing Offer, it is the Offeror's responsibility to supply and update price lists and/or catalogues as Canada may require. The Offeror must provide one (1) copy of its catalogue and price list and updates to each Identified User requesting a copy. The Offeror must further send one (1) copy to the Standing Offer Authority at the address stated in the Standing Offer.

M3000D (1995/03/31) Price Lists

Effective 2006/08/15, this clause is superseded by M3000C

M3001D (1991/06/01) Catalogue and Price List

Effective 1995/03/31, this clause is superseded by M3000D

M3002T (1991/06/01) Canadian Funds

This clause is cancelled effective 1995/03/31

M3003D (1991/06/01) Pricing

This clause is cancelled effective 1995/03/31

M3004D (1991/06/01) Sheet Materials

This clause is cancelled effective 1995/03/31

M3005D (1991/06/01) Prices

This clause is cancelled effective 1995/03/31

M3006D (1991/06/01) Basis of Pricing

This clause is cancelled effective 1995/03/31

M3007D (1991/06/01) Basis of Pricing

This clause is cancelled effective 1995/03/31

M3008T (1992/12/01) Goods and Services Tax

Effective 1995/03/31, this clause is superseded by C2204T

M3009D (1992/12/01) Goods and Services Tax

This clause is cancelled effective 1995/03/31

M3010T (1992/12/01) Price Change, Notification of

This clause is cancelled effective 1995/03/31

M3011D (1992/12/01) Estimated Hours of Service

This clause is cancelled effective 1995/03/31

M3012D (1992/12/01) Goods and Services Tax

This clause is cancelled effective 1995/03/31

M3013D (1992/12/01) Limitation of Expenditure

Effective 1995/03/31, this clause is superseded by M4506D

M3014D (1992/12/01) Taxes - Tobacco

This clause is cancelled effective 1995/03/31

Remarks: Use the following clause in standing offers for service requirements, where specific individuals are proposed for the work and clause M3020T was included in the request for standing offer.

If the template 2T-RFSO1 is used, insert this clause, if applicable, under the “Certifications” article of Part 6A - Standing Offer.

M3020C (2010/01/11) Status and Availability of Resources

If for reasons beyond its control, the Offeror is unable to provide the services of an individual named in its offer, the Offeror may propose a substitute with similar qualifications and experience. The Offeror must advise the Standing Offer Authority of the reason for the substitution and provide the name, qualifications and experience of the proposed replacement. For the purposes of this clause, only the following reasons will be considered as beyond the control of the Offeror: death, sickness, maternity and parental leave, retirement, resignation, dismissal for cause or termination of an agreement for default.

If the Offeror is unable to provide a substitute with similar qualifications and experience, Canada may set aside the standing offer.

Remarks: Use the following clause in request for standing offers for service requirements, where specific individuals will be proposed for the work. Use in conjunction with M3020C.

If the template 2T-RFSO1 is used, insert this clause, if applicable, under “Certifications precedent to issuance of a standing offer”, and delete the last sentence of the second paragraph “Failure to comply with the request may result in the offer being declared non-responsive.”

M3020T (2010/01/11) Status and Availability of Resources

The Offeror certifies that, should it be issued a standing offer as a result of the Request for Standing Offer, every individual proposed in its offer will be available to perform the Work resulting from a call-up against the Standing Offer as required by Canada's representatives and at the time specified in a call-up or agreed to with Canada's representatives. If for reasons beyond its control, the Offeror is unable to provide the services of an individual named in its offer, the Offeror may propose a substitute with similar qualifications and experience. The Offeror must advise the Standing Offer Authority of the reason for the substitution and provide the name, qualifications and experience of the proposed replacement. For the purposes of this clause, only the following reasons will be considered as beyond the control of the Offeror: death, sickness, maternity and parental leave, retirement, resignation, dismissal for cause or termination of an agreement for default.

If the Offeror has proposed any individual who is not an employee of the Offeror, the Offeror certifies that it has the permission from that individual to propose his/her services in relation to the Work to be performed and to submit his/her résumé to Canada. The Offeror must, upon request from the Standing Offer Authority, provide a written confirmation, signed by the individual, of the permission given to the Offeror and of his/her availability. Failure to comply with the request may result in the offer being declared non-responsive.

Remarks: Use the following clause in requests for standing offers when the education and experience of individuals will be evaluated.

M3021T (2007/05/25) Education and Experience

The Offeror certifies that all the information provided in the résumés and supporting material submitted with its offer, particularly the information pertaining to education, achievements, experience and work history, has been verified by the Offeror to be true and accurate. Furthermore, the Offeror warrants that every individual offered by the Offeror for the requirement is capable of performing the Work resulting from a call-up against the Standing Offer.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in all competitive requests for standing offers for services requirements to identify any offeror who may be a former public servant for:

(a) approval purposes when the successful offeror is a former public servant in receipt of a pension paid under the Public Service Superannuation Act;

(b) the application of the $5,000 contract fee limit when the successful offeror is a former public servant, including former members of the Canadian Forces and the Royal Canadian Mounted Police, in receipt of a lump sum payment pursuant to a work force reduction program.

This certification will be a condition precedent to the issuance of a standing offer as opposed to a mandatory requirement for evaluation purposes.

For more information, consult 3.90 of the Supply Manual.

M3025T (2010/01/11) Former Public Servant Certification

Contracts with former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny, and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts with FPS, offerors must provide the information required below.

Definitions

For the purposes of this clause,

"former public servant" is any former member of a department as defined in the *Financial Administration Act,* R.S., 1985, c. F-11, a former member of the Canadian Armed Forces or a former member of the Royal Canadian Mounted Police. A former public servant may be:

(a) an individual;
(b) an individual who has incorporated;
(c) a partnership made of former public servants; or
(d) a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the size of the Public Service. The lump sum payment period does not include the period of severance pay, which is measured in a like manner.

"pension" means, in the context of the fee abatement formula, a pension or annual allowance paid under the *Public Service Superannuation Act* (PSSA), R.S., 1985, c. P-36, and any increases paid pursuant to the *Supplementary Retirement Benefits Act*, R.S., 1985, c. S-24 as it affects the PSSA. It does not include pensions payable pursuant to the *Canadian Forces Superannuation Act*, R.S., 1985, c. C-17, the *Defence Services Pension Continuation Act*, 1970, c. D-3, the *Royal Canadian Mounted Police Pension Continuation Act* , 1970, c. R-10, and the *Royal Canadian Mounted Police Superannuation Act*, R.S., 1985, c. R-11, the *Members of Parliament Retiring Allowances Act* , R.S. 1985, c. M-5, and that portion of pension payable to the *Canada Pension Plan Act*, R.S., 1985, c. C-8.

Former Public Servant in Receipt of a Pension

Is the Offeror a FPS in receipt of a pension as defined above? **YES** ( ) **NO** ( )

If so, the Offeror must provide the following information:

(a) name of former public servant;
(b) date of termination of employment or retirement from the Public Service.

Work Force Reduction Program

Is the Offeror a FPS who received a lump sum payment pursuant to the terms of a work force reduction program? **YES** ( ) **NO** ( )

If so, the Offeror must provide the following information:

(a) name of former public servant;
(b) conditions of the lump sum payment incentive;
(c) date of termination of employment;
(d) amount of lump sum payment;
(e) rate of pay on which lump sum payment is based;
(f) period of lump sum payment including start date, end date and number of weeks;
(g) number and amount (professional fees) of other contracts subject to the restrictions of a work force reduction program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is $5,000, including the Goods and Services Tax or Harmonized Sales Tax.

Certification

By submitting an offer, the Offeror certifies that the information submitted by the Offeror in response to the above requirements is accurate and complete.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in all non-competitive requests for standing offers for services requirements for:

(a) the application of the fee abatement formula and approval purposes when the successful offeror is a former public servant in receipt of a pension paid under the Public Service Superannuation Act;

(b) the application of the $5,000 contract fee limit when the successful offeror is a former public servant, including former members of the Canadian Forces and the Royal Canadian Mounted Police, in receipt of a lump sum payment pursuant to a work force reduction program.

For more information, consult 3.90 of the Supply Manual.

M3026T (2010/01/11) Former Public Servant Certification

Contracts with former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts with FPS, offerors must provide the information required below.

Definitions

For the purposes of this clause,

"former public servant" is any former member of a department as defined in the *Financial Administration Act*, R.S., 1985, c. F-11, a former member of the Canadian Armed Forces or a former member of the Royal Canadian Mounted Police. A former public servant may be:

(a) an individual;
(b) an individual who has incorporated;
(c) a partnership made of former public servants; or
(d) a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the size of the Public Service. The lump sum payment period does not include the period of severance pay, which is measured in a like manner.

"pension" means, in the context of the fee abatement formula, a pension or annual allowance paid under the *Public Service Superannuation Act* (PSSA), R.S., 1985, c. P-36, and any increases paid pursuant to the *Supplementary Retirement Benefits Act*, R.S., 1985, c. S-24 as it affects the PSSA. It does not include pensions payable pursuant to the *Canadian Forces Superannuation Act*, R.S., 1985, c. C-17, the *Defence Services Pension Continuation Act, 1970, c. D-3,* the *Royal Canadian Mounted Police Pension Continuation Act*, 1970, c. R-10 and the *Royal Canadian Mounted Police Superannuation Act*, R.S., 1985, c. R-11, the *Members of Parliament Retiring Allowances Act,* R.S., 1985, c. M-5, and that portion of pension to the *Canada Pension Plan Act*, R.S. 1985, c. C-8.

Former Public Servant in Receipt of a Pension

Is the Offeror a FPS in receipt of a pension as defined above? **YES** ( ) **NO** ( )

If so, the Offeror must provide the following information:

(a) name of former public servant;
(b) date of termination of employment or retirement from the Public Service.

A contract for the services of a FPS who has been retired for less than one year and who is in receipt of a pension as defined above is subject to a fee reduction (abatement formula) as required by Treasury Board Policy.

Work Force Reduction Program

Is the Offeror a FPS who received a lump sum payment pursuant to the terms of a work force reduction program? **YES** ( ) **NO** ( )

If so, the Offeror must provide the following information:

(a) name of former public servant;
(b) conditions of the lump sum payment incentive;
(c) date of termination of employment;
(d) amount of lump sum payment;
(e) rate of pay on which lump sum payment is based;
(f) period of lump sum payment including start date, end date and number of weeks;
(g) number and amount (professional fees) of other contracts subject to the restrictions of a work force reduction program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is $5,000, including the Goods and Services Tax or Harmonized Sales Tax.

Certification

By submitting an offer, the Offeror certifies that the information submitted by the Offeror in response to the above requirements is accurate and complete.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for standing offers for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB).

Use this clause in conjunction with M9030T and A3000C, and if applicable, A3002T.

M3030T (2010/01/11) Owner/Employee Certification - Set-aside for Aboriginal Business

If requested by the Standing Offer Authority, the Offeror must provide the following certification for each owner and employee who is Aboriginal:

"1. I am _____ (***insert*** "an owner" ***and/or*** "a full-time employee") of _____ (***insert name of business***), and an Aboriginal person, as defined in Annex 9.4 of the *Supply Manual* entitled "Requirements for the Set-Aside Program for Aboriginal Business".

2. I certify that the above statement is true and consent to its verification upon request by Canada.

_____
Printed name of owner and/or employee

_____
Signature of owner and/or employee

_____
Date"

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers for single item (line item) when competition is solely limited to Canadian goods as defined in A3050T.

Use this clause in conjunction with A3050T and M3060C.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3051T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian goods.

The Offeror certifies that:

( ) the good(s) offered are Canadian goods as defined in paragraph 1 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers for multiple items (line item) when competition is solely limited to Canadian goods and the certification must be done on an item by item basis as defined in paragraph 3.(b) of clause A3050T.

Contracting officers must select one of the options provided in the clause.

Use clause M3053T for multiple items when the certification must be done on an aggregate basis.

Use this clause in conjunction with A3050T and M3060C.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3052T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian goods.

Instruction to contracting officers: *Choose one of the following options:*

"Offerors must clearly identify beside each item listed in the request for standing offers document which items meet the definition of Canadian goods and complete the following certification."

OR

"Offerors must clearly identify below which items meet the definition of Canadian goods and complete the certification below."

_____

_____

The Offeror certifies that:

( ) the item(s) offered and identified as Canadian goods are Canadian goods as defined in paragraph 1 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers for multiple items (line item) when competition is solely limited to Canadian goods and the certification must be done on an aggregate basis as defined in paragraph 3.(a) of clause A3050T.

Use clause M3052T for multiple items when the certification must be done on an item by item basis.

Use this clause in conjunction with A3050T and M3060C.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3053T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian goods.

The Offeror certifies that:

( ) a minimum of 80 percent of the total price for the offer consist of Canadian goods as defined in paragraph 1 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the *Supply Manual*.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers for single item (line item) when competition is solely limited to Canadian services as defined in paragraph 2 of clause A3050T.

Use this clause in conjunction with A3050T and M3060C.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3055T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian services.

The Offeror certifies that:

( ) the service offered is a Canadian service as defined in paragraph 2 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers for multiple items (variety of services) when competition is solely limited to Canadian services as defined in paragraph 4 of clause A3050T.

Use this clause in conjunction with A3050T and M3060C.

Contracting officers must consult the Canadian Content policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3056T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian services.

The Offeror certifies that:

( ) the services offered are Canadian services as defined in paragraph 4 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the *Supply Manual*.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers when the requirement is a mix of goods and services, and the competition is solely limited to Canadian goods and Canadian services as defined in paragraph 5 of clause A3050T.

Use this clause in conjunction with clause A3050T and M3060C.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3059T (2010/01/11) Canadian Content Certification

This procurement is limited to Canadian goods and Canadian services.

The Offeror certifies that:

( ) a minimum of 80 percent of the total price for the offer consist of Canadian goods and Canadian services as defined in paragraph 5 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the *Supply Manual*.

Remarks: Use the following clause in standing offers when the successful offeror had to complete and submit a Canadian content certification to be considered.

M3060C (2008/05/12) Canadian Content Certification

1. The Offeror warrants that the certification of Canadian Content submitted by the Offeror is accurate and complete, and that the goods, services or both to be provided under any call-ups against the Standing Offer are in accordance with the definition contained in clause A3050T.

2. The Offeror must keep proper records and documentation relating to the origin of the goods, services or both provided to Canada. The Offeror must not, without obtaining before the written consent of the Standing Offer Authority, dispose of any such records or documentation until the expiration of six (6) years after final payment under any contract resulting from the Standing Offer, or until settlement of all outstanding claims and disputes under the Standing Offer, whichever is later. All such records and documentation must at all times during the retention period be open to audit, inspection and examination by the representatives of Canada, who may make copies and take extracts. The Offeror must provide all facilities for such audits, inspections and examinations, and must furnish all such information as the representatives of Canada may from time to time require with respect to such records and documentation.

3. Nothing in this clause must be interpreted as limiting the rights and remedies which Canada may otherwise have pursuant any contract resulting from the Standing Offer.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers for single item (line item) when competition is conditionally limited to Canadian goods as defined in A3050T.

Use this clause in conjunction with A3050T and M3060C.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3061T (2010/01/11) Canadian Content Certification

This procurement is conditionally limited to Canadian goods.

Subject to the evaluation procedures contained in the request for standing offers, offerors acknowledge that only offers with a certification that the good(s) offered are Canadian goods, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the offer will result in the good(s) offered being treated as non-Canadian goods.

The Offeror certifies that:

( ) the good(s) offered are Canadian goods as defined in paragraph 1 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers for multiple items (line item) when competition is conditionally limited to Canadian goods and the certification must be done on an item by item basis as defined in paragraph 3(b) of clause A3050T.

Contracting officers must select one of the options provided in the clause.

Use clause M3063T for multiple items when the certification must be done on an aggregate basis.

Use this clause in conjunction with A3050T and M3060C.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3062T (2010/01/11) Canadian Content Certification

This procurement is conditionally limited to Canadian goods.

Subject to the evaluation procedures contained in the request for standing offer, offerors acknowledge that only offers for items with a certification that the item(s) offered are Canadian goods, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the offer will result in the item(s) offered being treated as non-Canadian goods.

Instruction to contracting officers: *Choose one of the following options:*

"Offerors must clearly identify beside each item listed in the request for standing offer document which items meet the definition of Canadian good and complete the following certification."

OR

"Offerors must clearly identify below which items meet the definition of Canadian good and complete the certification below."

_____

_____

The Offeror certifies that:

( ) the item(s) offered and identified as Canadian goods are Canadian goods as defined in paragraph 1 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers for multiple items (line item) when competition is conditionally limited to Canadian goods and the certification must be done on an aggregate basis as defined in paragraph 3.(a) of clause A3050T.

Use clause M3062T for multiple items when the certification must be done on an item by item basis.

Use this clause in conjunction with A3050T and M3060C.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3063T (2010/01/11) Canadian Content Certification

This procurement is conditionally limited to Canadian goods.

Subject to the evaluation procedures contained in the request for standing offer, offerors acknowledge that only offers with a certification that the good(s) offered are Canadian goods, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the offer will result in the good(s) offered being treated as non-Canadian goods.

The Offeror certifies that:

( ) a minimum of 80 percent of the total price for the offer consist of Canadian goods as defined in paragraph 1 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the *Supply Manual*.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers for single item (line item) when competition is conditionally limited to Canadian services as defined in paragraph 2 of clause A3050T.

Use this clause in conjunction with A3050T and M3060C.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3065T (2010/01/11) Canadian Content Certification

This procurement is conditionally limited to Canadian services.

Subject to the evaluation procedures contained in the request for standing offer, offerors acknowledge that only offers with a certification that the service offered is a Canadian service, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the offer will result in the service offered being treated as a non-Canadian service.

The Offeror certifies that:

( ) the service offered is a Canadian service as defined in paragraph 2 of clause A3050T.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers for multiple items (variety of services) when competition is conditionally limited to Canadian services as defined in paragraph 4 of clause A3050T.

Use this clause in conjunction with A3050T and M3060C.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3066T (2010/01/11) Canadian Content Certification

This procurement is conditionally limited to Canadian services.

Subject to the evaluation procedures contained in the request for standing offer, offerors acknowledge that only offers with a certification that the services offered are Canadian services, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the offer will result in the services offered being treated as non-Canadian services.

The Offeror certifies that:

( ) the services offered are Canadian services as defined in paragraph 4 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the *Supply Manual*.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in competitive requests for standing offers when the requirement is a mix of goods and services, and the competition is conditionally limited to Canadian goods and Canadian services as defined in paragraph 5 of clause A3050T.

Use this clause in conjunction with clause A3050T and M3060C.

Contracting officers must consult the Canadian Content Policy (Annex 3.6 of the Supply Manual) to establish if the requirement is subject to the policy.

M3069T (2010/01/11) Canadian Content Certification

This procurement is conditionally limited to Canadian goods and Canadian services.

Subject to the evaluation procedures contained in the request for standing offer, offerors acknowledge that only offers with a certification that the goods and services offered are Canadian goods and Canadian services, as defined in clause A3050T, may be considered.

Failure to provide this certification completed with the offer will result in the goods and services offered being treated as non-Canadian goods and non-Canadian services.

The Offeror certifies that:

( ) a minimum of 80 percent of the total price for the offer consist of Canadian goods and Canadian services as defined in paragraph 5 of clause A3050T.

For more information on how to determine the Canadian content for a mix of goods, a mix of services or a mix of goods and services, consult Annex 3.6.(9), Example 2, of the *Supply Manual*.

M3500D (1991/06/01) Petroleum Products, Supply of

This clause is cancelled effective 1995/03/31

Remarks: Use the following clause in standing offers for the purchase of petroleum products when prices are subject to adjustment in accordance with any increase or decrease established by the petroleum producer.

M3501C (2008/05/12) Price Adjustment - Petroleum Products

1. The prices detailed in the Standing Offer are subject to upward or downward adjustment to allow for:

   (a) changes due to price adjustment in petroleum products that are a direct result of increased or decreased prices imposed by the petroleum producer. A copy of the Offeror's notification of price increase or decrease from the petroleum producer must be provided to the Standing Offer Authority; and/or

   (b) imposition of any new or changes to any existing levies, tariffs or fees of whatsoever nature applicable to any petroleum product, authorized, imposed or agreed to by Canada or any provincial government or by any Governmental Regulatory Authority.

2. The Standing Offer will be revised to reflect the actual price of the increase or decrease at time of delivery. The Offeror must not invoice at prices other than those specified in the Standing Offer.

M3501D (1991/06/01) Basis of Payment

This clause is cancelled effective 1995/03/31

M3502D (1991/06/01) Basis of Payment

This clause is cancelled effective 1995/03/31

M3503C (2004/12/10) Payment by Credit Card

This clause is cancelled effective 2006/08/15

M3503T (2004/12/10) Payment by Credit Card

This clause is cancelled effective 2006/08/15

M3700D (1991/06/01) Escalation

This clause is cancelled effective 1995/03/31

M3701D (1991/06/01) Escalation

This clause is cancelled effective 1995/03/31

Remarks: Use the following clause in standing offers when an estimate of the cost of performing specific work is required before issuing call-ups. Call-ups should contain the statement of work and the estimate provided by the offeror.

M3800C (2006/08/15) Estimates

Where an estimate of the cost of performing specific work is required, the Identified User will provide the Offeror with a statement of the work required and the Offeror must provide the Identified User with an estimate of the cost of performing the specified work in accordance with the pricing provision of the Standing Offer. The Offeror must not undertake any of the specified work unless and until a call-up is issued by the Identified User. The estimated cost stated in the call-up must not be exceeded without the specific written authorization of the Identified User.

M3800D (1995/03/31) Estimates, Provision of

Effective 2006/08/15, this clause is superseded by M3800C

M3801D (1991/06/01) Authorization of Work

Effective 1995/03/31, this clause is superseded by M3800D

M3802D (1991/06/01) Work Authorization

Effective 1995/03/31, this clause is superseded by M3800D

M3805C (1991/06/01) Requisitioning Authority

Effective 1997/09/15, this clause is superseded by M2006D

M4000T (1998/06/15) Rates

This clause is cancelled effective 2006/08/15

M4001T (2006/08/15) Canadian Content Certification - Mandatory With Offer - Solely Limited - Single Item or Aggregate Basis

This clause is cancelled effective 2008/05/12

M4002T (2006/08/15) Canadian Content Certification - Conditionally Limited - Single Item or Aggregate Basis

This clause is cancelled effective 2008/05/12

M4003T (2006/08/15) Canadian Content Certification - Mandatory With Offer - Solely Limited - Multi - Items Listed in Offer

Effective 2008/05/12, this clause is superseded by M3052T

M4004T (2006/08/15) Canadian Content Certification - Mandatory With Offer -

Solely Limited - Multi-Item Requirements Listed in Clause

Effective 2008/05/12, this clause is superseded by M3052T

M4005T (2006/08/15) Canadian Content Certification - Conditionally Limited - Multi-Items Listed in Offer

Effective 2008/05/12, this clause is superseded by M3062T

M4006T (2006/08/15) Canadian Content Certification - Conditionally Limited - Multi-Items listed in Clause

Effective 2008/05/12, this clause is superseded by M3062T

M4011T (2006/08/15) Canadian Content Certification - Not Mandatory With Offer - Solely Limited - Single Item or Aggregate Basis

This clause is cancelled effective 2008/05/12

M4013T (2006/08/15) Canadian Content Certification - Not Mandatory With Offer - Solely Limited - Multi-Items Listed in Offer

Effective 2008/05/12, this clause is superseded by M3052T

M4014T (2006/08/15) Canadian Content Certification - Not Mandatory With Offer - Solely Limited - Multi-Item Requirements Listed in Clause

Effective 2008/05/12, this clause is superseded by M3052T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in standing offers. The order of documents shown below reflects current policy and legal advice. The contracting officer must amend the list to reflect the documents applicable to each standing offer and list the annexes by order of priority, as applicable.

Use clause A9140C for contracts.

M4025C (2007/05/25) Priority of Documents

If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears on the list has priority over the wording of any document that subsequently appears on the list.

1. the call up against the Standing Offer, including any annexes;

2. the Standing Offer;

3. (***Contracting officer to delete if not applicable***) the supplemental general conditions _____ (***insert number, date and title***);

4. the general conditions _____ (***insert number, date and title***);

5. Annex "_____" - _____;

6. Annex "_____" - _____;

7. the Offeror's offer dated _____ (***insert date of offer***), as amended on _____ ***(insert date(s) of amendment(s), if applicable***).

M4025D (2005/12/16) Order of Priority

Effective 2006/06/16, this clause is superseded by M4025C

M4100C (2006/08/15) Canadian Content Certification

Effective 2008/05/12, this clause is superseded by M3060C

M4500D (1991/06/01) Financial Limitation

This clause is cancelled effective 1995/03/31

M4501D (1991/06/01) Limitation of Expenditure

Effective 1995/03/31, this clause is superseded by M4506D

M4502D (2003/12/12) Financial Limitation - Individual Call-up

This clause is cancelled effective 2006/08/15

M4503D (1991/06/01) Call-Up Limitation

This clause is cancelled effective 1995/03/31

M4504D (1991/06/01) Call-Up Limitation

This clause is cancelled effective 1995/03/31

M4505D (1991/06/01) Limitation of Expenditure

Effective 1995/03/31, this clause is superseded by M4506D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in standing offers where there is a need to include a limitation of expenditure on the total value of the call-ups.

M4506C (2006/08/15) Financial Limitation - Total

The total cost to Canada resulting from call-ups against the Standing Offer must not exceed the sum of $_____ (Goods and Services Tax or Harmonized Sales Tax excluded) unless otherwise authorized in writing by the Standing Offer Authority. The Offeror must not perform any work or services or supply any articles in response to call-ups which would cause the total cost to Canada to exceed the said sum, unless an increase is so authorized.

The Offeror must notify the Standing Offer Authority as to the adequacy of this sum when 75 percent of this amount has been committed, or _____ months before the expiry date of the Standing Offer, whichever comes first. However, if at any time, the Offeror considers that the said sum may be exceeded, the Offeror must promptly notify the Standing Offer Authority.

M4506D (2005/06/10) Financial Limitation

Effective 2006/08/15, this clause is superseded by M4506C

M4508D (1992/01/31) Financial Limitation

Effective 1995/03/31, this clause is superseded by M4506D

M4509D (1992/01/31) Call-up Limitation

This clause is cancelled effective 1995/03/31

M4600D (1991/06/01) Hourly Rates Adjustment

This clause is cancelled effective 1995/03/31

M4601D (1995/12/15) Rates

This clause is cancelled effective 2008/05/12

M4602D (1991/06/01) Rates

This clause is cancelled effective 1995/03/31

M4603D (1991/06/01) Rate Assessment

This clause is cancelled effective 1995/03/31

M4604D (1991/06/01) Rates

This clause is cancelled effective 1995/03/31

M4605D **(1998/06/15)** **Rates**

This clause is cancelled effective 2008/05/12

M4607D **(1992/08/01)** **Overtime Rates**

This clause is cancelled effective 1995/03/31

M4700D **(1991/06/01)** **Non-Canadian Content**

This clause is cancelled effective 1992/08/01

M4701D **(1991/06/01)** **Canadian Content**

This clause is cancelled effective 1992/08/01

M5000D **(1992/12/01)** **Inspection**

This clause is cancelled effective 1995/03/31

M5001D **(1999/06/21)** **Inspection - Charter**

Effective 2007/11/30, this clause is superseded by D5324C

M5002D **(1996/05/01)** **Delivery Call-ups**

This clause is cancelled effective 2006/08/15

M5205C **(2002/12/13)** **Haulage Rates**

This clause is cancelled effective 2008/12/12

M5205T **(2002/12/13)** **Haulage Rates and/or Fair Wage Schedule**

Effective 2008/12/12, this clause is superseded by R2940D

M5210C **(2002/12/13)** **Fair Wage**

Effective 2008/12/12, this clause is superseded by R2940D

M6000D **(1991/06/01)** **Attention**

This clause is cancelled effective 1995/03/31

M6001D (1991/06/01) Delivery

This clause is cancelled effective 1995/03/31

M6002D (1991/06/01) Delivery

This clause is cancelled effective 1995/03/31

M6003D (1991/06/01) Delivery Point

This clause is cancelled effective 1995/03/31

M6004D (1992/01/31) Delivery

This clause is cancelled effective 1995/03/31

M6200D (1991/06/01) Packing Slips

This clause is cancelled effective 1995/03/31

M6300D (1991/06/01) Inspection and Acceptance

This clause is cancelled effective 1995/03/31

M6400D (1991/06/01) Shipment and FOB

Effective 1996/05/01, this clause is superseded by D4000C

M6500D (1991/06/01) Authorization for Delivery

This clause is cancelled effective 1995/03/31

M7000D (1991/06/01) Utilization Reports

This clause is cancelled effective 1995/03/31

M7001D (1991/06/01) Reporting

This clause is cancelled effective 1995/03/31

M7002D (1991/06/01) Reporting

Effective 1995/12/15, this clause is superseded by M7003D

M7003D (1995/03/31) Periodic Reports

Effective 2006/08/15, this clause is superseded by M7010C

M7004D (1991/06/01) Reporting

Effective 1995/03/31, this clause is superseded by M4506D

M7005C (1992/01/31) Reporting Forms

This clause is cancelled effective 1995/03/31

M7005T (1992/01/31) Reporting Forms

This clause is cancelled effective 1995/03/31

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in standing offers when periodic usage reports are required from the offeror.

The standing offer authority must consult 8.75.1 of the Supply Manual for instructions on the reporting requirements. The requirements must be detailed in an annex to the standing offer and must include the data to be reported on by the offeror.

The reporting periods and the number of calendar days by which each report must be submitted after the reporting period must be indicated in the clause.

The standing offer authority must ensure that the offeror fulfills all the reporting requirements detailed in the standing offer.

M7010C (2010/01/11) Periodic Usage Reports - Standing Offer

The Offeror must compile and maintain records on its provision of goods, services or both to the federal government under contracts resulting from the Standing Offer. This data must include all purchases paid for by a Government of Canada Acquisition Card.

The Offeror must provide this data in accordance with the reporting requirements detailed in Annex "_____". If some data is not available, the reason must be indicated. If no goods or services are provided during a given period, the Offeror must still provide a "NIL" report.

The data must be submitted on a _____ (***insert*** "quarterly basis" ***or specify an alternate reporting period***) to the Standing Offer Authority.

(*If an alternate reporting period is required, delete the quarterly periods provided below and define the alternate reporting period*.)

The quarterly reporting periods are defined as follows:

1st quarter: April 1 to June 30;
2nd quarter: July 1 to September 30;
3rd quarter: October 1 to December 31;

4th quarter: January 1 to March 31.

The data must be submitted to the Standing Offer Authority no later than _____ (***insert number of days***) calendar days after the end of the reporting period.

Remarks: Use the following clause in requests for standing offers if knowledge of potential subcontracts is desired before issuance of the standing offer.

M7035T (2007/05/25) List of Proposed Subcontractors

If the offer includes the use of subcontractors, the Offeror agrees, upon request from the Standing Offer Authority, to provide a list of all subcontractors including a description of the things to be purchased, a description of the work to be performed and the location of the performance of that work. The list should not include the purchase of off-the-shelf items, software and such standard articles and materials as are ordinarily produced by manufacturers in the normal course of business, or the provision of such incidental services as might ordinarily be subcontracted in performing the Work.

M8000D (1991/06/01) Terms and Conditions

Effective 1995/03/31, this clause is superseded by M8003D

M8001D (1991/06/01) Part III - Terms and Conditions

This clause is cancelled effective 1995/03/31

M8002D (1991/06/01) Part III- Terms and Conditions

This clause is cancelled effective 1995/03/31

M8003D (1995/03/31) DISO - Call-up

This clause is cancelled effective 2006/08/15

M8004D (1991/06/01) Terms and Conditions

Effective 1995/03/31, this clause is superseded by K0000D

M8006D (1991/06/01) General Conditions/Standing Offer

Effective 1995/03/31, this clause is superseded by K0000D

M8007D **(1991/06/01)** **General Conditions**

This clause is cancelled effective 1995/03/31

M8008D **(1994/01/04)** **General Conditions**

Effective 1995/03/31, this clause is superseded by K0000D

M8009D **(1991/06/01)** **General Conditions**

Effective 1995/03/31, this clause is superseded by K0000D

M8010D **(1992/01/31)** **General Conditions**

This clause is cancelled effective 1992/08/01

M8011D **(1992/12/01)** **Air Charter Conditions**

This clause is cancelled effective 1995/03/31

M8012D **(1994/01/04)** **Contractual Obligation**

This clause is cancelled effective 1995/03/31

M9000D **(1991/06/01)** **Call-Up Against/Offer, Authority to**

This clause is cancelled effective 1995/03/31

M9001D **(1998/11/23)** **Notification of Revision**

This clause is cancelled effective 2006/08/15

M9002D **(1991/06/01)** **Withdrawal of Authority**

Effective 1995/03/31, this clause is superseded by M2430C

M9003D **(1991/06/01)** **Standing Offer**

This clause is cancelled effective 1995/03/31

M9004D **(1991/06/01)** **General Provisions**

This clause is cancelled effective 1995/03/31

M9005D **(1997/09/15)** **Standing Offer, Period of**

This clause is cancelled effective 2006/08/15

M9006D **(1992/08/01)** **Supplier Representative**

This clause is cancelled effective 1995/03/31

M9007D **(1991/06/01)** **Person to be Contacted**

Effective 1995/03/31, this clause is superseded by D0030D

M9008D **(1991/06/01)** **Withdrawal, Notification of**

This clause is cancelled effective 1995/03/31

M9009D **(1991/06/01)** **WHMIS Regulations**

Effective 1995/12/15, this clause is superseded by B1505D

M9010D **(1991/06/01)** **Availability of Materiel**

This clause is cancelled effective 1995/03/31

M9011D **(1991/06/01)** **Payment**

This clause is cancelled effective 1995/03/31

M9012D **(1991/06/01)** **Authorization**

This clause is cancelled effective 1995/03/31

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in standing offers if it is foreseen that Canada may require an extension of the period of the standing offer.

Contracting officers must insert the applicable period, e.g., one year; one month; 90 days.

M9014C **(2008/05/12)** **Extension of Standing Offer**

If the Standing Offer is authorized for use beyond the initial period, the Offeror offers to extend its offer for an additional _____ period, from _____ to _____ under the same conditions and at the rates or prices specified in the Standing Offer, or at the rates or prices calculated in accordance with the formula specified in the Standing Offer.

The Offeror will be advised of the decision to authorize the use of the Standing Offer for an extended

period by the Standing Offer Authority _____ days before the expiry date of the Standing Offer. A revision to the Standing Offer will be issued by the Standing Offer Authority.

M9014D (1997/09/15) Standing Offer, Extension of

Effective 2006/08/15, this clause is superseded by M9014C

M9016D (1992/01/31) Call-ups

This clause is cancelled effective 1995/03/31

M9019D (1994/01/04) General Provisions

This clause is cancelled effective 1995/03/31

M9020D (1992/01/31) Period of Proposed Standing Offer

Effective 1995/03/31, this clause is superseded by M9014D

M9021D (1992/08/01) General Provisions

This clause is cancelled effective 1995/03/31

M9022D (1992/01/31) Air Charter Services

This clause is cancelled effective 1995/03/31

M9023D (1992/08/01) General Provisions

This clause is cancelled effective 1995/03/31

M9024C (1992/12/01) Standing Offer - Withdrawal

Effective 1995/03/31, this clause is superseded by J3005C

M9025D (1992/12/01) Interest on Overdue Accounts

This clause is cancelled effective 1995/03/31

M9026D (2003/12/12) Method of Payment

This clause is cancelled effective 2006/08/15

M9030C (2007/11/30) Aboriginal Business Certification

This clause is cancelled effective 2010/01/11

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for standing offers for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB).

Use this clause in conjunction with M3030T, A3000C, and if applicable, A3002T.

M9030T (2010/01/11) Set-aside for Aboriginal Business

1. This procurement has been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB), as detailed in Annex 9.4 of the *Supply Manual* entitled "Requirements for the Set-aside Program for Aboriginal Business".

2. The Offeror:

   (i) certifies that it meets, and will continue to meet throughout the duration of the Offer, the requirements described in the above-mentioned annex.

   (ii) agrees that any subcontractor it engages under the Offer must satisfy the requirements described in the above-mentioned annex.

   (iii) agrees to provide to Canada, immediately upon request, evidence supporting any subcontractor's compliance with the requirements described in the above-mentioned annex.

3. The Offeror must check the applicable box below:

   (i) ( ) The Offeror is an Aboriginal business that is a sole proprietorship, band, limited company, co-operative, partnership or not-for-profit organization.

   OR

   (ii) ( ) The Offeror is either a joint venture consisting of two or more Aboriginal businesses or a joint venture between an Aboriginal business and a non-Aboriginal business.

4. The Offeror must check the applicable box below:

   (i) ( ) The Aboriginal business has fewer than six full-time employees.

   OR

   (ii) ( ) The Aboriginal business has six or more full-time employees.

5. The Offeror must, upon request by Canada, provide all information and evidence supporting this certification. The Offeror must ensure that this evidence will be available for audit during normal business hours by a representative of Canada, who may make copies and take extracts from the evidence. The Offeror must provide all reasonably required facilities for any audits.

6. By submitting an offer, the Offeror certifies that the information submitted by the Offeror in response to the above requirements is accurate and complete.

Remarks: Use the following clause in requests for standing offers when a financial opinion is required. If the required information must be received either before or after the number of days indicated in the clause, the standing offer authority may modify the clause accordingly.

M9033T (2007/05/25) Financial Capability

1. **Financial Capability Requirement:** The Offeror must have the financial capability to undertake this requirement. To determine the Offeror's financial capability, the Standing Offer Authority may, by written notice to the Offeror, require the submission of some or all of the financial information detailed below during the evaluation of offers. The Offeror must provide the following information to the Standing Offer Authority within fifteen (15) working days of the request or as specified by the Standing Offer Authority in the notice:

(a) Audited financial statements, if available, or the unaudited financial statements (prepared by the Offeror's outside accounting firm, if available, or prepared in-house if no external statements have been prepared) for the Offeror's last three fiscal years, or for the years that the Offeror has been in business if this is less than three years (including, as a minimum, the Balance Sheet, the Statement of Retained Earnings, the Income Statement and any notes to the statements).

(b) If the date of the financial statements is more than three months before the date of the request for information by the Standing Offer Authority in (a) above, the Offeror must also provide interim financial statements (consisting of a Balance Sheet and a year-to-date Income Statement), as of two months before the date on which the Standing Offer Authority requests this information.

(c) If the Offeror has not been in business for at least one full fiscal year, the following must be provided:

(i) the opening Balance Sheet on commencement of business (in the case of a corporation, the date of incorporation); and

(ii) interim financial statements (consisting of a Balance Sheet and a year-to-date Income Statement) as of two months before to the date on which the Standing Offer Authority requests this information.

(d) A certification from the Chief Financial Officer or an authorized signing officer of the Offeror that the financial information provided is complete and accurate.

(e) A confirmation letter from all of the financial institution(s) that have provided short-term financing to the Offeror outlining the total of lines of credit granted to the

Offeror and the amount of credit that remains available and not drawn upon as of one month prior to the date on which the Standing Offer Authority requests this information.

(f) A detailed monthly Cash Flow Statement, covering all the Offeror's activities (including the requirement) for the first two years of the requirement that is the subject of the Request for Standing Offers (RFSO). This statement must detail the Offeror's major sources and amounts of cash and the major items of cash expenditures on a monthly basis, for all the Offeror's activities. All assumptions made should be explained as well as details of how cash shortfalls will be financed.

(g) A detailed monthly Project Cash Flow Statement covering the first two years of the requirement that is the subject of the RFSO. This statement must detail the Offeror's major sources and amounts of cash and the major items of cash expenditures, for the requirement, on a monthly basis. All assumptions made should be explained as well as details of how cash shortfalls will be financed.

2. If the Offeror is a joint venture, the financial information required by the Standing Offer Authority must be provided by each member of the joint venture.

3. If the Offeror is a subsidiary of another company, then any financial information required by the Standing Offer Authority in 1. (a) to (f) must be provided by each level of parent company, to and including the ultimate parent company. Provision of parent company financial information does not satisfy the requirement for the provision of the financial information of the Offeror and the financial capability of a parent cannot be substituted for the financial capability of the Offeror itself, unless a duly executed Parental Guarantee is provided with the required information.

4. **Other Information:** Canada reserves the right to request from the Offeror any other information that Canada requires to conduct a complete financial capability assessment of the Offeror.

5. **Confidentiality:** Should the Offeror provide the information required above to Canada in confidence while indicating that the disclosed information is confidential, then Canada will treat the information in a confidential manner as permitted by the *Access to Information Act*, R.S., 1985, c. A-1, Section 20(1) (b) and (c).

6. **Security:** In determining the Offeror's financial capability to undertake this requirement, Canada may consider any security the Offeror is capable of providing, at the Offeror's sole expense (for example, an irrevocable letter of credit from a registered financial institution drawn in favour of Canada, a performance guarantee from a third party or some other form of security, as determined by Canada).

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when reissuing a request for standing offers (RFSO). The standing offer authority is to insert the number, date and closing date and time of the RFSO which is being superseded.

M9043T (2007/05/25) Reissue of Request for Standing Offers

This request for standing offers (RFSO) cancels and supersedes previous RFSO number _____ dated _____ with a closing of _____ (***insert the closing date***) at _____ (***insert the closing time***).

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for standing offers when an offerors' conference will be held.

M9083T (2007/05/25) Offerors' Conference

An offerors' conference will be held at _____ (***insert address***) on _____ (***insert date***). The conference will begin at _____ (***insert time***), in _____ (***insert location/room number***). The scope of the requirement outlined in the Request for Standing Offers (RFSO) will be reviewed during the conference and questions will be answered. It is recommended that offerors who intend to submit an offer attend or send a representative.

Offerors are requested to communicate with the Standing Offer Authority before the conference to confirm attendance. Offerors should provide, in writing, to the Standing Offer Authority, the name of the person(s) who will be attending and a list of issues they wish to table at least _____ working days before the scheduled conference.

Any clarifications or changes to the RFSO resulting from the offerors' conference will be included as an amendment to the RFSO. Offerors who do not attend will not be precluded from submitting an offer.

M9100D (1992/08/01) Security Requirements

Effective 1995/03/31, this clause is superseded by F2045D

M9101T (2006/08/15) Evaluation Team

This clause is cancelled effective 2008/12/12

M9103T (2007/05/25) Work Force Reduction Programs

Effective 2007/11/30, this clause is superseded by M3025T

M9104T (2007/05/25) Work Force Reduction Programs

Effective 2007/11/30, this clause is superseded by M3026T

M9105C (2007/05/25) Work Force Reduction Programs

This clause is cancelled effective 2007/11/30

M9106T (2007/05/25) Work Force Reduction Programs - Details

This clause is cancelled effective 2007/11/30

M9110T (2007/05/25) Land Claims Set-aside

Effective 2008/12/12, this clause is superseded by W0005T

Section 5

N - Limitation of Liability

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause only in Information Management/Information Technology (IM/IT) contracts, because special authority was granted by Treasury Board to allocate risk in accordance with this clause only for IM/IT contracts. Contracting officers must fill in the blank below using the amount from the appropriate commodity grouping.

Use this clause in conjunction with general conditions 2030, 2035 and 2040. Do not use this clause with any of the other general conditions.

For more information, contact Risk Management Advisory Services, at: NCRRMIAS-RCN SCGRA@tpsgsc-pwgsc.gc.ca

N0000C (2010/01/11) Limitation of Liability – Information Management/Information Technology

1. This section applies despite any other provision of the Contract and replaces the section of the general conditions entitled “Liability”. Any reference in this section to damages caused by the Contractor also includes damages caused by its employees, as well as its subcontractors, agents, and representatives, and any of their employees. This section applies regardless of whether the claim is based in contract, tort, or another cause of action. The Contractor is not liable to Canada with respect to the performance of or failure to perform the Contract, except as described in this section and in any section of the Contract pre-establishing any liquidated damages. The Contractor is only liable for indirect, special or consequential damages to the extent described in this section, even if it has been made aware of the potential for those damages.

2. First Party Liability:

   (a) The Contractor is fully liable for all damages to Canada, including indirect, special or consequential damages, caused by the Contractor’s performance or failure to perform the Contract that relate to:

      (i) any infringement of intellectual property rights to the extent the Contractor breaches the section of the general conditions entitled “Intellectual Property Infringement and Royalties”;

      (ii) physical injury, including death.

   (b) The Contractor is liable for all direct damages caused by the Contractor’s performance or failure to perform the Contract affecting real or tangible personal property owned, possessed, or occupied by Canada.

   (c) Each of the Parties is liable for all direct damages resulting from its breach of confidentiality under the Contract. Each of the Parties is also liable for

all indirect, special or consequential damages in respect of its unauthorized disclosure of the other Party's trade secrets (or trade secrets of a third party provided by one Party to another under the Contract) relating to information technology.

(d) The Contractor is liable for all direct damages relating to any encumbrance or claim relating to any portion of the Work for which Canada has made any payment. This does not apply to encumbrances or claims relating to intellectual property rights, which are addressed under (a) above.

(e) The Contractor is also liable for any other direct damages to Canada caused by the Contractor's performance or failure to perform the Contract that relate to:

(i) any breach of the warranty obligations under the Contract, up to the total amount paid by Canada (including any applicable taxes) for the goods and services affected by the breach of warranty; and

(ii) any other direct damages, including all identifiable direct costs to Canada associated with re-procuring the Work from another party if the Contract is terminated by Canada either in whole or in part for default, up to an aggregate maximum for this subparagraph (ii) of the greater of _____ times the total estimated cost (meaning the dollar amount shown on the first page of the Contract in the block titled "Total Estimated Cost" or shown on each call-up, purchase order or other document used to order goods or services under this instrument), or $_____. (***Insert the amount from the appropriate commodity grouping***.)

In any case, the total liability of the Contractor under paragraph (e) will not exceed the total estimated cost (as defined above) for the Contract or $_____, (***insert the dollar amount entered in subparagraph (ii)***), whichever is more.

(f) If Canada's records or data are harmed as a result of the Contractor's negligence or willful act, the Contractor's only liability is, at the Contractor's own expense, to restore Canada's records and data using the most recent back-up kept by Canada. Canada is responsible for maintaining an adequate back-up of its records and data.

3. Third Party Claims:

(a) Regardless of whether a third party makes its claim against Canada or the Contractor, each Party agrees that it is liable for any damages that it causes to any third party in connection with the Contract as set out in a settlement agreement or as finally determined by a court of competent jurisdiction, where the court determines that the Parties are jointly and severally liable or that one Party is solely and directly liable to the third party. The amount of the liability will be the amount set out in the settlement agreement or determined by the court to have been the Party's portion of the damages to the third party. No settlement agreement is binding on a Party unless its authorized representative has approved the agreement in writing.

(b) If Canada is required, as a result of joint and several liability, to pay a third party in respect of damages caused by the Contractor, the Contractor must reimburse Canada by the amount finally determined by a court of competent jurisdiction to be the Contractor's portion of the damages to the third party. However, despite paragraph (a), with respect to special, indirect, and consequential damages of third parties covered by this

section, the Contractor is only liable for reimbursing Canada for the Contractor's portion of those damages that Canada is required by a court to pay to a third party as a result of joint and several liability that relate to the infringement of a third party's intellectual property rights; physical injury of a third party, including death; damages affecting a third party's real or tangible personal property; liens or encumbrances on any portion of the Work; or breach of confidentiality.

(c) The Parties are only liable to one another for damages to third parties to the extent described in this paragraph 3.

N0000D (2004/12/10) Limitation of Liability - Information Management of Information Technology

Effective 2008/05/12, this clause is superseded by N0000C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when limiting a contractor's liability to Canada, but not limiting each party's liability for damages to third parties. Typically, this clause would be used when a commodity grouping exists (other than Information Management or Information Technology or Satellite Services, which have their own clauses) or after a risk assessment has been performed to determine the risk exposure and amount of protection required by Canada.

Limiting a contractor's liability should be an exception to the normal practice of using the standard conditions. When the decision is made to limit a contractor's liability to Canada, contracting officers, in conjunction with client departments, must be able to demonstrate that the risks associated with the procurement have been analyzed and that the limitation of liability provides adequate protection to Canada. Decisions with respect to limiting a contractor's liability should be made before the bid solicitation release or, in instances of non-competitive contracts, before the start of negotiations.

The dollar amount below must be completed using the amount from the appropriate commodity grouping, or in consultation with Risk Management Advisory Services.

Clauses N0001C and N0002C are similar, in that both create a limit on the contractor's liability for damages to Canada. However, the two clauses deal with the contractor's liability for claims made by third parties in different ways. N0001C essentially provides that the parties agree to allow the laws in the jurisdiction of the contract to determine who is responsible for any damages to third parties. It then goes on to provide that, if Canada must pay the third party for damages caused by the contractor because of joint and several liability, the contractor must reimburse Canada for that amount. In short, under clause N0001C, each party is responsible for any damages that it causes to third parties. On the other hand, clause N0002C states that the contractor must indemnify Canada against any third party claims that relate to the contract.

N0001C (2008/05/12) Limitation of Contractor's Liability for Damages to Canada

1. This section applies despite any other provision of the Contract and replaces the section of the general conditions entitled “Liability”. Any reference in this section to damages caused by the Contractor also includes damages caused by its employees, as well as its subcontractors, agents, and representatives, and any of their employees.

2. Whether the claim is based in contract, tort, or another cause of action, the Contractor's liability for all damages suffered by Canada caused by the Contractor's performance of or failure to perform the Contract is limited to $_____. This limitation of the Contractor's liability does not apply to:

   (a) any infringement of intellectual property rights; or

   (b) any breach of warranty obligations.

3. Each Party agrees that it is fully liable for any damages that it causes to any third party in connection with the Contract, regardless of whether the third party makes its claim against Canada or the Contractor. If Canada is required, as a result of joint and several liability, to pay a third party in respect of damages caused by the Contractor, the Contractor must reimburse Canada for that amount.

N0001D (2004/12/10) Limitation of Liability - Limits First Party and Remains Silent on Third Party Claims

Effective 2008/05/12, this clause is superseded by N0001C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when limiting a contractor's liability to Canada and requiring the contractor to indemnify Canada against third party claims.

Limiting a contractor's liability should be an exception to the normal practice of using the standard conditions. When the decision is made to limit a contractor's liability to Canada, contracting officers, in conjunction with client departments, must be able to demonstrate that the risks associated with the procurement have been analyzed and that the limitation of liability provides adequate protection to Canada. Decisions with respect to limiting a contractor's liability should be made before bid solicitation release or, in instances of non-competitive contracts, before the start of negotiations.

The dollar amount below must be completed using the amount from the appropriate commodity grouping, or in consultation with Risk Management Advisory Services.

Clauses N0001C and N0002C are similar, in that both create a limit on the contractor's liability for damages to Canada. However, the two clauses deal with the contractor's liability for claims made by third parties in different ways. N0001C essentially provides that the parties agree to allow the laws in the jurisdiction of the contract to determine who is responsible for any damages to third parties. It then goes on to provide that, if Canada must pay the third party for damages caused by the contractor because of joint and several liability, the contractor must reimburse Canada for that amount. In short, under clause N0001C, each party is responsible for any damages that it causes to third parties. On the other hand, clause N0002C states that the contractor must indemnify Canada against any third party claims that relate to the contract.

N0002C (2008/05/12) Limitation of Liability for Damages to Canada and Indemnification for Third Party Claims

1. This section applies despite any other provision of the Contract and replaces the section of the general conditions entitled “Liability”. Any reference in this section to damages caused by the Contractor also includes damages caused by its employees, as well as its subcontractors, agents, and representatives, and any of their employees.

2. Whether the claim is based in contract, tort, or another cause of action, the

Contractor's liability for all damages suffered by Canada caused by the Contractor's performance of or failure to perform the Contract is limited to $_____. This limitation of the Contractor's liability does not apply to:

(a) any infringement of intellectual property rights; or

(b) any breach of warranty obligations.

3. The Contractor agrees to pay to Canada the amounts of all of Canada's losses, liabilities, damages, costs, and expenses resulting from any claim made by a third party relating to the Contract, including the complete costs of defending any legal action by a third party. The Contractor agrees that Canada is not required to have satisfied its liability to the third party before the Contractor is obliged to pay Canada in respect of that liability. The Contractor also agrees, if requested by Canada, to defend Canada against any third party claims.

N0002D (2004/12/10) Limitation of Liability - Limits First Party and Indemnifies the Crown Against Third Party Claims

Effective 2008/05/12, this clause is superseded by N0002C

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when limiting a Contractor's liability to Canada for first and third party claims. Limiting a contractor's liability to Canada should be an exception to the normal practice of using the standard conditions. Limiting a Contractor's liability to Canada for third party claims should be avoided at all costs, as the exposure of risk to Canada could be extensive. Limiting a contractor's third party liability can only be done under a very limited number of circumstances, the main one being non-competitive contracts.

When the decision is made to limit a contractor's liability to Canada, contracting officers, in conjunction with client departments, must be able to demonstrate that the risks associated with the procurement have been analyzed and that the limitation of liability provides adequate protection to Canada or, if there is a substantive transfer of risk to Canada, that appropriate approvals have been sought. Decisions with respect to limiting a contractor's liability should be made before the start of negotiations.

The dollar amount below must be completed using the amount from the appropriate commodity grouping, or in consultation with Risk Management Advisory Services.

N0003C (2008/05/12) Limitation of Contractor's Liability for Damages to Canada and Third Parties

1. This section applies despite any other provision of the Contract and replaces the section of the general conditions entitled “Liability”. Any reference in this section to damages caused by the Contractor also includes damages caused by its employees, as well as its subcontractors, agents, and representatives, and any of their employees.

2. Whether the claim is based in contract, tort, or another cause of action, the Contractor’s liability for all damages suffered by Canada caused by the Contractor’s performance of or failure to perform the Contract is limited to $_____. This limit applies not only to damages to Canada, but also limits the amount that the Contractor must reimburse to Canada if Canada is required, as a result of joint and several liability, to pay a third party in respect of damages caused by the Contractor. This limitation of the Contractor’s liability does not

apply to:

(a) any infringement of intellectual property rights; or

(b) any breach of warranty obligations.

3. Despite the above, this article does not require Canada to reimburse the Contractor for amounts that the Contractor is required by law to pay directly to any third party, even if those amounts are for damages that relate to the Contractor's performance of or failure to perform the Contract. Canada is not required to defend the Contractor against any third party claims made directly against the Contractor, even if Canada is also a party to the litigation.

N0003D (2004/12/10) Limitation of Liability - First and Third Party Claims

Effective 2008/05/12, this clause is superseded by N0003C

N0005D (2005/06/10) Intellectual Property Right Infringement

This clause is cancelled effective 2008/05/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. This clause must only be used in contracts that are primarily for the provision of satellite services, because special authority was granted by the Treasury Board to allocate risk in accordance with this clause for contracts for satellite services only. Contracting officers must complete paragraph (3)(d) in consultation with Risk Management Advisory Services (RMAS) or in accordance with published commodity groupings approved by RMAS.

N0008C (2008/05/12) Limitation of Liability for Satellite Services

1. This section applies despite any other provision of the Contract and replaces the section of the general conditions entitled “Liability”. Any reference in this article to damages caused by the Contractor also includes damages caused by its employees, as well as its subcontractors, agents, and representatives, and any of their employees.

2. **Interruptions to Satellite Services**

   (a) Despite anything in the Contract to the contrary, Canada agrees to indemnify the Contractor against all liability, damages, or claims made against the Contractor by any third party that relate to the Contractor’s satellite service being interrupted or unavailable, as long as the reason the Contractor’s satellite service was interrupted or unavailable was either:

      (i) an event of force majeure, including, for example, acts of God, meteors, fire, flood, weather conditions, Sun Transit Period(s) (defined below), sun outages or other circumstances in the space environment over which the Contractor has no control, launch failure or other catastrophic failure of satellite, laws of any governmental entity, acts of terrorism, insurrections, embargoes, and wars; or

      (ii) a malfunction that occurs for any reason after the satellite is launched, as long as the repairs cannot be made remotely before the damage occurs, or the cost of making the repairs is commercially unreasonable.

This applies whether or not the event of force majeure or the malfunction is foreseeable. Canada agrees that, in the event of force majeure and/or malfunction as described above, Canada will only be entitled to recover the service credits relating to satellite service availability, if any, that are described in the Contract.

(b) "Sun Transit Period" means the period when the noise emissions from the sun degrade system performance at earth stations below the specifications for the satellite services to be provided by the Contractor under the Contract.

(c) Canada agrees that, if the satellite services being provided by the Contractor under the Contract are interrupted or unavailable for any reason not described in paragraph (a)(i) or (ii), the amount that Canada can recover is subject to the limit described in (3)(d) below or the service credits relating to satellite service availability, if any, to which Canada is entitled, whichever is more.

3. **First Party Liability of the Contractor to Canada:**

(a) Whether the claim is based in contract, tort, or another cause of action, the Contractor is fully liable for all damages to Canada, including indirect, special or consequential damages, caused by the Contractor's performance or failure to perform the Contract that relate to:

(i) any infringement of intellectual property rights;

(ii) any breach of confidentiality;

(iii) any breach of warranty obligations; and

(iv) physical injury, including death.

(b) The Contractor is liable for all direct damages affecting real or personal property owned, possessed, or occupied by Canada.

(c) The Contractor is liable for all direct damages relating to any encumbrance or claim relating to any portion of the Work for which Canada has made any payment.

(d) The Contractor is also liable, up to _____, for any other direct damages to Canada in any way relating to the Contract, including all the costs to Canada associated with reprocuring the Work from another party if the Contract is terminated for default. These costs include any increase in the price payable for the Work.

(e) If Canada's records or data are harmed as a result of the performance of or failure to perform the Work, the Contractor's only liability is, at the Contractor's own expense, to restore Canada's records and data using the most recent back-up kept by Canada.

4. **Third Party Claims**: Each Party agrees that it is fully liable for any damages that it causes to any third party in connection with the Contract, regardless of whether the third party makes its claim against Canada or the Contractor. If Canada is required, as a result of joint and several liability, to pay a third party in respect of damages caused by the Contractor, the Contractor must reimburse Canada for that amount. However, the Contractor is not liable for reimbursing Canada for any special, indirect or consequential damages that Canada is required by a court to pay to a third party as a result of joint and several liability.

Section 5

P - Printing

P0005T (1995/03/31) Note to Bidders - RFP

This clause is cancelled effective 2007/11/30

P0010T (1995/03/31) Note to Bidders - ITT

This clause is cancelled effective 2007/05/25

P0015D (1995/03/31) Plant Closing

This clause is cancelled effective 2007/05/25

P0020D (1998/02/16) Samples

This clause is cancelled effective 2007/05/25

P0025T (1995/03/31) Transportation Equalization Program

This clause is cancelled effective 2007/05/25

P1001D (1995/03/31) Quantity - Approximation

This clause is cancelled effective 2007/05/25

Remarks: Use the following clause in all contracts to identify the packaging requirement of printed products.

P1005C (2010/01/11) Packaging and Packing of Printed Products

The Contractor must package the Work in accordance with the publication entitled "Guide for Packaging and Packing of Printed Products".

P1005D (2004/12/10) Packaging and Packing of Printed Products

Effective 2007/11/30, this clause is superseded by P1005C

Remarks: Use the following clause in all contracts for printing services.

Contracting officers should note that cost of implementing author's alterations are billable by the contractor and should be avoided whenever possible.

P1009C (2007/11/30) Author's Alterations

Author's alterations are changes requested by the Project Authority to approved text or layout at any stage during production.

If author's alterations are requested, the Contractor must provide details of the alterations and associated costs to the Project Authority for review and approval. The Contractor cannot undertake any alteration without the written authorization of the Contracting Authority and will be evidenced through a contract amendment.

Remarks: Use the following clause in all contracts for printing services.

P1010C (2010/01/11) Quality Levels for Printing

The Contractor must perform the Work in accordance with the quality requirements described in the publication entitled "Quality Levels for Printing".

P1010D (2004/12/10) Print Quality

Effective 2007/11/30, this clause is superseded by P1010C

Remarks: Use the following clause in all contracts for colour printing services.

P1011C (2010/01/11) Quality Levels for Colour Reproduction

The Contractor must perform the Work in accordance with the quality requirements described in the publication entitled "Quality Levels for Colour Reproduction".

P1011D (2004/12/10) Quality Levels for Colour

Effective 2007/11/30, this clause is superseded by P1011C

Remarks: Use the following clause in all contracts for the manufacturing and printing of envelopes.

P1012C (2010/01/11) Quality Levels for Envelopes

The Contractor must perform the Work in accordance with the quality requirements described in the publication entitled "Quality Levels for Envelopes".

P1012D **(2004/12/10)** **Quality Levels for Envelopes**

Effective 2007/11/30, this clause is superseded by P1012C

Remarks: Use the following clause in all contracts for the printing of forms.

P1013C **(2010/01/11)** **Quality Level for Forms**

The Contractor must perform the Work in accordance with the quality requirement described in the publication entitled "Quality Levels for Forms".

P1013D **(2004/12/10)** **Quality Level for Forms**

Effective 2007/11/30, this clause is superseded by P1013C

Remarks: Use the following clauses in all printing contracts when the requirement includes typesetting.

P1014C **(2010/01/11)** **Quality Levels for Typesetting**

The Contractor must perform the Work in accordance with the quality requirements described in the publication entitled "Quality Levels for Typesetting".

P1014D **(2004/12/10)** **Quality Levels for Typesetting**

Effective 2007/11/30, this clause is superseded by P1014C

Remarks: Use the following clause in all contracts for the printing of labels.

P1015C **(2010/01/11)** **Quality Levels for Labels**

The Contractor must perform the Work in accordance with the quality requirements described in the publication entitled "Quality Levels for Labels".

P1015D **(2004/12/10)** **Quality Levels for Labels**

Effective 2007/11/30, this clause is superseded by P1015C

Remarks: Use the following clause in all printing contracts when the requirement includes binding.

P1016C (2010/01/11) Quality Levels for Binding

The Contractor must perform the Work in accordance with the quality requirements described in the publication entitled "Quality Levels for Binding".

P1016D (2004/12/10) Quality Levels for Binding

Effective 2007/11/30, this clause is superseded by P1016C

P1017D (2004/12/10) Guide to Quality Printing

This clause is cancelled effective 2007/11/30

P1018D (2004/12/10) Guide - Inspection of Printed Products

This clause is cancelled effective 2007/11/30

P1020D (1995/03/31) Breaks Between Forms

This clause is cancelled effective 2007/05/25

P1025D (1995/03/31) Overruns/Underruns

This clause is cancelled effective 2007/05/25

P1026D (1995/03/31) Overruns/Underruns

This clause is cancelled effective 2007/05/25

P1027D (1995/03/31) Overruns

This clause is cancelled effective 2007/05/25

P1028D (1995/03/31) Overruns

This clause is cancelled effective 2007/05/25

P1029D (1995/03/31) Underruns

This clause is cancelled effective 2007/05/25

P1030D **(1995/03/31)** **Overruns/Underruns**

This clause is cancelled effective 2007/05/25

P1031D **(1995/03/31)** **Overruns/Underruns**

This clause is cancelled effective 2007/05/25

P1035D **(1995/03/31)** **Alterations by Author**

This clause is cancelled effective 2007/05/25

P1036D **(1998/02/16)** **Alterations by Author**

This clause is cancelled effective 2007/05/25

P1040D **(1995/03/31)** **Specifications, Change to**

This clause is cancelled effective 2007/05/25

P2001D **(2004/12/10)** **Contract Term**

This clause is cancelled effective 2007/05/25

P2002D **(2004/12/10)** **Contract Term**

This clause is cancelled effective 2007/05/25

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the transaction cost of paper is subject to adjustment and clause P2010T was included in the bid solicitation.

Contracting officers must review paragraph 3 of the clause to identify the types of paper identified in the bid solicitation.

P2010C **(2008/05/12)** **Escalation for Paper**

1. The portion of the price directly related to the base transaction cost of paper is subject to price adjustment (increase or decrease) at any time during the contract period but not before (***insert the date corresponding to the end of the 30-day period after contract award***). The price will be adjusted using the percentage of the announced increase or decrease that came into effect by applying it to the applicable base transaction cost.

2. To request a price adjustment, the Contractor must provide the Contracting Authority with a notice indicating the increase or decrease in the base transaction cost of the paper necessary to complete the requirement of the Contract, if applicable. Such notice must contain the price as publicly announced by at least three (3) paper supplier who supply the grade specified in the Contract and the date the price came into effect.

3. The base transaction cost of paper subject to price adjustment is as follows:

   (a) cover stock (if applicable): _____ lb. at a base transaction cost per Cwt. of $_____, and which represent _____ percent of the unit price(s).
   Brand name and paper supplier: _____.

   (b) text stock (if applicable): _____ lb. at a base transaction cost per Cwt. of $_____, and which represent _____ percent of the unit price(s).
   Brand name and paper supplier: _____.

4. The Contractor must provide a copy of the quotation from the paper supplier(s) to support the above base transaction cost and a copy of the invoice(s) from the paper supplier(s) to support the adjusted base transaction cost.

5. Any price adjustment must be approved by the Contracting Authority and will be evidenced through a contract amendment.

P2010D (1995/03/31) Escalation for Paper

Effective 1996/05/01, this clause is superseded by P2010T

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in bid solicitations when the period of the resulting contract will be longer than six months and Canada will allow the transaction cost of paper to be adjusted during the contract period.

Use this clause in conjunction with P2010C.

Contracting officers must review paragraph 2 of the clause to identify the type(s) of paper required to complete the work.

P2010T (2008/05/12) Escalation for Paper

1. The resulting contract will contain a provision for price adjustment (increase or decrease) of the portion of the price directly related to the base transaction cost of paper. Price adjustment will apply only to increase or decrease of the base transaction cost of paper that may occur at any time during the resulting contract period but not before thirty (30) days after contract award.

2. Bidders must provide their base transaction cost(s) and the quantity of the paper on which the base transaction cost is established in their bid as follows:

   (a) cover stock (if applicable): _____ lb. at a base transaction cost per Cwt. of $_____, and which represent _____ percent of the unit price(s).
   Brand name and paper supplier: _____.

   (b) text stock (if applicable): _____ lb. at a base transaction cost per Cwt. of $_____, and which represent _____ percent of the unit price(s).
   Brand name and paper supplier: _____.

3. Upon request from the Contracting Authority, bidders must provide supporting documentation to confirm the base transaction cost. Such documentation may consist of copy of quotation from the paper supplier(s).

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in standing offers when the transaction cost of paper is subject to adjustment and clause P2011T was included in the request for standing offers.

Contracting officers must review paragraph 3 of the clause to identify the types of paper identified in the request for standing offers.

P2011C (2008/05/12) Escalation for Paper

1. The portion of the price directly related to the base transaction cost of paper is subject to price adjustment (increase or decrease) at any time during the standing offer period but not before _____ (***insert the date corresponding to the end of the 30-day period after the issuance of the standing offer***). The price will be adjusted using the percentage of the announced increase or decrease that came into effect by applying it to the applicable base transaction cost.

2. To request a price adjustment, the Offeror must provide the Standing Offer Authority with a notice indicating the increase or decrease in the base transaction cost of paper identified below. Such notice must contain the price as publicly announced by at least three (3) paper suppliers who supply the grade specified in the Standing Offer and the date the price came into effect.

3. The base transaction cost of paper subject to price adjustment is as follows:

   (a) cover stock (if applicable): _____ lb. at a base transaction cost per Cwt. of $_____, and which represent _____ percent of the unit price(s).
   Brand name and paper supplier: _____.

   (b) text stock (if applicable): _____ lb. at a base transaction cost per Cwt. of $_____, and which represent _____ percent of the unit price(s).
   Brand name and paper supplier: _____.

4. The Offeror must provide a copy of the quotation from the paper supplier(s) to support the above base transaction cost and a copy of the revised quotation from the paper supplier(s) to support the adjusted base transaction cost.

5. Any price adjustment must be approved by the Standing Offer Authority and will be evidenced through a revision to the Standing Offer.

P2011D (1995/03/31) Escalation for Mills

Effective 1996/05/01, this clause is superseded by C3502D

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for standing offers when the period of the resulting standing offer will be longer than six months and Canada will allow the transaction cost of paper to be adjusted during the standing offer period.

Use this clause in conjunction with P2011C.

Contracting officers must review paragraph 2 of the clause to identify the type(s) of paper required.

P2011T (2008/05/12) Escalation for Paper

1. The resulting standing offer will a contain provision for price adjustment (increase or decrease) of the portion of the price directly related to the base transaction cost of paper. Price adjustment will apply only to increase or decrease of the base transaction cost of paper that may occur at any time during the resulting standing offer period but not before thirty (30) days after the issuance of the standing offer.

2. Offerors must provide their base transaction cost(s) and the quantity of the paper on which the base transaction cost is established in their offer as follows:

   (a) cover stock (if applicable): _____ lb. at a base transaction cost per Cwt. of $_____, and which represent _____ percent of the unit price(s).
   Brand name and paper supplier: _____.

   (b) text stock (if applicable): _____ lb. at a base transaction cost per Cwt. of $_____, and which represent _____ percent of the unit price(s).
   Brand name and paper supplier: _____.

3. Upon request from the Standing Offer Authority, offerors must provide supporting documentation to confirm the base transaction cost. Such documentation may consist of a copy of the quotation from the paper supplier(s).

P2012D (1995/03/31) Escalation for Distributors

Effective 1996/05/01, this clause is superseded by C3503D

P2020D (1997/09/15) Warehousing

This clause is cancelled effective 2007/05/25

P3001D (1995/03/31) Destination/Plant

This clause is cancelled effective 2007/05/25

P3005D (1995/03/31) Delivery

This clause is cancelled effective 2004/12/10

P3006D (1995/03/31) Delivery

This clause is cancelled effective 2007/05/25

P3007D **(1995/03/31)** **Delivery Authorization**

This clause is cancelled effective 2004/12/10

P3008D **(1995/03/31)** **Delivery, Periodical**

This clause is cancelled effective 2007/05/25

P3009D **(1995/03/31)** **Delivery, Phased**

This clause is cancelled effective 2007/05/25

P3010D **(1995/03/31)** **Printing Material**

This clause is cancelled effective 2007/05/25

P3011D **(1995/03/31)** **Printing Material**

This clause is cancelled effective 2007/05/25

P3015D **(1995/03/31)** **Overshipment for National Defence**

This clause is cancelled effective 2007/05/25

P3020D **(1995/03/31)** **Packaging Specs - Insert Type Folders**

This clause is cancelled effective 2007/05/25

P3021D **(1995/03/31)** **Packaging**

This clause is cancelled effective 2007/05/25

P3022D **(1995/03/31)** **Packaging**

This clause is cancelled effective 2007/05/25

P3023D **(1995/03/31)** **Packaging**

This clause is cancelled effective 2007/05/25

P3024D **(1995/03/31)** **Packaging - Customs and Excise**

This clause is cancelled effective 2007/05/25

P3027D **(1995/03/31)** **Labelling**

This clause is cancelled effective 2007/05/25

P3030D (1995/03/31) Serial Numbers

This clause is cancelled effective 2007/05/25

P3031D (1995/03/31) Serial Numbers

This clause is cancelled effective 2007/05/25

P3035D (1995/03/31) Shipping

This clause is cancelled effective 2003/12/12

P3039D (2004/05/14) Redirect Shipments - Canada Revenue Agency

This clause is cancelled effective 2007/05/25

P3050D (2004/05/14) Intermixing Documents

This clause is cancelled effective 2007/05/25

P3053D (1995/03/31) Components

This clause is cancelled effective 2007/05/25

P3054D (1998/02/16) Components

This clause is cancelled effective 2007/05/25

P4001T (1995/03/31) Access to Information

This clause is cancelled effective 2007/05/25

P5005D (1995/03/31) Invoicing

This clause is cancelled effective 2007/05/25

P5006D (1995/03/31) Invoicing

This clause is cancelled effective 2007/05/25

P5010C (1995/03/31) Invoices

This clause is cancelled effective 2007/05/25

P5015C (2000/05/12) Invoicing Instructions

This clause is cancelled effective 2007/05/25

Section 5

R - Real Property Contracting

R0000D (2000/05/12) Standard Construction Contract-Synopsis

This clause is cancelled effective 2000/12/01

R0001T (2006/06/16) General Instructions to Tenderers

Effective 2007/05/25, this clause is superseded by R2710T

R0002T (2000/05/12) Instructions to Tenderers

This clause is cancelled effective 2004/12/10

R0200C (2005/12/16) Articles of Agreement "A"

This clause is cancelled effective 2007/05/25

R0201D (2002/12/13) Terms of Payment "B"

Effective 2007/05/25, this clause is superseded by R2850D

R0202D (2006/06/16) General Conditions "C"

This clause is cancelled effective 2007/05/25

R0203D (2004/05/14) Fair Wages and Hours of Labour - Labour Conditions

Effective 2007/05/25, this clause is superseded by R2940D

R0204D (2005/12/16) Insurance Conditions "E"

Effective 2007/05/25, this clause is superseded by R2910D

R0205D (2005/12/16) Contract Security Conditions "F"

Effective 2007/05/25, this clause is superseded by R2890D

R0206D (2004/12/10) Submission of Quotation for Contemplated Change Notices

Effective 2007/05/25, this clause is superseded by R2950D

R0207D (2002/12/13) Dispute Resolution - Conditions "G"

This clause is cancelled effective 2007/05/25

R0208D **(2002/12/13)** **Dispute Resolution - Rules for Mediation**

Effective 2007/05/25, this clause is superseded by R2882D

R0209D **(2002/12/13)** **Dispute Resolution - Rules for Arbitration**

Effective 2007/05/25, this clause is superseded by R2880D

R0210D **(2004/05/14)** **General Conditions - Minor Works**

This clause is cancelled effective 2007/05/25

R0215D **(2006/06/16)** **International Sanctions**

Effective 2007/05/25, this clause is superseded by R2810D

R0220D **(1998/02/16)** **General Conditions**

This clause is cancelled effective 2008/05/12

R0300D **(1998/02/16)** **Supplementary General Conditions**

This clause is cancelled effective 2008/05/12

R0301D **(1998/02/16)** **Supplementary Conditions - Open**

This clause is cancelled effective 2008/05/12

R0400D **(1998/02/16)** **A&E Agreement - Buildings**

This clause is cancelled effective 2008/05/12

R0401D **(1998/02/16)** **A&E Agreement - Engineering Works**

This clause is cancelled effective 2008/05/12

R0402D **(1998/02/16)** **A&E Agreement - General**

This clause is cancelled effective 2008/05/12

R0403D **(1998/02/16)** **A&E Agreement - Open**

This clause is cancelled effective 2008/05/12

R0412D **(1998/02/16)** **Articles of Agreement**

This clause is cancelled effective 2008/05/12

R0425D **(2007/05/25)** **Standard Instructions and Conditions**

This clause is cancelled effective 2008/05/12

R1000D **(1998/02/16)** **Basic Services**

This clause is cancelled effective 2008/05/12

R1001D **(1998/02/16)** **Analysis of Project Brief**

This clause is cancelled effective 2008/05/12

R1002D **(1998/02/16)** **Design Concept**

This clause is cancelled effective 2008/05/12

R1003D **(1998/02/16)** **Design Development**

This clause is cancelled effective 2008/05/12

R1004D **(1998/02/16)** **Categories of Service**

This clause is cancelled effective 2008/05/12

R1005D **(1998/02/16)** **Terms of Reference and Conceptual Design**

This clause is cancelled effective 2008/05/12

R1006D **(1998/02/16)** **Preliminary Design**

This clause is cancelled effective 2008/05/12

R1008D **(1998/02/16)** **Documents, Estimate and Schedule**

This clause is cancelled effective 2008/05/12

R1009D **(1998/02/16)** **Tender Call, Evaluation & Contract Award**

This clause is cancelled effective 2008/05/12

R1010D (1998/02/16) Construction and Contract Administration

This clause is cancelled effective 2008/05/12

R1011D (1998/02/16) Post-Construction Warranty Review

This clause is cancelled effective 2008/05/12

R1012D (1998/02/16) Modification to Basic Services

This clause is cancelled effective 2008/05/12

R1013D (1998/02/16) Modification to Categories of Service

This clause is cancelled effective 2008/05/12

R1014D (1998/02/16) Additional Services

This clause is cancelled effective 2008/05/12

R1015D (1998/02/16) Description of Required Services

This clause is cancelled effective 2008/05/12

R1016D (1998/02/16) Additional Services - General

This clause is cancelled effective 2008/05/12

R1017D (1998/02/16) Services to be Provided

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause in 1 Stage - 2 Phase proposals.

R1110T (2010/01/11) General Instructions to Proponents (GI)

GI1 Definitions
GI2 Overview of Selection Procedure
GI3 Procurement Business Number
GI4 Responsive Proposals
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GI1 (2003-05-30) Definitions

1. In this Request for Proposal (RFP), the following words or phrases have the corresponding meaning.

   Consultant Team: The team of consultants, specialists and other firms, including the Proponent, proposed by the Proponent to perform the services required.

   Key Personnel: Staff of the Proponent, consultants and specialists proposed to be assigned to this project.

   Phase One Rating: A rating assigned to a proposal in the first phase of the selection procedure, the rating being based on the qualifications and experience of the Consultant Team. The rating is subsequently used to establish a Phase One Score for inclusion as a percentage of the total score to be established following the evaluation and rating of proposals submitted in Phase Two.

   Phase Two Technical Rating: A rating assigned to the technical component of a proposal in the second phase of the selection procedure and subsequently used to establish a Technical Score for inclusion as a percentage of the total score to be established following the evaluation and rating of proposals submitted in Phase Two.

   Price Rating: A rating assigned to the price proposal component of a proposal in the second phase of the selection procedure and subsequently used to establish a Price Score for inclusion as a percentage of the total score to be established following the evaluation and rating of proposals submitted in Phase Two.

   Proponent: The prime consultant entity which submits a proposal.

   PWGSC Evaluation Board: The board established to evaluate and rate proposals. Board members represent a sufficiently broad cross-section of professional qualifications and experience to properly assess all aspects of the proposals.

GI2 (2007-05-25) Overview of Selection Procedure

2.1 Phase One Proposal

1. In response to the RFP, interested Proponents submit a Phase One proposal in which they:

   (a) indicate whether the proposal is submitted by an individual firm or by a joint venture;

   (b) if the proposal is submitted by a joint venture, describe the proposed legal and working relationships of the joint venture and the benefits to be gained by the formation of the

joint venture;

(c) identify the prime consultants and key sub consultants and specialists proposed for inclusion in the Consultant Team, and the proposed organizational structure of the Team;

(d) describe the extent to which proposed members of the Consultant Team have successfully performed services for projects comparable to the project which is the subject of the proposal;

(e) identify the professional accreditation, experience, expertise and competence of the proposed Consultant Team and the Key Personnel proposed to be assigned to perform the required services.

(f) comply with all other requirements set out in the RFP.

2.2 Phase One Proposal Evaluation and Rating

1. Each responsive proposal received is reviewed, evaluated and rated by a Public Works and Government Services Canada (PWGSC) Evaluation Board in accordance with the evaluation criteria, components and weight factors set out in the RFP. Upon completion of the evaluation, an initial rating (Phase One Rating) is assigned to the proposal. Phase One Ratings are recorded for subsequent incorporation in the final proposal evaluation and rating.

2. Each Proponent submitting a responsive Phase One proposal is notified in writing of its Phase One Rating and, in addition, is provided with the following:

   (a) an alphabetic list (normally five names) of Proponents with the highest Phase One Ratings;

   (b) a list of all Phase One Ratings attained (ratings are not linked to Proponents);

   (c) a date, time, and location for a Phase Two briefing meeting, if applicable;

   (d) the date and time for receipt of Phase Two proposals, and any supplementary instructions, terms, conditions or addenda which may be applicable to Phase Two proposal preparation and submission.

3. Proponents that submitted non-responsive Phase One proposals are notified accordingly.

2.3 Phase Two Proposal

1. Phase Two proposals are prepared and submitted after Proponents have been advised of the results of evaluation of Phase One proposals. All Proponents submitting responsive proposals in Phase One, regardless of their Phase One Ratings, are eligible to prepare and submit a Phase Two proposal. The decision to continue participating in the selection procedure in Phase Two is a decision to be made by each eligible Proponent.

2. In Phase Two, a Proponent may not substitute or delete any member of the Consultant Team identified in the Phase One proposal.

3. Phase Two proposals are submitted following a "two-envelope" procedure, in which Proponents submit the "technical" component of their proposal in one envelope and the proposed price of the services (price proposal) in a second envelope.

4. The information that Proponents are required to provide is set out in detail throughout the RFP.

2.4 Phase Two Proposal Evaluation and Final Rating

1. Technical components of Phase Two proposals are reviewed, evaluated and rated by a PWGSC Evaluation Board in accordance with the criteria, components and weight factors set out in the RFP. Upon completion of the evaluation, Phase Two Technical Ratings are established.

2. Phase One Rating and Phase Two Technical Rating are combined to establish a Combined Technical Score. Proposals achieving the minimum Combined Technical Score specified in the Submission Requirements and Evaluation section of the RFP are further considered.

3. The price envelopes of all responsive proposals are opened upon completion of the technical evaluation. When there are three or more responsive proposals, an average price is determined by adding all the price proposals together and dividing the total by the number of price proposals opened. This calculation will not be conducted when one or two responsive proposals are received.

4. All price proposals which are greater than 25 percent above the average price will cause their respective complete proposals to be set aside and receive no further consideration.

5. The remaining price proposals are rated as follows:

   (a) The lowest price proposal receives a Price Rating of 100.

   (b) The second, third, fourth and fifth lowest prices receive Price Ratings of 80, 60, 40, and 20 respectively. All other price proposals receive a Price Rating of 0.

   (c) On the rare occasion where two (or more) price proposals are identical, these price proposals receive the same rating and the corresponding number of following ratings are skipped.

   (d) The Price Rating is multiplied by a predetermined percentage factor to establish a Price Score.

6. A price proposal in excess of any maximum funding limit, when this limit has been set in the Supplementary Instructions to Proponents, will result in disqualification of the complete proposal.

2.5 Total Score

1. The total overall score (Total Score) assigned to each Proponent's complete proposal is calculated as the aggregate of:

   (a) the Phase One Score (Phase One proposal on qualifications and experience), and

   (b) the Phase Two Technical Score (first envelope of Phase Two proposal), and

   (c) the Price Score (second envelope of Phase Two proposal).

2. The Proponent receiving the highest Total Score is the first entity that the PWGSC Evaluation Board will recommend be approached in order to finalize details of an agreement for the provision of the required services.

2.6 Notification

PWGSC normally expects to advise in writing unsuccessful Proponents within one week after PWGSC has entered into a contractual arrangement with the successful Proponent.

GI3 (2010-01-11) Procurement Business Number

Canadian Proponents are required to have a Procurement Business Number (PBN) before Contract award. Proponents may register for a PBN in the Supplier Registration Information service on line at the Business Access Canada Web site. For non-Internet registration, Proponents may contact the Business Access Canada InfoLine at 1-800-811-1148 to obtain the telephone number of the nearest Supplier Registration Agent.

GI4 (2003-05-30) Responsive Proposals

To be considered responsive, a proposal must meet all of the mandatory requirements set out in the RFP. No further consideration in the selection procedure will be given to a Proponent submitting a non-responsive proposal.

GI5 (2003-12-12) Completion of Submission

The Proponent shall base the proposal on the applicable proposal documents listed in the Supplementary Instructions to Proponents. It is the responsibility of the Proponent to obtain clarification of any of the terms, conditions or technical requirements contained in the RFP.

GI6 (2003-05-30) Proposal Price

Unless specified otherwise elsewhere in the proposal documents:

(a) the price proposal shall be in Canadian currency, and

(b) the price proposal shall not include any amount for the Goods and Services Tax or the Harmonized Sales Tax as may be applicable, and

(c) exchange rate fluctuation protection is not offered, and

(d) any request for exchange rate fluctuation protection will not be considered, and will render the proposal non-responsive.

GI7 (2003-12-12) Enquiries During the Solicitation Period

1. Any question or request for clarification during the solicitation period must be submitted in writing by the prime contact of a Proponent to the person identified on the front page of the RFP. Responses will be sent by PWGSC to the prime contact of the Proponent, who will be responsible for internal distribution as required within the Proponent's Consultant Team.

2. To ensure equality of information provided to Proponents, answers to significant enquiries will be forwarded simultaneously to each Proponent.

3. Enquiries are to be directed ONLY to the person referred to in paragraph 1 above. Non-compliance with this condition during the solicitation period may, for that reason alone, result in the disqualification of the proposal.

GI8 (2003-05-30) Limitation of Submissions

1. While there is no requirement for firms to participate in this procurement in joint venture, they may elect to do so if they see fit. However, only one submission per proponent will be accepted, whether it is submitted by a firm as an individual Proponent or by that firm as part of a joint venture Proponent. If more than one submission is received from a firm acting either individually or in joint venture, all such submissions shall be rejected and no further consideration shall be given to the firm or to any proposed joint venture of which the firm forms part.

2. A joint venture is defined as an association of two or more parties which combine their money, property, knowledge, skills, time or other resources in a joint business enterprise agreeing to share the profits and the losses and each having some degree of control over the enterprise.

3. An arrangement whereby Canada contracts directly with a prime consultant who may retain sub-consultants or specialist consultants to perform portions of the services is not a joint venture arrangement. A sub-consultant or specialist consultant firm may, therefore, be proposed as part of the Consultant Team by more than one Proponent.

4. Notwithstanding subsection 3 above, in order to avoid any conflict of interest, or any perception of conflict of interest, no firm acting as an individual Proponent or as part of a joint venture Proponent, shall be proposed as a member of another Proponent's Consultant Team, either as a sub-consultant or specialist consultant or as part of another joint venture Proponent. Failure to comply with this limitation will result in all submissions so involved being rejected.

5. The Phase Two portion of the proposal must be made in the same name as the entity named as the Proponent in the Phase One portion. Proponents must utilize, in the preparation of their Phase Two proposal, the same Consultant Team, firms and individuals named in the Phase One proposal.

6. Any joint venture entered into for the provision of professional services or other services must be in full compliance with the requirements of any provincial or territorial law pertaining thereto in the Province or Territory in which the project is located.

GI9 (2003-05-30) Licensing Requirements

1. Consultant Team members and Key Personnel shall be, or be eligible to be licensed, certified or otherwise authorized to provide the necessary professional services to the full extent that may be required by provincial or territorial law in the Province or Territory in which the project is located.

2. By virtue of submission of a Phase One proposal, the Proponent certifies that the Proponent is satisfied that the proposed Consultant Team and Key Personnel are in compliance with the requirements of subsection 1. The Proponent acknowledges that PWGSC reserves the right to verify any information in this regard and that false or erroneous certification may result in the proposal being declared non-responsive.

3. Should a verification by PWGSC disclose that the certification referred to in subsection 2 is false or in error, PWGSC shall have the right to reject any Phase Two proposal arising from the Phase One proposal.

GI10 (2003-05-30) Eligibility Requirements

1. Proponents are advised that a Proponent may be deemed to be ineligible for selection at any time if:

   (a) any firm or individual included in the Consultant Team has been convicted under section 121 ("Frauds on the government" & "Contractor subscribing to election fund"), 124 ("Selling or purchasing office"), or 418 ("Selling defective stores to Her Majesty") of the Criminal Code;

   (b) the Proponent has been declared ineligible for selection, following unsatisfactory performance in a previous project as determined in accordance with the department's performance review procedures;

   (c) any firm or individual included in the Consultant Team has been declared ineligible, for

selection for work with the department in accordance with the performance review procedure referred to in paragraph 1. (b), which ineligibility would render the individual ineligible for selection for the work, or the portion of the work the individual is to perform, under any contractual arrangement resulting from submission of the proposal;

(d) with respect to current or prior transactions with the Government of Canada,

(i) the Proponent is bankrupt or where, for whatever reason, its activities are rendered inoperable for an extended period;

(ii) evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to any firm or individual included in the Consultant Team;

(iii) Canada has previously exercised or intends to exercise the contractual remedy of taking the services out of the consultant's hands with respect to any commission or contract with any firm or individual included in the Consultant Team;

(iv) Canada determines that the performance of the Proponent on other contracts or commissions, including the quality of the services provided and the quality and timeliness of the delivery of the project, is sufficiently poor to jeopardize the successful completion of the requirement which is the subject of the Initial Proposal.

2. Where Canada intends to declare a firm ineligible pursuant to the provisions contained in subsection 1 above, other than provision 1. (b), the Minister will so inform the firm and provide the firm ten (10) days within which to make representations, prior to making a final decision regarding the ineligibility of the firm.

GI11 (2010-01-11) Federal Contractors Program

1. The Federal Contractors Program (FCP) requires that some firms, including a Proponent who is a member of a joint venture, bidding for federal government contracts, valued at $200,000 or more (including all applicable taxes), make a formal commitment to implement employment equity. This is a condition precedent to contract award. If the Proponent, or, if the Proponent is a joint venture and if any member of the joint venture, is subject to the FCP, evidence of its commitment must be provided before the award of the Contract.

   Firms who have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive government contracts over the threshold for solicitation of bids as set out in the *Government Contracts Regulations*. Firms may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any bids from ineligible contractors, including a bid from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

2. If the Proponent does not fall within the exceptions enumerated in 3.(a) or (b) below, or does not have a valid certificate number confirming its adherence to the FCP, the Proponent must fax (819-953-8768) a copy of the signed form LAB 1168, Certificate of Commitment to Implement Employment Equity, to the Labour Branch of HRSDC.

3. The Proponent, or, if the Proponent is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

The Proponent or the member of the joint venture

(a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada,

(b) ( ) is not subject to the FCP, being a regulated employer under the *Employment Equity Act*, S.C. 1995, c. 44;

(c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC (having not bid on requirements of $200,000 or more), in which case a duly signed certificate of commitment is attached;

(d) ( ) is subject to the FCP, and has a valid certificate number as follows: _____ (e.g. has not been declared an ineligible contractor by HRSDC).

For more information on the FCP, visit the HRSDC Web site.

GI12 (2007-05-25) Insurance Requirements

The successful Proponent shall be required to obtain and maintain Professional Liability and Commercial General Liability insurance coverage in accordance with the requirements set out elsewhere in the proposal documents.

GI13 (2003-05-30) Industrial and Facility Security Requirements

1. Proponents shall take note of, and comply with, any industrial security or facility security requirement which may be stipulated as a requirement in the proposal and Agreement documents. If industrial security or facility security is required, employees and staff of the Proponent and other members of the Consultant Team involved in the project implementation must either be in possession of, or agree to be investigated for, a valid, appropriate level of personnel security screening that may be required under the provisions of the RFP.

2. If security screening is required, each person involved in the project implementation must hold such security screening prior to the commencement of any work.

3. In all contractual arrangements with persons who are to be employed in the performance of the services, the successful Proponent shall make provision for the performance of any obligation that may be imposed upon the Proponent under the provisions of this clause.

GI14 (2003-05-30) Composition of Consultant Team

By submitting a proposal, the Proponent represents and warrants that the entities and persons proposed in the proposal to perform the required services will be the entities and persons that will perform the services in the fulfillment of the project under any contractual arrangement arising from submission of the proposal. If the Proponent has proposed any person in fulfillment of the project who is not an employee of the Proponent, the Proponent warrants that it has written permission from such person (or the employer of such person) to propose the services of such person in relation to the services to be performed.

GI15 (2003-05-30) Submission of Proposal

1. It is the Proponent's responsibility to:

(a) submit a signed Phase One proposal, duly completed, IN THE FORMAT REQUESTED, on or before the closing date and time set for Phase One proposals;

(b) submit, at the Proponent's discretion, a signed Phase Two proposal, duly completed, IN THE FORMAT REQUESTED, on or before the closing date and time set for Phase Two proposals;

(c) direct proposals ONLY to the designated office identified on the front page of the RFP;

(d) the proposal shall be signed in accordance with the following requirements:

(i) Corporation
The signatures of the authorized signatories shall be affixed and their names and titles typed or printed.

(ii) Partnership
The signatures of the partners shall be affixed and their names typed or printed. If not all of the partners sign or if the signatory is not a partner then a certified true copy of the agreement signed by all partners authorizing such person or persons to execute the document on their behalf shall accompany the proposal.

(iii) Sole Proprietorship
The signature of the sole proprietor shall be affixed and the name typed or printed. In the event that the signatory is not the sole proprietor then a certified true copy of the agreement signed by the sole proprietor authorizing such person or persons to execute the document shall accompany the proposal.

(iv) Joint Venture
The signatures of the authorized signatories of each member of the joint venture shall be affixed and their names and titles typed or printed. Each of the participating signatories shall sign the document in the manner applicable to their particular business arrangement which is more particularly described in (i) to (iii) above.

(e) ensure that the following information is clearly visible:

(i) Proponent's name and address,
(ii) Name of Proponent's prime contact person,
(iii) Solicitation Number and Description,
(iv) Closing date and time for receipt of proposals.

(f) provide a comprehensive and sufficiently detailed proposal for each phase that will permit a complete evaluation in accordance with the criteria set out in this RFP.

2. The technical and price components of the Phase Two proposal must be submitted in separate, easily identified envelopes in accordance with the instructions contained in the proposal documents. Both envelopes shall be submitted as one package which shall clearly and conspicuously display and indicate on the outside of the package the information identified in paragraph GI15.1(e) above.

3. Timely and correct delivery of proposals to the office designated for receipt of proposals is the sole responsibility of the Proponent. PWGSC will not assume or have transferred to it those responsibilities. All risks and consequences of incorrect delivery of proposals are the responsibility of the Proponent.

4. Proposals and supporting information may be submitted in either English or French.

GI16 (2003-05-30) Late Submissions

It is PWGSC policy to return, unopened, submissions delivered after the stipulated closing date and time.

GI17 (2003-05-30) Revision of Proposal

A proposal submitted in accordance with these requirements may be amended by letter or facsimile provided the revision is received at the office designated for the receipt of proposals, on or before the date and time set for the receipt of proposals. The revision must be on the Proponent's letterhead or bear a signature that identifies the Proponent, and must clearly identify the change(s) to be applied to the original proposal. The revision must also include the information identified in paragraph GI15.1(e).

GI18 (2003-05-30) Acceptance of Proposal

1. Canada may accept any proposal, or may reject any or all proposals.

2. In the case of error in the extension or addition of unit prices, the unit price will govern.

3. While Canada may enter into an agreement or contractual arrangement without prior negotiation, Canada reserves the right to negotiate with Proponents on any procurement.

GI19 (2003-05-30) Identity or Legal Capacity of the Proponent

In order to establish the legal capacity under which a Proponent proposes to enter into a contractual arrangement, any Proponent who carries on business in other than its own personal name shall, if requested, provide proof of the legal capacity under which it carries on business prior to the contractual arrangement being entered into. Such proof may be in the form of a copy of the articles of incorporation or a copy of the registration of the business name of a sole proprietor, of a trade name, of a partnership, etc.

GI20 (2003-05-30) Debriefing

A debriefing will be provided, on request, only following entry by PWGSC into a contractual arrangement with the successful Proponent. Should a Proponent desire a debriefing, the Proponent should contact the person identified on the front page of the RFP. The debriefing will include an outline of the reasons the submission was not successful, making reference to the evaluation criteria. The confidentiality of information relating to other submissions will be protected.

GI21 (2003-05-30) Financial Statements

1. In order to confirm a Proponent's financial capability to perform the subject requirement, the Contracting Authority reserves the right to have access, during the proposal evaluation phase, to current proponent financial information. If requested, the financial information to be provided shall include, but not be limited to, the Proponent's most recent audited financial statements or financial statements certified by the Proponent's chief financial officer.

2. Should the proponent provide the requested information to Canada in confidence while indicating that the disclosed information is confidential, then Canada will treat the information in a confidential manner as provided in the *Access to Information Act*.

3. In the event that a proposal is found to be non-compliant on the basis that the proponent is considered NOT to be financially capable of performing the subject requirement, official notification shall be provided to the proponent.

GI22 (2010-01-11) Performance Evaluation

Proponents shall take note that the performance of the Consultant during and upon completion of the services shall be evaluated by Canada. The evaluation include all or some of the following criteria: Design, Quality of Results, Management, Time and Cost. Should the Consultant's performance be considered unsatisfactory, the Consultant may be declared ineligible for future Real Property contracts. The form PWGSC-TPSGC 2913-1, SELECT - Consultant Performance Evaluation Report, is used to record the performance.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Use the following clause in 1 Stage - 2 Phase proposals.

R1120T (2003/05/30) Supplementary Instructions to Proponents

SI 1 (30/05/03) Introduction

1. Public Works and Government Services Canada (PWGSC) intends to retain an individual consulting firm or joint venture to provide the professional services for the project as set out in this Request for Proposal (RFP).

2. Because of the considerable time and expense involved in the preparation, submission and evaluation of full proposals, Proponents responding to this RFP are requested to submit a proposal in two phases. Phase One proposals cover only the qualifications, experience and organization of the proposed Consultant Team. Following evaluation and rating of these proposals, Proponents are advised of their competitive standing and have the opportunity to decide whether or not to continue their participation by submitting a Phase Two proposal. Phase Two proposals cover the detailed approach to the work, and the pricing offered. A combination of the Phase One and Phase Two submissions constitutes the final proposal. This procedure follows "open tendering" procedures in the context of Canada's trade agreements. It is followed, however, whether or not the procurement is covered by any trade agreement.

3. Initially, firms are invited to submit a proposal in the first phase of the selection procedure outlined herein. Only the Phase One information asked for in the RFP is to be included in the Phase One proposal, and evaluation and rating of Phase One proposals will be carried out only on the Phase One information requested.

SI 2 (30/05/03) Questions or Requests for Clarification

Questions or requests for clarification during the Phase One solicitation period must be submitted in writing to the Contracting Authority as early as possible. Enquiries should be received no later than ten (10) working days prior to the closing date identified on the front page of the Request for Proposal. Enquiries received after that date may not be answered prior to the closing date of the solicitation.

SI 3 (30/05/03) Canada's Trade Agreements

This procurement is covered under the provisions of the: [North American Free Trade Agreement (NAFTA)] [World Trade Organization - Agreement on Government Procurement (WTO-AGP)] [Agreement on Internal Trade (AIT)].

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Use the following clause in 1 Stage - 2 Phase proposals.

R1130T (2007/05/25) Proposal Documents

1. The following are the proposal documents:

   (a) R1110T, General Instructions to Proponents (GI);
   Supplementary Instructions to Proponents (SI)
   Proposal Documents;
   Project Brief;
   Submission Requirements and Evaluation (SRE);
   Any amendment to the solicitation document issued prior to the date set for receipt of Phase Two proposals

   (b) the general terms, conditions and clauses, as amended, identified as:
   Agreement
   R1205D, General Conditions - Table of Contents
   R1210D, GC1 - General Provisions
   R1215D, GC2 - Administration of the Contract
   R1220D, GC3 - Consultant Services
   R1225D, GC4 - Intellectual Property
   R1230D, GC5 - Terms of Payment
   R1235D, GC6 - Changes
   R1240D, GC7 - Taking the Services Out of the Consultant’s Hands, Suspension or Termination
   R1245D, GC8 - Dispute Resolution
   R1250D, GC9 - Indemnification and Insurance
   R1270D, International Sanctions
   Agreement Particulars

   (c) the duly completed and signed Phase One proposal and Declaration Form when received and accepted;

   (d) the duly completed and signed Phase Two proposal and Price Proposal Form when received and accepted;

   (e) the document entitled "Doing Business with A&ES".

2. Submission of a proposal constitutes acknowledgment that the Proponent has read and agrees to be bound by these documents.

3. Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the general terms, conditions and clauses identified herein by number, date and title, are hereby incorporated by reference

into and form part of this solicitation and any resultant contract, as though expressly set out herein, subject to any other express terms and conditions herein contained.

4. All instructions, general terms, conditions and clauses identified herein by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada (PWGSC).

An electronic version is available at the following PWGSC Website: http://sacc.pwgsc.gc.ca/sacc/index-e.jsp.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. If supplementary insurance is required, contact the appropriate group to determine the required instructions that should be included here. Use in conjunction with R1330D.

R1150T (2003/05/30) Supplementary Insurance

This procurement contains a supplementary insurance requirement described in R1330D, Supplementary Insurance Requirements.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Insert the following clause only if the procurement is subject to a maximum funding limit. This clause should always be used with caution.

R1160T (2003/05/30) Funding Limit for the Services

Funding available is limited to $ _____ (Goods and Services Tax or Harmonized Sales Tax extra, as appropriate). A proposal valued in excess of this amount will be considered non-responsive. This disclosure of available funds does not commit Canada to pay such an amount.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Use the following clause in 1 Stage - 2 Phase proposals.

R1180T (2003/05/30) Team Identification Form

The prime consultant and other members of the Consultant Team shall be, or eligible to be, licensed, certified or otherwise authorized to provide the necessary professional services to the full extent that may be required by provincial or territorial law.

Prime Consultant (Proponent):
Name:

_____

Key Individuals and provincial professional licensing status:

_____
_____
_____
_____

Key Sub Consultants / Specialists:

Name:

_____

Key Individuals and provincial professional licensing status:

_____
_____
_____
_____

Name:

_____

Key Individuals and provincial professional licensing status:

_____
_____
_____
_____

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Use the following clause in 1 Stage - 2 Phase proposals.

R1185T (2010/01/11) Declaration Form

This Request for Proposal (RFP) Declaration Form must form part of any proposal. Failure to include such representation and warranty with the proposal by executing the signature block below will render the proposal as non-responsive. The completed form should be included with your Phase One Proposal.

NAME OF PROPONENT: _____

Street Address: Mailing Address (if different than street address)

_____ _____

_____ _____

City: _____ City: _____

Prov./Terr./State: _____ Prov./Terr./State: _____

Postal/ZIP Code: _____ Postal/ZIP Code: _____

Telephone Number: ____-____-_____

Fax Number: ____-____-_____

E-Mail: _____

Procurement Business Number: _____

TYPE OF ORGANIZATION

Sole Proprietorship _____ Partnership _____ Corporation _____ Joint Venture _____

SIZE OF ORGANIZATION

Number of Employees: _____ Graduate Architects/Prof. Engineers: _____

Other Professionals: _____ Technical Support: _____

Other: _____

FEDERAL CONTRACTORS PROGRAM

1. The Federal Contractors Program (FCP) requires that some firms, including a Proponent who is a member of a joint venture, bidding for federal government contracts, valued at $200,000 or more (including all applicable taxes), make a formal commitment to implement employment equity. This is a condition precedent to contract award. If the Proponent, or, if the Proponent is a joint venture and if any member of the joint venture, is subject to the FCP, evidence of its commitment must be provided before the award of the Contract.

   Firms who have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive government contracts over the threshold for solicitation of bids as set out in the Government Contracts Regulations. Firms may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any bids from ineligible contractors, including a bid from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

2. If the Proponent does not fall within the exceptions enumerated in 3.(a) or (b) below, or does not have a valid certificate number confirming its adherence to the FCP, the Proponent must fax (819-953-8768) a copy of the signed form LAB 1168, Certificate of Commitment to Implement Employment Equity, to the Labour Branch of HRSDC.
3. The Proponent, or, if the Proponent is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

   The Proponent or the member of the joint venture

(a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada,

(b) ( ) is not subject to the FCP, being a regulated employer under the Employment Equity Act, S.C. 1995, c. 44;

(c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full time or part-time permanent employees, or termporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC (having not bid on requirements of $200,000 or more), in which case a duly signed certificate of commitment is attached;

(d) ( ) is subject to the FCP, and has a valid certificate number as follows: _____ (e.g. has not been declared an ineligible contractor by HRSDC).

For more information on the FCP , visit the HRSDC Website.

DECLARATION:

I, the undersigned, being a principal of the Proponent, hereby certify that the information given on this form and in the attached Proposal is accurate to the best of my knowledge.

Name (print): _____

Capacity: _____

Signature: _____

Telephone Number: ____-____-_____

Fax Number: ____-____-_____

Date: _____

PWGSC contact will be with the above named person.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation.

R1190T (2005/06/10) Price Proposal Form

Instructions:

Complete this Price Proposal Form and submit in a **separately sealed envelope**

with the Name of Proponent, Name of Project, Public Works and Government Services Canada Solicitation Number, and the words **"Price Proposal Form"** typed on the outside of the envelope. Price Proposals are not to include Goods and Services Tax (GST).

Proponents shall not alter this form

Name of Proponent: _____

Address: _____

_____

Phone / Fax: _____

Procurement Business Number: _____

The following will form part of the evaluation process:

Required Services

Percentage Fee

Firm Percentage Fee of: _____%

Indicative Estimate of Construction Cost (Class D): X $_____
(including GST)
$_____

The actual percentage fee for Required Services will recognize the variability of the Construction Cost Estimate as the project develops (refer to formula specified in paragraph 1(a) of GC 5.2). Payments will be made as specified in paragraph 1 of GC 5.4).

Fixed Fee

Services	**Fixed Fee**
_____	$_____
_____	$_____
_____	$_____
Maximum Fixed Fees	$_____

Fixed Fee - Unit Price

# of Units	**Services**	**Cost / Unit**	**Fixed Fee**
_____	_____	@ $_____ =	$_____
_____	_____	@ $_____ =	$_____

_____ _____ @ $_____ = $_____

_____ _____ @ $_____ = $_____

Maximum Fixed Fees $_____

Time Based Fees

Services	**Time Based Fee**
_____	$_____
_____	$_____
_____	$_____
Maximum Time Based Fees	$_____

Hourly rates are to be provided below.

Total maximum fee for Required Services $_____

The following will not form part of the evaluation process:

Canada may accept or reject any of the following fees, disbursements, hourly rates and/or payroll factor(s). Canada reserves the right to negotiate on these fees, disbursements, hourly rates and/or payroll factor(s).

Disbursements

At cost without allowance for mark-up or profit, supported by invoices/receipts. (See GC 5.12):

(specify and enter limit)

_____ $_____

_____ $_____

_____ $_____

Maximum Amount for Disbursements $_____

The following hourly rates may be used in the event that the original services change during the course of the contract.

Principals - All inclusive hourly rate to be fixed for the duration of the Contract.

Name	**$ per hour**
_____	$_____
_____	$_____

_____ $_____

_____ $_____

Staff - Payroll Cost Factor to be fixed for the duration of the contract. For the administration of the Contract, Hourly Rate increases for staff are to be documented to PWGSC for approval.

Name / Position	**$ per hour (excluding factor)**	**Factor**
_____	$_____	_____
_____	$_____	_____
_____	$_____	_____
_____	$_____	_____

Canadian Based Firms: Economic Impact

You are requested to indicate below the number of jobs that would be created or maintained should a contract to your firm result from this solicitation. This information is required for statistical/reporting purposes only and will not form part of the proposal evaluation.

Number of Jobs Created: _____

Number of Jobs Maintained: _____

Period of Time: _____

Signature of Consultant or Joint Venture Consultants.

The Consultant agrees to provide **all** services requested in the Request For Proposal.

_____ _____
Name Signature

_____
Title

I/We have authority to bind the Corporation / Partnership / Sole Proprietorship / Joint Venture

_____ _____
Name Signature

_____
Title

I/We have authority to bind the Corporation / Partnership / Sole Proprietorship / Joint Venture

_____
Name Signature

_____
Title

I/We have authority to bind the Corporation / Partnership / Sole Proprietorship / Joint Venture

END OF PRICE PROPOSAL FORM

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Use the following clause in 1 Stage - 2 Phase proposals.

R1200D (2007/05/25) Agreement

1. The Consultant understands and agrees that upon acceptance of the offer by Canada, a binding Agreement shall be formed between Canada and the Consultant and the documents forming the Agreement shall be the following:

   (a) the Front Page and this Agreement clause;

   (b) the general terms, conditions and clauses, as amended, identified as:
   R1205D, General Conditions - Table of Contents
   R1210D, GC1 - General Provisions
   R1215D, GC2 - Administration of the Contract
   R1220D, GC3 - Consultant Services
   R1225D, GC4 - Intellectual Property
   R1230D, GC5 - Terms of Payment
   R1235D, GC6 - Changes
   R1240D, GC7 - Taking the Services Out of the Consultant's Hands, Suspension or Termination
   R1245D, GC8 - Dispute Resolution
   R1250D, GC9 - Indemnification and Insurance
   R1270D, International Sanctions
   Agreement Particulars;

   (c) Project Brief;

   (d) the document entitled "Doing Business with A&ES";

(e) any amendment to the solicitation document incorporated in the Agreement before the date of the Agreement;

(f) the duly completed and signed Phase One proposal and Declaration Form;

(g) the duly completed and signed Phase Two proposal and Price Proposal Form.

2. Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the general terms, conditions and clauses identified herein by number, date and title, are hereby incorporated by reference into and form part of this Agreement, as though expressly set out herein, subject to any other express terms and conditions herein contained.

3. All instructions, general terms, conditions and clauses identified herein by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada (PWGSC). The Manual is available on the following PWGSC Website: **http://sacc.pwgsc.gc.ca/sacc/index-e.jsp**.

4. Order of Precedence

In the event of any inconsistency or conflict in the contents of the following documents, such documents shall take precedence and govern in the following order:

(a) any amendment or variation in the Agreement that is made in accordance with the terms and conditions of the Agreement;

(b) any amendment to the solicitation document incorporated in the Agreement before the date of the Agreement;

(c) this Agreement clause;

(d) Supplementary Conditions;
(e) General Terms, Conditions and Clauses;

(f) Agreement Particulars;

(g) Project Brief;

(h) the document entitled "Doing Business with A&ES";

(i) the duly completed and signed proposal.

R1205D (2007/05/25) General Conditions - Table of Contents

This clause is cancelled effective 2008/05/12

Remarks:

R1210D (2008/12/12) GC1 - General Provisions

GC1.1 (2008-12-12) Definitions

"Average Bank Rate" means the simple arithmetic mean of the Bank Rate in effect at 4:00 p.m. Eastern Time each day during the calendar month which immediately precedes the calendar month in which payment is made.

"Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which it makes short term advances to members of the Canadian Payments Association.

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada;

"Construction Contract " means a contract entered into between Canada and a Contractor for the construction of the Project;

"Construction Contract Award Price" means the price at which a Construction Contract is awarded to a Contractor;

"Construction Cost Estimate" means an anticipated amount for which a Contractor will execute the construction of the Project;

"Construction Cost Limit" means that portion of the total amount of Project funds which shall not be exceeded on construction of the Project;

"Consultant" means the party which submitted a responsive proposal which was accepted by Canada to perform the Consultant Services under the Agreement, and includes the officer or employee of the Consultant identified in writing by the Consultant;

"Contracting Authority" means the party identified on the front cover page responsible for the establishment of the agreement, its administration and any contractual issues related to it;

"Contractor" means a person, firm or corporation with whom Canada enters, or intends to enter, into a Construction Contract;

"Cost Plan" means the allocation of proposed costs among the various elements of the Project, as described in the Project Brief or Terms of Reference;

"Days" means continuous calendar days, including weekends and statutory public holidays;

"Departmental Representative" means the officer or employee of Canada identified to the consultant in writing by a duly authorized departmental officer to perform the Departmental Representative's duties under the Agreement;

"Mediation" is a process of dispute resolution in which a neutral third party assists the parties involved in a dispute to negotiate their own settlement;

"Minister" includes a person acting for, or if the office is vacant, in place of, the Minister of Public Works and Government Services and the Minister's successors in the office. Minister also includes the Minister's lawful deputy and any of the ministers or their representatives appointed for the purpose of the Agreement;

"Payroll Cost" means the actual cost of any person employed by the Consultant or the Consultant's Sub-Consultants as a staff member, including principals employed as staff members, and includes an amount for salary, statutory holidays, vacations with pay, unemployment insurance premiums and worker's compensation contributions where applicable, pension plan contributions, sick time allowance,

medical/dental insurance premiums, and such other employee benefits as may be approved by the Departmental Representative;

"Project Brief" or "Terms of Reference" means a document describing in sufficient detail the Services to be provided by the Consultant to permit the Consultant to proceed with the Services and may include general project information, scope of the work, site and design data, and time plan, specifically related to the Project;

"Project Schedule" means a time plan, including the sequence of tasks, milestone dates and critical dates which must be met for the implementation of the planning, design and construction phases of the Project;

"Services" means the services provided by the Consultant and the services required by the project, as set forth in the Agreement;

"Specialist Consultant" means any Architect, Professional Engineer, or other specialist, other than the Consultant, engaged by Canada directly or, at the specific request of Canada, engaged by the Consultant;

"Sub-Consultant" means any Architect, Professional Engineer, or other specialist engaged by the Consultant for the Services included in the Agreement;

"Technical Documentation" includes designs, reports, photographs, physical models, surveys, drawings, specifications, computer software developed for the purpose of the Project, computer printouts, design notes, calculations, CADD (Computer-aided Design and Drafting) files, and other data, information and material, prepared, computed, drawn, or produced and operating and maintenance manuals either prepared or collected for the Project.

GC1.2 (2003-05-30) Interpretations

1. Words importing the singular only also include the plural, and vice versa, where the context requires;

2. Headings or notes in the Agreement shall not be deemed to be part thereof, or be taken into consideration in its interpretation;

3. "Herein", "hereby", "hereof", "hereunder" and similar expressions refer to the Agreement as a whole and not to any particular subdivision or part thereof.

GC1.3 (2003-05-30) Successors and Assigns

The Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their lawful heirs, executors, administrators, successors and assigns.

GC1.4 (2003-05-30) Assignment

1. The Agreement shall not be assigned, in whole or in part, by the Consultant without the prior written consent of the Minister. After a request for assignment has been received from the Consultant, a decision shall be given by the Minister to the Consultant in a timely manner.

2. An assignment of the Agreement without such consent shall not relieve the Consultant from any obligation under the Agreement, or impose any liability upon Canada or the Minister.

GC1.5 (2003-05-30) National or Departmental Security

1. If the Departmental Representative is of the opinion that the Project is of a class or kind that involves national or departmental security, the Consultant may be required:

(a) to provide any information concerning persons employed for purposes of the Agreement unless prohibited by law;

(b) to remove any person from the Project and its site if that person cannot meet the prescribed security requirements; and

(c) to retain the Project Technical Documentation while in the Consultant's possession in a manner specified by the Departmental Representative.

2. Notwithstanding the provision of GC4, if the Project is of a class or kind that involves national or departmental security, the Consultant shall not issue, disclose, discard or use the Project Technical Documentation on another project without the written consent of the Departmental Representative.

GC1.6 (2003-12-12) Conflict of Interest

1. The Consultant declares that the Consultant has no pecuniary interest in the business of any third party that would cause, or seem to cause, a conflict of interest in carrying out the Services, and should such an interest be acquired during the life of the Agreement, the Consultant shall declare it immediately to the Departmental Representative.

2. The Consultant shall not have any tests or investigations carried out by any persons, firms, or corporations, that may have a direct or indirect financial interest in the results of those tests or investigations.

3. The Consultant shall not submit, either directly or indirectly, a bid for any Construction Contract related to the Project.

4. No individual for whom the post-employment provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders (1994) or the Values and Ethics Code for the Public Service (2003) apply, shall derive a direct benefit from this Agreement unless that individual is in compliance with the applicable post-employment provisions.

5. The Consultant shall not be eligible to compete as a consultant or sub-consultant for a project which may result from the provision of the Services if the Consultant is involved in the development of a Project Brief or Terms of Reference, a Request for Proposal or similar documents for such project.

GC1.7 (2003-05-30) Status of Consultant

1. The Consultant is engaged under the Agreement as an independent Consultant for the sole purpose of providing Services.

2. Neither the Consultant nor any of the Consultant's employees shall be regarded as employees or agents of Canada.

3. The Consultant, as employer, agrees to be solely responsible for any and all payments and deductions required to be made by law, including those required for Canada or Quebec Pension Plans, Employment Insurance, Worker's Compensation, and Income Tax.

GC1.8 (2003-05-30) Members of House of Commons

No member of the House of Commons shall be admitted to any share or part of the Agreement, or to any benefit that may arise therefrom.

GC1.9 (2003-05-30) Entire Agreement

The Agreement constitutes the entire arrangement between the parties with respect to the subject matter of the Agreement, and supersedes all previous negotiations, communications and other arrangements relating to it, unless incorporated by reference herein.

GC1.10 (2008-12-12) Lobbyist Certification - Contingency Fees

1. The Consultant certifies that it has not directly or indirectly paid or agreed to pay and covenants that it will not directly or indirectly pay a contingency fee for the solicitation, negotiation or obtaining of the Agreement to any person other than an employee acting in the normal course of the employee's duties.

2. All accounts and records pertaining to payments of fees or other compensation for the solicitation, obtaining or negotiation of the Agreement shall be subject to the accounts and audit provisions of the Agreement.

3. If the Consultant certifies falsely under this section or is in default of the obligations contained therein, the Minister may either take the services out of the Consultant's hands in accordance with the conditions of the Agreement or recover from the Consultant by way of reduction to the Basic Fee or otherwise the full amount of the contingency fee.

4. In this clause,

   "Contingency fee" means any payment or other compensation that is contingent upon or is calculated upon the basis of a degree of success in soliciting or obtaining a Government Agreement or negotiating the whole or any part of its term.

   "Employee" means a person with whom the Consultant has an employer/employee relationship.

   "Person" includes an individual or group of individuals, a corporation, a partnership, an organization and an association and, without restricting the generality of the foregoing, includes any individual who is required to file a return with the registrar pursuant to section 5 of the *Lobbying Act*, 1985 c. 44 (4th Supplement) as the same may be amended from time to time.

GC1.11 (2003-05-30) Changes in Taxes and Duties

1. In the event of any change (including a new imposition or repeal), on or after the date of submission of the proposal, of any tax, customs or other duty, charge, or any similar imposition that is imposed under sales or excise tax legislation of the Government of Canada and which affects the cost to the Consultant of the Services, the amount payable to the Consultant shall be adjusted to reflect the increase or decrease in the cost to the Consultant.

2. There shall be no adjustment under subsection 1 in respect of any change that would increase the cost to the Consultant of the Services if public notice of the change was given before the proposal submission date in sufficient detail to permit the Consultant to have calculated the effect on the Consultant's cost before that date.

3. The Consultant shall forward to the Minister a certified statement showing the increase or decrease in cost to the Consultant that is directly attributable to the change in the imposition. The Minister or the Departmental Representative may verify the increase or decrease in cost by audit.

GC1.12 (2003-12-12) Provincial Sales Tax

1. Federal government departments and agencies are not required to pay any ad valorem sales tax levied by the province in which the taxable goods or services are delivered. This exemption is

provided to federal government departments and agencies under the authority of the following:

(a) Provincial Sales Tax Exemption (PST) Licence Numbers, for the provinces of:

Prince Edward Island	OP-10000-250
Ontario	11708174G
Manitoba	390-516-0
British Columbia	005521

(b) An Exemption Certification, for Quebec, Saskatchewan, the Yukon Territory, and the Northwest Territories, which certifies that the property and/or services ordered/purchased hereby are for the use of, and are being purchased by the federal government with Canada funds, and are therefore not subject to provincial/territorial sales and consumption taxes.

2. Currently, in Alberta, the Yukon Territory, and the Northwest Territories, provincial sales taxes do not apply to goods or services delivered to the federal government.

3. The Consultant is not exempt from paying PST under the above Exemption Licence Numbers or Exemption Certification. The Consultant is required to pay PST on taxable goods or services used or consumed in the performance of the Contract (as per appropriate provincial legislation), including material incorporated into real property.

GC1.13 (2004-05-14) Goods and Services Taxes (GST)/Harmonized Sales Tax (HST)

1. All prices and amounts of money in the agreement are exclusive of GST/HST, as applicable, unless otherwise indicated.

2. Any amount levied in respect of the GST/HST will be billed as a separate item in invoices and will be paid in addition to the amount approved for Services performed, in accordance with GC5.3

3. The Consultant agrees to remit to the Canada Revenue Agency any amounts of GST and HST paid or due.

GC1.14 (2008-12-12) Tax Withholding of 15 Percent

Pursuant to the *Income Tax Act*, 1985, c. 1 (5th Supp.) and the *Income Tax Regulations*, Canada must withhold 15 percent of the amount to be paid to the Consultant in respect of services provided in Canada if the Consultant is a non-resident, unless the Consultant obtains a valid waiver. The amount withheld will be held on account for the Consultant in respect to any tax liability which may be owed to Canada.

GC1.15 (2003-05-30) Joint and Several Liability

If at any time there is more than one legal entity constituting the Consultant, their covenants under the Agreement shall be considered to be joint and several and apply to each and every entity. If the Consultant is or becomes a partnership or joint venture, each legal entity who is a member or becomes a member of the partnership or joint venture or its successors is and continues to be jointly and severally liable for the performance of the services and all the covenants of the Consultant pursuant to this Agreement, whether or not that entity ceases to be a member of the partnership, joint venture or its successor.

GC1.16 (2007-05-25) Federal Contractors Program for Employment Equity - Certification

Where the Consultant has certified in its proposal its status with the Federal Contractors Program for Employment Equity; the Consultant acknowledges that the Minister has relied upon such certification to enter into this Contract. Such certification may be verified in such manner as the Minister may reasonably

require. The Consultant acknowledges that in the event of a misrepresentation, the Minister shall have the right to terminate the Contract.

Remarks:

R1215D (2003/05/30) GC 2 - Administration of the Contract

GC 2.1 (30/05/03) Notices

1. Any notice, request, direction, consent, decision, or other communication that is required to be given or made by either party pursuant to the Agreement, shall be in writing, and shall be deemed to have been effectively given when:

   (a) served personally, on the day it is delivered;

   (b) forwarded by registered mail, on the day the postal receipt is acknowledged by the other party; or

   (c) forwarded by facsimile, e-mail or other electronic means of transmission at the time of transmission.

2. The address of either party, or the person authorized to receive notices, may be changed by notice in the manner set out in this provision.

GC 2.2 (30/05/03) Time and Cost Records to be Kept by the Consultant

1. Time charged and the accuracy of the Consultant's time recording system may be verified by the Departmental Representative before or after payment is made to the Consultant under the terms and conditions of the Agreement.

2. The Consultant shall keep accurate time and cost records and, if required for the purposes of the Agreement, shall make these documents available at reasonable times to the Departmental Representative who may make copies and take extracts therefrom.

3. The Consultant shall afford facilities for audit and inspection at mutually agreeable times and at places where the relevant documents are located, and shall provide the Departmental Representative with such information as may be required from time to time with reference to the documents referred to in subsection 2 above.

4. The Consultant shall, unless otherwise specified, keep the time and cost records available for audit and inspection for a period of at least two (2) years following completion of the Services.

5. If the verification is done after payment, the Consultant agrees to repay any overpayment immediately upon demand by Canada.

GC 2.3 (30/05/03) Non-discrimination in Hiring and Employment Practices

1. For the purpose of this General Condition, "person" includes the Consultant, the Consultant's Sub-Consultants and other firms forming the Consultant team, and their respective employees, agents, licensees or invitees, and any other individual involved in the performance of the services.

2. The Consultant shall not refuse to employ, encourage or ignore harassment, and will not discriminate in any manner against any person because

   (a) of that person's race, national origin, colour, religion, age, sex or marital status,

   (b) of the race, national origin, colour, religion, age, sex, or marital status of any person having any relationship or association with that person, or

   (c) a complaint has been made or information has been given by or in respect of that person relating to an alleged failure by the Consultant to comply with 2.(a) and 2.(b) above.

3. Within two (2) working days immediately following receipt of a written complaint pursuant to subsection 2 above, the Consultant shall

   (a) cause to have issued a written direction to the person or persons named by the complainant to cease all actions that form the basis of the complaint; and

   (b) forward a copy of the complaint to the Departmental Representative by registered mail.

4. Within twenty four (24) hours immediately following receipt of a direction from the Departmental Representative to do so, the Consultant shall cause to have removed from the Consultant team any person or persons whom the Departmental Representative believes to be in breach of the provisions of subsection 2 above.

5. No later than thirty (30) days after receipt of the direction referred to in subsection 4 above, the Consultant shall cause the necessary action to be commenced to remedy the breach described in the direction.

6. If a direction is issued pursuant to subsection 4 above, Canada may withhold from monies that are due and payable to the Consultant an amount representing the sum of the costs and payment referred to in subsections 8 and 9 below.

7. If the Consultant fails to proceed in accordance with subsection 6 above, the Departmental Representative shall take the necessary action to have the breach remedied, and shall determine all supplementary costs incurred as a result by Canada.

8. Canada may make a payment directly to the complainant from monies that

are due and payable to the Consultant upon receipt from the complainant of:

(a) a written award issued pursuant to the federal *Commercial Arbitration Act*, R.S., 1985, c. C-34.6; or

(b) a written award issued pursuant to the *Canadian Human Rights Act*, R.S., 1985, c.H-6; or

(c) a written award issued pursuant to provincial or territorial human rights legislation; or

(d) a judgment issued by a court of competent jurisdiction.

9. The Consultant shall be liable for and upon demand shall pay to Canada the supplementary costs referred to in subsection 8 above. If the Consultant fails to make payment on demand, Canada may deduct the same from any amount due and payable to the Consultant.

10. A payment made pursuant to subsection 8 above is, to the extent of the payment, a discharge of Canada's liability to the Consultant under the terms of the Agreement and may be deducted from any amount due and payable to the Consultant.

11. If the Departmental Representative is of the opinion that the Consultant has breached any of the provisions of this General Condition, the Minister may take the services out of the Consultant's hands pursuant to GC 7.

12. The Consultant shall ensure that the provisions of this General Condition are included in all agreements and contractual arrangements entered into as a consequence of this work.

Remarks:

R1220D (2003/12/12) GC 3 - Consultant Services

GC 3.1 (30/05/03) Declaration by Consultant

The Consultant declares that based on the information provided pertaining to the Services required under the Agreement, the Consultant has been provided sufficient information to enable the Services required under the Agreement to proceed and is competent to perform the Services and has the necessary licences and qualifications including the knowledge, skill and ability to perform the Services.

GC 3.2 (30/05/03) Services

The Consultant shall perform the Services described herein, in accordance with the terms and conditions of the Agreement.

GC 3.3 (30/05/03) Standard of Care

In performing the services, the Consultant shall provide and exercise the

standard of care, skill and diligence required by customarily accepted professional practices and procedures developed by professional bodies in the performance of similar services at the time when and at the location in which the services are provided.

GC 3.4 (30/05/03) Time Schedule

1. The Consultant shall:

   (a) submit in a timely manner to the Departmental Representative, for approval, a time schedule for the Services to be performed, in detail appropriate to the size and complexity of the Project, and in the prescribed format;

   (b) adhere to the approved time schedule and, if changes in the approved time schedule become necessary, indicate the extent of, and the reasons for such changes, and obtain the approval of the Departmental Representative.

GC 3.5 (30/05/03) Project Information, Decisions, Acceptances, Approvals

1. The Departmental Representative shall provide, in a timely manner, project information, written decisions and instructions, including acceptances and approvals relating to the Services provided by the Consultant.

2. No acceptance or approval by the Departmental Representative, whether expressed or implied, shall be deemed to relieve the Consultant of the professional or technical responsibility for the Services provided by the Consultant.

GC 3.6 (30/05/03) Changes in Services

1. The Consultant shall:

   (a) make changes in the Services to be provided for the Project, including changes which may increase or decrease the original scope of Services, when requested in writing by the Departmental Representative with the approval of the Minister; and

   (b) prior to commencing such changes, advise the Departmental Representative of any known and anticipated effects of the changes on the Construction Cost Estimate, Consultant fees, Project Schedule, and other matters concerning the Project.

GC 3.7 (30/05/03) Codes, By-Laws, Licences, Permits

The Consultant shall comply with all statutes, codes, regulations and by-laws applicable to the design and where necessary, shall review the design with those public authorities having jurisdiction in order that the consents, approvals, licences and permits required for the project may be applied for and obtained.

GC 3.8 (30/05/03) Provision of Staff

1. The Consultant shall, on request, submit to the Departmental Representative for approval, the names, addresses, qualifications, experience and proposed roles of all persons, including principals, to be employed by the Consultant to provide the Services for the Project and, on request, submit any subsequent changes to the Departmental Representative for approval.

2. When fees are on a Payroll Cost basis, the Consultant shall submit to the Departmental Representative, for approval, a statement of Payroll Costs, and any amendments thereof, for all persons to be employed by the Consultant to provide the Services for the Project.

GC 3.9 (12/12/03) Sub-Consultants

1. The Consultant shall:

   (a) notify the Departmental Representative of those Sub-Consultants identified during the negotiations of the Agreement with whom the Consultant will enter into Agreements for part of the Services and, on request, provide details of the terms, and Services to be performed under the said Agreements and the qualifications and names of the personnel of the Sub-Consultants proposed to be employed on the Project;

   (b) subsequent to the Agreement notify the Departmental Representative of any other Sub-Consultants with whom the Consultant intends to enter into Agreements for part of these Services and, on request, provide details of the terms and Services to be performed under the said Agreements and the qualifications and names of the personnel of these Sub-Consultants proposed to be employed on this Project;

   (c) include in any Agreements entered into with Sub-Consultants such provisions of the Agreement as they apply to the Sub-Consultants' responsibilities; and

   (d) upon written notice by a Sub-Consultant, with whom the Consultant has a direct contract, inform the Sub-Consultant of the Consultant's obligations to the Sub-Consultant under the Agreement.

2. The Departmental Representative may object to any Sub-Consultant within six (6) days of receipt of notification given in accordance with paragraph 1.(b) above and, on notification of such objection, the Consultant shall not enter into the intended Agreement with the Sub-Consultant.

3. Neither an Agreement with a Sub-Consultant nor the Departmental Representative’s consent to such an Agreement by the Consultant shall be construed as relieving the Consultant from any obligation under the Agreement, or as imposing any liability upon Canada.

GC 3.10 (30/05/03) Changes in the Consultant Team

1. Should an entity or person named in the Consultant's proposal as an entity or person who is to perform the Services or part of the Services

be unable to perform or complete the Services, the Consultant shall obtain the concurrence of the Departmental Representative prior to performing or completing the Services, or entering into an agreement with another equally qualified entity or person to perform or complete the Services, such concurrence not to be unreasonably withheld.

2. In seeking to obtain the concurrence of the Departmental Representative referred to in paragraph 1 above, the Consultant shall provide notice in writing to the Departmental Representative containing:

   (a) the reason for the inability of the entity or person to perform the Services;

   (b) the name, qualifications and experience of the proposed replacement entity or person, and

   (c) if applicable, proof that the entity or person has the required security clearance granted by Canada.

3. The Consultant shall not, in any event, allow performance of any part of the Services by unauthorized replacement entities or persons, and acceptance of a replacement entity or person by the Departmental Representative shall not relieve the Consultant from responsibility to perform the Services.

4. The Departmental Representative, with the authority of the Minister, may order the removal from the Consultant Team of any unauthorized replacement entity or person and the Consultant shall immediately remove the entity or person from the performance of the Services and shall, in accordance with paragraphs 1 and 2 above, secure a further replacement.

5. The fact that the Departmental Representative does not order the removal of a replacement entity or person from the performance of the Services shall not relieve the Consultant from the Consultant's responsibility to meet all the Consultant's obligations in the performance of the Services.

GC 3.11 (30/05/03) Cost Control

1. Throughout Project development, the Construction Cost Estimate prepared by the Consultant shall not exceed the Construction Cost Limit.

2. In the event that the Consultant considers that the Construction Cost Estimate will exceed the Construction Cost Limit, the Consultant shall immediately notify the Departmental Representative and

   (a) if the excess is due to factors under the control of, or reasonably foreseeable by the Consultant, the Consultant shall, if requested by the Departmental Representative, and at no additional cost to Canada, make such changes or revisions to the design as may be necessary to bring the Construction Cost Estimate within the Construction Cost Limit; or

   (b) if the excess is due to factors that are not under the control of the Consultant, changes or revisions may be requested by the Departmental Representative. Such changes or revisions shall be

undertaken by the Consultant at Canada's expense, and the cost involved shall become an amount to be mutually agreed, prior to performance of the said changes or revisions.

3. If the lowest price obtained by bid process or negotiation exceeds the Construction Cost Limit, and if the excess is due to reasons within the control of, or reasonably foreseeable by the Consultant, the Consultant shall, if requested by the Departmental Representative, and without additional charge, shall be fully responsible for revising the Project scope and quality as required to reduce the construction cost and shall modify the construction documents as necessary to comply with the Construction Cost Limit.

Remarks:

R1225D (2007/05/25) GC4 - Intellectual Property

GC4.1 (2003-05-30) Rights to Intellectual Property

1. Definitions

"Background" means all Technical Output that is not Foreground and that is proprietary to or the confidential information of the Consultant, the Consultant's Sub-Consultants, or any other entity engaged by the Consultant in the performance of the Services;

"Foreground" means any Invention first conceived, developed or reduced to practice as part of the Services and all other Technical Output conceived, developed, produced or implemented as part of the Services;

"IP Rights" means any intellectual property rights recognized by law, including any intellectual property right protected through legislation (such as that governing copyright, patents, industrial design, or integrated circuit topography) or arising from protection of information as a trade secret or as confidential information;

"Invention" means any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter, whether or not patentable and without limiting the foregoing the term includes any unique design and construction system;

"Technical Output" means: (i) all information of a scientific, technical, or artistic nature relating to the Services, whether oral or recorded in any form or medium and whether or not subject to copyright, including but not limited to any Inventions, designs, methods, reports, photographs, physical models, surveys, drawings, specifications developed for the purpose of the Project; as well as (ii) computer printouts, design notes, calculations, CADD (Computer-aided Design and Drafting) files, and other data, information and material, prepared, computed, drawn, or produced for the purpose of the Project; and (iii) operating and maintenance manuals prepared or collected for the Project; and (iv) any buildings, built works, structures and facilities constructed as, or as part of, the Project. Technical Output does not

include data concerned with the administration of the Agreement by Canada or the Consultant, such as internal financial or management information, unless it is a deliverable under the terms of the Agreement.

2. Identification and Disclosure of Foreground

The Consultant shall:

(a) promptly report and fully disclose to the Minister all Foreground that could be Inventions, and shall report and fully disclose to the Minister all other Foreground not later than the time of completion of the Services or such earlier time as the Minister or the Agreement may require, and

(b) for each disclosure referred to in (a), indicate the names of all Sub-Consultants at any tier, if any, in which IP Rights to any Foreground have vested or will vest.

Before and after final payment to the Consultant the Minister shall have the right to examine all records and supporting data of the Consultant which the Minister reasonably decides is pertinent to the identification of the Foreground.

3. IP Rights Vest with Consultant

Subject to paragraphs 10 and 11 and the provisions of GC 1.5 National or Departmental Security, and without affecting any IP Rights or interests therein that have come into being prior to the Agreement or that relate to information or data supplied by Canada for the purposes of the Agreement, all IP Rights in the Foreground shall immediately, as soon as they come into existence, vest in and remain the property of the Consultant.

4. Ownership Rights in Deliverables

Notwithstanding the Consultant's ownership of the IP Rights in the Foreground that is a prototype, built work, building, structure, facility, model or custom or customized system or equipment together with associated manuals and other operating and maintenance documents and tools, Canada shall have unrestricted ownership rights in those deliverables, including the right to make them available for public use, whether for a fee or otherwise, and the right to sell them.

5. Licence to Foreground

Without limiting any implied licences that may otherwise vest in Canada, and in consideration of Canada's contribution to the cost of development of the Foreground, the Consultant hereby grants to Canada a non-exclusive, perpetual, irrevocable, worldwide, fully-paid and royalty-free licence to exercise all IP Rights in the Foreground that vest in the Consultant pursuant to paragraph 3, for the purpose of:

(a) the construction or implementation of any building, built works, structures and facilities, contemplated by the Project;

(b) the further development or alteration or evolution of any part of the constructed or implemented Project, including procurement of materials and components for this purpose;

(c) the further development, modification (including additions or deletions), completion, translation, or implementation of the Foreground and any addition to it as Canada may require for the purposes of the completion, utilization and subsequent evolution of the Project;

(d) the use, occupancy, operation, exploitation, maintenance, repair or restoration of the constructed or implemented or subsequently modified Project, including the procurement of replacement materials and components required for any such purpose; and

(e) the publishing and transmission of reproductions of the Project or any part thereof in the form of paintings, drawings, engravings, photographs or cinematographic works, to the public, in hard copy or by any electronic or other means, except for copies in the nature of architectural drawings or plans.

6. Licence to Foreground for Other Projects

The Consultant hereby grants to Canada a non-exclusive, perpetual, world-wide, irrevocable licence to exercise all IP Rights that vest in the Consultant pursuant to paragraph 3 for the purpose of planning, designing and constructing or otherwise implementing any project other than the Project, and for any purpose set out in paragraph 5 as it relates to such other project. In the event that Canada exercises such IP Rights in an other project, and provided that Canada does not already have equivalent rights under a previous contract or otherwise, Canada agrees to pay to the Consultant reasonable compensation determined in accordance with current industry practice and having regard to Canada's contribution to the cost of development of the Foreground. The Consultant shall ensure that in any sale, assignment, transfer or licence of any of the IP Rights that vest in the Consultant under this Agreement, the purchaser, assignee, transferee or licensee agrees to be bound by the terms of this provision and to accept reasonable compensation as is contemplated herein. The Consultant shall also ensure that any such purchaser, assignee, transferee or licensee of the IP Rights is required to impose the same obligations on any subsequent purchaser, transferee, assignee or licensee.

7. Licence to Background

Without limiting any implied licences that may otherwise vest in Canada, the Consultant hereby grants to Canada a non-exclusive, perpetual, irrevocable, worldwide, fully-paid and royalty-free licence to exercise such of the IP Rights in any Background incorporated into the Services or necessary for the performance of the Services as may be required

(a) for the purposes contemplated in paragraphs 5 and 6;

(b) for disclosure to any contractor engaged by Canada , or bidder for such a contract, to be used solely for a purpose set out in

paragraphs 5 and 6;

and the Consultant agrees to make any such Background available to Canada upon request.

8. Canada's Right to Disclose and Sub-license

The Consultant acknowledges that Canada may wish to award contracts, which may include a competitive process, for any of the purposes contemplated in paragraphs 5, 6 and 7. The Consultant agrees that Canada's licence in relation to the IP Rights in the Foreground and in the Background, includes the right to disclose that Foreground and Background to bidders for such contracts, and to sub-license or otherwise authorize the use of that Foreground and Background by any contractor or consultant engaged by Canada for the purpose of carrying out such a contract.

9. Consultant's Right to Grant Licence

(a) The Consultant represents and warrants that the Consultant has, or the Consultant shall obtain without delay, the right to grant to Canada the licence to exercise the IP Rights in the Foreground and the Background as required by the Agreement.

(b) Where the IP Rights in any Background or Foreground are or will be owned by a Sub-Consultant, the Consultant shall either obtain a licence from that Sub-Consultant that permits compliance with paragraphs 5, 6 and 7 or shall arrange for the Sub-Consultant to convey directly to Canada the same rights by execution of the form provided for that purpose by the Minister no later than the time of disclosure to Canada of that Background and Foreground.

10. Trade Secrets and Confidential Information

The Consultant shall not use or incorporate any trade secrets or confidential information in any Foreground or Background used or created in performance of this contract.

11. Canada Supplied Information

(a) here performance of the Services involves the preparation of a compilation using information supplied by Canada, then the IP Rights that shall vest under paragraph 3 shall be restricted to the IP Rights in Foreground that are capable of being exploited without the use of the information supplied by Canada. All IP Rights in any compilation, the Foreground in which cannot be exploited without the use of such Canada supplied information shall vest in Canada. The Consultant agrees that the Consultant shall not use or disclose any Canada supplied information for any purpose other than completing the performance of the Services. The Consultant shall maintain the confidentiality of such information. Unless the Agreement otherwise expressly provides, the Consultant shall deliver to Canada all such information together with every copy, draft, working paper and note thereof that contains such information upon the completion or termination of the Agreement, or at such earlier time as the Minister may

require.

(b) If the Consultant wishes to make use of any Canada supplied information that was supplied for purposes of the Agreement, for the commercial exploitation or further development of any of the Foreground, then the Consultant may make a written request for a licence to exercise the required IP Rights in that Canada supplied information, to the Minister. The Consultant shall give the Minister an explanation as to why such a licence is required. Should the Minister agree to grant such a licence, it shall be on terms and conditions to be negotiated between the parties including payment of compensation to Canada.

12. Transfer of IP Rights

(a) If the Minister takes the Services out of the Consultant's hands in accordance with GC 7 of the General Conditions, in whole or in part, or if the Consultant fails to disclose any Foreground in accordance with paragraph 2, the Minister may upon reasonable notice, require the Consultant to convey to Canada all of the IP Rights in the Foreground or in the case of a failure to disclose, all the IP Rights in the Foreground not provided. The IP Rights to be conveyed shall include the IP Rights in any Foreground that have vested or are to vest in a Sub-Consultant. In the case of IP Rights in Foreground which have been sold or assigned to a party other than a Sub-Consultant, the Consultant shall not be obligated to convey those IP Rights to Canada, but shall pay to Canada on demand an amount equal to the consideration which the Consultant received from the sale or assignment of the IP Rights in that Foreground or, in the case of a sale or assignment was not at arm's length, the fair market value of the IP Rights in that Foreground, in each case including the value of future royalties or licence fees.

(b) In the event of the issuance by the Minister of a notice referred to in (a), the Consultant shall, at the Consultant's own expense and without delay, execute such conveyances or other documents relating to title to the IP Rights as Canada may require, and the Consultant shall, at Canada's expense, afford the Minister all reasonable assistance in the preparation of applications and in the prosecution of any applications for, or any registration of, any IP Right in any jurisdiction, including without limitation the assistance of the inventor in the case of Inventions.

(c) Until the Consultant completes the performance of the Services and discloses all of the Foreground in accordance with paragraph 2, and subject to the provisions of GC 1.5 National or Departmental Security, the Consultant shall not, without the prior written permission of the Minister, sell, assign or otherwise transfer title to the IP Rights in any of the Foreground, or license or otherwise authorize the use of the IP Rights in any of the Foreground by any person.

(d) In any sale, assignment, transfer or licence of IP Rights in Foreground by the Consultant except a sale or licence for end use of a product based on Foreground, the Consultant shall impose on the other party all of its obligations to Canada in relation to

the IP Rights in the Foreground and any restrictions set out in the Agreement on the use or disposition of the IP Rights in the Foreground (and, if applicable, the Foreground itself), including the obligation to impose the same obligations and restrictions on any subsequent transferee, assignee or licensee. The Consultant shall promptly notify Canada of the name, address and other pertinent information in regard to any transferee, assignee or licensee.

R1226D (2003/05/30) GC 4 - Copyright and Reuse of Documents

This clause is cancelled effective 2008/05/12

Remarks:

R1230D (2003/05/30) GC 5 - Terms of Payment

GC 5.1 (30/05/03) Fees

1. Subject to the terms and conditions of the Agreement, and in consideration for the performance of the Services, Canada shall pay to the Consultant a sum of money calculated in accordance with the provisions herein and the Agreement Particulars.

2. The Consultant's fees are only payable when the Consultant has performed the Services as determined by the Departmental Representative. Payment in respect of a Service, or part of a Service, is not to be deemed a waiver of Canada's rights of set-off at law or under the Agreement for costs or expenses arising from default or negligence of the Consultant.

3. The maximum amount payable under the Agreement, including fees and disbursements, shall not exceed the sum specified in the Agreement Particulars, without the prior written authorization of the Departmental Representative in accordance with the terms of the Agreement.

GC 5.2 (30/05/03) Fee Arrangement(s) for Services

1. The fee to be paid to the Consultant for the Services described herein, shall be determined by one or more of the following arrangements as specified in the Agreement Particulars:

   (a) Percentage Fee

   The calculation of the total fee recognizes the variability of the Construction Cost Estimate as the Project develops. The fee for the various Services of the Project development shall be calculated on the basis of the following formula:

   An amount equal to F x A
   Where F = the percentage specified in the Agreement Particulars, and A = as follows:

(i) At Analysis of Project Requirements and Design Concept:
A = the Construction Cost Estimate at the time of signing the Agreement.

(ii) At Design Development:
A = the accepted preliminary Construction Cost Estimate prepared on completion of the design concept documents.

(iii) At Construction Documents:
A = the accepted updated Construction Cost Estimate prepared on completion of the design development documents.

(iv) At Tender Call and Tender Evaluation:
A = the accepted final Construction Cost Estimate prepared on completion of the construction documents.

(v) At Construction and Contract Administration and Post Construction Warranty Review:
A = the Construction Contract Award Price.

The total fee is adjusted in accordance with the terms of any authorization pursuant to GC 5.8.

(b) Fixed Fee

The fixed fee may be in the form of a fixed lump sum or an amount made up of fixed unit prices multiplied by a number of units of deliverables in the amount(s) specified in the Agreement Particulars.

(c) Time Based Fee

(i) Principals and executives, and other personnel approved in that capacity by the Departmental Representative shall be paid at the hourly rate specified in the Agreement Particulars.

(ii) Staff approved by the Departmental Representative shall be paid at Payroll Cost multiplied by the factor(s) specified in the Agreement Particulars, except that the multiplying factor shall not be applied to the premium portion of authorized overtime included in Payroll Cost.

(iii) Normal Working Hours
The normal working hours per day for principals, executives and Consultant's employees, shall be deemed to be seven and a half (7.5) hours of any day during which they are actually engaged in the performance of the Services.

(iv) Travel Time
Travel time during normal working hours, that is related to the Project and authorized by the Departmental Representative, shall be chargeable as time worked.

Travel time outside normal working hours, that is related to the Project and authorized by the Departmental Representative, shall be chargeable up to a maximum of three (3) hours per day, unless otherwise authorized.

(v) Maximum Amount(s) Payable
The maximum amount(s) that applies (apply) to the Services to be carried out at time rates shall be as specified in the Agreement Particulars, which amount(s) shall not be exceeded without the prior authorization of the Departmental Representative, with the approval of the Minister.

GC 5.3 (30/05/03) Payments to the Consultant

1. The Consultant shall be entitled to receive progress payments at monthly or other agreed intervals, subject to the limitations of the Calculation of Fees clause herein, if applicable. Such payments shall be made prior to or on the due date. The due date shall be the 30th day following receipt of a properly submitted invoice.

2. The properly submitted invoice shall be an invoice delivered to the Departmental Representative in the agreed format with sufficient detail and information to permit verification. The invoice shall also identify, as separate items:

   (a) the amount of the progress payment being claimed for Services satisfactorily performed,

   (b) the amount for any tax calculated in accordance with the applicable federal legislation, and

   (c) the total amount which shall be the sum of the amounts referred to in (a) and (b) above.

3. The amount of the tax shown on the invoice shall be paid by Canada to the Consultant in addition to the amount of the progress payment for Services satisfactorily performed.

4. The Departmental Representative shall notify the Consultant within fifteen (15) days after the receipt of an invoice of any error or missing information therein. Payment shall be made prior to or on the thirtieth (30) day after receipt of the corrected invoice or the required information.

5. Upon completion of each Service as described elsewhere in the Agreement, provided at least one progress payment has been made, the Consultant shall provide a Statutory Declaration evidencing that all the Consultant's financial obligations for Services rendered to the Consultant or on the Consultant's account, in connection with the Agreement, have been satisfied, before any further payment is made.

6. Upon written notice by a Sub-Consultant, with whom the Consultant has a direct contract, of an alleged non payment to the Sub-Consultant, the

Departmental Representative may provide the Sub-Consultant with a copy of the latest approved progress payment made to the Consultant for the Services.

7. Upon the satisfactory completion of all Services, the amount due, less any payments already made, shall be paid to the Consultant not later than thirty (30) days after receipt of a properly submitted invoice, together with the Final Statutory Declaration in accordance with subsection 5 above.

GC 5.4 (30/05/03) Payments for Services

1. Payments in respect of the percentage fee arrangement shall be made during the performance of the Services, on the basis of the fee calculations as described in GC 5.2.1.(a), for each of the Services equal to the amounts specified below:

   (a) Payment for Analysis of Project Requirements and Design Concept:
   Upon acceptance of the design concept documents, an amount equal to 10 percent of the fee;

   (b) Payment for Design Development:
   Upon acceptance of the design development documents, an amount equal to 15 percent of the fee;

   (c) Payment for Construction Documents:
   Upon acceptance of the construction documents, an amount equal to 45 percent of the fee;

   (d) Payment for Tender Call, Tender Evaluation and Contract Award:
   Upon award of the Construction Contract, or upon completion of tender evaluation(s) in such cases where Canada does not award a Construction Contract for reasons other than those specified in paragraph 6 below, an amount equal to 5 percent of the fee;

   (e) Payment for Construction and Contract Administration:
   Upon interim completion of the Construction Contract, an amount equal to 22 percent of the fee;

   (f) Payment for Final Completion and Post Construction Warranty Review:
   Upon reporting to the Departmental Representative on the status of the defects at the end of the warranty period(s) an amount equal to 3 percent of the fee.

2. Payments in respect of the fixed fee arrangement shall be made upon satisfactory performance of the Services but such payments shall not exceed the amount(s) as specified in the Agreement Particulars, for each Service.

3. Payments in respect of the time based fee arrangement shall be made upon satisfactory performance of the Services but such payments shall not exceed the amount(s) as specified in the Agreement Particulars, for each Service.

4. Progress payments, in respect of all fee arrangements, shall be made in accordance with GC 5.3 of the Agreement, but such payments shall not exceed the value of the fee indicated for each Service under consideration.

5. Progress payments in respect of construction and contract administration for percentage fee or fixed fee arrangements may be made in proportion to the percentage of the construction work completed and approved for payment under the Construction Contract.

6. If, for reasons attributable to the Consultant, a price cannot be obtained by a tender or negotiation within the Construction Cost Limit, or acceptable to the Departmental Representative for the award of the Construction Contract, the Consultant shall be entitled to receive payment for the tender call, bid evaluation and construction contract award Services, only when the requirements of GC 3.11.3, have been met.

GC 5.5 (30/05/03) Delayed Payment

1. If Canada delays in making a payment that is due in accordance with GC 5.3, the Consultant will be entitled to receive interest on the amount that is overdue for the period of time as defined in subsection 2 below including the day previous to the date of payment. Such date of payment shall be deemed to be the date on the cheque given for payment of the overdue amount. An amount is overdue when it is unpaid on the first day following the due date described in GC 5.3.1.

2. Interest shall be paid automatically on all amounts that are not paid by the due date or fifteen (15) days after the Consultant has delivered a Statutory Declaration in accordance with GC 5.3.5 or GC 5.3.7 whichever is the later.

3. The rate of interest shall be the Average Bank Rate plus 3 percent per year on any amount which is overdue pursuant to subsection 1 above.

GC 5.6 (30/05/03) Claims Against, and Obligations of, the Consultant

1. Canada may, in order to discharge lawful obligations of and satisfy lawful claims against the Consultant by a Sub-Consultant, with whom the Consultant has a direct contract, for Services rendered to, or on behalf of, the Consultant, pay an amount from money that is due and payable to the Consultant directly to the claimant Sub-Consultant.

2. For the purposes of subsection 1 a claim shall be considered lawful when it is so determined

   (a) by a court of legal jurisdiction, or
   (b) by an arbitrator duly appointed to arbitrate the said claim, or
   (c) by a written notice delivered to the Departmental Representative and signed by the Consultant authorizing payment of the said claim or claims.

3. A payment made pursuant to subsection 1 is, to the extent of the payment, a discharge of Canada's liability to the Consultant under the Agreement and will be deducted from any amount payable to the

Consultant under the Agreement.

4. Subsection 1 shall only apply to claims and obligations

   (a) the notification of which has set forth the amount claimed to be owing and a full description of the Services or a part of the Services for which the claimant has not been paid. The notification must be received by the Departmental Representative in writing before the final payment is made to the Consultant and within one hundred twenty (120) days of the date on which the claimant

      (i) should have been paid in full under the claimant's Agreement with the Consultant where the claim is for an amount that was lawfully required to be held back from the claimant; or

      (ii) performed the last of the Services pursuant to the claimant's Agreement with the Consultant where the claim is not for an amount referred to in sub-paragraph 4.(a)(i), and

   (b) the proceedings to determine the right to payment of which shall have commenced within one year from the date that the notification referred to in paragraph 4.(a) was received by the Departmental Representative.

5. Canada may, upon receipt of a notification of claim referred to in paragraph 4.(a), withhold from any amount that is due and payable to the Consultant pursuant to the Agreement the full amount of the claim or any portion thereof.

6. The Departmental Representative shall notify the Consultant in writing of receipt of any notification of claim and of the intention of Canada to withhold funds pursuant to subsection 5. The Consultant may, at any time thereafter and until payment is made to the claimant, post with Canada, security in a form acceptable to Canada in an amount equal to the value of the said claim. Upon receipt of such security Canada shall release to the Consultant any funds which would be otherwise payable to the Consultant, that were withheld pursuant to the provision of subsection 5.

7. The Consultant shall discharge all lawful obligations and shall satisfy all lawful claims against the Consultant for Services rendered to, or on behalf of, the Consultant in respect of the Agreement at least as often as the Agreement requires Canada to discharge its obligations to the Consultant.

GC 5.7 (30/05/03) No Payment for Errors and Omissions

The Consultant shall not be entitled to payment in respect of costs incurred by the Consultant in remedying errors and omissions in the Services that are attributable to the Consultant, the Consultant's employees, or persons for whom the Consultant had assumed responsibility in performing the Services.

GC 5.8 (30/05/03) Payment for Changes and Revisions

1. Payment for any additional or reduced Services authorized by the Departmental Representative prior to their performance, and for which a basis of payment has not been established at the time of execution of the Agreement, shall be in an amount or amounts to be mutually agreed upon from time to time, subject to these Terms of Payment and the approval of the Minister.

2. Where it is not possible, or not appropriate, to agree upon a fixed price fee or percentage fee prior to the performance of the additional or reduced Services, payment shall be made on the basis of a time based fee in accordance with GC 5.2.1.(c). Disbursements shall be paid in accordance with GC 5.12.

3. Prior to the performance of additional or reduced Services on the basis of a time based fee, the Consultant shall comply with any request made by the Departmental Representative pursuant to GC 3.8, regarding persons to be employed by the Consultant or the Consultant's subconsultants to provide the additional or reduced Services. In addition, the Consultant and the Departmental Representative shall negotiate hourly rates and payroll cost factors as applicable for any of those persons for whom the relevant information does not appear in the Agreement Particulars.

4. Payment for additional Services not identified at the time of execution of the Agreement shall be made only to the extent that

   (a) the additional Services are Services that are not included in stated Services in the Agreement,

   (b) the additional Services are required for reasons beyond the control of the Consultant, and

   (c) any fee adjustment for Services resulting from an adjustment in the Construction Cost Estimate arising from the additional Services is not commensurate with the additional Services performed.

GC 5.9 (30/05/03) Extension of Time

If, and to the extent that, the time for completion of the Construction Contract is exceeded or extended through no fault of the Consultant in the opinion of Canada, payment for the Services required for such extended period of the contract administration shall be subject to review and equitable adjustment.

GC 5.10 (30/05/03) Suspension Costs

1. During a period of suspension of the Services pursuant to GC 7.2, the Consultant shall minimize all costs and expenses relating to the Services that may occur during the suspension period.

2. Within fourteen (14) days of notice of such suspension, the Consultant shall submit to the Departmental Representative a schedule of costs and expenses, if any, that the Consultant expects to incur during the period of suspension, and for which the Consultant will request

reimbursement.

3. Payment shall be made to the Consultant for those costs and expenses that, in the opinion of Canada, are substantiated as having been reasonably incurred during the suspension period.

GC 5.11 (30/05/03) Termination Costs

1. In the event of termination of the Agreement pursuant to GC 7.3, Canada shall pay, and the Consultant shall accept in full settlement, an amount based on these Terms of Payment, for Services satisfactorily performed, plus an amount to compensate the Consultant for reasonable costs and expenses, if any, that are related to the Services not performed and incurred after the date of termination.

2. Within fourteen (14) days of notice of such termination, the Consultant shall submit to the Departmental Representative a schedule of costs and expenses incurred plus any additional costs that the Consultant expects to incur after the date of termination, and for which the Consultant will request reimbursement.

3. Payment shall be made to the Consultant for those costs and expenses that in the opinion of Canada are substantiated as having been reasonably incurred after the date of termination.

GC 5.12 (30/05/03) Disbursements

1. Subject to any provisions specifically to the contrary in the Supplementary Conditions, the following costs shall be included in the fees required to deliver the consultant services and shall not be reimbursed separately;

   (a) reproduction and delivery costs of drawings, CADD files, specifications and other Technical Documentation specified in the Project Brief;

   (b) standard office expenses such as any photocopying, computer costs, Internet, cellular phone costs, long distance telephone and fax costs, including that between the Consultant's main office and branch offices or between the Consultant's offices and other team members offices;

   (c) courier and delivery charges for deliverables specified in the Project Brief;

   (d) plotting;

   (e) presentation material;

   (f) parking fees;

   (g) taxi charges;

   (h) travel time;

   (i) travel expenses; and

(j) local project office.

2. Subject to any provisions specifically to the contrary in the Supplementary Conditions, the following disbursements reasonably incurred by the Consultant, that are related to the Services and approved by the Departmental Representative, shall be reimbursed to the Consultant at actual cost:

   (a) reproduction and delivery costs of drawings, CADD files, specifications and other Technical Documentation additional to that specified in the Project Brief;

   (b) transportation costs for material samples and models additional to that specified in the Project Brief;

   (c) project related travel and accommodation additional to that specified in the Project Brief shall be reimbursed in accordance with current Treasury Board Travel Policy; and

   (d) other disbursements made with the prior approval and authorization of the Departmental Representative.

3. Disbursements shall be Project related and shall not include expenses that are related to the normal operation of the Consultant' business. The amounts payable, shall not exceed the amount entered in the Agreement Particulars, without the prior authorization of the Departmental Representative.

GC 5.13 (30/05/03) T1204 Government Service Contract Payments

Pursuant to paragraph 221 (1)(d) of the *Income Tax Act*, payments made by departments and agencies to consultants under applicable services contracts (including contracts involving a mix of goods and services) must be reported on a T1204 Government Service Contract Payments slip. To enable departments and agencies to comply with this requirement, the Consultant is required to provide its Procurement Business Number (PBN). The Consultant is to ensure the accuracy of its PBN information in the Supplier Registration Information System.

Remarks:

R1235D (2003/05/30) GC 6 - Changes

The Agreement may not be amended, or modified, nor shall any of its terms and conditions be waived, except by agreement in writing executed by both parties.

Remarks:

R1240D (2007/05/25) GC7 - Taking the Services out of the Consultant's Hands, Suspension or Termination

GC7.1 (2003-05-30) Taking the Services Out of the Consultant's Hands

1. The Minister may take all or any part of the Services out of the Consultant's hands and may employ reasonable means necessary to complete such Services in the event that:

   (a) the Consultant has become insolvent or has committed an act of bankruptcy, and has neither made a proposal to the Consultant's creditors nor filed a notice of intention to make such a proposal, pursuant to the Bankruptcy and Insolvency Act, or

   (b) the Consultant fails to perform any of the Consultant's obligations under the Agreement or, in the Minister's opinion, so fails to make progress as to endanger performance of the Agreement, in accordance with its terms.

2. If the Consultant has become insolvent or has committed an act of bankruptcy, and has either made a proposal to the Consultant's creditors or filed a notice of intention to make such a proposal, pursuant to the Bankruptcy and Insolvency Act, the Consultant shall immediately forward a copy of the proposal or the notice of intention to the Consulting Authority.

3. Before the Services or any part thereof are taken out of the Consultant's hands under paragraph 1.(b), the Departmental Representative shall provide notice to the Consultant, and may require such failure of performance or progress to be corrected. If within fourteen (14) days after receipt of such notice such default shall not have been corrected or corrective action initiated to correct such fault, the Minister may, by notice, without limiting any other right or remedy, take all or any part of the Services out of the Consultant's hands.

4. If the Services or any part thereof have been taken out of the Consultant's hands, the Consultant shall be liable for, and upon demand pay to Canada, an amount equal to all loss and damage suffered by Canada by reason of the non-completion of the Services by the Consultant.

5. If the Consultant fails to pay on demand for the loss or damage as a result of paragraph 4, Canada shall be entitled to deduct and withhold the same from any payments due and payable to the Consultant.

6. The taking of the Services, or any part thereof, out of the Consultant's hands does not relieve or discharge the Consultant from any obligation under the Agreement, or imposed upon the Consultant by law, in respect to the Services or any part thereof that the Consultant has performed.

GC7.2 (2003-05-30) Suspension

1. The Departmental Representative, with the authority of the Minister, may require the Consultant to suspend the Services being provided, or any part thereof, for a specified or unspecified period.

2. If a period of suspension does not exceed sixty (60) days and when taken together with other periods of suspension does not exceed ninety (90) days, the Consultant shall, upon the expiration of that period, resume the performance of the Services in accordance with the terms of the Agreement, subject to any agreed adjustment of the time schedule as referred to in GC3.4.

3. If a period of suspension exceeds sixty (60) days or when taken together with other periods of suspension, the total exceeds ninety (90) days, and:

   (a) the Departmental Representative and the Consultant agree that the performance of the Services shall be continued, then the Consultant shall resume performance of the Services, subject to any terms and conditions agreed upon by the Departmental Representative and the Consultant, or

   (b) the Departmental Representative and the Consultant do not agree that the performance of the Services shall be continued, then the Agreement shall be terminated by notice given by the Minister to the Consultant, in accordance with the terms of GC7.3.

4. Suspension costs related to this clause are as outlined in GC5.10.

GC7.3 (2007-05-25) Termination

The Minister may terminate the Agreement at any time, and the fees paid to the Consultant shall be in accordance with the Termination Costs provisions in the GC.

Remarks:

R1245D (2003/05/30) GC 8 - Dispute Resolution

1. In the event of a disagreement regarding any aspect of the Services or any instructions given under the Agreement:

   (a) the Consultant may give a notice of disagreement to the Departmental Representative. Such notice shall be promptly given and contain the particulars of the disagreement, any changes in time or amounts claimed, and reference to the relevant clauses of the Agreement;

   (b) the Consultant shall continue to perform the Services in accordance with the instructions of the Departmental Representative; and

   (c) the Consultant and the Departmental Representative shall attempt to resolve the disagreement by negotiations conducted in good faith. The negotiations shall be conducted, first, at the level of the Consultant's project representative and the Departmental Representative and, secondly and if necessary, at the level of a principal of the Consultant firm and a senior departmental manager.

2. The Consultant's continued performance of the Services in accordance with the instructions of the Departmental Representative shall not jeopardize the legal position of the Consultant in any disagreement.

3. If it was subsequently agreed or determined that the instructions given were in error or contrary to the Agreement, Canada shall pay the Consultant those fees the Consultant shall have earned as a result of the change(s) in the Services provided, together with those reasonable disbursements arising from the change(s) and which have been authorized by the Departmental Representative.

4. The fees mentioned in subsection 3 shall be calculated in accordance with the Terms of Payment set out in the Agreement.

5. If the disagreement is not settled, the Consultant may make a request to the Departmental Representative for a written departmental decision and the Departmental Representative shall give notice of the departmental decision within fourteen (14) days of receiving the request, setting out the particulars of the response and any relevant clauses of the Agreement.

6. Within fourteen (14) days of receipt of the written departmental decision, the Consultant shall notify the Departmental Representative if the Consultant accepts or rejects the decision.

7. If the Consultant rejects the departmental decision, the Consultant, by notice may refer the disagreement to Mediation.

8. If the disagreement is referred to Mediation, the Mediation shall be conducted with the assistance of a skilled and experienced mediator chosen by the Consultant from a list of mediators proposed by the Minister, and departmental Mediation procedures shall be used unless the parties agree otherwise.

9. Negotiations conducted under the Agreement, including those conducted during Mediation, shall be without prejudice.

Remarks: This clause requires a minimum of $1M insurance. Use the clause R1650D for the projects where only a minimum of $250,000 insurance is required.

R1250D (2007/05/25) GC9 - Indemnification and Insurance

GC9.1 (2003-05-30) Indemnification

1. The Consultant shall indemnify and save harmless Canada, its employees and agents, from losses arising out of the errors, omissions or negligent acts of the Consultant, its employees and agents, in the performance of the Services under the Agreement.

2. The Consultant's liability to indemnify or reimburse Canada under the Agreement shall not affect or prejudice Canada from exercising any other rights under law.

GC9.2 (2007-05-25) Insurance Requirements

1. General

(a) The Consultant and the other members of the Consultant Team shall have in place the appropriate liability insurance coverage as required and shall maintain all required insurance policies as required herein.

(b) The Consultant shall, if requested by the Contracting Officer at any time, provide to the Contracting Officer an Insurer's Certificate of Insurance and/or the originals or certified true copies of all contracts of insurance maintained by the Consultant pursuant to the provisions contained herein.

(c) The payment of monies up to the deductible amount made in satisfaction of a claim shall be borne by the Consultant.

(d) Any insurance coverages additional to those required herein that the Consultant and the other members of the Consultant Team may deem necessary for their own protection or to fulfill their obligations shall be at their own discretion and expense.

2. Commercial General Liability

(a) The insurance coverage provided shall not be less than that provided by IBC Form 2100, as amended from time to time, and shall have: a limit of liability of not less than $5,000,000 per occurrence; an aggregate limit of not less than $5,000,000 within any policy year.

(b) The policy shall insure the Consultant and shall include Her Majesty the Queen in right of Canada, represented by the Minister of Public Works and Government Services as an Additional Insured, with respect to liability arising out of the performance of the Services.

3. Professional Liability

(a) The Professional Liability insurance coverage shall be in an amount usual for the nature and scope of the Services but, shall have a limit of liability of not less than $1,000,000 per claim, and be continually maintained from the commencement of performance of the Services until five (5) years after their completion.

b) The following provision must be incorporated into the conditions of the Consultant's Professional Liability insurance coverage: "Notice of Cancellation of Insurance Coverage: The Insurer agrees to give the Contracting Authority at least thirty (30) days' prior written notice of any policy cancellation."

Remarks:

R1270D (2006/06/16) International Sanctions

1. Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

   Details on existing sanctions can be found at: **http://www.dfait-maeci.gc.ca/trade/sanctions-en.asp**.

2. It is a condition of this Contract that the Consultant not supply to the Government of Canada any goods or services which are subject to economic sanctions.

3. By law, the Consultant must comply with changes to the regulations imposed during the life of the Contract. During the performance of the Contract, should the imposition of sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services cause an impossibility of performance for the Consultant, the situation will be treated by the Parties as a force majeure. The Consultant shall forthwith inform Canada of the situation; the procedures applicable to force majeure shall then apply.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation.

R1290D (2003/05/30) Agreement Particulars

REQUIRED SERVICES

PERCENTAGE FEE

Firm Percentage Fee of _____%

Indicative Estimate of Construction Cost (Class D): X $_____ (including GST)

$_____

The actual percentage fee for Required Services will recognize the variability of the Construction Cost Estimate as the project develops (refer to formula specified in GC 5.2.1.(a). Payments will be made as specified in GC 5.4.1

FIXED FEE

Services	Fixed Fee
_____	$_____
_____	$_____
_____	$_____
Maximum Fixed Fees	$_____

FIXED FEE - UNIT PRICE

# of Units	Services	Cost / Unit		Fixed Fee
_____	_____	@$_____	=	$_____
_____	_____	@$_____	=	$_____
_____	_____	@$_____	=	$_____
Maximum Fixed Fees				$_____

TIME BASED FEES

Services	Time Based Fee
_____	$_____
_____	$_____
_____	$_____
Maximum Time Based Fees	$_____

Hourly rates are to be provided below.

TOTAL MAXIMUM FEE FOR REQUIRED SERVICES $_____

DISBURSEMENTS
At cost without allowance for mark-up or profit, supported by invoices/receipts:

(specify and enter limit)

_____	$_____
_____	$_____
_____	$_____
Maximum Amount For Disbursements	$_____

The following hourly rates may be used in the event that the original services change during the course of the contract.

PRINCIPALS - All inclusive hourly rate to be fixed for the duration of the Contract.

Name	$ per hour
_____	$_____
_____	$_____
_____	$_____
_____	$_____
_____	$_____
_____	$_____

STAFF - Payroll Cost Factor to be fixed for the duration of the contract. For the administration of the Contract, Hourly Rate increases for staff are to be documented to PWGSC for approval.

Name / Position	$ per hour (excluding factor)	Factor
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Remarks: The contracting officer must edit the clause as required by the situation. Use the following clause in Agreements where the consultant must be capable of providing services in both official languages.

R1320D (2007/05/25) Language Requirements

1. Communication between Canada and the Consultant shall be in the language of choice of the Consultant Team, which shall be deemed to be the language of the Consultant's proposal.

2. The Consultant's services during tender call (such as addenda preparation, tenderers' briefing meetings, technical answers to questions by bidders) shall be provided expeditiously in both languages, as necessary.

3. The Consultant's services during construction shall be provided in the language of choice of the Contractor. The successful bidder(s) will be asked to commit to one or other of Canada's official languages upon award of the Construction Contract and, thereafter construction and contract administration services will be conducted in the language chosen by the Contractor.

4. Other services required in both of Canada’s official languages (such as construction documentation) are described in detail in the Project Brief.

5. The Consultant Team, including the Prime Consultant, Sub-Consultants and Specialists Consultants shall ensure that the services being provided in either language shall be to a professional standard.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. If there are modifications required to clause GC 9 in R1250D or in R1650D, these must be reflected here.

R1330D (2003/05/30) Supplementary Insurance Requirements

1. Supplementary to what is required under GC 9.2, the Consultant shall

maintain the following supplementary insurance coverage:

(a) Commercial General Liability shall have a limit of liability of not less than $ _____ for any one occurrence or series of occurrences arising out of one cause, and shall have property damage deductible of not more than $ _____ per occurrence.

(b) Professional Liability shall have a limit of liability of not less than $ _____ per claim.

(c) the premium, if any, for Supplementary Insurance bringing the liability coverage from $1,000,000 to $ _____ shall be reimbursed to the Consultant at actual cost. The amount payable, shall not exceed the amount entered in the Agreement Particulars, without the prior authorization of the Departmental Representative.

Remarks: Use the following clause in 1 Stage - 1 Phase proposals.

R1410T (2010/01/11) General Instructions to Proponents (GI)

GI1 Definitions
GI2 Overview of Selection Procedure
GI3 Procurement Business Number
GI4 Responsive Proposals
GI5 Completion of Submission
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GI20 Debriefing
GI21 Financial Statements
GI22 Performance Evaluation

GI1 (2003-05-30) Definitions

1. In this Request for Proposal (RFP), the following words or phrases have the corresponding meaning.

   Consultant Team: The team of consultants, specialists and other firms, including the Proponent, proposed by the Proponent to perform the services required.

   Key Personnel: Staff of the Proponent, consultants and specialists proposed to be assigned to this project.

Technical Rating: A rating assigned to the technical component of a proposal in the selection procedure and subsequently used to establish a Technical Score for inclusion as a percentage of the total score.

Price Rating: A rating assigned to the price component of a proposal and subsequently used to establish a Price Score for inclusion as a percentage of the total score to be established following the evaluation and rating of technical proposals.

Proponent: The prime consultant entity which submits a proposal.

PWGSC Evaluation Board: The board established to evaluate and rate proposals. Board members represent a sufficiently broad cross-section of professional qualifications and experience to properly assess all aspects of the proposals.

Technical Rating: A rating assigned to the technical component of a proposal in the selection procedure and subsequently used to establish a Technical Score for inclusion as a percentage of the total score.

GI2 (2007-05-25) Overview of Selection Procedure

2.1 Proposal

1. Proposals are submitted following a "two-envelope" procedure, in which Proponents submit the "technical" component of their proposal in one envelope and the proposed price of the services (price proposal) in a second envelope.

2. The information that Proponents are required to provide is set out in detail elsewhere in the RFP.

3. In response to the RFP, interested Proponents submit a proposal in which they:

   (a) indicate whether the proposal is submitted by an individual firm or by a joint venture;

   (b) if the proposal is submitted by a joint venture, describe the proposed legal and working relationships of the joint venture and the benefits to be gained by the formation of the joint venture;

   (c) identify the prime consultants and key sub consultants and specialists proposed for inclusion in the Consultant Team, and the proposed organizational structure of the Team;

   (d) describe the extent to which proposed members of the Consultant Team have successfully performed services for projects comparable to the project which is the subject of the proposal;

   (e) identify the professional accreditation, experience, expertise and competence of the proposed Consultant Team and the Key Personnel proposed to be assigned to perform the required services.

   (f) comply with all other requirements set out in the RFP.

2.2 Proposal Evaluation and Rating

1. Technical components of all responsive proposals are reviewed, evaluated and rated by a Public Works and Government Services Canada (PWGSC) Evaluation Board in accordance with the criteria, components and weight factors set out in the RFP. Upon completion of the evaluation, Technical Ratings are established.

2. Proposals achieving the minimum Technical Score specified in the Submission Requirements and Evaluation section of the RFP are further considered.

3. The price envelopes of all responsive proposals are opened upon completion of the technical evaluation. When there are three or more responsive proposals, an average price is determined by adding all the price proposals together and dividing the total by the number of price proposals opened. This calculation will not be conducted when one or two responsive proposals are received.

4. All price proposals which are greater than 25 percent above the average price will cause their respective complete proposals to be set aside and receive no further consideration.

5. The remaining price proposals are rated as follows:

   (a) The lowest price proposal receives a Price Rating of 100.

   (b) The second, third, fourth and fifth lowest prices receive Price Ratings of 80, 60, 40, and 20 respectively. All other price proposals receive a Price Rating of 0.

   (c) On the rare occasion where two (or more) price proposals are identical, these price proposals receive the same rating and the corresponding number of following ratings are skipped.

   (d) The Price Rating is multiplied by a predetermined percentage factor to establish a Price Score.

6. A price proposal in excess of any maximum funding limit, when this limit has been set in the Supplementary Instructions to Proponents, will result in disqualification of the complete proposal.

2.3 Total Score

1. The total overall score (Total Score) assigned to each Proponent's complete proposal is calculated as the aggregate of:

   (a) the Technical Score (first envelope of the proposal), and

   (b) the Price Score (second envelope of the proposal).

2. The Proponent receiving the highest Total Score is the first entity that the PWGSC Evaluation Board will recommend be approached in order to finalize details of an agreement for the provision of the required services.

2.4 Notification

PWGSC normally expects to advise in writing unsuccessful Proponents within one week after PWGSC has entered into a contractual arrangement with the successful Proponent.

GI3 (2010-01-11) Procurement Business Number

Canadian Proponents are required to have a Procurement Business Number (PBN) before Contract award. Proponents may register for a PBN in the Supplier Registration Information service on line on the Business Access Canada Web site. For non-Internet registration, Proponents may contact the Business Access Canada InfoLine at 1-800-811-1148 to obtain the telephone number of the nearest Supplier Registration Agent.

GI4 (2003-05-30) Responsive Proposals

To be considered responsive, a proposal must meet all of the mandatory requirements set out in the RFP. No further consideration in the selection procedure will be given to a Proponent submitting a non-responsive proposal.

GI5 (2003-05-30) Completion of Submission

The Proponent shall base the proposal on the applicable proposal documents listed in the Supplementary Instructions to Proponents. It is the responsibility of the Proponent to obtain clarification of any terms, conditions or technical requirements contained in the RFP.

GI6 (2003-05-30) Proposal Price

Unless specified otherwise elsewhere in the proposal documents:

(a) the price proposal shall be in Canadian currency, and

(b) the price proposal shall not include any amount for the Goods and Services Tax or the Harmonized Sales Tax as may be applicable, and

(c) exchange rate fluctuation protection is not offered, and

(d) any request for exchange rate fluctuation protection will not be considered, and will render the proposal non-responsive.

GI7 (2003-05-30) Enquiries During the Solicitation Period

1. Any questions or requests for clarification during the solicitation period must be submitted in writing by the prime contact of a Proponent to the person identified on the front page of the Request for Proposal. Responses will be sent by PWGSC to the prime contact of the Proponent, who will be responsible for internal distribution as required within the Proponent's Consultant Team.

2. To ensure equality of information provided to Proponents, answers to significant enquiries will be forwarded simultaneously to each Proponent.

3. Enquiries are to be directed ONLY to the person referred to in paragraph 1 above. Non-compliance with this condition during the solicitation period may, for that reason alone, result in the disqualification of the proposal.

GI8 (2003-05-30) Limitation of Submissions

1. While there is no requirement for firms to participate in this procurement in joint venture, they may elect to do so if they see fit. However, only one submission per proponent will be accepted, whether it is submitted by a firm as an individual Proponent or by that firm as part of a joint venture Proponent. If more than one submission is received from a firm acting either individually or in joint venture, all such submissions shall be rejected and no further consideration shall be given to the firm or to any proposed joint venture of which the firm forms part.

2. A joint venture is defined as an association of two or more parties which combine their money, property, knowledge, skills, time or other resources in a joint business enterprise agreeing to share the profits and the losses and each having some degree of control over the enterprise.

3. An arrangement whereby Canada contracts directly with a prime consultant who may retain sub-consultants or specialist consultants to perform portions of the services is not a joint venture

arrangement. A sub-consultant or specialist consultant firm may, therefore, be proposed as part of the Consultant Team by more than one Proponent.

4. Notwithstanding paragraph 3. above, in order to avoid any conflict of interest, or any perception of conflict of interest, no firm acting as an individual Proponent or as part of a joint venture Proponent, shall be proposed as a member of another Proponent's Consultant Team, either as a sub-consultant or specialist consultant or as part of another joint venture Proponent. Failure to comply with this limitation will result in all submissions so involved being rejected.

5. Any joint venture entered into for the provision of professional services or other services must be in full compliance with the requirements of any provincial or territorial law pertaining thereto in the Province or Territory in which the project is located.

GI9 (2003-05-30) Licensing Requirements

1. Consultant Team members and Key Personnel shall be, or be eligible to be licensed, certified or otherwise authorized to provide the necessary professional services to the full extent that may be required by provincial or territorial law in the Province or Territory in which the project is located.

2. By virtue of submission of a proposal, the Proponent certifies that the Proponent is satisfied that the proposed Consultant Team and Key Personnel are in compliance with the requirements of paragraph 1. The Proponent acknowledges that PWGSC reserves the right to verify any information in this regard and that false or erroneous certification may result in the proposal being declared non-responsive.

GI10 (2003-05-30) Eligibility Requirements

1. Proponents are advised that a Proponent may be deemed to be ineligible for selection at any time if :

   (a) any firm or individual included in the Consultant Team has been convicted under section 121 ("*Frauds on the government*" & "*Contractor subscribing to election fund*"), 124 ("*Selling or purchasing office*"), or 418 ("*Selling defective stores to Her Majesty*") of the Criminal Code;

   (b) the Proponent has been declared ineligible for selection, following unsatisfactory performance in a previous project as determined in accordance with the department's performance review procedures;

   (c) any firm or individual included in the Consultant Team has been declared ineligible, for selection for work with the department in accordance with the performance review procedure referred to in paragraph 1.(b), which ineligibility would render the individual ineligible for selection for the work, or the portion of the work the individual is to perform, under any contractual arrangement resulting from submission of the proposal;

   (d) with respect to current or prior transactions with the Government of Canada,

      (i) the Proponent is bankrupt or where, for whatever reason, its activities are rendered inoperable for an extended period;

      (ii) evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to any firm or individual included in the Consultant Team;

      (iii) Canada has previously exercised or intends to exercise the contractual remedy

of taking the services out of the consultant's hands with respect to any commission or contract with any firm or individual included in the Consultant Team;

(iv) Canada determines that the performance of the Proponent on other contracts or commissions, including the quality of the services provided and the quality and timeliness of the delivery of the project, is sufficiently poor to jeopardize the successful completion of the requirement which is the subject of the Initial Proposal.

2. Where Canada intends to declare a firm ineligible pursuant to the provisions contained in paragraph 1. above, other than provision 1.(b), the Minister will so inform the firm and provide the firm ten (10) days within which to make representations, prior to making a final decision regarding the ineligibility of the firm.

GI11 (2010-01-11) Federal Contractors Program

1. The Federal Contractors Program (FCP) requires that some firms, including a Proponent who is a member of a joint venture, bidding for federal government contracts, valued at $200,000 or more (including all applicable taxes), make a formal commitment to implement employment equity. This is a condition precedent to contract award. If the Proponent, or, if the Proponent is a joint venture and if any member of the joint venture, is subject to the FCP, evidence of its commitment must be provided before the award of the Contract.

Firms who have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive government contracts over the threshold for solicitation of bids as set out in the *Government Contracts Regulations*. Firms may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any bids from ineligible contractors, including a bid from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

2. If the Proponent does not fall within the exceptions enumerated in 3.(a) or (b) below, or does not have a valid certificate number confirming its adherence to the FCP, the Proponent must fax (819-953-8768) a copy of the signed form LAB 1168, Certificate of Commitment to Implement Employment Equity, to the Labour Branch of HRSDC.

3. The Proponent, or, if the Proponent is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

The Proponent or the member of the joint venture

(a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada,

(b) ( ) is not subject to the FCP, being a regulated employer under the *Employment Equity Act*, S.C. 1995, c. 44;

(c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC (having not bid on requirements of $200,000 or more), in which case a duly signed certificate of commitment is attached;

(d) ( ) is subject to the FCP, and has a valid certificate number as follows: _____

(e.g. has not been declared an ineligible contractor by HRSDC).

For more information on the FCP, visit the HRSDC Web site.

GI12 (2007-05-25) Insurance Requirements

The successful Proponent shall be required to obtain and maintain Professional Liability and Commercial General Liability insurance coverage in accordance with the requirements set out elsewhere in the proposal documents.

GI13 (2003-05-30) Industrial and Facility Security Requirements

1. Proponents shall take note of, and comply with, any industrial security or facility security requirement which may be stipulated as a requirement in the proposal and Agreement documents. If industrial security or facility security is required, employees and staff of the Proponent and other members of the Consultant Team involved in the project implementation must either be in possession of, or agree to be investigated for, a valid, appropriate level of personnel security screening that may be required under the provisions of the RFP.

2. If security screening is required, each person involved in the project implementation must hold such security screening prior to the commencement of any work.

3. In all contractual arrangements with persons who are to be employed in the performance of the services, the successful Proponent shall make provision for the performance of any obligation that may be imposed upon the Proponent under the provisions of this clause.

GI14 (2003-05-30) Composition of Consultant Team

By submitting a proposal, the Proponent represents and warrants that the entities and persons proposed in the proposal to perform the required services will be the entities and persons that will perform the services in the fulfillment of the project under any contractual arrangement arising from submission of the proposal. If the Proponent has proposed any person in fulfillment of the project who is not an employee of the Proponent, the Proponent warrants that it has written permission from such person (or the employer of such person) to propose the services of such person in relation to the services to be performed.

GI15 (2003-05-30) Submission of Proposal

1. It is the Proponent's responsibility to:

   (a) submit a signed proposal, duly completed, IN THE FORMAT REQUESTED, on or before the closing date and time set;

   (b) direct proposals ONLY to the designated office identified on the front page of the RFP;

   (c) the proposal shall be signed in accordance with the following requirements:

      (i) Corporation
      The signatures of the authorized signatories shall be affixed and their names and titles typed or printed.

      (ii) Partnership

      The signatures of the partners shall be affixed and their names typed or printed. If not all of the partners sign or if the signatory is not a partner then a certified true copy of the agreement signed by all partners authorizing such person or

persons to execute the document on their behalf shall accompany the proposal.

(iii) Sole Proprietorship
The signature of the sole proprietor shall be affixed and the name typed or printed. In the event that the signatory is not the sole proprietor then a certified true copy of the agreement signed by the sole proprietor authorizing such person or persons to execute the document shall accompany the proposal.

(iv) Joint Venture
The signatures of the authorized signatories of each member of the joint venture shall be affixed and their names and titles typed or printed. Each of the participating signatories shall sign the document in the manner applicable to their particular business arrangement which is more particularly described in (i) to (iii) above.

(d) ensure that the following information is clearly visible:

(i) Proponent's name and address,
(ii) Name of Proponent's prime contact person,
(iii) Solicitation Number and Description,
(iv) Closing date and time for receipt of proposals.

(e) provide a comprehensive and sufficiently detailed proposal that will permit a complete evaluation in accordance with the criteria set out in this RFP.

2. The technical and price components of the proposal must be submitted in separate, easily identified envelopes in accordance with the instructions contained in the proposal documents. Both envelopes shall be submitted as one package which shall clearly and conspicuously display and indicate on the outside of the package the information identified in paragraph 1.(d) above.

3. Timely and correct delivery of proposals to the office designated for receipt of proposals is the sole responsibility of the Proponent. PWGSC will not assume or have transferred to it those responsibilities. All risks and consequences of incorrect delivery of proposals are the responsibility of the Proponent.

4. Proposals and supporting information may be submitted in either English or French.

GI16 (2003-05-30) Late Submissions

It is PWGSC policy to return, unopened, submissions delivered after the stipulated closing date and time.

GI17 (2003-05-30) Revision of Proposal

A proposal submitted in accordance with these requirements may be amended by letter or facsimile provided the revision is received at the office designated for the receipt of proposals, on or before the date and time set for the receipt of proposals. The revision must be on the Proponent's letterhead or bear a signature that identifies the Proponent, and must clearly identify the change(s) to be applied to the original proposal. The revision must also include the information identified in GI 15.1.(e).

GI18 (2003-05-30) Acceptance of Proposal

1. Canada may accept any proposal, or may reject any or all proposals.

2. In the case of error in the extension or addition of unit prices, the unit price will govern.

3. While Canada may enter into an agreement or contractual arrangement without prior negotiation, Canada reserves the right to negotiate with Proponents on any procurement.

GI19 (2003-05-30) Identity or Legal Capacity of the Proponent

In order to establish the legal capacity under which a Proponent proposes to enter into a contractual arrangement, any Proponent who carries on business in other than its own personal name shall, if requested, provide proof of the legal capacity under which it carries on business prior to the contractual arrangement being entered into. Such proof may be in the form of a copy of the articles of incorporation or a copy of the registration of the business name of a sole proprietor, of a trade name, of a partnership, etc.

GI20 (2003-05-30) Debriefing

A debriefing will be provided, on request, only following entry by PWGSC into a contractual arrangement with the successful Proponent. Should a Proponent desire a debriefing, the Proponent should contact the person identified on the front page of the RFP. The debriefing will include an outline of the reasons the submission was not successful, making reference to the evaluation criteria. The confidentiality of information relating to other submissions will be protected.

GI21 (2003-05-30) Financial Statements

1. In order to confirm a Proponent's financial capability to perform the subject requirement, the Contracting Authority reserves the right to have access, during the proposal evaluation phase, to current proponent financial information. If requested, the financial information to be provided shall include, but not be limited to, the Proponent's most recent audited financial statements or financial statements certified by the Proponent's chief financial officer.

2. Should the Proponent provide the requested information to Canada in confidence while indicating that the disclosed information is confidential, then Canada will treat the information in a confidential manner as provided in the *Access to Information Act*.

3. In the event that a proposal is found to be non-compliant on the basis that the Proponent is considered NOT to be financially capable of performing the subject requirement, official notification shall be provided to the proponent.

GI22 (2010-01-11) Performance Evaluation

Proponents shall take note that the performance of the Consultant during and upon completion of the services shall be evaluated by Canada. The evaluation include all or some of the following criteria: Design, Quality of Results, Management, Time and Cost. Should the Consultant's performance be considered unsatisfactory, the Consultant may be declared ineligible for future Real Property contracts. The form PWGSC-TPSGC 2913-1, SELECT - Consultant Performance Evaluation Report, is used to record the performance.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Use the following clause in 1 Stage - 1 Phase proposals.

R1420T (2007/05/25) Supplementary Instructions to Proponents (SI)

SI1 (2003-05-30) Introduction

1. Public Works and Government Services Canada (PWGSC) intends to retain an individual consulting firm or joint venture to provide the professional services for the project as set out in this Request for Proposal (RFP).

2. This is a single phase selection process. The nature of the requirement and the anticipated limited number of response by the industry leads PWGSC to believe that this approach will not unduly force a large number of firms to expend an overall unreasonable amount of effort in response to PWGSC.

3. Proponents responding to this RFP are requested to submit a full and complete proposal. The proposal will cover not only the qualifications, experience and organization of the proposed Consultant Team, but also the detailed approach to the work, and the pricing and terms offered. A combination of the technical and price of services submissions will constitute the proposal.

SI2 (2003-05-30) Questions or Requests for Clarification

Questions or requests for clarification during the Phase One solicitation period must be submitted in writing to the Contracting Authority as early as possible. Enquiries should be received no later than ten (10) working days prior to the closing date identified on the front page of the RFP. Enquiries received after that date may not be answered prior to the closing date of the solicitation.

SI3 (2003-05-30) Canada's Trade Agreements

This procurement is covered under the provisions of the _____ [North American Free Trade Agreement (NAFTA)] [World Trade Organization - Agreement on Government Procurement (WTO-AGP)] [Agreement on Internal Trade (AIT)].

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Use the following clause in 1 Stage - 2 Phase proposals.

R1430T (2007/05/25) Proposal Documents

1. The following are the proposal documents:

   (a) R1410T, General Instructions to Proponents (GI);
   Supplementary Instructions to Proponents (SI)
   Proposal Documents;
   Project Brief;
   Submission Requirements and Evaluation (SRE);
   Any amendment to the solicitation document issued prior to the date set for receipt of proposals.

   (b) the general terms, conditions and clauses, as amended, identified as:
   Agreement
   R1205D, General Conditions - Table of Contents

R1210D, GC1 - General Provisions
R1215D, GC2 - Administration of the Contract
R1220D, GC3 - Consultant Services
R1225D, GC4 - Intellectual Property
R1230D, GC5 - Terms of Payment
R1235D, GC6 - Changes
R1240D, GC7 - Taking the Services Out of the Consultant's Hands, Suspension or Termination
R1245D, GC8 - Dispute Resolution
R1250D, GC9 - Indemnification and Insurance
R1270D, International Sanctions
Agreement Particulars

(c) the duly completed and signed proposal, Declaration Form and Price Proposal Form when received and accepted;

(d) the document entitled "Doing Business with A&ES".

2. Submission of a proposal constitutes acknowledgment that the Proponent has read and agrees to be bound by these documents.

3. Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the general terms, conditions and clauses identified herein by number, date and title, are hereby incorporated by reference into and form part of this solicitation and any resultant contract, as though expressly set out herein, subject to any other express terms and conditions herein contained.

4. All instructions, general terms, conditions and clauses identified herein by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada (PWGSC).

An electronic version is available at the following PWGSC Website: **http://sacc.pwgsc.gc.ca/sacc/index-e.jsp**.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Use the following clause in 1 Stage - 1 Phase proposals.

R1485T (2010/01/11) Declaration Form

This Request for Proposal (RFP) Declaration Form must form part of any proposal. Failure to include such representation and warranty with the proposal by executing the signature block below will render the proposal as non-responsive. The completed form should be included with your Proposal.

NAME OF PROPONENT: _____

Street Address: Mailing Address (if different than street address)

_____ _____

_____ _____

City: _____ City: _____

Prov./Terr./State: _____ Prov./Terr./State: _____

Postal/ZIP Code: _____ Postal/ZIP Code: _____

Telephone Number: ____ ____ _____

Fax Number: ____ ____ _____

E-Mail: _____

Procurement Business Number: _____

TYPE OF ORGANIZATION

Sole Proprietorship _____ Partnership _____ Corporation _____ Joint Venture _____

SIZE OF ORGANIZATION

Number of Employees: _____ Graduate Architects/Prof. Engineers: _____

Other Professionals: _____ Technical Support: _____

Other: _____

FEDERAL CONTRACTORS PROGRAM

1. The Federal Contractors Program (FCP) requires that some firms, including a Proponent who is a member of a joint venture, bidding for federal government contracts, valued at $200,000 or more (including all applicable taxes), make a formal commitment to implement employment equity. This is a condition precedent to contract award. If the Proponent, or, if the Proponent is a joint venture and if any member of the joint venture, is subject to the FCP, evidence of its commitment must be provided before the award of the Contract.

   Firms who have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive government contracts over the threshold for solicitation of bids as set out in the Government Contracts Regulations. Firms may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any bids from ineligible contractors, including a bid from a joint venture that has a member who is an ineligible contracotr, will be declared non-responsive.

2. If the Proponent does not fall within the exceptions enumerated in 3.(a) or (b) below, or does not have a valid certificate number confirming its adherence to the FCP, the Proponent must fax (819-953-8768) a copy of the signed form LAB 1168, Certificate of Commitment to Implement Employment Equity, to the Labour Branch of HRSDC.

3. The Proponent, or, if the Proponent is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

   The Proponent or the member of the joint venture

(a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada,

(b) ( ) is not subject to the FCP, being a regulated employer under the Employment Equity Act, S.C. 1995, c. 44;

(c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC, having not bid on requirements of $200,000 or more, in which case a duly signed certificate of commitment is attached;

(d) ( ) is subject to the FCP, and has a valid certificate number as follows: _____ (e.g. has not been declared an ineligible contractor by HRSDC).

For more information on the FCP, visit the HRSDC Website.

DECLARATION:

I, the undersigned, being a principal of the Proponent, hereby certify that the information given on this form and in the attached Proposal is accurate to the best of my knowledge.

Name (print): _____

Capacity: _____

Signature: _____

Telephone Number: ___ ____ _____

Fax Number: ___ ____ _____

Date: _____

PWGSC contact will be with the above named person.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Use the following clause in One Stage - One Phase requirements.

R1500D (2007/05/25) Agreement

1. The Consultant understands and agrees that upon acceptance of the offer by Canada, a binding Agreement shall be formed between Canada and the Consultant and the documents forming the Agreement shall be the following:

   (a) the Front Page and this Agreement clause;

   (b) the general terms, conditions and clauses, as amended, identified as:
   R1205D, General Conditions - Table of Contents
   R1210D, GC1 - General Provisions
   R1215D, GC2 - Administration of the Contract
   R1220D, GC3 - Consultant Services
   R1225D, GC4 - Intellectual Property
   R1230D, GC5 - Terms of Payment
   R1235D, GC6 - Changes
   R1240D, GC7 - Taking the Services Out of the Consultant's Hands, Suspension or Termination
   R1245D, GC8 - Dispute Resolution
   R1250D, GC9 - Indemnification and Insurance
   R1270D, International Sanctions
   Agreement Particulars;

   (c) Project Brief;

   (d) the document entitled "Doing Business with A&ES";

   (e) any amendment to the solicitation document incorporated in the Agreement before the date of the Agreement;

   (f) the duly completed and signed proposal, Declaration Form and Price Proposal Form.

2. Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the general terms, conditions and clauses identified herein by number, date and title, are hereby incorporated by reference into and form part of this Agreement, as though expressly set out herein, subject to any other express terms and conditions herein contained.

3. All instructions, general terms, conditions and clauses identified herein by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada (PWGSC). The Manual is available at the following PWGSC Website: **http://sacc.pwgsc.gc.ca/sacc/index-e.jsp**.

4. Order of Precedence

   In the event of any inconsistency or conflict in the contents of the following documents, such documents shall take precedence and govern in the following order:

   (a) any amendment or variation in the Agreement that is made in accordance with the terms and conditions of the Agreement;
   (b) any amendment to the solicitation document incorporated in the Agreement before the date of the Agreement;

(c) this Agreement clause;
(d) Supplementary Conditions;
(e) General Terms, Conditions and Clauses;
(f) Agreement Particulars;
(g) Project Brief;
(h) the document entitled "Doing Business with A&ES";
(i) the duly completed and signed proposal.

Remarks: This clause requires a minimum of $250,000 insurance which is the industry standard for smaller projects. Use clause R1250D for the projects advertized on the Government Electronic Tendering Service or where a minimum of $1M insurance is required.

R1650D (2007/05/25) GC9 - Indemnification and Insurance

GC9.1 (2003-05-30) Indemnification

1. The Consultant shall indemnify and save harmless Canada, its employees and agents, from losses arising out of the errors, omissions or negligent acts of the Consultant, its employees and agents, in the performance of the Services under the Agreement.

2. The Consultant's liability to indemnify or reimburse Canada under the Agreement shall not affect or prejudice Canada from exercising any other rights under law.

GC9.2 (2007-05-25) Insurance Requirements

1. General

(a) The Consultant and the other members of the Consultant Team shall have in place the appropriate liability insurance coverage as required and shall maintain all required insurance policies as required herein.

(b) The Consultant shall, if requested by the Contracting Officer at any time, provide to the Contracting Officer an Insurer's Certificate of Insurance and/or the originals or certified true copies of all contracts of insurance maintained by the Consultant pursuant to the provisions contained herein.

(c) The payment of monies up to the deductible amount made in satisfaction of a claim shall be borne by the Consultant.

(d) Any insurance coverages additional to those required herein that the Consultant and the other members of the Consultant Team may deem necessary for their own protection or to fulfill their obligations shall be at their own discretion and expense.

2. Commercial General Liability

(a) The insurance coverage provided shall not be less than that provided by IBC Form 2100, as amended from time to time, and shall have: a limit of liability of not less than $5,000,000 per occurrence; an aggregate limit of not less than $5,000,000 within

any policy year.

(b) The policy shall insure the Consultant and shall include Her Majesty the Queen in right of Canada, represented by the Minister of Public Works and Government Services as an Additional Insured, with respect to liability arising out of the performance of the Services.

3. Professional Liability

(a) The Professional Liability insurance coverage shall be in an amount usual for the nature and scope of the Services but, shall have a limit of liability of not less than $250,000 per claim, and be continually maintained from the commencement of performance of the Services until five (5) years after their completion.

(b) The following provision must be incorporated into the conditions of the Consultant's Professional Liability insurance coverage: "Notice of Cancellation of Insurance Coverage: The Insurer agrees to give the Contracting Authority at least thirty (30) days' prior written notice of any policy cancellation."

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Use the following clause with Open Agreements only.

R1800D (2007/05/25) Agreement

1. The Consultant understands and agrees that upon acceptance of the offer by Canada, a binding Agreement shall be formed between Canada and the Consultant and the documents forming the Agreement shall be the following:

(a) the Front Page and this Agreement clause;

(b) the general terms, conditions and clauses, as amended, identified as:
R1805D, General Conditions - Open - Table of Contents
R1210D, GC1 - General Provisions
R1215D, GC2 - Administration of the Contract
R1220D, GC3 - Consultant Services
R1226D, GC4 - Copyright and Reuse of Documents
R1830D, GC5 - Terms of Payment
R1235D, GC6 - Changes
R1240D, GC7 Taking the Services Out of the Consultant's Hands, Suspension or Termination
R1245D, GC8 - Dispute Resolution
R1650D, GC9 - Indemnification and Insurance
R1270D, International Sanctions
R1810D, Supplementary Conditions - Open
Agreement Particulars - Open;

(c) the document entitled "Doing Business with A&ES";

(d) the duly completed and signed proposal.

2. Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the general terms, conditions and clauses identified herein by number, date and title, are hereby incorporated by reference into and form part of this Agreement, as though expressly set out herein, subject to any other express terms and conditions herein contained.

3. All instructions, general terms, conditions and clauses identified herein by number, date and title are set out in the *Standard Acquisition Clauses and Conditions* Manual issued by Public Works and Government Services Canada (PWGSC). The Manual is available on the following PWGSC Website: **http://sacc.pwgsc.gc.ca/sacc/index-e.jsp**.

4. Order of Precedence

In the event of any inconsistency or conflict in the contents of the following documents, such documents shall take precedence and govern in the following order:

(a) any Commitment for Services that is made in accordance with the terms and conditions of the Agreement;
(b) any amendment or variation in the Agreement that is made in accordance with the terms and conditions of the Agreement;
(c) this Agreement clause;
(d) Supplementary Conditions;
(e) General Terms, Conditions and Clauses;
(f) Agreement Particulars - Open;
(g) the document entitled "Doing Business with A&ES";
(h) the duly completed and signed proposal.

R1805D (2007/05/25) General Conditions - Open - Table of Contents

This clause is cancelled effective 2008/05/12

Remarks: Use the following clause with Open Agreements only.

R1810D (2003/05/30) Supplementary Conditions - Open (SC)

SC 1 (30/05/03) Services

1. This Agreement - Open is for the acquisition of Services to be performed by the Consultant for projects to be designated from time to time by the Departmental Representative.

2. The Consultant agrees to provide only the Services required under a Commitment for Services. The Commitments for Services shall be provided by the Departmental Representative for the designated

project(s).

3. The Commitment for Services shall be the written instructions and any amendments, provided by the Departmental Representative from time to time, describing, among other things

   (a) the Services to be provided
   (b) the terms of payment agreed upon for such Services.

4. The Consultant shall carry out the said Services within such time and cost limits as may be stipulated in the Commitment for Services or other contract documents.

SC 2 (30/05/03) Term of this Agreement

This Agreement shall remain in effect until either party gives notice that no further Services shall be required or performed, or in the absence of such notice, until the expiration of two years from the date of this Agreement. In the event that Services undertaken prior to the two year expiry date are not fully completed at the said expiry date, the Agreement will expire upon completion of such Services, or upon notice from the Minister in accordance with the provisions in GC 7.3.

SC 3 (30/05/03) Statutory Declaration

Before final payment is made under each Commitment for Services, the Consultant shall provide a Statutory Declaration evidencing that all the Consultant's financial obligations in connection with the Commitment for Services have been met.

Remarks: Use the following clause with Open Agreements only.

R1830D (2007/05/25) GC5 - Terms of Payment

GC5.1 (2003-05-30) Fees

1. Subject to the terms and conditions of the Agreement, and in consideration for the performance of the Services, Canada shall pay to the Consultant a sum of money calculated in accordance with the provisions herein.

2. The Consultant's fees are only payable when the Consultant has performed the Services as determined by the Departmental Representative. Payment in respect of a Service, or part of a Service, is not to be deemed a waiver of Canada's rights of set-off at law or under the Agreement for costs or expenses arising from default or negligence of the Consultant.

3. The maximum amount payable under the Agreement, including fees and disbursements, shall not exceed the sum specified in the Agreement Particulars, without the prior written authorization of the Departmental Representative in accordance with the terms of the Agreement.

GC5.2 (2003-05-30) Fee Arrangement(s) for Services

1. The fees and disbursements are only payable when the Consultant has performed the Services in accordance with the Commitment for Services.

2. Canada shall pay to the Consultant as consideration for the execution of the Services described in the Commitment for Services a sum of money calculated by one or several of the following methods which shall be specified in the Commitment for Services documents:

(a) Percentage Fee
A fee calculated as an agreed percentage of the approved Construction Cost Estimate payable as described in the Commitment for Services.

(b) Fixed Fee
An agreed fixed fee being the total amount payable for Services rendered pursuant to the Commitment for Services.

(c) Time Based Fee

(i) Principals and executives, and other personnel approved in that capacity by the Departmental Representative shall be paid at the hourly rate specified in the Commitment for Services;

(ii) Staff approved by the Departmental Representative shall be paid at Payroll Cost multiplied by the factor (s) specified in the Commitment for Services, except that the multiplying factor shall not be applied to the premium portion of authorized overtime included in Payroll Cost;

(iii) Normal Working Hours
The normal working hours per day for principals, executives and Consultant's employees, shall be deemed to be seven and a half (7.5) hours of any day during which they are actually engaged in the performance of the Services;

(iv) Travel Time
Travel time during normal working hours, that is related to the Project and authorized by the Departmental Representative, shall be chargeable as time worked. Travel time outside normal working hours, that is related to the Project and authorized by the Departmental Representative, shall be chargeable up to a maximum of three (3) hours per day, unless otherwise authorized;

(v) Maximum Amount(s) Payable
The maximum amount(s) that applies (apply) to the Services to be carried out at time rates shall be as specified in the Commitment for Services, which amount(s) shall not be exceeded without the prior authorization for the Departmental Representative.

GC5.3 (2003-05-30) Payments to the Consultant

1. The Consultant shall be entitled to receive progress payments at monthly or other agreed intervals, subject to the limitations of the Calculation of Fees clause herein, if applicable. Such payments shall be made prior to or on the due date. The due date shall be the 30th day following receipt of a properly submitted invoice.

2. The properly submitted invoice shall be an invoice delivered to the Departmental Representative in the agreed format with sufficient detail and information to permit verification. The invoice shall also identify, as separate items:

   (a) the amount of the progress payment being claimed for Services satisfactorily performed,

   (b) the amount for any tax calculated in accordance with the applicable federal legislation, and

   (c) the total amount which shall be the sum of the amounts referred to in (a) and (b) above.

3. The amount of the tax shown on the invoice shall be paid by Canada to the Consultant in addition to the amount of the progress payment for Services satisfactorily performed.

4. The Departmental Representative shall notify the Consultant within fifteen (15) days after the receipt of an invoice of any error or missing information therein. Payment shall be made prior to or on the thirtieth (30) day after receipt of the corrected invoice or the required information.

5. Upon completion of each Service as described elsewhere in the Agreement, provided at least one progress payment has been made, the Consultant shall provide a Statutory Declaration evidencing that all the Consultant's financial obligations for Services rendered to the Consultant or on the Consultant's account, in connection with the Agreement, have been satisfied, before any further payment is made.

6. Upon written notice by a Sub-Consultant, with whom the Consultant has a direct contract, of an alleged non payment to the Sub-Consultant, the Departmental Representative may provide the Sub-Consultant with a copy of the latest approved progress payment made to the Consultant for the Services.

7. Upon the satisfactory completion of all Services, the amount due, less any payments already made, shall be paid to the Consultant not later than thirty (30) days after receipt of a properly submitted invoice, together with the Final Statutory Declaration in accordance with paragraph 5 above.

GC5.4 (2003-05-30) Delayed Payment

1. If Canada delays in making a payment that is due in accordance with GC5.3, the Consultant will be entitled to receive interest on the amount that is overdue for the period of time as defined in paragraph 2 below including the day previous to the date of payment. Such date of

payment shall be deemed to be the date on the cheque given for payment of the overdue amount. An amount is overdue when it is unpaid on the first day following the due date described in GC5.3.1.

2. Interest shall be paid automatically on all amounts that are not paid by the due date or fifteen (15) days after the Consultant has delivered a Statutory Declaration in accordance with GC5.3.5 or GC5.3.7 whichever is the later.

3. The rate of interest shall be the Average Bank Rate plus 3 percent per year on any amount which is overdue pursuant to paragraph 1 above.

GC5.5 (2003-05-30) Claims Against, and Obligations of, the Consultant

1. Canada may, in order to discharge lawful obligations of and satisfy lawful claims against the Consultant by a Sub-Consultant, with whom the Consultant has a direct contract, for Services rendered to, or on behalf of, the Consultant, pay an amount from money that is due and payable to the Consultant directly to the claimant Sub-Consultant.

2. For the purposes of paragraph 1 a claim shall be considered lawful when it is so determined

   (a) by a court of legal jurisdiction, or
   (b) by an arbitrator duly appointed to arbitrate the said claim, or
   (c) by a written notice delivered to the Departmental Representative and signed by the Consultant authorizing payment of the said claim or claims.

3. A payment made pursuant to paragraph 1. is, to the extent of the payment, a discharge of Canada's liability to the Consultant under the Agreement and will be deducted from any amount payable to the Consultant under the Agreement.

4. Paragraph 1 shall only apply to claims and obligations

   (a) the notification of which has set forth the amount claimed to be owing and a full description of the Services or a part of the Services for which the claimant has not been paid. The notification must be received by the Departmental Representative in writing before the final payment is made to the Consultant and within one hundred twenty (120) days of the date on which the claimant

      (i) should have been paid in full under the claimant's Agreement with the Consultant where the claim is for an amount that was lawfully required to be held back from the claimant; or

      (ii) performed the last of the Services pursuant to the claimant's Agreement with the Consultant where the claim is not for an amount referred to in paragraph 4.(a)(i), and

   (b) the proceedings to determine the right to payment of which shall have commenced within one year from the date that the

notification referred to in paragraph 4.(a) was received by the Departmental Representative.

5. Canada may, upon receipt of a notification of claim referred to in paragraph 4.(a), withhold from any amount that is due and payable to the Consultant pursuant to the Agreement the full amount of the claim or any portion thereof.

6. The Departmental Representative shall notify the Consultant in writing of receipt of any notification of claim and of the intention of Canada to withhold funds pursuant to paragraph 5. The Consultant may, at any time thereafter and until payment is made to the claimant, post with Canada, security in a form acceptable to Canada in an amount equal to the value of the said claim. Upon receipt of such security Canada shall release to the Consultant any funds which would be otherwise payable to the Consultant, that were withheld pursuant to the provision of paragraph 5.

7. The Consultant shall discharge all lawful obligations and shall satisfy all lawful claims against the Consultant for Services rendered to, or on behalf of, the Consultant in respect of the Agreement at least as often as the Agreement requires Canada to discharge its obligations to the Consultant.

GC5.6 (2003-05-30) No Payment for Errors and Omissions

The Consultant shall not be entitled to payment in respect of costs incurred by the Consultant in remedying errors and omissions in the Services that are attributable to the Consultant, the Consultant's employees, or persons for whom the Consultant had assumed responsibility in performing the Services.

GC5.7 (2007-05-25) Payment for Changes and Revisions

1. Payment for any additional or reduced Services authorized by the Departmental Representative prior to their performance, and for which a basis of payment has not been established at the time of execution of the Agreement, shall be in an amount or amounts to be mutually agreed upon from time to time, subject to these Terms of Payment and the approval of the Minister.

2. Where it is not possible, or not appropriate, to agree upon a fixed price fee or percentage fee prior to the performance of the additional or reduced Services, payment shall be made on the basis of a time based fee in accordance with GC5.2.2.(c). Disbursements shall be paid in accordance with GC5.11.

3. Prior to the performance of additional or reduced Services on the basis of a time based fee, the Consultant shall comply with any request made by the Departmental Representative pursuant to GC 3.8, regarding persons to be employed by the Consultant or the Consultant's sub consultants to provide the additional or reduced Services. In addition, the Consultant and the Departmental Representative shall negotiate hourly rates and payroll cost factors as applicable for any of those persons for whom the relevant information does not appear in the Agreement Particulars.

4. Payment for additional Services not identified at the time of execution of the Agreement shall be made only to the extent that

   (a) the additional Services are Services that are not included in stated Services in the Agreement,

   (b) the additional Services are required for reasons beyond the control of the Consultant, and

   (c) any fee adjustment for Services resulting from an adjustment in the Construction Cost Estimate arising from the additional Services is not commensurate with the additional Services performed.

GC5.8 (2003-05-30) Extension of Time

If, and to the extent that, the time for completion of the Construction Contract is exceeded or extended through no fault of the Consultant in the opinion of Canada, payment for the Services required for such extended period of the contract administration shall be subject to review and equitable adjustment.

GC5.9 (2003-05-30) Suspension Costs

1. During a period of suspension of the Services pursuant to GC7.2, the Consultant shall minimize all costs and expenses relating to the Services that may occur during the suspension period.

2. Within fourteen (14) days of notice of such suspension, the Consultant shall submit to the Departmental Representative a schedule of costs and expenses, if any, that the Consultant expects to incur during the period of suspension, and for which the Consultant will request reimbursement.

3. Payment shall be made to the Consultant for those costs and expenses that, in the opinion of Canada, are substantiated as having been reasonably incurred during the suspension period.

GC5.10 (2003-05-30) Termination Costs

1. In the event of termination of the Agreement pursuant to GC7.3, Canada shall pay, and the Consultant shall accept in full settlement, an amount based on these Terms of Payment, for Services satisfactorily performed, plus an amount to compensate the Consultant for reasonable costs and expenses, if any, that are related to the Services not performed and incurred after the date of termination.

2. Within fourteen (14) days of notice of such termination, the Consultant shall submit to the Departmental Representative a schedule of costs and expenses incurred plus any additional costs that the Consultant expects to incur after the date of termination, and for which the Consultant will request reimbursement.

3. Payment shall be made to the Consultant for those costs and expenses that in the opinion of Canada are substantiated as having been reasonably incurred after the date of termination.

GC5.11 (2003-05-30) Disbursements

1. Subject to any provisions specifically to the contrary in the Supplementary Conditions, the following costs shall be included in the fees required to deliver the consultant services and shall not be reimbursed separately;

   (a) reproduction and delivery costs of drawings, CADD files, specifications and other Technical Documentation specified in the Project Brief;

   (b) standard office expenses such as any photocopying, computer costs, Internet, cellular phone costs, long distance telephone and fax costs, including that between the Consultant's main office and branch offices or between the Consultant's offices and other team members offices;

   (c) courier and delivery charges for deliverables specified in the Project Brief;

   (d) plotting;

   (e) presentation material;

   (f) parking fees;

   (g) taxi charges;

   (h) travel time;

   (i) travel expenses; and

   (j) local project office.

2. Subject to any provisions specifically to the contrary in the Supplementary Conditions, the following disbursements reasonably incurred by the Consultant, that are related to the Services and approved by the Departmental Representative, shall be reimbursed to the Consultant at actual cost:

   (a) reproduction and delivery costs of drawings, CADD files, specifications and other Technical Documentation additional to that specified in the Project Brief;

   (b) transportation costs for material samples and models additional to that specified in the Project Brief;

   (c) project related travel and accommodation additional to that specified in the Project Brief shall be reimbursed in accordance with current Treasury Board Travel Policy; and

   (d) other disbursements made with the prior approval and authorization of the Departmental Representative.

3. Disbursements shall be Project related and shall not include expenses

that are related to the normal operation of the Consultant's business. The amounts payable, shall not exceed the amount entered in the Agreement Particulars, without the prior authorization of the Departmental Representative.

GC5.12 (2003-05-30) T1204 Government Service Contract Payments

Pursuant to paragraph 221 (1)(d) of the *Income Tax Act*, payments made by departments and agencies to consultants under applicable services contracts (including contracts involving a mix of goods and services) must be reported on a T1204 Government Service Contract Payments slip. To enable departments and agencies to comply with this requirement, the Consultant is required to provide its Procurement Business Number (PBN). The Consultant is to ensure the accuracy of its PBN information in the Supplier Registration Information service.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. The contracting officer must edit the clause as required by the situation. Use the following clause with Open Agreements only.

R1890D (2007/05/25) Agreement Particulars - Open

The following hourly rates are fixed for the duration of the Consultant Agreement - Open.

Name and Position	$ per hour
_____	$_____
_____	$_____
_____	$_____
_____	$_____
_____	$_____
_____	$_____

R2000D (1998/02/16) Calculation of Fees

This clause is cancelled effective 2008/05/12

R2001D (1998/02/16) Agreement Particulars

This clause is cancelled effective 2008/05/12

R2002D (1998/02/16) Calculation of Fees

This clause is cancelled effective 2008/05/12

R2003D (1998/02/16) Agreement Particulars

This clause is cancelled effective 2008/05/12

R2006D (1998/02/16) Calculation of Fees

This clause is cancelled effective 2008/05/12

R2007D (1998/02/16) Agreement Particulars

This clause is cancelled effective 2008/05/12

R2008D (1998/02/16) Calculation of Fees

This clause is cancelled effective 2008/05/12

R2009D (1998/02/16) Agreement Particulars

This clause is cancelled effective 2008/05/12

R2110T (2005/12/16) General Instructions to Tenderers - Minor Works

Effective 2007/05/25, this clause is superseded by R2410T

R2205D (2003/12/12) General Conditions (Minor Works) - Table of Contents

This clause is cancelled effective 2007/05/25

R2210D (2006/06/16) GC 1 - General Provisions

Effective 2007/05/25, this clause is superseded by R2810D

R2220D (2004/05/14) GC2 - Administration of the Contract

Effective 2007/05/25, this clause is superseded by R2820D

R2230D (2003/12/12) GC3 - Execution of the Work

Effective 2007/05/25, this clause is superseded by R2830D

R2240D (2003/12/12) GC4 - Protection, Health and Safety

Effective 2007/05/25, this clause is superseded by R2840D

R2250D (2004/12/10) GC5 - Terms of Payment

Effective 2007/05/25, this clause is superseded by R2550D

R2260D (2003/12/12) GC6 - Changes in the Work

Effective 2007/05/25, this clause is superseded by R2860D

R2270D (2003/12/12) GC7 - Default, Suspension or Termination of Contract

Effective 2007/05/25, this clause is superseded by R2870D

R2280D (2004/12/10) GC8 - Dispute Resolution

Effective 2007/05/25, this clause is superseded by R2882D

R2290D (2003/12/12) GC9 - Indemnification and Insurance

Effective 2007/05/25, this clause is superseded by R2590D

R2310D (2004/05/14) Tender and Acceptance Form

This clause is cancelled effective 2007/05/25

Remarks: This clause is used for solicitations with an estimated value of less than $100,000.

R2410T (2010/01/11) General Instructions to Bidders

Public Works and Government Services Canada

GI01 Completion of Bid
GI02 Identity or Legal Capacity of the Bidder
GI03 Goods and Services Tax/Harmonized Sales Tax
GI04 Quebec Sales Tax
GI05 Capital Development and Redevelopment Charges
GI06 Listing of Subcontractors and Suppliers
GI07 Submission of Bid
GI08 Revision of Bid
GI09 Acceptance of Bid
GI10 Bid Costs
GI11 Procurement Business Number
GI12 Compliance With Applicable Laws
GI13 Approval of Alternative Materials
GI14 Performance Evaluation

GI01 (2008-12-12) Completion of Bid

1) The bid shall be

   (a) submitted on the Bid and Acceptance Form;

   (b) based on the Bid Documents listed in the Special Instructions to Bidders;

   (c) correctly completed in all respects;

   (d) signed by a duly authorized representative of the Bidder; and

   (e) accompanied by any other document or documents specified elsewhere in the solicitation where it is stipulated that said documents are to accompany the bid.

2) Subject to paragraph 6) of GI09, any alteration to the pre-printed or pre-typed sections of the Bid and Acceptance Form, or any condition or qualification placed upon the bid shall be cause for disqualification. Alterations, corrections, changes or erasures made to statements or figures entered on the Bid and Acceptance Form by the Bidder shall be initialled by the person or persons signing the bid. Initials shall be original(s). Alterations, corrections, changes or erasures that are not initialled shall be deemed void and without effect.

3) Unless otherwise noted elsewhere in the Bid Documents, facsimile copies of bids are not acceptable.

GI02 (2007-05-25) Identity or Legal Capacity of the Bidder

1) In order to confirm the authority of the person or persons signing the bid or to establish the legal capacity under which the Bidder proposes to enter into Contract, any Bidder who carries on business in other than its own personal name shall, if requested by Canada, provide satisfactory proof of

   (a) such signing authority; and

   (b) the legal capacity under which it carries on business;

   prior to contract award. Proof of signing authority may be in the form of a certified copy of a resolution naming the signatory(ies) that is (are) authorized to sign this bid on behalf of the corporation or partnership. Proof of legal capacity may be in the form of a copy of the articles of incorporation or the registration of the business name of a sole proprietor or partnership.

GI03 (2007-05-25) Goods and Services Tax/Harmonized Sales Tax

1) Bidders are not to include any amounts for the Goods and Services Tax (GST) or Harmonized Sales Tax (HST), whichever is applicable, and the GST/HST shall not be included when calculating the amount of any bid security or contract security that may be required. Any amount levied in respect of the GST/HST shall be billed as a separate item in a progress claim submitted by the Contractor, and shall be paid to the Contractor in addition to the amount approved by Canada for work performed under the Contract. The Contractor shall be required to remit the appropriate amount to the Canada Revenue Agency in accordance with the applicable legislation.

GI04 (2007-05-25) Quebec Sales Tax

1) The Federal Government is exempt from the Quebec Sales Tax (QST). Bidders shall not include in their prices any amount that is intended to cover the QST on goods and services performed in the execution of the Work except for such amounts for which an Input Tax Refund is not available. The successful Bidder should make arrangements directly with the Province of

Quebec to recover any QST paid by it in performing the Work under the resulting Contract.

GI05 (2007-05-25) Capital Development and Redevelopment Charges

1) For the purposes of GC1.8, "Laws, Permits and Taxes", in the General Conditions of the Contract, only fees or charges directly related to the processing and issuing of building permits shall be included. The Bidder shall not include any monies in the bid amount for special municipal development, redevelopment or other fees or charges which a municipal authority may seek as a prerequisite to the issuance of building permits.

GI06 (2010-01-11) Listing of Subcontractors and Suppliers

1) Notwithstanding any list of Subcontractors that the Bidder may be required to submit as part of the bid, the Bidder shall, within forty-eight (48) hours of receipt of a notice to do so, submit all information requested in the said notice including the names of Subcontractors and Suppliers for the part or parts of the Work listed. Failure to do so shall result in the disqualification of its bid.

GI07 (2008-05-12) Submission of Bid

1) The Bid and Acceptance Form, duly completed, shall be enclosed and sealed in an envelope provided by the Bidder, and shall be addressed and submitted to the office designated on the Front Page "Invitation to Tender" for the receipt of bids. The bid must be received on or before the date and time set for solicitation closing.

2) Unless otherwise specified in the Special Instructions to Bidders

   (a) the bid shall be in Canadian currency;
   (b) exchange rate fluctuation protection is not offered; and
   (c) any request for exchange rate fluctuation protection shall not be considered.

3) Prior to submitting the bid, the Bidder shall ensure that the following information is clearly printed or typed on the face of the bid envelope:

   (a) Solicitation Number;
   (b) Name of Bidder;
   (c) Return address; and
   (d) Closing Date and Time.

4) Timely and correct delivery of bids is the sole responsibility of the Bidder.

GI08 (2010-01-11) Revision of Bid

1) A bid submitted in accordance with these instructions may be revised by letter or facsimile provided the revision is received at the office designated for the receipt of bids, on or before the date and time set for the closing of the solicitation. The letter or facsimile shall on the Bidder's letterhead or bear a signature that identifies the Bidder.

2) A revision to a bid that includes unit prices must clearly identify the change(s) in the unit price(s) and the specific item(s) to which each change applies.

3) A letter or facsimile submitted to confirm an earlier revision shall be clearly identified as a confirmation.

4) Failure to comply with any of the above provisions shall result in the rejection of the non-compliant revision(s) only. The bid shall be evaluated based on the original bid submitted and all other compliant revision(s).

GI09 (2008-05-12) Acceptance of Bid

1) Canada may accept any bid, whether it is the lowest or not, or may reject any or all bids.

2) Without limiting the generality of paragraph 1) of GI09, Canada may reject a bid if any of the following circumstances is present:

   (a) the Bidder, or any employee or subcontractor included as part of the bid, has been convicted under Section 121 ("*Frauds on the government*" & "*Contractor subscribing to election fund*"), 124 "*Selling or purchasing office*"), 380 ("*Fraud committed against Her Majesty*") or 418 ("*Selling defective stores to Her Majesty*") of the Criminal Code of Canada, or under paragraph 80(1)(d) ("*False entry, certificate or return*"), subsection 80(2) ("*Fraud against Her Majesty*") or Section 154.01 ("*Fraud against Her Majesty*") of the *Financial Administration Act*;

   (b) the Bidder's bidding privileges are suspended or are in the process of being suspended;

   (c) the bidding privileges of any employee or subcontractor included as part of the bid are suspended or are in the process of being suspended, which suspension or pending suspension would render that employee or subcontractor ineligible to bid on the Work, or the portion of the Work the employee or subcontractor is to perform;

   (d) with respect to current or prior transactions with Canada

      (i) the Bidder is bankrupt or if, for whatever reason, its activities are rendered inoperable for an extended period;

      (ii) evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to the Bidder, any of its employees or any subcontractor included as part of its bid;

      (iii) Canada has exercised, or intends to exercise, the contractual remedy of taking the work out of the contractor's hands with respect to a contract with the Bidder, any of its employees or any subcontractor included as part of its bid; or

      (iv) Canada determines that the Bidder's performance on other contracts is sufficiently poor to jeopardize the successful completion of the requirement being bid on.

3) In assessing the Bidder's performance on other contracts pursuant to subparagraph 2)(d)(iv)of GI09, Canada may consider, but not be limited to, such matters as:

   (a) the quality of workmanship in performing the Work;

   (b) the timeliness of completion of the Work;

   (c) the overall management of the Work and its effect on the level of effort demanded of the department and its representative; and

   (d) the completeness and effectiveness of the Contractor's safety program during the performance of the Work.

4) Without limiting the generality of paragraphs 1), 2) and 3) of GI09, Canada may reject any bid based on an unfavourable assessment of the

(a) adequacy of the bid price to permit the work to be carried out and, in the case of a bid providing prices per unit, whether each such price reasonably reflects the cost of performing the part of the work to which that price applies;

(b) Bidder's ability to provide the necessary management structure, skilled personnel, experience and equipment to perform competently the work under the Contract; and

(c) Bidder's performance on other contracts.

5) If Canada intends to reject a bid pursuant to a provision of paragraphs 1), 2), 3) or 4) of GI09, other than subparagraph 2)(b) of GI09, Canada shall so inform the Bidder and provide the Bidder ten (10) days within which to make representations, prior to making a final decision on the bid rejection.

6) Canada may waive informalities and minor irregularities in bids received if Canada determines that the variation of the bid from the exact requirements set out in the Bid Documents can be corrected or waived without being prejudicial to other Bidders.

GI10 (2010-01-11) Bid Costs

1) No payment will be made for costs incurred in the preparation and submission of a bid in response to the bid solicitation. Costs associated with preparing and submitting a bid, as well as any costs incurred by the Bidder associated with the evaluation of the bid, are the sole responsibility of the Bidder.

GI11 (2010-01-11) Procurement Business Number

1) Canadian Bidders are required to have a Procurement Business Number (PBN) before Contract award. Bidders may register for a PBN in the Supplier Registration Information service on line on the Business Access Canada Web site. For non-Internet registration, Bidders may contact the Business Access Canada InfoLine at 1-800-811-1148 to obtain the telephone number of the nearest Supplier Registration Agent.

GI12 (2010-01-11) Compliance with Applicable Laws

1) By submission of a bid, the Bidder certifies that the Bidder has the legal capacity to enter into a contract and is in possession of all valid licences, permits, registrations, certificates, declarations, filings, or other authorizations necessary to comply with all federal, provincial and municipal laws and regulations applicable to the submission of the bid and entry into any ensuing contract for the performance of the work.

2) For the purpose of validating the certification in paragraph 1) of GI12, a Bidder shall, if requested, provide a copy of every valid licence, permit, registration, certificate, declaration, filing or other authorization listed in the request, and shall provide such documentation within the time limit(s) set out in the said request.

3) Failure to comply with the requirements of paragraph 2) of GI12 shall result in disqualification of the bid.

GI13 (2010-01-11) Approval of Alternative Materials

1) When materials are specified by trade names or trademarks, or by manufacturers' or suppliers' names, the bid shall be based on use of the named materials. During the solicitation period, alternative materials may be considered provided full technical data is received in writing by the Contracting Officer at least ten (10) calendar days prior to the solicitation closing date. If the

alternative materials are approved for the purposes of the bid, an addendum to the bid documents shall be issued.

GI14 (2010-01-11)) Performance Evaluation

1) Bidders shall take note that the performance of the Contractor during and upon completion of the work shall be evaluated by Canada. The evaluation shall be based on the quality of workmanship; timeliness of completion of the work; project management, contract management and management of health and safety. Should the Contractor's performance be considered unsatisfactory, the Contractor's bidding privileges on future work may be suspended indefinitely.

2) The form PWGSC-TPSGC 2913, SELECT - Contractor Performance Evaluation Report Form, is used to record the performance.

Remarks: This clause is generally used for contracts with an estimated value of less than $100,000.

R2550D (2010/01/11) GC5 - Terms of Payment

Public Works and Government Services Canada

GC5.1 Interpretation
GC5.2 Amount Payable
GC5.3 Increased Or Decreased Costs
GC5.4 Progress Payment
GC5.5 Substantial Performance Of The Work
GC5.6 Final Completion
GC5.7 Payment Not Binding On Canada
GC5.8 Claims And Obligations
GC5.9 Right Of Setoff
GC5.10 Assessments And Damages For Late Completion
GC5.11 Delay In Making Payment
GC5.12 Interest On Settled Claims

GC5.1 (2007-05-25) Interpretation

In these Terms of Payment

1) The "payment period" means a period of 30 consecutive days or such other longer period as may be agreed between the Contractor and Canada.

2) An amount is "due and payable" when it is due and payable by Canada to the Contractor according to GC5.4, "Progress Payment", GC5.5, "Substantial Performance of the Work", or GC5.6, "Final Completion".

3) An amount is overdue when it remains unpaid on the first day following the day upon which it is due and payable.

4) The "date of payment" means the date of the negotiable instrument of an amount due and payable by the Receiver General for Canada.

5) The "Bank Rate" means the rate of interest established by the Bank of Canada as the minimum

rate at which it makes short term advances to members of the Canadian Payments Association.

6) The "Average Bank Rate" means the simple arithmetic mean of the Bank Rate in effect at 4:00 p.m. Eastern Standard Time each day during the calendar month which immediately precedes the calendar month in which payment is made.

GC5.2 (2010-01-11) Amount Payable

1) Subject to any other provisions of the Contract, Canada shall pay the Contractor, at the times and in the manner hereinafter set out, the amount by which the amounts payable by Canada to the Contractor in accordance with the Contract exceed the amounts payable by the Contractor to Canada, and the Contractor shall accept that amount as payment in full satisfaction for everything furnished and done by the Contractor in respect of the Work to which the payment relates.

2) When making any payment to the Contractor, the failure of Canada to deduct an amount payable to Canada by the Contractor shall not constitute a waiver of the right to do so, or an admission of lack of entitlement to do so in any subsequent payment to the Contractor.

3) Should any payment be made by Canada in excess of what is owed to the Contractor for the actual work performed, the Contractor will reimburse Canada the excess immediately, with or without demand, and any amounts outstanding shall bear simple interest at the Average Bank rate plus 3 percent per annum from the date of overpayment until the day prior to the date of repayment by the Contractor.

4) No payment other than a payment that is expressly stipulated in the Contract shall be made by Canada to the Contractor for any extra expense or any loss or damage incurred or sustained by the Contractor.

GC5.3 (2008-05-12) Increased or Decreased Costs

1) The Contract Amount shall not be increased nor decreased by reason of any increase or decrease in the cost of the Work that is brought about by an increase or decrease in the cost of labour, Plant, Material or any wage adjustment arising pursuant to the Labour Conditions.

2) Notwithstanding paragraph 1) of GC5.3, if any change, including a new imposition or repeal, of any tax, customs or other duty, charge, or any similar imposition that is imposed under sales, customs or excise tax legislation of the Government of Canada or any Provincial or Territorial legislation, affects the cost of the Work to the Contractor, and occurs

   (a) after the date of submission by the Contractor of its bid; or

   (b) after the date of submission of the last revision, if the Contractor's bid was revised;

   the Contract Amount shall be adjusted in the manner provided in paragraph 3) of GC5.3.

3) If a change referred to in paragraph 2) of GC5.3 occurs, the Contract Amount shall be increased or decreased by an amount established by an examination by Canada of the relevant records of the Contractor referred to in GC2.8, "Accounts and Audits", to be the increase or decrease in the cost incurred by the Contractor that is directly attributable to that change.

4) For the purpose of paragraph 2) of GC5.3, if a tax is changed after the tender closing, but public notice of the change has been given by the Minister of Finance or the corresponding Provincial or Territorial authority before that closing, the change shall be deemed to have occurred before the solicitation closing.

5) Notwithstanding paragraphs 2) to 4) of GC5.3, no adjustment to the Contract Amount in respect

of the Work or a part thereof shall be made for a change in any imposition referred to in this section that occurs after the date required by the Contract for completion of the Work or that part of the Work.

GC5.4 (2010-01-11) Progress Payment

1) Where the duration of the Work is greater than thirty (30) days, the Contractor shall be entitled to receive progress payments.

2) On the expiration of a payment period, the Contractor shall deliver to Canada

   (a) a written progress claim in a form acceptable to Canada that fully describes any part of the Work that has been completed, and any Material that was delivered to the Work site but not incorporated into the Work, during that payment period, and

   (b) a completed and signed statutory declaration containing a declaration that, up to the date of the progress claim, the Contractor has complied with all lawful obligations with respect to the Labour Conditions and that, in respect of the Work, all lawful obligations of the Contractor to its Subcontractors and Suppliers, referred to collectively in the declaration as "subcontractors and suppliers", have been fully discharged.

3) Within 10 days of receipt of a progress claim and statutory declaration from the Contractor, Canada shall inspect, or cause to have inspected, the part of the Work and the Material described in the progress claim, and shall issue a progress report to the Contractor, that indicates the value of the part of the Work and the Material described in the progress claim that, in the opinion of Canada

   (a) is in accordance with the Contract; and

   (b) was not included in any other progress report relating to the Contract.

4) Subject to GC5.2, and paragraph 6) of GC5.4, Canada shall pay the Contractor an amount that is equal to 90 percent of the value that is indicated in Canada's progress report.

5) Canada shall pay the amount referred to in paragraph 4) of GC5.4 not later than

   (a) 30 days after receipt by Canada of both a progress claim and a statutory declaration referred to in paragraph 2) of GC5.4; or

   (b) 15 days after receipt by Canada of the Contractor's progress schedule or updated progress schedule, in accordance with GC3.1, "Progress Schedule", whichever is later.

6) In the case of the Contractor's first progress claim, it is a condition precedent to Canada's obligation under paragraph 4 of GC5.4 that the Contractor has provided all necessary documentation required by the Contract for the first progress claim.

7) Where the duration of the Work is equal to or less than thirty (30) days, the Contractor shall, following the issuance of a Certificate of Completion in accordance with GC5.6, "Final Completion", receive a single payment as full consideration for the Work performed.

GC5.5 (2008-05-12) Substantial Performance of the Work

1) If, at any time before the issuance of a Certificate of Completion, Canada determines that the Work has reached Substantial Performance as described in subparagraph 1) (b) of GC1.1.4, "Substantial Performance", Canada may issue a Certificate of Substantial Performance to the Contractor. The Certificate of Substantial Performance shall state or describe

(a) the date of Substantial Performance;

(b) the parts of the Work not completed to the satisfaction of Canada; and

(c) all things that must be done by the Contractor before a Certificate of Completion is issued and before the 12-month warranty period referred to in GC3.13, "Warranty and Rectification of Defects in Work", commences for the said parts and all the said things.

2) The issuance of a Certificate of Substantial Performance does not relieve the Contractor from the Contractor's obligations under GC3.11, "Defective Work".

3) Subject to GC5.2, "Amount Payable" and paragraph 4) of GC5.5, Canada shall pay the Contractor the amount referred to in paragraph 1) of GC5.2, "Amount Payable", less the aggregate of

(a) the sum of all payments that were made pursuant to GC5.4, "Progress Payment";

(b) an amount that is equal to Canada's estimate of the cost to Canada of rectifying defects described in the Certificate of Substantial Performance; and

(c) an amount that is equal to Canada's estimate of the cost to Canada of completing the parts of the Work described in the Certificate of Substantial Performance other than defects listed therein.

4) Canada shall pay the amount referred to in paragraph 3) of GC5.5 not later than

(a) 30 days after the date of issue of a Certificate of Substantial Performance, or

(b) 15 days after the Contractor has delivered to Canada

(i) a statutory declaration containing a declaration by the Contractor that up to the date of the Certificate of Substantial Performance, the Contractor has complied with all lawful obligations with respect to the Labour Conditions, discharged all its lawful obligations to its Subcontractors and Suppliers in respect of the work under the Contract, and discharged its lawful obligations referred to in GC1.8, "Laws, Permits and Taxes";

(ii) evidence of compliance with workers' compensation legislation in accordance with GC1.9, "Workers' Compensation"; and

(iii) an update of the progress schedule in accordance with the requirements of GC3.1, "Progress Schedule"; whichever is later.

GC5.6 (2008-05-12) Final Completion

1) When Canada is of the opinion that the Contractor has complied with the Contract and all orders and directions made pursuant thereto, and that the Work has been completed as described in GC1.1.5, "Completion", Canada shall issue a Certificate of Completion to the Contractor and, if the Work or a portion of the Work is subject to a Unit Price Arrangement, Canada shall issue a Certificate of Measurement that shall, subject to GC8, be binding upon and conclusive between Canada and the Contractor as to the quantities referred to therein.

2) Subject to GC5.2, "Amount Payable", and paragraph 3) of GC5.6, Canada shall pay the Contractor the amount referred to in GC5.2, "Amount Payable", less the aggregate of the sum of all payments that were made pursuant to GC5.4, "Progress Payment", and GC5.5, "Substantial

Performance of Work".

3) Canada shall pay the amount referred to in paragraph 2) of GC5.6 not later than

(a) 30 days after the date of issue of a Certificate of Completion; or

(b) 15 days after the Contractor has delivered to Canada

(i) a statutory declaration which contains a declaration by the Contractor that all of the Contractor's lawful obligations and any lawful claims against the Contractor that arose out of the performance of the Contract have been discharged and satisfied; and

(ii) evidence of compliance with workers' compensation legislation in accordance with GC1.9, "Workers' Compensation";
whichever is later.

GC5.7 (2008-05-12) Payment not Binding on Canada

1) Neither acceptance of a progress claim or progress report, nor any payment made by Canada under the Contract, nor partial or entire use or occupancy of the Work by Canada shall constitute an acceptance by Canada of any portion of the Work or Material that is not in accordance with the requirements of the Contract.

GC5.8 (2008-05-12) Claims and Obligations

1) The Contractor shall discharge all the Contractor's lawful obligations and shall satisfy all lawful claims against the Contractor arising out of the performance of the Work at least as often as the Contract requires Canada to pay the Contractor.

2) Whenever requested to do so by Canada, the Contractor shall make a statutory declaration declaring to the existence and condition of any obligations and claims against the Contractor arising out of the performance of the Work.

3) In order to discharge lawful obligations of and satisfy lawful claims against the Contractor or its Subcontractors arising out of the performance of the Contract, Canada may pay an amount that is due and payable to the Contractor directly to the claimant. Such payment is, to the extent of the payment, a discharge of Canada's liability to the Contractor under the Contract and may be deducted from any amount payable to the Contractor under the Contract.

4) For the purposes of paragraph 3) of GC5.8, and subject to paragraph 6) of GC5.8, a claim or obligation shall be considered lawful when it is so determined by

(a) a court of legal jurisdiction;

(b) an arbitrator duly appointed to arbitrate the claim; or

(c) the written consent of the Contractor authorizing payment of the claim or obligation.

5) If a claim or obligation would have been subject to the provisions of Provincial or Territorial lien legislation or, in the Province of Quebec, the law relating to legal hypothecs had the Contractor been performing the Work for an entity other than Canada

(a) such amount as may be paid by Canada pursuant to paragraphs 3) and 4) of GC5.8 shall not exceed the amount that the Contractor would have been obliged to pay had the provisions of such legislation or law been applicable to the Work;

(b) a claimant need not comply with the provisions of such legislation, setting out the steps by way of notice, registration or otherwise as might have been necessary to preserve or perfect any claim for lien or privilege which the claimant might have had; and

(c) for the purposes of determining the entitlement of a claimant, the notice required by paragraph 8) of GC5.8 shall be deemed to replace the registration or provision of notice after the performance of work as required by any applicable legislation and no claim shall be deemed to have expired, become void or unenforceable by reason of the claimant not commencing any action within the time prescribed by such legislation.

6) The Contractor shall, at the request of any claimant, submit to binding arbitration those questions that need to be answered to establish the entitlement of the claimant to payment. The arbitration shall have as parties to it any Subcontractor or Supplier to whom the claimant supplied Material, performed work or rented equipment should such Subcontractor or Supplier wish to be adjoined, and Canada shall not be a party to such arbitration. Subject to any agreement between the Contractor and the claimant, the arbitration shall be conducted in accordance with the governing Provincial or Territorial legislation applicable to the site of the Work.

7) Paragraph 3) of GC5.8 shall apply only to claims and obligations

(a) the notification of which has set forth the amount claimed to be owing and the person who by contract is primarily liable and has been received by Canada in writing before final payment is made to the Contractor pursuant to GC5.6, "Final Completion", and within 120 days of the date on which the claimant

(i) should have been paid in full under the claimant's contract with the Contractor, its Subcontractor or Supplier if the claim is for money that was lawfully required to be held back from the claimant; or

(ii) performed the last of the services, work or labour, or furnished the last of the Material pursuant to the claimant's contract with the Contractor or its Subcontractor or Supplier where the claim is for money not lawfully required to be held back from the claimant; and

(b) the proceedings to determine the right to payment of which, pursuant to paragraph 5 of GC5.8, shall have commenced within one year from the date that the notification required by subparagraph 7)(a) of GC5.8 was received by Canada.

8) Upon receipt of a notice of claim, Canada may withhold, from any amount that is due and payable to the Contractor pursuant to the Contract, the full amount of the claim or any portion thereof.

9) Canada shall notify the Contractor in writing in a timely manner of receipt of any claim and of the intention of Canada to withhold funds. At any time thereafter and until payment is made to the claimant, the Contractor may be entitled to post, with Canada, security in a form acceptable to Canada in an amount equal to the value of the claim, and upon receipt of such security Canada shall release to the Contractor any funds that would be otherwise payable to the Contractor, that were withheld pursuant to the provisions of this clause in respect of the claim of any claimant for whom the security stands.

GC5.9 (2008-05-12) Right of Setoff

1) Without limiting any right of setoff or deduction given or implied by law or elsewhere in the Contract, Canada may set off any amount payable to Canada by the Contractor under the Contract, or under any current contract, against any amount payable to the Contractor under the Contract.

2) For the purposes of paragraph 1) of GC5.9, "current contract" means a contract between Canada and the Contractor

(a) under which the Contractor has an undischarged obligation to perform or supply work, labour or material; or

(b) in respect of which Canada has, since the date of the Contract, exercised any right to take the work that is the subject of that contract out of the Contractor's hands.

GC5.10 (2007-05-25) Assessments and Damages for Late Completion

1) For the purposes of this clause

(a) the Work shall be deemed to be completed on the date of the Certificate of Completion; and

(b) the "period of delay" means the number of days commencing on the day fixed for completion of the Work and ending on the day immediately preceding the day on which the Work is completed but does not include any day within a period of extension granted pursuant to GC6.5, "Delays and Extension of Time", and any other day on which, in the opinion of Canada, completion of the Work was delayed for reasons beyond the control of the Contractor.

2) If the Contractor does not complete the Work by the day fixed for its completion but completes it thereafter, the Contractor shall pay Canada an amount equal to the aggregate of

(a) all salaries, wages and travelling expenses incurred by Canada in respect of persons overseeing the performance of the Work during the period of delay;

(b) the cost incurred by Canada as a result of the inability to use the completed Work for the period of delay; and

(c) all other expenses and damages incurred or sustained by Canada during the period of delay as a result of the Work not being completed by the day fixed for its completion.

3) Canada may waive the right of Canada to the whole or any part of the amount payable by the Contractor pursuant to paragraph 2) of GC5.10 if, in the opinion of Canada, it is in the public interest to do so.

GC5.11 (2008-05-12) Delay in Making Payment

1) Notwithstanding GC1.5, "Time of the Essence", any delay by Canada in making any payment when it is due pursuant to GC5, "Terms of Payment", shall not be a breach of the Contract by Canada.

2) Subject to paragraph 3) of GC5.11, Canada shall pay to the Contractor simple interest at the Average Bank Rate plus 3 percent per annum on any amount that is overdue pursuant to paragraph 3) of GC5.1, "Interpretation", and the interest shall apply from and include the day such amount became overdue until the day prior to the date of payment.

3) Interest shall be paid without demand by the Contractor except that

(a) in respect of amounts that are less than 15 days overdue, no interest shall be paid in respect of payment made within such 15 days unless the Contractor so demands after such amounts have become due and payable; and

(b) interest shall not be payable or paid on overdue advance payments, if any.

GC5.12 (2008-05-12) Interest on Settled Claims

1) For the purposes of this clause, a claim means a disputed amount subject to negotiation between Canada and the Contractor under the Contract.

2) A claim is deemed to have been settled when an agreement in writing is signed by Canada and the Contractor setting out the amount of the claim to be paid by Canada and the items of work for which the said amount is to be paid.

3) A settled claim is deemed to be outstanding from the day immediately following the date the said claim would have been due and payable under the Contract had it not been disputed.

4) Canada shall pay to the Contractor simple interest on the amount of a settled claim at the Average Bank Rate plus 3 percent per annum from the date the settled claim was deemed to be outstanding until the day prior to the date of payment.

Remarks:

R2590D (2007/05/25) GC9 - Insurance

Public Works and Government Services Canada

1) Any insurance coverage that the Contractor may deem necessary for its own protection or to cover its obligations shall be at the Contractor's discretion and expense.

2) Any insurance secured is to the benefit and protection of the Contractor and shall not be deemed to release or diminish the Contractor's liability in any manner.

Remarks: This clause is used for solicitations with an estimated value of $100,000 or more.

R2710T (2010/01/11) General Instructions to Bidders

Public Works and Government Services Canada

GI01 Completion of Bid
GI02 Identity or Legal Capacity of the Bidder
GI03 Goods and Services Tax/Harmonized Sales Tax
GI04 Quebec Sales Tax
GI05 Capital Development and Redevelopment Charges
GI06 Registry and Pre-qualification of Floating Plant
GI07 Listing of Subcontractors and Suppliers
GI08 Bid Security Requirements
GI09 Submission of Bid
GI10 Revision of Bid

GI11 Acceptance of Bid
GI12 Bid Costs
GI13 Procurement Business Number
GI14 Compliance With Applicable Laws
GI15 Approval of Alternative Materials
GI16 Performance Evaluation

GI01 (2008-12-12) Completion of Bid

1) The bid shall be

   (a) submitted on the Bid and Acceptance Form provided through the Government Electronic Tendering Service (GETS) or on a clear and legible reproduced copy of such Bid and Acceptance Form that must be identical in content and format to the Bid and Acceptance Form provided through GETS;

   (b) based on the Bid Documents listed in the Special Instructions to Bidders;

   (c) correctly completed in all respects;

   (d) signed by a duly authorized representative of the Bidder; and

   (e) accompanied by

      (i) bid security as specified in GI08; and

      (ii) any other document or documents specified elsewhere in the solicitation where it is stipulated that said documents are to accompany the bid.

2) Subject to paragraph 6) of GI11, any alteration to the pre-printed or pre-typed sections of the Bid and Acceptance Form, or any condition or qualification placed upon the bid shall be cause for disqualification. Alterations, corrections, changes or erasures made to statements or figures entered on the Bid and Acceptance Form by the Bidder shall be initialed by the person or persons signing the bid. Initials shall be original(s). Alterations, corrections, changes or erasures that are not initialed shall be deemed void and without effect.

3) Unless otherwise noted elsewhere in the Bid Documents, facsimile copies of bids are not acceptable.

GI02 (2007-05-25) Identity or Legal Capacity of the Bidder

1) In order to confirm the authority of the person or persons signing the bid or to establish the legal capacity under which the Bidder proposes to enter into Contract, any Bidder who carries on business in other than its own personal name shall, if requested by Canada, provide satisfactory proof of

   (a) such signing authority; and

   (b) the legal capacity under which it carries on business;

   prior to contract award. Proof of signing authority may be in the form of a certified copy of a resolution naming the signatory(ies) that is (are) authorized to sign this bid on behalf of the corporation or partnership. Proof of legal capacity may be in the form of a copy of the articles of incorporation or the registration of the business name of a sole proprietor or partnership.

GI03 (2007-05-25) Goods and Services Tax / Harmonized Sales Tax

1) Bidders are not to include any amounts for the Goods and Services Tax (GST) or Harmonized Sales Tax (HST), whichever is applicable, and the GST/HST shall not be included when calculating the amount of any bid security or contract security that may be required. Any amount levied in respect of the GST/HST shall be billed as a separate item in a progress claim submitted by the Contractor, and shall be paid to the Contractor in addition to the amount approved by Canada for work performed under the Contract. The Contractor shall be required to remit the appropriate amount to the Canada Revenue Agency in accordance with the applicable legislation.

GI04 (2007-05-25) Quebec Sales Tax

1) The Federal Government is exempt from the Quebec Sales Tax (QST). Bidders shall not include in their prices any amount that is intended to cover the QST on goods and services performed in the execution of the Work except for such amounts for which an Input Tax Refund is not available. The successful Bidder should make arrangements directly with the Province of Quebec to recover any QST paid by it in performing the Work under the resulting Contract.

GI05 (2007-05-25) Capital Development and Redevelopment Charges

1) For the purposes of GC1.8, "Laws, Permits and Taxes", in the General Conditions of the Contract, only fees or charges directly related to the processing and issuing of building permits shall be included. The Bidder shall not include any monies in the bid amount for special municipal development, redevelopment or other fees or charges which a municipal authority may seek as a prerequisite to the issuance of building permits.

GI06 (2007-05-25) Registry and Pre-qualification of Floating Plant

1) Dredges or other floating plant to be used in the performance of the Work must be on Canadian registry. For dredges or other floating plant that are not of Canadian make or manufacture, the Bidder must obtain a certificate of qualification from Industry Canada as described in the Floating Plant Appendix of the Bid and Acceptance Form, and this certificate must accompany the bid. Plant so qualified by Industry Canada may be accepted on this project.

GI07 (2010-01-11) Listing of Subcontractors and Suppliers

1) Notwithstanding any list of Subcontractors that the Bidder may be required to submit as part of the bid, the Bidder shall, within 48 hours of receipt of a notice to do so, submit all information requested in the said notice including the names of Subcontractors and Suppliers for the part or parts of the Work listed. Failure to do so shall result in the disqualification of its bid.

GI08 (2010-01-11) Bid Security Requirements

1) The Bidder shall submit bid security with the bid in the form of a bid bond or a security deposit in an amount that is equal to not less than 10 percent of the bid amount. The maximum amount of bid security required with any bid is $2,000,000.

2) A bid bond (form PWGSC-TPSGC 504) shall be in an approved form, properly completed, with original signature(s) and issued by an approved company whose bonds are acceptable to Canada either at the time of solicitation closing or as identified in Treasury Board Appendix L, Acceptable Bonding Companies.

3) A security deposit shall be an original, properly completed, signed where required and be either

   (a) a bill of exchange, bank draft or money order payable to the Receiver General for Canada;

(b) bonds of, or unconditionally guaranteed as to principal and interest by, the Government of Canada; or

4) A bill of exchange, bank draft or money order referred to in subparagraph 3)(a) of GI08 shall be certified by or drawn on

(a) a corporation or institution that is a member of the Canadian Payments Association;

(b) a corporation that accepts public deposits and repayment of the deposits is unconditionally guaranteed by Her Majesty in right of a province;

(c) a corporation that accepts deposits that are insured by the Canada Deposit Insurance Corporation or the "Régie de l'assurance-dépôts du Québec" to the maximum permitted by law;

(d) a corporation, association or federation incorporated or organized as a credit union or co-operative credit society that conforms to the requirements of a credit union which are more particularly described in paragraph 137(6)(b) of the *Income Tax Act*; or

(e) Canada Post Corporation.

5) If a bill of exchange, bank draft or money order is drawn on an institution or corporation other than a chartered bank it must be accompanied by proof that the said institution or corporation meets at least one of the criteria described in paragraph 4) of GI08, either by letter or by a stamped certification on the bill of exchange, bank draft, or money order.

6) For the purposes of this section a bill of exchange is an unconditional order in writing signed by the Bidder and addressed to an approved financial institution, requiring the said institution to pay, on demand, at a fixed or determinable time, a sum certain of money to, or to the order of, the Receiver General for Canada.

7) Bonds referred to in subparagraph 3)(b) of GI08 shall be provided on the basis of their market value current at the date of solicitation closing, and shall be

(a) payable to bearer;

(b) accompanied by a duly executed instrument of transfer of the bonds to the Receiver General for Canada in the form prescribed by the Domestic Bonds of Canada Regulations; or

(c) registered as to principal or as to principal and interest in the name of the Receiver General for Canada pursuant to the Domestic Bonds of Canada Regulations.

8) As an alternative to a security deposit an irrevocable standby letter of credit is acceptable to Canada and the amount shall be determined in the same manner as a security deposit referred to above.

9) An irrevocable standby letter of credit referred to in paragraph 8) of GI08 shall

(a) be an arrangement, however named or described, whereby a financial institution (the "Issuer") acting at the request and on the instructions of a customer (the "Applicant") or on its own behalf,

(i) is to make a payment to, or to the order of, the Receiver General for Canada as the beneficiary;

(ii) is to accept and pay bills of exchange drawn by the Receiver General for Canada;

(iii) authorizes another financial institution to effect such payment or accept and pay such bills of exchange; or

(iv) authorizes another financial institution to negotiate against written demand(s) for payment provided that the terms and conditions of the letter of credit are complied with;

(b) state the face amount which may be drawn against it;

(c) state its expiry date;

(d) provide for sight payment to the Receiver General for Canada by way of the financial institution's draft against presentation of a written demand for payment signed by the Departmental Representative identified in the letter of credit by his/her office;

(e) provide that more than one written demand for payment may be presented subject to the sum of those demands not exceeding the face value of the letter of credit;

(f) provide that it is subject to the International Chamber of Commerce (ICC) Uniform Customs and Practice for Documentary Credits, 2007 Revision, ICC Publication No. 600;

(g) clearly specify that it is irrevocable or deemed to be irrevocable pursuant to article 6 c) of the ICC Uniform Customs and Practice for Documentary Credits, 2007 Revision, ICC Publication No. 600; and

(h) be issued or confirmed, in either official language, by a financial institution which is a member of the Canadian Payments Association and is on the letterhead of the Issuer or Confirmer. The format is left to the discretion of the Issuer or Confirmer.

10) Bid security shall lapse or be returned as soon as practical following

(a) the solicitation closing date, for those Bidders submitting non-compliant bids; and

(b) the administrative bid review, for those Bidders submitting compliant bids ranked fourth to last on the schedule of bids; and

(c) the award of contract, for those Bidders submitting the second and third ranked bids; and

(d) the receipt of contract security, for the successful Bidder; or

(e) the cancellation of the solicitation, for all Bidders.

11) Notwithstanding the provisions of paragraph 10) of GI08 and provided more than three compliant bids have been received, if one or more of the bids ranked third to first is withdrawn or rejected for whatever reason then Canada reserves the right to hold the security of the next highest ranked compliant bid in order to retain the bid security of at least three valid and compliant bids.

GI09 (2008-12-12) Submission of Bid

1) The Bid and Acceptance Form, duly completed, and the bid security shall be enclosed and sealed in an envelope provided by the Bidder, and shall be addressed and submitted to the office designated on the Front Page "Invitation to Tender" for the receipt of bids. The bid must be

received on or before the date and time set for solicitation closing.

2) Unless otherwise specified in the Special Instructions to Bidders

(a) the bid shall be in Canadian currency;
(b) exchange rate fluctuation protection is not offered; and
(c) any request for exchange rate fluctuation protection shall not be considered.

3) Prior to submitting the bid, the Bidder shall ensure that the following information is clearly printed or typed on the face of the bid envelope:

(a) Solicitation Number;
(b) Name of Bidder;
(c) Return address; and
(d) Closing Date and Time.

4) Timely and correct delivery of bids is the sole responsibility of the Bidder.

GI10 (2010-01-11) Revision of Bid

1) A bid submitted in accordance with these instructions may be revised by letter or facsimile provided the revision is received at the office designated for the receipt of bids, on or before the date and time set for the closing of the solicitation. The letter or facsimile shall be on the Bidder's letterhead or bear a signature that identifies the Bidder.

2) A revision to a bid that includes unit prices must clearly identify the change(s) in the unit price(s) and the specific item(s) to which each change applies.

3) A letter or facsimile submitted to confirm an earlier revision shall be clearly identified as a confirmation.

4) Failure to comply with any of the above provisions shall result in the rejection of the non-compliant revision(s) only. The bid shall be evaluated based on the original bid submitted and all other compliant revision(s).

GI11 (2008-05-12) Acceptance of Bid

1) Canada may accept any bid, whether it is the lowest or not, or may reject any or all bids.

2) Without limiting the generality of paragraph 1) of GI11, Canada may reject a bid if any of the following circumstances is present:

(a) the Bidder, or any employee or subcontractor included as part of the bid, has been convicted under section 121 ("*Frauds on the government*" & "*Contractor subscribing to election fund*"), 124 "*Selling or purchasing office*"), 380 ("*Fraud committed against Her Majesty*") or 418 ("*Selling defective stores to Her Majesty*") of the Criminal Code of Canada, or under paragraph 80(1)(d) ("*False entry, certificate or return*"), subsection 80(2) ("*Fraud against Her Majesty*") or Section 154.01 ("*Fraud against Her Majesty*") of the *Financial Administration Act*;

(b) the Bidder's bidding privileges are suspended or are in the process of being suspended;

(c) the bidding privileges of any employee or subcontractor included as part of the bid are suspended or are in the process of being suspended, which suspension or pending suspension would render that employee or subcontractor ineligible to bid on the Work, or the portion of the Work the employee or subcontractor is to perform;

(d) with respect to current or prior transactions with Canada

(i) the Bidder is bankrupt or if, for whatever reason, its activities are rendered inoperable for an extended period;

(ii) evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to the Bidder, any of its employees or any subcontractor included as part of its bid;

(iii) Canada has exercised, or intends to exercise, the contractual remedy of taking the work out of the contractor's hands with respect to a contract with the Bidder, any of its employees or any subcontractor included as part of its bid; or

(iv) Canada determines that the Bidder's performance on other contracts is sufficiently poor to jeopardize the successful completion of the requirement being bid on.

3) In assessing the Bidder's performance on other contracts pursuant to subparagraph 2)(d)(iv)of GI11, Canada may consider, but not be limited to, such matters as:

(a) the quality of workmanship in performing the Work;

(b) the timeliness of completion of the Work;

(c) the overall management of the Work and its effect on the level of effort demanded of the department and its representative; and

(d) the completeness and effectiveness of the Contractor's safety program during the performance of the Work.

4) Without limiting the generality of paragraphs 1), 2) and 3) of GI11, Canada may reject any bid based on an unfavourable assessment of the

(a) adequacy of the bid price to permit the work to be carried out and, in the case of a bid providing prices per unit, whether each such price reasonably reflects the cost of performing the part of the work to which that price applies;

(b) Bidder's ability to provide the necessary management structure, skilled personnel, experience and equipment to perform competently the work under the Contract; and

(c) Bidder's performance on other contracts.

5) If Canada intends to reject a bid pursuant to a provision of paragraphs 1), 2), 3) or 4) of GI11, other than subparagraph 2)(b) of GI11, Canada shall so inform the Bidder and provide the Bidder ten (10) days within which to make representations, prior to making a final decision on the bid rejection.

6) Canada may waive informalities and minor irregularities in bids received if Canada determines that the variation of the bid from the exact requirements set out in the Bid Documents can be corrected or waived without being prejudicial to other Bidders.

GI12 (2010-01-11) Bid Costs

1) No payment will be made for costs incurred in the preparation and submission of a bid in

response to the bid solicitation. Costs associated with preparing and submitting a bid, as well as any costs incurred by the Bidder associated with the evaluation of the bid, are the sole responsibility of the Bidder.

GI13 (2010-01-11) Procurement Business Number

1) Canadian Bidders are required to have a Procurement Business Number (PBN) before Contract award. Bidders may register for a PBN in the Supplier Registration Information service on line at the Business Access Canada Web site. For non-Internet registration, Bidders may contact the Business Access Canada InfoLine at 1-800-811-1148 to obtain the telephone number of the nearest Supplier Registration Agent.

GI14 (2007-05-25) Compliance with Applicable Laws

1) By submission of a bid, the Bidder certifies that the Bidder has the legal capacity to enter into a contract and is in possession of all valid licences, permits, registrations, certificates, declarations, filings, or other authorizations necessary to comply with all federal, provincial and municipal laws and regulations applicable to the submission of the bid and entry into any ensuing contract for the performance of the work.

2) For the purpose of validating the certification in paragraph 1) of GI14, a Bidder shall, if requested, provide a copy of every valid licence, permit, registration, certificate, declaration, filing or other authorization listed in the request, and shall provide such documentation within the time limit(s) set out in the said request.

3) Failure to comply with the requirements of paragraph 2) of GI14 shall result in disqualification of the bid.

GI15 (2007-05-25) Approval of Alternative Materials

1) When materials are specified by trade names or trademarks, or by manufacturers' or suppliers' names, the bid shall be based on use of the named materials. During the solicitation period, alternative materials may be considered provided full technical data is received in writing by the Contracting Officer at least ten (10) calendar days prior to the solicitation closing date. If the alternative materials are approved for the purposes of the bid, an addendum to the bid documents shall be issued.

GI16 (2010-01-11) Performance Evaluation

1) Bidders shall take note that the performance of the Contractor during and upon completion of the work shall be evaluated by Canada. The evaluation shall be based on the quality of workmanship; timeliness of completion of the work; project management, contract management and management of health and safety. Should the Contractor's performance be considered unsatisfactory, the Contractor's bidding privileges on future work may be suspended indefinitely.

2) The form PWGSC-TPSGC 2913, SELECT - Contractor Performance Evaluation Report Form, is used to record the performance.

Remarks:

R2810D (2010/01/11) GC1 - General Provisions

Public Works and Government Services Canada

GC1.1 Interpretation
- GC1.1.1 Headings and References
- GC1.1.2 Terminology
- GC1.1.3 Application of Certain Provisions
- GC1.1.4 Substantial Performance
- GC1.1.5 Completion

GC1.2 Contract Documents
- GC1.2.1 General
- GC1.2.2 Order of Precedence
- GC1.2.3 Security and Protection of Documents and Work

GC1.3 Status of the Contractor
GC1.4 Rights and Remedies
GC1.5 Time of the Essence
GC1.6 Indemnification by the Contractor
GC1.7 Indemnification by Canada
GC1.8 Laws, Permits and Taxes
GC1.9 Workers' Compensation
GC1.10 National Security
GC1.11 Unsuitable Workers
GC1.12 Public Ceremonies and Signs
GC1.13 Conflict of Interest
GC1.14 Agreements and Amendments
GC1.15 Succession
GC1.16 Assignment
GC1.17 No Bribe
GC1.18 Certification - Contingency Fees
GC1.19 International Sanctions

GC1.1 (2008-05-12) Interpretation

GC1.1.1 Headings and References

1) The headings in the contract documents, other than those in the drawings and specifications, form no part of the Contract but are inserted for convenience of reference only.

2) A reference made to a part of the Contract by means of numbers preceded by letters is a reference to the particular part of the Contract that is identified by that combination of letters and numbers and to any other part of the Contract referred to therein.

3) A reference to a paragraph or subparagraph followed by an identifying number, letter or combination thereof is, unless specifically stated otherwise, a reference to the paragraph or subparagraph that forms part of the clause within which the reference is made.

GC1.1.2 Terminology

1) In the Contract,

"Canada", "Crown", "Her Majesty" means Her Majesty the Queen in right of Canada;

"Contract" means the contract documents referred to as such therein and every other document specified or referred to in any of them as forming part of the Contract, all as amended by agreement of the parties;

"Contract Amount" means the amount set out in the Contract to be payable to the Contractor for the Work, subject to the terms and conditions of the Contract;

"Contract Security" means any security given by the Contractor to Canada in accordance with the Contract;

"Contractor" means the person contracting with Canada to provide or furnish all labour, Material and Plant for the execution of the Work under the Contract, and includes the Contractor's superintendent as designated in writing to Canada.

"Certificate of Completion" means a certificate issued by Canada when the Work reaches Completion;

"Certificate of Measurement" means a certificate issued by Canada certifying the correctness of the final quantities, prices per unit and values of labour, Plant and Material performed, used and supplied by the Contractor for the construction of the part of the Work to which a Unit Price Arrangement applies;

"Certificate of Substantial Performance" means a certificate issued by Canada when the Work reaches Substantial Performance;

"Departmental Representative" means the person designated in the Contract, or by written notice to the Contractor, to act as the Departmental Representative for the purposes of the Contract, and includes a person, designated and authorized in writing by the Departmental Representative to the Contractor;

"herein", "hereby", "hereof", "hereunder" and similar expressions refer to the Contract as a whole and not to any particular section or part thereof;

"Lump Sum Arrangement" means that part of the Contract that prescribes a lump sum as payment for performance of the Work to which it relates;

"Material" includes all commodities, articles, machinery, equipment, fixtures and things required to be furnished in accordance with the Contract for incorporation into the Work;

"person" also includes, unless there is an express stipulation in the Contract to the contrary, any partnership, proprietorship, firm, joint venture, consortium or corporation;

"Plant" includes all tools, implements, machinery, vehicles, structures, equipment, articles and things that are necessary for the performance of the Contract, other than Material and those tools customarily provided by a tradesperson in practicing a trade;

"Subcontractor" means a person having a direct contract with the Contractor, subject to GC3.6 "Subcontracting", to perform a part or parts of the Work, or to supply Material customized for the Work;

"Superintendent" means the employee or representative of the Contractor designated by the Contractor to act pursuant to GC2.6, "Superintendent";

"Supplementary Conditions" means the part of the Contract that amends or supplements the General Conditions;

"Supplier" means a person having a direct contract with the Contractor to supply Plant or Material not customized for the Work;

"Unit Price Arrangement" means that part of the Contract that prescribes the product of a price per unit of measurement multiplied by a number of units of measurement for performance of the Work to which it relates;

"Unit Price Table" means the table of prices per unit set out in the Contract;

"Work" means, subject only to any express stipulation in the Contract to the contrary, everything that is necessary to be done, furnished or delivered by the Contractor to perform the Contract in accordance with the contract documents; and

"Working Day" means a day other than a Saturday, Sunday, or a statutory holiday that is observed by the construction industry in the area of the place of the Work.

GC1.1.3 Application of Certain Provisions

1) Any provisions of the Contract that are expressly stipulated to be applicable only to a Unit Price Arrangement are not applicable to any part of the Work to which a Lump Sum Arrangement applies.

2) Any provisions of the Contract that are expressly stipulated to be applicable only to a Lump Sum Arrangement are not applicable to any part of the Work to which a Unit Price Arrangement applies.

GC1.1.4 Substantial Performance

1) The Work shall be considered to have reached Substantial Performance when

   (a) the Work or a substantial part thereof has passed inspection and testing and is, in the opinion of Canada, ready for use by Canada or is being used for the intended purposes; and

   (b) the Work is, in the opinion of Canada, capable of completion or correction at a cost of not more than

      (i) 3 percent of the first $500,000;

      (ii) 2 percent of the next $500,000; and

      (iii) 1 percent of the balance

      of the Contract Amount at the time this cost is calculated.

2) Where the Work or a substantial part thereof is ready for use or is being used for the purposes intended and

   (a) the remainder of the Work or a part thereof cannot be completed by the time specified in the Contract, or as amended in accordance with GC6.5, "Delays and Extension of Time", for reasons beyond the control of the Contractor; or

   (b) Canada and the Contractor agree not to complete a part of the Work within the specified time;

   the cost of that part of the Work that was either beyond the control of the Contractor to complete or Canada and the Contractor have agreed not to complete by the time specified, shall be deducted from the value of the Contract referred to in subparagraph 1)(b) of GC1.1.4 and the said cost shall not form part of the cost of the Work remaining to be done in determining Substantial Performance.

GC1.1.5 Completion

1) The Work shall be deemed to have reached Completion when all labour, Plant and Material

required have been performed, used or supplied, and the Contractor has complied with the Contract and all orders and directions made pursuant thereto, all to the satisfaction of Canada.

GC1.2 (2008-05-12) Contract Documents

GC1.2.1 General

1) The contract documents are complementary, and what is required by any one shall be as binding as if required by all.

2) References in the contract documents to the singular shall be considered to include the plural as the context requires.

3) Nothing contained in the contract documents shall create a contractual relationship between Canada and any Subcontractor or Supplier, their subcontractors or suppliers, or their agents or employees.

GC1.2.2 Order of Precedence

1) In the event of any discrepancy or conflict in the contents of the following documents, such documents shall take precedence and govern in the following order:

   (a) any amendment or variation of the contract documents that is made in accordance with the General Conditions;

   (b) any amendment issued prior to tender closing;

   (c) Supplementary Conditions;

   (d) General Conditions;

   (e) the duly completed Bid and Acceptance Form when accepted;

   (f) drawings and specifications.

   later dates shall govern within each of the above categories of documents.

2) In the event of any discrepancy or conflict in the information contained in the drawings and specifications, the following rules shall apply:

   (a) specifications shall govern over drawings;

   (b) dimensions shown in figures on a drawings shall govern where they differ from dimensions scaled from the same drawings; and

   (c) drawings of larger scale govern over those of smaller scale.

GC1.2.3 Security and Protection of Documents and Work

1) The Contractor shall guard and protect contract documents, drawings, information, models and copies thereof, whether supplied by Canada or the Contractor, against loss or damage from any cause.

2) The Contractor shall keep confidential all information provided to the Contractor by or on behalf of Canada in connection with the Work, and all information developed by the Contractor as part of the Work, and shall not disclose any such information to any person without the written

permission of Canada, except that the Contractor may disclose to a subcontractor, authorized in accordance with the Contract, information necessary to the performance of a subcontract. This section does not apply to any information that

(a) is publicly available from a source other than the Contractor; or

(b) is or becomes known to the Contractor from a source other than Canada, except any source that is known to the Contractor to be under an obligation to Canada not to disclose the information.

3) When the Contract, the Work, or any information referred to in paragraph 2) is identified as TOP SECRET, SECRET, CONFIDENTIAL or PROTECTED by Canada, the Contractor shall, at all times, take all measures reasonably necessary for the safeguarding of the material so identified, including such measures as may be further specified elsewhere in the Contract or provided, in writing, from time to time by Canada.

4) Without limiting the generality of paragraphs 2) and 3) of GC1.2.3, when the Contract, the Work, or any information referred to in paragraph 2) is identified as TOP SECRET, SECRET, CONFIDENTIAL or PROTECTED by Canada, Canada shall be entitled to inspect the Contractor's premises and the premises of its subcontractors or suppliers and any other person at any tier, for security purposes at any time during the term of the Contract, and the Contractor shall comply with, and ensure that any such subcontractors or suppliers comply with all written instructions issued by Canada dealing with the material so identified, including any requirement that employees of the Contractor and its subcontractors and suppliers and any other person at any tier execute and deliver declarations relating to reliability screenings, security clearances and other procedures.

5) The Contractor shall safeguard the Work and the Contract, the specifications, drawings and any other information provided by Canada to the Contractor, and shall be liable to Canada for any loss or damage from any causes.

GC1.3 (2008-05-12) Status of the Contractor

1) The Contractor is engaged under the Contract as an independent contractor.

2) The Contractor, its subcontractors and suppliers and any other person at any tier and their employees are not engaged by the Contract as employees, servants or agents of Canada.

3) For the purposes of the contract the Contractor shall be solely responsible for any and all payments and deductions required to be made by law including those required for Canada or Quebec Pension Plans, Employment Insurance, Worker's Compensation, provincial health or insurance plans, and Income Tax.

GC1.4 (2008-05-12) Rights and Remedies

1) Except as expressly provided in the Contract, the duties and obligations imposed by the Contract and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law.

GC1.5 (2008-05-12) Time of the Essence

1) Time is of the essence of the Contract.

GC1.6 (2008-05-12) Indemnification by the Contractor

1) The Contractor shall pay all royalties and patent fees required for the performance of the Contract

and, at the Contractor's expense, shall defend all claims, actions or proceedings against Canada charging or claiming that the Work or any part thereof provided or furnished by the Contractor to Canada infringes any patent, industrial design, copyright trademark, trade secret or other proprietary right enforceable in Canada.

2) The Contractor shall indemnify and save Canada harmless from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings by any third party, brought or prosecuted and in any manner based upon, arising out of, related to, occasioned by, or attributable to the activities of the Contractor, its subcontractors and suppliers and any other person at any tier, in performing the Work.

3) For the purposes of paragraph 2) of GC1.6, "activities" means any act improperly carried out, any omission to carry out an act and any delay in carrying out an act.

GC1.7 (2008-05-12) Indemnification by Canada

1) Subject to the Crown Liability and Proceedings Act, the Patent Act, and any other law that affects Canada's rights, powers, privileges or obligations, Canada shall indemnify and save the Contractor harmless from and against all claims, demands, losses, costs, damage, actions, suits or proceedings arising out of the Contractor's activities under the Contract that are directly attributable to

   (a) a lack of or a defect in Canada's title to the Work site if owned by Canada, whether real or alleged; or

   (b) an infringement or an alleged infringement by the Contractor of any patent of invention or any other kind of intellectual property occurring while the Contractor was performing any act for the purposes of the Contract employing a model, plan or design or any other thing related to the Work that was supplied by Canada to the Contractor.

GC1.8 (2008-05-12) Laws, Permits and Taxes

1) The Contractor shall comply with all federal, provincial and municipal laws and regulations applicable to the performance of the Work or any part thereof including, without limitation, all laws concerning health and labour conditions and the protection of the environment, and shall require compliance therewith by all of its subcontractors and suppliers at any tier as if the Work were being performed for an owner other than Canada. The Contractor shall furnish evidence of compliance with such laws and regulations to Canada at such times as Canada may reasonably request.

2) Unless stipulated otherwise in the Contract, the Contractor shall obtain and maintain all permits, certificates, licences, registrations and authorizations required for the lawful performance of the Work.

3) Prior to the commencement of the Work at the site, the Contractor shall tender to a municipal authority an amount equal to all fees and charges that would be lawfully payable to that municipal authority in respect of building permits as if the Work were being performed for an owner other than Canada.

4) Within 10 days of making a tender pursuant to paragraph 3) of GC1.8, the Contractor shall notify Canada of the amount properly tendered and whether or not the municipal authority has accepted that amount.

5) If the municipal authority has not accepted the amount tendered, the Contractor shall pay that amount to Canada within 6 days after the time stipulated in paragraph 4) of GC1.8.

6) For the purposes of this clause, "municipal authority" means any authority that would have jurisdiction respecting permission to perform the Work if the owner were not Canada.

7) Notwithstanding the residency of the Contractor, the Contractor shall pay any applicable tax arising from or related to the performance of the Work under the Contract.

8) In accordance with the Statutory Declaration referred to in paragraph 4) of GC5.5, "Substantial Performance of the Work", a Contractor who has neither residence nor place of business in the province or territory in which work under the Contract is being performed shall provide Canada with proof of registration with the provincial sales tax authorities in the said province.

9) For the purpose of the payment of any applicable tax or the furnishing of security for the payment of any applicable tax arising from or related to the performance of the Work, and notwithstanding the provision that all Material, Plant and interest of the Contractor in all real property, licences, powers and privileges, become the property of Canada after the time of purchase in accordance with GC3.10, "Material Plant and Real Property Become Property of Canada", the Contractor shall be liable, as a user or consumer, for the payment or for the furnishing of security for the payment of any applicable tax payable, at the time of the use or consumption of that Material, Plant or interest of the Contractor in accordance with the relevant legislation.

GC1.9 (2010-01-11) Workers' Compensation

1) Prior to commencement of Work, at the time of Substantial Performance of the Work, and prior to issuance of the Certificate of Completion, the Contractor shall provide evidence of compliance with workers' compensation legislation applicable to the place of the Work, including payments due thereunder.

2) At any time during the term of the Contract, when requested by Canada, the Contractor shall provide such evidence of compliance by the Contractor, its subcontractors and any other person at any tier and any other person performing part of the Work who is required to comply with such legislation.

GC1.10 (2008-05-12) National Security

1) If Canada determines that the Work is of a class or kind that involves national security, Canada may order the Contractor to

   (a) provide Canada with any information concerning persons employed or to be employed by the Contractor for purposes of the Contract; and

   (b) remove any person from the site of the Work if, in the opinion of Canada, that person may be a risk to the national security;

   and the Contractor shall comply with the order.

2) In all contracts with persons who are to be employed in the performance of the Contract, the Contractor shall make provision for the performance of any obligation that may be imposed upon the Contractor under paragraph 1) of GC1.10.

GC1.11 (2008-05-12) Unsuitable Workers

1) Canada shall instruct the Contractor to remove from the site of the Work any person employed by the Contractor for purposes of the Contract who, in the opinion of Canada, is incompetent or is guilty of improper conduct, and the Contractor shall not permit a person who has been removed to return to the site of the Work.

GC1.12 (2007-05-25) Public Ceremonies and Signs

1) The Contractor shall not permit any public ceremony in connection with the Work without the prior consent of Canada.

2) The Contractor shall not erect nor permit the erection of any sign or advertising on the Work or its site without the prior consent of Canada.

GC1.13 (2008-05-12) Conflict of Interest

1) It is a term of the Contract that no individual, for whom the post-employment provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders or the Values and Ethics Code for the Public Service apply, shall derive a direct benefit from the Contract unless that individual is in compliance with the applicable post-employment provisions.

GC1.14 (2008-05-12) Agreements and Amendments

1) The Contract constitutes the entire and sole agreement between the parties with respect to the subject matter of the Contract and supersedes all previous negotiations, communications and other agreements, whether written or oral, relating to it, unless they are incorporated by reference in the Contract. There are no terms, covenants, representations, statements or conditions binding on the parties other than those contained in the Contract.

2) The failure of either party at any time to require performance by the other party of any provision hereof shall not affect the right thereafter to enforce such provision. Nor shall the waiver by either party of any breach of any covenant, term or condition hereof be taken to be held to be a waiver of any further breach of the same covenant, term or condition.

3) The Contract may be amended only as provided for in the Contract.

GC1.15 (2008-05-12) Succession

1) The Contract shall inure to the benefit of and be binding upon the parties hereto and their lawful heirs, executors, administrators, successors and, subject to GC1.16, "Assignment", permitted assigns.

GC1.16 (2008-05-12) Assignment

1) The Contractor shall not make any assignment of the Contract, either in whole or in part, without the written consent of Canada.

GC1.17 (2008-05-12) No Bribe

1) The Contractor represents and covenants that no bribe, gift, benefit, nor other inducement has been nor shall be paid, given, promised or offered directly or indirectly to any official or employee of Canada or to a member of the family of such a person, with a view to influencing the entry into the Contract or the administration of the Contract.

GC1.18 (2008-05-12) Certification - Contingency Fees

1) In this clause

   (a) "contingency fee" means any payment or other compensation that is contingent upon or is calculated upon the basis of a degree of success in soliciting or obtaining a Government contract or negotiating the whole or any part of its terms;

(b) "employee" means a person with whom the Contractor has an employer/employee relationship; and

(c) "person" includes an individual or a group of individuals, a corporation, a partnership, an organization and an association and, without restricting the generality of the foregoing, includes any individual who is required to file a return with the registrar pursuant to section 5 of the *Lobbyists Registration Act*, R.S. 1985, c. 44 (4th Supplement) as the same may be amended from time to time.

2) The Contractor certifies that it has not directly or indirectly paid nor agreed to pay and covenants that it shall not directly or indirectly pay nor agree to pay a contingency fee for the solicitation, negotiation or obtaining of the Contract to any person other than an employee acting in the normal course of the employee's duties.

3) All accounts and records pertaining to payments of fees or other compensation for the solicitation, obtaining or negotiation of the Contract shall be subject to the accounts and audit provisions of the Contract.

4) If the Contractor certifies falsely under this section or is in default of the obligations contained therein, Canada may either take the Work out of the Contractor's hands in accordance with the provisions of the Contract or recover from the Contractor by way of reduction to the Contract Amount or otherwise, the full amount of the contingency fee.

GC1.19 (2010-01-11) International Sanctions

1) Persons and companies in Canada, and Canadians outside of Canada are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

2) It is a condition of the Contract that the Contractor not supply to the Government of Canada any goods or services which are subject to economic sanctions.

3) By law, the Contractor must comply with changes to the regulations imposed during the life of the Contract. During the performance of the Contract should the imposition of sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services cause an impossibility of performance for the Contractor, the Contractor may request that the Contract be terminated in accordance with GC7.3, "Termination of Contract".

Remarks:

R2820D (2008/12/12) GC2 - Administration of the Contract

Public Works and Government Services

GC2.1 Departmental Representative's Authority
GC2.2 Interpretation of Contract
GC2.3 Notices
GC2.4 Site Meetings
GC2.5 Review and Inspection of Work
GC2.6 Superintendent

GC2.7 Non-discrimination in Hiring and Employment of Labour
GC2.8 Accounts and Audits

GC2.1 (2008-05-12) Departmental Representative's Authority

1) Canada shall designate a Departmental Representative and shall notify the Contractor of the name, address and telephone number of the Departmental Representative.

2) The Departmental Representative shall perform Canada's duties and functions under the contract.

3) The Departmental Representative shall be authorized to issue notices, instructions and directions to the Contractor and to accept on behalf of Canada any notice, order or other communication from the contractor relating to the Work.

4) The Departmental Representative shall, within a reasonable time, review and respond to submissions made by the Contractor in accordance with the requirements of the Contract.

GC2.2 (2008-12-12) Interpretation of Contract

1) If, at any time before Canada has issued a Certificate of Completion, any question arises between the parties about whether anything has been done as required by the Contract or about what the Contractor is required by the Contract to do, and in particular but without limiting the generality of the foregoing, about

   (a) the meaning of anything in the drawings and specifications;

   (b) the meaning to be given to the drawings and specifications in case of any error therein, omission therefrom, or obscurity or discrepancy in their wording or intention;

   (c) whether or not the quality or quantity of any Material or workmanship supplied or proposed to be supplied by the Contractor meets the requirements of the Contract;

   (d) whether or not the labour, Plant or Material performed, used and supplied by the Contractor for performing the Work and carrying out the Contract are adequate to ensure that the Work shall be performed in accordance with the Contract and that the Contract shall be carried out in accordance with its terms;

   (e) what quantity of any of the Work has been completed by the Contractor; or

   (f) the timing and scheduling of the various phases of the performance of the Work as specified in the Contract;

   the question shall be decided, subject to the provisions of GC8, "Dispute Resolution", by Canada.

2) The Contractor shall perform the Work in accordance with any decisions of Canada that are made under paragraph 1) of GC2.2 and in accordance with any consequential directions given by Canada.

3) If the Contractor fails to comply with any instruction or direction issued by Canada pursuant to the Contract, Canada may employ such methods as Canada deems advisable to do what the Contractor failed to do, and the Contractor shall, on demand, pay Canada an amount that is equal to the aggregate of all costs, expenses and damages incurred or sustained by Canada by reason of the Contractor's failure to comply with such instruction or direction, including the cost of any methods employed by Canada in doing what the Contractor failed to do.

GC2.3 (2008-05-12) Notices

1) Subject to paragraph 3) of GC2.3, any notice, order or other communication may be given in any manner, and if required to be in writing, shall be addressed to the party to whom it is intended at the address in the Contract or at the last address of which the sender has received written notice in accordance with this section.

2) Any notice, order or other communication given in writing in accordance with paragraph 1 of GC2.3 shall be deemed to have been received by either party

   (a) if delivered personally, on the day that it was delivered;

   (b) if forwarded by mail, on the earlier of the day it was received or the sixth day after it was mailed; and

   (c) if forwarded by facsimile or electronic mail, 24 hours after it was transmitted.

3. A notice given under GC7.1, "Taking the Work out of the Contractor's Hands", GC7.2, "Suspension of Work" and GC7.3, "Termination of Contract", shall be given in writing and, if delivered personally, shall be delivered, if the Contractor is a sole proprietor, to the Contractor or, if the Contractor is a partnership or corporation, to an officer thereof.

GC2.4 (2008-05-12) Site Meetings

1) In consultation with Canada, the Contractor shall arrange site meetings at regular intervals, with all involved parties who are to attend, in order to ensure, among other things, the proper co-ordination of the Work.

GC2.5 (2008-05-12) Review and Inspection of Work

1) Canada shall review the Work to determine if it is proceeding in conformity with the Contract and to record the necessary data to make an assessment of the value of Work completed. Canada shall measure and record the quantities of labour, Plant and Material performed, used or supplied by the Contractor in performing the Work or any part thereof that is subject to a Unit Price Arrangement and, on request, shall inform the Contractor of those measurements, and permit the Contractor to inspect any records pertaining thereto.

2) Canada shall reject Work or Material which in Canada's opinion does not conform to the requirements of the Contract, and shall require inspection or testing of Work, whether or not such Work is fabricated, installed, or completed. If such Work is not in accordance with the requirements of the Contract, the Contractor shall correct the Work and shall pay Canada, on demand, all reasonable costs and expenses that were incurred by Canada in having the examination performed.

3) The Contractor shall provide Canada with access to the Work and its site at all times, and at all times shall provide sufficient, safe, and proper facilities for the review and inspection of the Work by persons authorized by Canada and any representatives of those authorities having jurisdiction. If parts of the Work are in preparation at locations other than the site of the Work, Canada shall be given access to such Work whenever it is in progress.

4) The Contractor shall furnish Canada with such information respecting the performance of the Contract as Canada may require, and render every possible assistance to enable Canada to verify that the Work is performed in accordance with the Contract, carry out any other duties and exercise any powers in accordance with the Contract.

5) If Work is designated for tests, inspections, or approvals in the Contract or by Canada's instructions, or by laws or ordinances of the place of the Work, the Contractor shall give Canada reasonable notice of when such Work shall be ready for review and inspection. The Contractor shall arrange for and shall give Canada reasonable notice of the date and time of inspections, tests or approvals.

6) If the Contractor covers, or permits to be covered, Work that has been designated for tests, inspections or approvals before such tests, inspections or approvals are made, completed or given, the Contractor shall, if so directed by Canada, uncover such Work, have the inspections, tests or approvals satisfactorily made, completed or given and make good the covering of the Work at the Contractor's expense.

GC2.6 (2008-05-12) Superintendent

1) Prior to commencing the Work, the Contractor shall designate a Superintendent and shall notify Canada of the name, address and telephone number of the Superintendent. The Contractor shall keep the Superintendent at the Work site during working hours until the Work has reached completion.

2) The Superintendent shall be in full charge of the operations of the Contractor during the performance of the Work and shall be authorized to accept on behalf of the Contractor any notice, order or other communication given to the Superintendent or the Contractor relating to the Work.

3) Upon request of Canada, the Contractor shall remove any Superintendent who, in the opinion of Canada, is incompetent or has been guilty of improper conduct, and shall forthwith designate another Superintendent who is acceptable to Canada.

4) The Contractor shall not substitute a Superintendent without the written consent of Canada. If a Superintendent is substituted without such consent, Canada shall be entitled to refuse to issue any documentation or certification relating to progress payments, Substantial Performance or Completion of the Work until the Superintendent has returned to the Work site or another Superintendent who is acceptable to Canada has been substituted.

GC2.7 (2008-05-12) Non-discrimination in Hiring and Employment of Labour

1) For the purposes of this clause, "persons" include the Contractor, its subcontractors and suppliers at any tier and their respective employees, agents, licensees or invitees and any other individual involved in the performance of the Work or granted access to the Work site. A "person" includes any partnership, proprietorship, firm, joint venture, consortium and corporation.

2) Without restricting the provisions of paragraph 3) of GC2.6, "Superintendent", the Contractor shall not refuse to employ and shall not discriminate in any manner against any person because

   (a) of that person's race, national origin, colour, religion, age, sex or marital status;

   (b) of the race, national origin, colour, religion, age, sex, or marital status of any person having any relationship or association with that person; or

   (c) a complaint has been made or information has been given by or in respect of that person relating to an alleged failure by the Contractor to comply with subparagraphs 2)(a) and 2)(b) of GC2.7.

3) Within two working days immediately following receipt of a written complaint pursuant to paragraph 2) of GC2.7, the Contractor shall

   (a) cause to have issued a written direction to the person or persons named by the

complainant to cease all actions that form the basis of the complaint;

(b) forward a copy of the complaint to Canada by registered mail or courier service; and

(c) when the Labour Conditions are applicable under the circumstances of the complaint, forward a copy of the complaint to HRSDC - Labour to the attention of the appropriate Director as described in the Labour Conditions ("HRSDC - Labour" means the labour component of the federal Department of Human Resources and Social Development).

4) Within 24 hours immediately following receipt of a direction from Canada to do so, the Contractor shall cause to have removed from the site of the Work and from the performance of Work under the Contract, any person or persons whom Canada believes to be in breach of the provisions of paragraph 2) of GC2.7.

5) No later than 30 days after receipt of the direction referred to in paragraph 4) of GC2.7, the Contractor shall cause the necessary action to be commenced to remedy the breach described in the direction.

6) If a direction is issued pursuant to paragraph 4) of GC2.7, Canada may withhold from monies that are due and payable to the Contractor or setoff pursuant to GC5.9, "Right of Setoff", whichever is applicable, an amount representing the sum of the costs and payment referred to in paragraph 8) of GC2.7.

7) If the Contractor fails to proceed in accordance with paragraph 5) of GC2.7, Canada shall take the necessary action to have the breach remedied, and shall determine all supplementary costs incurred by Canada as a result.

8) Canada may make a payment directly to the complainant from monies that are due and payable to the Contractor upon receipt from the complainant of

(a) a written award issued pursuant to the federal *Commercial Arbitration Act*, R.S. 1985, c. 17 (2nd Supp.);

(b) a written award issued pursuant to the *Canadian Human Rights Act*, R.S. 1985, c. H-6;

(c) a written award issued pursuant to provincial or territorial human rights legislation; or

(d) a judgement issued by a court of competent jurisdiction.

9) If Canada is of the opinion that the Contractor has breached any of the provisions of this clause, Canada may take the Work out of the Contractor's hands pursuant to GC7.1, "Taking the Work out of the Contractor's Hands".

10) Subject to paragraph 7) of GC3.6, "Subcontracting", the Contractor shall ensure that the provisions of this clause are included in all agreements and contracts entered into as a consequence of the Work.

GC2.8 (2008-05-12) Accounts and Audits

1) The Contractor shall, in addition to the requirements expressed in paragraph 6) of GC3.4, "Execution of the Work", maintain full records of the Contractor's estimated and actual cost of the Work together with all tender calls, quotations, contracts, correspondence, invoices, receipts and vouchers relating thereto, and shall make them available on request to audit and inspection by Canada and the Deputy Receiver General for Canada or by persons designated to act on behalf of either or both of them.

2) The Contractor shall allow any of the persons referred to in paragraph 1) of GC2.8 to make copies of and take extracts from any of the records and material, and shall furnish such persons or entities with any information those persons or entities may require from time to time in connection with such records and material.

3) The Contractor shall maintain and keep the records intact until the expiration of two years after the date that a Certificate of Completion has been issued or until the expiration of such other period of time as Canada may direct.

4) The Contractor shall cause all subcontractors at any tier and all other persons directly or indirectly controlled by or affiliated with the Contractor and all persons directly or indirectly having control of the Contractor to comply with the requirements of this clause as if they were the Contractor.

Remarks:

R2830D (2010/01/11) GC3 - Execution and Control of the Work

Public Works and Government Services Canada

GC3.1 Progress Schedule
GC3.2 Errors and Omissions
GC3.3 Construction Safety
GC3.4 Execution of the Work
GC3.5 Material
GC3.6 Subcontracting
GC3.7 Construction by Other Contractors or Workers
GC3.8 Labour and Fair Wages
GC3.9 Truck Haulage Rates (**CANCELLED**)
GC3.10 Material, Plant and Real Property Become Property of Canada
GC3.11 Defective Work
GC3.12 Cleanup of Site
GC3.13 Warranty and Rectification of Defects in Work

GC3.1 (2010-01-11) Progress Schedule

1) The Contractor shall

(a) prepare and submit to Canada, prior to the submission of the Contractor's first progress claim, a progress schedule in accordance with the requirements set out in the Contract;

(b) monitor the progress of the Work relative to the schedule and update the schedule as stipulated by the contract documents;

(c) advise Canada of any revisions to the schedule required as the result of any extension of time for completion of the Contract that was approved by Canada; and

(d) prepare and submit to Canada, at the time of issuance of a Certificate of Substantial Performance, an update of any schedule clearly showing a detailed timetable that is acceptable to Canada for the completion of any unfinished Work and the correction of all listed defects.

GC3.2 (2008-05-12) Errors and Omissions

1) The Contractor shall report promptly to Canada any errors, discrepancies, or omissions the Contractor may discover when reviewing the contract documents. In making a review, the Contractor does not assume any responsibility to Canada for the accuracy of the review. The Contractor shall not be liable for damage or costs resulting from such errors, discrepancies, or omissions in the contract documents prepared by or on behalf of Canada that the Contractor did not discover.

GC3.3 (2008-05-12) Construction Safety

1) Subject to GC3.7, "Construction by Other Contractors or Workers", the Contractor shall be solely responsible for construction safety at the place of the Work and for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Work. In any emergency, the Contractor shall either stop the Work, make changes or order extra work to ensure the safety of life and the protection of the Work and neighbouring property.

2) Prior to commencing the Work, the Contractor shall notify the authorities having jurisdiction for construction safety at the site of the Work with respect to the intended commencement of the Work, and shall provide such authority with whatever additional information may be required by that authority.

GC3.4 (2008-05-12) Execution of the Work

1) The Contractor shall perform, use or supply and pay for, all labour, Plant, Material, tools, construction machinery and equipment, water, heat, light, power, transportation and other facilities and services necessary for the performance of the Work in accordance with the Contract.

2) The Contractor shall, at all times, perform the Work in a proper, diligent and expeditious manner as is consistent with construction industry standards and in accordance with the progress schedule prepared pursuant to GC3.1, "Progress Schedule", and shall provide sufficient personnel to fulfil the Contractor's obligations in accordance with that schedule.

3) Subject to paragraph 4) of GC3.4, the Contractor shall have complete care, custody and control of the Work and shall direct and supervise the Work so as to ensure compliance with the Contract. The Contractor shall be responsible for construction means, methods, techniques, sequences and procedures and for co-ordinating the various parts of the Work.

4) When requested in writing by Canada, the Contractor shall make appropriate alterations in the method, Plant or workforce at any time Canada considers the Contractor's actions to be unsafe or damaging to either the Work, existing facilities, persons at the site of the Work or the environment.

5) The Contractor shall have sole responsibility for the design, erection, operation, maintenance and removal of temporary structures and other temporary facilities and for the construction methods used in their erection, operation, maintenance and removal. The Contractor shall engage and pay for registered professional engineering personnel, skilled in the appropriate discipline to perform these functions if required by law or by the Contract, and in all cases when such temporary facilities and their methods of construction are of such a nature that professional engineering skill is required to produce safe and satisfactory results.

6) The Contractor shall keep at least one copy of current contract documents, submittals, reports, and records of meetings at the site of the Work, in good order and available to Canada.

7) Except for any part of the Work that is necessarily performed away from or off the site of the

Work, the Contractor shall confine Plant, storage of Material, and operations of employees to limits indicated by laws, ordinances, permits or the contract documents.

GC3.5 (2008-05-12) Material

1) Unless otherwise specified in the Contract, all Material incorporated in the Work shall be new.

2) Subject to paragraph 3) of GC3.5, if a specified reused, refurbished, or recycled item of Material is not available, the Contractor shall apply to Canada to substitute a similar item for the one specified.

3) If Canada agrees that the Contractor's application for substitution of a reused, refurbished or recycled item is warranted, and that the substitute item is of acceptable quality and value to that specified and is suitable for the intended purpose, Canada may approve the substitution, subject to the following:

   (a) the request for substitution shall be made in writing to Canada and shall be substantiated by information in the form of the manufacturer's literature, samples and other data that may be required by Canada;

   (b) the Contractor shall make the request for substitution in a manner that shall not negatively affect the progress schedule of the Contract and well in advance of the time the item of Material must be ordered;

   (c) substitution of Material shall be permitted only with the prior written approval of Canada, and any substituted items that are supplied or installed without such approval shall be removed from the site of the Work at the expense of the Contractor, and specified items installed at no additional cost to Canada; and

   (d) the Contractor shall be responsible for all additional expenses incurred by Canada, the Contractor, its subcontractors and suppliers at any tier due to the Contractor's use of the substitute.

GC3.6 (2008-05-12) Subcontracting

1) Subject to the provisions of this clause, the Contractor may subcontract any part of the Work but not the whole of the Work.

2) The Contractor shall notify Canada in writing of the Contractor's intention to subcontract.

3) A notification referred to in paragraph 2) of GC3.6 shall identify the part of the Work and the Subcontractor with whom the Contractor intends to subcontract.

4) Canada may for reasonable cause, object to the intended subcontracting by notifying the Contractor in writing within six (6) days of receipt by Canada of a notification referred to in paragraph 2) of GC3.6.

5) If Canada objects to a subcontracting, the Contractor shall not enter into the intended subcontract.

6) The Contractor shall not change, nor permit to be changed, a Subcontractor engaged by the Contractor, in accordance with this clause, without the written consent of Canada.

7) The Contractor shall ensure that all the terms and conditions of the Contract that are of general application shall be incorporated in every other contract issued as a consequence of the Contract,

at whatever tier, except those contracts issued solely to suppliers at any tier for the supply of Plant or Material.

8) Neither a subcontracting nor Canada's consent to a subcontracting shall be construed to relieve the Contractor from any obligation under the Contract or to impose any liability upon Canada.

GC3.7 (2008-12-12) Construction by Other Contractors or Workers

1) Canada reserves the right to send other contractors or workers, with or without Plant and Material, onto the site of the Work.

2) When other contractors or workers are sent on to the site of the Work, Canada shall

(a) enter into separate contracts, to the extent it is possible, with the other contractors under conditions of contract that are compatible with the conditions of the Contract;

(b) ensure that the insurance coverage provided by the other contractors is co-ordinated with the insurance coverage of the Contractor as it affects the Work; and

(c) take all reasonable precautions to avoid labour disputes or other disputes arising from the work of the other contractors or workers.

3) When other contractors or workers are sent on to the site of the Work, the Contractor shall

(a) co-operate with them in the carrying out of their duties and obligations;

(b) co-ordinate and schedule the Work with the work of the other contractors and workers;

(c) participate with other contractors and workers in reviewing their construction schedules when directed to do so;

(d) where part of the Work is affected by or depends upon the work of other contractors or workers for its proper execution, promptly report to Canada in writing and prior to proceeding with that part of the Work, any apparent deficiencies in such work. Failure by the Contractor to so report shall invalidate any claims against Canada by reason of the deficiencies in the work of other contractors or workers except those deficiencies that are not then reasonably discoverable; and

(e) when designated as being responsible for construction safety at the place of work in accordance with the applicable provincial or territorial laws, carry out its duties in that role and in accordance with those laws.

4) If, when entering into the Contract, the Contractor could not have reasonably foreseen nor anticipated the sending of other contractors or workers on to the site of the Work and provided the Contractor

(a) incurs extra expense in complying with the requirements of paragraph 3) of GC3.7; and

(b) gives Canada written notice of a claim for that extra expense within thirty (30) days of the date that the other contractors or workers were sent onto the Work or its site;

Canada shall pay the Contractor the cost of the extra labour, Plant and Material that was necessarily incurred, calculated in accordance with GC6.4, "Determination of Price".

GC3.8 (2008-05-12) Labour and Fair Wages

1) The Labour Conditions and the Schedules of Wage Rates form part of these General Conditions.

2) To the extent to which they are available, consistent with proper economy and the expeditious carrying out of the Work, the Contractor shall, in the performance of the Work, employ a reasonable number of persons who have been on active service with the Armed Forces of Canada and have been honourably discharged therefrom.

3) The Contractor shall maintain good order and discipline among the Contractor's employees and workers engaged in the Work and shall not employ on the site of the Work anyone not skilled in the tasks assigned.

GC3.9 (2008-12-12) Truck Haulage Rates
CANCELLED.

GC3.10 (2008-05-12) Material, Plant and Real Property Become Property of Canada

1) Subject to paragraph 9) of GC1.8, "Laws Permits and Taxes", all Material and Plant and the interest of the Contractor in all real property, licences, powers and privileges purchased, used or consumed by the Contractor for the Work shall, immediately after the time of their purchase, use or consumption be the property of Canada for the purposes of the Work and they shall continue to be the property of Canada

   (a) in the case of Material, until Canada indicates that the Materials shall not be required for the Work; and

   (b) in the case of Plant, real property, licences, powers and privileges, until Canada indicates that the interest vested in Canada therein is no longer required for the purposes of the Work.

2) Material or Plant, that is the property of Canada by virtue of paragraph 1) of GC3.10, shall not be taken away from the site of the Work nor used nor disposed of except for the purposes of the Work without the written consent of Canada.

3) Canada is not liable for loss of nor damage from any cause to the Material or Plant referred to in paragraph 1) of GC3.10, and the Contractor is liable for such loss or damage notwithstanding that the Material or Plant is the property of Canada.

GC3.11 (2008-05-12) Defective Work

1) The Contractor shall promptly remove from the site of the Work and replace or re-execute defective Work whether or not the defective Work has been incorporated in the Work and whether or not the defect is the result of poor workmanship, use of defective Material, or damage through carelessness or other act or omission of the Contractor.

2) The Contractor, at the Contractor's expense, shall promptly make good other work destroyed or damaged by such removals or replacements.

3) If, in the opinion of Canada, it is not expedient to correct defective Work or Work not performed as provided for in the Contract documents, Canada may deduct from the amount otherwise due to the Contractor the difference in value between the Work as performed and that called for by the contract documents.

4) The failure of Canada to reject any defective Work or Material shall not constitute acceptance of the defective Work or Material.

GC3.12 (2008-05-12) Cleanup of Site

1) The Contractor shall maintain the Work and its site in a tidy condition and free from an accumulation of waste material and debris.

2) Before the issue of a Certificate of Substantial Performance, the Contractor shall remove waste material and debris, and all Plant and Material not required for the performance of the remaining Work and, unless otherwise stipulated in the Contract Documents, shall cause the Work and its site to be clean and suitable for occupancy by Canada.

3) Before the issue of a Certificate of Completion, the Contractor shall remove all surplus Plant and Materials and any waste products and debris from the site of the Work.

4) The Contractor's obligations described in paragraphs 1) to 3) of GC3.12 do not extend to waste products and other debris caused by Canada's servants, or by other contractors and workers referred to in GC3.7, "Construction by Other Contractors or Workers".

GC3.13 (2008-05-12) Warranty and Rectification of Defects in Work

1) Without restricting any warranty or guarantee implied or imposed by law or contained in the Contract, the Contractor shall, at the Contractor's expense

   (a) rectify and make good any defect or fault that appears in the Work or comes to the attention of Canada with respect to those parts of the Work accepted in connection with the Certificate of Substantial Performance within 12 months from the date of Substantial Performance; and

   (b) rectify and make good any defect or fault that appears in or comes to the attention of Canada in connection with those parts of the Work described in the Certificate of Substantial Performance within 12 months from the date of the Certificate of Completion.

   (c) transfer and assign, to Canada, any subcontractor, manufacturer or supplier extended warranties or guarantees implied or imposed by law or contained in the Contract covering periods beyond the 12 months stipulated above. Extended warranties or guarantees referred to herein shall not extend the 12-month period whereby the Contractor, except as may be provided elsewhere in the Contract, must rectify and make good any defect or fault that appears in the Work or comes to the attention of Canada.

   (d) provide, to Canada prior to the issuance of the Certificate of Completion, a list of all extended warranties and guarantees referred to in paragraph (c) above.

2) Canada may direct the Contractor to rectify and make good any defect or fault referred to in paragraph 1) of GC3.13 or covered by any other expressed or implied warranty or guarantee and the Contractor shall rectify and make good such defect within the time stipulated in the direction.

3) A direction referred to in paragraph 2) GC3.13 shall be in writing and shall be given to the Contractor in accordance with GC2.3, "Notices".

Remarks:

R2840D (2008/05/12) GC4 - Protective Measures

Public Works and Government Services

GC4.1 Protection of Work and Property
GC4.2 Precautions Against Damage, Infringement of Rights, Fire and Other Hazards
GC4.3 Material, Plant and Real Property Supplied by Canada
GC4.4 Contaminated Site Conditions

GC4.1 (2008-05-12) Protection of Work and Property

1) The Contractor shall protect the Work and its site against loss or damage from any cause and shall similarly protect all Material, Plant and real property under the Contractor's care, custody and control whether or not such Material, Plant and real property are supplied by Canada to the Contractor.

2) The Contractor shall provide all facilities necessary for the purpose of maintaining security, and shall assist any person authorized by Canada to inspect or to take security measures in respect of the Work and its site.

3) Canada may direct the Contractor to do such things and to perform such work as Canada considers reasonable and necessary to ensure compliance with or to remedy a breach of paragraphs 1) or 2) of GC4.1, and the Contractor, shall comply with such direction.

GC4.2 (2008-05-12) Precautions Against Damage, Infringement of Rights, Fire and Other Hazards

1) The Contractor shall do whatever is necessary to ensure that

   (a) no person, property, right, easement nor privilege is injured, damaged or infringed upon by reasons of the Contractor's activities in performing the Work;

   (b) pedestrian and other traffic on any public or private road or waterway is not unduly impeded, interrupted nor endangered by the performance or existence of the Work, Material or Plant;

   (c) fire hazards in or about the site of the Work are eliminated and any fire is promptly extinguished;

   (d) the health and safety of all persons employed in the performance of the Work is not endangered by the methods nor means of their performance;

   (e) adequate medical services are available to all persons employed on the

Work or its site at all times during the performance of the Work;

(f) adequate sanitation measures are taken in respect of the Work and its site; and

(g) all stakes, buoys and marks placed on the Work or its site by Canada are protected and are not removed, defaced, altered nor destroyed.

2) Canada may direct the Contractor to do such things and to perform such work as Canada considers reasonable and necessary to ensure compliance with or to remedy a breach of paragraph 1) of GC4.2, and the Contractor shall comply with the direction of Canada.

GC4.3 (2008-05-12) Material, Plant and Real Property Supplied by Canada

1) Subject to paragraph 2) of GC4.3, the Contractor is liable to Canada for any loss of or damage to Material, Plant or real property that is supplied or placed in the care, custody and control of the Contractor by Canada for use in connection with the Contract, whether or not that loss or damage is attributable to causes beyond the Contractor's control.

2) The Contractor is not liable to Canada for any loss or damage to Material, Plant or real property referred to in paragraph 1) of GC4.3 if that loss or damage results from and is directly attributable to reasonable wear and tear.

3) The Contractor shall not use any Material, Plant or real property supplied by Canada except for the purpose of performing the Contract.

4) When the Contractor fails to make good any loss or damage for which the Contractor is liable under paragraph 1) within a reasonable time, Canada may cause the loss or damage to be made good at the Contractor's expense, and the Contractor shall thereupon be liable to Canada for the cost thereof and shall, on demand, pay to Canada an amount equal to that cost.

5) The Contractor shall keep records of all Material, Plant and real property supplied by Canada as Canada requires and shall satisfy Canada, when requested, that such Material, Plant and real property are at the place and in the condition in which they ought to be.

GC4.4 (2008-05-12) Contaminated Site Conditions

1) For the purposes of GC4.4, a contaminated site condition exists when a solid, liquid, gaseous, thermal or radioactive irritant or contaminant, or other hazardous or toxic substance or material, including moulds and other forms of fungi, is present at the site of the Work to an extent that constitutes a hazard, or potential hazard, to the environment, property, or the health or safety of any person.

2) If the Contractor encounters a contaminated site condition of which the Contractor is not aware or about which the Contractor has not been advised, or if the Contractor has reasonable grounds to believe that such a site condition exists at the site of the Work, the Contractor shall

(a) take all reasonable steps, including stopping the Work, to ensure that no person suffers injury, sickness or death, and that neither property nor the environment is injured or destroyed as a result of the contaminated site condition;

(b) immediately notify Canada of the circumstances in writing; and

(c) take all reasonable steps to minimize additional costs that may accrue as a result of any work stoppage.

3) Upon receipt of a notification from the Contractor, Canada shall promptly determine whether a contaminated site condition exists, and shall notify the Contractor in writing of any action to be taken, or work to be performed, by the Contractor as a result of Canada's determination.

4) If the Contractor's services are required by Canada, the Contractor shall follow the direction of Canada with regard to any excavation, treatment, removal and disposal of any polluting substance or material.

5) Canada, at Canada's sole discretion, may enlist the services of experts and specialty contractors to assist in determining the existence of, and the extent and treatment of contaminated site conditions, and the Contractor shall allow them access and co-operate with them in the carrying out of their duties and obligations.

6) Except as may be otherwise provided for in the Contract, the provisions of GC6.4, "Determination of Price", shall apply to any additional work made necessary because of a contaminated site condition.

Remarks: This clause is used for solicitations with an estimated value of $100,000 or more.

R2850D (2010/01/11) GC5 - Terms of Payment

Public Works and Government Services Canada

GC5.1 Interpretation
GC5.2 Amount Payable
GC5.3 Increased or Decreased Costs
GC5.4 Progress Payment
GC5.5 Substantial Performance of the Work
GC5.6 Final Completion
GC5.7 Payment Not Binding on Canada
GC5.8 Claims and Obligations
GC5.9 Right of Setoff
GC5.10 Assessments and Damages for Late Completion
GC5.11 Delay in Making Payment
GC5.12 Interest on Settled Claims
GC5.13 Return of Security Deposit

GC5.1 (2008-12-12) Interpretation

In these Terms of Payment

1) The "payment period" means a period of 30 consecutive days or such other longer period as may be agreed between the Contractor and Canada.

2) An amount is "due and payable" when it is due and payable by Canada to the Contractor according to GC5.4, "Progress Payment", GC5.5, "Substantial Performance of the Work", or

GC5.6 "Final Completion".

3) An amount is overdue when it remains unpaid on the first day following the day upon which it is due and payable.

4) The "date of payment" means the date of the negotiable instrument of an amount due and payable by the Receiver General for Canada.

5) The "Bank Rate" means the rate of interest established by the Bank of Canada as the minimum rate at which it makes short term advances to members of the Canadian Payments Association.

6) The "Average Bank Rate" means the simple arithmetic mean of the Bank Rate in effect at 4:00 p.m. Eastern Time each day during the calendar month which immediately precedes the calendar month in which payment is made.

GC5.2 (2010-01-11) Amount Payable

1) Subject to any other provisions of the Contract, Canada shall pay the Contractor, at the times and in the manner hereinafter set out, the amount by which the amounts payable by Canada to the Contractor in accordance with the Contract exceed the amounts payable by the Contractor to Canada, and the Contractor shall accept that amount as payment in full satisfaction for everything furnished and done by the Contractor in respect of the Work to which the payment relates.

2) When making any payment to the Contractor, the failure of Canada to deduct an amount payable to Canada by the Contractor shall not constitute a waiver of the right to do so, or an admission of lack of entitlement to do so in any subsequent payment to the Contractor.

3) Should any payment be made by Canada in excess of what is owed to the Contractor for the actual work performed, the Contractor will reimburse Canada the excess immediately, with or without demand, and any amounts outstanding shall bear simple interest at the Average Bank rate plus 3 percent per annum from the date of overpayment until the day prior to the date of repayment by the Contractor.

4) No payment other than a payment that is expressly stipulated in the Contract, shall be made by Canada to the Contractor for any extra expense or any loss or damage incurred or sustained by the Contractor.

GC5.3 (2008-05-12) Increased or Decreased Costs

1) The Contract Amount shall not be increased nor decreased by reason of any increase or decrease in the cost of the Work that is brought about by an increase or decrease in the cost of labour, Plant, Material or any wage adjustment arising pursuant to the Labour Conditions.

2) Notwithstanding paragraph 1) of GC5.3, if any change, including a new imposition or repeal, of any tax, customs or other duty, charge, or any similar imposition that is imposed under sales, customs or excise tax legislation of the Government of Canada or any Provincial or Territorial legislation, affects the cost of the Work to the Contractor, and occurs

   (a) after the date of submission by the Contractor of its bid; or

   (b) after the date of submission of the last revision, if the Contractor's bid was revised;

   (c) the Contract Amount shall be adjusted in the manner provided in paragraph 3) of GC5.3.

3) If a change referred to in paragraph 2) of GC5.3 occurs, the Contract Amount shall be increased or decreased by an amount established by an examination by Canada of the relevant records of

the Contractor referred to in GC2.8, "Accounts and Audits", to be the increase or decrease in the cost incurred by the Contractor that is directly attributable to that change.

4) For the purpose of paragraph 2) of GC5.3, if a tax is changed after the tender closing, but public notice of the change has been given by the Minister of Finance or the corresponding Provincial or Territorial authority before that closing, the change shall be deemed to have occurred before the solicitation closing.

5) Notwithstanding paragraphs 2) to 4) of GC5.3, no adjustment to the Contract Amount in respect of the Work or a part thereof shall be made for a change in any imposition referred to in this section that occurs after the date required by the Contract for completion of the Work or that part of the Work.

GC5.4 (2010-01-11) Progress Payment

1) On the expiration of a payment period, the Contractor shall deliver to Canada

   (a) a written progress claim in a form acceptable to Canada that fully describes any part of the Work that has been completed, and any Material that was delivered to the Work site but not incorporated into the Work, during that payment period, and

   (b) a completed and signed statutory declaration containing a declaration that, up to the date of the progress claim, the Contractor has complied with all lawful obligations with respect to the Labour Conditions and that, in respect of the Work, all lawful obligations of the Contractor to its Subcontractors and Suppliers, referred to collectively in the declaration as " subcontractors and suppliers", have been fully discharged.

2) Within 10 days of receipt of a progress claim and statutory declaration from the Contractor, Canada shall inspect, or cause to have inspected, the part of the Work and the Material described in the progress claim, and shall issue a progress report to the Contractor, that indicates the value of the part of the Work and the Material described in the progress claim that, in the opinion of Canada

   (a) is in accordance with the Contract; and

   (b) was not included in any other progress report relating to the Contract.

3) Subject to GC5.2, "Amount Payable", and paragraph 5) of GC5.4, Canada shall pay the Contractor an amount that is equal to

   (a) 95 percent of the value that is indicated in Canada's progress report if a labour and material payment bond has been furnished by the Contractor; or

   (b) 90 percent of the value that is indicated in Canada's progress report if a labour and material payment bond has not been furnished by the Contractor.

4) Canada shall pay the amount referred to in paragraph 3) of GC5.4 not later than

   (a) 30 days after receipt by Canada of both a progress claim and a statutory declaration referred to in paragraph 1) of GC5.4; or

   (b) 15 days after receipt by Canada of the Contractor's progress schedule or updated progress schedule, in accordance with GC3.1, "Progress Schedule",

   whichever is later.

5) In the case of the Contractor's first progress claim, it is a condition precedent to Canada's obligation under paragraph 3) of GC5.4 that the Contractor has provided all necessary documentation required by the Contract for the first progress claim.

GC5.5 (2008-05-12) Substantial Performance of the Work

1) If, at any time before the issuance of a Certificate of Completion, Canada determines that the Work has reached Substantial Performance as described in subparagraph 1) (b) of GC1.1.4, "Substantial Performance", Canada shall issue a Certificate of Substantial Performance to the Contractor. The Certificate of Substantial Performance shall state or describe

   (a) the date of Substantial Performance;

   (b) the parts of the Work not completed to the satisfaction of Canada; and

   (c) all things that must be done by the Contractor before a Certificate of Completion is issued and before the 12-month warranty period referred to in GC3.13, "Warranty and Rectification of Defects in Work", commences for the said parts and all the said things.

2) The issuance of a Certificate of Substantial Performance does not relieve the Contractor from the Contractor's obligations under GC3.11, "Defective Work".

3) Subject to GC5.2, "Amount Payable", and paragraph 4) of GC5.5, Canada shall pay the Contractor the amount referred to in paragraph 1) of GC5.2, "Amount Payable", less the aggregate of

   (a) the sum of all payments that were made pursuant to GC5.4, "Progress Payment";

   (b) an amount that is equal to Canada's estimate of the cost to Canada of rectifying defects described in the Certificate of Substantial Performance; and

   (c) an amount that is equal to Canada's estimate of the cost to Canada of completing the parts of the Work described in the Certificate of Substantial Performance other than defects listed therein.

4) Canada shall pay the amount referred to in paragraph 3) of GC5.5 not later than

   (a) 30 days after the date of issue of a Certificate of Substantial Performance, or

   (b) 15 days after the Contractor has delivered to Canada

      (i) a statutory declaration containing a declaration by the Contractor that up to the date of the Certificate of Substantial Performance, the Contractor has complied with all lawful obligations with respect to the Labour Conditions, discharged all its lawful obligations to its Subcontractors and Suppliers in respect of the work under the Contract, and discharged its lawful obligations referred to in GC1.8, "Laws, Permits and Taxes";

      (ii) evidence of compliance with workers' compensation legislation in accordance with GC1.9, "Workers' Compensation"; and

      (iii) an update of the progress schedule in accordance with the requirements of GC3.1, "Progress Schedule";

      whichever is later.

GC5.6 (2008-05-12) Final Completion

1) When Canada is of the opinion that the Contractor has complied with the Contract and all orders and directions made pursuant thereto, and that the Work has been completed as described in GC1.1.5, "Completion", Canada shall issue a Certificate of Completion to the Contractor and, if the Work or a portion of the Work is subject to a Unit Price Arrangement, Canada shall issue a Certificate of Measurement that shall, subject to GC8, be binding upon and conclusive between Canada and the Contractor as to the quantities referred to therein.

2) Subject to GC5.2, "Amount Payable", and paragraph 3) of GC5.6, Canada shall pay the Contractor the amount referred to in GC5.2, "Amount Payable", less the aggregate of the sum of all payments that were made pursuant to GC5.4, "Progress Payment", and GC5.5, "Substantial Performance of Work".

3) Canada shall pay the amount referred to in paragraph 2) of GC5.6 not later than

   (a) 60 days after the date of issue of a Certificate of Completion; or

   (b) 15 days after the Contractor has delivered to Canada

      (i) a statutory declaration which contains a declaration by the Contractor that all of the Contractor's lawful obligations and any lawful claims against the Contractor that arose out of the performance of the Contract have been discharged and satisfied; and

      (ii) evidence of compliance with workers' compensation legislation in accordance with GC1.9, "Workers' Compensation";

      whichever is later.

GC5.7 (2007-05-25) Payment Not Binding on Canada

1) Neither acceptance of a progress claim or progress report, nor any payment made by Canada under the Contract, nor partial or entire use or occupancy of the Work by Canada shall constitute an acceptance by Canada of any portion of the Work or Material that is not in accordance with the requirements of the Contract.

GC5.8 (2008-05-12) Claims and Obligations

1) The Contractor shall discharge all the Contractor's lawful obligations and shall satisfy all lawful claims against the Contractor arising out of the performance of the Work at least as often as the Contract requires Canada to pay the Contractor.

2) Whenever requested to do so by Canada, the Contractor shall make a statutory declaration declaring to the existence and condition of any obligations and claims against the Contractor arising out of the performance of the Work.

3) In order to discharge lawful obligations of and satisfy lawful claims against the Contractor or its Subcontractors arising out of the performance of the Contract, Canada may pay an amount that is due and payable to the Contractor directly to the claimant. Such payment is, to the extent of the payment, a discharge of Canada's liability to the Contractor under the Contract and may be deducted from any amount payable to the Contractor under the Contract.

4) For the purposes of paragraph 3) of GC5.8, and subject to paragraph 6) of GC5.8, a claim or obligation shall be considered lawful when it is so determined by

   (a) a court of legal jurisdiction;

(b) an arbitrator duly appointed to arbitrate the claim; or

(c) the written consent of the Contractor authorizing payment of the claim or obligation.

5) If a claim or obligation would have been subject to the provisions of Provincial or Territorial lien legislation or, in the Province of Quebec, the law relating to legal hypothecs had the Contractor been performing the Work for an entity other than Canada

(a) such amount as may be paid by Canada pursuant to paragraphs 3) and 4) of GC5.8 shall not exceed the amount that the Contractor would have been obliged to pay had the provisions of such legislation or law been applicable to the Work;

(b) a claimant need not comply with the provisions of such legislation, setting out the steps by way of notice, registration or otherwise as might have been necessary to preserve or perfect any claim for lien or privilege which the claimant might have had; and

(c) for the purposes of determining the entitlement of a claimant, the notice required by paragraph 8) of GC5.8 shall be deemed to replace the registration or provision of notice after the performance of work as required by any applicable legislation and no claim shall be deemed to have expired, become void or unenforceable by reason of the claimant not commencing any action within the time prescribed by such legislation.

6) The Contractor shall, at the request of any claimant, submit to binding arbitration those questions that need to be answered to establish the entitlement of the claimant to payment. The arbitration shall have as parties to it any Subcontractor or Supplier to whom the claimant supplied Material, performed work or rented equipment should such Subcontractor or Supplier wish to be adjoined, and Canada shall not be a party to such arbitration. Subject to any agreement between the Contractor and the claimant, the arbitration shall be conducted in accordance with the governing Provincial or Territorial legislation applicable to the site of the Work.

7) Paragraph 3) of GC5.8 shall apply only to claims and obligations

(a) the notification of which has set forth the amount claimed to be owing and the person who by contract is primarily liable and has been received by Canada in writing before final payment is made to the Contractor pursuant to GC5.6, "Final Completion", and within 120 days of the date on which the claimant

(i) should have been paid in full under the claimant's contract with the Contractor, its Subcontractor or Supplier if the claim is for money that was lawfully required to be held back from the claimant; or

(ii) performed the last of the services, work or labour, or furnished the last of the Material pursuant to the claimant's contract with the Contractor or its Subcontractor or Supplier where the claim is for money not lawfully required to be held back from the claimant; and

(b) the proceedings to determine the right to payment of which, pursuant to paragraph 5) of GC5.8, shall have commenced within one year from the date that the notification required by subparagraph 7)(a) of GC5.8 was received by Canada.

8) Upon receipt of a notice of claim, Canada may withhold, from any amount that is due and payable to the Contractor pursuant to the Contract, the full amount of the claim or any portion thereof.

9) Canada shall notify the Contractor in writing in a timely manner of receipt of any claim and of the intention of Canada to withhold funds. At any time thereafter and until payment is made to the

claimant, the Contractor may be entitled to post, with Canada, security in a form acceptable to Canada in an amount equal to the value of the claim, and upon receipt of such security Canada shall release to the Contractor any funds that would be otherwise payable to the Contractor, that were withheld pursuant to the provisions of this clause in respect of the claim of any claimant for whom the security stands.

GC5.9 (2008-05-12) Right of Setoff

1) Without limiting any right of setoff or deduction given or implied by law or elsewhere in the Contract, Canada may set off any amount payable to Canada by the Contractor under the Contract, or under any current contract, against any amount payable to the Contractor under the Contract.

2) For the purposes of paragraph 1) of GC5.9, "current contract" means a contract between Canada and the Contractor

   (a) under which the Contractor has an undischarged obligation to perform or supply work, labour or material; or

   (b) in respect of which Canada has, since the date of the Contract, exercised any right to take the work that is the subject of that contract out of the Contractor's hands.

GC5.10 (2007-05-25) Assessments and Damages for Late Completion

1) For the purposes of this clause

   (a) the Work shall be deemed to be completed on the date of the Certificate of Completion; and

   (b) the "period of delay" means the number of days commencing on the day fixed for completion of the Work and ending on the day immediately preceding the day on which the Work is completed but does not include any day within a period of extension granted pursuant to GC6.5, "Delays and Extension of Time", and any other day on which, in the opinion of Canada, completion of the Work was delayed for reasons beyond the control of the Contractor.

2) If the Contractor does not complete the Work by the day fixed for its completion but completes it thereafter, the Contractor shall pay Canada an amount equal to the aggregate of

   (a) all salaries, wages and travelling expenses incurred by Canada in respect of persons overseeing the performance of the Work during the period of delay;

   (b) the cost incurred by Canada as a result of the inability to use the completed Work for the period of delay; and

   (c) all other expenses and damages incurred or sustained by Canada during the period of delay as a result of the Work not being completed by the day fixed for its completion.

3) Canada may waive the right of Canada to the whole or any part of the amount payable by the Contractor pursuant to paragraph 2) of GC5.10 if, in the opinion of Canada, it is in the public interest to do so.

GC5.11 (2008-05-12) Delay in Making Payment

1) Notwithstanding GC1.5, "Time of the Essence", any delay by Canada in making any payment when it is due pursuant to GC5 shall not be a breach of the Contract by Canada.

2) Subject to paragraph 3) of GC5.11, Canada shall pay to the Contractor simple interest at the Average Bank Rate plus 3 percent per annum on any amount that is overdue pursuant to paragraph 3) of GC5.1, and the interest shall apply from and include the day such amount became overdue until the day prior to the date of payment.

3) Interest shall be paid without demand by the Contractor except that

   (a) in respect of amounts that are less than 15 days overdue, no interest shall be paid in respect of payment made within such 15 days unless the Contractor so demands after such amounts have become due and payable; and

   (b) interest shall not be payable or paid on overdue advance payments, if any.

GC5.12 (2007-05-25) Interest on Settled Claims

1) For the purposes of this clause, a claim means a disputed amount subject to negotiation between Canada and the Contractor under the Contract.

2) A claim is deemed to have been settled when an agreement in writing is signed by Canada and the Contractor setting out the amount of the claim to be paid by Canada and the items of work for which the said amount is to be paid.

3) A settled claim is deemed to be outstanding from the day immediately following the date the said claim would have been due and payable under the Contract had it not been disputed.

4) Canada shall pay to the Contractor simple interest on the amount of a settled claim at the Average Bank Rate plus 3 percent per annum from the date the settled claim was deemed to be outstanding until the day prior to the date of payment.

GC5.13 (2007-05-25) Return of Security Deposit

1) After a Certificate of Substantial Performance has been issued, and if the Contractor is not in breach of nor in default under the Contract, Canada shall return to the Contractor all or any part of a Security Deposit that, in the opinion of Canada, is not required for the purposes of the Contract.

2) After a Certificate of Completion has been issued, Canada shall return to the Contractor the remainder of any security deposit unless the Contract stipulates otherwise.

3) If the security deposit was paid into the Consolidated Revenue Fund of Canada, Canada shall pay interest thereon to the Contractor at a rate established pursuant to section 21(2) of the *Financial Administration Act*.

Remarks:

R2860D (2008/05/12) GC6 - Delays and Changes in the Work

Public Works and Government Services Canada

GC6.1 Changes in the Work
GC6.2 Changes in Subsurface Conditions
GC6.3 Human Remains, Archaeological Remains and Items of Historical or Scientific Interest
GC6.4 Determination of Price
GC6.4.1 Price Determination Prior to Undertaking Changes
GC6.4.2 Price Determination Following Completion of Changes
GC6.4.3 Price Determination - Variations in Tendered Quantities
GC6.5 Delays and Extension of Time

GC6.1 (2008-05-12) Changes in the Work

1) At any time before issuance of a Certificate of Completion, Canada may issue orders for additions, deletions or other changes to the Work, or changes in the location or position of the whole or any part of the Work, if the addition, deletion, change or other revision is deemed by Canada to be consistent with the general intent of the Contract.

2) An order referred to in paragraph 1) of GC6.1 shall be in writing and given to the Contractor in accordance with GC2.3, "Notices".

3) Upon receipt of an order, the Contractor shall promptly perform the work in accordance with the order as if the order had appeared in and been part of the original Contract.

4) If anything done or omitted by the Contractor pursuant to an order increases or decreases the cost of the Work to the Contractor, payment for the work shall be made in accordance with GC6.4, "Determination of Price".

GC6.2 (2008-05-12) Changes in Subsurface Conditions

1) If, during the performance of the Work, the Contractor encounters subsurface conditions that are substantially different from the subsurface conditions described in the tender documents supplied to the Contractor, or a reasonable assumption of fact based thereon, the Contractor shall give notice to Canada immediately upon becoming aware of the situation.

2) If the Contractor is of the opinion that the Contractor may incur or sustain any extra expense or any loss or damage that is directly attributable to the changed subsurface conditions, the Contractor shall within 10 days of the date the changed subsurface conditions were encountered, give Canada written notice of intention to claim for that extra expense, loss or damage.

3) If the Contractor has given a notice referred to in paragraph 2) of GC6.2, the Contractor shall give Canada a written claim for extra expense, loss or damage no later than 30 days after the date that a Certificate of Substantial Performance is issued.

4) A written claim referred to in paragraph 3) of GC6.2 shall contain a sufficient description of the facts and circumstances of the occurrence that is the subject of the claim to enable Canada to determine whether or not the claim is justified, and the Contractor shall supply such further and other information for that purpose as Canada requires.

5) If Canada determines that a claim referred to in paragraph 3) of GC6.2 is justified, Canada shall make an extra payment to the Contractor in an amount that is calculated in accordance with GC6.4, "Determination of Price".

6) If, in the opinion of Canada, the Contractor effects a saving of expenditure that is directly attributable to a substantial difference between the information relating to subsurface conditions at the site of the Work that is contained in the tender documents, or a reasonable assumption of fact based thereon, and the actual subsurface conditions encountered by the Contractor, the Contract Amount shall be reduced by the amount of the saving of expenditure determined in accordance with GC6.4, "Determination of Price".

7) If the Contractor fails to give a notice referred to in paragraph 2) of GC6.2 and a claim referred to in paragraph 3) of GC6.2 within the times stipulated, an extra payment shall not be made to the Contractor in respect of the occurrence.

8) Canada does not warrant the content expressed in any subsurface report available for the perusal of the Contractor that does not form part of the tender and contract documents.

GC6.3 (2008-05-12) Human Remains, Archaeological Remains and Items of Historical or Scientific Interest

1) For the purposes of this clause

   (a) "human remains" means the whole or any part of a deceased human being, irrespective of the time of death;

   (b) "archaeological remains" are items, artefacts or things made, modified or used by human beings in antiquity and may include, but not be limited to, stone, wood or iron structures or monuments, dump deposits, bone artefacts, weapons, tools, coins, and pottery; and

   (c) "items of historical or scientific interest" are naturally occurring or manufactured objects or things of any age that are not archaeological remains but may be of interest to society because of their historical or scientific significance, value, rarity, natural beauty, or other quality.

2) If, during the course of the Work, the Contractor encounters any object, item or thing which is described in paragraph 1) of GC6.3 or which resembles any object, item or thing described in paragraph 1) of GC6.3, the Contractor shall

   (a) take all reasonable steps, including stopping work in the affected area, to protect and preserve the object, item or thing;

   (b) immediately notify Canada of the circumstances in writing; and

   (c) take all reasonable steps to minimize additional costs that may accrue as a result of any work stoppage.

3) Upon receipt of a notification in accordance with subparagraph 2)(b) of GC6.3, Canada shall promptly determine whether the object, item or thing is one described in, or contemplated by paragraph 1) of GC6.3, and shall notify the Contractor in writing of any action to be performed, or work to be carried out, by the Contractor as a result of Canada's determination.

4) Canada may, at any time, enlist the services of experts to assist in the investigation, examination,

taking of measurements or other such recordings, placing of permanent protection around or removing of the object, item or thing encountered by the Contractor, and the Contractor shall, to the satisfaction of Canada, allow them access and co-operate with them in the carrying out of their duties and obligations.

5) Human remains, archaeological remains and items of historical or scientific interest encountered at the site of the Work shall be deemed to be the property of Canada.

6) Except as may be otherwise provided for in the Contract, the provisions of GC6.4, "Determination of Price", and GC6.5, "Delays and Extension of Time", shall apply.

GC6.4 (2008-05-12) Determination of Price

GC6.4.1 Price Determination Prior to Undertaking Changes

1) If a Lump Sum Arrangement applies to the Contract or a part thereof, the price of any change shall be the aggregate estimated cost of labour, Plant and Material that is required for the change as agreed upon in writing by the Contractor and Canada plus an allowance for supervision, co-ordination, administration, overhead, margin and the risk of undertaking the work within the stipulated amount, which allowance shall be equal to

   (a) 20 percent of the aggregate costs referred to herein for that portion of the Work done by the Contractor's own forces, if the aggregate cost of the Work does not exceed $50,000;

   (b) 15 percent of the aggregate costs referred to herein for that portion of the Work that is done by subcontract, if the aggregate cost of the Work does not exceed $50,000; or

   (c) a negotiated percentage of the aggregate costs referred to herein or a negotiated amount

      (i) if the aggregate cost of the Work exceeds $50,000; or

      (ii) if the Contractor and Canada agree in writing.

2) If a Unit Price Arrangement applies to the Contract or a part thereof, the Contractor and Canada may, by agreement in writing, add items, units of measurement, estimated quantities and prices per unit to the Unit Price Table.

3) A price per unit referred to in paragraph 2) of GC6.4.1 shall be determined on the basis of the aggregate estimated cost of labour, Plant and Material that is required for the additional item as agreed upon by the Contractor and Canada, plus an allowance determined in accordance with paragraph 1) of GC6.4.1.

4) To facilitate approval of the price of the change or the additional price per unit as applicable, the Contractor shall submit a cost estimate breakdown identifying, as a minimum, the estimated cost of labour, Plant, Material, each subcontract amount, and the amount of the allowance.

5) If no agreement is reached as contemplated in paragraph 1) of GC6.4.1, the price shall be determined in accordance with GC6.4.2.

6) If no agreement is reached, as contemplated in paragraphs 2) and 3) of GC6.4.1, Canada shall determine the class and the unit of measurement of the item of labour, Plant or Material and the price per unit shall be determined in accordance with GC6.4.2.

GC6.4.2 Price Determination Following Completion of Changes

1) If it is not possible to predetermine, or if there is failure to agree upon the price of a change in the Work, the price of the change shall be equal to the aggregate of

   (a) all reasonable and proper amounts actually expended or legally payable by the Contractor in respect of the labour, Plant and Material that fall within one of the classes of expenditure described in paragraph 2) of GC6.4.2, that are directly attributable to the performance of the Contract;

   (b) an allowance for profit and all other expenditures or costs, including overhead, general administration costs, financing and interest charges, in an amount that is equal to 10% of the sum of the expenses referred to in subparagraph 1)(a) of GC6.4.2; and

   (c) interest on the amounts determined under subparagraphs 1)(a) and 1)(b) of GC6.4.2 calculated in accordance with GC5.12, "Interest on Settled Claims";

2) The cost of labour, Plant and Material referred to in subparagraph 1)(a) of GC6.4.2 shall be limited to the following categories of expenditure:

   (a) payments to Subcontractors and Suppliers;

   (b) wages, salaries, bonuses and, if applicable, travel and lodging expenses of employees of the Contractor located at the site of the Work and that portion of wages, salaries, bonuses and, if applicable, travel and lodging expenses of personnel of the Contractor generally employed at the head office or at a general office of the Contractor provided they are actually and properly engaged on the Work under the Contract;

   (c) assessments payable under any statutory authority relating to workers' compensation, employment insurance, pension plan or holidays with pay, provincial health or insurance plans, environmental reviews, and GST/HST collection costs;

   (d) rent that is paid for Plant, or an amount equivalent to the said rent if the Plant is owned by the Contractor, that is necessary for and used in the performance of the Work, if the rent or the equivalent amount is reasonable and use of that Plant has been approved by Canada;

   (e) payments for maintaining and operating Plant necessary for and used in the performance of the Work, and payments for effecting repairs thereto that, in the opinion of Canada, are necessary for the proper performance of the Contract, other than payments for any repairs to the Plant arising out of defects existing before its allocation to the Work;

   (f) payments for Material that is necessary for and incorporated in the Work, or that is necessary for and consumed in the performance of the Contract;

   (g) payments for preparation, delivery, handling, erection, installation, inspection, protection and removal of the Plant and Material necessary for and used in the performance of the Contract; and

   (h) any other payments made by the Contractor with the approval Canada that are necessary for the performance of the Contract in accordance with the Contract Documents.

GC6.4.3 Price Determination - Variations in Tendered Quantities

1) Except as provided in paragraphs 2), 3), 4) and 5) of GC6.4.3, if it appears that the final quantity of labour, Plant and Material under a price per unit item shall exceed or be less than the estimated tendered quantity, the Contractor shall perform the Work or supply the Plant and Material required to complete the item and payment shall be made for the actual Work performed or Plant and Material supplied at the price per unit set out in the Contract.

2) If the final quantity of the price per unit item exceeds the estimated tendered quantity by more than 15 percent, either party to the Contract may make a written request to the other party to negotiate an amended price per unit for that portion of the item which exceeds 115 percent of the estimated tendered quantity, and to facilitate approval of any amended price per unit, the Contractor shall, on request, provide Canada with

   (a) detailed records of the actual cost to the Contractor of performing or supplying the tendered quantity for the price per unit item up to the time the negotiation was requested; and

   (b) the estimated unit cost of labour, Plant and Material required for the portion of the item that is in excess of 115 percent of the tendered quantity.

3) If agreement is not reached as contemplated in paragraph 2) of GC6.4.3, the price per unit shall be determined in accordance with GC6.4.2.

4) If it appears that the final quantity of labour, Plant and Material under a price per unit item shall be less than 85 percent of the estimated tendered quantity, either party to the Contract may make a written request to the other party to negotiate a change to the price per unit for the item if

   (a) there is a demonstrable difference between the unit cost to the Contractor of performing or supplying the estimated tendered quantity and the unit cost to the Contractor for performing or supplying the final quantity; and

   (b) the difference in unit cost is due solely to the decrease in quantity and not to any other cause.

5) For the purposes of the negotiation referred to in paragraph 4) of GC6.4.3

   (a) the onus of establishing, justifying and quantifying a proposed change lies with the party making the request for negotiation; and

   (b) in no event shall the total price for an item that has been amended as a result of a reduction in quantity pursuant to paragraph 4) of GC6.4.3 exceed the amount that would have been payable to the Contractor had 85 percent of the tendered quantity actually been performed or supplied.

GC6.5 (2008-05-12) Delays and Extension of Time

1) Upon application of the Contractor made before the date first fixed for completion of the Work or before any other date previously fixed under this clause, Canada may extend the time for completion of the Work by fixing a new date if Canada determines that causes beyond the control of the Contractor have delayed its completion.

2) The Contractor's application shall be accompanied by the written consent of the bonding

company whose bond forms part of the Contract Security.

3) Subject to paragraph 4) of GC6.5, no payment, other than a payment that is expressly stipulated in the Contract, shall be made by Canada to the Contractor for any extra expense, loss or damage incurred or sustained by the Contractor due to delay, whether or not the delay is caused by circumstances beyond the control of the Contractor.

4) If the Contractor incurs or sustains any extra expense or any loss or damage that is directly attributable to any neglect or delay that occurs after the date of the Contract on the part of Canada in providing any information or in doing any act that the Contract either expressly requires Canada to do or that would ordinarily be done by an owner in accordance with the practice of the trade, the Contractor shall give Canada written notice of intention to claim for that extra expense or loss or damage within ten working days of the date the neglect or delay first occurred.

5) When the Contractor has given a notice referred to in paragraph 4) of GC6.5, the Contractor shall give Canada a written claim for the extra expense, loss or damage no later than 30 days after the date that a Certificate of Completion is issued and not afterwards.

6) A written claim referred to in paragraph 5) of GC6.5 shall contain a sufficient description of the facts and circumstances of the occurrence that is the subject of the claim to enable Canada to determine whether or not the claim is justified and the Contractor shall supply such further and other information for that purpose as Canada may require.

7) If Canada determines that a claim referred to in paragraph 5) of GC6.5 is justified, Canada shall make an extra payment to the Contractor in an amount that is calculated in accordance with GC6.4, "Determination of Price".

8) If the Contractor fails to give a notice referred to in paragraph 4) and a claim referred to in paragraph 5) of GC6.5 within the times stipulated, an extra payment shall not be made to the Contractor in respect of the occurrence.

Remarks: This clause is for optional use by other government departments. R2860D is used for PWGSC contracts.

R2865D (2008/05/12) GC6 - Delays and Changes in the Work

Public Works and Government Services Canada

GC6.1 Changes in the Work
GC6.2 Changes in Subsurface Conditions
GC6.3 Human Remains, Archaeological Remains and Items of Historical or Scientific Interest
GC6.4 Determination of Price
GC6.4.1 Price Determination Prior to Undertaking Changes
GC6.4.2 Price Determination Following Completion of Changes
GC6.4.3 Price Determination - Variations in Tendered Quantities
GC6.5 Delays and Extension of Time

GC6.1 (2008-05-12) Changes in the Work

1) At any time before issuance of a Certificate of Completion, Canada may issue orders for additions, deletions or other changes to the Work, or changes in the location or position of the whole or any part of the Work, if the addition, deletion, change or other revision is deemed by Canada to be consistent with the general intent of the Contract.

2) An order referred to in paragraph 1) of GC6.1 shall be in writing and given to the Contractor in accordance with GC2.3, "Notices".

3) Upon receipt of an order, the Contractor shall promptly perform the work in accordance with the order as if the order had appeared in and been part of the original Contract.

4) If anything done or omitted by the Contractor pursuant to an order increases or decreases the cost of the Work to the Contractor, payment for the work shall be made in accordance with GC6.4, "Determination of Price".

GC6.2 (2008-05-12) Changes in Subsurface Conditions

1) If, during the performance of the Work, the Contractor encounters subsurface conditions that are substantially different from the subsurface conditions described in the tender documents supplied to the Contractor, or a reasonable assumption of fact based thereon, the Contractor shall give notice to Canada immediately upon becoming aware of the situation.

2) If the Contractor is of the opinion that the Contractor may incur or sustain any extra expense or any loss or damage that is directly attributable to the changed subsurface conditions, the Contractor shall within 10 days of the date the changed subsurface conditions were encountered, give Canada written notice of intention to claim for that extra expense, loss or damage.

3) If the Contractor has given a notice referred to in paragraph 2) of GC6.2, the Contractor shall give Canada a written claim for extra expense, loss or damage no later than 30 days after the date that a Certificate of Substantial Performance is issued.

4) A written claim referred to in paragraph 3) of GC6.2 shall contain a sufficient description of the facts and circumstances of the occurrence that is the subject of the claim to enable Canada to determine whether or not the claim is justified, and the Contractor shall supply such further and other information for that purpose as Canada requires.

5) If Canada determines that a claim referred to in paragraph 3) of GC6.2 is justified, Canada shall make an extra payment to the Contractor in an amount that is calculated in accordance with GC6.4, "Determination of Price".

6) If, in the opinion of Canada, the Contractor effects a saving of expenditure that is directly attributable to a substantial difference between the information relating to subsurface conditions at the site of the Work that is contained in the tender documents, or a reasonable assumption of fact based thereon, and the actual subsurface conditions encountered by the Contractor, the Contract Amount shall be reduced by the amount of the saving of expenditure determined in accordance with GC6.4, "Determination of Price".

7) If the Contractor fails to give a notice referred to in paragraph 2) of GC6.2 and a claim referred to in paragraph 3) of GC6.2 within the times stipulated, an extra payment shall not be made to the Contractor in respect of the occurrence.

8) Canada does not warrant the content expressed in any subsurface report available for the perusal of the Contractor that does not form part of the tender and contract documents.

GC6.3 (2008-05-12) Human Remains, Archaeological Remains and Items of Historical or Scientific Interest

1) For the purposes of this clause

(a) "human remains" means the whole or any part of a deceased human being, irrespective of the time of death;

(b) "archaeological remains" are items, artefacts or things made, modified or used by human beings in antiquity and may include, but not be limited to, stone, wood or iron structures or monuments, dump deposits, bone artefacts, weapons, tools, coins, and pottery; and

(c) "items of historical or scientific interest" are naturally occurring or manufactured objects or things of any age that are not archaeological remains but may be of interest to society because of their historical or scientific significance, value, rarity, natural beauty, or other quality.

2) If, during the course of the Work, the Contractor encounters any object, item or thing which is described in paragraph 1) of GC6.3 or which resembles any object, item or thing described in paragraph 1) of GC6.3, the Contractor shall

(a) take all reasonable steps, including stopping work in the affected area, to protect and preserve the object, item or thing;

(b) immediately notify Canada of the circumstances in writing; and

(c) take all reasonable steps to minimize additional costs that may accrue as a result of any work stoppage.

3) Upon receipt of a notification in accordance with subparagraph 2)(b) of GC6.3, Canada shall promptly determine whether the object, item or thing is one described in, or contemplated by paragraph 1) of GC6.3, and shall notify the Contractor in writing of any action to be performed, or work to be carried out, by the Contractor as a result of Canada's determination.

4) Canada may, at any time, enlist the services of experts to assist in the investigation, examination, taking of measurements or other such recordings, placing of permanent protection around or removing of the object, item or thing encountered by the Contractor, and the Contractor shall, to the satisfaction of Canada, allow them access and co-operate with them in the carrying out of their duties and obligations.

5) Human remains, archaeological remains and items of historical or scientific interest encountered at the site of the Work shall be deemed to be the property of Canada.

6) Except as may be otherwise provided for in the Contract, the provisions of GC6.4, "Determination of Price ", and GC6.5, "Delays and Extension of Time", shall apply.

GC6.4 (2008-05-12) Determination of Price

GC6.4.1 Price Determination Prior to Undertaking Changes

1) If a Lump Sum Arrangement applies to the Contract or a part thereof, the price of any change

shall be the aggregate estimated cost of labour, Plant and Material that is required for the change as agreed upon in writing by the Contractor and Canada plus a negotiated allowance for supervision, co-ordination, administration, overhead, margin and the risk of undertaking the work within the stipulated amount.

2) If a Unit Price Arrangement applies to the Contract or a part thereof, the Contractor and Canada may, by agreement in writing, add items, units of measurement, estimated quantities and prices per unit to the Unit Price Table.

3) A price per unit referred to in paragraph 2) of GC6.4.1 shall be determined on the basis of the aggregate estimated cost of labour, Plant and Material that is required for the additional item as agreed upon by the Contractor and Canada, plus a negotiated allowance.

4) To facilitate approval of the price of the change or the additional price per unit as applicable, the Contractor shall submit a cost estimate breakdown identifying, as a minimum, the estimated cost of labour, Plant, Material, each subcontract amount, and the amount of the negotiated allowance.

5) If no agreement is reached as contemplated in paragraph 1) of GC6.4.1, the price shall be determined in accordance with GC6.4.2.

6) If no agreement is reached, as contemplated in paragraphs 2) and 3) of GC6.4.1, Canada shall determine the class and the unit of measurement of the item of labour, Plant or Material and the price per unit shall be determined in accordance with GC6.4.2.

GC6.4.2 Price Determination Following Completion of Changes

1) If it is not possible to predetermine, or if there is failure to agree upon the price of a change in the Work, the price of the change shall be equal to the aggregate of

   (a) all reasonable and proper amounts actually expended or legally payable by the Contractor in respect of the labour, Plant and Material that fall within one of the classes of expenditure described in paragraph 2) of GC6.4.2, that are directly attributable to the performance of the Contract;

   (b) an allowance for profit and all other expenditures or costs, including overhead, general administration costs, financing and interest charges, in an amount that is equal to 10 percent of the sum of the expenses referred to in subparagraph 1)(a) of GC6.4.2; and

   (c) interest on the amounts determined under subparagraphs 1)(a) and 1)(b) of GC6.4.2 calculated in accordance with GC5.12, "Interest on Settled Claims";

2) The cost of labour, Plant and Material referred to in subparagraph 1)(a) of GC6.4.2 shall be limited to the following categories of expenditure:

   (a) payments to Subcontractors and Suppliers;

   (b) wages, salaries, bonuses and, if applicable, travel and lodging expenses of employees of the Contractor located at the site of the Work and that portion of wages, salaries, bonuses and, if applicable, travel and lodging expenses of personnel of the Contractor generally employed at the head office or at a general office of the Contractor provided they are actually and properly engaged on the Work under the Contract;

   (c) assessments payable under any statutory authority relating to workers' compensation, employment insurance, pension plan or holidays with pay, provincial health or insurance

plans, environmental reviews, and GST/HST collection costs;

(d) rent that is paid for Plant, or an amount equivalent to the said rent if the Plant is owned by the Contractor, that is necessary for and used in the performance of the Work, if the rent or the equivalent amount is reasonable and use of that Plant has been approved by Canada;

(e) payments for maintaining and operating Plant necessary for and used in the performance of the Work, and payments for effecting repairs thereto that, in the opinion of Canada, are necessary for the proper performance of the Contract, other than payments for any repairs to the Plant arising out of defects existing before its allocation to the Work;

(f) payments for Material that is necessary for and incorporated in the Work, or that is necessary for and consumed in the performance of the Contract;

(g) payments for preparation, delivery, handling, erection, installation, inspection, protection and removal of the Plant and Material necessary for and used in the performance of the Contract; and

(h) any other payments made by the Contractor with the approval Canada that are necessary for the performance of the Contract in accordance with the Contract Documents.

GC6.4.3 Price Determination - Variations in Tendered Quantities

1) Except as provided in paragraphs 2), 3), 4) and 5) of GC6.4.3, if it appears that the final quantity of labour, Plant and Material under a price per unit item shall exceed or be less than the estimated tendered quantity, the Contractor shall perform the Work or supply the Plant and Material required to complete the item and payment shall be made for the actual Work performed or Plant and Material supplied at the price per unit set out in the Contract.

2) If the final quantity of the price per unit item exceeds the estimated tendered quantity by more than 15 percent, either party to the Contract may make a written request to the other party to negotiate an amended price per unit for that portion of the item which exceeds 115 percent of the estimated tendered quantity, and to facilitate approval of any amended price per unit, the Contractor shall, on request, provide Canada with

(a) detailed records of the actual cost to the Contractor of performing or supplying the tendered quantity for the price per unit item up to the time the negotiation was requested; and

(b) the estimated unit cost of labour, Plant and Material required for the portion of the item that is in excess of 115 percent of the tendered quantity.

3) If agreement is not reached as contemplated in paragraph 2) of GC6.4.3, the price per unit shall be determined in accordance with GC6.4.2.

4) If it appears that the final quantity of labour, Plant and Material under a price per unit item shall be less than 85 percent of the estimated tendered quantity, either party to the Contract may make a written request to the other party to negotiate a change to the price per unit for the item if

(a) there is a demonstrable difference between the unit cost to the Contractor of performing or supplying the estimated tendered quantity and the unit cost to the Contractor for performing or supplying the final quantity; and

(b) the difference in unit cost is due solely to the decrease in quantity and not to any other cause.

5) For the purposes of the negotiation referred to in paragraph 4) of GC6.4.3

(a) the onus of establishing, justifying and quantifying a proposed change lies with the party making the request for negotiation; and

(b) in no event shall the total price for an item that has been amended as a result of a reduction in quantity pursuant to paragraph 4) of GC6.4.3 exceed the amount that would have been payable to the Contractor had 85 percent of the tendered quantity actually been performed or supplied.

GC6.5 (2008-05-12) Delays and Extension of Time

1) Upon application of the Contractor made before the date first fixed for completion of the Work or before any other date previously fixed under this clause, Canada may extend the time for completion of the Work by fixing a new date if Canada determines that causes beyond the control of the Contractor have delayed its completion.

2) The Contractor's application shall be accompanied by the written consent of the bonding company whose bond forms part of the Contract Security.

3) Subject to paragraph 4) of GC6.5, no payment, other than a payment that is expressly stipulated in the Contract, shall be made by Canada to the Contractor for any extra expense, loss or damage incurred or sustained by the Contractor due to delay, whether or not the delay is caused by circumstances beyond the control of the Contractor.

4) If the Contractor incurs or sustains any extra expense or any loss or damage that is directly attributable to any neglect or delay that occurs after the date of the Contract on the part of Canada in providing any information or in doing any act that the Contract either expressly requires Canada to do or that would ordinarily be done by an owner in accordance with the practice of the trade, the Contractor shall give Canada written notice of intention to claim for that extra expense or loss or damage within ten working days of the date the neglect or delay first occurred.

5) When the Contractor has given a notice referred to in paragraph 4) of GC6.5, the Contractor shall give Canada a written claim for the extra expense, loss or damage no later than 30 days after the date that a Certificate of Completion is issued and not afterwards.

6) A written claim referred to in paragraph 5) of GC6.5 shall contain a sufficient description of the facts and circumstances of the occurrence that is the subject of the claim to enable Canada to determine whether or not the claim is justified and the Contractor shall supply such further and other information for that purpose as Canada may require.

7) If Canada determines that a claim referred to in paragraph 5) of GC6.5 is justified, Canada shall make an extra payment to the Contractor in an amount that is calculated in accordance with GC6.4, "Determination of Price".

8) If the Contractor fails to give a notice referred to in paragraph 4) and a claim referred to in paragraph 5) of GC6.5 within the times stipulated, an extra payment shall not be made to the Contractor in respect of the occurrence.

Remarks:

R2870D (2008/05/12) GC7 - Default, Suspension or Termination of Contract

Public Works and Government Services Canada

GC7.1 Taking the Work out of the Contractor's Hands
GC7.2 Suspension of Work
GC7.3 Termination of Contract
GC7.4 Security Deposit - Forfeiture or Return

GC7.1 (2008-05-12) Taking the Work out Of the Contractor's Hands

1) By giving notice in writing to the Contractor in accordance with GC2.3, "Notices", Canada, without any other authorization, may take all or any part of the Work out of the Contractor's hands, and may employ such means as Canada sees fit to have the Work completed if the Contractor

   (a) fails to remedy any delay in the commencement or default in the diligent performance of the Work to the satisfaction of Canada within six days of Canada giving notice to the Contractor in writing in accordance with GC2.3, "Notices";

   (b) defaults in the completion of any part of the Work within the time fixed for its completion by the Contract;

   (c) becomes insolvent, or has committed an act of bankruptcy, and has neither made a proposal to its creditors nor filed a notice of intention to make such a proposal, pursuant to the *Bankruptcy and Insolvency Act*;

   (d) abandons the work;

   (e) makes an assignment of the Contract without the consent required by GC1.16, "Assignment", or

   (f) otherwise fails to observe or perform any of the provisions of the Contract.

2) If the whole or any part of the Work is taken out of the Contractor's hands, the Contractor's right to any further payment that is due or accruing due under the Contract is, subject only to paragraph 3) of GC7.1, extinguished, and the Contractor is liable to pay Canada, upon demand, an amount that is equal to the amount of all loss and damage incurred or sustained by Canada in respect of the Contractor's failure to complete the Work.

3) If the whole or any part of the Work that is taken out of the Contractor's hands is completed by Canada, Canada may pay the Contractor the amount, if any, of the holdback or a progress claim as determined by Canada that had accrued and was due prior to the date on which the Work was taken out of the Contractor's hands and that is not required for the purposes of having the Work performed or of compensating Canada for any other loss or damage incurred or sustained by reason of the Contractor's default.

4) The taking of the Work or any part thereof out of the Contractor's hands does not relieve the Contractor from any obligation under the Contract or imposed by law except the obligation to complete the performance of that part of the Work that was taken out of the Contractor's hands.

5) If the Work or any part thereof is taken out of the Contractor's hands, all Plant and Material and the interest of the Contractor, or its suppliers or subcontractors at any tier, in all real property,

licences, powers and privileges acquired, used or provided by the Contractor, or its suppliers or subcontractors at any tier, under the Contract shall continue to be the property of Canada without compensation.

6) When Canada certifies that any Plant, Material, or any interest of the Contractor is no longer required for the purposes of the Work, or that it is not in the interests of Canada to retain that Plant, Material, or interest, it shall revert to the Contractor.

7) If the Contractor has become insolvent or has committed an act of bankruptcy, and has either made a proposal to its creditors or filed a notice of intention to make such a proposal, pursuant to the *Bankruptcy and Insolvency Act*, the Contractor shall immediately forward a copy of the proposal or the notice of intention to Canada.

GC7.2 (2007-05-25) Suspension of Work

1) When, in Canada's opinion, it is in the public interest to do so, Canada may require the Contractor to suspend performance of the Work either for a specified or an unspecified period, by giving a notice of suspension in writing to the Contractor in accordance with GC2.3, "Notices".

2) When a notice of suspension is received by the Contractor, the Contractor shall suspend all operations in respect of the Work except those that Canada determines are necessary for the care and preservation of the Work, Plant and Material.

3) During a period of suspension, the Contractor shall not remove any part of the Work, Plant or Material from its site without the consent of Canada.

4) If a period of suspension is 60 days or less, the Contractor shall resume the performance of the Work on the expiration of that period, and the Contractor is entitled to be paid the extra costs necessarily incurred by the Contractor as a result of the suspension, determined in accordance with GC6.4, "Determination of Price".

5) If a period of suspension is more than 60 days, Canada and the Contractor may agree that the performance of the Work shall be continued by the Contractor, and the Contractor shall resume performance of the Work subject to any terms and conditions agreed upon by Canada and the Contractor. If Canada and the Contractor do not agree that performance of the Work shall be continued by the Contractor, or upon the terms and conditions under which the Contractor shall continue the Work, the notice of suspension shall be deemed to be a notice of termination pursuant to GC7.3, "Termination of Contract".

GC7.3 (2007-05-25) Termination of Contract

1) Canada may terminate the Contract at any time by giving a notice of termination in writing to the Contractor in accordance with GC2.3, "Notices".

2) If the Contractor receives a notice of termination, the Contractor shall forthwith cease all operations in performance of the Contract, subject to any conditions stipulated in the notice.

3) Subject to paragraph 4) of GC7.3, if the Contract is terminated, Canada shall pay the Contractor an amount determined to be due to the Contractor pursuant to GC6.4, "Determination of Price", less the aggregate of all amounts that were paid to the Contractor by Canada and all amounts that are due to Canada from the Contractor pursuant to the Contract.

4) In no event shall the total amount payable by Canada to the Contractor exceed the amount, calculated in accordance with GC5, "Terms of Payment", that would have been payable to the Contractor had the Contractor completed the Work.

5) Payment to the Contractor, if any, shall be made as soon as practicable under the circumstances.

GC7.4 (2008-05-12) Security Deposit - Forfeiture or Return

1) If the Work is taken out of the Contractor's hands, or the Contractor is in breach of, or in default under, the Contract, Canada may convert a security deposit to Canada's own use.

2) If Canada converts a security deposit, the amount realized shall be deemed to be an amount due from Canada to the Contractor under the Contract.

3) Any balance of the amount realized that remains after payment of all losses, damage and claims of Canada and others shall be paid by Canada to the Contractor if, in the opinion of Canada, it is not required for the purposes of the Contract.

Remarks: This clause is generally used for contracts with an estimated value between $100,000 and $5,000,000.

R2880D (2008/12/12) GC 8 - Dispute Resolution

Public Works and Government Services Canada

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GC8.1 (2008-05-12) Interpretation

1) In these Dispute Resolution, an "arbitral question of law" means a question of law that

(a) is capable of determination by arbitration under the laws of Canada;

(b) does not involve interpretation or application of public law of Canada, including without limitation any matter of constitutional, administrative, criminal or tax law; and

(c) concerns

(i) the formation, validity, interpretation, application or enforceability of the Contract;

(ii) the performance, breach, termination or other discharge of the Contract;

(iii) the rights, duties, obligations or remedies of parties created by or pursuant to the Contract; or

(iv) any other issue of private law that may arise between parties relative to performance of the Contract.

2) "dispute" means any disagreement regarding any issue identified by the Contractor in the notice submitted to Canada in accordance with paragraph 2) of GC8. 3, "Notice of Dispute", and includes any claim by the Contractor arising from such disagreement and any counterclaim by Canada, but does not include any claim by either party for punitive or exemplary damages, injury to persons, death, or any claim based on an allegation of libel or slander; and

3) The alternative dispute resolution procedures set out in GC8, do not apply to any claim by Canada against the Contractor except any counterclaim in a dispute as defined in paragraph 1) of GC8.1, including, but not limited to, any claim of setoff regarding any amount due to Canada under GC5.10, "Assessment and Damages for Late Completion".

GC8.2 (2007-05-25) Consultation and Co-operation

1) The parties agree to maintain open and honest communication throughout the performance of the Contract.

2) The parties agree to consult and co-operate with each other in the furtherance of the Work and the resolution of problems or differences that may arise.

GC8.3 (2008-05-12) Notice of Dispute

1) Any difference between the parties to the Contract of any nature arising out of or in connection with the Contract which could result in a claim by the Contractor against Canada, and which is not settled by consultation and co-operation as envisaged in GC8.2, "Consultation and Co-operation", shall be resolved in the first instance by Canada, whose written decision or direction shall be final

and binding subject only to the provisions of GC8. Such written decision or direction includes, but is not limited to, any written decision or direction by Canada under any provision of the General Conditions.

2) The Contractor shall be deemed to have accepted the decision or direction of Canada referred to in paragraph 1) of GC8.3 and to have expressly waived and released Canada from any claim in respect of the particular matter dealt with in that decision or direction unless, within 15 working days after receipt of the decision or direction, the Contractor submits to Canada a written notice of dispute requesting formal negotiation under GC8.4, "Negotiation". Such notice shall refer specifically to GC8.4, "Negotiation", and shall specify the issues in contention and the relevant provisions of the Contract.

3) The giving of a written notice in accordance with paragraph 2) of GC8.3 shall not relieve the Contractor from complying with the decision or direction that is the subject of the dispute. Such compliance, however, shall not be construed as an admission by the Contractor of the correctness of such decision or direction.

4) If a dispute is not resolved promptly, Canada shall give such instructions as, in Canada's opinion, are necessary for the proper performance of the Work and to prevent delays pending a resolution of the matter. Unless Canada terminates the Contract, orders the Contractor to suspend the Work, or takes the Work out of the hands of the Contractor, the Contractor shall continue to perform the Work in accordance with the provisions and requirements of the Contract and the instructions of Canada. Such performance shall not prejudice any claim that the Contractor may have.

5) Nothing in GC8, relieves the Contractor from its obligation to provide any other notice required by the Contract within the time specified in the Contract, including, but not limited to, any notice required under GC6.2, "Changes in Subsurface Conditions".

GC8.4 (2008-12-12) Negotiation

1) Within ten (10) working days after receipt by Canada of a notice referred to in paragraph 2) of GC8.3, "Notice of Dispute", or within such other period of time as may be mutually agreed to, the parties shall commence formal negotiations in order to resolve the dispute. Negotiations shall occur initially between representatives of the Contractor and Canada who play a direct supervisory role in the performance, administration or management of the Contract.

2) If the representatives referred to in paragraph 1) of GC8.4 are unable to resolve some or all of the issues which are the subject of the negotiations within 10 working days, the parties shall refer the remaining issues which are in dispute to a second level of negotiation between a principal or principals of the Contractor and a senior level manager or senior level managers representing Canada.

3) If negotiations fail to resolve the dispute within 30 working days from the date of delivery of the notice referred to in paragraph 2) of GC8.3, "Notice of Dispute", or within such longer period as may have been agreed to by the parties, the Contractor may, by giving written notice to Canada, in accordance with GC2.3, "Notices", within 10 working days from the end of such period, request that mediation be undertaken to assist the parties to reach agreement on the outstanding issues.

4) If the Contractor does not request mediation within the period permitted by paragraph 3) of GC8.4, the Contractor shall be deemed to have accepted the decision or direction of Canada under paragraph 1) of GC8.3 "Notice of Dispute", and to have expressly waived and released Canada from any claim in respect of the particular matter dealt with in that decision or direction.

GC8.5 (2008-05-12) Mediation

1) If the Contractor has requested mediation in accordance with paragraph 3) of GC8.4, "Negotiation", mediation shall be conducted in accordance with GC8.10, "Rules for Mediation of Disputes".

2) If a Project Mediator has not previously been appointed for the purposes of the Contract, a Project Mediator shall be appointed in accordance with GC8.10, "Rules for Mediation of Disputes", forthwith after delivery of a notice in accordance with paragraph 3) of GC8.4, "Negotiation", requesting mediation.

3) If the dispute has not been resolved within

   (a) 10 working days following the appointment of a Project Mediator in accordance with paragraph 2) of GC8.5, if a Project Mediator was not previously appointed;

   (b) 10 working days following receipt by Canada of a written notice in accordance with paragraph 3) of GC8.4, "Negotiation", if a Project Mediator was previously appointed; or

   (c) such other longer period as may have been agreed to by the parties;

   the Project Mediator shall terminate the mediation by giving written notice to the parties stating the effective date of termination.

GC8.6 (2008-05-12) Binding Arbitration

1) If mediation of the dispute is terminated pursuant to the provisions of GC8.5, "Mediation", and

   (a) the termination of mediation occurs prior to the applicable date set out in paragraph 4) of GC8.6; and

   (b) the disputed issues involve issues of fact or issues of arbitral questions of law or issues of mixed fact and arbitral questions of law;

   either party, by giving notice in writing to the other party in accordance with GC2.3, "Notices", may require that the dispute be resolved by binding arbitration pursuant to GC8.6.

2) A notice referred to in paragraph 1) of GC8.6 shall be given within 10 working days of the date of termination of mediation under GC8.5 Mediation and shall be in accordance with GC2.3, "Notices".

3) If no notice is given within the period set out in paragraph 2) of GC8.6, or if the conditions set out in subparagraphs 1)(a) and 1)(b) of GC8.6 are not met, the arbitration provisions set out in GC8.6 do not apply to the dispute.

4) Unless otherwise agreed, the arbitration of the dispute shall be held in abeyance until the earlier of

   (a) the date of issuance of a Certificate of Substantial Performance under GC5.5, "Substantial Performance of the Work";

   (b) the date the Work is taken out of the Contractor's hands; and

   (c) the date of termination of the Contract;

   and consolidated with all other such disputes into a single arbitration.

5) Arbitral proceedings under this GC8.6 shall be governed by and conducted in accordance with

the Commercial Arbitration Act, R.S. 1985, c. 17 (2nd Supp.) and the provisions of GC8.11, "Rules for Arbitration of Disputes".

6) For the purposes of calculating time under the Rules for Arbitration referred to in paragraph 5) of GC8.6, arbitration proceedings shall commence on the applicable date set out in paragraph 4) of GC8.6.

7) Notwithstanding anything else contained in GC8.6, the arbitration provisions in GC8.6 do not apply if the aggregate amount of all claims by the Contractor required to be arbitrated on the applicable date set out in paragraph 4) of GC8.6 is less than $25,000.

GC8.7 (2008-05-12) Disputes not Subject to Arbitration

1) Where the arbitration provisions in GC8.6, "Binding Arbitration", do not apply to a dispute as a result of paragraphs 3) or 7) of GC8.6, "Binding Arbitration", either party may take such court action or proceedings as it considers appropriate, including, without limiting the foregoing, all suits that would otherwise have been immediately available to it but for the provisions of these Dispute Resolution Conditions. Subject to the provisions of paragraph 2) of GC8.7, the Contractor shall initiate any such action or proceeding no later than three calendar months after the date that a Certificate of Completion is issued under GC5.6, "Final Completion", and not afterwards, except where it is otherwise provided by law.

2) Any action or proceeding resulting from a direction under GC3.13, "Warranty and Rectification of Defects in Work", shall be initiated by the Contractor no later than three calendar months after the expiry of the warranty or guarantee period and not afterwards, except where it is otherwise provided by law.

GC8.8 (2008-05-12) Confidentiality

1) All information exchanged during alternative dispute resolution procedures, by whatever means, shall be without prejudice and shall be treated as confidential by the parties and their representatives, unless otherwise required by law. However, evidence that is independently admissible or discoverable shall not be rendered inadmissible or non-discoverable by virtue of its use during an alternative dispute resolution process.

GC8.9 (2007-05-25) Settlement

1) Any agreement to settle all or any part of a dispute, by whatever means, shall be in writing and be signed by the parties or their authorized representatives.

GC8.10 (2008-05-12) Rules for Mediation of Disputes

GC8.10.1 Interpretation

In these Rules

1) "Coordinator" means the person designated by Canada to act as the Dispute Resolution Coordinator.

GC8.10.2 Application

1) By mutual agreement, the parties may change or make additions to the Rules.

GC8.10.3 Communication

1) Written communications pursuant to these Rules shall be given in accordance with GC2.3,

"Notices".

GC8.10.4 Appointment of Project Mediator

1) The parties to the Contract may, by mutual consent, at any time after entry into the Contract, appoint a mediator (the "Project Mediator") to conduct mediation proceedings in accordance with these Rules for Mediation of Disputes, in regard to any dispute that may arise with regard to the interpretation, application or administration of the Contract. In this case, they shall jointly enter into a contract with the appointed Project Mediator, which contract shall be in a form drafted by the Coordinator and agreed to by the parties.

2) If the parties do not appoint a Project Mediator pursuant to paragraph 1) of GC8.10.4, the parties shall appoint a Project Mediator within 17 working days following receipt of a written notice from the Contractor, in accordance with GC2.3, "Notices", requesting that mediated negotiations be undertaken in accordance with these Rules to assist the parties to reach agreement on any outstanding issues that may be in dispute. Any contract entered into with the appointed Project Mediator shall meet the requirements as set out for the contract described in paragraph 1) of GC8.8.4.

3) When mediation is requested by the Contractor pursuant to paragraph 3) of GC8.4, "Negotiation", if the parties have previously entered into a contract with a Project Mediator, the parties shall within 2 days send to both the Project Mediator and the Coordinator

   (a) a copy of the notice requesting negotiation under paragraph 2) of GC8.3, "Notice of Dispute";

   (b) a copy of Canada's written position in relation to the notice, the issues in contention and the relevant provisions of the contract; and

   (c) a copy of the Contractor's written request for mediation required under paragraph 3 of GC8.4, "Negotiation".

4) If the parties have not agreed on a Project Mediator, the parties shall forthwith provide the Coordinator with the written materials referred to in subparagraphs 3)(a), 3)(b) and 3)(c) of GC8.10.4 together with a request that the Coordinator assist in the appointment of a mutually acceptable Project Mediator in accordance with these Rules.

5) Within 5 working days following receipt of the request and materials referred to in paragraph 4) of GC8.10.4, the Coordinator shall provide the parties with a list of qualified private sector mediators obtained from an independent and impartial entity, together with instructions to each party to individually and confidentially select and rank their preferred and fully acceptable choices of mediator in descending order. Each mediator listed shall be impartial and independent of the parties, and shall be an experienced and skilled commercial mediator, preferably with knowledge of the subject matter of the dispute.

6) Within 10 working days of receipt of the list referred to in paragraph 5) of GC8.10.4 each party shall comply with the instructions accompanying the list(s) and shall deliver the completed listing to the Coordinator.

7) Within 2 working days following receipt of the completed listings, the Coordinator shall select the highest common ranked mediator to act as Project Mediator for the purposes of the contract.

8) In the event of a tie, the Coordinator shall consult both parties to re-evaluate their rankings in order to assist the Coordinator in selecting a Project Mediator acceptable to both parties. If the parties cannot agree upon a Project Mediator, the Coordinator shall forthwith provide the parties with a second list of mediators and the procedure shall be repeated.

9) If the parties have not previously entered into a contract with a mutually acceptable Project Mediator, the Coordinator shall use reasonable efforts to negotiate a contract with a mutually acceptable Project Mediator on behalf of the parties, which contract shall incorporate or otherwise comply with the provisions of these Rules. If negotiations are unsuccessful, or if for other reason the individual is unwilling or unable to enter into a contract to act as Project Mediator, the Coordinator shall repeat the process with the second-highest common ranked mediator.

10) The parties agree that, upon successful completion of the negotiations referred to in paragraph 9) of GC8.10.4, they shall jointly enter into a contract with the selected Project Mediator, which contract shall be in a form drafted by the Coordinator and agreed to by the parties.

11) Upon execution of the contract with the Project Mediator referred to in paragraph 10) of GC8.10.4 the Coordinator shall provide the Project Mediator with copies of the documents referred to in paragraph 3) of GC8.10.4.

GC8.10.5 Confidentiality

1) Subject to paragraph 2) of GC8.10.5, and unless otherwise agreed in writing by the parties, the Project Mediator, the parties and their counsel or representatives shall keep confidential all matters and documents disclosed during mediation proceedings except where the disclosure is necessary for any implementation of any agreement reached or is required by law.

2) Evidence that is independently admissible or discoverable in any arbitral or judicial proceeding shall not be rendered inadmissible or non-discoverable by virtue of its use in mediation proceedings.

3) Neither party shall make transcripts, minutes or other records of a mediation conference.

4) The personal notes and written opinions of the Project Mediator made in relation to mediation are in the Project Mediator's sole possession and control, are confidential, and may not be used in any subsequent proceeding between the parties or where they are opposed in interest without the express written permission of the parties.

5) All information exchanged during mediation procedures, by whatever means, shall be without prejudice and shall be treated as confidential by the parties and their representatives, unless otherwise required by law.

GC8.10.6 Time and Place of Mediation

1) The Project Mediator, in consultation with the parties shall set the date, time and place of any mediation conference as soon as possible, bearing in mind that, subject to agreement to the contrary between the parties, only 10 working days are available within which to attempt to settle the dispute.

GC8.10.7 Representation

1) Representatives of the parties may be accompanied at the mediation conference by legal counsel or any other person.

2) If the Project Mediator is a lawyer, the Project Mediator shall not provide legal advice to a party during the course of the mediation conference, but may recommend that a party obtain independent legal advice before finalizing a settlement agreement.

GC8.10.8 Procedure

1) The parties agree to an exchange of all facts, information and documents upon which they intend to rely in any oral or written presentation during the mediation. This exchange shall be completed no later than 2 working days prior to the date set for a mediation conference.

2) The Project Mediator shall be free to meet with the parties individually during a mediation conference if the Project Mediator is of the opinion that this may improve the chances of a mediated settlement, and either party may request such an individual meeting at any time.

3) The parties may agree to extend the 10 working days available for settlement of the dispute through mediation, and the Project Mediator shall record that agreement in writing.

GC8.10.9 Settlement Agreement

1) The parties shall record in writing any settlement agreement reached, with sufficient detail to ensure a clear understanding of

   (a) the issues resolved;

   (b) any obligations assumed by each party including criteria to determine if and when these obligations have been met; and

   (c) the consequences of failure to comply with the agreement reached.

2) The parties agree to carry out the terms of a settlement agreement as soon as possible and, in any event, within any time periods specified in the agreement.

GC8.10.10 Termination of Mediation

1) Either party may withdraw from mediation at any time without reason and, in that event, the Project Mediator shall give each party a written notice terminating the mediation and establishing the effective date of termination.

2) If, in the opinion of the Project Mediator, either party fails to mediate in good faith or fails to comply with the terms of these Rules, or if the Project Mediator, at any time during mediation, is of the opinion that further negotiations will fail to resolve the issues outstanding, the Project Mediator may terminate the negotiations by providing the parties with a written notice of termination, stating therein the Project Mediator's reasons for the termination, and the effective date of termination.

3) If a dispute has not been resolved within 10 working days or such other longer period as may have been agreed to by the parties, the Project Mediator shall terminate the mediation by giving written notice to the parties stating the effective date of termination.

GC8.10.11 Costs

1) The parties agree that they will each be responsible for the costs of their own representatives and advisors and associated travel and living expenses. Fees and expenses of the Project Mediator and all administrative costs of mediation, such as the cost of the meeting room(s), if any, shall be borne equally by the parties.

GC8.10.12 Subsequent Proceedings

1) The parties shall not rely on or introduce as evidence in any arbitral or judicial proceeding, whether or not such proceeding relates to the subject matter of mediation,

   (a) any documents of other parties that are not otherwise producible in those proceedings;

(b) any views expressed or suggestions made by any party in respect of a possible settlement of issues;

(c) any admission made by any party in the course of mediation unless otherwise stipulated by the admitting party; and

(d) the fact that any party has indicated a willingness to make or accept a proposal or recommendation for settlement.

2) The Project Mediator shall neither represent nor testify on behalf of either of the parties in any subsequent investigation, action or proceeding relating to the issues in mediation proceedings.

3) The Project Mediator shall not be subpoenaed to give evidence relating to

(a) the Project Mediator's role in mediation; or

(b) the matters or issues in mediation;

in any subsequent investigation, action or proceeding and the parties agree to vigorously oppose any effort to have the Mediator so subpoenaed.

GC8.11 (2008-05-12) Rules for Arbitration of Disputes

GC8.11.1 Interpretation

1) In these Rules

"claimant" means the Contractor;

"Coordinator" means the person designated by Canada to act as the Dispute Resolution Coordinator”

"respondent" means Canada.

GC8.11.2 Arbitration Tribunal

1) Subject to these Rules, and unless otherwise agreed by the parties, the arbitration tribunal shall consist of a single arbitrator ("the Tribunal") who shall be appointed in accordance with the provisions of the Rules.

GC8.11.3 Application

1) By mutual agreement, the parties may change or make additions to the Rules.

2) The scope of the arbitral proceedings shall be limited to the resolution of the dispute submitted to arbitration.

3) The dispute shall be subject to resolution pursuant to the provisions of these Rules whether or not such resolution requires determination of a question of law if such question of law is an arbitral question of law as defined in the terms and conditions of the Contract.

4) Arbitral proceedings shall be governed by and in accordance with the Commercial Arbitration Act, R.S. 1985, c. 17 (2nd Supp.), the Code referred to therein, and the provisions of these Rules, and, subject only to the provisions of the Commercial Arbitration Act, the parties agree that the determination and award of the Tribunal shall be final and binding on both parties.

5) The Tribunal shall not decide the dispute ex aequo et bono or as amiable compositeur.

6) The Tribunal shall decide in accordance with the terms and conditions of the Contract and shall take into account the usage of the trade applicable to the transaction.

7) The costs of the Tribunal and the arbitration shall be shared equally by the parties and each party shall bear its own costs.

GC8.11.4 Initiation of Proceedings

1) Either party may submit a dispute to binding arbitration pursuant to GC8.6, "Binding Arbitration", by giving notice in writing to the other party in accordance with GC2.3, "Notices".

2) The notice referred to in paragraph 1) of GC8.11.4 shall contain the following:

   (a) a brief description of the Contract;

   (b) a statement of the issue(s) in dispute;

   (c) a request that the dispute be referred to binding arbitration; and

3) A copy of the notice referred to in paragraph 1) of GC8.11.4 shall be given to the Coordinator at the same time it is given to the other party.

4) Unless otherwise agreed, the arbitration of the dispute shall be held in abeyance and consolidated with all other such disputes into a single arbitration in accordance with paragraph 4) of GC8.6, "Binding Arbitration".

GC8.11.5 Appointment of Tribunal

1) No later than 10 working days following the date of commencement of arbitration proceedings as set out in paragraph 6) of GC8.6, "Binding Arbitration", the Coordinator shall assemble and provide the parties with a list of qualified private sector arbitrators obtained from an independent and impartial entity, together with instructions to each party to individually and confidentially select and rank their preferred and fully acceptable choices of arbitrator in descending order.

2) Within 10 working days of receipt of the list referred to in paragraph 1) of GC8.11.5, each party shall comply with the instructions accompanying the list(s) and shall deliver the completed listing to the Coordinator.

3) Within 2 working days following receipt of the completed listings, the Coordinator shall select the highest common ranked arbitrator to act as the Tribunal for the purposes of the arbitration.

4) In the event of a tie, the Coordinator shall consult both parties to re-evaluate their rankings in order to assist the Coordinator in selecting a single arbitrator acceptable to both parties. If the parties cannot agree upon an arbitrator, the Coordinator shall forthwith provide the parties with a second list of arbitrators and the procedure shall be repeated.

5) In the event that, following the repeated procedure, the Coordinator again fails to select a single arbitrator acceptable to both parties, the Tribunal shall consist of three (3) arbitrators, one arbitrator appointed by each of the parties and the third arbitrator appointed by these two (2) arbitrators.

6) The Tribunal shall in any event be composed of a person or persons who have experience in the subject matter of the dispute and are independent of either party. Without limiting the generality

of the foregoing, the Tribunal shall be at arm's length from both parties and shall not be composed of members of any company, firm, or agency which advises either party, nor shall the Tribunal be composed of a person or persons who are otherwise regularly retained by such parties.

7) The parties agree that they shall jointly enter into an agreement with the selected Tribunal, which agreement shall be in a form drafted by the Coordinator and agreed to by the parties.

8) The parties agree that they shall each bear their own costs. Fees and reasonable expenses of the Tribunal and reasonable expenses associated with the conduct of the arbitration shall be borne equally by the parties.

GC8.11.6 Preliminary Meeting

1) Unless the parties to the arbitration and the Tribunal otherwise agree, the parties shall meet with the Tribunal within 10 working days of the Tribunal's appointment to

(a) settle the location of premises for proceedings and responsibilities for the arrangement;

(b) verify addresses for the delivery of written communications to each party and to the Tribunal;

(c) present to the Tribunal the issues to be resolved by means of the arbitration;

(d) estimate the length of time the hearing might take and the number of witnesses likely to be produced;

(e) determine if a stenographic record or any other type of recording of proceedings should be kept, or if any particular services, such as interpreters, translations or security measures should be provided; and

(f) determine any other matters pertinent to conduct of the arbitration.

GC8.11.7 Communications

1) Subject to paragraph 2) of GC8.11.7, the Tribunal shall not communicate with a party to the dispute except in the presence of the other party.

2) Notwithstanding paragraph 1) of GC8.11.7, the Tribunal may communicate with the parties separately for the purpose of establishing procedures to be followed or setting the time of a meeting; other exceptions to the general rule shall only be made with the consent in writing of all parties.

3) If a communication by the Tribunal to one party is in writing, a copy shall be sent to the other party.

4) If a party sends any written communication to the Tribunal, a copy shall be sent to the other party.

5) Any communication that is required or permitted to be given to the Tribunal or either party shall be in writing and may be given by delivering the same by facsimile, electronic mail or by mail, postage prepaid, to the address established for the purposes of the Contract in the case of the parties, and to the address provided by the Tribunal in the case of the Tribunal, and such communication shall be deemed to have been received in accordance with the provisions of GC2.3, "Notices".

GC8.11.8 Representation

1) The parties may be represented or assisted by any person during the arbitral proceedings.

GC8.11.9 Conduct of Proceedings

1) Subject to the provisions of these Rules, the Tribunal may conduct the arbitration in the manner it considers appropriate. The power conferred upon the Tribunal includes the power to determine the admissibility, relevance, materiality and weight of any evidence.

GC8.11.10 Place of Arbitration

1) The Tribunal may meet at any place it considers appropriate for hearing witnesses, experts or the parties, or for inspection of documents, goods or other property. The Tribunal shall conduct on-site inspections at the request of either party. Any on-site inspections shall be made in the presence of both parties and their representatives. The proceedings of any on-site inspections shall be recorded as part of the hearing itself.

GC8.11.11 Time Limitations

1) The Tribunal may extend or abridge a period of time required in these Rules or fixed or determined by the Tribunal where the Tribunal considers it to be reasonable and appropriate.

2) Where any proceeding is terminated pursuant to paragraph 25(a) or 32 (2)(a) of the Code referred to in the Commercial Arbitration Act, unless the respondent agrees otherwise in writing, such termination is deemed to be a final award dismissing the claim of the claimant.

GC8.11.12 Statement of Claim and Defence

1) Within 10 working days after the Tribunal has been appointed, the claimant shall state, in writing, the facts supporting its claim, points at issue and relief or remedy sought, and shall submit the statement to the respondent, the Coordinator, and the Tribunal.

2) Within 10 working days after receipt of the statement of claim, the respondent shall state, in writing, its defence in respect of these particulars and any counterclaim and shall submit its statement to the claimant, the Coordinator and the Tribunal.

3) Within 5 working days after receipt of the statement of defence, the claimant may state, in writing, its response to the defence and to any counterclaim, and shall submit its statement to the respondent, the Coordinator and the Tribunal.

4) A party may amend or supplement its statements during the course of arbitral proceedings unless the Tribunal considers it inappropriate to allow such amendment or supplement having regard to all circumstances including delay in making the amendment or supplement.

5) A statement may not be amended if the amended statement would fall outside the scope of the arbitration agreement.

GC8.11.13 Further Written Statements

1) The Tribunal may require or permit the presentation of further written statements by the parties and shall fix the periods of time for submitting those statements.

GC8.11.14 Agreed Statement of Facts

1) Within a time period specified by the Tribunal, the parties shall prepare and file with the Tribunal an agreed statement of facts including but not limited to a chronology of the project, schedules,

quantities and progress payments. The Tribunal shall make itself available, upon reasonable notice, to assist the parties to arrive at agreement on as many facts as possible under the circumstances.

2) Within a time period specified by the Tribunal, the parties shall prepare and file with the Tribunal a common book of documents including all documents referred to in an agreed statement of facts and in statements of claim, defence and response.

GC8.11.15 Evidence

1) Each party shall prove the facts relied upon to support its claim or defence.

2) Each party shall deliver to the Tribunal and to the other party, within such period of time that the Tribunal determines, a copy of the documents and a summary of the other evidence that party intends to present in support of the facts in issue set out in its statement of claim, defence or response.

3) From time to time, the Tribunal may require the parties to produce documents, exhibits and other evidence within such period of time that the Tribunal may determine.

GC8.11.16 Hearings

1) All statements, documents or other information supplied to, or applications made to, the Tribunal by one party shall be communicated to the other party, and any expert report or evidentiary document on which the Tribunal may rely in making its decision shall be communicated to the parties at least 8 working days prior to its entry in evidence.

2) The parties shall be given reasonably sufficient advance notice of any hearing of the Tribunal and any meeting of the Tribunal for the purpose of inspection of documents, goods or other property.

3) If a party intends to give evidence through a witness, the party shall communicate to the Tribunal and to the other party, within such period that the Tribunal determines

   (a) the names, addresses and curriculum vitae of each of the witnesses it intends to present; and

   (b) the subject upon which those witnesses shall give their testimony.

4) Each party shall have the right to examine, cross-examine and re-examine all witnesses as appropriate.

5) All oral hearings and meetings in arbitral proceedings shall be held "in camera".

GC8.11.17 Default

1) Where, without showing sufficient cause, the claimant fails to communicate its statement of claim in accordance with these Rules or within such further period of time permitted by the Tribunal under these Rules, the Tribunal shall issue an order terminating the arbitral proceedings with respect to that claim.

2) An order made under paragraph 1) of GC8.11.17 does not affect a counterclaim made in respect of those arbitral proceedings.

3) Where, without showing sufficient cause, the respondent fails to communicate a statement of defence in accordance with these Rules, or within such further period of time permitted by the Tribunal under these Rules, the Tribunal shall continue the arbitral proceedings without treating

that failure in itself as an admission of the claimant's allegations.

4) Where, without showing sufficient cause, a party fails to appear at an oral hearing or produce documentary evidence, the Tribunal may continue the arbitral proceedings and make the arbitral award on the evidence before it.

GC8.11.18 Arbitral Decision

1) Unless otherwise agreed to by the parties, the Tribunal shall make the award no later than 30 days after completion of the arbitration hearings unless that time period is extended for an express period by the Tribunal on written notice to each party, due to illness or other cause beyond the Tribunal's control.

Remarks: This clause is generally used for contracts with an estimated value of $5,000,000 or more.

R2882D (2008/12/12) GC8 - Dispute Resolution

Public Works and Government Services Canada

GC8.1 Interpretation
GC8.2 Consultation and Co-operation
GC8.3 Notice of Dispute
GC8.4 Negotiation
GC8.5 Mediation
GC8.6 Confidentiality
GC8.7 Settlement
GC8.8 Rules for Mediation of Disputes
- GC8.8.1 Interpretation
- GC8.8.2 Application
- GC8.8.3 Communication
- GC8.8.4 Appointment of Project Mediator
- GC8.8.5 Confidentiality
- GC8.8.6 Time and Place of Mediation
- GC8.8.7 Representation
- GC8.8.8 Procedure
- GC8.8.9 Settlement Agreement
- GC8.8.10 Termination of Mediation
- GC8.8.11 Costs
- GC8.8.12 Subsequent Proceedings

GC8.1 (2008-05-12) Interpretation

1) "dispute" means any disagreement regarding any issue identified by the Contractor in the notice submitted to Canada in accordance with paragraph 2 of GC8.3, "Notice of Dispute", and includes any claim by the Contractor arising from such disagreement and any counterclaim by Canada, but does not include any claim by either party for punitive or exemplary damages, injury to persons, death, or any claim based on an allegation of libel or slander.

2) The alternative dispute resolution procedures set out in GC8, do not apply to any claim by Canada against the Contractor except any counterclaim in a dispute as defined in paragraph 1 of GC8.1, including, but not limited to, any claim of setoff regarding any amount due to Canada under GC5.10, "Assessment and Damages for Late Completion".

GC8.2 (2008-05-12) Consultation and Co-operation

1) The parties agree to maintain open and honest communication throughout the performance of the Contract.

2) The parties agree to consult and co-operate with each other in the furtherance of the Work and the resolution of problems or differences that may arise.

GC8.3 (2008-05-12) Notice of Dispute

1) Any difference between the parties to the Contract of any nature arising out of or in connection with the Contract which could result in a claim by the Contractor against Canada, and which is not settled by consultation and co-operation as envisaged in GC8.2, "Consultation and Co-operation", shall be resolved in the first instance by Canada, whose written decision or direction shall be final and binding subject only to the provisions of GC8. Such written decision or direction includes, but is not limited to, any written decision or direction by Canada under any provision of the General Conditions.

2) The Contractor shall be deemed to have accepted the decision or direction of Canada referred to in paragraph 1) of GC8.3 and to have expressly waived and released Canada from any claim in respect of the particular matter dealt with in that decision or direction unless, within 15 working days after receipt of the decision or direction, the Contractor submits to Canada a written notice of dispute requesting formal negotiation under GC8.4, "Negotiation". Such notice shall refer specifically to GC8.4, "Negotiation", and shall specify the issues in contention and the relevant provisions of the Contract.

3) The giving of a written notice in accordance with paragraph 2) of GC8.3 shall not relieve the Contractor from complying with the decision or direction that is the subject of the dispute. Such compliance, however, shall not be construed as an admission by the Contractor of the correctness of such decision or direction.

4) If a dispute is not resolved promptly, Canada shall give such instructions as, in Canada's opinion, are necessary for the proper performance of the Work and to prevent delays pending a resolution of the matter. Unless Canada terminates the Contract, orders the Contractor to suspend the Work, or takes the Work out of the hands of the Contractor, the Contractor shall continue to perform the Work in accordance with the provisions and requirements of the Contract and the instructions of Canada. Such performance shall not prejudice any claim that the Contractor may have.

5) Nothing in GC8 relieves the Contractor from its obligation to provide any other notice required by the Contract within the time specified in the Contract, including but not limited to, any notice required under GC6.2, "Changes in Subsurface Conditions".

GC8.4 (2008-12-12) Negotiation

1) Within 10 working days after receipt by Canada of a notice referred to in paragraph 2) of GC8.3, "Notice of Dispute", or within such other period of time as may be mutually agreed to, the parties shall commence formal negotiations in order to resolve the dispute. Negotiations shall occur initially between representatives of the Contractor and Canada who play a direct supervisory role in the performance, administration or management of the Contract.

2) If the representatives referred to in paragraph 1) of GC8.4 are unable to resolve some or all of the issues which are the subject of the negotiations within 10 working days, the parties shall refer the remaining issues which are in dispute to a second level of negotiation between a principal or principals of the Contractor and a senior level manager or senior level managers representing

Canada.

3) If negotiations fail to resolve the dispute within 30 working days from the date of delivery of the notice referred to in paragraph 2) of GC8.3, "Notice of Dispute", or within such longer period as may have been agreed to by the parties, the Contractor may, by giving written notice to Canada, in accordance with GC2.3, "Notices", within 10 working days from the end of such period, request that mediation be undertaken to assist the parties to reach agreement on the outstanding issues.

4) If the Contractor does not request mediation within the period permitted by paragraph 3) of GC8.4, the Contractor shall be deemed to have accepted the decision or direction of Canada under paragraph 1) of GC8.3, "Notice of Dispute", and to have expressly waived and released Canada from any claim in respect of the particular matter dealt with in that decision or direction.

GC8.5 (2008-05-12) Mediation

1) If the Contractor has requested mediation in accordance with paragraph 3) of GC8.4, "Negotiation", mediation shall be conducted in accordance with GC8.8, "Rules for Mediation of Disputes".

2) If a Project Mediator has not previously been appointed for the purposes of the Contract, a Project Mediator shall be appointed in accordance with GC8.8, "Rules for Mediation of Disputes", forthwith after delivery of a notice in accordance with paragraph 3) of GC8.4, "Negotiation", requesting mediation.

3) If the dispute has not been resolved within

   (a) 10 working days following the appointment of a Project Mediator in accordance with paragraph 2) of GC8.5, if a Project Mediator was not previously appointed;

   (b) 10 working days following receipt by Canada of a written notice in accordance with paragraph 3) of GC8.4, "Negotiation", if a Project Mediator was previously appointed; or

   (c) such other longer period as may have been agreed to by the parties;

   the Project Mediator shall terminate the mediation by giving written notice to the parties stating the effective date of termination.

GC8.6 (2008-05-12) Confidentiality

1) All information exchanged during alternative dispute resolution procedures, by whatever means, shall be without prejudice and shall be treated as confidential by the parties and their representatives, unless otherwise required by law. However, evidence that is independently admissible or discoverable shall not be rendered inadmissible or non-discoverable by virtue of its use during an alternative dispute resolution process.

GC8.7 (2008-05-12) Settlement

1) Any agreement to settle all or any part of a dispute, by whatever means, shall be in writing and be signed by the parties or their authorized representatives.

GC8.8 (2008-05-12) Rules for Mediation of Disputes

GC8.8.1 Interpretation

In these Rules

1) "Coordinator" means the person designated by Canada to act as the Dispute Resolution Coordinator.

GC8.8.2 Application

1) By mutual agreement, the parties may change or make additions to the Rules.

GC8.8.3 Communication

1) Written communications pursuant to these Rules shall be given in accordance with GC2.3, "Notices".

GC8.8.4 Appointment of Project Mediator

1) The parties to the Contract may, by mutual consent, at any time after entry into the Contract, appoint a mediator (the "Project Mediator") to conduct mediation proceedings in accordance with these Rules for Mediation of Disputes, in regard to any dispute that may arise with regard to the interpretation, application or administration of the Contract. In this case, they shall jointly enter into a contract with the appointed Project Mediator, which contract shall be in a form drafted by the Coordinator and agreed to by the parties.

2) If the parties do not appoint a Project Mediator pursuant to paragraph 1) of GC8.8.4, the parties shall appoint a Project Mediator within 17 working days following receipt of a written notice from the Contractor, in accordance with GC2.3, "Notices", requesting that mediated negotiations be undertaken in accordance with these Rules to assist the parties to reach agreement on any outstanding issues that may be in dispute. Any contract entered into with the appointed Project Mediator shall meet the requirements as set out for the contract described in paragraph 1) of GC8.8.4.

3) When mediation is requested by the Contractor pursuant to paragraph 3) of GC8.4, "Negotiation", if the parties have previously entered into a contract with a Project Mediator, the parties shall within 2 days send to both the Project Mediator and the Coordinator

   (a) a copy of the notice requesting negotiation under paragraph 2) of GC8.3, "Notice of Dispute";

   (b) a copy of Canada's written position in relation to the notice, the issues in contention and the relevant provisions of the contract; and

   (c) a copy of the Contractor's written request for mediation required under paragraph 3) of GC8.4, "Negotiation".

4) If the parties have not agreed on a Project Mediator, the parties shall forthwith provide the Coordinator with the written materials referred to in subparagraphs 3)(a), 3)(b) and 3)(c) of GC8.8.4 together with a request that the Coordinator assist in the appointment of a mutually acceptable Project Mediator in accordance with these Rules.

5) Within 5 working days following receipt of the request and materials referred to in paragraph 4) of GC8.8.4, the Coordinator shall provide the parties with a list of qualified private sector mediators obtained from an independent and impartial entity, together with instructions to each party to individually and confidentially select and rank their preferred and fully acceptable choices of mediator in descending order. Each mediator listed shall be impartial and independent of the parties, and shall be an experienced and skilled commercial mediator, preferably with knowledge of the subject matter of the dispute.

6) Within 10 working days of receipt of the list referred to in paragraph 5) of GC8.8.4 each party

shall comply with the instructions accompanying the list(s) and shall deliver the completed listing to the Coordinator.

7) Within 2 working days following receipt of the completed listings, the Coordinator shall select the highest common ranked mediator to act as Project Mediator for the purposes of the contract.

8) In the event of a tie, the Coordinator shall consult both parties to re-evaluate their rankings in order to assist the Coordinator in selecting a Project Mediator acceptable to both parties. If the parties cannot agree upon a Project Mediator, the Coordinator shall forthwith provide the parties with a second list of mediators and the procedure shall be repeated.

9) If the parties have not previously entered into a contract with a mutually acceptable Project Mediator, the Coordinator shall use reasonable efforts to negotiate a contract with a mutually acceptable Project Mediator on behalf of the parties, which contract shall incorporate or otherwise comply with the provisions of these Rules. If negotiations are unsuccessful, or if for other reason the individual is unwilling or unable to enter into a contract to act as Project Mediator, the Coordinator shall repeat the process with the second-highest common ranked mediator.

10) The parties agree that, upon successful completion of the negotiations referred to in paragraph 9) of GC8.8.4, they shall jointly enter into a contract with the selected Project Mediator, which contract shall be in a form drafted by the Coordinator and agreed to by the parties.

11) Upon execution of the contract with the Project Mediator referred to in paragraph 10) of GC8.8.4 the Coordinator shall provide the Project Mediator with copies of the documents referred to in paragraph 3) of GC8.8.4.

GC8.8.5 Confidentiality

1) Subject to paragraph 2) of GC8.8.5, and unless otherwise agreed in writing by the parties, the Project Mediator, the parties and their counsel or representatives shall keep confidential all matters and documents disclosed during mediation proceedings except where the disclosure is necessary for any implementation of any agreement reached or is required by law.

2) Evidence that is independently admissible or discoverable in any arbitral or judicial proceeding shall not be rendered inadmissible or non-discoverable by virtue of its use in mediation proceedings.

3) Neither party shall make transcripts, minutes or other records of a mediation conference.

4) The personal notes and written opinions of the Project Mediator made in relation to mediation are in the Project Mediator's sole possession and control, are confidential, and may not be used in any subsequent proceeding between the parties or where they are opposed in interest without the express written permission of the parties.

5) All information exchanged during mediation procedures, by whatever means, shall be without prejudice and shall be treated as confidential by the parties and their representatives, unless otherwise required by law.

GC8.8.6 Time and Place of Mediation

1) The Project Mediator, in consultation with the parties shall set the date, time and place of any mediation conference as soon as possible, bearing in mind that, subject to agreement to the contrary between the parties, only 10 working days are available within which to attempt to settle the dispute.

GC8.8.7 Representation

1) Representatives of the parties may be accompanied at the mediation conference by legal counsel or any other person.

2) If the Project Mediator is a lawyer, the Project Mediator shall not provide legal advice to a party during the course of the mediation conference, but may recommend that a party obtain independent legal advice before finalizing a settlement agreement.

GC8.8.8 Procedure

1) The parties agree to an exchange of all facts, information and documents upon which they intend to rely in any oral or written presentation during the mediation. This exchange shall be completed no later than 2 working days prior to the date set for a mediation conference.

2) The Project Mediator shall be free to meet with the parties individually during a mediation conference if the Project Mediator is of the opinion that this may improve the chances of a mediated settlement, and either party may request such an individual meeting at any time.

3) The parties may agree to extend the 10 working days available for settlement of the dispute through mediation, and the Project Mediator shall record that agreement in writing.

GC8.8.9 Settlement Agreement

1) The parties shall record in writing any settlement agreement reached, with sufficient detail to ensure a clear understanding of

   (a) the issues resolved;

   (b) any obligations assumed by each party including criteria to determine if and when these obligations have been met; and

   (c) the consequences of failure to comply with the agreement reached.

2) The parties agree to carry out the terms of a settlement agreement as soon as possible and, in any event, within any time periods specified in the agreement.

GC8.8.10 Termination of Mediation

1) Either party may withdraw from mediation at any time without reason and, in that event, the Project Mediator shall give each party a written notice terminating the mediation and establishing the effective date of termination.

2) If, in the opinion of the Project Mediator, either party fails to mediate in good faith or fails to comply with the terms of these Rules, or if the Project Mediator, at any time during mediation, is of the opinion that further negotiations will fail to resolve the issues outstanding, the Project Mediator may terminate the negotiations by providing the parties with a written notice of termination, stating therein the Project Mediator's reasons for the termination, and the effective date of termination.

3) If a dispute has not been resolved within 10 working days or such other longer period as may have been agreed to by the parties, the Project Mediator shall terminate the mediation by giving written notice to the parties stating the effective date of termination.

GC8.8.11 Costs

1) The parties agree that they will each be responsible for the costs of their own representatives and

advisors and associated travel and living expenses. Fees and expenses of the Project Mediator and all administrative costs of mediation, such as the cost of the meeting room(s), if any, shall be borne equally by the parties.

GC8.8.12 Subsequent Proceedings

1) The parties shall not rely on or introduce as evidence in any arbitral or judicial proceeding, whether or not such proceeding relates to the subject matter of mediation,

   (a) any documents of other parties that are not otherwise producible in those proceedings;

   (b) any views expressed or suggestions made by any party in respect of a possible settlement of issues;

   (c) any admission made by any party in the course of mediation unless otherwise stipulated by the admitting party; and

   (d) the fact that any party has indicated a willingness to make or accept a proposal or recommendation for settlement.

2) The Project Mediator shall neither represent nor testify on behalf of either of the parties in any subsequent investigation, action or proceeding relating to the issues in mediation proceedings.

3) The Project Mediator shall not be subpoenaed to give evidence relating to

   (a) the Project Mediator's role in mediation; or

   (b) the matters or issues in mediation;

   in any subsequent investigation, action or proceeding and the parties agree to vigorously oppose any effort to have the Mediator so subpoenaed.

Remarks: This clause is generally used for contracts with an estimated value of less than $100,000.

R2884D (2008/05/12) GC8 - Dispute Resolution

1) The Contractor may, within ten (10) days after the communication to the Contractor of any decision or direction referred to in GC6.1, ''Changes in the Work'', and GC2.2, ''Interpretation of Contract'', protest that decision or direction.

2) A protest referred to in paragraph 1) of GC8 shall be in writing, contain full reasons for the protest, be signed by the Contractor and be given to Canada.

3) If the Contractor gives a protest pursuant to paragraph 2) of GC8, any compliance by the Contractor with the decision or direction that was protested shall not be construed as an admission by the Contractor of the correctness of that decision or direction, or prevent the Contractor from taking whatever action the Contractor considers appropriate in the circumstances.

4) The giving of a protest by the Contractor pursuant to paragraph 2) of GC8 shall not relieve the Contractor from complying with the decision or direction that is the subject of the protest.

5) Subject to paragraph 6) of GC8, the Contractor shall take any action referred to in paragraph 3) of

GC8 within 3 months after the date of the Certificate of Completion referred to in GC5.6, ''Final Completion'', and not afterwards, except where it is otherwise provided by law.

6) The Contractor shall take any action referred to in paragraph 3) of GC8 resulting from a direction under GC3.13, ''Warranty and Rectification'', of Defects in Work, within three (3) months after the expiry of a warranty or guarantee period and not afterwards, except where it is otherwise provided by law.

7) Subject to paragraph 8) of GC8, if Canada determines that the Contractor's protest is justified, Canada shall pay the Contractor the cost of the additional labour, Plant and Material necessarily incurred by the Contractor in carrying out the protested decision or direction.

8) Costs referred to in paragraph 7) of GC8 shall be calculated in accordance with GC6.4, ''Determination of Price''.

Remarks:

R2890D (2010/01/11) GC9 - Contract Security

Public Works and Government Services Canada

GC9.1 Obligation to Provide Contract Security
GC9.2 Types and Amounts of Contract Security

GC9.1 (2010-01-11) Obligation to Provide Contract Security

1) The Contractor shall, at the Contractor's expense and within 14 days after the date that the Contractor receives notice that the Contractor's bid was accepted by Canada, obtain and deliver Contract Security to Canada in one of the forms prescribed in GC9.2, "Types and Amounts of Contract Security".

2) If the whole or a part of the Contract Security provided is in the form of a security deposit, it shall be held and disposed of in accordance with GC5.13, "Return of Security Deposit", and GC7.4, "Security Deposit - Forfeiture or Return".

3) If a part of the Contract Security provided is in the form of a labour and material payment bond, the Contractor shall post a copy of that bond at the site of the Work.

4) It is a condition precedent to the release of the first progress payment that the Contractor has provided the Contract Security as specified herein.

GC9.2 (2010-01-11) Types and Amounts of Contract Security

1) The Contractor shall deliver to Canada either (a) or (b).

   (a) A performance bond and a labour and material payment bond each in an amount that is equal to not less than 50 percent of the Contract Amount.

   (b) A security deposit or an irrevocable standby letter of credit in an amount that is equal to not less than 20 percent of the Contract Amount.

2) A performance bond (form PWGSC-TPSGC 505) and a labour and material payment bond (form PWGWSC-TPSGC 506) referred to in subparagraph 1)(a) of GC9.2 shall be in a form and be

issued by a bonding or surety company (see Treasury Board Annex L, Acceptable Bonding Companies) that is approved by Canada.

3) A security deposit referred to in subparagraph 1)(b) of GC9.2 shall be in the form of

(a) a bill of exchange, bank draft or money order made payable to the Receiver General for Canada and certified by an approved financial institution or drawn by an approved financial institution on itself; or

(b) bonds of, or unconditionally guaranteed as to principal and interest by, the Government of Canada.

4) For the purposes of subparagraph 3)(a) of GC9.2

(a) a bill of exchange is an unconditional order in writing signed by the Contractor and addressed to an approved financial institution, requiring the said institution to pay, on demand, at a fixed or determinable future time a sum certain of money to, or to the order of, the Receiver General for Canada;

(b) if a bill of exchange, bank draft or money order is certified by or drawn on an institution or corporation other than a chartered bank, it must be accompanied by proof that the said institution or corporation meets at least one of the criteria described in subparagraph 4)(c) of GC9.2, either by letter or by a stamped certification on the bill of exchange, bank draft or money; and

(c) An approved financial institution is

(i) a corporation or institution that is a member of the Canadian Payments Association as defined in the *Canadian Payments Act*;

(ii) a corporation that accepts deposits that are insured, to the maximum permitted by law, by the Canada Deposit Insurance Corporation or the "Régie de l'assurance-dépôts du Québec";

(iii) a corporation that accepts deposits from the public if repayment of the deposit is guaranteed by Her Majesty the Queen in right of a province;

(iv) a corporation, association or federation incorporated or organized as a credit union or co-operative credit society that conforms to the requirements of a credit union which are more particularly described in paragraph 137(6) of the *Income Tax Act*; or

(v) Canada Post Corporation.

5) Bonds referred to in subparagraph 3)(b) of GC9.2 shall be provided on the basis of their market value current at the date of the Contract, and shall be

(a) made payable to bearer; or

(b) accompanied by a duly executed instrument of transfer of the bonds to the Receiver General for Canada in the form prescribed by the Domestic Bonds of Canada Regulations; or

(c) registered as to principal, or as to principal and interest, in the name of the Receiver General for Canada pursuant to the Domestic Bonds of Canada Regulations.

6) An irrevocable standby letter of credit referred to in subparagraph 1)(b) of GC9.2 shall:

(a) be an arrangement, however named or described, whereby a financial institution (the "Issuer") acting at the request and on the instructions of a customer (the "Applicant") or on its own behalf,

(i) is to make a payment to, or to the order of, Canada as the beneficiary;

(ii) is to accept and pay bills of exchange drawn by Canada;

(iii) authorizes another financial institution to effect such payment or accept and pay such bills of exchange; or

(iv) authorizes another financial institution to negotiate against written demand(s) for payment provided that the terms and conditions of the letter of credit are complied with;

(b) state the face amount that may be drawn against it;

(c) state its expiry date;

(d) provide for sight payment to the Receiver General for Canada by way of the financial institution's draft against presentation of a written demand for payment signed by Canada;

(e) provide that more than one written demand for payment may be presented subject to the sum of those demands not exceeding the face value of the letter of credit;

(f) provide that it is subject to the International Chamber of Commerce (ICC) Uniform Customs and Practice for Documentary Credits, 2007 Revision, ICC Publication No. 600;

(g) clearly specify that it is irrevocable or deemed to be irrevocable pursuant to article 6 c) of the ICC Uniform Customs and Practice for Documentary Credits, 2007 Revision, ICC Publication No. 600; and

(h) be issued or confirmed, in either official language in a format left to the discretion of the issuer or confirmer, by an approved financial institution on its letterhead.

Remarks:

R2900D (2008/05/12) GC10 - Insurance

Public Works and Government Services Canada

GC10.1 Insurance Contracts
GC10.2 Insurance Proceeds

GC10.1 (2008-05-12) Insurance Contracts

1) The contractor shall, at the contractor's expense, obtain and maintain insurance contracts in respect of the work and shall provide evidence thereof to Canada in accordance with the requirements of the "Insurance Terms".

2) The insurance contracts referred to in paragraph 1) of GC10.1 shall

(a) be in a form, of the nature, in the amounts, for the periods and containing the terms and conditions specified in "Insurance Terms"; and

(b) provide for the payment of claims under such insurance contracts in accordance with GC10.2, "Insurance Proceeds".

GC10.2 (2008-05-12) Insurance Proceeds

1) In the case of a claim payable under a Builders Risk/Installation (All Risks) insurance contract maintained by the contractor pursuant to GC10.1, "Insurance Contracts", the proceeds of the claim shall be paid directly to Canada, and

(a) the monies so paid shall be held by Canada for the purposes of the contract, or

(b) if Canada elects, shall be retained by Canada, in which event they vest in Canada absolutely.

2) In the case of a claim payable under a General Liability insurance contract maintained by the contractor pursuant to GC10.1, "Insurance Contracts", the proceeds of the claim shall be paid by the insurer directly to the claimant.

3) If an election is made pursuant to paragraph 1) of GC10.2, Canada may cause an audit to be made of the accounts of the contractor and of Canada in respect of the part of the work that was lost, damaged or destroyed for the purpose of establishing the difference, if any, between

(a) the aggregate of the amount of the loss or damage suffered or sustained by Canada, including any costs incurred in respect of the clearing and cleaning of the work and its site and any other amount that is payable by the contractor to Canada under the contract, minus any monies retained pursuant to subparagraph 1)(b) of GC10.2; and

(b) the aggregate of the amounts payable by Canada to the contractor pursuant to the contract up to the date of the loss or damage.

4) A difference that is established pursuant to paragraph 3 of GC10.2 shall be paid forthwith by the party who is determined by the audit to be the debtor to the party who is determined by the audit to be the creditor.

5) When payment of a deficiency has been made pursuant to paragraph 4) of GC10.2, all rights and obligations of Canada and the contractor under the contract shall, with respect only to the part of the work that was the subject of the audit referred to in paragraph 3 of GC10.2, be deemed to have been expended and discharged.

6) If an election is not made pursuant to subparagraph 1)(b) of GC10.2, the contractor shall, subject to paragraph 7) of GC10.2, clear and clean the work and its site and restore and replace the part of the work that was lost, damaged or destroyed at the contractor's expense as if that part of the work had not yet been performed.

7) When the contractor clears and cleans the work and its site and restores and replaces the work referred to in paragraph 6) of GC10.2, Canada shall pay the contractor out of the monies referred to in paragraph 1) of GC10.2 so far as they will thereunto extend.

8) Subject to paragraph 7) of GC10.2, payment by Canada pursuant to paragraph 7) of GC10.2 shall be made in accordance with the contract but the amount of each payment shall be 100

percent of the amount claimed notwithstanding subparagraphs 3)(a) and 3)(b) of GC5.4, "Progress Payment".

Remarks: These Insurance Terms are applicable to the majority of construction contracts that require insurance coverage for Commercial General Liability and Builder's Risk/Installation Floater.

Contracting officers must consult PWGSC Risk Management Advisory Services, at: NCR.RMIAS-SCGRA@pwgsc.gc.ca if the suggested limits of liability are not considered adequate.

Builder's Risk/Installation Floater insurance is generally not required for contracts were there is no work/property to ensure, such as paving, asbestos abatement and dredging.

Commercial General Liability (CGL) insurance might not be sufficient or appropriate for certain construction contracts. For work taking place on the airside of an airport, CGL should be substituted with Aviation Liability Insurance (G2030C). For work done from a floating plant or with a dredge, CGL should be substituted with Marine Liability Insurance (G5003C).

R2910D (2008/12/12) Insurance Terms

Public Works and Government Services Canada

IT1 General
- IT1.1 Proof of Insurance
- IT1.2 Payment of Deductible

IT2 Commercial General Liability
- IT2.1 Scope of Policy
- IT2.2 Insured
- IT2.3 Period of Insurance

IT3 Builder's Risk / Installation Floater
- IT3.1 Scope of Policy
- IT3.2 Amount of Insurance
- IT3.3 Insured
- IT3.4 Period of Insurance
- IT3.5 Insurance Proceeds

IT1 (2008-12-12) General

IT1.1 Proof of Insurance

1) Before commencement of the Work, and within thirty (30) days after acceptance of its bid, the Contractor shall deposit with Canada a Certificate of Insurance (form PWGSC-TPSGC 357) (http://www.tpsgc-pwgsc.gc.ca/app-acq/forms/documents/357.pdf), available on Public Works and Government Services Canada Web site.

2) Upon request by Canada, the Contractor shall provide originals or certified true copies of all contracts of insurance maintained by the Contractor pursuant to the provisions contained herein.

3) The insurance policies shall be endorsed to provide Canada with not less than thirty (30) days notice in writing in advance of a cancellation of insurance or any reduction in coverage.

IT1.2 Payment of Deductible

1) The payment of monies up to the deductible amount made in satisfaction of a claim shall be borne by the Contractor.

IT2 (2008-05-12) Commercial General Liability

IT2.1 Scope of Policy

1) The insurance coverage provided shall not be less than that provided by IBC Form 2100, as amended from time to time, and shall have:

   (a) an Each Occurrence Limit of not less than $5,000,000;

   (b) a Products/Completed Operations Aggregate Limit of not less than $5,000,000; and

   (c) a General Aggregate Limit of not be less than $10,000,000 per policy year, if the policy is subject to such a limit.

2) The policy shall either include or be endorsed to include coverage for the following exposures or hazards if the Work is subject thereto:

   (a) Blasting.

   (b) Pile driving and caisson work.

   (c) Underpinning.

   (d) Removal or weakening of support of any building or land whether such support be natural or otherwise if the work is performed by the insured contractor.

IT2.2 Insured

1) The policy shall insure the Contractor and shall include Her Majesty the Queen in right of Canada, represented by the Minister of Public Works and Government Services Canada as an additional Insured, with respect to liability arising out of the operations of the contractor with regard to the work.

IT2.3 Period of Insurance

1) Unless otherwise directed in writing by Canada, or, otherwise stipulated elsewhere herein, the policy required herein shall be in force and be maintained from the date of contract award until the day of issue of the Certificate of Completion except that the coverage for Completed Operations Liability shall, in any event, be maintained for a period of at least six (6) years beyond the date of the Certificate of Substantial Performance.

IT3 (2007-05-25) Builder's Risk / Installation Floater

IT3.1 Scope of Policy

1) The insurance coverage provided by a Builder's Risk policy or an Installation Floater policy shall not be less than that provided by IBC Forms 4042 and 4047, as amended from time to time.

2) The policy shall permit use and occupancy of the project, or any part thereof, where such use and occupancy is for the purposes for which the project is intended upon completion.

3) The policy may exclude or be endorsed to exclude coverage for loss or damage caused by any of the following:

   (a) Asbestos.

(b) Fungi or spores.
(c) Cyber.
(d) Terrorism.

IT3.2 Amount of Insurance

1) The amount of insurance shall not be less than the sum of the contract value plus the declared value (if any) set forth in the contract documents of all material and equipment supplied by Canada at the site of the project to be incorporated into and form part of the finished Work. If the value of the Work is changed, the policy shall be changed to reflect the revised contract value.

IT3.3 Insured

1) The policy shall insure the Contractor and shall include, as an additional Insured, Her Majesty the Queen in right of Canada, represented by the Minister of Public Works and Government Services Canada.

IT3.4 Period of Insurance

1) Unless otherwise directed in writing by Canada, or, stipulated elsewhere herein, the policy required herein shall be in force and be maintained from prior to the commencement of work until the day of issue of the Certificate of Substantial Performance.

IT3.5 Insurance Proceeds

1) The policy shall provide that the proceeds thereof are payable to Her Majesty or as Canada may direct in accordance with GC10.2, "Insurance Proceeds".

2) The Contractor shall, without delay, do such things and execute such documents as are necessary to effect payment of the proceeds.

Remarks:

R2940D (2010/01/11) Fair Wages and Hours of Labour - Labour Conditions

Public Works and Government Services Canada

01 Interpretation
02 General Fair Wage Clause
03 Hours of Work
04 Labour Conditions to be Posted
05 The Contractor to Keep Records which are to be Kept Open for Inspection
06 Departmental Requirements before Payment made to Contractor
07 Authority to pay Wages in the Event of Default by the Contractor
08 Conditions of Subcontracting
09 Non-discrimination in Hiring and Employment of Labour

01 (2010-01-11) Interpretation

1) In these Conditions

"Act" means the *Fair Wages and Hours of Labour Act*;

"Regulations" means the *Fair Wages and Hours of Labour Regulations* made pursuant to the Act;

"Contract" means the contract of which these Labour Conditions are part;

"Canada" means Her Majesty the Queen in right of Canada;

"Contractor" means the person who has entered into the contract with Canada;

"Regional Director" means the director of a regional office of Human Resources and Skills Development Canada or the director's designated representative;

"Inspector" has the meaning assigned to the term by Part III of the Canada Labour Code;

"Minister" means the Minister of Labour of Canada;

"persons" means those workers employed by the contractor, subcontractor or any other person doing or contracting to do the whole or any part of the work contemplated by the contract;

02 (2010-01-11) General Fair Wage Clause

1) All persons in the employ of the Contractor, subcontractor, or any other person doing or contracting to do the whole or any part of the work contemplated by the Contract, shall during the continuance of the work:

   (a) be paid fair wages that is, such wages as are generally accepted as current for competent workers in the district in which the work is being performed for the character or class of work in which such workers are respectively engaged; and

   (b) in all cases, be paid no less than the minimum hourly rate of pay established by Human Resources and Skills Development Canada in the Schedules of Wage Rates which form a part of this Contract as Appendix A to these Labour Conditions; and

   (c) for contracts covering work performed in the province of Quebec, be paid at least the wage rates established by that province for the purposes of the Quebec "Construction Decree".

2) Where there is no wage rate in the schedules referred to in paragraph 1 for a particular character or class of work, the Contractor shall pay wages for that character or class of work at a rate not less than the rate for an equivalent character or class of work.

3) Where during the term of the Contract, the Contractor receives notice from Canada of any change in wage rates, the Contractor shall pay not less than the changed wage rate beginning on the first day after receipt, by the Contractor, of the notice of the change in wage rates.

03 (2007-05-25) Hours of Work

1) The hours of work in a day and in a week of persons employed in the execution of the Contract, including the hours of work in excess of which a person shall be paid overtime at a rate at least equal to one and one half times the fair wage, are the hours of work for the province in which the work is being performed as set out from time to time in an Act of that province.

2) The daily or weekly hours of work referred to in paragraph 1 may be exceeded in accordance with the applicable provincial law.

04 (2007-05-25) Labour Conditions to be Posted

1) For the information and the protection of all persons, the Contractor agrees to post and keep posted, in a conspicuous place on the premises where work contemplated by the Contract is being carried out or on premises occupied or used by persons engaged in carrying out such work, a copy of these Labour Conditions, and a copy of the applicable Schedules of Wage Rates along with any subsequent changes.

05 (2007-05-25) The Contractor to Keep Records which are to be Kept Open for Inspection

1) The Contractor agrees to keep books and records showing the names, addresses, classifications of employment and work of all workers employed under the Contract, the rate of wages to be paid, the wages paid and the daily hours worked by the workers.

2) The Contractor also agrees that the Contractor's books, records and premises will be open at all reasonable times for inspection by an Inspector.

3) The Contractor also agrees to furnish the Inspector and Canada, on request, with such further information as is required to ascertain that the requirements of the Act, the Regulations and the Contract with respect to wages, hours of work and other labour conditions have been complied with.

06 (2007-05-25) Departmental Requirements before Payment made to Contractor

1) The Contractor agrees that the Contractor will not be entitled to payment of any money otherwise payable under the Contract until the Contractor has filed with Canada in support of a claim for payment a sworn statement:

   (a) that the Contractor has kept the books and records required by these Regulations,

   (b) that there are no wages in arrears in respect of work performed under the Contract, and

   (c) that to the Contractor's knowledge, all the conditions in the Contract required by the Act and the Regulations have been complied with.

2) The Contractor also agrees that, where fair wages have not been paid by the Contractor to persons employed under the Contract, Canada shall withhold from any money otherwise payable under the Contract to the Contractor the amount necessary to ensure that fair wages are paid to all employees until fair wages are paid.

07 (2007-05-25) Authority to pay Wages in the Event of Default by the Contractor

1) The Contractor agrees that where the Contractor is in default of payment of fair wages to an employee, the Contractor will pay the Minister the amount the Contractor is in default.

2) The Contractor agrees that where the Contractor fails to comply with paragraph 1, Canada will pay to the Receiver General, out of any money otherwise payable to the Contractor, the amount for which the Contractor is in default.

08 (2007-05-25) Conditions of Subcontracting

1) The Contractor and the subcontractor agree that in subcontracting any part of the work contemplated by the Contract, they will place in the subcontract the conditions respecting fair wages, hours of work and other labour conditions set out in the Contract and the requirements set out in Section 4. The Contractor further agrees that the Contractor will be responsible for carrying out these conditions in the event the subcontractor fails to carry them out.

09 (2007-05-25) Non-discrimination in Hiring and Employment of Labour

1) The Contractor agrees that in the hiring and employment of workers to perform any work under the Contract, the Contractor will not refuse to employ and will not discriminate in any manner against any person because

   (a) of that person's race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status, disability, conviction for which a pardon has been granted, or family status;

   (b) of the race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status, disability, conviction for which a pardon has been granted, or family status of any person having a relationship or association with that person, or

   (c) a complaint has been made or information has been given in respect of that person relating to an alleged failure by the Contractor to comply with subparagraph (a) or (b).

Remarks:

R2950D (2007/05/25) Allowable Costs for Contract Changes Under GC6.4.1

Public Works and Government Services Canada

01 General
02 Hourly Labour Rates
03 Material, Plant and Equipment Costs
04 Allowance to the Contractor or Subcontractor

01 (2007-05-25) General

1) The Contractor shall submit a cost estimate breakdown for each contemplated change, in accordance with paragraph 4) of GC6.4.1, « Price Determination Prior to Undertaking Changes ». The breakdown shall itemize all labour, material, plant and equipment costs estimated by the Contractor and subcontractors, and the amount of each allowance.

2) It is the responsibility of the Contractor to ensure that all prices included in the Contractor's breakdown to Canada, including those of subcontractors, are fair and reasonable in view of the terms expressed herein.

3) The labour hours required for the contemplated change shall be based on the estimated number of hours to perform the work.

4) Time spent by a working foreman may be included in the number of labour hours, at a rate agreed to in writing by the Contractor and Canada.

5) Time attributable to material handling, productivity factors and approved rest periods is to be included in the number of hours required by the contemplated change and will not be paid as a separate item under hourly rates.

6) Allowances referred to in section 04 below are not to be included in the hourly labour rates.

7) Credit for work deleted will only be for the work directly associated with the change.

8) When a change deletes work which has not yet been performed, Canada is entitled to an adjustment in the Contract Amount equal to the cost the Contractor would have incurred had the work not been deleted.

9) Allowances referred to in Section 04 below shall not be applied to any credit amounts for deleted work.

10) In those cases where the change involves additions and deletions to the work, the allowances referred to in section 04 below shall apply only when the cost of the additions minus the cost of the deletions would result in an increase in the Contract Amount. The percentage allowance shall only be applied to that portion of the costs of the additions that is in excess of the cost of the deletions.

11) If the contemplated change in the work necessitates a change in the contract completion date, or has an impact on the work, the Contractor shall identify and include the resulting cost in the breakdown.

02 (2007-05-25) Hourly Labour Rates

1) The hourly labour rates listed in the Contractor's breakdown shall be determined in accordance with the collective agreements that are applicable at the site of the work and shall include
   (a) the base rate of pay;
   (b) vacation pay;
   (c) benefits which includes

      (i) welfare contributions;
      (ii) pension contributions;
      (iii) union dues;
      (iv) training and industry funds contributions; and
      (v) other applicable benefits, if any, that can be substantiated by the Contractor.

   (d) statutory and legislated requirements, assessed and payable under statutory authority, which includes

      (i) Employment Insurance contributions;
      (ii) Canada Pension Plan or Quebec Pension Plan contributions;
      (iii) Worker's Compensation Board or "Commission de la santé et de la sécurité du travail" premiums;
      (iv) Public Liability and Property Damage insurance premiums; and
      (v) health tax premiums.

2) In the case of nonunion labour, all rates claimed shall be in accordance with the terms of the Labour Conditions forming part of this contract and the Contractor must provide satisfactory proof of the rates actually paid.

03 (2007-05-25) Material, Plant and Equipment Costs

1) The costs of all purchases and rentals must be based on the actual amount paid to the suppliers by the Contractor or subcontractor and said costs are to include all applicable discounts.

04 (2007-05-25) Allowance to the Contractor or Subcontractor

1) The allowances determined in accordance with paragraph 1) of GC6.4.1, « Price Determination Prior to Undertaking Changes », shall be considered as full compensation for:

(a) supervision, co-ordination, administration, overhead, margin and the risk of undertaking the work within the stipulated amount; and

(b) miscellaneous additional costs related to

(i) the purchase or rental of material, plant and equipment;
(ii) the purchase of small tools and supplies;
(iii) safety and protection measures; and
(iv) permits, bonds, insurance, engineering, as built drawings, commissioning and site office.

R4000D (1998/02/16) Statutory Declaration

This clause is cancelled effective 2007/05/25

Remarks: This clause is used for Elevator Modernization solicitations.

R5110T (2010/01/11) General Instructions to Bidders

Public Works and Government Services Canada

GI01 Completion of Bid
GI02 Identity or Legal Capacity of the Bidder
GI03 Goods and Services Tax/Harmonized Sales Tax
GI04 Quebec Sales Tax
GI05 Listing of Subcontractors and Suppliers
GI06 Bid Security Requirements
GI07 Submission of Bid
GI08 Revision of Bid
GI09 Acceptance of Bid
GI10 Bid Costs
GI11 Procurement Business Number
GI12 Compliance With Applicable Laws
GI13 Approval of Alternative Materials
GI14 Performance Evaluation

GI01 (2008-12-12) Completion of Bid

1) The bid shall be

(a) submitted on the Bid and Acceptance Form provided through the Government Electronic Tendering Service (GETS) or on a clear and legible reproduced copy of such Bid and Acceptance Form that must be identical in content and format to the Bid and Acceptance Form provided through GETS;

(b) based on the Bid Documents listed in the Special Instructions to Bidders;

(c) correctly completed in all respects;

(d) signed by a duly authorized representative of the Bidder; and

(e) accompanied by

(i) bid security as specified in GI06; and

(ii) any other document or documents specified elsewhere in the solicitation where it is stipulated that said documents are to accompany the bid.

2) Subject to paragraph 6) of GI09, any alteration to the pre-printed or pre-typed sections of the Bid and Acceptance Form, or any condition or qualification placed upon the bid shall be cause for disqualification. Alterations, corrections, changes or erasures made to statements or figures entered on the Bid and Acceptance Form by the Bidder shall be initialed by the person or persons signing the bid. Initials shall be original(s). Alterations, corrections, changes or erasures that are not initialed shall be deemed void and without effect.

3) Unless otherwise noted elsewhere in the Bid Documents, facsimile copies of bids are not acceptable.

GI02 (2007-05-25) Identity or Legal Capacity of the Bidder

1) In order to confirm the authority of the person or persons signing the bid or to establish the legal capacity under which the Bidder proposes to enter into Contract, any Bidder who carries on business in other than its own personal name shall, if requested by Canada, provide satisfactory proof of

(a) such signing authority; and

(b) the legal capacity under which it carries on business;

prior to contract award. Proof of signing authority may be in the form of a certified copy of a resolution naming the signatory(ies) that is (are) authorized to sign this bid on behalf of the corporation or partnership. Proof of legal capacity may be in the form of a copy of the articles of incorporation or the registration of the business name of a sole proprietor or partnership.

GI03 (2007-05-25) Goods and Services Tax/Harmonized Sales Tax

1) Bidders are not to include any amounts for the Goods and Services Tax (GST) or Harmonized Sales Tax (HST), whichever is applicable, and the GST/HST shall not be included when calculating the amount of any bid security or contract security that may be required. Any amount levied in respect of the GST/HST shall be billed as a separate item in a progress claim submitted by the Contractor, and shall be paid to the Contractor in addition to the amount approved by Canada for work performed under the Contract. The Contractor shall be required to remit the appropriate amount to the Canada Revenue Agency in accordance with the applicable legislation.

GI04 (2007-05-25) Quebec Sales Tax

1) The Federal Government is exempt from the Quebec Sales Tax (QST). Bidders shall not include in their prices any amount that is intended to cover the QST on goods and services performed in the execution of the Work except for such amounts for which an Input Tax Refund is not available. The successful Bidder should make arrangements directly with the Province of Quebec to recover any QST paid by it in performing the Work under the resulting Contract.

GI05 (2010-01-11) Listing of Subcontractors and Suppliers

1) Notwithstanding any list of Subcontractors that the Bidder may be required to submit as part of the bid, the Bidder, within 48 hours of receipt of a notice to do so, submit all information requested in the said notice including the names of Subcontractors and Suppliers for the part or parts of the Work listed. Failure to do so shall result in the disqualification of its bid.

GI06 (2010-01-11) Bid Security Requirements

1) The Bidder shall submit bid security with the bid in the form of a bid bond or a security deposit in an amount that is equal to not less than 10 percent of the bid amount of Part "A". The maximum amount of bid security required with any bid is $2,000,000.

2) A bid bond (form PWGSC-TPSGC 504) shall be in an approved form, properly completed, with original signature(s) and issued by an approved company whose bonds are acceptable to Canada either at the time of solicitation closing or as identified on the list displayed in Appendix L, Acceptable Bonding Companies, on the Treasury Board Web site.

3) A security deposit shall be an original, properly completed, signed where required and be either

   (a) a bill of exchange, bank draft or money order payable to the Receiver General for Canada;

   (b) bonds of, or unconditionally guaranteed as to principal and interest by, the Government of Canada; or

4) A bill of exchange, bank draft or money order referred to in subparagraph 3)(a) of GI06 shall be certified by or drawn on

   (a) a corporation or institution that is a member of the Canadian Payments Association;

   (b) a corporation that accepts public deposits and repayment of the deposits is unconditionally guaranteed by Her Majesty in right of a province;

   (c) a corporation that accepts deposits that are insured by the Canada Deposit Insurance Corporation or the "Régie de l'assurance-dépôts du Québec" to the maximum permitted by law;

   (d) a corporation, association or federation incorporated or organized as a credit union or co-operative credit society that conforms to the requirements of a credit union which are more particularly described in paragraph 137 (6)(b) of the Income Tax Act; or

   (e) Canada Post Corporation.

5) If a bill of exchange, bank draft or money order is drawn on an institution or corporation other than a chartered bank it must be accompanied by proof that the said institution or corporation meets at least one of the criteria described in paragraph 4) of GI06, either by letter or by a stamped certification on the bill of exchange, bank draft, or money order.

6) For the purposes of this section a bill of exchange is an unconditional order in writing signed by the Bidder and addressed to an approved financial institution, requiring the said institution to pay, on demand, at a fixed or determinable time, a sum certain of money to, or to the order of, the Receiver General for Canada.

7) Bonds referred to in subparagraph 3)(b) of GI06 shall be provided on the basis of their market value current at the date of solicitation closing, and shall be

   (a) payable to bearer;

   (b) accompanied by a duly executed instrument of transfer of the bonds to the Receiver General for Canada in the form prescribed by the Domestic Bonds of Canada Regulations; or

(c) registered as to principal or as to principal and interest in the name of the Receiver General for Canada pursuant to the Domestic Bonds of Canada Regulations.

8) As an alternative to a security deposit an irrevocable standby letter of credit is acceptable to Canada and the amount shall be determined in the same manner as a security deposit referred to above.

9) An irrevocable standby letter of credit referred to in paragraph 8) of GI06 shall

(a) be an arrangement, however named or described, whereby a financial institution (the "Issuer") acting at the request and on the instructions of a customer (the "Applicant") or on its own behalf,

(i) is to make a payment to, or to the order of, the Receiver General for Canada as the beneficiary;

(ii) is to accept and pay bills of exchange drawn by the Receiver General for Canada;

(iii) authorizes another financial institution to effect such payment or accept and pay such bills of exchange; or

(iv) authorizes another financial institution to negotiate against written demand(s) for payment provided that the terms and conditions of the letter of credit are complied with;

(b) state the face amount which may be drawn against it;

(c) state its expiry date;

(d) provide for sight payment to the Receiver General for Canada by way of the financial institution's draft against presentation of a written demand for payment signed by the Departmental Representative identified in the letter of credit by his/her office;

(e) provide that more than one written demand for payment may be presented subject to the sum of those demands not exceeding the face value of the letter of credit;

(f) provide that it is subject to the International Chamber of Commerce (ICC) Uniform Customs and Practice for Documentary Credits, 2007 Revision, ICC Publication No. 600;

(g) clearly specify that it is irrevocable or deemed to be irrevocable pursuant to article 6 c) of the International Chamber of Commerce (ICC) Uniform Customs and Practice for Documentary Credits, 2007 Revision, ICC Publication No. 600; and

(h) be issued or confirmed, in either official language, by a financial institution which is a member of the Canadian Payments Association and is on the letterhead of the Issuer or Confirmer. The format is left to the discretion of the Issuer or Confirmer.

10) Bid security shall lapse or be returned as soon as practical following

(a) the solicitation closing date, for those Bidders submitting non-compliant bids; and

(b) the administrative bid review, for those Bidders submitting compliant bids ranked fourth to last on the schedule of bids; and

(c) the award of contract, for those Bidders submitting the second and third ranked bids; and

(d) the receipt of contract security, for the successful Bidder; or

(e) the cancellation of the solicitation, for all Bidders.

11) Notwithstanding the provisions of paragraph 10) of GI06 and provided more than three compliant bids have been received, if one or more of the bids ranked third to first is withdrawn or rejected for whatever reason then Canada reserves the right to hold the security of the next highest ranked compliant bid in order to retain the bid security of at least three valid and compliant bids.

GI07 (2008-12-12) Submission of Bid

1) The Bid and Acceptance Form, duly completed, and the bid security shall be enclosed and sealed in an envelope provided by the Bidder, and shall be addressed and submitted to the office designated on the Front Page "Invitation to Tender" for the receipt of bids. The bid must be received on or before the date and time set for solicitation closing.

2) Unless otherwise specified in the Special Instructions to Bidders

(a) the bid shall be in Canadian currency;
(b) exchange rate fluctuation protection is not offered; and
(c) any request for exchange rate fluctuation protection shall not be considered.

3) Prior to submitting the bid, the Bidder shall ensure that the following information is clearly printed or typed on the face of the bid envelope:

(a) Solicitation Number;
(b) Name of Bidder;
(c) Return address; and
(d) Closing Date and Time.

4) Timely and correct delivery of bids is the sole responsibility of the Bidder.

5) There will be no public opening of bids.

GI08 (2010-01-11) Revision of Bid

1) A bid submitted in accordance with these instructions may be revised by letter or facsimile provided the revision is received at the office designated for the receipt of bids, on or before the date and time set for the closing of the solicitation. The letter or facsimile shall be on the Bidder's letterhead or bear a signature that identifies the Bidder.

2) The Bidder shall clearly identify the amount of the revision and to which amount and Part of the Offer it applies.

3) A revision to a bid that includes unit prices must clearly identify the change(s) in the unit price(s) and the specific item(s) to which each change applies.

4) A letter or facsimile submitted to confirm an earlier revision shall be clearly identified as a confirmation.

5) Failure to comply with any of the above provisions shall result in the rejection of the non-compliant revision(s) only. The bid shall be evaluated based on the original bid submitted and all other compliant revision(s).

GI09 (2008-05-12) Acceptance of Bid

1) Canada may accept any bid, whether it is the lowest or not, or may reject any or all bids.

2) Without limiting the generality of paragraph 1) of GI09, Canada may reject a bid if any of the following circumstances is present:

   (a) the Bidder, or any employee or subcontractor included as part of the bid, has been convicted under Section 121 ("*Frauds on the government*" & "*Contractor subscribing to election fund*"), 124 ("*Selling or purchasing office*"), 380 ("*Fraud committed against Her Majesty*") or 418 ("*Selling defective stores to Her Majesty*") of the Criminal Code of Canada, or under paragraph 80(1)(d) ("*False entry, certificate or return*"), subsection 80(2) ("*Fraud against Her Majesty*") or Section 154.01 ("*Fraud against Her Majesty*") of the *Financial Administration Act*;

   (b) the Bidder's bidding privileges are suspended or are in the process of being suspended;

   (c) the bidding privileges of any employee or subcontractor included as part of the bid are suspended or are in the process of being suspended, which suspension or pending suspension would render that employee or subcontractor ineligible to bid on the Work, or the portion of the Work the employee or subcontractor is to perform;

   (d) with respect to current or prior transactions with Canada

      (i) the Bidder is bankrupt or if, for whatever reason, its activities are rendered inoperable for an extended period;

      (ii) evidence, satisfactory to Canada, of fraud, bribery, fraudulent misrepresentation or failure to comply with any law protecting individuals against any manner of discrimination, has been received with respect to the Bidder, any of its employees or any subcontractor included as part of its bid;

      (iii) Canada has exercised, or intends to exercise, the contractual remedy of taking the work out of the contractor's hands with respect to a contract with the Bidder, any of its employees or any subcontractor included as part of its bid; or

      (iv) Canada determines that the Bidder's performance on other contracts is sufficiently poor to jeopardize the successful completion of the requirement being bid on.

3) In assessing the Bidder's performance on other contracts pursuant to subparagraph 2)(d)(iv)of GI09, Canada may consider, but not be limited to, such matters as:

   (a) the quality of workmanship in performing the Work;

   (b) the timeliness of completion of the Work;

   (c) the overall management of the Work and its effect on the level of effort demanded of the department and its representative; and

   (d) the completeness and effectiveness of the Contractor's safety program during the performance of the Work.

4) Without limiting the generality of paragraphs 1), 2) and 3) of GI09, Canada may reject any bid based on an unfavourable assessment of the

   (a) adequacy of the bid price to permit the work to be carried out and, in the case of a bid

providing prices per unit, whether each such price reasonably reflects the cost of performing the part of the work to which that price applies;

(b) Bidder's ability to provide the necessary management structure, skilled personnel, experience and equipment to perform competently the work under the Contract; and

(c) Bidder's performance on other contracts.

5) If Canada intends to reject a bid pursuant to a provision of paragraphs 1), 2), 3) or 4) of GI09, other than subparagraph 2)(b) of GI09, Canada shall so inform the Bidder and provide the Bidder ten (10) days within which to make representations, prior to making a final decision on the bid rejection.

6) Canada may waive informalities and minor irregularities in bids received if Canada determines that the variation of the bid from the exact requirements set out in the Bid Documents can be corrected or waived without being prejudicial to other Bidders.

GI10 (2010-01-11) Bid Costs

1) No payment will be made for costs incurred in the preparation and submission of a bid in response to the bid solicitation. Costs associated with preparing and submitting a bid, as well as any costs incurred by the Bidder associated with the evaluation of the bid, are the sole responsibility of the Bidder.

GI11 (2010-01-11) Procurement Business Number

1) Canadian Bidders are required to have a Procurement Business Number (PBN) before Contract award. Bidders may register for a PBN in the Supplier Registration Information service on line on the Business Access Canada Web site. For non-Internet registration, Bidders may contact the Business Access Canada InfoLine at 1-800-811-1148 to obtain the telephone number of the nearest Supplier Registration Agent.

GI12 (2010-01-11) Compliance with Applicable Laws

1) By submission of a bid, the Bidder certifies that the Bidder has the legal capacity to enter into a contract and is in possession of all valid licences, permits, registrations, certificates, declarations, filings, or other authorizations necessary to comply with all federal, provincial and municipal laws and regulations applicable to the submission of the bid and entry into any ensuing contract for the performance of the work.

2) For the purpose of validating the certification in paragraph 1) of GI12, a Bidder shall, if requested, provide a copy of every valid licence, permit, registration, certificate, declaration, filing or other authorization listed in the request, and shall provide such documentation within the time limit(s) set out in the said request.

3) Failure to comply with the requirements of paragraph 2) of GI12 shall result in disqualification of the bid.

GI13 (2010-01-11) Approval of Alternative Materials

1) When materials are specified by trade names or trademarks, or by manufacturers' or suppliers' names, the bid shall be based on use of the named materials. During the solicitation period, alternative materials may be considered provided full technical data is received in writing by the Contracting Officer at least 10 calendar days prior to the solicitation closing date. If the alternative materials are approved for the purposes of the bid, an addendum to the bid documents shall be issued.

GI14 (2010-01-11) Performance Evaluation

1) Bidders shall take note that the performance of the Contractor during and upon completion of the work shall be evaluated by Canada. The evaluation shall be based on the quality of workmanship; timeliness of completion of the work; project management, contract management and management of health and safety. Should the Contractor's performance be considered unsatisfactory, the Contractor's bidding privileges on future work may be suspended indefinitely.

2) The form PWGSC-TPSGC 2913 , SELECT - Contractor Performance Evaluation Report Form, is used to record the performance.

Section 5

S - Supply Arrangements

Remarks: Use the following clause in all supply arrangements.

S0005T (2007/11/30) Disclosure of Pricing

The Supplier agrees to the disclosure of its prices provided under the Supply Arrangement by Canada, and further agrees that it will have no right to claim against Canada, the client, their employees, agents or servants in relation to such disclosure.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in supply arrangements when periodic usage reports are required from the supplier.

The supply arrangement authority must consult 8.75.1 of the Supply Manual for instructions on the reporting requirements. The reporting requirements must be detailed in an annex to the supply arrangement and must include the data to be reported on by the supplier.

The reporting periods and the number of calendar days by which each report must be submitted after the reporting period must be indicated in the clause.

The supply arrangement authority must ensure that the supplier fulfills all the reporting requirements detailed in the supply arrangement.

S0010C (2010/01/11) Periodic Usage Reports - Supply Arrangement

The Supplier must compile and maintain records on its provision of goods, services or both to the federal government under contracts resulting from the Supply Arrangement. This data must include all purchases paid for by a Government of Canada Acquisition Card.

The Supplier must provide this data in accordance with the reporting requirements detailed in Annex "_____". If some data is not available, the reason must be indicated. If no goods or services are provided during a given period, the Supplier must still provide a "NIL" report.

The data must be submitted on a _____ (***insert*** "quarterly basis" ***or specify an alternate reporting period***) to the Supply Arrangement Authority.

(*If an alternate reporting period is required, delete the quarterly periods provided below and define the alternate reporting period.)*

The quarterly reporting periods are defined as follows:

1st quarter: April 1 to June 30;
2nd quarter: July 1 to September 30;
3rd quarter: October 1 to December 31;
4th quarter: January 1 to March 31.

The data must be submitted to the Supply Arrangement Authority no later than _____ (***insert number of days***) calendar days after the end of the reporting period.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when reissuing a request for supply arrangements (RFSA). The supply arrangement authority is to insert the number, date and closing date and time of the RFSA which is being superseded.

S0020T (2008/12/12) Reissue of Request for Supply Arrangements

This request for supply arrangements (RFSA) cancels and supersedes previous RFSA number _____ dated _____ with a closing of _____ (*insert the closing date*) at _____ (*insert the closing time*).

S0025C (2008/05/12) Supply Arrangement Authority

This clause is cancelled effective 2008/12/12

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for supply arrangements when a suppliers' conference will be held.

S0026T (2008/12/12) Suppliers' Conference

A suppliers' conference will be held at _____ (*insert address*) on _____ (*insert date*). The conference will begin at _____ (*insert time*), in _____ (*insert location/room number*). The scope of the requirement outlined in the Request for Supply Arrangements (RFSA) will be reviewed during the conference and questions will be answered. It is recommended that suppliers who intend to submit an arrangement attend or send a representative.

Suppliers are requested to communicate with the Supply Arrangement Authority before the conference to confirm attendance. Suppliers should provide, in writing, to the Supply Arrangement Authority, the name of the person(s) who will be attending and a list of issues they wish to table at least _____ working days before the scheduled conference.

Any clarifications or changes to the RFSA resulting from the suppliers' conference will be included as an amendment to the RFSA. Suppliers who do not attend will not be precluded from submitting an arrangement.

Remarks: Use the following clause in requests for supply arrangements when a financial opinion is required. If the required information must be received either before or after the number of days indicated in the clause, the supply arrangement authority may modify the clause accordingly.

S0030T (2008/12/12) Financial Capability

1. **Financial Capability Requirement:** The Supplier must have the financial capability to undertake this requirement. To determine the Supplier's financial capability, the Supply Arrangement Authority may, by written notice to the Supplier, require the submission of some or all of the financial information detailed below during the evaluation of arrangements. The Supplier must provide the following information to the Supply Arrangement Authority within fifteen (15) working days of the request or as specified by the Supply Arrangement Authority in the notice:

(a) Audited financial statements, if available, or the unaudited financial statements (prepared by the Supplier's outside accounting firm, if available, or prepared in-house if no external statements have been prepared) for the Supplier's last three fiscal years, or for the years that the Supplier has been in business if this is less than three years (including, as a minimum, the Balance Sheet, the Statement of Retained Earnings, the Income Statement and any notes to the statements).

(b) If the date of the financial statements is more than three months before the date of the request for information by the Supply Arrangement Authority in (a) above, the Supplier must also provide interim financial statements (consisting of a Balance Sheet and a year-to-date Income Statement), as of two months before the date on which the Supply Arrangement Authority requests this information.

(c) If the Supplier has not been in business for at least one full fiscal year, the following must be provided:

(i) the opening Balance Sheet on commencement of business (in the case of a corporation, the date of incorporation); and

(ii) interim financial statements (consisting of a Balance Sheet and a year-to-date Income Statement) as of two months before to the date on which the Supply Arrangement Authority requests this information.

(d) A certification from the Chief Financial Officer or an authorized signing officer of the Supplier that the financial information provided is complete and accurate.

(e) A confirmation letter from all of the financial institution(s) that have provided short-term financing to the Supplier outlining the total of lines of credit granted to the Supplier and the amount of credit that remains available and not drawn upon as of one month prior to the date on which the Supply Arrangement Authority requests this information.

(f) A detailed monthly Cash Flow Statement, covering all the Supplier's activities (including the requirement) for the first two years of the requirement that is the subject of the Request for Supply Arrangements (RFSA). This statement must detail the Supplier's major sources and amounts of cash and the major items of cash expenditures on a monthly basis, for all the Supplier's activities. All assumptions made should be explained as well as details of how cash shortfalls will be financed.

(g) A detailed monthly Project Cash Flow Statement covering the first two years of the requirement that is the subject of the RFSA. This statement must detail the Supplier's major sources and amounts of cash and the major items of cash expenditures, for the requirement, on a monthly basis. All assumptions made should be explained as well as details of how cash shortfalls will be financed.

2. If the Supplier is a joint venture, the financial information required by the Supply Arrangement Authority must be provided by each member of the joint venture.

3. If the Supplier is a subsidiary of another company, then any financial information required by the Supply Arrangement Authority in 1. (a) to (f) must be provided by each level of parent company, to and including the ultimate parent company. Provision of parent company financial information does not satisfy the requirement for the provision of the financial information of the Supplier and the financial capability of a parent cannot be substituted for the financial capability of the Supplier itself, unless a duly executed Parental Guarantee is provided with the required information.

4. **Other Information**: Canada reserves the right to request from the Supplier any other information that Canada requires to conduct a complete financial capability assessment of the Supplier.

5. **Confidentiality**: Should the Supplier provide the information required above to Canada in confidence while indicating that the disclosed information is confidential, then Canada will treat the information in a confidential manner as permitted by the *Access to Information Act*, R.S. 1985, c. A-1, Section 20(1) (b) and (c).

6. **Security**: In determining the Supplier's financial capability to undertake this requirement, Canada may consider any security the Supplier is capable of providing, at the Supplier's sole expense (for example, an irrevocable letter of credit from a registered financial institution drawn in favour of Canada, a performance guarantee from a third party or some other form of security, as determined by Canada).

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for supply arrangements when the request for supply arrangements (2T-RFSA1) template is not used.

S0035T (2010/01/11) Communications Notification

As a courtesy, the Government of Canada requests that successful suppliers notify the Supply Arrangement Authority in advance of their intention to make public an announcement related to the issuance of a supply arrangement or the award of a contract resulting from the Supply Arrangement.

Remarks: Use the following clause when the request for supply arrangements contains mandatory technical evaluation criteria and the basis of selection will be the responsive arrangements meeting all mandatory technical and financial evaluation criteria.

S1001T (2008/12/12) Basis of Selection - Mandatory Technical and Financial Evaluation Criteria

An arrangement must comply with the requirements of the Request for Supply Arrangements and meet all mandatory technical evaluation criteria and financial evaluation criteria to be declared responsive.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the request for supply arrangements contains mandatory and point-rated technical evaluation criteria, and the basis of selection will be the responsive arrangement meeting (a), (b) and (c) as detailed below.

The supply arrangement authority must complete and insert in 1.(c) one of the following options:

Option 1:
"obtain the required minimum of _____ (insert minimum percentage) percent overall of the points for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of _____ (insert total number of available points) points."

Option 2:
"obtain the required minimum of _____ (insert minimum number of points) points overall for the technical evaluation criteria which are subject to point rating. The rating is performed on a scale of _____ (insert total number of available points) points."

Option 3:
"obtain the required minimum of points overall for the technical evaluation criteria which are subject to point rating."

S1002T (2008/12/12) Basis of Selection - Minimum Point Rating

1. To be declared responsive, an arrangement must:

   (a) comply with all the requirements of the Request for Supply Arrangements; and

   (b) meet all mandatory technical evaluation criteria; and

   (c) _____ (*insert one of the options provided under the remarks section above*.)

2. Arrangements not meeting (a), (b) or (c) above will be declared non-responsive.

Remarks: Use the following clause in requests for supply arrangements when the education and experience of proposed individuals will be evaluated.

When the 2T-RFSA1 template is used, insert this clause, if applicable, in Part 5 - Certifications.

S1010T (2008/12/12) Education and Experience

The Supplier certifies that all the information provided in the résumés and supporting material submitted with the arrangement, particularly the information pertaining to education, achievements, experience and work history, has been verified by the Supplier to be true and accurate.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for supply arrangements for goods when ceiling prices are required.

Use clause 1 when the supplier must submit ceiling prices for all items; or clause 2 when the supplier must submit ceiling prices for one or multiple groups of items. Delete the clause not used.

S2001T (2008/12/12) Prices - Goods

Clause 1

Suppliers must submit ceiling prices for all items listed in Annex(es) "_____".

OR

Clause 2

Suppliers must submit ceiling prices for one or multiple groups of items. However, suppliers must submit ceiling prices for all items listed in the group(s) of items for which they submit prices. The groups of items are as follows:

(a) Group A: All items listed in Annex "____"
(b) Group B: All items listed in Annex "____"
(c) Group C: All items listed in Annex "____"
(d) Group D: All items listed in Annex "____".

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for supply arrangements for services when ceiling rates are required.

Use clause 1 when the supplier must submit ceiling rates for all categories of resources; or clause 2 when the supplier must submit ceiling rates for one or multiple groups of resource categories. Delete the clause not used.

S2002T (2008/12/12) Rates - Services

Clause 1

Suppliers must submit ceiling rates for all categories of resources listed in Annex(es) "_____".

OR

Clause 2

Suppliers must submit ceiling rates for one or multiple groups of resource categories. However, suppliers must submit ceiling rates for all categories listed in the group(s) for which they submit rates. The groups of categories are as follows:

(a) Group A: All categories of resources listed in Annex "____"
(b) Group B: All categories of resources listed in Annex "____"
(c) Group C: All categories of resources listed in Annex "____"
(d) Group D: All categories of resources listed in Annex "____".

Remarks: Use the following clause in requests for supply arrangements for goods or services when ceiling prices and/or rates are requested.

S2003T (2008/12/12) Ceiling Prices and/or Rates

The Supplier is required to submit ceiling prices, rates or both that will apply for the term of the Supply Arrangement.

Remarks: Use the following clause in requests for supply arrangements for service requirements, when proposed individuals or individuals with similar qualifications and experience will be available for the term of the supply arrangement.

When using the 2T-RFSA1 template, insert this clause, if applicable, in Part 5 under "Certifications Precedent to Issuance of a Supply Arrangement".

S3005T (2008/12/12) Status and Availability of Resources

The Supplier certifies that, should it be issued a supply arrangement as a result of the request for supply arrangements, every individual proposed in the arrangement or individuals with similar qualifications and experience will be available for the term of the supply arrangement.

If the Supplier has proposed any individual who is not an employee of the Supplier, the Supplier certifies that it has the permission from that individual to propose his/her services in relation to the Work to be performed and to submit his/her résumé to Canada. The Supplier must, upon request from the Supply Arrangement Authority, provide a written confirmation, signed by the individual, of the permission given to the Supplier and of his/her availability.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in all competitive requests for supply arrangements for services requirements to identify any supplier who may be a former public servant for:

(a) approval purposes when the successful supplier is a former public servant in receipt of a pension paid under the Public Service Superannuation Act.

(b) the application of the $5,000 contract fee limit when the successful supplier is a former public servant, including former members of the Canadian Forces and the Royal Canadian Mounted Police, in receipt of a lump sum payment pursuant to a work force reduction program.

This certification will be a condition precedent to the issuance of a supply arrangement as opposed to a mandatory requirement for evaluation purposes.

For more information, consult 3.90 of the Supply Manual.

S3025T (2010/01/11) Former Public Servant Certification

Contracts with former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny, and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts with FPS, suppliers must provide the information required below.

Definitions

For the purposes of this clause,

"former public servant" is any former member of a department as defined in the *Financial Administration Act*, R.S., 1985, c. F-11, a former member of the Canadian Armed Forces or a former member of the Royal Canadian Mounted Police. A former public servant may be:

(a) an individual;
(b) an individual who has incorporated;
(c) a partnership made of former public servants; or
(d) a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the size of the Public Service. The lump sum payment period does not include the period of severance pay, which is measured in a like manner.

"pension" means, in the context of the fee abatement formula, a pension or annual allowance paid under the *Public Service Superannuation Act* (PSSA), R.S., 1985, c. P-36, and any increases paid pursuant to the *Supplementary Retirement Benefits Act*, R.S., 1985, c. S-24 as it affects the PSSA. It does not include pensions payable pursuant to the *Canadian Forces Superannuation Act*, R.S., 1985, c. C-17, the *Defence Services Pension Continuation Act*, 1970, c. D-3, the *Royal Canadian Mounted Police Pension Continuation Act* , 1970, c. R-10, and the *Royal Canadian Mounted Police Superannuation Act*, R.S., 1985, c. R-11, the *Members of Parliament Retiring Allowances Act* , R.S. , 1985, c. M-5, and that portion of pension payable to the *Canada Pension Plan Act*, R.S., 1985, c. C-8.

Former Public Servant in Receipt of a Pension

Is the Supplier a FPS in receipt of a pension as defined above? **YES** ( ) **NO** ( )

If so, the Supplier must provide the following information:

(a) name of former public servant;
(b) date of termination of employment or retirement from the Public Service.

Work Force Reduction Program

Is the Supplier a FPS who received a lump sum payment pursuant to the terms of a work force reduction program? **YES** ( ) **NO** ( )

If so, the Supplier must provide the following information:

(a) name of former public servant;
(b) conditions of the lump sum payment incentive;
(c) date of termination of employment;
(d) amount of lump sum payment;
(e) rate of pay on which lump sum payment is based;
(f) period of lump sum payment including start date, end date and number of weeks;
(g) number and amount (professional fees) of other contracts subject to the restrictions of a work force reduction program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is $5,000, including the Goods and Services Tax or Harmonized Sales Tax.

Certification

By submitting the arrangement, the Supplier certifies that the information submitted by the Supplier in response to the above requirements is accurate and complete.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for supply arrangements valued at $200,000 or more (including all applicable taxes), except for requirements excluded under paragraphs 2.(d), (e) and (f) of Annex 5.1 of the Supply Manual.

For bid solicitations, use clause A3030T; for requests for standing offers, use clause M2000T.

For more information on the Federal Contractors Program, consult also Annex 5.1.

S3030T (2010/01/11) Federal Contractors Program - $200,000 or more

1. The Federal Contractors Program (FCP) requires that some suppliers, including a supplier who is a member of a joint venture, bidding for federal government contracts, valued at $200,000 or more (including all applicable taxes), make a formal commitment to implement employment equity. This is a condition precedent to the issuance of a supply arrangement. If the Supplier, or, if the Supplier is a joint venture and if any member of the joint venture, is subject to the FCP, evidence of its commitment must be provided before the issuance of a supply arrangement.

   Suppliers who have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive government contracts over the threshold for solicitation of bids as set out in the *Government Contracts Regulations*. Suppliers may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any arrangements from ineligible contractors, including an arrangement from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

2. If the Supplier does not fall within the exceptions enumerated in 3.(a) or (b) below, or does not have a valid certificate number confirming its adherence to the FCP, the Supplier must fax (819-953-8768) a copy of the signed form LAB 1168, Certificate of Commitment to Implement Employment Equity, to the Labour Branch of HRSDC.

3. The Supplier, or, if the Supplier is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

   The Supplier or the member of the joint venture

   (a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada;

   (b) ( ) is not subject to the FCP, being a regulated employer under the *Employment Equity Act*, S.C. 1995, c. 44;

   (c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full- time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC (having not bid on requirements of $200,000 or more), in which case a duly signed certificate of commitment is attached;

   (d) ( ) is subject to the FCP, and has a valid certificate number as follows: _____ (e.g. has not been declared an ineligible contractor by HRSDC).

Further information on the FCP is available on the HRSDC Web site.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for supply arrangements valued at over $25,000 and below $200,000 (including all applicable taxes), except for requirements excluded under paragraphs 2.(d), (e) and (f) of Annex 5.1 of the Supply Manual.

For bid solicitations, use clause A3031T; for requests for standing offers, use clause M2002T.

For more information on the Federal Contractors Program, consult also Annex 5.1.

S3031T (2010/01/11) Federal Contractors Program - over $25,000 and below $200,000

Suppliers who are subject to the Federal Contractors Program (FCP) and have been declared ineligible contractors by Human Resources and Skills Development Canada (HRSDC) are no longer eligible to receive federal government contracts over the threshold for solicitation of bids as set out in the *Government Contracts Regulations*. Suppliers may be declared ineligible contractors either as a result of a finding of non-compliance by HRSDC, or following their voluntary withdrawal from the FCP for a reason other than the reduction of their workforce to less than 100 employees. Any arrangements from ineligible contractors, including an arrangement from a joint venture that has a member who is an ineligible contractor, will be declared non-responsive.

The Supplier, or, if the Supplier is a joint venture the member of the joint venture, certifies its status with the FCP, as follows:

The Supplier or the member of the joint venture

(a) ( ) is not subject to the FCP, having a workforce of less than 100 full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada;

(b) ( ) is not subject to the FCP, being a regulated employer under the *Employment Equity Act*, S.C. 1995, c. 44;

(c) ( ) is subject to the requirements of the FCP, having a workforce of 100 or more full-time or part-time permanent employees, or temporary employees having worked 12 weeks or more in Canada, but has not previously obtained a certificate number from HRSDC, having not bid on requirements of $200,000 or more;

(d) ( ) has not been declared an ineligible contractor by HRSDC, and has a valid certificate number as follows: _____.

Further information on the FCP is available on the HRSDC Web site.

S3035C (2008/12/12) Aboriginal Business Certification

This clause is cancelled effective 2010/01/11

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for supply arrangements for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB).

Use this clause in conjunction with S3036T, A3000C, and if applicable, A3002T.

S3035T (2010/01/11) Set-aside for Aboriginal Business

1. This procurement has been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB), as detailed in Annex 9.4 of the *Supply Manual* entitled "Requirements for the Set-aside Program for Aboriginal Business".

2. The Supplier:

   (i) certifies that it meets, and will continue to meet throughout the duration of the Arrangement, the requirements described in the above-mentioned annex.

   (ii) agrees that any subcontractor it engages under the Arrangement must satisfy the requirements described in the above-mentioned annex.

   (iii) agrees to provide to Canada, immediately upon request, evidence supporting any subcontractor's compliance with the requirements described in the above-mentioned annex.

3. The Supplier must check the applicable box below:

   (i) ( ) The Supplier is an Aboriginal business that is a sole proprietorship, band, limited company, co-operative, partnership or not-for-profit organization.

   OR

   (ii) ( ) The Supplier is either a joint venture consisting of two or more Aboriginal businesses or a joint venture between an Aboriginal business and a non-Aboriginal business.

4. The Supplier must check the applicable box below:

   (i) ( ) The Aboriginal business has fewer than six full-time employees.

   OR

   (ii) ( ) The Aboriginal business has six or more full-time employees.

5. The Supplier must, upon request by Canada, provide all information and evidence supporting this certification. The Supplier must ensure that this evidence will be available for audit during normal business hours by a representative of Canada, who may make copies and take extracts from the evidence. The Supplier must provide all reasonably required facilities for any audits.

6. By submitting an arrangement, the Supplier certifies that the information submitted by the Supplier in response to the above requirements is accurate and complete.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in requests for supply arrangements for procurements that have been set aside under the federal government's Procurement Strategy for Aboriginal Business (PSAB).

Use this clause in conjunction with S3035T, A3000C, and if applicable, A3002T.

S3036T (2010/01/11) Owner/Employee Certification - Set-aside for Aboriginal Business

If requested by the Supply Arrangement Authority, the Supplier must provide the following certification for each owner and employee who is Aboriginal:

"1. I am _____ (***insert*** "an owner" ***and/or*** "a full-time employee") of _____ (***insert name of business***), and an Aboriginal person, as defined in Annex 9.4 of the *Supply Manual*, entitled "Requirements for the Set-aside Program for Aboriginal Business" .

2. I certify that the above statement is true and consent to its verification upon request by Canada.

_____
Printed name of owner and/or employee

_____
Signature of owner and/or employee

_____
Date"

Section 5

W - Comprehensive Land Claims Agreements

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. This clause is to be used in solicitations involving final delivery to locations outside Comprehensive Land Claims Settlement Areas (CLCSAs) when the original requirement has been divided to handle final delivery locations outside CLCSAs on one solicitation and final delivery locations inside CLCSAs on a different solicitation. Contracting Officers are to modify the clauses as required for either a standing offer or contract and to insert the solicitation number dealing with deliveries inside CLCSAs.

The second paragraph of this clause is to cover the eventuality of there being no bids received as a result of the solicitation pertaining to delivery locations inside a CLCSA. The clause gives Canada the capability to include final delivery locations inside CLCSAs in the proposed standing offer/contract with the successful bidder of the solicitation for delivery points outside CLCSAs.

W0001T (2000/12/01) Delivery Requirements Outside CLCSAs

Any resulting Standing Offer(s)/Contract(s) shall be for delivery requirements to locations within Canada, except locations within Comprehensive Land Claims Settlement Areas (CLCSAs). For delivery requirements to locations within CLCSAs, solicitation number ____ (***insert applicable number***) applies.

In the event that there (is/are) no (Standing Offer(s)/Contract(s)) (issued/awarded) pursuant to solicitation number_____ (***insert applicable number***), Canada reserves the right to negotiate for deliveries within CLCSAs with suppliers who have been approved for (issuance/award) of a (Standing Offer/Contract)under this (Request for Standing Offer/Request for Proposal).

Remarks: This clause is to be used in both solicitations and standing offers/contracts when the procurement will only provide for delivery locations outside a Comprehensive Land Claims Settlement Area (CLSCA), only one solicitation will be issued, and the destinations are not specified. Contracting Officers are to modify the clause as required for either a standing offer or contract.

W0002D (2000/12/01) Delivery Requirements Outside a CLCSA

The resulting (Standing Offer/Contract) is not to be used for deliveries within a Comprehensive Land Claims Settlement Area (CLCSA). All requirements for delivery within a CLCSA are to be submitted to the Department of Public Works and Government Services for individual processing.

Remarks: This clause is to be used in both solicitations and standing offers/contracts involving delivery locations outside Comprehensive Land Claims Settlement Areas when the term "FOB Destination" is used and the procurement is for unspecified destinations.

W0003D (2000/12/01) FOB Destination Outside CLCSAs

Any reference within this document to "FOB Destination any point in Canada" or "FOB Destination/Region" shall apply ONLY to destinations which are not within a Comprehensive Land Claims Settlement Area.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the procurement is reserved for beneficiaries of a Comprehensive Land Claims Agreement (CLCA), further to a right of first refusal under one or more CLCAs.

W0005T (2010/01/11) Set-aside for Comprehensive Land Claims Agreement(s) beneficiaries

This procurement is reserved for beneficiaries of the following Comprehensive Land Claims Agreement(s) (CLCAs) : _____ (***insert the applicable CLCA(s))*** under _____ (***insert the applicable paragraph numbers***).

Instruction to contracting officers: *Insert the following sentence, if applicable*.

> "This procurement is set aside from the international trade agreements under the provision each has for set-asides for small and minority businesses."

Instruction to contracting officers*: Insert the following sentence, if applicable*.

> "Further to Article 1802 of the Agreement on Internal Trade (AIT), AIT does not apply to this procurement."

W0011T (1998/06/15) JBNQA - Notification

This clause is cancelled effective 2010/01/11

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0012T (1998/06/15) JBNQA - Soliciting Bids

The benefits that apply to this procurement are contained in: Section 1, James Bay and Northern Quebec Agreement (JBNQA), clauses:

8.1 Wherever practicable and consistent with sound procurement management, contracting authorities will first solicit bids from within the Territory.

8.2 Where the Crown intends to solicit bids for government contracts in the Territory, the Contracting Authority will make all possible attempts to award contracts to qualified Inuit firms.

8.3 Where the Crown intends to solicit bids for government contracts in the Territory, the Contracting Authority shall take all reasonable measures to determine if there are Inuit firms qualified to perform government contracts.

8.4 Where it is determined that there is a single firm within the Territory qualified to perform a government contract, the Contracting Authority will solicit that firm to submit a bid for the government contract. The Contract may be awarded upon negotiation of acceptable terms and conditions.

8.5 Where the Crown intends to solicit bids from more than one qualified firm within the Territory, the Contracting Authority shall take all reasonable measures to determine if there are Inuit firms qualified to perform the government contract, and shall solicit bids from those Inuit firms.

8.6 Where a Contract has been awarded it is the responsibility of the Contracting Authority to ensure that the contract document contains appropriate terms and conditions to make certain that sub-contractors to the Contractor are also subject to the intent and the specific provisions of the Contract.

W0013T (1998/06/15) JBNQA - Tendering Provisions

This clause is cancelled effective 2010/01/11

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0014T (1998/06/15) JBNQA - Evaluation Criteria

The benefits that apply to this procurement are contained in: Section 1, James Bay and Northern Quebec Agreement (JBNQA), clause:

7.1 Whenever practicable and consistent with sound procurement management, all of the following criteria, or as many as may be appropriate with respect to any particular government contract, shall be included in the bid evaluation criteria established by the contracting authority for the awarding of government contracts in the Territory:

a) the contribution by Inuit in carrying out the contract, which will include, but shall not be limited to, the employment of Inuit labour, the engagement of Inuit professional services or the use of Inuit suppliers;

b) creation of permanent head offices, administrative offices or other facilities in the Territory; and,

c) the undertaking of commitments, under the contract, with respect to on-the-job training or skills development for the Inuit.

W0021T (1998/06/15) IFA - Notification

This clause is cancelled effective 2010/01/11

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0022T (1998/06/15) IFA - Evaluation Criteria

The benefits that apply to this procurement are contained in: Section 2, Inuvialuit Final Agreement (IFA), clause:

6.00 In accordance with normal procurement practices, the contracting authority should develop evaluation criteria to ensure fair consideration of all bids and should consider all aspects of bidders' competencies and capabilities. To avoid confusion, bid solicitation documents should define qualitative terms or terminology critical to the contracting situation.

When establishing bid evaluation criteria for the awarding of government contracts, and whenever practicable and consistent with sound procurement management, contracting authorities should consider the potential contribution of the Inuvialuit in carrying out the contract. This may include, as appropriate:

(a) the employment of Inuvialuit, the engagement of Inuvialuit professional services and the use of Inuvialuit suppliers,

(b) the creation of administrative offices or other facilities in the Inuvialuit Settlement Region,

(c) the undertaking of commitments, under the contract, with respect to related on-the-job training or skills development for Inuvialuit.

W0031T (1998/06/15) GCLCA - Notification

This clause is cancelled effective 2010/01/11

W0032T (1998/06/15) GCLCA - Creation of a List

This clause is cancelled effective 2010/01/11

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0033T (1998/06/15) GCLCA - Heritage Resources

The benefits that apply to this procurement are contained in: Section 3, Gwich'in Comprehensive Land Claim Agreement (GCLCA), clause:

25.1.10 The Gwich'in shall have preference in being hired at public sites, museums, heritage resource projects, archaeological works and similar public facilities and projects in the settlement area related to Gwich'in heritage resources, in a manner to be set out in the protected area agreement or, where there is no protected area agreement, in the management or work plans for the public sites, museums, projects, facilities and works referred to in this chapter. The Gwich'in Tribal Council shall be consulted in the development of such plans.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0034T (1998/06/15) GCLCA - Designated Heritage Site

The benefits that apply to this procurement are contained in: Section 3, Gwich'in Comprehensive Land Claim Agreement (GCLCA), Appendix C, clauses:

9.7.1 Canada shall provide written notice to the Tetlit Gwich'in of any invitation for public tenders in respect of contracts associated with the management of heritage sites directly related to the history or culture of the Tetlit Gwich'in.

9.7.2 The Tetlit Gwich'in shall have the first opportunity to accept any fixed term contract offered by Canada associated with the management of a designated heritage site in the primary use area.

9.7.5 Canada shall include in any public tender in respect of contracts associated with the management of designated heritage sites in the primary use area:

(a) a criterion for Tetlit Gwich'in employment; and

(b) a criterion for special knowledge or experience related to the designated heritage site.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0035T (1998/06/15) GCLCA - Survey

The benefits that apply to this procurement are contained in: Section 3, Gwich'in Comprehensive Land Claim Agreement (GCLCA), Appendix C, clauses:

11.6.1 (a) Where employment in surveying of Tetlit Gwich'in

Yukon land is generated as a direct consequence of this appendix, Canada shall include a criterion for Tetlit Gwich'in employment in any contract opportunities associated with the survey of Tetlit Gwich'in Yukon land.

(b) Nothing in (a) shall be construed to mean that the criterion for Tetlit Gwich'in employment shall be the determining criterion in awarding any contract.

11.6.2 (a) Where economic opportunities and benefits are associated with the survey of Tetlit Gwich'in Yukon land, the Tetlit Gwich'in shall have access to these opportunities and benefits. Any contract issued for the survey of Tetlit Gwich'in Yukon land shall contain the condition that the Tetlit Gwich'in and Tetlit Gwich'in businesses with the necessary qualifications and experience shall be given first consideration in providing technical and support services associated with the contract. A list of Tetlit Gwich'in businesses and Tetlit Gwich'in interested in providing such services to potential contractors for such surveys of the Tetlit Gwich'in Yukon land shall be included with all requests for proposals, and documentary proof the Tetlit Gwich'in' businesses and Tetlit Gwich'in were given first consideration shall form part of a contractor's proposal.

(b) Where Tetlit Gwich'in Yukon land abuts settlement lands of the First Nation of Na'cho N'y'ak Dun shall agree on how to share the economic benefits in (a).

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0036T (1998/06/15) GCLCA - Silviculture

The benefits that apply to this procurement are contained in: Section 3, Gwich'in Comprehensive Land Claim Agreement (GCLCA), Appendix C, clauses:

13.6.2 Government shall provide written notice to the Tetlit Gwich'in of any invitation for public tenders in respect of contracts associated with silviculture within the primary use area.

13.6.3 The Tetlit Gwich'in shall have the first opportunity to accept any fixed term contract offered by government associated with silviculture within the primary use area.

13.6.6 Government shall include a criterion for Tetlit Gwich'in employment in any contract opportunities associated with silviculture within the primary use area.

W0041T (1998/06/15) NLCA - Notification

This clause is cancelled effective 2010/01/11

W0042T (1998/06/15) NLCA - Creation of a list

This clause is cancelled effective 2010/01/11

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0043T (1998/06/15) NLCA - Evaluation Criteria

The benefits that apply to this procurement are contained in: Section 4, Inuit of Nunavut Land Claims Agreement (NLCA), clauses:

24.6.1 Whenever practicable, and consistent with sound procurement management, and subject to Canada's international obligations, all of the following criteria, or as many as may be appropriate with respect to any particular contract, shall be included in the bid criteria established by the Government of Canada for the awarding of its government contracts in the Nunavut Settlement Area:

(a) the existence of head offices, administrative offices or Other facilities in the Nunavut Settlement Area;

(b) the employment of Inuit labour, engagement of Inuit professional services, or use of suppliers that are Inuit or Inuit firms in carrying out the contracts; or

(c) the undertaking of commitments, under the contract, with respect to on-the-job training or skills development for Inuit.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0044T (1998/06/15) NLCA - Park Facilities

The benefits that apply to this procurement are contained in: Section 4, Inuit of Nunavut Land Claims Agreement (NLCA), clauses:

8.4.8 Where Government intends to contract for the establishment, operation or maintenance of park facilities in the Nunuvut Settlement Area, Government shall:

(a) give preferential treatment to qualified Inuit contractors where Government proposes to tender such contracts; and

(b) ensure that all contractors give preferential treatment to Inuit.

8.4.9 A Designated Inuit Organization (DIO) shall have the right of first refusal to operate all business opportunities and ventures that are contracted out with respect to Parks in the Nunavut Settlement Area. Upon request, Government shall make available to a DIO all reports and other materials in its possession relevant to the analysis of the economic feasibility of business opportunities and ventures in Parks in the Nunavut Settlement Area.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0045T (1998/06/15) HLCA - Archaeological Work

The benefits that apply to this procurement are contained in: Section 4, Inuit of Nunavut Land Claims Agreement, clauses:

33.6.1 Where any agency of the Government intends to contract for carrying out of archaeological work in the Nanuvut Settlement Area, the agency shall:

(a) give preferential treatment to qualified Inuit contractors where the agency proposes to tender such contract; and

(b) ensure that all contractors give preferential treatment to qualified Inuit.

33.6.2 Any archaeological programs in the Nunavut Settlement Area that are administered by Government shall conform, at a minimum, to the employment and training provisions set out in Article 23.

W0051T (1998/06/15) UFACYI - Notification

This clause is cancelled effective 2010/01/11

W0052T (1998/06/15) UFACYI - Creation of a List

This clause is cancelled effective 2010/01/11

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0053T (1998/06/15) UFACYI - Survey

The benefits that apply to this procurement are contained in: Section 5, Council of Yukon First Nations Final Agreement (UFACYI), clauses:

15.7.1 Where employment in surveying of Settlement Land is generated as a direct consequence of a Yukon First Nation Final Agreement, the parties to the Yukon First Nation Final Agreement shall negotiate as part of the Yukon First Nation Final Agreement, the participation qualifications or experience, in such employment, and the determination of such qualifications and experience.

15.7.2 Where economic opportunities and benefits are associated with the survey of Settlement Land, Yukon First Nations shall have access to these opportunities and benefits. Any contract issued for the survey of Settlement land shall contain the condition that Yukon Indian People and Yukon First Nation businesses with the necessary qualifications and experience shall be given first consideration in providing technical and support services associated with the contract. A list of Yukon First Nation businesses and Yukon Indian People interested in providing such services to potential contractors for such surveys of a Yukon First Nation's Settlement Land shall be included with all requests for proposals, and documentary proof the Yukon First Nation's businesses and Yukon Indian People were given first consideration shall form part of a contractor's proposal.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0061T (1998/06/15) NNDFA - Designated Heritage Site

The benefits that apply to this procurement are contained in: Section 5.1, First Nation of Nacho Nyak Dun Final Agreement (NNDFA), clauses:

13.12.1.1 Government shall provide written notice to the First Nation of Nacho Nyak Dun of any invitation for public tenders in respect of contracts for public tenders in respect of contracts associated with the management of a Designated Heritage Site directly related to the history or culture of Nacho Nyak Dun within the Traditional Territory of the First Nation of Nacho Nyak Dun.

13.12.1.2 The First Nation of Nacho Nyak Dun shall have the first opportunity to accept any fixed term contract offered by Government associated with the management of a Designated Heritage Site directly related to the history or culture of Nacho Nyak Dun within the Traditional Territory of the First Nation of Nacho Nyak Dun.

13.12.1.5 Government shall include in any contract opportunities associated with the management of a Designated Heritage site directly related to the history or culture of Nacho Nyak Dun within the Traditional Territory of the First Nation or the Nacho Nyak Dun:

(a) a criterion for Nacho Nyak Dun employment; and

(b) a criterion for special knowledge or experience of Nacho Nyak Dun which is related to the Heritage Site.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0062T (1998/06/15) NNDFA - Survey

The benefits that apply to this procurement are contained in: Section 5.1, First Nation of Nacho Nyak Dun Final Agreement (NNDFA), clauses:

15.7.1.1 In evaluating any competitive proposal, bid or tender for the survey of First Nation of Nacho Nyak Dun Settlement Land, Government shall include among the factors for consideration, Nacho Nyak Dun employment, Nacho Nyak Dun ownership or equity investment in the firm submitting the proposal, bid or tender, and in any subcontractor to that firm.

15.7.1.2 The determination of the qualifications and experience appropriate for the survey of First Nation of Nacho Nyak Dun Settlement Land shall be set out in the economic development opportunities plan required pursuant to 22.3.1.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0063T (1998/06/15) NNDFA - Silviculture

The benefits that apply to this procurement are contained in: Section 5.1, First Nation of Nacho Nyak Dun Final Agreement (NNDFA), clauses:

17.14.2.2 Government shall provide written notice to the First Nation of Nacho Nyak Dun of any invitation for public tenders in respect of contracts associated with silviculture within the Traditional Territory for the first Nation of Nacho Nyak Dun.

17.14.2.3 The First Nation of Nacho Nyak Dun shall have the first opportunity to accept any fixed term contract offered by Government associated with silviculture within the Traditional Territory of the First Nation of Nacho Nyak Dun.

17.14.2.6 Government shall include a criterion for Nacho Nyak Dun employment in any contract opportunities associated with silviculture within the Traditional Territory of the First Nation of Nacho Nyak Dun.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0071T (1998/06/15) CAFA - Use of Horses

The benefits that apply to this procurement are contained in: Section 5.2, Champagne and Aishihik First Nations Final Agreement (CAFA), Chapter 10, Schedule A, clauses:

9.3 The Canadian Parks Service shall provide the Champagne and Aishihik First Nations with a right of first refusal to accept any contract offered by the Canadian Parks Service for the use of horses in the Park, which right of first refusal shall be offered in the following manner:

9.3.1 the Canadian Parks Service shall provide notice to the Champagne and Aishihik First Nations specifying the terms and conditions of the contract;

9.3.2 where the Champagne and Aishihik First Nations does not tender acceptance, the Canadian Parks Service may offer the contract publicly on the same terms and conditions specified in the notice pursuant to 9.3.1; and

9.3.3 if the contract offered publicly is not accepted, the Canadian Parks Service may re-offer the contract on new terms and conditions in accordance with the procedure set out in 9.3.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0072T (1998/06/15) CAFA - Trails and Roads

The benefits that apply to this procurement are contained in: Section 5.2, Champagne and Aishihik First Nations Final Agreement (CAFA), Chapter 10, Schedule A, clauses:

9.4 The Canadian Parks Service shall provide the Champagne and Aishihik First Nations with a right of first refusal to accept any contract offered by the Canadian Parks Service for the construction of trails or construction or maintenance of roads in the Park, which right of first refusal shall be offered in the following manner:

9.4.1 the Canadian Parks Service shall provide notice to the Champagne and Aishihik First Nations specifying the terms and conditions of the contract;

9.4.2 where the Champagne and Aishihik First Nations does not tender acceptance within 30 days, the Canadian Parks Service may offer the contract publicly on the same terms and conditions specified in the notice pursuant to 9.4.1; and

9.4.3 if the contract offered publicly is not accepted, the Canadian Parks Service may re-offer the contract on new terms and conditions in accordance with the procedure set out in 9.4.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0073T (1998/06/15) CAFA - Designate Heritage Site

The benefits that apply to this procurement are contained in: Section 5.2, Champagne and Aishihik First Nations Final Agreement (CAFA), clauses:

13.12.1.1 Government shall provide written notice to the Champagne and Aishihik First Nations of any invitation for public tenders in respect of contracts associated with the management of a Designated Heritage Site directly related to the history or culture of Champagne and Aishihik people within the Champagne and Aishihik First Nations Traditional Territory.

13.12.1.2 The Champagne and Aishihik First Nations shall have the first opportunity to accept any fixed term contract offered by Government associated with the management of a Designated Heritage Site directly related to the history or culture of Champagne and Aishihik People within the Champagne and Aishihik First Nations Traditional Territory.

13.12.1.5 Government shall include in any contract opportunities associated with the management of a Designated Heritage Site directly related to the history or culture of Champagne and Aishihik People within the Champagne and Aishihik First Nations Traditional Territory:

(a) a criterion for the employment of Champagne and Aishihik People; and

(b) a criterion for special knowledge or experience of Champagne and Aishihik People which is related to the Designated Heritage Site.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0074T (1998/06/15) CAFA - Survey

The benefits that apply to this procurement are contained in: Section 5.2, Champagne and Aishihik First Nation Final Agreement, clauses:

15.7.1.1 In evaluating any competitive proposal, bid or tender for the survey of Champagne and Aishihik First Nations Settlement Land, Government shall include among the factors for consideration, Champagne and Aishihik Person employment, Champagne and Aishihik Person ownership or equity investment in the firm submitting the proposal, bid or tender, and in any subcontractor to that firm.

15.7.1.2 The determination of the qualifications and experience appropriate for the survey of Champagne and Aishihik First Nations Settlement Land shall be set out in the economic development opportunities plan required by 22.3.1.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0075T (1998/06/15) CAFA - Silviculture

The benefits that apply to this procurement are contained in: Section 5.2, Champagne and Aishihik First Nations Final Agreement (CAFA), clauses:

17.14.2.2 Government shall provide written notice to the Champagne and Aishihik First Nations of any invitation for public tenders for contracts associated with silviculture within the Champagne and Aishihik First Nations Traditional Territory.

17.14.2.3 The Champagne and Aishihik First Nations shall have the first opportunity to accept any fixed term contract offered by Government associated with silviculture within the Champagne and Aishihik First Nations Traditional Territory.

17.14.2.6 Government shall include a criterion for Champagne Aishihik Person employment in any contract opportunities associated with silviculture within the Champagne and Aishihik First Nations Traditional Territory.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0081T (1998/06/15) TTFA - Designated Heritage Site

The benefits that apply to this procurement are contained in: Section 5.3, Teslin Tlingit Council Final Agreement (TTFA), clauses:

13.12.1.1 Government shall provide written notice to the Teslin Tlingit Council of any invitation for public tenders for contracts associated with the management of a Designated Heritage Site

directly related to the history or culture of Teslin Tlingit Council Traditional Territory.

13.12.1.2 The Teslin Tlingit Council shall have the first opportunity to accept any fixed term contract offered by Government associated with the management of Designated Heritage Site directly related to the history or culture of Teslin Tlingit within the Teslin Tlingit Council Traditional Territory.

13.12.1.5 Government shall include in any contract opportunities associated with the management of a Designated Heritage Site directly related to the history or culture of Teslin Tlingit in the Teslin Tlingit Council Traditional Territory:

(a) a criterion for Teslin Tlingit employment; and

(b) a criterion for special Teslin Tlingit knowledge or experience related to the Heritage Site.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0082T (1998/06/15) TTFA - Survey

The benefits that apply to this procurement are contained in: Section 5.3, Teslin Tlingit Council Final Agreement (TTFA), clauses:

15.7.1.1 In evaluating any competitive proposal, bid or tender for the survey of Teslin Tlingit Council Settlement Land, Government shall include among the factors for consideration Teslin Tlingit employment and Teslin Tlingit ownership or equity investment in the firm submitting the subcontractor to that firm.

15.7.1.2 The determination of the qualifications and experience appropriate for the survey of Teslin Tlingit Council Settlement Land shall be set out in the economic development opportunities plan required pursuant to 22.3.1.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0083T (1998/06/15) TTFA - Silviculture

The benefits that apply to this procurement are contained in: Section 5.3, Teslin Tlingit Council Final Agreement (TTFA), clauses:

17.14.2.2 Government shall provide written notice to the Teslin Tlingit Council of any invitation for public tenders for contracts

associated with silviculture within the Teslin Tlingit Council Traditional Territory.

17.14.2.3 The Teslin Tlingit Council shall have the first opportunity to accept any fixed term contract offered by Government associated with silviculture within the Teslin Tlingit Council Traditional Territory.

17.14.2.6 Government shall include a criterion for Teslin Tlingit employment in any contract opportunities associated with silviculture in the Teslin Tlingit Council Traditional Territory.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0091T (1998/06/15) VGFA - Trails

The benefits that apply to this procurement are contained in: Section 5.4, Vuntut Gwich'in First Nation Final Agreement (VGFA), Chapter 10, Schedule A, clauses:

9.6 The Canadian Parks Service shall provide timely written notice to the Vuntut Gwitchin First Nation of any invitation by the Canadian Parks Service respecting contracts for the provision of goods and services in the Vuntut Gwitchin First Nation Traditional Territory for the development, operation and management of the Park.

9.7 The Canadian Parks Service shall provide the Vuntut Gwitchin with a right of first refusal to accept any contract offered by the Canadian Parks Service for the construction or maintenance of trails within the Vuntut Gwitchin First Nation Traditional Territory in the following manner:

9.7.1 the Canadian Parks Service shall provide notice to the Vuntut Gwitchin First Nation specifying the terms and conditions of the contract;

9.7.2 the Vuntut Gwitchin First Nation shall have 30 days from the date the notice in 9.7.1 is received to advise the Park superintendent in writing whether it is exercising its right of first refusal under 9.7;

9.7.3 if the Vuntut Gwitchin First Nation does not exercise its right of first refusal under 9.7, the Canadian Parks Service may offer the contract publicly on the same terms and conditions specified in the notice pursuant to 9.7.1; and

9.7.4 if the contract offered publicly is not accepted, the Canadian Parks Service may re-offer the contract on new terms and conditions in accordance with the procedure set out in 9.7.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0092T (1998/06/15) VGFA - Designated Heritage Site

The benefits that apply to this procurement are contained in: Section 5.4, Vuntut Gwich'in First Nation Final Agreement (VGFA), clauses:

13.12.1.1 Government shall provide written notice to the Vuntut Gwitchin First Nation of any invitation for public tenders for contracts associated with the management of a Designated Heritage Site directly related to the history or culture of Yukon Indian People within the Vuntut Gwitchin First Nation Traditional Territory.

13.12.1.3 The Vuntut Gwitchin First Nation shall have the first opportunity to accept any fixed term contract offered by Government associated with the management of a Designated Heritage Site directly related to the history and culture of Yukon Indian People within the Vuntut Gwitchin First Nation Traditional Territory.

13.12.1.6 Government shall include in any contract opportunities associated with the management of a Designated Heritage Site directly related to the history and culture of Yukon Indian People in the Vuntut Gwitchin First Nation Traditional Territory:

(a) a criterion for Vuntut Gwitchin employment; and

(b) a criterion for special Vuntut Gwitchin knowledge or experience related to the Heritage Site.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0093T (1998/06/15) VGFA - Survey

The benefits that apply to this procurement are contained in: Section 5.4, Vuntut Gwich'in First Nation Final Agreement (VGFA), clauses:

15.7.1.1 In evaluating any competitive proposal, bid or tender for the survey of Vuntut Gwitchin First Nation Settlement Land, the Government shall include among the factors for consideration Vuntut Gwitchin employment and Vuntut Gwitchin investment in the firm submitting the proposal bid or tender, and in any subcontractor to that firm.

15.7.1.2 The determination of the qualifications and experience appropriate for the survey of Vuntut Gwitchin First Nation Settlement Land shall be set out in the economic development opportunities plan required by 22.3.1.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0094T (1998/06/15) VGFA - Silviculture

The benefits that apply to this procurement are contained in: Section 5.4, Vuntut Gwich'in First Nation Final Agreement (VGFA), clauses:

17.14.2.2 Government shall provide written notice to the Vuntut Gwitchin First Nation of any invitation for public tenders for contracts associated with silviculture within the Vuntut Gwitchin First Nation Traditional Territory.

17.14.2.3 The Vuntut Gwitchin First Nation shall have the first opportunity to accept any fixed term contract offered by Government associated with silviculture within the Vuntut Gwitchin First Nation Traditional Territory.

17.14.2.6 Government shall include a criterion for Vuntut Gwitchin employment in any contract opportunities associated with silviculture in the Vuntut Gwitchin First Nation Traditional Territory.

17.14.2.7 In evaluating any competitive proposal, bid or tender for the management of forest resources in the Vuntut Gwitchin First Nation Traditional Territory, the Government shall include among the factors for consideration, Vuntut Gwitchin employment and Vuntut Gwitchin ownership or equity investment in the firm or its subcontractors submitting the proposal, bid or tender.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0095T (1998/06/15) VGFA - Canadian Parks Service

The benefits that apply to this procurement are contained in: Section 5.4, Vuntut Gwich'in First Nation Final Agreement (VGFA), Chapter 10, Schedule A, clauses:

9.8 For any contracts tendered publicly by the Canadian Parks Service, other than the contracts referred to in 9.7, the Canadian Parks Service shall include, where appropriate, criteria for:

9.8.1 knowledge of Vuntut Gwitchin language, culture, society or traditional knowledge of the Vuntut Gwitchin First Nation

Traditional Territory; and

9.8.2 the employment of Vuntut Gwitchin professional services, the use of Vuntut Gwitchin professional services, the use of Vuntut Gwitchin suppliers, on-the-job training or skills development for Vuntut Gwitchin, in the specifications for the tendering of contracts related to the procurement of goods and services for the Park.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0101T (1998/06/15) SFA - Designated Heritage Site

The benefits that apply to this procurement are contained in: Section 5.5, Selkirk First Nation Final Agreement (SFA), clauses:

13.12.1.1 Government shall provide written notice to the Selkirk First Nation of any public tender for contracts associated with a Designated Heritage Site directly related to the history or culture of Selkirk People within the Traditional Territory of the Selkirk First Nation.

13.12.1.2 Government shall include the Selkirk First Nation in any invitational tender for contracts associated with a Designated Heritage Site directly related to the history or culture of Selkirk People within the Traditional Territory of the Selkirk First Nation.

13.12.1.3 The Selkirk First Nation shall have the first opportunity to accept any contract offered by Government other than by public or invitational tenders, associated with a Designated Heritage Site directly related to the history or culture of Selkirk People within the Traditional Territory of the Selkirk First Nation upon the same terms and conditions as would be offered to others.

13.12.1.7 Government shall include in any contract opportunities associated with a Designated Heritage Site directly related to the history or culture of Selkirk People within the Traditional Territory of the Selkirk First Nation:

(a) a criterion for the employment of Selkirk People or engagement of Selkirk Firms; and

(b) a criterion for special knowledge or experience of Selkirk People related to the Designated Heritage Site.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0102T (1998/06/15) SFA - Fort Selkirk

The benefits that apply to this procurement are contained in: Section 5.5, Selkirk First Nation Final Agreement (SFA), Chapter 13, Schedule A, clause:

5.1 The Selkirk First Nation and Selkirk Firms shall have the first opportunity to accept any contracting opportunity associated with Fort Selkirk offered by Government, the Selkirk First Nation, or Government and the Selkirk First Nation on the same terms and conditions as would be offered to others.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0103T (1998/06/15) SFA - Survey

The benefits that apply to this procurement are contained in: Section 5.5, Selkirk First Nation Final Agreement (SFA), clauses:

15.7.1.1 In evaluating any competitive proposal, bid or tender for the survey of Selkirk First Nation Settlement Land, Government shall include among the factors for consideration, employment of Selkirk People, and Selkirk First Nation and Selkirk People ownership or equity investment in the firm submitting the proposal, bid or tender, and in any subcontractor to that firm

15.7.1.2 Selkirk First Nation and Government shall ensure that qualifications and experience requirements for employment of Selkirk People in the surveying of Selkirk First Nation Settlement Land, shall be established at levels appropriate to the nature of the tasks being performed in that employment, and shall take into account the local knowledge of Selkirk People.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0104T (1998/06/15) SFA - Silviculture

The benefits that apply to this procurement are contained in: Section 5.5, Selkirk First Nation Final Agreement (SFA), clauses:

17.14.2.2 Government shall provide written notice to the Selkirk First Nation of any public tender for contracts associated with Forest Resources Management within the Traditional Territory of the

Selkirk First Nation.

17.14.2.3 Government shall include the Selkirk First Nation in any invitational tender for contracts associated with Forest Resources Management within the Traditional Territory of the Selkirk First Nation.

17.14.2.4 The Selkirk First Nation shall have the first opportunity to accept any contract offered by Government other than by public or invitational tender associated with silviculture within the Traditional Territory of the Selkirk First Nation upon the same terms and conditions as would be offered to others.

17.14.2.8 Government shall include a criterion for employment of Selkirk People or engagement of Selkirk Firms in any contract opportunities associated with silviculture in the Traditional Territory of the Selkirk First Nation.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0111T (1998/06/15) LSCFA - Designated Heritage Site

The benefits that apply to this procurement are contained in: Section 5.6, Little Salmon/Carmacks First Nation Final Agreement (LSCFA), clauses:

13.12.1.1 Government shall provide written notice to the Little Salmon/Carmacks First Nation of any invitation for public tenders for contracts associated with the management of a Designated Heritage Site directly related to the history or culture of Little Salmon/Carmacks People within the Traditional Territory of the Little Salmon/Carmacks First Nations.

13.12.1.2 Government shall include the Little Salmon/Carmacks First Nation in any invitational tender for contracts associated with the management of a Designated Heritage Site directly related to the history or culture of Little Salmon/Carmacks First Nation.

13.12.1.3 The Little Salmon/Carmacks First Nation shall have the first opportunity to accept any contract offered by Government other than by public or invitational tender associated with the management of a Designated Heritage Site directly related to the history or culture of Little Salmon/Carmacks People within the Traditional Territory of the Little Salmon/Carmacks First Nation upon the same terms and conditions as would be offered to others.

13.12.1.7 Government shall include in any contract opportunity associated with the management of a Designated Heritage Site directly related to the history or culture of Little Salmon/Carmacks People in the Traditional Territory of the Little Salmon/Carmacks First Nations:

(a) a criterion for Little Salmon/Carmacks People employment; and

(b) a criterion for special knowledge or experience of Little Salmon/Carmacks People related to the Designated Heritage Site.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0112T (1998/06/15) LSCFA - Survey

The benefits that apply to this procurement are contained in: Section 5.6, Little Salmon/Carmacks First Nation Final Agreement (LSCFA), clauses:

15.7.1.1 In evaluating any competitive proposal, bid or tender for the survey of Little Salmon/Carmacks First Nation Settlement Land, Government shall include among the factors for consideration, employment of Little Salmon/Carmacks People, and Little Salmon/Carmacks First Nation and equity investment in the firm submitting the proposal, bid or tender, and in any subcontractor to that firm.

15.7.1.2 Little Salmon/Carmacks First Nation and Government shall ensure that qualifications and experience requirements for employment of Little Salmon/Carmacks People in the surveying of Little Salmon/Carmacks People Settlement Land shall be established at levels appropriate to the nature of the tasks being performed in that employment, and shall take into account the local knowledge of Little Salmon/Carmacks People.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0113T (2000/05/12) LSCFA - Silviculture

The benefits that apply to this procurement are contained in: Section 5.6, Little Salmon / Carmacks First Nation Final Agreement (LSCFA), clauses:

17.14.2.2 Government shall provide written notice to the Little Salmon/Carmacks First Nation of any public tender for contracts associated with Forest Resources Management within the Traditional Territory of the Little Salmon/Carmacks First Nation.

17.14.2.3 Government shall include the Little Salmon/Carmacks First Nation in any invitational tender for contracts associated with Forest Resources Management within the Traditional Territory of the Little Salmon/Carmacks First Nation.

17.14.2.4 The Little Salmon/Carmacks First Nation shall have the first opportunity to accept any contract offered by Government other than by public or invitational tender associated with silviculture within the Traditional Territory of the Little Salmon Carmacks First Nation upon the same terms and conditions as would be offered to others.

17.14.2.8 Government shall include a criterion for employment of Little Salmon/ Carmacks People in any contract opportunities associated with silviculture in the Traditional Territory of the Little Salmon/Carmacks First Nation.

W0121T (1998/06/15) SDMCLCA - Notification

This clause is cancelled effective 2010/01/11

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation document, before any annexes or appendices.

W0122T (1998/06/15) SDMCLCA - Heritage Resources

The benefits that apply to this procurement are contained in: Section 6, Sahtu Dene and Metis Comprehensive Land Claim Agreement (SDMCLCA), clause:

26.2.8 The participants shall have preference in being hired at public sites, museums, heritage resource projects, archaeological works and similar public facilities and projects in the settlement area related to Sahtu heritage resources, in a manner to be set out in the protected area agreement or, where there is no protected area agreement, in the management or work plans for the public sites, museums, projects, facilities and works referred to in this chapter. The Sahtu Tribal Council shall be consulted in the development of such plans.

W0131T (1998/06/15) Banks Island- Notification

This clause is cancelled effective 2010/01/11

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0132T (1998/06/15) Banks Island - Evaluation Criteria

The benefits that apply to this procurement are contained in: Section 7, An

Agreement for the Establishment of a National Park on Banks Island, clause:

8.05 As many of the following factors as may be appropriate to any particular contract shall be reflected in the bid evaluation criteria established by Canada for the awarding of Government Contracts related to the Park:

(a) the employment of Inuvialuit labour and services, and the engagement of Inuvialuit suppliers, particularly the Inuvialuit of Sachs Harbour;

(b) the undertaking of commitments with respect to on-the-job training and skills development for Inuvialuit, particularly Inuvialuit of Sachs Harbour; and

(c) the location of head offices, administrative offices, and other facilities in the Western Arctic Region, and particularly in the community of Sachs Harbour.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation document, before any annexes or appendices.

W0133T (1998/06/15) Banks Island - Sachs Harbour

The benefits that apply to this procurement are contained in: Section 7, An Agreement for the Establishment of a National Park on Banks Island, clauses:

8.04 Qualified Inuvialuit businesses, particularly those in Sachs Harbour, shall be given first consideration where a Government Contract related to the park may, in accordance with the Government Contracts Regulations, be awarded without competition.

8.06 Prior to inviting bids by public notice for Government Contracts related to the park, Canada shall solicit bids from suppliers of goods and services, firstly from within the community of Sachs Harbour and secondly from within the Western Arctic Region. When soliciting bids:

(a) Canada shall make all possible attempts to award contracts to qualified Inuvialuit businesses according to the measures outlined in this Article;

(b) Canada shall take all reasonable measures to determine if there are Inuvialuit businesses, particularly Inuvialuit businesses located in Sachs Harbour, qualified to perform the contracts. This determination will usually be made by reference to the list of Inuvialuit businesses provided by the Inuvialuit Regional Corporation (IRC) and the Sachs Harbour Community Corporation (SHCC);

(c) Where it is determined that a single business within the Western Arctic Region is qualified to perform a particular contract, Canada shall solicit that business to submit a bid for that contract. The contract may be awarded upon the negotiation

of acceptable terms and conditions;

(d) Where Canada intends to solicit bids from more than one qualified business within the Western Arctic Region, Canada shall take all reasonable measures to determine if there are Inuvialuit businesses qualified to perform the contract, and shall solicit bids from those Inuvialuit businesses. This determination will usually be made by reference to the list of Inuvialuit businesses provided by the IRC and the SHCC. The contract, if awarded, shall take into account the bid evaluation criteria contained in this Article; and

(e) Where a contract is awarded in accordance with the provisions of (c) or (d) above, Canada shall ensure that the contract document contains appropriate terms and conditions to ensure that sub-contractors are also subject to the intent and specific provisions of the contract.

Where, after considering known available suppliers including those on the list of Inuvialuit businesses, it is determined that there are no qualified suppliers or where bid solicitation is inconsistent with laws of general application, Canada may proceed directly to bid invitation as set out it 8.07.

8.07 Canada may invite bids, firstly from within the community of Sachs Harbour and secondly from within the Western Arctic Region. When inviting bids for Government Contracts related to the Park:

(a) Canada shall take all reasonable measures to inform Inuvialuit businesses of such bid invitations and to provide Inuvialuit businesses with a fair and reasonable opportunity to submit bids, notwithstanding that one or more such businesses may have submitted bids as part of the solicitation process. These measures will include the measures referred to in 8.03 above;

(b) Where Canada intends to invite bids for Government Contracts related to the Park, the bid invitation process shall take into account the bid evaluation criteria contained in 8.05; and

(c) Where a contract has been awarded in accordance with the provisions of (b) above, Canada shall ensure that the contract document contains appropriate terms and conditions to ensure that sub-contractors are also subject to the intent and specific provisions of the contract.

W0141T (1998/06/15) Tuktut Nogait - Notification

This clause is cancelled effective 2010/01/11

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0142T (1998/06/15) Tuktut Nogait - Evaluation Criteria

The benefits that apply to this procurement are contained in: Section 8, Tuktut Nogait National Park Agreement clause:

14.5 The following factors shall be reflected in the bid evaluation criteria established by Canada for the awarding of Government Contracts related to the Park:

i) the employment of Inuvialuit labour and services, and the engagement of Inuvialuit suppliers, particularly from Paulatuk;

ii) the undertaking of commitments with respect to on-the-job training and skills development for Inuvialuit, particularly Inuvialuit from Paulatuk; and

iii) the location of head offices, administrative office, and other facilities in the Inuvialuit Settlement Region, and particularly in Paulatuk.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0143T (1998/06/15) Tuktut Nogait - Paulatuk

The benefits that apply to this procurement are contained in: Section 8, Tuktut Nogait National Park Agreement clauses:

14.4. Qualified Inuvialuit Businesses, particularly those in Paulatuk, shall be given first consideration where a Government Contract related to the Park may, in accordance with the Government Contracts Regulations, be awarded without competition.

14.6 Prior to inviting bids by public notice for Government Contracts related to the Park Canada shall solicit bids from suppliers of goods and services, firstly from with Paulatuk and secondly from within the Inuvialuit Settlement Region (ISR). When soliciting bids:

i) Canada shall make all reasonable attempts to award contracts to qualified Inuvialuit Businesses according to the measures outlined in this Section.

ii) Canada shall take all reasonable measures to determine if there are Inuvialuit Businesses, particularly Inuvialuit businesses located in Paulatuk, qualified to perform the contracts. This determination will usually be made by reference to the list of Inuvialuit Businesses provided by the Inuvialuit Regional Corporation (IRC) and the Paulatuk Community Corporation (PCC).

iii) Where it is determined that a single Inuvialuit Business within the ISR is qualified to perform a particular contract, Canada shall first solicit that business to submit a bid for that contract. In accordance with the conditions set out in s. 14.1, Canada shall make best efforts to award that contract to that Inuvialuit Business upon the negotiation of acceptable terms and conditions.

iv) Where Canada intends to solicit bids from more than one qualified business within the ISR, Canada shall take all reasonable measures to determine if there are Inuvialuit Businesses qualified to perform the contract, and shall solicit bids from those Inuvialuit Businesses. This determination will usually be made by reference to the list of Inuvialuit Businesses provided by the IRC and the PCC. The contract, if awards, shall take in account the bid evaluation criteria contained in this Section, and

v) Where a contract is awarded in accordance with the provisions of ss. (iii) and (v) above, Canada shall ensure that the contract document contains appropriate terms and conditions to ensure that sub-contractors are also subject to the intent and the specific provisions of the contract.

Where, after considering known available suppliers including those on the list of Inuvialuit Businesses, it is determined that there are no qualified suppliers or where Bid Solicitation is inconsistent with the IFA and laws of general application, Canada may proceed directly to Bid Invitation as set out in s. 14.7.

14.7 Canada may invite bids, firstly from within the community of Paulatuk and secondly from within the ISR. When inviting bids for Government Contracts related to the Park:

i) Canada shall take all reasonable measures to inform Inuvialuit Businesses of such Bid Invitations and to provide Inuvialuit Businesses with a fair and reasonable opportunity to submit bids, notwithstanding that one or more such businesses may have submitted bids as part of the solicitation process. These measures shall include the measures referred to in s. 14.3 above.

ii) Where Canada intends to invite bids for Government Contracts related to the Park, the Bid Invitation process shall take into account the bid evaluation criteria contained in s. 14.5 and

iii) Where a contract has been awarded in accordance with the provision of (ii) above, Canada shall ensure that the contract document contains appropriate terms and conditions to ensure that sub-contractors are also subject to the intent and specific provisions of the contract.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat

Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0151T (1998/06/15) NWS - Notification

The benefits that apply to this procurement are contained in: Section 9, Co-operation Agreement between the Inuvialuit Regional Corporation and the Department of National Defence Concerning the Operation and Maintenance of the North Warning System (NWS), clauses:

4.2 For the purposes of this subsection, Inuvialuit are defined as per subsection 16.1 of the IFA.

(a) It is agreed that DND and the Inuvialuit Regional Corporation (IRC) shall use their best efforts to identify, and advise the Inuvialuit of, actual and potential business opportunities arising out of O&M activities in the Inuvialuit Settlement Region (ISR), and to facilitate Inuvialuit involvement in such activities in the ISR, and to facilitate Inuvialuit involvement in such activities by following the procedures set out in this subsection.

(c) Where a substantial portion (i.e. more than 50 percent) of the work in a Contract is within the ISR NWS O&M Contractors and Subcontractors will first solicit bids from qualified businesses on the list of Inuvialuit firms provided by the IRC pursuant to paragraph 4.2b. This process shall not limit other qualified Inuvialuit firms from bidding as well. At the same time, solicitation documents shall also be provided to the IRC. DND, DSS, and its O&M Contractors shall be held blameless if qualified Inuvialuit businesses were not solicited because their name did not appear on the list provided by the IRC. ased on demonstrated performance, Inuvialuit businesses may be added or deleted form the list.

W0152T (1998/06/15) NWS - Evaluation Criteria

This clause is cancelled effective 2010/01/11

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0153T (1998/06/15) NWS - Air Transport (Fixed Wing)

The benefits that apply to this procurement are contained in: Section 9, Co-operation Agreement between the Inuvialuit Regional Corporation and the Department of National Defence Concerning the Operation and Maintenance of the North Warning System (NWS), clauses:

4.3 The following specific business opportunities for the provision of

services associated with Work within the Inuvialuit Settlement Region (ISR) shall be provided through the NWS O&M Contractor or Subcontractors:

4.3.1. Aklak Air will have the first opportunity to bid on all contracts for personnel and freight transportation services by fixed wing aircraft for flights originating and terminating in the ISR;

Except in cases of emergency or when the operation of NWS site(s) could be interrupted, these companies shall be provided with not less than ten days for a bid response from the date of issue of the solicitation documents. Contracts shall be issued if the bids are technically compliant and based on the lower of published tariffs or most favoured customer rates. As existing contracts expire, renewals or new contracts shall be concluded in accordance with this subsection.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0154T (1998/06/15) NWS - Marine Transport

The benefits that apply to this procurement are contained in: Section 9, Co-operation Agreement between the Inuvialuit Regional Corporation and the Department of National Defence Concerning the Operation and Maintenance of the North Warning System (NWS), clauses:

4.3 The following specific business opportunities for the provision of services associated with Work within the Inuvialuit Settlement Region (ISR) shall be provided through the NWS O&M Contractor or Subcontractors:

4.3.2. NTCL shall have the first opportunity to bid on all contracts for marine transportation and barging services of equipment, materials and supplies.

Except in cases of emergency or when the operation of NWS site(s) could be interrupted, these companies shall be provided with not less than ten days for a bid response from the date of issue of the solicitation documents. Contracts shall be issued if the bids are technically compliant and based on the lower of published tariffs or most favoured customer rates. As existing contracts expire, renewals or new contracts shall be concluded in accordance with this subsection.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation document, before any annexes or appendices.

W0155T (1998/06/15) NWS - Gravel

The benefits that apply to this procurement are contained in: Section 9, Co-operation Agreement between the Inuvialuit Regional Corporation and the Department of National Defence Concerning the Operation and Maintenance of the North Warning System (NWS), clauses:

4.3 The following specific business opportunities for the provision of services associated with Work within the Inuvialuit Settlement Region (ISR) shall be provided through the NWS O&M Contractor or Subcontractors:

4.3.3. Pursuant to the IFA, the NWS O&M Contractor shall obtain gravel from the Inuvialuit for all sites on Inuvialuit Lands (i.e. Cape Parry, Nicholson Peninsula, Horton River, Liverpool Bay, and Keats Point). The specific gravel requirements shall be determined by the NWS O&M Contractor or Subcontractor. The Inuvialuit shall provide the required granular material from the nearest appropriate location or locations consistent with satisfying environmental and cost minimisation criteria. All other gravel contracts shall be tendered pursuant to section 4.2 of his agreement.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0156T (1998/06/15) NWS - Groceries and Catering

The benefits that apply to this procurement are contained in: Section 9, Co-operation Agreement between the Inuvialuit Regional Corporation and the Department of National Defence Concerning the Operation and Maintenance of the North Warning System (NWS), clauses:

4.3 The following specific business opportunities for the provision of services associated with Work within the Inuvialuit Settlement Region (ISR) shall be provided through the NWS O&M Contractor or Subcontractors:

4.3.4. Beginning in April 1985, or earlier if the opportunity arises, Stanton Distributing shall have the first opportunity to bid on all contracts for services relating to the supply of groceries, foodstuff, and catering with respect to temporary or permanent camp facilities in the ISR. Contracts will be issued provided that Stanton Distributing meets the requirements identified in the solicitation documents and its bid is competitive. Except in cases of emergency or when the operation of NWS site(s) could be interrupted, Stanton Distributing shall be provided with no less than ten days for a bid response from the date of issue of the solicitation documents.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0161T (1998/06/15) DEW - Notification

The benefits that apply to this procurement are contained in: Section 10, Co-operation Agreement between the Inuvialuit Regional Corporation (IRC)and the Department of National Defence (DND) concerning the restoration and clean-up of DEW sites within the Inuvialuit Settlement Region, clauses:

6.1 DND and the IRC will identify and advise the Inuvialuit of actual and potential business opportunities arising from the Work, and facilitate Inuvialuit involvement in such activities by following the procedures set out in this paragraph.

(b) DND shall include as a term in all contracts between DND and a Contractor for Work that, where the Contractor intends to subcontract or procure goods for Work, the Contractor will first solicit bids from qualified businesses on the list of Inuvialuit Businesses referred to in paragraph 5.2. This process shall not limit other qualified Inuvialuit businesses from bidding as well. At the same time, solicitation documents shall also be provided to the IRC. DND and its Contractors shall be held blameless if qualified Inuvialuit Businesses were not solicited because their name did not appear on the list provided by the IRC.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0162T (1998/06/15) DEW - Evaluation Criteria

The benefits that apply to this procurement are contained in: Section 10, Co-operation Agreement between the Inuvialuit Regional Corporation (IRC) and the Department of National Defence (DND) concerning the restoration and clean-up of DEW sites within the Inuvialuit Settlement Region, clauses:

4.1 (a) The Government of Canada Contracting Agency will include a term in all contracts for work, that the Contractor will comply with this Agreement and a term that the Contractor will ensure that any Subcontractors will also be bound by similar provisions, wherever applicable.

5.1 DND shall require in all project proposals and tenders an Inuvialuit Participation Plan which will include the type, level and value of Inuvialuit supplied goods and services, training and employment what will be solicited pursuant to the provisions outlined in clauses 6 and 7 of this Agreement and the location of offices and other facilities of the firms inside and outside of the region.

5.2 DND and the Inuvialuit will establish minimum levels of Inuvialuit Participation which must be achieved in all Contractor Inuvialuit Participation Plans. In order for a contractor's tender or proposal for Work to be considered compliant, the Contractor's Inuvialuit Participation Plan must meet the agreed upon minimum levels of Inuvialuit participation.

6.1 DND and the IRC will identify and advise the Inuvialuit of actual and potential business opportunities arising from the Work, and facilitate Inuvialuit involvement in such activities by following the procedures set out in this paragraph.

(c) DND shall include as a term in all contracts between DND and a Contractor for Work that where, following a solicitation for bids, a qualified Inuvialuit Business(es) offer(s) a compliant and competitive bid within the time specified in the solicitation documents, and the Contractor decides to execute a contract for that work, the contract will be offered to an Inuvialuit Business. The length of time provided to Inuvialuit businesses to prepare a bid will take into consideration the size and complexity of the work being solicited. In any event, not less than fifteen (15) business days shall be provided for a bid response from the date the solicitation documents are delivered. The Contractor shall determine whether a bid is compliant and competitive and this decision is not subject to the arbitration procedures specified in this Agreement. If it has been determined that a bid response contains minor variances which cause it to be considered not technically compliant or not competitive, the company which submitted the bid will be provided an opportunities to clarify the scope of work and revise its bid accordingly (if required). However, if a Contractor repeatedly determines that Inuvialuit bids are non-compliant in a conscious effort to subvert the objective of this Agreement, the IRC shall have recourse to the Review Committee and if necessary paragraph 4(7) of this Agreement.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0163T (1998/06/15) DEW - Air Transpoer (Fixed Wing)

The benefits that apply to this procurement are contained in: Section 10, Co-operation Agreement between the Inuvialuit Regional Corporation (IRC) and the Department of National Defence (DND) concerning the restoration and clean-up of DEW sites within the Inuvialuit Settlement Region, clause:

6.2 DND will include as a term in all contracts between DND and a Contractor for Work that the following specific business opportunities for the provision of goods and services associated with the Work shall be provided through the Contractor or Subcontractors as set out in the subclause hereunder. The Contractor will provide the companies, listed

below, a length of time to prepare a bid which take into consideration the size and complexity of the work being solicited. In any event, not less than fifteen (15) calendar days shall be provided for a bid response from the date the solicitation documents are delivered. Where, following a solicitation for one of the services set out in this clause, the corresponding Inuvialuit Business has submitted a bid that is technically compliant, competitive and based on the lower of published tariffs (where applicable) or most favoured customer rates (where applicable), and the Contractor decides to execute a contract for that Work, the contract shall be offered to that Inuvialuit Business. If it has been determined that a bid response contains minor variances which cause it to be considered not technically compliant or not competitive, the company which submitted the bid will be provided an opportunity to clarify the scope of work and revise its bid accordingly (if required).

(a) Aklak Air will have the first opportunity to bid on all contracts for the transportation of personnel and freight by fixed wing aircraft for flights originating and terminating within the IRC or Inuvik;

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" (see Section 9M of the Supply Manual) to determine when to use this clause.

Insert the clause at the end of the bid solicitation, before any annexes or appendices.

W0164T (2005/06/10) DEW - Air Transport (Rotary Wing)

The benefits that apply to this procurement are contained in Section 10, Co-operation Agreement between the Inuvialuit Regional Corporation and the Department of National Defence (DND) concerning the restoration and clean-up of DEW sites within the Inuvialuit Settlement Region:

"6.2 DND will include as a term in all contracts between DND and a Contractor for Work that the following specific business opportunities for the provision of goods and services associated with the Work shall be provided through the Contractor or Subcontractors as set out in the subclause hereunder. The Contractor will provide the companies, listed below, a length of time to prepare a bid which take into consideration the size and complexity of the work being solicited. In any event, not less than fifteen (15) calendar days shall be provided for a bid response from the date the solicitation documents are delivered. Where, following a solicitation for one of the services set out in this clause, the corresponding Inuvialuit Business has submitted a bid that is technically compliant, competitive and based on the lower of published tariffs (where applicable) or most favoured customer rates (where applicable), and the Contractor decides to execute a contract for that Work, the contract shall be offered to that Inuvialuit Business. If it has been determined that a bid response contains minor variances which cause it to be considered not technically compliant or not

competitive, the company which submitted the bid will be provided an opportunity to clarify the scope of work and revise its bid accordingly (if required)."

"(b) The Inuvialuit Projects Inc./Canadian Helicopters Ltd. Joint Venture will have the first opportunity to bid on all contracts for the transportation of personnel and freight by rotary wing aircraft for flights originating and terminating within the IRC or Inuvik."

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0165T (1998/06/15) DEW - Marine Transport

The benefits that apply to this procurement are contained in: Section 10, Co-operation Agreement between the Inuvialuit Regional Corporation (IRC) and the Department of National Defence (DND) concerning the restoration and clean-up of DEW sites within the Inuvialuit Settlement Region, clause:

6.2 DND will include as a term in all contracts between DND and a Contractor for Work that the following specific business opportunities for the provision of goods and services associated with the Work shall be provided through the Contractor or Subcontractors as set out in the subclause hereunder. The Contractor will provide the companies, listed below, a length of time to prepare a bid which take into consideration the size and complexity of the work being solicited. In any event, not less than fifteen (15) calendar days shall be provided for a bid response from the date the solicitation documents are delivered. Where, following a solicitation for one of the services set out in this clause, the corresponding Inuvialuit Business has submitted a bid that is technically compliant, competitive and based on the lower of published tariffs (where applicable) or most favoured customer rates (where applicable), and the Contractor decides to execute a contract for that Work, the contract shall be offered to that Inuvialuit Business. If it has been determined that a bid response contains minor variances which cause it to be considered not technically compliant or not competitive, the company which submitted the bid will be provided an opportunity to clarify the scope of work and revise its bid accordingly (if required).

(c) NTCL will have the first opportunity to bid on all contracts for marine transportation and barging of equipment and supplies;

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0166T (1998/06/15) DEW - Camp Facilities

The benefits that apply to this procurement are contained in: Section 10, Co-operation Agreement between the Inuvialuit Regional Corporation (IRC) and the Department of National Defence (DND) concerning the restoration and clean-up of DEW sites within the Inuvialuit Settlement Region, clause:

6.2 DND will include as a term in all contracts between DND and a Contractor for Work that the following specific business opportunities for the provision of goods and services associated with the Work shall be provided through the Contractor or Subcontractors as set out in the subclause hereunder. The Contractor will provide the companies, listed below, a length of time to prepare a bid which take into consideration the size and complexity of the work being solicited. In any event, not less than fifteen (15) calendar days shall be provided for a bid response from the date the solicitation documents are delivered. Where, following a solicitation for one of the services set out in this clause, the corresponding Inuvialuit Business has submitted a bid that is technically compliant, competitive and based on the lower of published tariffs (where applicable) or most favoured customer rates (where applicable), and the Contractor decides to execute a contract for that Work, the contract shall be offered to that Inuvialuit Business. If it has been determined that a bid response contains minor variances which cause it to be considered not technically compliant or not competitive, the company which submitted the bid will be provided an opportunity to clarify the scope of work and revise its bid accordingly (if required).

(d) Inuvialuit Project Inc. will have the first opportunity to bid on all contracts for camp facilities which are required in addition to any DND owned camp facilities presently located at DEW sites.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0167T (1998/06/15) DEW - Groceries and Foodstuff

The benefits that apply to this procurement are contained in: Section 10, Co-operation Agreement between the Inuvialuit Regional Corporation (IRC) and the Department of National Defence (DND) concerning the restoration and clean-up of DEW sites within the Inuvialuit Settlement Region, clause:

6.2 DND will include as a term in all contracts between DND and a Contractor for Work that the following specific business opportunities for the provision of goods and services associated with the Work shall be provided through the Contractor or Subcontractors as set out in the subclause hereunder. The Contractor will provide the companies, listed below, a length of time to prepare a bid which take into consideration the size and complexity of the work being solicited. In any event, not less than fifteen (15) calendar days shall be provided for a bid

response from the date the solicitation documents are delivered. Where, following a solicitation for one of the services set out in this clause, the corresponding Inuvialuit Business has submitted a bid that is technically compliant, competitive and based on the lower of published tariffs (where applicable) or most favoured customer rates (where applicable), and the Contractor decides to execute a contract for that Work, the contract shall be offered to that Inuvialuit Business. If it has been determined that a bid response contains minor variances which cause it to be considered not technically compliant or not competitive, the company which submitted the bid will be provided an opportunity to clarify the scope of work and revise its bid accordingly (if required).

(e) Stanton Distributing will have the first opportunity to bid on all contracts for groceries and foodstuffs required in association with any camp facilities provided for the Work; and

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Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0168T (1998/06/15) DEW - Gravel

The benefits that apply to this procurement are contained in: Section 10, Co-operation Agreement between the Inuvialuit Regional Corporation (IRC) and the Department of National Defence (DND) concerning the restoration and clean-up of DEW sites within the Inuvialuit Settlement Region, clause:

6.3 (a) Contractors and Subcontractors shall obtain gravel from the Inuvialuit for all sites on Inuvialuit lands. The specific gravel requirements will be determined by the Contractors and Subcontractors. The gravel required in excess of gravel which has been already quarried and used for other purposes (eg. Runways) at the time of the signing of this Agreement shall be provided by the Inuvialuit Development Corporation (IDC) in accordance with Schedule 3. All other granular material will be procured in accordance with the procedures outlined in Clause 6.1.

Remarks: Refer to the chart "Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0169T (1998/06/15) DEW - Soils

The benefits that apply to this procurement are contained in: Section 10, Co-operation Agreement between the Inuvialuit Regional Corporation (IRC) and the Department of National Defence (DND) concerning the restoration and clean-up of DEW sites within the Inuvialuit Settlement Region, clause:

6.4 (a) Subject to 6.4b, DND will dispose of Tier II soils from DEW

Line sites at a disposal site outside the Inuvialuit Settlement Region (ISR). NTCL will provide the marine transportation and barging of the soils from Nicholson Peninsula, Cape Parry and Shingle Point to Hay River in accordance with the prices set out in Schedule 4. Transportation rates for soils from the remaining DEW Line sites in the ISR will be established six months prior to soil transportation from these sites and will reflect a similar discount over published tariffs as is the case for Nicholson Peninsula and Cape Parry.

Remarks: Refer to the chart “Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0171T (2000/05/12) THFA - Designated Heritage Site

The benefits that apply to this procurement are contained in: Section 5.7, Tr'ondëk Hwëch'in Final Agreement (THFA), clauses:

13.12.1.1 Government shall provide written notice to the Tr'ondëk Hwëch'in of any public tender for contracts associated with the management of a Designated Heritage Site directly related to the history or culture of Tr'ondëk Hwëch'in within the Traditional Territory of the Tr'ondëk Hwëch'in.

13.12.1.2 Government shall include the Tr'ondëk Hwëch'in in any invitational tender for contracts associated with the management of a Designated Heritage Site directly related to the history or culture of the Tr'ondëk Hwëch'in within the Traditional Territory of the Tr'ondëk Hwëch'in.

13.12.1.3 The Tr'ondëk Hwëch'in shall have the first opportunity to accept any contract offered by Government other than by public or invitational tender associated with the management of a Designated Heritage Site directly related to the history or culture of Tr'ondëk Hwëch'in within the Traditional Territory of the Tr'ondëk Hwëch'in upon the same terms and conditions as would be offered to others.

13.12.1.7 Government shall include in any contract opportunities associated with a Designated Heritage Site directly related to the history or culture of Tr'ondëk Hwëch'in within the Traditional Territory of the Tr'ondëk Hwëch'in:

(a) a criterion for the employment of Tr'ondëk Hwëch'in or engagement of Tr'ondëk Hwëch'in Firms; and

(b) a criterion for special knowledge or experience of Tr'ondëk Hwëch'in related to the Designated Heritage Site.

Remarks: Refer to the chart “Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0172T (2000/05/12) THFA - Survey

The benefits that apply to this procurement are contained in: Section 5.7, Tr'ondëk Hwëch'in Final Agreement (THFA), clauses:

15.7.1.1 In evaluating any competitive proposal, bid or tender for the survey of Tr'ondëk Hwëch'in Settlement Land, Government shall include among the factors for consideration, employment of Tr'ondëk Hwëch'in, or for Tr'ondëk Hwëch'in and Tr'ondëk Hwëch'in ownership or equity investment in the firm submitting the proposal, bid or tender, and in any subcontractor to that firm.

15.7.1.2 The Tr'ondëk Hwëch'in and Government shall ensure that qualifications and experience requirements for employment of Tr'ondëk Hwëch'in in the surveying of Tr'ondëk Hwëch'in Settlement Land shall be established at levels appropriate to the nature of the tasks being performed in that employment, and shall take into account the local knowledge of Tr'ondëk Hwëch'in.

Remarks: Refer to the chart “Summary of Benefits from Treasury Board of Canada Secretariat Contracting Policy Notice 1997-8" to determine when to use this clause. It is to appear in full text at the end of the bid solicitation, before any annexes or appendices.

W0173T (2000/05/12) THFA - Silviculture

The benefits that apply to this procurement are contained in: Section 5.7, Tr'ondëk Hwëch'in Final Agreement (THFA), clauses:

17.14.2.2 Government shall provide written notice to the Tr'ondëk Hwëch'in of any public tender for contracts associated with Forest Resources Management within the Traditional Territory of the Tr'ondëk Hwëch'in .

17.14.2.3 Government shall include the Tr'ondëk Hwëch'in in any invitational tender for contracts associated with Forest Resources Management within the Traditional Territory of the Tr'ondëk Hwëch'in.

17.14.2.4 The Tr'ondëk Hwëch'in shall have the first opportunity to accept any contract offered by Government, other than by public or invitational tender, associated with silviculture within the Traditional Territory of the Tr'ondëk Hwëch'in upon the same terms and conditions as would be offered to others.

17.14.2.8 Government shall include a criterion for employment of Tr'ondëk

Hwëch'in or engagement of Tr'ondëk Hwëch'in Firms in any contract opportunities associated with silviculture in the Traditional Territory of the Tr'ondëk Hwëch'in.

Section 5

Y - CIDA Grant Aid Program

Remarks: Use the following clause in all bid solicitations and contracts placed on behalf of the Canadian International Development Agency with commercial suppliers when Public Works and Government Services Canada (PWGSC) is solely responsible for transportation arrangements. Logistics, Electrical, Fuels and Transportation Directorate, PWGSC, will obtain export permit (not applicable to foodstuff purchases).

Y0001D (2004/05/14) Export Permit - PWGSC

Public Works and Government Services Canada shall obtain any required export permits. Enquiries must be referred to:

Logistics, Electrical, Fuels and Transportation Directorate
Public Works and Government Services Canada
11 Laurier Street
Place du Portage, Phase III
Gatineau, Quebec K1A 0S5

Remarks: Include in all bid solicitations and contracts placed on behalf of CIDA with commercial suppliers, when the supplier is responsible for transportation arrangements.

Y0002D (1991/06/01) Export Permit - Supplier

The commercial supplier shall obtain any required export permits.

Remarks: Use this clause in all bid solicitations and contracts placed on behalf of CIDA when delivery is made direct to ultimate consignee.

Y1000D (2000/12/01) Duty Drawback

All drawback submissions stemming from this Contract shall be subject to the criteria and procedures described in the document CR96-2, "*Goods Imported and Exported Refund and Drawback Regulations*" or D7-3-4, "*Canadian Manufactured Goods Exported Drawback Regulations*", from Canada Customs and Revenue Agency.

Remarks: Use this clause in all bid solicitations and contracts placed on behalf of Canadian International Development Agency when delivery is made through a marshalling contractor.

Y1001D (2004/05/14) Duty Drawback - Marshalling Contractor

All drawback submissions stemming from this Contract shall be subject to the criteria and procedures described in the following Regulations: Goods Imported and Exported Refund and Drawback Regulations (**http://laws.justice.gc.ca/en/c-54.011/sor-96-42/91047.html**) or Canadian Manufactured Goods Exported Drawback Regulations (**http://laws.justice.gc.ca/en/E-15/SOR-78-373/100647.html**). Canadian International Development Agency (CIDA) will issue a "Certificate" as proof

of export. To obtain such a certificate, the supplier must submit a copy of the invoice(s) for which a certificate is required with a covering letter to:

Canadian International Development Agency
Contract and Contribution Audit Unit
Accounts Verification
200 Promenade du Portage
Gatineau, Quebec K1A 0G4

CIDA will verify that the invoice copy is consistent with the original invoice covering project goods destined for export, stamp and sign the invoice copy, and return it to the supplier.

Remarks: For use in all bid solicitations and contracts placed on behalf of CIDA.

Y2000D (1991/06/01) Freight Charges

Freight charges shall be prepaid and added to the invoice as a separate item, with receipt and documentation.

Remarks: Use in all bid solicitations and contracts placed on behalf of CIDA when shipment is made by supplier directly to an export destination.

Y3000D (1991/06/01) Export Packaging and Labelling

Export packaging and labelling are to be to the highest manufacturer's standard for the mode of transportation utilized, to ensure safe arrival at final destination.

Only identical items from one Contract are to be contained in any one interior package, except that sets of tools, parts, etc., are to be packed as individual sets, whenever possible. The contents of each interior package are to be clearly indicated by label or tag showing the item number, quantity and Contract number.

Only items from one Contract shall be packaged in one exterior container.

One copy of the detailed packing list shall be included with each package.

All containers are to be clearly marked with the following information:

1. consignee and address;

2. project number;

3. name of project;

4. consignee identification number, if applicable;

5. Contract number;

6. weight (metric), volume (metric);

7. number of pieces;

8. any special markings such as inclusion of CIDA/Canada decals.

The supplier is to apply to CIDA Procurement Division, Transportation Section, for decals which can be affixed to containers prior to shipment.

These packaging requirements must be strictly adhered to for ease of identification in completing export documentation.

Remarks: Use in all bid solicitations and contracts placed on behalf of CIDA when shipment is FOB packaging/marshalling facility in Canada. The name of the appropriate packaging facility may be obtained from the Traffic Management Directorate.

Y3001D (2000/05/12) Packaging - Domestic

Packaging shall be suitable for domestic shipment to consignment address. Only identical items are to be contained in any one interior package, except that sets of tools, parts, etc., are to be packed as individual sets, whenever possible. The contents of each interior package are to be clearly indicated by label or tag showing the item number, quantity, customer reference number, and contract number.

Only items from one contract shall be packaged in one exterior container.

One copy of the detailed packing list shall be included with the package.

Remarks: Use the following clause in all bid solicitations and contracts placed on behalf of Canada when shipment is by sea (FAS Port or FOB Plant) or by air (FOB Plant).

Y4000D (2003/12/12) Shipping Instructions - Sea or Air

1. The Traffic Management Directorate (TMD) is responsible for the issue of shipping instructions and transportation overseas.

   Shipments shall not be effected until shipping instructions are received from TMD and these will not be issued to the Contractor until after documents identified in paragraph 8 below are received.

2. All documents are to reflect the financial code, Contract Number and Consignee Number. Invoices must reflect the Contract Item Number, Client Reference Number, description of the commodity and values. The packing list must detail the contents packed in each carton, box, etc., together with the individual dimensions, cubic displacement and gross weight per carton, box, etc.

3. Documents are to be submitted covering each shipment and are to state whether shipment is partial or complete.

4. A customs export entry form B-13, obtainable from the local Customs House or Post Office, is to be prepared for each shipment.

5. Inland bills of lading:

(a) For contracts with Incoterms other than EXW and FCA (FAS, FOB, CFR, CIF, CIP, DAF, DES, DEQ, DDU, DDP) - show the Contractor as the shipper.

(b) For EXW and FCA contracts, prepay inland transportation charges and show them as a separate item on the invoice - show Canada as the shipper.

DOCUMENTATION

Dangerous Goods:

6. The nature, quantity and United Nations number of any dangerous good are to be included with each dangerous good, in accordance with the International Maritime Dangerous Goods Code and International Air Transport Association Regulations.

7. Non-compliance with this requirement will render the supplier liable for any punitive action that may be taken by regulating authorities.

8. Documents hereunder to accompany request for shipping instructions to:

Traffic Management Directorate
National Programs Sector
Public Works and Government Services Canada
Place du Portage, Phase III
Gatineau, Quebec K1A 0S5

(a) seven (7) copies of the commercial invoice;
(b) Seven (7) copies of the packing list;
(c) three (3) copies of the inspection report, if inspection is required by the Contract.
NOTE: The Contractor must give the location of the commodity(ies) to be shipped.

9. (a) For sea shipments: one (1) copy of the inland bill of lading to TMD, AFTER SHIPMENT IS EFFECTED.

(b) For air shipments: two (2) invoices and packing lists to accompany shipment(s) to the airport in an envelope addressed to the consignee/clearing agent, and annotated: "Airlines: Clearing documents for consignee/clearing agent; please attach to the air waybill."

10. To the originating Department, at the address to which invoices are to be forwarded:

(a) the original and four (4) copies of the commercial invoice;

The Contractor shall include the following statement on all invoices:

"We certify that prices on this invoice exclude the Goods and Services Tax, the Harmonized Sales Tax, sales tax, refundable customs duty and excise tax paid on goods or on parts and components incorporated in the goods."

(b) one (1) signed copy of the inspection report, if applicable;

(c) proof of delivery (wharf receipt, bill of lading or air waybill).

11. To the Contracting Authority of Public Works and Government Services Canada: one (1) copy of the commercial invoice.

Y4001D (2000/12/01) Documentation - FOB Panalpina Inc.

This clause is cancelled effective 2003/12/12

Remarks: Use this clause in all bid solicitations and contracts placed on behalf of CIDA when shipment is on a C.I.F. or C. & F. air shipment basis. Insurance is not normally required on CIDA grant aid projects.

Y4002D (2000/12/01) Documentation

Dangerous Goods:

1. The nature, quantity and United Nations number of any dangerous good are to be included with each dangerous good, in accordance with the International Maritime Dangerous Goods Code and the latest International Air Transport Association Regulations.

2. Non-compliance with this requirement will render the supplier liable for any punitive action that may be taken by regulating authorities.

3. Documents are to be distributed as follows:

(a) To the Canadian International Development Agency (CIDA), at the address to which invoices are to be forwarded:

(1) one (1) signed copy plus one (1) unsigned copy of the air waybill;

(2) original and four (4) copies of the commercial invoice made out to CIDA;

The Contractor shall include the following statement on all invoices:

"We certify that prices on this invoice exclude the Goods and Services Tax, the Harmonized Sales Tax, sales tax, refundable customs duty and excise tax paid on goods or on parts and components incorporated in the goods."

(3) five (5) copies of the packing list;

(4) one (1) copy of the inspection report, if inspection is required by the Contract;

(5) two (2) copies of the insurance certificate (when on C.I.F. air shipment basis).

(b) To the clearing agent (consignee if no clearing agent is stated in the Contract):

(1) one (1) signed copy plus one (1) unsigned copy of the air waybill;
(2) three (3) copies of the commercial invoice;
(3) three (3) copies of the packing list;
(4) two (2) copies of the insurance certificate (when on C.I.F. air shipment basis).

(c) To the Contracting Authority of Public Works and Government Services Canada: one (1) copy of the commercial invoice.

Payment: Against commercial invoices and documentation as stated above by the Comptroller, CIDA.

Remarks: Use this clause in all bid solicitations and contracts placed on behalf of CIDA when shipment is by C.I.F. or C. & F. sea shipment basis (not applicable to foodstuff purchase). Insurance is not normally required on CIDA grant aid projects. (Distribution of documentation is to be adjusted in accordance with project requirements.)

Y4003D (2000/12/01) Documentation

Dangerous Goods:

1. The nature, quantity and United Nations number of any dangerous good are to be included with each dangerous good, in accordance with the International Maritime Dangerous Goods Code and the latest International Air Transport Association Regulations.

2. Non-compliance with this requirement by the supplier will render him liable for any punitive action that may be taken by regulating authorities.

3. Documents are to be distributed as follows:

(a) To Canadian International Development Agency (CIDA), at the address to which invoices are to be forwarded:

(1) one (1) negotiable bill of lading, plus three (3) non-negotiable copies;

(2) original and four (4) copies of the commercial invoice made out to the CIDA;

The Contractor shall include the following statement on all invoices:

"We certify that prices on this invoice exclude the Goods and Services Tax, the Harmonized Sales Tax, sales tax, refundable customs duty and excise tax paid on goods or on parts and components incorporated in the goods."

(3) five (5) copies of the packing list;

(4) one (1) copy of the inspection report, if inspection is required by the Contract;

(5) one (1) copy of negotiable marine insurance certificate (when on C.I.F. sea shipment basis).

(b) To the clearing agent (consignee if no clearing agent is stated in the Contract):

(1) two (2) copies of negotiable bills of lading;
(2) two (2) copies of non-negotiable bills of lading;
(3) two (2) copies of the commercial invoice;
(4) two (2) copies of the packing list;
(5) original and one (1) copy of the negotiable marine insurance certificate (when on C.I.F. sea shipment basis).

Note: The above two (2) sets of documentation to the clearing agent are to be airmailed under two (2) separate covers to ensure safe arrival of at least one (1) set at the destination.
(c) To the Contracting Authority of Public Works and Government Services Canada: one (1) copy of the commercial invoice.

Payment: Against commercial invoices and documentation as stated above by CIDA.

Remarks: Use this clause in all bid solicitations and contracts placed on behalf of CIDA when sea shipment is on an EX QUAY (Incoterms 1980) basis, for duty on buyer's account type of contracts. Insurance is not normally required on CIDA grant aid projects, and marine insurance until destination is definitely not the business of the Crown in EX QUAY projects. (Distribution of documentation is to be adjusted in accordance with project requirements.)

Y4004D (2000/12/01) Documentation - EX QUAY

Dangerous Goods:

1. The nature, quantity and United Nations number of any dangerous goods is to be included with each dangerous good, in accordance with the International Maritime Dangerous Goods Code and the latest International Air Transport Association Regulations.

2. Non-compliance with this requirement by the supplier will render him liable for any punitive action that may be taken by regulating authorities.

3. Documents are to be distributed as follows:

   (a) To the Canadian International Development Agency (CIDA), at the address to which invoices are to be forwarded:

   (1) three (3) copies of non-negotiable bills of lading;

   (2) original and four (4) copies of the commercial invoice made out to CIDA.

   The Contractor shall include the following statement on all invoices:

   "We certify that the prices on this invoice exclude the Goods and Services Tax, the Harmonized Sales Tax, sales tax, refundable customs duty and excise tax paid on goods or on parts and components incorporated in the goods."

   (3) five (5) copies of the packing list;

   (4) one (1) copy of the inspection report, if inspection is required by the Contract;

   (5) delivery report at destination.

   (b) To the clearing agent (consignee if no clearing agent is stated in the Contract):

   (1) two (2) original bills of lading (for custom purposes);
   (2) two (2) copies of non-negotiable bills of lading;
   (3) two (2) copies of the commercial invoice;
   (4) two (2) copies of the packing list.

   Note: The above two (2) sets of documentation to the clearing agent are to be airmailed under two (2) separate covers to ensure safe arrival of at least one (1) set at destination.

(c) To the Contracting Authority of Public Works and Government Services Canada: one (1) copy of the commercial invoice.

Payment: Against commercial invoices and documentation as stated above by CIDA. DELIVERY REPORT is the CRITICAL document for payment. It replaces the original bill of lading used for other terms, such as C. & F. or C.I.F.

Remarks: Use this clause in all bid solicitations and contracts placed on behalf of CIDA when sea shipment is on an EX QUAY (Incoterms 1980) basis, for duty paid type of contracts. Insurance is not normally required on CIDA grant aid projects, and marine insurance until destination is definitely not the business of the Crown in EX QUAY projects. (Distribution of documentation is to be adjusted in accordance with project requirements.)

Y4005D (2000/12/01) Documentation - EX QUAY

Dangerous Goods:

1. The nature, quantity and United Nations number of any dangerous goods is to be included with each dangerous good, in accordance with the International Maritime Dangerous Goods Code and the latest International Air Transport Association Regulations.

2. Non-compliance with this requirement by the supplier will render him liable for any punitive action that may be taken by regulating authorities.

3. Documents are to be distributed as follows:

(a) To the Canadian International Development Agency (CIDA), at the address to which invoices are to be forwarded:

(1) original and four (4) copies of the commercial invoice made out to CIDA;

The Contractor shall include the following statement on all invoices:

"We certify that the prices on this invoice exclude the Goods and Services Tax, the Harmonized Sales Tax, sales tax, refundable customs duty and excise tax paid on goods or on parts and components incorporated in the goods."

(2) five (5) copies of the packing list;

(3) one (1) copy of the inspection report, if inspection required by the Contract;

(4) delivery report.

(b) To the destinee:

(1) two (2) copies of non-negotiable bills of lading;
(2) two (2) copies of the commercial invoice;
(3) two (2) copies of the packing list.

(c) To the Contracting Authority of Public Works and Government Services Canada: one (1) copy of the commercial invoice.

Payment: Against commercial invoices and documentation as stated above by

CIDA. DELIVERY REPORT is the CRITICAL document for payment. It replaces the original bill of lading used for other terms, such C. & F. or C.I.F.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following in conjunction with one of the following clauses: Y4000D, Y4001D, Y4002D, Y4003D, Y4004D or Y4005D.

Y4006D (2004/12/10) Documentation - Invoice Address

Send all invoices for Canadian International Development Agency, at the following address:

Canadian International Development Agency
200 Promenade du Portage
Gatineau, Quebec
K1A 0G4

Attention: _____

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Include in all bid solicitations and contracts, placed with commercial suppliers on behalf of CIDA, for goods purchased for export.

Y5000D (1997/09/15) Taxes and Customs Duty

The Government of Canada certifies that the goods identified herein are for export. The invoiced price shall exclude the Goods and Services Tax, the Harmonized Sales Tax, sales tax, refundable customs duty, and excise tax paid on the goods or on parts and components incorporated in the goods. The goods are covered by Canadian International Development Agency project number _____.

Remarks: Include in all in bid solicitations and contracts, placed on behalf of CIDA, for goods purchased for export, when shipment is made by a supplier either to the ultimate consignee or to a marshalling contractor in Canada.

Y5001D (1997/09/15) Transportation of Goods within Canada

The Contractor shall provide the carriers with the following written declaration in order to ensure that their services are zero-rated for purposes of the Goods and Services (GST) or Harmonized Sales Tax (HST), as appropriate:

"The property is being shipped for export and the freight

transportation service to be supplied by the carriers is part of a continuous outbound movement in respect of the property."

Section 5

Z - Canadian Commercial Corporation

Remarks: Use the following clause in contracts when shipment is FOB Plant and U.S. Government Bills of lading are to be used.

Z0001C (2001/12/10) U.S. Government Bills of Lading

1. Shipments under this Contract are to be made on U.S. Government bill of lading. The Contractor is to apply for U.S. Government bills of lading directly to:

   Transportation Office
   Defense Contract Management Americas (DCMA)(Canada)
   200 - 275 Bank Street
   Ottawa, Ontario K2P 2L6

   at least ten (10) working days in advance of its proposed shipping date, using form DD 1659, Application for U.S. Government Shipping Document/Instructions.

2. When distributing the signed copies of U.S. Government bills of lading, a copy of the relevant DD 250, Material Inspection and Receiving Report, DD 1149, Requisition and Invoice/Shipping Document or packing list must be attached to the memorandum copy of the U.S. Government bill of lading forwarded to the Transportation Office, DCMA (Canada), Ottawa.

3. Signed U.S. Government bills of lading are negotiable documents; if not used, they must be returned to the Transportation Office named above. Form DD 1659 can be obtained from DCMA (Canada), (telephone (613-992-9020).

Remarks: The contracting officer shall insert in solicitations and contracts the clause at FAR 52.247-32, FOB Origin, Freight Prepaid, when the delivery term is FOB origin, freight prepaid.

Z0002C (1992/04/01) FOB Origin, Freight Prepaid

(a) Explanation of delivery term: "FOB origin, freight prepaid" means:

1. Free of expense to the Government, delivered

(i) on board the indicated type of conveyance of the carrier (or of the Government, if specified) at a designated point in the city, county, and province or state from which the shipments will be made and from which line-haul transportation service (as distinguished from switching, local drayage, or other terminal service) will begin;

(ii) to, and placed on, the carrier's wharf (at shipside, within reach of the ship's loading tackle, when the shipping point is within a port area having water transportation service) or the carrier's freight station;

(iii) to a U.S./Canadian postal service facility; or

(iv) if stated in the solicitation, to any Government-designated point located within the same commercial zone as the FOB origin point specified in the Contract (commercial zones are prescribed by the U.S. Interstate Commerce Commission at 49 CFR 1048); and

2. The cost of transportation, ultimately the Government's obligation, is prepaid by the Contractor to the point specified in the Contract.

(b) Contractor responsibilities. The Contractor's responsibilities are the same as those listed in FAR 47.303-1 (b), except that the Contractor shall prepare Commercial Bills of Lading or other transportation receipts and shall prepay all freight charges to the extent specified in the Contract.

Remarks:

Z0003C (1992/04/01) FOB Destination

(a) The term "FOB destination," as used in this clause, means:

1. Free of expense to the U.S. Government, on board the carrier's conveyance, at a specified delivery point where the consignee's facility (plant, warehouse, store, lot, or other location to which shipment can be made) is located; and

2. Supplies shall be delivered to the destination consignee's wharf (if destination is a port city and supplies are for export), warehouse unloading platform, or receiving dock, at the expense of the Contractor. The U.S. Government shall not be liable for any delivery, storage, demurrage, accessorial, or other charges involved before the actual delivery (or "constructive placement" as defined in carrier tariffs) of the supplies to the destination, unless such charges are caused by an act or order of the Government acting in its Contractual capacity. If rail carrier is used, supplies shall be delivered to the specified unloading platform of the consignee. If motor carrier (including "piggyback") is used, supplies shall be delivered to truck tailgate at the unloading platform of the consignee. If the Contractor uses rail carrier or freight forwarder for less than carload shipments, the Contractor shall assure that the carrier will furnish tailgate delivery if transfer to truck is required to complete delivery to consignee.

(b) The Contractor shall:

1. (i) pack and mark the shipment to comply with Contract specifications; or

(ii) in the absence of specifications, prepare the shipment in conformance with carrier requirements;

2. prepare and distribute commercial Bills of Lading;

3. deliver the shipment in good order and conditions to the point of delivery specified in the Contract;

4. be responsible for any loss of and/or damage to the goods occurring before receipt of the shipment by the consignee at the delivery point specified in the Contract;

5. furnish a delivery schedule and designate the mode of delivering carrier; and

6. pay and bear all charges to the specified point of delivery.

Remarks:

Z0004C (2005/06/10) Contractor's Facility - FOB Origin

1. The term "FOB origin, Contractor's facility", as used in this clause, means free of expense to the United States (U.S.) Government, delivered on board the indicated type of conveyance of the carrier (or of the U.S. Government, if specified) at the designated facility, on the named street or highway, in the city, county, and province or state from which the shipment will be made.

2. The Contractor shall:

(a) (i) pack and mark the shipment to comply with Contract specifications; or

(ii) in the absence of specifications, prepare the shipment in conformance with carrier requirements to protect the goods and to ensure assessment of the lowest applicable transportation charge;

(b) (i) order specified carrier equipment when requested by the U.S. Government; or

(ii) if not specified, order appropriate carrier equipment not in excess of capacity to accommodate shipment;

(c) deliver the shipment in good order and condition to the carrier, and load, stow, trim, block, and/or brace carload or truckload shipment (when loaded by the Contractor) on or in the carrier's conveyance as required by carrier rules and regulations;

(d) be responsible for any loss of and/or damage to the goods

(i) occurring before delivery to the carrier;
(ii) resulting from improper packing and marking; or
(iii) resulting from improper loading, stowing, trimming, blocking, and/or bracing of the shipment, if loaded by the Contractor on or in the carrier's conveyance;

(e) complete the U.S. Government Bill of Lading supplied by the ordering agency Defense Contract Management Americas (DCMA)/Ottawa or, when a U.S. Government Bill of Lading is not supplied, prepare a commercial Bill of Lading or other transportation receipt.

The Bill of Lading shall show:

(i) a description of the shipment in terms of the governing freight classification or tariff (or U.S. Government rate tender) under which lowest freight

rates are applicable;

(ii) the seals affixed to the conveyance with their serial numbers or other identification;

(iii) lengths and capacities of cars or trucks ordered and furnished;

(iv) other pertinent information required to effect prompt delivery to the consignee, including name, delivery address, postal address and code or ZIP code of consignee, routing, etc;

(v) special instructions or annotations requested by DCMA/Ottawa for commercial Bills of Lading, e.g., (a) "to be converted to a U.S. Government Bill of Lading", or (b) "this shipment is the property of, and the freight charges paid to the carrier(s) will be reimbursed by, the U.S. Government"; and

(vi) the signature of the carrier's agent and the date the shipment is received by the carrier; and

(f) distribute the copies of the Bill of Lading, or other transportation receipts, as directed by DCMA/Ottawa.

Remarks:

Z0005C (1992/04/01) FOB Origin

(a) The term "FOB Origin," as used in this clause, means free of expense to the U.S. Government, delivered

1. on board the indicated type of conveyance of the carrier (or of the U.S. Government, if specified) at a designated point in the city from which the shipment will be made and from which line-haul transportation service (as distinguished from switching, local drayage, or other terminal service) will begin;

2. to, and placed by, the carrier's wharf (at shipside, within reach of the ship's loading tackle, when the shipping point is within a port area having water transportation service) or the carrier's freight station;

3. to a U.S./Canadian postal service facility; or

4. if stated in the solicitation, to any U.S. Government-designated point located within the same city or commercial zone as the FOB origin point specified in the Contract.

(b) The Contractor shall:

1. (i) pack and mark the shipment to comply with Contract specifications; or

(ii) in the absence of specifications, prepare the shipment in conformance with carrier requirements to protect the goods and to ensure assessment of the lowest applicable transportation charges; and

2. (i) order specified carrier equipment when requested by the U.S. Government; or

(ii) if not specified, order appropriate carrier equipment not in excess of capacity to accommodate shipment;

3. deliver the shipment in good order and condition to the carrier, and load, stow, trim, block, and/or brace carload or truckload shipment (when loaded by the Contractor) on or in the carrier's conveyance

as required by carrier rules and regulations;

4. be responsible for any loss of and/or damage to the goods

(i) occurring before delivery to the carrier;

(ii) resulting from improper packing and marking; or

(iii) resulting from improper loading, stowing, trimming, blocking, and/or bracing of the shipment, if loaded by the Contractor on or in the carrier's conveyance;

5. complete the U.S. Government Bill of Lading which will be supplied by Defence Contract Management Area Operations, Ottawa or, when a U.S. Government Bill of Lading is not supplied, prepare a commercial Bill of Lading or other transportation receipt. The Bill of Lading shall show:

(i) a description of the shipment in terms of the governing freight classification or tariff under which lowest freight rates are applicable;

(ii) the seals affixed to the conveyance with their serial numbers or other identification;

(iii) lengths and capacities of cars or trucks ordered and furnished;

(iv) other pertinent information required to effect prompt delivery to the consignee, including name, delivery address, postal address and code or ZIP code of consignee, routing, etc.;

(v) special instructions or annotations requested by the ordering agency for commercial Bills of Lading, e.g., (A) "to be converted to a U.S. Government Bill of Lading", or (B) "this shipment is the property of, and the freight charges paid to the carrier(s) will be reimbursed by, CCC", and

(vi) the signature of the carrier's agent and the date the shipment is received by the carrier; and

6. distribute the copies of the Bill of Lading, or other transportation receipts, as directed by the ordering agency.

(c) These Contractor responsibilities are specified for performance at the plant or plants at which the supplies are to be finally inspected and accepted, unless the facilities for shipment by carrier's equipment are not available at the Contractor's plant, in which case the responsibilities shall be performed FOB the point or points in the same or nearest city where the specified carrier's facilities are available.

Remarks:

Z0006C (1992/04/01) FOB Origin, Freight Allowed

(a) The term "FOB origin, freight allowed," as used in this clause, means:

1. free of expense to the U.S. Government, delivered:

(i) on board the indicated type of conveyance of the carrier (or of the U.S. Government, if specified) at a designated point in the city, county, and province or state from which the shipment will be made and from which line-haul transportation service (as distinguished from switching, local drayage, or other terminal service) will begin;

(ii) to, and placed on, the carrier's wharf (at shipside within reach of the ship's

loading tackle when the shipping point is within a port area having water transportation service) or the carrier's freight station;

(iii) to a U.S./Canadian postal service facility; or

(iv) if stated in the solicitation, to any Government-designated point located within the same city or commercial zone as the FOB origin point specified in the Contract (commercial zones are prescribed by the U.S. Interstate Commerce Commission at 49 CFR 1048); and

2. an allowance for freight based on applicable published tariff rates (or Government rate tenders) between the points specified in the Contract, is deducted from the Contract Price.

(b) The Contractor shall:

1. (i) pack and mark the shipment to comply with Contract specifications; or

(ii) in the absence of specifications, prepare the shipment in conformance with carrier requirements to protect the goods and to ensure assessment of the lowest applicable transportation charge;

2. (i) order specified carrier equipment when requested by the U.S. Government; or

(ii) if not specified, order appropriate carrier equipment not in excess of capacity to accommodate shipment;

3. deliver the shipment in good order and condition to the carrier, and load, stow, trim, block, and/or brace carload or truckload shipment (when loaded by the Contractor) on or in the carrier's conveyance as required by carrier rules and regulations;

4. be responsible for any loss of and/or damage to the goods

(i) occurring before delivery to the carrier;

(ii) resulting from improper packing and marking; or

(iii) resulting from improper loading, stowing, trimming, blocking, and/or bracing of the shipment if loaded by the Contractor on or in the carrier's conveyance;

5. complete the U.S. Government Bill of Lading supplied by the ordering agency, or when a U.S. Government Bill of Lading is not supplied, prepare a commercial Bill of Lading or other transportation receipt. The Bill of Lading shall show:

(i) a description of the shipment in terms of governing freight classification or tariff (or U.S. Government rate tender) under which lowest freight rates are applicable;

(ii) the seals affixed to the conveyance with their serial numbers or other identification;

(iii) lengths and capacities of cars or trucks ordered and furnished;

(iv) other pertinent information required to effect prompt delivery to the consignee, including name, delivery address, postal address and code or ZIP code of consignee, routing, etc.;

(v) special instructions or annotations requested by the ordering agency for commercial Bills of Lading, e.g. (A) "to be converted to a U.S. Government Bill of Lading", or (B) "this shipment is the property of, and the freight charges paid to the carrier(s) will be reimbursed by, CCC"; and

(vi) the signature of the carrier's agent and the date the shipment is received by the

carrier; and

6. distribute the copies of the Bill of Lading, or other transportation receipts, as directed by the ordering agency.

(c) These Contractor responsibilities are specified for performance at the plant or plants at which the supplies are to be finally inspected and accepted, unless the facilities for shipment by carrier's equipment are not available at the Contractor's plant, in which case the responsibilities shall be performed FOB the point or points in the same or nearest city where the specified carrier's facilities are available subject, however, to the following qualifications:

1. If the Contractor's shipping plant is located in the State of Alaska or Hawaii, the Contractor shall deliver the supplies listed for shipment outside Alaska or Hawaii to the port of loading in Alaska or Hawaii, respectively, as specified in the Contract, at Contractor's expense, and to that extent the Contract shall be "FOB destination."

2. Notwithstanding subparagraph (c) 1. of this clause, if the Contractor's shipping plant is located in the State of Hawaii, and the Contract requires delivery to be made by container service, the Contractor shall deliver the supplies, at Contractor's expense, to the container yard in the same or nearest city where seavan container service is available.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in all Canadian Commercial Corporation contracts.

Z0200C (1998/11/23) Administration of Contract

The _____ (***Insert name of Department of Public Works and Government Services group or branch issuing the Contract***) is responsible for the management of this Contract and any changes to the Contract must be authorized by a written contract amendment issued by that office. The Contractor shall not perform work in excess of or outside the scope of this Contract based on verbal or written requests or instructions from any person, except for such a written contract amendment.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts if called for in the U.S. contract. Enter form numbers as applicable.

Z0400C (1992/04/01) Preservation/Packaging/Packing/Marking

Preservation, packaging, packing and marking shall be in accordance with forms _____.

Remarks:

Z0401C (1992/04/01) Preservation/Packaging/Packing/Marking

The Contractor shall preserve, package and mark the articles and supplies called for herein, the price for which is included in the unit, and total prices of said articles and supplies, in accordance with forms incorporated herein by reference.

Remarks:

Z0402C (1992/04/01) Preservation/Packaging/Packing/Marking

Preservation, packaging, packing and marking shall be in accordance with the Contractor's standard domestic commercial practice to ensure safe delivery at destination.

Remarks:

Z0403C (2004/05/14) Preservation and Packaging

Preservation and packaging shall be in accordance with and as specified in the MIL-STD-2073 Packaging Requirement Codes.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS.

Z0404C (1992/04/01) Pieces and Reels

The minimum length of any piece of wire/cable shall be ____ feet. The total length of wire/cable on each reel shall be not less than ____ feet nor more than ____ feet.

Each reel shall be clearly marked with the number and length of pieces of wire/cable thereon. Each piece of wire/cable shall be clearly marked with the length thereof.

Z0600C (1992/04/01) Inspection

Effective 1996/10/30, this clause is superseded by Z0608C

Z0601C (1992/04/01) Inspection

Effective 1996/10/30, this clause is superseded by Z0608C

Z0602C (1992/04/01) Inspection

Effective 1996/10/30, this clause is superseded by Z0608C

Remarks: Use the following clause in production contracts when data is to be provided.

NOTE: As the normal procedures do not apply, the PWGSC Contracting Officer must make necessary arrangements for inspection with the U.S. Contracting Officer named in the U.S. contract, or with the Department of National Defence Quality Assurance Representative if inspection of the data items is to be at source.

Z0603C (2001/12/10) Inspection for Data

Prior to proceeding with preparation of drafts of handbooks, drawings, publications or other technical data to be supplied under this Contract, the Contractor shall contact the Canadian Commercial Corporation Contracting Authority in order that appropriate arrangements can be made with the cognizant U.S. agency for specification interpretation and for preliminary inspection of draft copies of such items.

Remarks: Use the following clause in contracts when the U.S. contract specifies both inspection and acceptance are to be accomplished at destination.

Z0604C (1992/04/01) Inspection and Acceptance

Inspection and acceptance will be accomplished at destination by consignee.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the U.S. contract contains the Certificate of Conformance Clause (FAR 52.246-15).

Z0605C (1992/04/01) Certificate of Conformance

a) At the option of the cognizant DND Quality Assurance Representative, the Contractor may be required to deliver the supplies for which the Contract would otherwise require inspection with a Certification of Conformance. This certificate may be used by the U.S. Government as the basis for acceptance of such supplies without performing prior government quality assurance evaluations. The certificate shall be attached to, or included on, all copies of the applicable Material Inspection and Receiving Report, form DD 250. The certificate shall be prepared by the Contractor and shall read as follows:

"I certify that on (insert date) _____, the (insert Contractor's name) _____ furnished the supplies called for by Contract No. _____, via (insert name of Carrier) _____ - (insert Bill of Lading, or Shipping Document Identification) _____ in accordance with all applicable requirements.

I further certify that the supplies or services are of the quality specified and conform in all respects with the Contract requirements, including specifications, drawings, preservation, packaging, marking requirements, and physical item identification (part number), and in the quantity shown on this, or on the attached acceptance document.

Date of Execution _____
Signature _____
Title _____"

b) Notwithstanding prior U.S. Government acceptance under the provisions of (a) above, and notwithstanding the provisions of any other clause of the Contract, the U.S. Government shall have the right to inspect the supplies upon receipt by the consignee. If there are shortages in quantity or the supplies are not in conformity with the requirements of this Contract, the Contractor shall, at its expense, promptly correct or replace the shortage of or defective supplies, provided that instructions to do so are furnished by the U.S. Government within ninety (90) days from the date such supplies were accepted. However, if this Contract contains a Supply Warranty Clause, such warranty shall prevail in the event of any inconsistency or ambiguity between it and this paragraph b).

c) One signed copy of form DD 250 and the Certificate of Conformance must be forwarded to Canadian Commercial Corporation together with the invoice.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause when the United States contract invokes DFARS 252.246-7000.

Z0606C (2004/05/14) Material Inspection and Receiving Report

1. A United States Department of Defense (U.S. DoD) Form DD250, Material Inspection and Receiving Report, will be prepared and distributed for each shipment made under this Contract in accordance with the U.S. Defense Federal Acquisition Regulations Supplement, Appendix F.

2. To confirm that material has been received, one (1) copy of U.S. DoD Form DD250 must be sent to:

   (a) Contracting Authority, Public Works and Government Services Canada - for records purposes;
   (b) Canadian Commercial Corporation - for payment and records purposes;
   (c) Defense Contract Management Americas - for payment approval and records purposes.

3. Questions regarding preparation and distribution of this form may be addressed to the Quality Assurance Representative assigned to the Contractor's plant.

Remarks:

Z0607C (1992/04/01) Inspection of Supplies - Fixed Price

(a) Definition. "Supplies" as used in this clause, includes but is not limited to raw materials, requirements, intermediate assemblies and end products.

(b) The Contractor shall provide and maintain an inspection system acceptable to the Canadian Commercial Corporation (CCC) covering supplies under this Contract and shall tender for acceptance only supplies that have been inspected in accordance with the inspection system and have been found by the Contractor to be in

conformity with Contract requirements. As part of the system, the Contractor shall prepare records evidencing all inspections made under the system and the outcome. These records shall be kept complete and made available to CCC during Contract performance and for as long afterwards as the Contract requires. CCC may perform reviews and evaluations as reasonably necessary to ascertain compliance with this paragraph. These reviews and evaluations shall be conducted in a manner that will not unduly delay the Contract Work. The right of review, whether exercised or not, does not relieve the Contractor of its obligations under the Contract.

(c) CCC has the right to inspect and test all supplies called for by the Contract, to the extent practicable, at all places and times, including the period of manufacture, and in any event before acceptance. CCC shall perform inspections and tests in a manner that will not unduly delay the Work. CCC assumes no contractual obligation to perform any inspection or test for the benefit of the Contractor, unless specifically set forth elsewhere in this Contract.

(d) If CCC performs an inspection or a test on the premises of the Contractor or a subContractor, the Contractor shall furnish, and shall require subcontractors to furnish, without additional charge, all reasonable facilities and assistance for the safe and convenient performance of these duties. Except as otherwise provided in the Contract, CCC shall bear the expense of CCC inspections or tests made at other than the Contractor's or subcontractor's premises; provided, that in a case of rejection, CCC shall not be liable for any reduction in the value of inspection or test samples.

(e) 1. When supplies are not ready at the time specified by the Contractor for inspection or test, CCC may charge to the Contractor the additional cost of inspection or test.

2. CCC may also charge the Contractor for any additional cost of inspection or test when prior rejection makes reinspection or retest necessary.

(f) CCC has the right either to reject or to require correction of non-conforming supplies. Supplies are non-conforming when they are defective in material or workmanship or are otherwise not in conformity with Contract requirements. CCC may reject non-conforming supplies with or without disposition instructions.

(g) The Contractor shall remove supplies rejected or required to be corrected. However, the U.S. Government may require or permit correction in place, promptly after notice, by and at the expense of the Contractor. The Contractor shall not tender for acceptance corrected or rejected supplies without disclosing the former rejection or requirement for correction, and, when required, shall disclose the corrective action taken.

(h) If the Contractor fails to promptly remove, replace, or correct rejected supplies that are required to be removed or to be replaced or corrected, CCC may either (1) by Contract or otherwise, remove, replace, or correct the supplies and charge the cost to the Contractor, or (2) terminate the Contract for default. Unless the Contractor corrects or replaces the supplies within the delivery schedule, CCC may require their delivery and make an equitable price reduction. Failure to agree to a price reduction shall be a dispute.

(i) 1. If this Contract provides for the performance of the Canadian Government quality assurance at source, and if requested by the Government, the Contractor shall furnish advance notification of the time

(i) when Contractor inspection or tests will be performed in accordance with the terms and conditions of the Contract; and

(ii) when the supplies will be ready for Government inspection.

2. The Government request shall specify the period and method of the advance notification and the Government representative to whom it shall be furnished. Requests shall not require more than two (2) workdays of advance notification if the Government representative is in residence in the Contractor's plant; no more than seven (7) workdays in other instances.

(j) The U.S. Government shall accept or reject supplies as promptly as practicable after delivery, unless otherwise provided in the Contract. U.S. Government failure to inspect and accept or reject the supplies shall not relieve the Contractor from responsibility nor impose liability on the U.S. Government, for non-conforming supplies.

(k) Inspections and tests by the U.S. Government do not relieve the Contractor of responsibility for the defects or other failures to meet Contract requirements discovered before acceptance. Acceptance shall be conclusive, except for latent defects, fraud, gross mistakes amounting to fraud, or as otherwise provided in the Contract.

(l) If acceptance is not conclusive for any of the reasons in paragraph (k) hereof, CCC, in addition to any other rights and remedies provided by law, or under other provisions of the Contract, shall have the right to require the Contractor (1) at no increase in Contract Price, to correct or replace the defective or nonconforming supplies at the original point of delivery or at the Contractor's plant at CCC's election, and in accordance within a reasonable delivery schedule as may be agreed upon between the Contractor and CCC; provided that CCC may require a reduction in Contract Price if the Contractor fails to meet such delivery schedule, or (2) within a reasonable time after receipt by the Contractor of notice of defects or non-conformance, to repay such portion of the Contract as is equitable under the circumstances if CCC elects not to require correction or replacement. When supplies are returned to the Contractor, the Contractor shall bear the transportation cost from the original point of delivery to the Contractor's plant and return to the original point. If the Contractor fails to perform or act as required in (1) or (2) above and does not cure such failure within a period of ten (10) days (or such longer period as CCC may authorize in writing) after receipt of notice from CCC specifying such failure, CCC shall have the right by Contract or otherwise to replace or correct such supplies and charge to the Contractor the cost occasioned CCC thereby.

Remarks: Use the following clause in contracts when the incoming foreign United States (U.S.) requisition/contract specifies government inspection at plant (identified as FAR 52.246, MIL-I-45208, MIL-Q-9859, AQAP 110, AQAP 120, AQAP 130, AQAP 131, AQAP 150, and ISO 9001:2008.

Insert in the Canadian Commercial Corporation contract the appropriate quality standard as stated in the foreign (U.S.) requisition/contract number.

Z0608C (2010/01/11) Quality and Inspection Systems

1. All work is subject to Government Quality Assurance performed at the Contractor's or subcontractor's facility by the Department of National Defence Director of Quality Assurance, or its designated Quality Assurance Representative (QAR). Within forty-eight (48) hours of contract award, the Contractor must contact the QAR. The name, location and phone number of the QAR can be obtained from the nearest National Defence Quality Assurance Region listed below:

Atlantic - Halifax	902-427-7224 or 902-427-7150
Quebec - Montreal	514-732-4410 or 514-732-4477
Quebec - Quebec City	418-694-5998, ext. 5996
National Capital Region - Ottawa	819-994-8973
Ontario - Toronto	416-635-4404, ext. 6081 or 6075
Ontario - London	519-964-5757
Manitoba/Saskatchewan - Winnipeg	204-833-2500, ext. 6574
Alberta - Calgary	403-410-2320, ext. 3830
Alberta - Edmonton	780-973-4011, ext. 2276
Vancouver	604-225-2520, ext. 2461 or 2466
Victoria	250-363-5662

2. The Contractor must comply with the requirements of quality standard: _____.

Z0615T (1999/12/13) Millenium Waranty Clause

This clause is cancelled effective 2005/06/10

Remarks: Use the following clause in fixed price contracts (other than contracts for experimental development, or research work with educational or non-profit institutions where no profit is contemplated).

NOTE: To be used in conjunction with clause Z0802C (formerly U.S. 5A, Alternate I) or clause Z0803C (formerly U.S. 5A, Alternate II), as applicable.

Z0801C (1992/04/01) Government Property

(a) Government-furnished property.

1. The U.S. Government shall deliver to the Contractor, for use in connection with and under the terms of this Contract, the Government-furnished property described in the Schedule or specifications together with any related data and information that the Contractor may request and is reasonably required for the intended use of the property (hereinafter referred to as "Government-furnished property").

2. The delivery or performance dates for this Contract are based upon the expectation that Government-furnished property suitable for use (except for property furnished "as is") will be delivered to the Contractor at the times stated in the Schedule or, if not so stated, in sufficient time to enable the Contractor to meet the Contract's delivery or performance dates.

3. If Government-furnished property is received by the Contractor in a condition not suitable for the intended use, the Contractor shall, upon receipt of it, notify the Contracting Officer, detailing the facts, and, as directed by the Contracting Officer and at U.S. Government expense, either repair, modify, return, or otherwise dispose of the property. After completing the directed action and upon written request of the Contractor, the Contracting Officer shall make an equitable adjustment as provided in paragraph (h) of this clause.

4. If Government-furnished property is not delivered to the Contractor by the required time, the Contracting Officer shall, upon the Contractor's timely written request, make a determination of the delay, if any, caused the Contractor and shall make an equitable adjustment in accordance with paragraph (h) of this clause.

(b) Changes in Government-furnished property.

1. The Contracting Officer may, by written notice,

(i) decrease the Government-furnished property provided or to be provided under this Contract; or

(ii) substitute other Government-furnished property for the property to be provided by the U.S. Government, or to be acquired by the Contractor for the U.S. Government, under this Contract. The Contractor shall promptly take such action as the Contracting

Officer may direct regarding the removal, shipment, or disposal of the property covered by such notice.

2. Upon the Contractor's written request, the Contracting Officer shall make an equitable adjustment to the Contract in accordance with paragraph (h) of this clause, if the U.S. Government has agreed in the Schedule to make Government-furnished property available for performing this Contract and there is any

(i) decrease or substitution of this property pursuant to subparagraph (b)1. above; or

(ii) withdrawal of authority to use this property, if provided under any other Contract or lease.

(c) Title to Government property. (If clause Z0803C is referenced in the procurement document, this paragraph (c) does not apply.)

1. The U.S. Government shall retain title to all Government-furnished property.

2. All Government-furnished property and all property acquired by the Contractor, title to which vests in the U.S. Government under this paragraph (collectively referred to as "Government property"), are subject to the provisions of this clause. However, special tooling accountable to this Contract is subject to the provisions of the Special Tooling clause and is not subject to the provisions of this clause. Title to Government property shall not be affected by its incorporation into or attachment to any property not owned by the U.S. Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

3. Title to each item of facilities and special test equipment acquired by the Contractor for the Government under this Contract shall pass to and vest in the U.S. Government when its use in performing this Contract commences or when the U.S. Government has paid for it, whichever is earlier, whether or not title previously vested in the U.S. Government.

4. If this Contract contains a provision directing the Contractor to purchase material for which the U.S. Government will reimburse the Contractor as a direct item of cost under this Contract:

(i) title to material purchased from a vendor shall pass to and vest in the Government upon the vendor's delivery of such material; and

(ii) title to all other material shall pass to and vest in the U.S. Government upon

(A) issuance of the material for use in Contract performance;

(B) commencement of processing of the material or its use in Contract performance; or

(C) reimbursement of the cost of the material

by the U.S. Government,

whichever occurs first.

(d) Use of Government property. The Government property shall be used only for performing this Contract, unless otherwise provided in this Contract or approved by the Contracting Officer.

(e) Property administration.

1. The Contractor shall be responsible and accountable for all Government property provided under this Contract and shall comply with Federal Acquisition Regulation (FAR) Subpart 45.5, as in effect on the date of this Contract.

2. The Contractor shall establish and maintain a program for the use, maintenance, repair, protection, and preservation of Government property in accordance with sound industrial practice and the applicable provisions of Subpart 45.5 of the FAR.

3. If damage occurs to Government property, the risk of which has been assumed by the U.S. Government under this Contract, the U.S. Government shall replace the items or the Contractor shall make such repairs as the U.S. Government directs. However, if the Contractor cannot effect such repairs within the time required, the Contractor shall dispose of the property as directed by the Contracting Officer. When any property for which the U.S. Government is responsible is replaced or repaired, the Contracting Officer shall make an equitable adjustment in accordance with paragraph (h) of this clause.

4. The Contractor represents that the Contract Price does not include any amount for repairs or replacement for which the U.S. Government is responsible. Repair or replacement of property for which the Contractor is responsible shall be accomplished by the Contractor at its own expense.

(f) Access. The U.S. Government and all its designees shall have access at all reasonable times to the premises in which any Government property is located for the purpose of inspecting the Government property.

(g) Risk of loss. (If clause Z0802C or Z0803C is referenced in the procurement document, this paragraph (g) does not apply.) Unless otherwise provided in this Contract, the Contractor assumes the risk of, and shall be responsible for, any loss or destruction of, or damage to, Government property upon its delivery to the Contractor or upon passage of title to the U.S. Government under paragraph (c) of this clause. However, the Contractor is not responsible for reasonable wear and tear to Government property or for Government property properly consumed in performing this Contract.

(h) Equitable adjustment. When this clause specifies an equitable adjustment, it shall be made to any affected Contract provision in accordance with the procedures of the Changes clause, if any, or any other clause that establishes the procedures for amendment of the Contract. When appropriate, the Contracting Officer may initiate an equitable adjustment in favour of CCC or the U.S. Government. The right to an equitable adjustment shall be the Contractor's exclusive remedy. Neither CCC nor the U.S. Government shall be

liable to suit for breach of Contract for

1. any delay in delivery of Government-furnished property;

2. delivery of Government-furnished property in a condition not suitable for its intended use;

3. a decrease in or substitution of Government-furnished property; or

4. failure to repair or replace Government property for which the U.S. Government is responsible.

(i) Final accounting and disposition of Government property. Upon completing this Contract, or at such earlier dates as may be fixed by the Contracting Officer, the Contractor shall submit, in a form acceptable to the Contracting Officer, inventory schedules covering all items of Government property (including any resulting scrap) not consumed in performing this Contract or delivered to the U.S. Government. The Contractor shall prepare for shipment, deliver FOB origin, or dispose of the Government property as may be directed or authorized by the Contracting Officer. The net proceeds of any such disposal shall be credited to the Contract Price or shall be paid to CCC or the U.S. Government as the Contracting Officer directs.

(j) Abandonment and restoration of Contractor's premises. Unless otherwise provided herein, the U.S. Government

1. may abandon any Government property in place, at which time all obligations of the U.S. Government regarding such abandoned property shall cease; and

2. has no obligation to restore or rehabilitate the Contractor's premises under any circumstances (e.g., abandonment, disposition upon completion of need, or upon Contract completion). However, if the Government-furnished property (listed in the Schedule or specifications) is withdrawn or is unsuitable for the intended use, or if other Government property is substituted, then the equitable adjustment under paragraph (h) of this clause may properly include restoration or rehabilitation costs.

(k) Communications. All communications under this clause shall be in writing.

Remarks: As prescribed in FAR 45.106(b)(2), substitute the following paragraph (g) for paragraph (g) of clause Z0801C, under the following conditions:

i) if the contract is a negotiated fixed-price contract for which prices are not based on adequate price competition, established catalogue or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation, or;

ii) if the contract is a fixed-price service contract which is performed primarily on a Government installation, provided the contracting officer determines it to be in the best interest of the Government.

NOTE: This clause may only be used in conjunction with clause Z0801C.

Z0802C (1992/04/01) Government Property - Alternate I

The following replaces paragraph (g) of clause Z0801C.

(g) Limited risk of loss.

1. The term "Contractor's managerial personnel," as used in this paragraph (g), means the Contractor's directors, officers, and any of the Contractor's managers, superintendents, or equivalent representatives who have supervision or direction of

(i) all or substantially all of the Contractor's business;

(ii) all or substantially all of the Contractor's operation at any one plant or separate location at which the Contract is being performed; or

(iii) a separate and complete major industrial operation connected with performing this Contract.

2. The Contractor shall not be liable for loss or destruction of, or damage to, the Government property provided under this Contract (or, if an educational or nonprofit organization, for expenses incidental to such loss, destruction, or damage), except as provided in subparagraphs 3. and 4. below.

3. The Contractor shall be responsible for loss or destruction of, or damage to, the Government property provided under this Contract (including expenses incidental to such loss, destruction, or damage):

(i) that results from a risk expressly required to be insured under this Contract, but only to the extent of the insurance required to be purchased and maintained, or to the extent of insurance actually purchased and maintained, whichever is greater;

(ii) that results from a risk that is in fact covered by insurance or for which the Contractor is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

(iii) for which the Contractor is otherwise responsible under the express terms of this Contract;

(iv) that results from wilful misconduct or lack of good faith on the part of the Contractor's managerial personnel; or

(v) that results from a failure on the part of the Contractor, due to wilful misconduct or lack of good faith on the part of the Contractor's managerial personnel, to establish and administer a program or system for the control, use, protection, preservation, maintenance, and repair of Government property as required by paragraph (e) of clause Z0801C.

4. (i) If the Contractor fails to act as provided in subdivision (g)3.(v) above, after being notified (by certified mail addressed to one of the Contractor's managerial personnel) of CCC's or the U.S. Government's disapproval, withdrawal of approval, or nonacceptance of the system or program, it shall be conclusively presumed that such failure was due to wilful misconduct or lack of good faith on the part of the Contractor's managerial personnel.

(ii) In such event, any loss or destruction of, or damage to, the Government property shall be presumed to have resulted from such failure, unless the Contractor can establish by clear and convincing evidence that such loss, destruction, or damage

(A) did not result from the Contractor's failure to maintain an approved program or system; or

(B) occurred while an approved program or system was maintained by the Contractor.

5. If the Contractor transfers Government property to the possession and control of a subcontractor, the transfer shall not affect the liability of the Contractor for loss or destruction of, or damage to, the property as set forth above. However, the Contractor shall require the subcontractor to assume the risk of, and be responsible for, any loss or destruction of, or damage to, the property while in the subcontractor's possession or control, except to the extent that the subcontract, with the advance approval of the Contracting Officer, relieves the subcontractor from such liability. In the absence of such approval, the subcontract shall contain appropriate provisions requiring the return of all Government property in as good condition as when received, except for reasonable wear and tear or for its use in accordance with the provisions of the prime Contract.

6. Upon loss or destruction of, or damage to, Government property provided under this Contract, the Contractor shall so notify the Contracting Officer and shall communicate with the loss and salvage organization, if any, designated by the Contracting Officer. With the assistance of any such organization, the Contractor shall take all reasonable action to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the affected Government property in the best possible order, and furnish to the Contracting Officer a statement of

(i) the lost, destroyed or damaged Government property;

(ii) the time and origin of the loss, destruction, or damage;

(iii) all known interests in commingled property of which the Government property is a part; and

(iv) the insurance, if any, covering any part of or interest in such commingled property.

7. The Contractor shall repair, renovate, and take such other action

with respect to damaged Government property as the Contracting Officer directs. If the Government property is destroyed or damaged beyond practical repair, or is damaged and so commingled or combined with property of others (including the Contractor's) that separation is impractical, the Contractor may, with the approval of and subject to any conditions imposed by the Contracting Officer, sell such property for the account of the Government. Such sales may be made in order to minimize the loss to the Government, to permit the resumption of business, or to accomplish a similar purpose. The Contractor shall be entitled to an equitable adjustment in the Contract Price for the expenditure made in performing the obligations under this subparagraph (g) 7. in accordance with paragraph (h) of clause Z0801C. However, the Government may directly reimburse the loss and salvage organization for any of their charges. The Contracting Officer shall give due regard to the Contractor's liability under this paragraph (g) when making such equitable adjustment.

8. The Contractor represents that it is not including in the price, and agrees it will not hereafter include in any price to CCC, any charge or reserve for insurance (including any self-insurance fund or reserve) covering loss or detection of, or damage to, Government property, except to the extent that CCC may have expressly required the Contractor to carry such insurance under another provision of this Contract.

9. In the event the Contractor is reimbursed or otherwise compensated for any loss or destruction of, or damage to, Government property, the Contractor shall use the proceeds to repair, renovate, or replace the lost, destroyed, or damaged Government property, or shall otherwise credit the proceeds to equitably reimburse CCC, as directed by the Contracting Officer.

10. The Contractor shall do nothing to prejudice CCC or the U.S. Government's rights to recover against third parties for any loss or destruction of, or damage to, Government property. Upon the request of the Contracting Officer, the Contractor shall, at the expense of CCC or the U.S. Government, furnish to that party all reasonable assistance and cooperation (including the prosecution of suit and the execution of instruments of assignment in favour of that party) in obtaining recovery. In addition, where a subcontractor has not been relieved from liability for any loss or destruction of, or damage to, Government property, the Contractor shall enforce for the benefit of CCC or the U.S. Government the liability of the subcontractor for such loss, destruction, or damage.

Remarks: As prescribed in FAR 45.106(b)(3), substitute the following paragraphs (c) and (g) for paragraphs (c) and (g) of clause Z0801C if the contract is for the conduct of basic applied research at non profit institutions of higher education or at nonprofit organizations whose primary purpose is the conduct of scientific research.

NOTE: This clause may only be used in conjunction with clause Z0801C.

Z0803C (1992/04/01) Government Property - Alternate II

The following replaces paragraphs (c) and (g) of clause Z0801C.

(c) Title to Government property.

1. The U.S. Government shall retain title to all Government- furnished property.

2. All Government-furnished property and all property acquired by the Contractor, title to which vests in the U.S. Government under this paragraph (collectively referred to as "Government property"), are subject to the provisions of this clause. Title to Government property shall not be affected by its incorporation into or attachment to any property not owned by the Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

3. Title to each item of facilities, special test equipment, and special tooling (other than that subject to a special tooling clause) acquired by the Contractor for the U.S. Government under this Contract shall pass to and vest in the U.S. Government when its use in performing this Contract commences, or when the U.S. Government has paid for it, whichever is earlier, whether or not title previously vested in the U.S. Government.

4. Title to equipment (and other tangible personal property) purchased with funds available for research and having an acquisition cost of less than $5,000 shall vest in the Contractor upon acquisition or as soon thereafter as feasible, provided that the Contractor obtained the Contracting Officer's approval before each acquisition. Title to equipment purchased with funds available for research and having an acquisition cost of $5,000 or more shall vest as set forth in the Contract. If title to equipment vests in the Contractor under this subparagraph (c)4., the Contractor agrees that no charge will be made to CCC or the U.S. Government for any depreciation, amortization, or use under any existing or future Contract or subcontract thereunder. The Contractor shall furnish the Contracting Officer a list of all equipment to which title is vested in the Contractor under this subparagraph (c)4. within ten (10) days following the end of the calendar quarter during which it was received.

5. Vesting title under this paragraph (c) is subject to civil rights legislation, 42 U.S.C. 2000d. Before title is vested and by signing this Contract, the Contractor accepts and agrees that:

> "No person in the United States shall, on the ground of race, colour, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this contemplated financial assistance (title to equipment)."

(g) Limited risk of loss.

1. The term "Contractor's managerial personnel", as used in this paragraph (g), means the Contractor's directors, officers, and any of the Contractor's managers, superintendents, or equivalent

representatives who have supervision or direction of:

(i) all or substantially all of the Contractor's business;

(ii) all or substantially all of the Contractor's operation at any one plant, laboratory, or separate location at which the Contract is being performed; or

(iii) a separate and complete major industrial operation connected with performing this Contract.

2. The Contractor shall not be liable for loss or destruction of, or damage to, the Government property provided under this Contract (or, if an educational or nonprofit organization, for expenses incidental to such loss, destruction, or damage), except as provided in subparagraphs 3. and 4. below.

3. The Contractor shall be responsible for loss or destruction of, or damage to, the Government property provided under this Contract (including expenses incidental to such loss, destruction, or damage):

(i) that results from a risk expressly required to be insured under this Contract, but only to the extent of the insurance required to be purchased and maintained, or to the extent of insurance actually purchased and maintained, whichever is greater;

(ii) that results from a risk which is in fact covered by insurance or for which the Contractor is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

(iii) for which the Contractor is otherwise responsible under the express terms of this Contract;

(iv) that results from wilful misconduct or lack of good faith on the part of the Contractor's managerial personnel; or

(v) that results from a failure on the part of the Contractor, due to wilful misconduct or lack of good faith on the part of the Contractor's managerial personnel, to establish and administer a program or system for the control, use, protection, preservation, maintenance, and repair of Government property as required by paragraph (e) of clause Z0801C.

4. (i) If the Contractor fails to act as provided in subdivision (g)3.(v) above, after being notified (by certified mail addressed to one of the Contractor's managerial personnel) of CCC's or the U.S. Government's disapproval, withdrawal of approval, or nonacceptance of the system or program, it shall be conclusively presumed that such failure was due to wilful misconduct or lack of good faith on the part of the Contractor's managerial personnel.

(ii) Furthermore, any loss or destruction of, or damage to, the Government property shall be presumed to have resulted from

such failure, unless the Contractor can establish by clear and convincing evidence that such loss, destruction, or damage:

(A) did not result from the Contractor's failure to maintain an approved program or system; or

(B) occurred while an approved program or system was maintained by the Contractor.

5. If the Contractor transfers Government property to the possession and control of a subcontractor, the transfer shall not affect the liability of the Contractor for loss or destruction of, or damage to, the property as set forth above. However, the Contractor shall require the subcontractor to assume the risk of, and be responsible for, any loss or destruction of, or damage to, the property while in the subcontractor's possession or control, except to the extent that the subcontract, with the advance approval of the Contracting Officer, relieves the subcontractor from such liability. In the absence of such approval, the subcontract shall contain appropriate provisions requiring the return of all Government property in as good condition as when received, except for reasonable wear and tear or for its use in accordance with the provisions of the prime Contract.

6. Upon loss or destruction of, or damage to, Government property provided under this Contract, the Contractor shall so notify the Contracting Officer and shall communicate with the loss and salvage organization, if any, designated by the Contracting Officer. With the assistance of any such organization, the Contractor shall take all reasonable action to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the affected Government property in the best possible order, and furnish to the Contracting Officer a statement of:

(i) the lost, destroyed, or damaged Government property;

(ii) the time and origin of the loss, destruction, or damage;

(iii) all known interests in commingled property of which the Government property is a part; and

(iv) the insurance, if any, covering any part of or interest in such commingled property.

7. The Contractor shall repair, renovate, and take such other action with respect to damaged Government property as the Contracting Officer directs. If the Government property is destroyed or damaged beyond practical repair, or is damaged and so commingled or combined with property of others (including the Contractor's) that separation is impractical, the Contractor may, with the approval of and subject to any conditions imposed by the Contracting Officer, sell such property for the account of the Government. Such sales may be made in order to minimize the loss to the Government, to permit the resumption of business, or to accomplish a similar purpose. The Contractor shall be entitled to an equitable adjustment in the Contract Price for the expenditures made in performing the obligations under this subparagraph

(g)7. in accordance with paragraph (h) of clause Z0801C. However, the Government may directly reimburse the loss and salvage organization for any of their charges. The Contracting Officer shall give due regard to the Contractor's liability under this paragraph (g) when making any such equitable adjustment.

8. The Contractor represents that it is not including in the price, and agrees it will not hereafter include in any price to CCC, any charge or reserve for insurance (including any self-insurance fund or reserve) covering loss or destruction of, or damage to, Government property, except to the extent that CCC may have expressly required the Contractor to carry such insurance under another provision of this Contract.

9. In the event the Contractor is reimbursed or otherwise compensated for any loss or destruction of, or damage to, the Government property, the Contractor shall use the proceeds to repair, renovate, or replace the lost, destroyed, or damaged Government property or shall otherwise credit the proceeds to or equitably reimburse CCC or the Government, as directed by the Contracting Officer.

10. The Contractor shall do nothing to prejudice CCC's or the U.S. Government's rights to recover against third parties for any loss or destruction of, or damage to, Government property. Upon the request of the Contracting Officer, the Contractor shall, at the expense of CCC or the U.S. Government, furnish to that party all reasonable assistance and cooperation (including the prosecution of suit and the execution of instruments of assignment in favour of that party) in obtaining recovery. In addition, where a subcontractor has not been relieved from liability for any loss or destruction of, or damage to, Government property, the Contractor shall enforce for the benefit of the Government the liability of the subcontractor for such loss, destruction, or damage.

Remarks: As prescribed in FAR 45.106(c), insert the following clause, in addition to clause Z0801C, Government Property, in solicitations and contracts when a fixed-price construction Contract is contemplated under which the Government is to furnish Government property FOB railway cars at a specified destination or FOB truck at the project site. The Contract Schedule shall specify the point of delivery and may include special terms and conditions covering installation, preparation for operation, or equipment testing by the Government or by another contractor.

Z0804D (1992/04/01) Identification/Gov't-furnished Property

(a) The U.S. Government will furnish to the Contractor the property identified in the Schedule to be incorporated or installed into the Work or used in performing the Contract. The listed property will be furnished FOB railway cars at the place specified in the Contract Schedule or FOB truck at the project site. The Contractor is required to accept delivery, pay any demurrage or detention charges, and unload and transport the property to the job site at its own expense. When the property is delivered, the Contractor shall verify its quantity and condition and acknowledge receipt in writing to the Contracting Officer. The Contractor shall also report in writing to the

Contracting Officer within twenty-four (24) hours of delivery any damage to or shortage of the property as received. All such property shall be installed or incorporated into the Work at the expense of the Contractor, unless otherwise indicated in this Contract.

(b) Each item of property to be furnished under this clause shall be identified in the Schedule by quantity, item, and description.

Remarks: As prescribed in FAR 45.106(d), insert the following clause in solicitations and contracts when a fixed-price, time-and-material, or labour-hour contract is contemplated and that the acquisition cost of all Government-furnished property to be involved in the contract is $50,000 or less; unless a contract with an educational or nonprofit organization is contemplated.

Z0805D (1992/04/01) Government-furnished Property

(a) The U.S. Government shall deliver to the Contractor, at the time and locations stated in this Contract, the Government-furnished property described in the Schedule or specifications. If that property, suitable for its intended use, is not delivered to the Contractor, the Contracting Officer shall equitably adjust affected provisions of this Contract in accordance with the Changes clause, if applicable, or the clause that establishes procedures for amending the Contract, when:

1. the Contractor submits a timely written request for an equitable adjustment; and

2. the facts warrant an equitable adjustment.

(b) Title to Government-furnished property shall remain in the U.S. Government. The Contractor shall use the Government-furnished property only in connection with this Contract. The Contractor shall maintain adequate property control records in accordance with sound industrial practice and will make such records available for CCC or U.S. Government inspection at all reasonable times, unless the clause at Federal Acquisition Regulation 52.245-1, Property Records, is included in this Contract.

(c) Upon delivery of Government-furnished property to the Contractor, the Contractor assumes the risk and responsibility for its loss or damage, except:

1. for reasonable wear and tear;

2. to the extent property is consumed in performing this Contract; or

3. as otherwise provided for by the provisions of this Contract.

(d) Upon completing this Contract, the Contractor shall follow the instructions of the Contracting Officer regarding the disposition of all Government-furnished property not consumed in performing this Contract or previously delivered to CCC or the U.S. Government. The Contractor shall prepare for shipment, deliver FOB origin, or dispose of the Government property, as may be directed or authorized by the Contracting Officer. The net proceeds of any such disposal shall be credited to the Contract Price or

shall be paid to CCC or the U.S. Government as directed by the Contracting Officer.

Remarks: Use the following clause in cost-reimbursement contracts for supplies and services (except contracts for experimental developmental, or research work with educational or non-profit institutions, where no profit to the contractor is contemplated) under which a department is to furnish to a contractor, or a contractor is to acquire U.S. Government property.

NOTE: This clause must be used in conjunction with clause Z0807C and may be used in conjunction with clause Z0808C (formerly U.S. 5B, Alternate I), as applicable.

Z0806C (1992/04/01) Government Property

(a) Government-furnished property.

1. The Government shall deliver to the Contractor, for use in connection with and under the terms of this Contract, the Government-furnished property described in the Schedule or specifications, together with such related data and information as the Contractor may request and as may be reasonably required for the intended use of the property (hereinafter referred to as "Government-furnished property").

2. The delivery or performance dates for this Contract are based upon the expectation that Government-furnished property suitable for use will be delivered to the Contractor at the times stated in the Schedule or, if not so stated, in sufficient time to enable the Contractor to meet the Contract's delivery or performance dates.

3. If Government-furnished property is received by the Contractor in a condition not suitable for the intended use, the Contractor shall, upon receipt, notify the Contracting Officer, detailing the facts, and, as directed by the Contracting Officer and at U.S. Government expense, either effect repairs or modifications or return or otherwise dispose of the property. After completing the directed action and upon written request of the Contractor, the Contracting Officer shall make an equitable adjustment as provided in paragraph (h) of clause Z0807C.

4. If Government-furnished property is not delivered to the Contractor by the required time or times, the Contracting Officer shall, upon the Contractor's timely written request, make a determination of the delay, if any, caused the Contractor and shall make an equitable adjustment in accordance with paragraph (h) of clause Z0807C.

(b) Changes in Government-furnished property.

1. The Contracting Officer may, by written notice,

(i) decrease the Government-furnished property provided or to be provided under this Contract; or

(ii) substitute other Government-furnished property for the property to be provided by the U.S. Government or to be acquired

by the Contractor for the U.S. Government under this Contract. The Contractor shall promptly take such action as the Contracting Officer may direct regarding the removal, shipment, or disposal of the property covered by this notice.

2. Upon the Contractor's written request, the Contracting Officer shall make an equitable adjustment to the Contract in accordance with paragraph (h) of clause Z0807C, if the U.S. Government has agreed in the Schedule to make such property available for performing this Contract and there is any:

(i) decrease or substitution of this property pursuant to subparagraph (b)1. above; or

(ii) withdrawal of authority to use property, if provided under any other Contract or lease.

(c) Title. (If clause Z0808C is referenced in the procurement document, this paragraph (c) does not apply.)

1. The U.S. Government shall retain title to all Government- furnished property.

2. Title to all property purchased by the Contractor for which the Contractor is entitled to be reimbursed as a direct item of cost under this Contract shall pass to and vest in the U.S. Government upon the vendor's delivery of such property.

3. Title to all other property, the cost of which is reimbursable to the Contractor, shall pass to and vest in the U.S. Government upon:

(i) issuance of the property for use in Contract performance;

(ii) commencement of processing of the property or use in Contract performance; or

(iii) reimbursement of the cost of the property by CCC or the U.S. Government,

whichever occurs first.

4. All Government-furnished property and all property acquired by the Contractor, title to which vests in the U.S. Government under this paragraph (collectively referred to as "Government property"), are subject to the provisions of this clause. Title to U.S. Government property shall not be affected by its incorporation into or attachment to any property not owned by the U.S. Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

(d) Use of Government property. The Government property shall be used only for performing this Contract, unless otherwise provided in this Contract or approved by the Contracting Officer.

(e) Property administration.

1. The Contractor shall be responsible and accountable for all Government property provided under the Contract and shall comply with Federal Acquisition Regulation (FAR) Subpart 45.5, as in effect on the date of this Contract.

2. The Contractor shall establish and maintain a program for the use, maintenance, repair, protection, and preservation of Government property in accordance with sound business practice and the applicable provisions of FAR Subpart 45.5.

3. If damage occurs to Government property, the risk of which has been assumed by the U.S. Government under this Contract, the U.S. Government shall replace the items or the Contractor shall make such repairs as CCC or the U.S. Government directs. However, if the Contractor cannot effect such repairs within the time required, the Contractor shall dispose of the property as directed by the Contracting Officer. When any property for which the U.S. Government is responsible is replaced or repaired, the Contracting Officer shall make an equitable adjustment in accordance with paragraph (h) of clause Z0807C.

(f) Access. The Government and all its designees shall have access at all reasonable times to the premises in which any Government property is located for the purpose of inspecting the Government property.

Remarks: This clause must be used in conjunction with clause Z0806C.

Z0807C (1992/04/01) Government Property

(g) Limited risk of loss.

1. The term "Contractor's managerial personnel," as used in this clause, means any of the Contractor's directors, officers, managers, superintendents, or equivalent representatives who have supervision or direction of:

(i) all or substantially all of the Contractor's business;

(ii) all or substantially all of the Contractor's operation at any one plant or separate location at which the Contract is being performed; or

(iii) a separate and complete major industrial operation connected with performing this Contract.

2. The Contractor shall not be liable for loss or destruction of, or damage to, the Government property provided under this Contract or for expenses incidental to such loss, destruction, or damage, except as provided in subparagraphs 3. and 4. below.

3. The Contractor shall be responsible for loss or destruction of, or damage to, the Government property provided under this Contract (including expenses incidental to such loss, destruction, or damage):

(i) that results from a risk expressly required to be insured under this Contract, but only to the extent of the insurance required to be purchased and maintained or to the extent of insurance actually purchased and maintained, whichever is greater;

(ii) that results from a risk that is in fact covered by insurance or for which the Contractor is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

(iii) for which the Contractor is otherwise responsible under the express terms of this Contract;

(iv) that results from wilful misconduct or lack of good faith on the part of the Contractor's managerial personnel; or

(v) that results from a failure on the part of the Contractor, due to wilful misconduct or lack of good faith on the part of the Contractor's managerial personnel, to establish and administer a program or system for the control, use, protection, preservation, maintenance, and repair of Government property as required by paragraph (e) of clause Z0806C.

4. (i) If the Contractor fails to act as provided by subdivision (g)3.(v) above, after being notified (by certified mail addressed to one of the Contractor's managerial personnel) of CCC's or the U.S. Government's disapproval, withdrawal of approval, or nonacceptance of the system or program, it shall be conclusively presumed that such failure was due to wilful misconduct or lack of good faith on the part of the Contractor's managerial personnel.

(ii) In such event, any loss or destruction of, or damage to, the Government property shall be presumed to have resulted from such failure, unless the Contractor can establish by clear and convincing evidence that such loss, destruction, or damage:

(A) did not result from the Contractor's failure to maintain an approved program or system; or

(B) occurred while an approved program or system was maintained by the Contractor.

5. If the Contractor transfers Government property to the possession and control of a subcontractor, the transfer shall not affect the liability of the Contractor for loss or destruction of, or damage to, the property as set forth above. However, the Contractor shall require the subcontractor to assume the risk of, and be responsible for, any loss or destruction of, or damage to, the property while in the subcontractor's possession or control, except to the extent that the subcontract, with the advance approval of the Contracting Officer, relieves the subcontractor from such liability. In the absence of such approval, the subcontract shall contain appropriate provisions requiring the return of all Government property in as good condition as when received, except for reasonable wear and tear or for its use in accordance with the provisions of the prime Contract.

6. Upon loss or destruction of, or damage to, Government property provided under this Contract, the Contractor shall so notify the Contracting Officer and shall communicate with the loss and salvage organization, if any, designated by the Contracting Officer. With the assistance of any such organization, the Contractor shall take all reasonable action to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the affected Government property in the best possible order, and furnish to the Contracting Officer a statement of:

(i) the lost, destroyed, or damaged Government property;

(ii) the time and origin of the loss, destruction, or damage;

(iii) all known interests in commingled property of which the Government property is a part; and

(iv) the insurance, if any, covering any part of or interest in such commingled property.

7. The Contractor shall repair, renovate, and take such other action with respect to damaged Government property as the Contracting Officer directs. If the Government property is destroyed or damaged beyond practical repair, or is damaged and so commingled or combined with property of others (including the Contractor's) that separation is impractical, the Contractor may, with the approval of and subject to any conditions imposed by the Contracting Officer, sell such property for the account of CCC or the U.S. Government. Such sales may be made in order to minimize the loss to the U.S. Government, to permit the resumption of business, or to accomplish a similar purpose. The Contractor shall be entitled to an equitable adjustment in the Contract Price for the expenditures made in performing the obligations under this subparagraph (g)7. in accordance with paragraph (h) of this clause. However, the U.S. Government may directly reimburse the loss and salvage organization for any of their charges. The Contracting Officer shall give due regard to the Contractor's liability under this paragraph (g) when making any such equitable adjustment.

8. The Contractor shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance or of any reserve covering risk of loss or destruction of, or damage to, Government property, except to the extent that CCC may have expressly required the Contractor to carry such insurance under another provision of this Contract.

9. In the event the Contractor is reimbursed or otherwise compensated for any loss or destruction of, or damage to, Government property, the Contractor shall use the proceeds to repair, renovate, or replace the lost, destroyed, or damaged Government property or shall otherwise credit the proceeds to, or equitably reimburse, CCC or the U.S. Government, as directed by the Contracting Officer.

10. The Contractor shall do nothing to prejudice CCC's or the U.S. Government's rights to recover against third parties for any loss or

destruction of, or damage to, Government property. Upon the request of the Contracting Officer, the Contractor shall, at CCC's or the U.S. Government's expense, furnish to that party all reasonable assistance and cooperation (including the prosecution of suit and the execution of instruments of assignment in favour of that party) in obtaining recovery. In addition, where a subcontractor has not been relieved from liability for any loss or destruction of, or damage to, Government property, the Contractor shall enforce, for the benefit of CCC or the U.S. Government, the liability of the subcontractor for such loss, destruction, or damage.

(h) Equitable adjustment. When this clause specifies an equitable adjustment, it shall be made to any affected Contract provision in accordance with the procedures of the Changes clause, if applicable, or the clause that establishes procedures for amending the Contract. When appropriate, the Contracting Officer may initiate an equitable adjustment in favour of CCC or the U.S. Government. The right to an equitable adjustment shall be the Contractor's exclusive remedy. Neither CCC nor the U.S. Government shall be liable to suit for breach of Contract for:

1. any delay in delivery of Government-furnished property;

2. delivery of Government-furnished property in a condition not suitable for its intended use;

3. a decrease in or substitution of Government-furnished property; or

4. failure to repair or replace Government property for which the U.S. Government is responsible.

(i) Final accounting and disposition of Government property. Upon completing this Contract, or at such earlier dates as may be fixed by the Contracting Officer, the Contractor shall submit, in a form acceptable to the Contracting Officer, inventory schedules covering all items of Government property not consumed in performing this Contract or delivered to the U.S. Government. The Contractor shall prepare for shipment, deliver FOB origin, or dispose of the Government property as may be directed or authorized by the Contracting Officer. The net proceeds of any such disposal shall be credited to the cost of the Work covered by this Contract or paid to CCC or the U.S. Government as directed by the Contracting Officer. The foregoing provisions shall apply to scrap from Government property; provided, however, that the Contracting Officer may authorize or direct the Contractor to omit from such inventory schedules any scrap consisting of faulty castings or forgings or of cutting and processing waste, such as chips, cuttings, borings, turnings, short ends, circles, trimmings, clippings, and remnants, and to dispose of such scrap in accordance with the Contractor's normal practice and account for it as a part of general overhead or other reimbursable costs in accordance with the Contractor's established accounting procedures.

(j) Abandonment and restoration of Contractor premises. Unless otherwise provided herein, the Government:

1. may abandon any Government property in place, at which time all obligations of the Government regarding such abandoned property shall cease; and

2. has no obligation to restore or rehabilitate the Contractor's premises under any circumstances (e.g., abandonment, disposition upon completion of need, or Contract completion). However, if the Government-furnished property (listed in the Schedule or specifications) is withdrawn or is unsuitable for the intended use, or if other Government property is substituted, then the equitable adjustment under paragraph (h) of this clause may properly include restoration or rehabilitation costs.

(k) Communications. All communications under this clause shall be in writing.

Remarks: As prescribed in 45.106(f)(2), substitute the following paragraph (c) for paragraph (c) of clause Z0801C in solicitations and contracts when a cost-reimbursement, time-and-material, or labour-hour contract is contemplated, except as provided in clause Z0803C.

NOTE: This clause may only be used in conjunction with clauses Z0806C and Z0807C.

Z0808C (1992/04/01) Alternate I

The following replaces paragraph (c) of clause Z0806C.

(c) Title.

1. The U.S. Government shall retain title to all Government- furnished property.

2. All Government-furnished property and all property acquired by the Contractor, title to which vests in the U.S. Government under this paragraph (collectively referred to as "Government property"), are subject to the provisions of this clause. Title to Government property shall not be affected by its incorporation into or attachment to any property not owned by the Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

3. Title to all property purchased by the Contractor for which the Contractor is entitled to be reimbursed as a direct item of cost under this Contract and that, under the provisions of this Contract is to vest in the U.S. Government, shall pass to and vest in the U.S. Government upon the vendor's delivery of such property. Title to all other property, the cost of which is to be reimbursed to the Contractor under this Contract and that under the provisions of this Contract is to vest in the U.S. Government, shall pass to and vest in the U.S. Government upon:

(i) issuance of the property for use in Contract performance;

(ii) commencement of processing of the property or its use in Contract performance; or

(iii) reimbursement of the cost of the property by the U.S.

Government,

whichever occurs first.

4. Title to equipment (and other tangible personal property) purchased with funds available for research and having an acquisition cost of less than $5,000 shall vest in the Contractor upon acquisition or as soon thereafter as feasible; provided that the Contractor obtained the Contracting Officer's approval before each acquisition. Title to equipment purchased with funds available for research and having an acquisition cost of $5,000 or more shall vest as set forth in the Contract. If title to equipment vests in the Contractor under this subparagraph (c)(4), the Contractor agrees that no charge will be made to CCC or the U.S. Government for any depreciation, amortization, or use under any existing or future Contract or subcontract thereunder. The Contractor shall furnish the Contracting Officer a list of all equipment to which title is vested in the Contractor under this subparagraph (c)(4) within ten (10) days following the end of the calendar quarter during which it was received.

5. Vesting title under this paragraph (c) is subject to civil rights legislation, 42 U.S.C. 2000d. Before title is vested and by signing this contract, the Contractor accepts and agrees that:

"No person in the United States shall, on the ground of race, colour, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this contemplated financial assistance (title to equipment)."

Remarks: Use the following clause in contracts when surplus United States government property is to be disposed of in Canada. Surplus property to be returned to the U.S. will be handled in accordance with instructions provided by the Defense Contract Management Area Operations, Ottawa.

Z0809C (2000/05/12) Disposal of Surplus Government Property

1. United States (U.S.) government property in excess of the Contractor's requirement under this Contract, which is not being returned to the U.S., may be disposed of in Canada by the Canadian Commercial Corporation (CCC) by sale to the Government of Canada, or sold or disposed of through the Crown Assets Distribution Centre (CADC) of the Department of Public Works and Government Services or, in special cases directed to a buyer.
2. Disposal of surplus goods or equipment will be accomplished in the following manner:

(a) Upon completion of this Contract, or at such earlier date as may be fixed by CCC, the Contractor shall prepare and submit to the Contracting Officer ten (10) copies of an inventory schedule of all surplus U.S. government property at its plant, classified as new serviceable, used serviceable or repairable, used unserviceable or scrap, and the estimated cost of acquisition.

(b) Copies of the inventory schedule will be submitted to CCC for screening by the U.S. government and subsequent disposal instructions. Items to be returned to the U.S. will be packaged and packed for shipment in accordance with instructions issued by CCC.

(c) After the property has been accepted for sale by Surplus Crown Assets and subject to the provisions of subsection (b) above, the reports of excess shall not be modified, cancelled subsection or withdrawn except by mutual consent of Surplus Crown Assets or CCC.

DISPOSAL OF SCRAP:

1. Surplus property certified as scrap by the inspector will be disposed of in accordance with the following procedure:

(a) Six (6) copies of the certified list will be forwarded to the Contracting Authority of CCC for screening by Canada Customs and Revenue Agency (CCRA), who may conduct a physical check in order that a customs appraisal can be made and entry accepted from the purchaser in accordance with the appropriate tariff item. (Steel scrap is free of duty but subject to sales tax and when sold to a licensed manufacturer or wholesaler the entry may be accepted free of tax by the purchaser quoting thereon his license number).

(b) After appraisal by CCRA, a copy of the list will be forwarded to the Contractor by the Contracting Authority and the Contractor shall obtain at least three (3) bids (if applicable). The highest bid will be accepted.

(c) The Contractor will issue a cheque for the proceeds of the sale, made payable to CCC and forward it to the Comptroller, CCC. The transmittal letter should include adequate information to assist CCC in identifying the disposal.

Remarks: Use the following clause in contracts which are negotiated fixed-price type supply contracts for standard or commercial items, under which the U.S. Government is to furnish to the contractor U.S. Government property having an acquisition cost of $50,000 or less.

Z0810C (1992/04/01) U.S. Government-furnished Property

The U.S. Government will deliver to the Contractor, for use in connection with this Contract, the property described elsewhere in this Contract or the specifications (hereinafter described as "U.S. Government-furnished Property") at the times and locations stated in this Contract. If the U.S. Government-furnished property, suitable for its intended use, is not so delivered, CCC shall, upon timely written request made by the Contractor, and if the facts warrant such action, equitably adjust any affected provision of this Contract.

Title to U.S. Government-furnished property shall remain in the U.S. Government. The Contractor shall maintain adequate property control records of U.S. Government-furnished property in accordance with sound industrial practice.

Unless otherwise provided in this Contract, the Contractor assumes the risk of, and shall be responsible for, any loss of or damage to U.S. Government-furnished property provided under this Contract upon its delivery to the Contractor, except for reasonable wear and tear, and except to the extent that such property is consumed in the performance of this Contract.

The Contractor shall, upon completion of this Contract, prepare for shipment, deliver FOB origin, or dispose of all U.S. Government-furnished property not consumed in the performance of this Contract or not theretofore delivered to the U.S. Government, as may be directed or authorized by CCC. The net proceeds of any such disposal shall be credited to the Contract Price or paid in such manner as CCC may direct.

Remarks: Use the following clause in contracts when United States Government property is being provided.

Z0811C (1998/02/16) Responsibility for U.S. Gov't Property

1. In addition to specific responsibilities delineated in appendices "B", "C", and "H" of the United States (U.S.) Federal Acquisition Regulations, as applicable, the Contractor shall be responsible for and accountable for all U.S. Government property, title to which vests in the U.S. Government, delivered to or acquired by the Contractor under the terms of this Contract, including property in the possession of a subcontractor.

2. Approval of the Contractor's property control system shall be made by the Production Assets Management Services, Aerospace, Marine and Electronics Systems Sector, Department of Public Works and Government Services, Ottawa, Ontario, to whom all questions concerning requisitioning, customs clearance, maintenance, etc., are to be referred.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following instructions when applicable in all CCC fixed price contracts for stores.

Z1000C (2001/12/10) Invoicing and Documentation Instructions

PROGRESS PAYMENTS

Claims are to be submitted on the Claim for Progress Payment form, PWGSC-TPSGC 1111.

1. Distribution:

(a) One (1) original and three (3) copies, duly executed, are

to be forwarded (preferably by courier) to the following Contracting Authority ***(Insert Name and Address)*** _____.

(b) One (1) copy, for information purposes, is to be forwarded to:

By mail:
Canadian Commercial Corporation - Operations
1100 - 50 O'Connor Street
Ottawa, Ontario K1A 0S6

Telephone: (613) 996-0034
Or preferably by fax: (613) 995-2121

2. Terms of Payment:

(a) Thirty (30) days following the date on which a valid claim for progress payment and substantiating documentation are received and approved by Public Works and Government Services Canada/Canadian Commercial Corporation (PWGSC/CCC) Contracting Authority according to the terms of the Contract.

(b) If the Corporation has any objection to the contents of the claim for progress payment or the substantiating documentation, within five (5) working days of its receipt, the PWGSC/CCC Contracting Authority shall notify the Contractor of the nature of the objection.

DELIVERIES: COMMODITY

Prior to shipment, the Contractor shall complete U.S. DD Form 250, Material Inspection and Receiving Report.

1. Distribution:

(a) Upon shipment, the Contractor shall distribute it as follows:

- four (4) copies to accompany shipment;
- two (2) copies via mail to Consignee;
- one (1) copy to:

Defence Contract Management Americas (Canada)
200 - 275 Bank Street
Ottawa, Ontario K2P 2L6

- one (1) copy to the following Contracting Authority ***(Insert Name and Address)*** _____.

- one (1) copy to be used as a commercial invoice by CCC.

Mail to:
Canadian Commercial Corporation - Operations
1100 -50 O'Connor Street
Ottawa, Ontario K1A 0S6

Telephone: (613) 996-0034
Or preferably by fax: (613) 995-2121

(b) As long as it is fully completed (including Block 6 with the Contractor's invoice number and issue date), the DD Form 250 can be considered as the formal Commercial Invoice. However, a copy of the Contractor's actual Commercial Invoice is recommended when the billing includes special terms such as discounts, freight or liquidation of progress payments when not reflected on the DD Form 250.

2. Accompanying Documents:

As per the terms of the Contract, such an invoice must be accompanied by documents as applicable below:

Based on Shipping Terms:

FOB ORIGIN

(a) If shipment is made by U.S. Government bill of lading, no other shipping documents are required.

N.B. Specific authority must be granted by the U.S. Defence Contract Management Americas (DCMA) (Canada)/Procurement Agency to ship by commercial carriers, prepay and add the freight charges as a separate item on the invoice.

(b) In all cases, invoices reflecting freight prepaid to destination must be supported by an evidence of shipment (copy of the commercial bill of lading) and should the charges be prepaid and then added to the invoice in the same currency of the contract and exceed $100 US, a receipted waybill must also be furnished to substantiate the charge.

(c) Furthermore, if not specifically authorized in the contract, a call to DCMA (Canada) Transportation Division prior to commercial shipping is mandatory (613-992-9020). This step will allow DCMA (Canada) to advise the Contractor of the commercial carrier to use to ensure proper government rates for the shipment involved. This is done through their preparation of a U.S. DSA Form 359, Instructions to Contractors for Conus-Export Shipments. They will issue this form for the Contractor's use. A copy of this form must accompany the usual invoicing documents required.

FOB DESTINATION

All invoices must be supported by an evidence of shipment (commercial bill of lading.)

Based on Inspection and Acceptance Points:

INSPECTION AND ACCEPTANCE AT ORIGIN (Source)

Ensure that Block 21A of DD Form 250 is completed before submitting it as your commercial invoice.

ACCEPTANCE AT DESTINATION

In the event that acceptance of the supplies is to be accomplished at destination, the invoices will not be paid pending receipt by CCC of evidence of such acceptance, through the receipt of a DD Form 250 signed at Destination Point (Block 21b.) or through the receipt of payment from the customer.

(a) Acceptance at destination - INSPECTION AT ORIGIN (Source)

(1) Ensure that Block 21a.of DD Form 250 is authorized for inspection only.

(2) Ensure that 1 of the 4 copies of the DD Form 250 that accompany the shipment is annotated "PAYMENT COPY" - forward copy to Block 12 address once signed to support payment in Block 23. (*Refer to Defense Federal Acquisition Regulation Supplement, Appendix F-301 (12) : Block 12: "PAYMENT WILL BE MADE BY" / CODE. Enter the code and address of the payment office stated in the Contract.)*

(3) Request proof of delivery from the carrier and immediately upon receipt forward same to CCC, Operations, referencing U.S. Contract Number and applicable shipment number as reflected in Block 2 of DD Form 250.

(b) Acceptance at destination - INSPECTION AT DESTINATION

(1) Ensure that DD Form 250 accompanies the shipment.

(2) Ensure that the copies of DD Form 250 that accompany your shipment and are mailed to the consignee are submitted under covering letter clearly stating that acceptance of these goods has yet to be accomplished and that prompt acceptance (by completing Block 21b.on the DD Form 250 and returning to the Contractor's company) is requested.

(3) Request proof of delivery (acknowledgement on the shipping documents by receiving person) from the carrier and immediately upon receipt forward same to CCC, Operations, referencing U.S. Contract Number and applicable shipment number as reflected in Block 2 of form DD Form 250.

(4) The Contractor will submit all required documents (although the DD Form 250 “ACCEPTANCE” block may remain unsigned) to the above-mentioned address of the Canadian Commercial Corporation. If unsigned, it will be considered by CCC as an advance billing for control purposes.

Note: Questions regarding the preparation and distribution of the DD Form 250 may be addressed to the Quality Assurance Representative assigned to the Contractor's plant.

3. Terms of Payment:

(a) Acceptance at Origin (Source) Type Contracts:

(1) Thirty (30) days following the date on which an invoice and substantiating documentation are received by CCC according to the terms of the Contract.

(2) If CCC has any objection as to the content of the paperwork submitted, within fifteen (15) days of its receipt, CCC shall notify the Contractor of the nature of the objection.

(b) Acceptance at Destination Type Contracts:

(1) Thirty (30) days from date of receipt of a DD Form 250 signed at the Acceptance Point but with no advance billing.

(2) Within fifteen (15) calendar days from date of receipt of evidence of acceptance (executed DD Form 250, TWX letter, etc., from consignee) with advance billing.

(3) Within five (5) working days from date of receipt of payment from customer agency.

If evidence of acceptance required by (b)(2) is not provided within sixty (60) days from date of shipment, CCC shall make every effort to obtain acceptance from the receiving/buying activity with the Contractor’s assistance.

The discount terms, if quoted in the Contract, will be calculated from the date of receipt of evidence of acceptance or payment as cited above.

Remarks:

Z1200C (1997/09/15) Zero-rated Supply to CCC

The supply to Canadian Commercial Corporation (CCC) by the Contractor under this Contract would constitute a "Zero-rated Supply" as this expression is defined for purposes of the Goods and Services Tax or the Harmonized Sales Tax, as appropriate. Accordingly, the rate of tax in respect thereto would be zero percent (0 percent) of the value of the consideration for the supply to CCC hereunder.

Remarks:

Z1201C (1997/09/15) Exempt Supply to CCC

The supply to Canadian Commercial Corporation by the Contractor under this Contract would constitute an "Exempt Supply" as this expression is defined for purposes of the Goods and Services Tax (GST) or the Harmonized Sales Tax (HST), as appropriate and accordingly would not constitute a "Taxable Supply" as this expression is defined for purposes of the GST or HST.

Remarks:

Z1202C (1997/09/15) Taxable Supply to CCC

The supply to Canadian Commercial Corporation (CCC) by the Contractor under this Contract would constitute a "Taxable Supply" as this expression is defined for purposes of the Goods and Services Tax (GST) or the Harmonized Sales Tax (HST), as appropriate. Accordingly, the rate of tax in respect thereto would be at the rate imposed for such supply based on the value of the consideration for the supply to CCC hereunder. The Contractor is required to reflect its GST/HST Registration Number and the appropriate GST or HST amount as a separate line item on each invoice to CCC hereunder.

Remarks: Use the following clause in contracts when the U.S. contract is on a fixed price basis.

Z1400C (1992/04/01) Changes - Fixed Price

CCC may at any time, by a written order, and without notice to the sureties, make changes, within the general scope of this Contract, in any one or more of the following:

(i) drawings, designs, or specifications, where the supplies to be furnished are to be specially manufactured for the U.S. Government in accordance therewith;

(ii) method of shipment or packing; and

(iii) place of delivery.

If any such change causes an increase or decrease in the costs of, or the time required for, the performance of any part of the Work under this Contract, whether changed or not changed by any such order, an equitable adjustment shall be made in the Contract Price or delivery schedule, or both, and the Contract shall be modified in writing accordingly. Any claim by the Contractor for adjustment under this clause must be asserted within twenty (20) days from the date of receipt by the Contractor of the notification of change, provided, however, that CCC, if it decides that the facts justify

such action, may receive and act upon any such claim asserted at any time prior to final payment under this Contract. Where the cost of property made obsolete or excess as a result of a change is included in the Contractor's claim for adjustment, CCC shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this Contract entitled "Disputes". However, nothing in this clause shall excuse the Contractor from proceeding with the Contract as changed.

Remarks: Use the following clause in contracts when the U.S. contract is cost reimbursement.

Z1401C (1992/04/01) Changes - Cost Reimbursement

The Canadian Commercial Corporation may at any time, by a written order, make changes, within the general scope of this Contract, in any one or more of the following:

(i) drawings, designs or specifications, where the supplies to be furnished are to be specially manufactured for the U.S. Government in accordance therewith;

(ii) method of shipment or packing;

(iii) place of delivery; and

(iv) the amount of U.S. Government-furnished property.

If any such change causes an increase or decrease in the estimated cost of, or the time required for the performance of any part of the Work under this Contract, whether changed or not changed by any such order, or otherwise affects any provision of this Contract, an equitable adjustment shall be made

(i) in the estimated cost or delivery schedule, or both, and

(ii) in such other provisions of the Contract as may be so affected, and the Contract shall be modified in writing accordingly. Any claim by the Contractor for adjustment under this clause must be asserted within twenty (20) days from the date of the receipt by it of the notification of change, provided, however, that CCC, if it decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this Contract. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this Contract entitled "Disputes". However, nothing in this clause shall excuse the Contractor from proceeding with the Contract as changed.

Remarks: Use the following clause in contracts when the U.S. contract contains a "Disputes" clause.

Z1600C (1997/02/03) Disputes

1. The Disputes clause incorporated by reference in the U.S Contract _____

(insert the contract number and date and delete this instruction) are hereby incorporated by reference into and form part of this Contract, between the Canadian Commercial Corporation (CCC) and the United States (U.S.) government covering the supplies set out in this Contract.

2. For the purposes of the Disputes clause herein incorporated, the word "Contractor" wherever it appears in the said Disputes clause, refers to CCC and reference to the word "Contracting Officer" in this Disputes clause shall be deemed to mean the U.S. Contracting Officer. CCC will keep the Canadian Contractor informed of any and all such disputes and, in the event of a decision being made by the Contracting Officer or the Secretary (as defined in the said CCC-U.S. Contract) which is binding on CCC in accordance with the said Disputes clause, the Canadian Contractor shall, if and to the extent required in writing by CCC, abide by such decision.

3. If the Canadian Contractor wishes to dispute a decision made by the Contracting Officer, the Canadian Contractor shall notify and submit a claim to the CCC Contracting Authority in sufficient time to permit CCC to process a claim on the U.S. government within the time limit stipulated in the Disputes clause.

4. Any claim submitted by the Canadian Contractor to CCC under this Disputes clause, must carry the certification detailed in paragraph (d) of the Disputes clause.

5. Any interest paid to CCC by the U.S. government as a result of such claim, pursuant to paragraph (h) of the Disputes clause, will be for the Contractor's account.

6. CCC shall not be liable to the Canadian Contractor except to the extent that it is established that the U.S. government is liable to CCC under the Disputes clause.

Remarks: Use the following clause in all contracts when the contract from U.S. is cost type.

Z1601C (1992/04/01) Notice of Labour Disputes

Whenever the Contractor or any subcontractor hereunder has knowledge that any actual or potential labour dispute is delaying or threatens to delay the timely performance of this Contract, the Contractor or the subcontractor through the Contractor shall immediately give notice thereof, including all relevant information with respect thereto, to CCC.

Remarks: Use the following clause in fixed price production contracts.

Z1800C (1992/04/01) Default

(a) CCC may, subject to the provisions of paragraph c) below, by written notice of default to the Contractor, terminate the whole or any part of this Contract in any one of the following circumstances:

(i) if the Contractor fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or

(ii) if the Contractor fails to perform any of the other provisions of this Contract or so fails to make progress as to endanger performance of this Contract in accordance with its terms and, in either of these two circumstances, does not cure such failure within a period of ten (10) days (or such longer period as CCC may authorize in writing) after receipt of notice from CCC specifying such failure.

(b) In the event CCC terminates this Contract in whole or in part as provided in paragraph (a) of this clause, it may procure, upon such terms and in such manner as it may deem appropriate, supplies or services similar to those so terminated and the Contractor shall be liable to CCC for any excess costs for such similar supplies or services, provided that the Contractor shall continue the performance of the Contract to the extent not terminated under the provisions of this clause.

(c) Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the Contract arises from causes beyond the Contractor's control and without the Contractor's fault or negligence. Examples of such causes include (1) acts of God or of the public enemy, (2) acts of the U.S. Government in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) unusually severe weather. In each instance the failure to perform must be beyond the Contractor's control and without the Contractor's fault or negligence. If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both the Contractor and its subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform, unless the subcontracted supplies or services were obtainable from other sources in sufficient time for the Contractor to meet the required delivery schedule.

(d) If this Contract is terminated as provided in paragraph (a) of this clause, CCC, in addition to any other rights provided in this clause, may require the Contractor to transfer title and deliver to the U.S. Government, in the manner and to the extent directed by CCC:

(i) any completed supplies; and

(ii) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and Contract rights (hereinafter called "manufacturing materials") as the Contractor has specifically produced or specifically acquired for the performance of such part of this Contract as has been terminated; and the Contractor shall, upon direction of CCC, protect and preserve property in its possession in which CCC has an interest. Payment for completed supplies delivered to and accepted by the U.S. Government shall be at the Contract Price. Payment for manufacturing materials delivered to

and accepted by the U.S. Government and for the protection and preservation of property shall be in an amount agreed upon by the Contractor and CCC; failure to agree to such amount shall be a dispute concerning a question of fact within the meaning of the clause of this Contract entitled "Disputes". CCC may withhold from amounts otherwise due the Contractor for such completed supplies or manufacturing materials such sum as CCC determines to be necessary to protect CCC against loss because of outstanding liens or claims of former lien holders.

(e) If, after notice of termination of this Contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, or that the default was excusable under the provisions of this clause, the rights and obligations of the parties shall, if the Contract contains a clause providing for termination for convenience of CCC, be the same as if the notice of termination had been issued pursuant to such clause. If, after notice of termination of this Contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, and if this Contract does not contain a clause providing for termination for convenience of the Government, the Contract shall be equitably adjusted to compensate for such termination and the Contract modified accordingly; failure to agree to any such adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this Contract entitled "Disputes".

(f) The rights and remedies of CCC provided in this clause shall not be exclusive and are in addition to any other rights and remedies under this Contract provided by law.

Remarks: Use the following clause in contracts when the U.S. contract is on a cost reimbursement basis.

Z1801C (1992/04/01) Excusable Delays

The Contractor shall not be in default by reason of any failure in performance of this Contract in accordance with its terms (including any failure by the Contractor to make progress in the prosecution of the Work hereunder which endangers such performance) if such failure arises out of causes beyond the control and without the fault or negligence of the Contractor; such causes include, but are not restricted to: acts of God or of the public enemy; acts of the government; fires, floods; epidemics; quarantine restrictions; strikes; freight embargoes; unusually severe weather; and failure of subcontractors to perform or make progress due to such causes, unless CCC shall have determined that the supplies or services to be furnished under the subcontract were obtainable from other sources and shall have ordered the Contractor in writing to procure such services or supplies from such other sources, and the Contractor shall have failed reasonably to comply with such order. Upon the Contractor's request, CCC shall ascertain the facts and extent of such failure and, if it shall determine that such failure was occasioned by any one or more of the said causes, the delivery schedule shall be revised accordingly, subject to the rights of CCC under the clause hereof entitled "Termination".

Any dispute that may arise under the provisions of this clause shall be determined as provided in the clause hereof entitled "Disputes".

Remarks: Use the following clause in contracts when the U.S. contract is on a cost reimbursement basis.

Z1802C (1992/04/01) Delay in Delivery of Data

(a) It is understood that the efficient use by the U.S. Government of the supplies called for hereunder requires that the data called for hereunder be delivered not later than the time or respective times herein specified. If such data is not delivered at said time or times, Canadian Commercial Corporation may at its election, so long as such data remains undelivered, unless the delay in delivery thereof arises out of causes beyond the Contractor's control and without the Contractor's fault or negligence within the meaning of the clause hereof entitled "Excusable Delays", withhold payment to the Contractor for any of the amounts then due, refuse approval of the Contractor's vouchers and refuse to accept further deliveries hereunder from the Contractor or take any other action authorized by law or regulation now or hereafter in effect including termination of all or part of the Contract for default, and may take any and all actions separately or in combination.

(b) The provisions of this clause shall only be applicable to technical data, such as handbooks, service manuals, or other information necessary for the proper maintenance or servicing of the end items called for herein.

Remarks: Use the following clause in contracts when called for in the U.S. Contract.

Z2000C (1992/04/01) Patent Indemnity (Predetermined)

The Contractor shall indemnify CCC and the U.S. Government and their officers, agents, and employees against liability including costs, for infringement of any United States letters patent (except letters patent issued upon an application which is now or may hereafter be kept secret or otherwise withheld from issue by order of the U.S. Government) or Canadian patent arising out of the manufacture or delivery of supplies under this Contract, or out of the use or disposal by or for the account of the U.S. Government of such supplies. The foregoing indemnity shall not apply unless the Contractor shall have been informed as soon as practicable by CCC or the U.S. Government of the suit or action alleging such infringement, and shall have been given such opportunity as is afforded by applicable laws, rules or regulations to participate in the defence thereof; and further, such indemnity shall not apply if:

(i) the infringement results from compliance with specific written instructions of CCC directing a change in the supplies to be delivered or in the materials or equipment to be used, or directing a manner of performance of the Contract not normally used by the Contractor;

(ii) the infringement results from the addition to, or change in, the

supplies furnished or construction work performed, which addition or change was made subsequent to delivery or performance by the Contractor; or

(iii) the claimed infringement is settled without the Contractor's consent, unless required by final decree of a court of competent jurisdiction.

Remarks: Use the following clause in contracts when called for in the U.S. contract (if the amount of the contract exceeds $10,000).

Z2001C (1992/04/01) Patent and Copyright Infringement

(a) The Contractor shall report to CCC promptly and in reasonable written detail, each notice or claim of patent or copyright infringement based on the performance of this Contract of which the Contractor has knowledge;

(b) In the event of any claim or suit against CCC and/or the U.S. Government, on account of any alleged patent or copyright infringement arising out of the performance of this Contract or out of the use of any supplies furnished or work or services performed hereunder, the Contractor shall furnish to CCC, upon request, all evidence and information in the Contractor's possession pertaining to such suit or claim. Such evidence and information shall be furnished at the expense of CCC except where the Contractor has agreed to indemnify CCC and/or the U.S. Government.

Remarks: Use the following clause in contracts when called for in the U.S. Contract.

Z2002C (1992/04/01) Authorization and Consent

The U.S. Government hereby gives its authorization and consent (without prejudice to its rights of indemnification) for all use and manufacture, in the performance of this Contract or any part hereof or any amendment hereto or any subcontract hereunder (including any lower-tier subcontract), of any patented invention described in and covered by a patent of the United States

(i) embodied in the structure or composition of any article the delivery of such is accepted by the U.S. Government under this Contract; or

(ii) utilized in the machinery, tools, or methods, the use of which necessarily results from compliance by the Contractor or the using subcontractor with (i) specifications or written provisions now or hereafter forming a part of this Contract, or (ii) specific written instructions given by the U.S. Contracting Officer directing the manner of performance. The Contractor's entire liability to the U.S. Government for patent infringement shall be determined solely by the provisions of the indemnity clauses, if any, included in the Contract and the U.S. Government assumes liability for all other infringement to the extent of the authorization and consent hereinabove granted.

Remarks: Use the following clause in contracts when called for in the U.S. Contract.

Z2003C (1992/04/01) Reporting of Royalties

The Contractor shall report in writing to CCC during the performance of this Contract the amount of royalties paid or to be paid by the Contractor directly to others in the performance of this Contract. The Contractor shall also furnish in writing any additional information relating to such royalties as may be requested by CCC.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the U.S. contract provides for duty-free entry. U.S. Government prime contract number must be inserted in subparagraphs a) and b).

Z2200C (1992/04/01) Duty-free Entry

The goods covered by this Contract are entitled to duty-free entry into the United States. To facilitate execution of duty-free entry certificates by the U.S. Government, the following notation is to appear on all shipping documents, e.g., packing lists, DD 250's or Pro-Forma invoices:

(a) U.S. Military addresses:

U.S. Government Prime Contract Number: _____

"United States Government, Department of Defence - Duty-free entry to be claimed pursuant to Section XXII, Chapter 98, Subchapter VIII, Item No. 9808.00.30, Harmonized Tariff Schedule of the United States. Upon arrival of shipment at the appropriate port of entry, District Director of Customs is requested to release shipment under 19 CFR 142 and notify Commander, Defense Logistics Agency, DCMAO New York, ATTN: DCMDN-GNNC, Customs Branch, Room 955, 201 Varick St., New York, N.Y. 10014-4811, for execution of Customs forms 7501, 7501A, or 7506 and any required duty-free entry certificates."

(b) Other (Non-U.S. Military addresses):

U.S. Government Prime Contract Number: _____

United States Government, Department of Defense - Duty-free entry to be claimed pursuant to Section XXII, Chapter 98, Subchapter VII, Item No. 9808.00.30, Harmonized Tariff Schedule of the United States. Upon arrival of shipment at the appropriate port of entry, District Director of Customs is requested to release shipment under 19 CFR 142 and notify Commander, Defense Logistics Agency, DCMAO New York, ATTN: DCMDN-GNNC, Customs Branch, Room 955, 201 Varick St., New York, N.Y. 10014-4811, for execution of Customs forms 7501, 7501A, and 7506 and any required duty-free entry certificates."

(c) All shipping documents submitted to Customs for which duty-free entry certificates are to be issued shall:

1. consign the shipments to the appropriate

(i) military department in care of the particular Contractor, including the Contractor's delivery address, or

(ii) the appropriate military installation;

2. bear the following information:

(i) prime Contract number plus delivery order, if applicable;

(ii) number of the subcontract/purchase order for foreign supplies, if applicable;

(iii) identification of carrier;

(iv) the notation: (identified above);

(v) gross weight in pounds (if freight is based on space tonnage, state cubic feet in addition to gross shipping weight);

(vi) estimated value in U.S. dollars; and

(vii) Activity Address Number of the Contract Administration Office (CAO) actually administering the prime Contract, e.g., for DCMAO Ottawa, DLA8NC.

The Contractor shall prepare a sufficient number of copies of the Bill of Lading (or other shipping document) so that at least two (2) of the copies accompanying the shipment will be available for use by the Collector of U.S. Customs at the port of entry. The Contractor shall also forward, at the time of shipment, a memorandum copy of the Bill of Lading (or other shipping document) to the U.S. Government representative designated in (a) and (b) above.

Remarks: Use the following clause in all contracts when stores are being exported.

Z2201C (1992/04/01) Customs Clearance

Form B13 (Customs Export Entry Form) must accompany shipments under the following circumstances for all goods:

(a) exported in transit from Canada through the United States (FMS contracts):

(b) exported to a country other than the United States; or

(c) that fall within the following Canadian tariff classification:

(i) Airplanes (8802.30.00; 8802.40.00)

(ii) Satellites & Telecommunication equipment (8802.50.10; 8802.50.90)

(iii) Simulators (8805.20.00)

(iv) Ships & Boats (8901.10.00; 8901.20.00; 8901.30.00; 8901.90.10; 8901.90.90; 8902.00.10; 8902.00.20)

(v) Uranium (2612.10.00; 2844.10.00)

(vi) Gold (2616.90.00; 7108.11.00; 7108.12.00; 7108.13.10; 7108.13.20; 7108.20.00; 7109.00.00; 7112.10.00; 7115.90.90; 7118.90.00).

In completing form B13:

(a) Canadian Commercial Corporation, Ottawa, Canada, must be shown as the exporter;

(b) CCC exporter No. MAQ616025 is to appear in "Block No." just above CCC's name;

(c) Forms are to be signed by the Contractor as authorized agent of Canadian Commercial Corporation and show the name of the Contractor in full.

N.B. ALL OTHER SHIPMENTS OF GOODS, NOT INCLUDED IN THE ABOVE DO NOT REQUIRE COMPLETION OF FORM B13.

Remarks: Use the following clause in contracts when contractors or their vendors are importing articles or material from the U.S. for the use in defence production or development sharing contracts.

Z2202C (2000/05/12) Remission of Customs Duties & Taxes

1. Goods purchased in or imported into Canada for use solely and exclusively in the performance of this Contract, which will not be altered so as to lose their identity and are or will become the property of the United States Government, will, provided the Contractor receives specific authorization from Commercial Canadian Corporation, be entitled to:

   (a) remission of customs duties, and exemption from payment of sales and excise taxes, ordinarily payable on importation of the goods into Canada; and

   (b) exemption from payment of the sales and excise taxes ordinarily payable on purchase of the goods in Canada.

2. The details and procedures are set out in the Canada Customs and Revenue Agency Memorandum D8-9-1, Defence Production and Development

Sharing, as authorized by Order-in-Council PC 1970-1913, which is available from local Customs and Excise offices.

Remarks: Use the following clause in contracts when the end item being produced will remain in Canada as property of the U.S. Government.

Z2203C (2000/05/12) Remission of Customs Duties & Taxes

1. Goods purchased in or imported into Canada for use solely and exclusively in the performance of this Contract, which will not be altered so as to lose their identity and are or will become the property of the United States Government, will, provided the Contractor receives specific authorization from the Commercial Canadian Corporation, be entitled to:

   (a) remission of customs duties, and exemption from payment of sales and excise taxes, ordinarily payable on importation of the goods into Canada; and

   (b) exemption from payment of the sales and excise taxes ordinarily payable on purchase of the goods in Canada.

2. The details and procedures are set out in Canada Customs and Revenue Agency Memorandum D7-3-11, Joint Canada - United States Projects Drawback Regulations, which is available from local Customs and Excise offices.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts if called for in the U.S. Contract.

Z2400C (1992/04/01) Variation in Quantity

No variation in the quantity of the item called for herein will be accepted, unless such variation has been caused by conditions of loading, shipping or packing or allowances in manufacturing processes and then only to the extent of (insert percentage as specified in U.S. Contract) _____ .

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts if called for in the U.S. Contract.

Z2401C (1992/04/01) Variation in Quantity

The quantity stated herein is MINIMUM and must be delivered. An overshipment

not in excess of (insert amount as specified in U.S. Contract) _____ will be accepted and payment will be adjusted accordingly.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when the U.S. contract contains the "increase option" clause.

Z2402C (1992/04/01) Option to Increase Quantity

CCC reserves the right to increase the Contract quantity by an amount not to exceed _____ percent. Exercise of this option shall be by written notice from CCC within ____ days from _____, the date of award of this Contract. Unless otherwise agreed between CCC and the Contractor, it is understood that the quantities which may be added by exercise of this option will be supplied after delivery of the initial Contract quantity, at the same price and same delivery rate.

Remarks: Use the following clause in fixed price contracts when advance or progress payments are provided.

Z2600C (1992/04/01) Risk of Loss

Notwithstanding any other provision contained in this Contract, the risk of loss, theft or destruction of or damage to all materials, work in process and finished goods prior to delivery and acceptance thereof, shall be with the Contractor whether or not title shall be vested in Canadian Commercial Corporation by virtue of any payments having been made by CCC to the Contractor; and in the event of loss, theft or destruction thereof or damage thereto, the Contractor hereby agrees to repay to CCC the amount of any unliquidated progress or other payments received by the Contractor in respect thereof. The Contractor also agrees to insure and keep insured the same against fire and supplemental perils in the joint names of the Contractor and Canadian Commercial Corporation, with loss payable as their respective interests may appear, and to confirm in writing to the Canadian Commercial Corporation Contracting Officer that such insurance is in effect.

Remarks: Use the following clause in fixed price contracts when called for in the U.S. contract. To be used in conjunction with clause Z1600C.

Z2601C (1992/04/01) U.S. Government Delay of Work

(a) If the performance of all or any part of the Work is delayed or interrupted by an act of the Contracting Officer in the administration of this Contract, which act is not expressly or impliedly authorized by this Contract, or by the Contracting Officer's failure to act within the time specified in this Contract (or within a reasonable time if no time is specified), an adjustment (excluding profit) shall be made for any increase in the cost of performance of this Contract caused by such delay or interruption and the Contract modified in writing accordingly. Adjustment shall be made also in the delivery or performance dates and any other

contractual provision affected by such delay or interruption. However, no adjustment shall be made under this clause for any delay or interruption

(i) to the extent that performance would have been delayed or interrupted by any other clause, including the fault or negligence of the Contractor; or

(ii) for which an adjustment is provided or excluded under any other provision of this Contract.

(b) No claim under this clause shall be allowed

(i) for any costs incurred more than twenty (20) days before the Contractor shall have notified the Contracting Officer in writing of the act or failure to act involved; and

(ii) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of such delay or interruption, but not later than the date of final payment under the Contract.

(c) For the purpose of this clause the term "Contracting Officer" shall be deemed to mean the U.S. Contracting Officer responsible for administration of the Contract between the U.S. Government and Canadian Commercial Corporation.

Remarks: Use the following clause in conjunction with clause Z1800C in all contracts which provide for progress payments.

Z2602C (1999/06/21) Liens Under Section 427 of the Bank Act

1. If any lien under section 427 of the *Bank Act* exists in respect of any materials, parts, work-in-process or finished work for which the Contractor claims or intends to claim payment, the Contractor hereby agrees to inform Canadian Commercial Corporation (CCC) without delay, and the Contractor further agrees, unless otherwise instructed by CCC, either:

   (a) to cause the bank to remove such lien forthwith and to furnish CCC with written confirmation thereof from the bank; or

   (b) to furnish or cause to be furnished forthwith to CCC an undertaking from the bank to CCC that the bank will not make any claim under section 427 of the *Bank Act* upon materials, parts, work-in-process or finished work in respect of which payment is made to the Contractor under this Contract.

2. Failure by the Contractor to inform CCC of any such lien or failure by the Contractor to implement paragraphs (a) or (b) above shall constitute default under the clause entitled "Default by Contractor" in the General Conditions of the Contract, entitling CCC to terminate the Contract.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when progress payments are provided for on a fixed price contract.

Z2603C (1997/09/15) Progress Payments

1. Progress payments will be made not more frequently than once a month upon the following terms and conditions:

(a) Progress Claims shall be completed in full, including a brief report of the progress of the Work to the date of the claim, and submitted to Canadian Commercial Corporation (CCC) on form PWGSC-TPSGC 1111, Claim for Progress Payment.

(b) All the certificates appearing on the said form are to be signed by or for the respective persons indicated thereon.

(c) Payments will be made up to ____ percent of the claimed amounts approved by CCC, but in no event will cumulative payments exceed ____ percent of the Contract value.

(d) Each claim will show:

(1) expenditures during the claim period detailed in accordance with the basis and/or method of payment terms of the Contract;

NOTE: Pro-rated profit not allowed.

(2) sales taxes (where applicable);

(3) Goods and Services Tax or Harmonized Sales Tax (where applicable);

(4) holdback at ____ percent.*

*__NOTE:__ Percentage factor to be shown on form CCC 747A.

Conditions Precedent to Payment

1. No payment shall be made to the Contractor, unless and until:

(a) invoices, inspection notes and other documents prescribed by CCC are submitted in accordance with the terms of the Contract or instructions of CCC;

(b) with respect to all materials, parts, work in process or finished work, the cost of which has been paid by the Contractor and in respect of which payment is being made by CCC, the Contractor, if required to do so, establishes to the satisfaction of CCC that the materials, parts, work in process or finished work are free from all claims, liens, attachments, charges or encumbrances;

(c) with respect to all materials, parts, work in process or finished work, the costs of which have accrued in the accounts of the Contractor as a liability to be discharged in the normal course of business and in respect of which materials, parts, work in process or finished work payment is being made by CCC, the Contractor, if required to do so, establishes to the satisfaction of CCC that the payment to be made by CCC shall be used only for the purpose of discharging such liability and that upon such discharge the materials, parts, work in process or finished work shall be free from all claims, liens, charges or encumbrances; and

(d) in the case of payment in respect of finished work, such finished work has been inspected and accepted in accordance with the terms of this Contract.

Method of Payment

1. Payment by CCC to the Contractor for the Work shall be made:

(a) in the case of a progress payment other than the final payment, within thirty (30) days following the date of receipt of a duly completed progress claim, form PWGSC-TPSGC 1111;

(b) in the case of a final payment, within thirty (30) days following the date of receipt of a duly completed final progress claim, form PWGSC-TPSGC 1111, or within thirty (30) days following the date on which the Work is accepted, whichever date is the later;

(c) in the case of a final payment against a 'fixed-price Contract', within thirty (30) days following the date of receipt of a final invoice together with supporting documentation.

If CCC has any objection to the form of an invoice, within fifteen (15) days of its receipt, CCC shall notify the Contractor of the nature of the objection and payment shall be delayed until thirty (30) days after the objection is resolved to the satisfaction of CCC.

Liquidation

Except as provided in the Termination for Convenience clause, all progress payments shall be liquidated by deducting from any payment under this Contract, other than advance or progress payments, the unliquidated progress payments, or ____ percent of the amount invoiced, whichever is less. The Contractor shall repay to CCC any amounts required by a retroactive price reduction, after computing liquidations and payments on past invoices at the reduced prices and adjusting the unliquidated progress payments accordingly.

Title

1. Title to the property described in this clause shall vest in CCC. Vestiture shall be immediately upon the date of this Contract, for property acquired or produced before that date. Otherwise, vestiture shall occur when the property is or should have been allowable or properly chargeable to this Contract.

2. "Property" as used in this clause, includes all of the items listed in subsections (a) through (d) below by the Contractor that are or should be allowable or properly chargeable to this Contract under sound and generally accepted accounting principles and practices:

   (a) parts, materials, inventories, and work in process;

   (b) special tooling and special test equipment to which the U.S. government is to acquire title under any other clause of this Contract;

   (c) nondurable (i.e. non-capital) tools, jigs, dies, fixtures, mods, patterns, taps, gauges, test equipment, and other similar manufacturing aids, title to which would not be obtained as special tooling under subsection (b) above; and

   (d) drawings and technical data, to the extent that the Contractor or its subcontractors are required to deliver them to CCC by other clauses of this Contract.

3. The Contractor may sell any scrap resulting from production under this Contract without CCC's approval, but the proceeds shall be credited against the Contract Price.

4. To acquire for its own use or to dispose of property to which title is vested in CCC under this clause, the Contractor must obtain CCC's advance approval of the action and the terms. The Contractor shall

   (a) exclude the allowable costs of the property from the costs of Contract performance; and

   (b) repay to CCC any amount of unliquidated progress payments allowable to the property. Repayment may be by cash or credit memorandum.

5. When the Contractor completes all of the obligations under this Contract, including liquidation of all progress payments, title shall vest in the Contractor for all property (or the proceeds thereof) not:

   (a) delivered to, and accepted by, CCC under this Contract; or

   (b) incorporated in supplies delivered to, and accepted by, the U.S. government under this Contract and to which title is vested in the U.S. government under this Contract.

6. The terms of this Contract concerning liability for Government-furnished property ceases to apply to property to which the Contractor has acquired title solely under this clause.

Risk of Loss

Before delivery to and acceptance by CCC, the Contractor shall bear the risk of loss of or damage to property, the title to which vests in CCC under this Contract, except to the extent otherwise provided in the Contract. The Contractor shall repay CCC an amount equal to the unliquidated progress payments that are based on costs allowable to property that is damaged, lost, stolen, or destroyed.

Control of Costs and Property

The Contractor shall maintain an accounting system and controls adequate for the proper administration of property.

Reports and Access to Records

The Contractor shall promptly furnish to CCC reports, certificates, financial statements, and other pertinent information reasonably requested by CCC for the administration of this clause. CCC shall have the right at any reasonable time to examine the Contractor's records and accounts in regard to property.

Remarks: Use the following clause in contracts if called for in the U.S. Contract.

Z2604C (1992/04/01) Technical Data - Withholding of Payment

(a) If Technical Data II (as defined in the clause of this Contract entitled "DATA"), or any part thereof, specified to be delivered under this Contract, is not delivered within the time specified by this Contract or is deficient upon delivery (including having restrictive markings not specifically authorized by this Contract), CCC may, until such data is accepted by the U.S. Government, withhold payment to the Contractor of ten (10) percent of the total Contract Price or amount, unless a lesser withholding is specified in this Contract. Payments shall not be withheld nor any other action taken pursuant to this paragraph when the Contractor's failure to make timely delivery or to deliver such data without deficiencies arises out of causes beyond the control and without the fault or negligence of the Contractor.

(b) After payments totalling ninety (90) percent of the total Contract Price or amount have been made to the Contractor and if all technical data specified to be delivered under this Contract has not been accepted, CCC may withhold from further payment such sum as it considers appropriate, not exceeding ten (10) percent of the total Contract Price or amount, unless a lesser withholding limit is specified in this Contract.

(c) The withholding of any amount or subsequent payment to the Contractor shall not be construed as a waiver of any rights of CCC under this Contract.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when called for in the U.S. Contract.

Z2605C (1992/04/01) Value Engineering Incentive

As provided for in U.S. Contract no. ____ which includes the following:

This clause applies to cost reduction proposals initiated and developed by the Contractor for changing the drawings, designs, specifications, or other requirements of this Contract. This clause does not, however, apply to any such proposal unless it is identified by the Contractor, at the time of its

submission to the U.S. Contracting Officer, as a proposal submitted pursuant to this clause. The cost reduction proposals contemplated are those that:

(a) would require, in order to be applied to this Contract, a change to this Contract; and

(b) would result in savings to the U.S. Government by providing

1. a decrease in the cost of performance of this Contract, without impairing any of the items' essential functions and characteristics such as service life, reliability, economy of operation, ease of maintenance, and necessary standardized features; or

2. items, regardless of the acquisition cost, producing a net reduction in the cost of government-furnished property, operations, maintenances, or other areas which exceed any increased acquisition cost, without impairing any of the items' essential functions and characteristics.

Any Value Engineering Proposal must include the information outlined in sub clause 2) of the Value Engineering Incentive clause of the Contract between CCC and the U.S. Government and be submitted in accordance with instructions from the U.S. Contracting Officer.

In connection with the Value Engineering Incentive clause, the Contractor will receive a share percentage of all savings in the amount of ___ percent of the savings under this Contract plus ___ percent of the projected collateral savings and _____ percent of the savings payments for a period of two (2) years.

NOTE: See U.S. Contract for percentage factors.

Remarks: Use the following clause in contracts which provide for payment in U.S. Funds.

Z2800C (1992/04/01) Prices

The prices to be paid for supplies or services delivered under this Contract are in U.S. funds and shall not be subject to adjustment for losses or gains resulting from fluctuation in exchange rates, the risk of which is for the Contractor's account.

Remarks: Use the following clause in contracts when called for in the U.S. Contract.

Z2801C (1992/04/01) Price Escalation

(a) The Contractor warrants that the unit prices stated herein, excluding any part of the prices which reflects requirements for preservation, packaging and packing beyond standard commercial practice, are not in excess of the Contractor's applicable established prices in effect on the date set for opening the bids (or the Contract date, if this is a negotiated Contract

rather than one entered into by means of formal advertising) for like quantities of the supplies covered by this Contract.

(b) The Contractor shall promptly notify the Contracting Officer specified herein as to the amount and effective date of each decrease in any established price, and each applicable unit price under this Contract shall be decreased by the amount of the decrease in the applicable established price. Any such decrease in a unit price shall apply to those supplies delivered on and after the effective date of the corresponding decrease in the Contractor's established price, and this Contract shall be amended accordingly. The Contractor shall certify on each invoice submitted under the Contract that each unit price stated therein reflects all decreases, if any, which the Contractor has made in the established price applicable thereto since the date set for opening of bids (or the Contract date, if this is a negotiated Contract rather than one entered into by formal advertising), or shall certify on the final invoice that all such decreases have been applied to supplies delivered on and after the effective date of each such decrease in the Contractor's established prices.

(c) The Contractor may, from time to time after the date of this Contract and during the performance hereof, by written notice to the CCC Contracting Officer, request an upward adjustment in any of the Contract unit prices to be effective as of a date to be specified by the Contractor. Such request shall be acted upon in accordance with the following provisions of this clause.

(d) An upward adjustment in a Contract unit price may be made under this clause only in accordance with the following conditions:

1. Such an upward adjustment shall be made only if the Contractor's applicable established price has increased subsequent to the date set for opening of bids (or the Contract date, if this is a negotiated Contract rather than one entered into by means of formal advertising).

2. No unit price shall be increased by an amount greater than the amount of the increase in the Contractor's applicable established price.

3. The aggregate of the increases in any unit price made under this clause shall not exceed ten (10) percent of the original unit price under the Contract.

4. No adjusted unit price shall be effective earlier than the effective date of the increase in the applicable established price, but if the Contractor's request for adjustment is received by the Contracting Officer more than ten (10) days after the effective date of the increase in the Contractor's applicable rate, no adjusted unit price shall be effective earlier than the date of receipt by the Contracting Officer of such request.

5. No upward adjustment in unit prices hereunder shall apply to supplies which were required by the Contract delivery schedule to be delivered prior to the effective date of the related increase in the applicable established price, unless the Contractor's failure to deliver supplies in accordance with the delivery schedule results from causes beyond the control and without the fault or negligence of the Contractor within the meaning of paragraph c) of the clause of this

Contract entitled "Default", in which case the Contract shall be amended to make an equitable extension of the delivery schedule.

(e) In the event the requested upward adjustment in a unit price under the Contract is acceptable to the CCC Contracting Officer, the Contractor shall be so notified by the Contracting Officer, and the Contract shall be amended accordingly. In the event the requested upward adjustment is not acceptable to the Contracting Officer, or if the Contracting Officer does not reach an agreement with the Contractor with respect to a price increase, the Contracting Officer may, within thirty (30) days after receipt of the Contractor's request, cancel, without liability to either party, the Contractor's right to proceed with performance of that portion of the Contract which is undelivered at the time of such cancellation, except that the Contractor may make delivery of all or any of the supplies which a duly authorized officer of the Contractor shall certify were completed or in the process of manufacture at the time of receipt of notice of such cancellation. In such event, CCC shall pay for all supplies so delivered at the applicable unit price contained in the Contractor's request, and the Contract shall be amended accordingly provided that such certification is made within ten (10) days after receipt of notice of such cancellation, and provided further than such requested increase satisfies all of the conditions and does not exceed the limitations of paragraph (d). In the event this Contract is for standard steel supplies, they shall be deemed to be in the process of manufacture when the steel therefor is in any state of processing after the beginning of the furnace melt.

(f) During the period after the Contractor has requested an upward adjustment, and prior to an agreement between the parties with respect to the request, or cancellation of the Contract pursuant to paragraph (e), the Contractor shall be paid for deliveries of the item in respect of which the adjustment was requested at the applicable increased unit prices as requested, provided that such requested increases satisfy all the conditions and do not exceed the limitations of paragraph (d), and provided further that if the parties agree on an increase less than that requested, payments previously made at the requested amount shall be adjusted accordingly. If the CCC Contracting Officer neither reaches an agreement with the Contractor on the requested adjustment, nor cancels the Contract, then the Contractor shall be paid therefor at the applicable increased unit prices as requested, provided that such requested increases satisfy all the conditions and do not exceed the limitations of paragraph (d).

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in the final amendment to all cost reimbursement type contracts.

Z2802C (1992/04/01) Release and Reimbursements

A. RELEASE - COST TYPE CONTRACT: Pursuant to the terms of this Contract and in consideration of the sum of $_____, which has been or is to be paid to the Contractor or its assignees, if any, the Contractor, upon payment of the said sum by CCC, remises, releases, and discharges CCC, its officers, agents, and employees of and from all liabilities, obligations, claims and demands whatsoever under or arising from this Contract, except specified claims in stated amounts or in estimated amounts where the amounts are not susceptible

of exact statement by the Contractor, as follows:

1. claims, together with reasonable expenses incidental thereto, based upon the Contractor's liabilities to third parties arising out of the performance of this Contract, which are not known to the Contractor on the date of the execution of this release and of which the Contractor will give notice in writing to CCC within the period specified in this Contract;

2. claims for reimbursement of costs (other than the Contractor's expenses by reason of its indemnification of CCC against patent liability), including reasonable expenses incidental thereto, incurred by the Contractor under the provisions of this Contract relating to patents.

The Contractor agrees, in connection with patent matters and with claims which are not released as set forth above, that it will comply with all of the provisions of this Contract, including without limitation those provisions relating to notification to CCC and relating to the defense or prosecution of litigation.

B. CONTRACTOR'S ASSIGNMENT OF REFUNDS, REBATES, CREDITS, AND OTHER AMOUNTS: Pursuant to the terms of this Contract and in consideration of the reimbursement of costs, as provided herein and any assignment hereunder, the Contractor hereby:

a) assigns, transfers, sets over and releases to CCC all right, title and interest to all refunds, rebates, credits, and other amounts (including any interest thereon) arising out of the performance of this Contract, together with all the rights of action accrued or which may hereafter accrue hereunder;

b) agrees to take whatever action may be necessary to effect prompt collection of all such refunds, rebates, credits, and other amounts (including any interest thereon) due or which may become due, and to promptly forward to the CCC Contracting Officer cheques (made payable to Canadian Commercial Corporation) for any proceeds so collected. The reasonable costs of any such action to effect collection shall constitute allowable costs when approved by the CCC Contracting Officer as stated in this Contract and may be applied to reduce any amounts otherwise payable to CCC under the terms hereof;
c) agrees to cooperate fully with CCC as to any claim or suit in connection with refunds, rebates, credits, or other amounts due (including any interest thereon); to execute any protest, pleading, application, power-of-attorney, or other papers in connection herewith; and to permit CCC to represent the Contractor at any hearing, trial or other proceeding, arising out of such claim or suit.

Remarks: Use the following clause in all contracts when the Canadian contractor has engaged or may engage representatives.

Z2803C (1992/04/01) Representative's Remuneration

The Contractor agrees that if sales agents or representatives are to be

employed or sales fees or commissions are to be paid as part of the Contract Price:

(i) the agreement made between the Contractor and the sales agents or representative shall be formally written and be in accordance with sound business practices;

(ii) any remuneration will be justifiable and reasonable in relation to the size and nature of the Contract; and

(iii) no action will be taken by the Contractor that would violate the laws of Canada or the laws of the United States of America.

Remarks: Use the following clause in contracts when called for in the U.S. Contract.

Z2804C (2001/12/10) Price Adjustment

1. In conjunction with and pursuant to the provisions of clause J-74, the Contractor may, within 110 days after date of shipment of the supplies, inform the Canadian Commercial Corporation (CCC) project officer, in writing,

   (a) that the Contract unit prices are subject to upward adjustment; or
   (b) that the Contract unit prices are subject to downward adjustment; or
   (c) certifying that there is no decrease in the Contract unit prices.

2. If the appropriate U.S. Bureau of Labor indexes are not available to meet the above time frame, the Contractor must apply to CCC for an extension of time.

3. The Contractor's request for an upward adjustment or downward adjustment must be supported with copies of the applicable U.S. Bureau of Labor indexes. An information copy of the claim is to be sent by the Contractor to:

   Defense Logistics Agency (USA)
   Defense Contract Management Americas (Canada)
   200 - 275 Bank Street
   Ottawa, Ontario K2P 2L6

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts when Public Works and Government Services Canada (PWGSC) has authorized use of a priority rating.

PWGSC is authorized to use the United States (U.S.) Defense Priorities and Allocations System (DPAS) regulation through annual applications to the U.S. Department of Commerce. In operating under those authorities, PWGSC has a responsibility to monitor and report on the use of priority ratings.

Therefore, when the following clause is inserted in contracts dealing with Canadian Commercial Corporation contracts, the contracting officer is responsible to report its use by sending a copy of the contract either in PDF format to the Defence Priorities and Allocations Officer, by e-mail to: ACQBDefencePriorities.DGAPrioritesdedefense@tpsgsc-pwgsc.gc.ca, PWGSC, or a hardcopy by fax at: 819-956-1459.

NOTE: A threshold of US$50,000 is included in the U.S. DPAS regulation (15 CFR Part 700.17), where it is stated that for contracts under this value, a priority rating is not required "provided that delivery can be obtained in a timely fashion without the use of the priority rating."

Contracting officers must consult 3.190 of the Supply Manual for more information on the application of a priority rating.

Z3000C (2010/01/11) Priorities - United States Purchases

1. This is an urgent United States (U.S.) government defence requirement and use of a U.S. priority rating is authorized and assigned. This priority rating is valid only for the purchase of materials, sub-assemblies and components (excluding controlled goods) by the Contractor directly from U.S. contractors up to a total of US$ _____. If the Contractor exceeds the dollar limitation, the Contractor is authorized to proceed with the purchase order while providing the Defence Priorities and Allocations Officer, Public Works and Government Services Canada (PWGSC), with details of the additional amount required, either by e-mail to: ACQBDefencePriorities.DGAPrioritesdedefense@tpsgsc-pwgsc.gc.ca, or by facsimile at 819-956-1459.

2. The assigned U.S. priority rating, required delivery date, signature of an individual authorized to sign rated orders, and the following certification must be placed on or attached to the Contractor's purchase order to U.S. contractors:

   "This is a rated order certified for national defense use, and the Contractor is required to follow all the provisions of the United States Defense Priorities and Allocations Systems regulation (15 CFR Part 700)."

3. Assigned U.S. priority ratings may not be extended within Canada. In consequence, when further materials are imported through the Contractor's Canadian subcontractors or distributors, the following paragraph must be added in the purchase order with the Canadian subcontractor:

   "**PRIORITY ASSISTANCE**: This is an urgent defence requirement. If the Contractor is importing any material/service from United States (U.S.) for the fulfilment of the Contract, contact the Defence Priorities and Allocations Officer, Public Works and Government Services Canada , to request a U.S. priority rating."

4. The Contractor must keep for a period of three (3) years, and provide to Canada, on request, a record of its authority to use the rating authorization and of all the uses made of it by the Contractor.

5. Special Priority Assistance:

If the Contractor needs assistance in obtaining delivery under a delinquent rated order with a U.S. contractor, the Contractor should contact the Defence Priorities and Allocations Officer, PWGSC.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts requiring the Production Progress Report, DD Form 375, when the U.S. contract is from an agency other than the Defense Industrial Supply Center (DISC). Enter "No. of copies" and "Name and Address" from the U.S. Contract.

Z3200C (2001/12/10) Production Progress Report

The Contractor shall prepare the DD Form 375, Production Progress Report, both on a monthly basis and exception to the Contract delivery schedule basis. DD Form 375 shall be submitted monthly and no later than the second work day of the subsequent month. DD Form 375 will be distributed as follows:

No. of copies	**Name and Address**
_____	_____
_____	_____
_____	_____.

Remarks: THIS CLAUSE IS TO APPEAR IN FULL TEXT IN PROCUREMENT DOCUMENTS. Use the following clause in contracts requiring the Production Progress Report, DD Form 375, when the U.S. contract is from the Defense Industrial Supply Center (DISC). Check either 1.(a) or 1.(b) as appropriate. Enter "No. of copies" and "Name and Address" from the U.S. Contract.

Z3201C (2001/12/10) Production Progress Report

1. The Contractor shall prepare the Production Progress Report, DD Form 375,

   (a) on a monthly basis;

   (b) on an exception to the Contract delivery schedule basis. DD Form 375 shall be submitted monthly and no later than the second work day of the subsequent month. DD Form 375 will be distributed as follows:

No. of copies	Name and Address
_____	_____
_____	_____
_____	_____

Remarks: Use the following clause in all contracts requiring Progress Reports, form DD 375.

Z3202C (1992/04/01) Progress Report Instructions

Section 1 - Form DD 375:

(a) All entries on the Monthly Production Progress Report representing "actual" data will be as of the close of the "report month". The "report month" is that month immediately preceding the month in which the form is due from the Contractor. All entries representing "forecast" data will be as of the case of the period identified in the respective column heading. The terms "Contract Quantity" and "Contract Schedule" refer to the official Contract quantity or schedule as amended, and in effect at the close of the "report month".

(b) The term "delivery", when used to reflect "actual" data, shall mean "acceptance" in those instances when the military services take title to the item at the place of manufacture and shall mean "shipment" in those instances when the services take title to the item at a point other than at the place of manufacture.

Remarks: Use the following clause in contracts for Miniature and Instrument Ball Bearings or in contracts for articles containing Miniature and Instrument Ball Bearings.

Z3400C (1992/04/01) Miniature and Instrument Ball Bearings

The following clause shall be applicable to Miniature and Instrument Ball Bearings, as defined herein, to be supplied under the Contract and to articles containing Miniature and Instrument Ball Bearings, as defined herein, to be supplied under the Contract.

(a) For the purposes of this clause:

1. "Miniature and Instrument Ball Bearings" are all rolling contact ball bearings with a basic outside diameter (exclusive of flange diameters) of thirty (30) millimeters or less, irrespective of material, tolerance, performance of quality characteristics; and

2. "Domestic" means manufactured in the United States or Canada and, when ball bearing assembly is involved, all components of the bearing must also have been manufactured in the United States or Canada.

(b) The Contractor agrees that end items and components thereof delivered under this Contract shall contain Miniature and Instrument Ball Bearings that are of Domestic Manufacture only.

(c) The requirement in (b) above may be waived in whole or in part by CCC Contracting Officer when such waiver is determined to be in the interest of the U.S. Government. In the event a waiver is granted, the Contractor agrees to acquire, for non-government use, Domestic Miniature and Instrument Ball Bearings of a like quantity and type.

(d) The Contractor agrees to retain until the expiration of three (3) years from the date of final payment under this Contract and to make available during such period, upon request of CCC Contracting Officer, records showing

compliance with this clause.

(e) The Contractor agrees to insert this clause, including this subparagraph (e), in every subcontract and purchase order issued in performance of this Contract, unless it knows that the item being purchased contains no Miniature or Instrument Ball Bearings.