R E Q U E S T   F O R   P R O P O S A L

FOR

Financial Risk Modelling

Date issued: **March 28, 2014**

Solicitation File # : **201305433**

Solicitation Closes: **April 28, 2014**

Originating Department: ITD

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1 SECTION 1 GENERAL INFORMATION

1.1 Overview of Section 1

The purpose of this section is to provide general information about Canada Mortgage and Housing Corporation (CMHC) and this Request for Proposal (RFP). All capitalized terms in this document have the meaning ascribed to them within the RFP document, the draft agreement, or in certain cases, are terms that are in common usage at CMHC.

1.2 Introduction and Scope

CMHC wishes to enter into an Agreement with a supplier (hereafter referred to as the "Proponent") for the purpose of acquiring a Financial Risk Modelling (FRM) software to provide stress testing models with both stochastic and deterministic scenarios, in order to analyse risk, determine economic capital and develop strategies to manage capital for CMHC's Mortgage Insurance and Securitization business activities.

The value of this product and service is expected to range from $3,500,000 to $3,900,000 CDN, including all applicable taxes.

Canada Mortgage and Housing Corporation shall not be obligated in any manner whatsoever to any Proponent other than as agreed to by CMHC in writing.

More detailed specifications can be found in Section 3, "Statement of Requirements".

1.3 CMHC Background

CMHC is the Government of Canada's National Housing Agency, with a mandate to help Canadians gain access to a wide choice of quality, affordable homes. It is a Crown corporation, with a Board of Directors, reporting to Parliament through the Minister of Employment and Social Development, and Minister responsible for Canada Mortgage and Housing Corporation, the Honourable Jason Kenney.

CMHC has approximately 2,000 employees located at its National Office in Ottawa and at five Business Centres throughout Canada: Atlantic; Quebec; Ontario; British Columbia; and Prairies & Territories.

1.4 Purpose of Request for Proposal

CMHC uses a RFP to describe its requirements, ask Proponents for their proposed solutions, describe the criteria which will be used in evaluating proposals and selecting a lead Proponent, and outline the terms and conditions under which the successful Proponent will supply goods and/or services. In an RFP process, proposals and Proponents are evaluated in terms of ability to satisfy the stated requirements, while providing "best value" to CMHC with respect to its requirements. By submitting a proposal, Proponents agree to be bound by the terms of this RFP, and the terms of the proposal that they submit.

CMHC's contracting and procurement activities are decentralized among CMHC's National Office in Ottawa and the five Business Centres throughout Canada.

The policy pertaining to the selection of Proponents is based on the principle that all Proponents must be treated fairly and equally. Proponents are defined as an individual or firm that could provide, or has provided, goods or services or construction under contract.

CMHC utilizes the Supplier Information (SI) database, maintained by **Business Access Canada** as the Official CMHC source list. All Proponents **must** be registered with **Business Access Canada** prior to submitting a proposal. The Procurement Business Number (PBN) provided by **Business Access Canada** must be included with your proposal. If you are not registered, and you wish to do so, you may access **Business Access Canada** (**https://buyandsell.gc.ca/**) or you may call their Information Line at: 1-800-811-1148. Present suppliers not registered with Business Access Canada are required to self-register on the SI via the Business Access Canada Web site.

1.5   Schedule of Events

The following schedule summarizes significant target dates for the RFP process. The dates may be changed by CMHC at its sole discretion and shall not become conditions of any ensuing Agreement which may be entered into by CMHC and the selected Proponent.

Date	Activities
March 28, 2014	Request for Proposal issued
April 22, 2014	RFP Inquiry Period Closes
April 28, 2014	Submission Deadline
June, 2014	Evaluation and Selection short listed Proponents
June, 2014	Presentations (If required)
July, 2014	Selection of lead Proponent
July, 2014	Finalize Agreement with lead Proponent
July, 2014	Agreement award and Announcement
August, 2014	Debriefing to unsuccessful Proponents as requested

1.6   Mandatory Requirements

Throughout this RFP, certain requirements are identified as mandatory. A mandatory requirement is a minimum standard that a proposal must meet in order to be considered for further evaluation. Mandatory is defined as requiring substantial compliance as assessed by CMHC in its sole and absolute discretion.

Mandatory requirements are identified in:
• Section 2 Submission Instructions
• Section 3 Statement of Requirements
• Section 4 Proposal Requirements
• Section 6 Proposed Terms and Conditions, and

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- Appendix A, the Certificate of Submission.

Caution: Proposals which fail, in the reasonable discretion of CMHC, to meet any mandatory requirement will be eliminated from further consideration in the evaluation process. Notwithstanding the foregoing, CMHC reserves the right to waive or revise any mandatory requirements during the RFP process if a waiver or revision is necessary to meet the CMHC's intent in issuing the RFP, or to ensure that CMHC receives best value from the process. In the event that CMHC elects to waive a mandatory requirement, all proponents will be advised of the change in requirements and provided with an opportunity to revise their proposals as noted in section 2.4.

1.7   Proponent Feedback

CMHC aims to continuously improve its bid documents and procedures. CMHC welcomes input regarding Proponent experience in responding to its RFPs whether as a compliment or suggestion for future RFPs.

Proponents wishing to provide feedback may submit comments labelled as ***Proponent Feedback RFP # 201305433*** to the name and address provided in Section 2.4.

As CMHC does not wish to be perceived as influenced by such feedback in the award decision, Proponents are requested to submit their feedback after an Agreement award has been announced.

Any Proponent, who notes a material flaw in the RFP that could prevent the process from being conducted in a fair and objective manner, or that could prevent CMHC from receiving best value from the process, is asked to report the flaw to CMHC as soon as possible, using the inquiry process specified in Section 2.4.

1.8   Income Tax Reporting Requirement

As a federal Crown Corporation, CMHC is obliged under the Income Tax Act and Regulations to report payments made by CMHC to suppliers of goods and/or services by using a T1204 supplementary slip. CMHC must therefore obtain the necessary information from suppliers (including the Contractor's social insurance number and/or corporate identification number) in order to allow it to complete the T1204 supplementary slip. The Lead Proponent(s) will be required to complete and sign a Supplier - Direct Deposit and Tax Information Form (CMHC/SCHL 3085) prior to execution of any ensuing Agreement.

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2   SECTION 2   SUBMISSION INSTRUCTIONS

2.1   Overview of Section 2

The purpose of Section 2 is to inform the Proponents about CMHC's procedures and rules pertaining to this RFP process.

Proponents are advised that CMHC has provided, as Appendix C, a Mandatory Compliance Checklist for your benefit to complete prior to submission. This is to assist you in ensuring that you comply with all Mandatory criteria as non-compliance with a mandatory requirement will result in the proposal being eliminated from further consideration.

2.2   Certificate of Submission   Mandatory

The Certificate of Submission, Appendix A, summarizes some of the mandatory requirements set out in the RFP.   It is a mandatory requirement that a proposal include a Certificate of Submission (or an accurate reproduction) signed by the Proponent. Refer to Section 1.6 Mandatory Requirements.

Proponents must submit a signed Certificate of Submission as part of their proposal. Should a Proponent not include the signed Certificate of Submission the Proponent will be notified by CMHC and given 48 hours in which to meet this requirement.

2.3   Delivery Instructions and Deadline

Timely and correct delivery of proposals to the exact specified proposal delivery address is the sole responsibility of the Proponent. All risks and consequences of incorrect delivery of proposals are the responsibility of the Proponent. CMHC will not assume those risks or responsibilities under any circumstances. Proposals may be submitted in English or in French.

Delivery:
Number of copies
One (1) signed original and four (4) copies of the complete proposal minus the financial proposal are to be submitted plus one complete version on Compact Disk, DVD or one flash drive. One (1) Financial proposal is to be submitted in a separate sealed envelope from the main technical proposal.

Submission Format:
Proposals should be submitted in MS Word and Excel with copies in Adobe Acrobat.

Method of Sending
Proposals sent by facsimile machine or e-mail will not be accepted.

Packaging and Address
Proposals, including all supporting documentation, are to be sealed. The outermost packaging of the proposal, including any courier or delivery packaging, must indicate all of the following information and be addressed exactly as listed on the next page:

C1 Guard Station
Canada Mortgage and Housing Corporation
1st Floor, "C" Building
700 Montreal Road
Ottawa, Ontario K1A 0P7
PROPOSAL CALL: Financial Risk Modeling – 201305433

Proposals arriving late will be automatically rejected and returned, unopened, to the Proponent.

Submission Deadline   **Mandatory**
Your proposal must be **received** at the exact location as specified above on or before the submission deadline set as:

2:00 p.m. local Ottawa time, on April 28, 2014

Proposals arriving late will be automatically rejected, and the sender will be so notified by e-mail.

2.4   Inquiries

All questions regarding this RFP must be sent by e-mail or facsimile to the following:

Heather Forsyth
Tel: (613) 740-5466
Fax: (613) 748-2998
Email: hforsyth@cmhc-schl.gc.ca

Unless CMHC provides written confirmation of a change, revision or alteration to this RFP, it will not be binding on CMHC.

CMHC cannot guarantee a reply to inquiries received less than **seven (7) calendar days** prior to the closing date.

All written questions that are submitted, which in the opinion of CMHC affect all Proponents, will be answered by CMHC in writing and distributed to all Proponents by facsimile, e-mail or GETS. All identification related to the inquiry will be removed in the response. Any questions of a proprietary nature must be clearly marked. CMHC will determine, at its sole discretion, whether it will respond to the question.

In the event that it becomes necessary to revise any part of the RFP as a result of any inquiry or for any other reason, an addendum to this RFP will be provided to each Proponent to whom CMHC has issued this RFP by facsimile, e-mail or GETS.

2.5 Communication

During proposal evaluations, CMHC reserves the right to contact or meet with any individual Proponent in order to obtain clarification of its submission or to gain insight into the quality and scope of relevant services. A Proponent will not be allowed to add, change or delete any information during this process. CMHC is in no way obliged to meet with any or all Proponents for this purpose.

2.6 Proponent Contact

The Proponent shall name a person in their proposal to act as a primary contact for CMHC during the evaluation period. A secondary contact should also be provided for backup purposes. The main Proponent's contact information should also be listed on the front cover (outside) of the proposal

2.7 Offering Period   Mandatory

All responses must provide that the terms of the response including the pricing proposal, shall remain valid and binding on the Proponent for a period of _one hundred and twenty (120)_ days following the closing date.

2.8 Changes to Proposals

Changes to a proposal are permitted provided they are received as an addendum to, or clarification of, previously submitted proposal, or as a complete new proposal to cancel and supersede the earlier proposal. The addendum, clarification, or new proposal must be submitted as per the delivery instructions outlined in Section 2.3, be clearly marked **"REVISION"**, and be received no later than the submission deadline. In addition, the revised bid must include a description of the degree to which the contents are in substitution for the earlier proposal.

2.9 Multiple Proposals

Proponents interested in submitting more than one proposal for consideration may do so, providing that each proposal independently complies with the instructions, terms and conditions of this RFP.

2.10 Acceptable Alternative

An alternative to any portion of a proposal may be submitted and must be in a separate addendum to the proposal.

An acceptable alternative is one which CMHC considers satisfactory in meeting a mandatory requirement. CMHC at its sole discretion will determine if a proposed alternative meets the intent of the original mandatory requirement.

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2.11 No Liability

While CMHC has made considerable efforts to ensure that the information in this RFP is accurate and complete, it is possible that errors may exist. The information is not guaranteed or warranted to be accurate by CMHC, nor is it necessarily comprehensive or exhaustive. CMHC will have no liability of any kind to Proponents for losses or damages arising from any errors that may be found in the RFP, regardless of how the errors are caused. Proponents remain obliged to make their own investigation of relevant information and to form their own opinions and conclusions in respect of the matters addressed in this RFP.

By submitting a proposal, Proponents waive any claims or causes of action that they may have against CMHC or its representatives as a result of the conduct of this RFP process or any resulting contract award, except insofar as they have proof of wilful misconduct on the part of CMHC or its representatives. Proponents agree that they will not bring a court action or institute any other proceedings against CMHC for damages arising from the conduct of this RFP or any resulting contract award. This section is intended to be a complete waiver of the Proponent's right to claim damages subject to the limited exception noted above.

2.12 Verification of Proposals

A submitted proposal gives CMHC the authorization to conduct such additional investigation as it deems appropriate to verify the contents of the Proponent's proposal.

2.13 Ownership of Responses

All responses and related materials become the property of CMHC and will not be returned. CMHC will not reimburse the Proponent for any work related to, or materials supplied in the preparation of their proposal.

The Proponent warrants that the Proponent possesses all rights necessary to satisfy this requirement. The Proponent hereby certifies that it has waived, or has obtained a waiver in favour of CMHC, all moral rights in the proposal and related materials, and hereby assigns all rights in the material, as provided for in the law of copyright. The Proponent agrees to execute any document requested by CMHC acknowledging CMHC's ownership of the material and the waiver of moral rights therein.

All information regarding the terms and conditions, financial and/or technical aspects of the Proponent's proposal, which, in their opinion, are of a proprietary or confidential nature, must be clearly marked **"PROPRIETARY"** or **"CONFIDENTIAL"** at **each item** or at the **top of each page**. Proponents' documents and information so marked will be treated accordingly by CMHC. Notwithstanding the foregoing, Proponents are advised that as a Crown corporation, CMHC is subject to the federal legislation with respect to access to information and privacy.   Information submitted by third parties will be protected as permitted under that legislation, but may be required to be disclosed in specific circumstances.

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CMHC will take steps to protect Proponents' documents and information so marked from disclosure. Notwithstanding the foregoing, CMHC shall have no liability of any kind to Proponents based on the inadvertent or unintentional disclosure of proprietary information.

Proponents are further advised that as a Crown corporation, CMHC is subject to the federal legislation with respect to access to information and privacy.   In certain specific circumstances, information submitted to CMHC by third parties may be required to be disclosed pursuant to federal legislation. In such cases, to the extent reasonably possible, CMHC will make efforts to advise the Proponent of the required disclosure prior to releasing the information.

2.14 Proprietary Information

Information contained in this RFP is to be considered "Proprietary Information" and the Proponent is not to disclose this information to any party other than the Proponent's employees or agents participating in the response to this RFP.

2.15 Corporation Identification

The Proponent agrees not to make any use whatsoever of CMHC's name, logo or other official marks without the express written consent of CMHC.

2.16 Declaration with respect to Gratuities

In submitting its proposal, the Proponent certifies that no representative for the Proponent has offered or given a gratuity (e.g. an entertainment or gift) to any CMHC employee, Board member or Governor-in-Council appointee; and intended, by the gratuity, to obtain an Agreement or favourable treatment under any Agreement.

2.17 Conflict of Interest

The Proponent and its principals, employees and agents shall avoid any real, potential or apparent conflict of interest during the RFP process, and upon becoming aware of such a real, potential or apparent conflict, shall immediately declare the conflict to CMHC. The Proponent shall then, upon direction of CMHC, take steps to eliminate any conflict, potential conflict or perception that a conflict of interest exists.

In the event that a conflict of interest, real or potential, cannot be resolved to the satisfaction of CMHC, CMHC shall have the right to immediately eliminate the Proponent from consideration under the RFP or to terminate the resulting Agreement. Upon such elimination or termination, CMHC shall have no obligation of any nature or kind to the Proponent.

2.18 Declaration with respect to Bid Rigging and Collusion

In submitting its proposal, the Proponent certifies that:

(a) prices as submitted in its proposal have been arrived at independently from those of any other Proponent;
(b) the prices as submitted have not been knowingly disclosed by the Proponent, and will not knowingly be disclosed by the Proponent prior to award, directly or indirectly, to any other Proponent or competitor; and
(c) no attempt has been made, nor will be made, to induce any other person to submit, or not to submit, a proposal, for the purpose of restricting competition.

2.19 Security Clearance

CMHC requires employees of the selected Proponent to be security cleared in order to permit them access to CMHC premises or CMHC information when and if required. This process normally takes approximately 5 working days, but may take longer, depending on the circumstances. If they are not security cleared, the Proponent or its employees will require an escort by a CMHC employee if required to access CMHC premises and will not be granted access to CMHC information and systems.   At the time of contract award the selected Proponent will be required to start the security screening process.

2.20 Shortlist

The evaluation procedure may include the development of a shortlist of the highest-ranked Proponents in order to permit CMHC to gather additional information and conduct further evaluation of the proposals. The evaluation of shortlisted proposals will be based on the criteria outlined in *Section 3* of the RFP. Shortlisted Proponents may be asked to prepare a presentation, supply demonstration equipment and/or provide additional information prior to the final selection. CMHC reserves the right to supply additional information to those Proponents who are shortlisted to allow them to prepare their submissions.

2.21 Joint Venture Responses

Joint venture proposals should adequately represent and communicate the proposed participation and responsibilities of each company in the joint venture, and must provide a description of the proposed joint venture business arrangement which would be entered into by all parties upon receipt of an ensuing Agreement. The description must list the companies involved, indicate how long the business arrangement has been in existence, indicate the service(s) each respective party would be providing and describe the proposed participation and responsibility of each party.

The Proponent shall designate one of the partners as the contact person through whom any communication between the Proponent and CMHC will be channelled during the RFP process.

Joint venture responses must be accompanied by a signed Certification of Submission from each participating company. Refer to Section 2.2.

2.22 Intellectual Property Rights

All material, reports and other work product produced under this (RFP and the resulting Agreement) will be the sole property of CMHC. The Proponent warrants that the Proponent/Contractor is the only person who has or will have moral rights in the material created by the Proponent/Contractor and supplied under this RFP and any ensuing Agreement and the Proponent/Contractor hereby waives in favour of CMHC all of the Proponent's/Contractor's moral rights in the material, as provided for in the law of copyright. Upon the material coming into existence, the Proponent/Contractor agrees to execute any document requested by CMHC acknowledging CMHC's ownership of the material and work product and the waiver of the Proponent's/Contractor's moral rights therein.

2.23 Non-Disclosure of CMHC Information

Under this section, "CMHC Information" refers to any and all information of a proprietary or confidential nature which is managed, accessed, collected, used, disclosed, retained, received, created or disposed of in relation to this RFP process and any ensuing Agreement, however obtained. Without limiting the generality of the foregoing, CMHC Information includes data held in any type of electronic format and information provided directly, indirectly or through third parties to the Proponent, any subcontractor, reseller, agent or any other person engaged to perform the Work under this RFP and any ensuing Agreement.

The Proponent understands and agrees to treat all CMHC Information as proprietary, confidential and sensitive unless otherwise specifically agreed to in writing by CMHC. The Proponent shall restrict access to CMHC Information to such of its responsible employees and agents (collectively the "Representatives") who require such access in order to participate in this procurement process and any ensuing Agreement and the Proponent will impose upon all such Representatives obligations of confidentiality equivalent to those contained in this RFP and any ensuing Agreement.

The Proponent acknowledges and understands that all CMHC Information is subject to Canadian laws on privacy and access to information under which CMHC is bound and that CMHC considers CMHC information to be under its custody and control at all times.

Where disclosure of CMHC Information is required pursuant to a lawful requirement or for the purposes of complying with a subpoena or warrant lawfully issued or lawfully made by a court, person or body, the Proponent shall notify CMHC promptly after discovering the potential of disclosure of CMHC Information so that CMHC has the opportunity to seek a protective order or other appropriate remedy.

The Proponent also agrees that in the event that disclosure of CMHC Information is required by a valid and applicable law, it shall, in co-operation with CMHC, do all things reasonably possible to prevent access to CMHC Information including but not limited to taking appropriate legal action against disclosure, providing information and other assistance in order for CMHC to take appropriate legal action against disclosure and ensuring that disclosure is strictly limited to the information lawfully requested.

The Proponent shall ensure that CMHC Information shall remain in Canada and expressly agrees to segregate CMHC Information (whether in electronic format or in hard copy) from any other information in a database or repository physically independent from all other databases or repositories. Without limiting the generality of the foregoing, the Proponent shall not and shall ensure that any subcontractor, reseller, agent or any other person engaged to perform any part of the Services does not release, share or otherwise divulge CMHC Information to any other person including subsidiaries, branch offices, partners of the Proponent or subcontractors without the prior written consent of CMHC.

3   SECTION 3   STATEMENT OF REQUIREMENTS

3.1   Overview of Section 3

This section of the RFP is intended to provide the Proponent with the information necessary to develop a responsive proposal. The Statement of Requirements is a complete description of the tasks to be done, results to be achieved and the goods and services to be supplied.

Proponents should be made aware that CMHC has interacted with companies offering application software for financial risk modelling in order to assess the availability of products on the market and general functionalities of these products. During those interactions, certain information about CMHC was provided to those companies. Similar information is being provided in this RFP in this Statement of Requirements Section.

3.2   Mandatory Requirements

There are a number of mandatory requirements listed in the Statement of Requirements, Proponents are remained to refer to the definition of mandatory requirements in Section 1.6 and that a Mandatory Compliance Checklist is located at Section7.3 (APPENDIX C).

3.3   CMHC Financial Background Information

CMHC's mandate is carried out through four distinct business activities (segments). The first two segments are related to CMHC's commercial mandate and run as self-sustaining businesses while the latter two segments relate to CMHC's social housing mandate. The four business activities are:

Insurance – CMHC provides insurance against borrower default on residential mortgages. As at December 2012, insurance in-force totalled $566 billion. CMHC offers a wide variety of mortgage insurance products to Canadians, including insurance for purchase or refinancing loans for homeowners, and insurance for loans for rental accommodation, nursing and retirement homes.

Securitization - CMHC guarantees the timely payment of principal and interest for investors in securities through the National Housing Act (NHA) Mortgage Backed Securities and Canada Mortgage Bonds programs. As at December 2012, guarantees-in-force totalled $382 billion.

Housing Programs – CMHC receives Parliamentary appropriations to fund housing programs expenses and operating costs. As at December 2012, appropriations totalled $2.2 billion.

Lending – CMHC makes loans and investments in housing programs which are funded by borrowings from the Government of Canada. A significant number of these loans and investments are supported with housing program payments. As at December 2012, total assets for the lending segment totalled $14.6 billion and borrowings were $11.8 billion.

As at December 2012, CMHC's total assets were at $291.9 billion which included $277.9 billion in investments, securities and derivatives and $11.0 billion in loans. CMHC classifies its financial assets in the following categories: designated at fair market value, loans and receivables,

held to maturity, held for trading and available for sale. At the same date, CMHC's liabilities totalled $278.2 billion comprised mainly of $267.8 billion in borrowings and $6.9 billion in unearned fees and premiums. Financial liabilities are classified as designated at fair value and other financial liabilities.

CMHC has an external Variable Interest Entity (VIE) called Canada Housing Trust (CHT). CHT's financial statements are submitted to CMHC quarterly and at year end. These CHT financial statements are consolidated with CMHC's to provide complete financial result.

3.4   Financial Risk Modelling

CMHC is searching for a flexible financial risk modelling software solution to implement stress testing models with both stochastic and deterministic scenarios, in order to analyse risks, determine economic capital and develop strategies to manage capital for its mortgage insurance and/or Securitization business activities. CMHC's expectation is that the proposed solution will integrate, improve, streamline and secure processes for preparing, reporting and disseminating the financial results of risk modelling as required. CMHC anticipates the solution will provide an integrated tool to address CMHC's requirements as described in this RFP.

Currently, the solution used for stress testing at CMHC is implemented in Microsoft Excel spreadsheets. The current model is not user friendly and it does not meet evolving needs. The on-going maintenance and upkeep of data is very manual and hence slow, inefficient and subject to human error.   The selected software solution is meant to address these issues, and provide a platform to move CMHC forward.

CMHC uses stress testing to understand the sensitivity of its Mortgage insurance business to various economic and plausible adverse business scenarios, to validate CMHC's risk appetite, internal capital target and capital holding target, as well as to identify and assess other events or conditions that could impact CMHC's capital levels through reverse stress tests.

CMHC stress testing is currently conducted over a 5-year period, which corresponds to the annual Corporate Plan planning horizon. Mortgage insurance is a long term business and the shorter term horizons would not provide meaningful results.

CMHC measures its regulatory capital position monthly and reports quarterly on its capital adequacy to the Board of Directors. Stress testing results are presented annually to the Board of Directors and specific areas for concern are highlighted and options are made available for management decisions to deal with areas of concern, if required, based on the stress testing results. Adverse business and deterministic economic scenarios are chosen to reflect possible risks in the current environment that could adversely impact the Insurance Activity. Each business scenario is evaluated for a 30 year outcome using a set of 10,000 projections of economic variables on market-consistent basis, including real Gross Domestic Product (GDP) growth, unemployment rate, interest rates and both income and total returns for various investment asset classes. The stress testing includes 10 years of new business which then runs off over 20 years. CMHC uses historical data to model the impact of economic conditions on the volume of business written, short term changes in claim frequencies, claim severity, house price

inflation and the value of invested assets. The output of the model is a set of key financial and risk metrics, along with pro forma financial statements, for each scenario.

For its Securitization business lines, CMHC estimates its target capital requirements and reports quarterly on its capital adequacy to the Board of Directors. Target capital requirements are estimated based on risk distributions of default probability, exposure, and loss given default, taking into consideration netting against collateral arrangements.

3.5   Statement of Requirements

Proponents must respond to the following requirements based on the skills and experience of the individual(s) who will have primary responsibility for providing the Products and Services if their proposal is selected.

Please note the R/M/I in the header of the table has the following meaning:
R = Rated   M = Mandatory   I = Information

Item #	Requirement	R/M/I	Points Available	Weight / max points available
	3.5.1 Key Functional Requirements of the Software Solution Proposed			**845**
3.5.1.1	**Description** CMHC has identified a requirement to purchase a single or multiple software solution that will permit the implementation of the current approach to Financial Risk Modeling for Mortgage Insurance and Securitization as described above while providing for the following improvements to processes, models, and systems: a) Potential for use by multiple users or licenses concurrently, with different levels of access and permissions for specific users; b) Change management and audit trails; c) Ease of maintenance, integration and upkeep of data ; d) Pre-built modules to replicate standard Canadian accounting treatments e) Pre-built valuation of financial instruments from underlying market information f) Modeling of the balance sheet on an economic basis; g) Modeling of economic capital requirements, based on a choice of risk measure, risk tolerance, and time horizon; h) Allocation of capital requirements by risk type, risk driver, portfolio or business unit i) Automation of the preparation of various reports, including projected financial statements Additional benefits that need to be realized with the scalability of the selected software solution are to continue to expand, to address future reporting requirements, and possibly to extend the product to different business areas for future considerations. The software solution is required to be user friendly, offer strong reporting and auditing capabilities, version control and role based security features. In addition, CMHC intends to link the software to an economic scenario generator in the near future. CMHC is also looking for support in building/implementing their stress testing / economic capital model onto the proposed software platform in a relatively short	I		

	time frame. The proposed software solution must be installed on a platform compatible with the CMHC's Information Technology infrastructure environment and meet the requirements outlined below, both functional and technical. The table below provides the detailed requirements including mandatory and rated requirements.			
Item #	**Requirement**	**R/M/I**	**Points Available**	**Weight / max points available**
3.5.1.2	The proposed solution must be a stand-alone application that has been generally available on the market for a minimum period of three years.	M	Pass / Fail	
3.5.1.3	The proposed software solution's primary function must be to model financial risks.	M	Pass / Fail	
3.5.1.4	The proposed software solution must be able to model assets at an individual security level, including but not limited to equities, derivatives, bonds with options and hybrids (combination of equities, derivatives, bonds)	M	Pass / Fail	
3.5.1.5	The proposed solution must be able to incorporate various features of mortgage insurance products, including claim development patterns, claim payment patterns, unearned premium calculations, Incurred But not Reported (IBNR) calculations, historical volumes of business written and premiums received, current outstanding insurance in force.	M	Pass / Fail	
3.5.1.6	The proposed solution must be able to incorporate various features of securitization exposures such as correlated probabilities of default for financial institutions and custom swap exposures and associated collateralization.	M	Pass / Fail	
3.5.1.7	The proposed solution must allow for the modeling of dependency structures between assets and liabilities.	M	Pass / Fail	
3.5.1.8	The proposed solution must be able to model Canadian Generally Accepted Accounting Principles - GAAP and International Financial Reporting Standards (IFRS) accounting and Canadian corporate taxes.	M	Pass / Fail	

3.5.1.9	The proposed solution must be able to produce the following Canadian Accounting documents (P&C-1 financial statements (Canadian Property and Casualty Insures)):
	    a) Assets (20.10)
	    b) Liabilities (20.20)
	    c) Statements of Income (20.30)
	    d) Retained Earnings (20.40)
	    e) Comprehensive Income (20.42)
	    f) MCT (30.70 to 30.73)
	Please confirm maintenance updates include appropriate updates to GAAP as required.
		M	Pass / Fail	

3.5.1.10	The proposed solution must be able to import large data sets (over a million records) in various file formats like MS Excel, SAS.	M	Pass / Fail	
3.5.1.11	The proposed solution must be able to model complete financial statement projections over 30 years including all elements of comprehensive income.	M	Pass / Fail	
3.5.1.12	The proposed solution must allow calculation/simulation of regulatory and economic capital for a midsized insurance company.	M	Pass / Fail	
3.5.1.13	The proposed solution must be able to model allocation of capital required to risk classes, drivers, or business units.	M	Pass / Fail	
3.5.1.14	The proposed solution must include standard theoretical loss distributions and allow customization of CMHC loss functions.	M	Pass / Fail	

Item #	Requirement	R/M/I	Points Available	Weight / max points available
3.5.1.15	The proposed solution must support simulation from distributions – given a set of parameters for a selected distribution, the software must be able to simulate scenarios	M	Pass / Fail	
3.5.1.16	The proposed solution must accept input from an economic scenario generator	M	Pass / Fail	
3.5.1.17	Proponents should describe the extent to which the primary function of the proposed software solution is to perform financial risk modelling including capital allocation, stress testing, calculation of regulatory and economic capital requirements, and list other functions available.	R	0-10	18 /180
3.5.1.18	Proponents should describe how the model supports asset projections and reinvestments under deterministic scenarios/inputs and the level of support available for modeling reinvestment strategies.	R	0-10	6/60
3.5.1.19	Proponents should describe how the outputs available are relative to the investment portfolio at each point over the projection horizon, i.e., yields, durations, cash-flows, market value, amortized cost, etc...	R	0-10	6/60
3.5.1.20	Proponents should describe how other assets and liabilities could be modeled including securitized mortgage assets.	R	0-10	6/60
3.5.1.21	Proponents should provide a brief description of how an economic scenario generator output feeds into parameters of loss distributions and calculation of asset values.	R	0-10	6/60
3.5.1.22	Proponents should list all data types supported for importation. Please summarize any common file types for which support is not available.	R	0-10	6/60
3.5.1.23	Proponents should describe what processes are available to generate random numbers and the extent to which the seed can be controlled so that results are reproducible over and over.	R	0-10	6/60
3.5.1.24	Proponents should list statistical loss distributions generally available in the software.	R	0-10	7 /70
3.5.1.25	Proponents should provide a brief description on how the proposed software solution handles large datasets (over a million records) and large numbers (thousands) of simulations in terms of computer time and disk space. Proponents should describe performance expectations, in terms of the number of simulations that could expect to be run in a certain timeframe (on a standard PC installation). For example, how many simulations could be completed in 30 minutes?	R	0-10	10.5/105
3.5.1.26	Proponents should provide a brief description of standard libraries/modules already included in the software and ability to customize some segments of a model. Proponents should list the family of copulas that are available standard in the software. (A copula is a multivariate probability distribution for which the marginal probability distribution of each variable is uniform. Copulas are used to describe the dependence between random variables).	R	0-10	7 /70
3.5.1.27	Proponents should describe any unique features of the application being proposed that are not described above.	R	0-10	6/60
	3.5.2 Training Requirements			**50**
3.5.2.1	Proponents must provide a description of training materials (hardcopy or on-line). broken down by cost per individual, per module, as indicated in the attached Financial Cost Sheet in Section 7.5 **Appendix E.**	M	Pass / Fail	
3.5.2.2	Proponents must provide, as part of the contract, all of the technical and operational documentation required to effectively manage and operate the system(s) in English.	M	Pass / Fail	

Item #	Requirement	R/M/I	Points Available	Weight / max points available
3.5.2.3	Proponents must provide a commitment to updating all online help and training documentation with delivery of new system releases.	M	Pass / Fail	
3.5.2.4	Proponents must provide client training material in English.	M	Pass / Fail	
3.5.2.5	Proponents should describe the on-site training sessions to be provided for CMHC personnel that will be using the software. Proponents should indicate that English and French training is available.	R	0-10	5 /50
	3.5.3 Administrative Requirements			**90**
3.5.3.1	The proposed solution must provide role based access control, and easily support various degrees of access based on a user's needs (e.g., access to the software solution and data for maintenance purposes vs. access by management to obtain a report).	M	Pass / Fail	
3.5.3.2	The proposed solution must include an on-line help facility.	M	Pass / Fail	
3.5.3.3	The proposed solution must allow several people to access and work on different parts of a model at the same time.	M	Pass / Fail	
3.5.3.4	The proposed solution must be able to store multiple copies and versions of a model. The proposed solution must be able to lock in the final version of any model used in final reporting, for example to the Board or regulators.	M	Pass / Fail	
3.5.3.5	The proposed solution must maintain an audit trail of changes to the models.	M	Pass / Fail	
3.5.3.6	Proponents should provide a brief description of various levels of access control.	R	0-10	2 /20
3.5.3.7	Proponents should provide a description of the functionality the software solution provides to facilitate and support peer or audit reviews.	R	0-10	2.5 /25
3.5.3.8	Proponents should describe the audit trail features that are available in the software for the actual model and the data input.	R	0-10	2.5 /25
3.5.3.9	Proponents should describe additional capabilities of the proposed solution that streamline the maintenance of the model.	R	0-10	2 /20
	3.5.4 Reporting Requirements			**240**
3.5.4.1	The proposed solution must provide a report facility built into the proposed software.	M	Pass / Fail	
3.5.4.2	The proposed solution must provide an interface for defining queries.	M	Pass / Fail	
3.5.4.3	The proposed solution must provide online access to report. eg. the results must be viewable from a desktop display unit, not just in a printable format.	M	Pass / Fail	
3.5.4.4	The proposed solution must be able to export report results in various output formats (eg. CSV, PDF, MS Excel, or MS Word format).	M	Pass / Fail	
3.5.4.5	The proposed solution must provide the ability to create, reuse, and share report templates.	M	Pass / Fail	

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Item #	Requirement	R/M/I	Points Available	Weight / max points available
3.5.4.6	The proposed solution must be able to create a Balance Sheet, Statement of Income and Comprehensive Income, Statement of Cash Flows and Statement of Equity for each business activity as well as for the consolidated entity.	M	Pass / Fail	
3.5.4.7	Proponents should briefly describe the reporting facility and how reporting is handled.	R	0-10	8 /80
3.5.4.8	Proponents should provide a list of standard report templates that are delivered with the proposed software solution.	R	0-10	8 /80
3.5.4.9	Proponents should describe any other capability of the reporting solution to help user's access the required information, and with administration and maintenance of the application, which is not addressed above.	R	0-10	8 /80
	3.5.5　Methodology and Implementation Requirements			**240**
3.5.5.1	Outline assumptions: Proponent will have resource availability from CMHC for a successful implementation. Proponents are asked to indicate roles that are assumed CMHC will fulfill on the implementation team.	I		
3.5.5.2	The Proponent must be available to start the implementation of the proposed solution in August 2014 (that is, the commencement date). This commencement date can be moved out at the sole discretion of CMHC.	M	Pass / Fail	
3.5.5.3	Proponents should include a typical high level Project Plan, approximately 3 pages in length that the Proponent would propose, if chosen as the service provider. This outline shall include a brief description and schedule of activities involved in the training, testing, implementation and rollout of the software proposed by the Proponent. A Proponent may also choose to include an example of a Project Management Plan they have written for a project of similar size and scope. The project plan should include (at a minimum): a) Analysis b) Infrastructure Setup c) Configuration d) Customization e) Testing f) Training g) Data Conversion/Capture specific to 3.5.1.12 for a midsized insurance company h) Model Development i) Interface Development j) Growth/Scalability Considerations k) Capacity Planning l) Security Risks m) Implementation Support n) Other (specify)	R	0-10	6 /60
3.5.5.4	Proponents should outline the Proponent's resources to be dedicated to this project and how their experience can contribute to the successful implementation of the project at CMHC.	R	0-10	4.5 /45
3.5.5.5	Proposals should include an outline of an Acceptance Test Plan, which the Proponent proposes to write if selected as the Lead Proponent. Included in this outline should be considerations, such as data conversion, data anomalies, time lines, and archiving.	R	0-10	4.5 /45
3.5.5.6	CMHC will want to implement as quickly as possible, without jeopardizing success. Proponents should indicate anticipated shortest timeline (less than six months) for implementation that could be achieved and risks that should be considered if this approach is taken and should clearly list and describe the assumptions on which the anticipation and risks are based.	R	0-10	4.5 /45

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Item #	Requirement	R/M/I	Points Available	Weight / max points available
3.5.5.7	Proponents should provide a description of the consulting and professional services offered to support the implementation and building of the initial model(s) using of the proposed software solution. Proponents should indicate how much in-person (on site) support they provide beyond that associated related to user-training.	R	0-10	4.5 /45
	3.5.6 Post Implementation and Support Requirements			**250**
3.5.6.1	Proponents must provide support for new versions of operating systems (servers and workstations e.g. Window 7 to Window 8) and database environment within two years of the new release being declared. Proponents must describe the evidence of this support.	M	Pass / Fail	
3.5.6.2	Proponents should describe the resources available to assist CMHC with economic capital model development and implementation on the proposed platform. Proponents should include additional costs associated with these resources.	R	0-10	4 /40
3.5.6.3	Proponents should indicate the number of prior versions that will be supported after new releases (within stream X.1-9 and new major stream X.0). Proponents should indicate lead time provided prior to new releases.	R	0-10	2 /20
3.5.6.4	Proponents should provide the Proponent's release strategy and relevant details for software upgrades, patches, fixes to security holes discovered after implementation, detailing whether they are performed on a scheduled or ad hoc basis and what is the average time between software releases. Proponents should further, specify notice timeframe provided to clients advising them of the software changes.	R	0-10	4 /40

3.5.6.5	Proponents should describe how the following services would be provided to CMHC internal Actuarial Group, including:
	    a. Access to on-line help
	    b. To meet a maximum response time of two hours after reported problems of a severe nature rendering the proposed software solution unavailable or non-functional
	    c. Skill sets available which are relevant to the CMHC project
	    d. Problem determination and resolution procedures
	    e. Escalation procedures
	    f. Formal Customer support management procedures including reporting procedures
		R	0-10	2/20

3.5.6.6	Proponents should identify lead times (3months, 1 year, etc) provided by Proponent advising the clients of prior versions of software, operating system(s) and/or database platforms becoming unsupported.	R	0-10	1.5 /15
3.5.6.7	Proponents should provide a toll free problem resolution telephone number -5 days per week (Mondays to Fridays), 10 hours a day (8am to 6pm EST) - Please describe your standard telephone support offering.	R	0-10	1.5 /15
3.5.6.8	Proponents should provide a WEB portal (via the public internet) to log, and check on problem resolution status - 7 days per week 24 hours a day including all statutory holidays - Please describe your standard web support offering.	R	0-10	2 /20
3.5.6.9	Proponents should describe what the support level will be during the implementation and the first six months following the implementation of the product.	R	0-10	2 /20
3.5.6.10	Proponents should provide a technical and user knowledge base library by WEB access where clients can search for answers to various technical problem resolutions and users past inquiries on the products mechanisms and methods (the way it works)	R	0-10	2 /20

Item #	Requirement	R/M/I	Points Available	Weight / max points available

3.5.6.11	Proponents should describe on-going support beyond the initial implementation. Proponents should provide a list of support options, along with the description that can be offered such as, but not limited to;
	
	   a. General Inquiry or Help Desk Telephone support
	   b. On-site troubleshooting technical support
	   c. Product configuration support
	   d. E-mail Requests / Online support
	   e. Hours of operation for support services
	   f. Locations, time differences and Remote support
		R	0-10	2 /20

3.5.6.12	The Proponent's support office should be located in North America.	R	0-10	2 /20
	3.5.7 Technical Requirements			**120**
3.5.7.1	The Proponent must provide all hardware and software requirements for the proposed software solution to be compatible with the CMHC Technical Environment as identified in **Appendix D**, i.e. must not introduce new operating system, database platform, web browser, office suite, application server, or specialized hardware (desktop or servers).	M	Pass / Fail	
3.5.7.2	The proposed software solution must be able to provide all of its operating functionality without having to communicate with an external network (i.e. must not be a hosted solution).	M	Pass / Fail	
3.5.7.3	The proposed software solution must use Active Directory for Authentication and account management.	M	Pass / Fail	
3.5.7.4	The proposed software solution must allow for data import and export, eg. CSV, PDF, MS Excel, or MS Word format	M	Pass / Fail	
3.5.7.5	Proponents must describe the ability to assign individual user IDs appropriate access rights to the application, sub-functions, menus and data elements based upon the individual's assigned role (i.e. control access to data and functions based on system defined roles)	M	Pass / Fail	
3.5.7.6	The Proponent should provide a detailed description of all minimum network, hardware and software requirements for the successful deployment of the proposed solution.	R	0-10	1.3 /13
3.5.7.7	The Proponent should Identify any additional hardware or software license purchases that may be required (i.e. servers, database licenses, reporting software licenses etc.) for the proposed software solution to meet functional requirements as described within the response.	R	0-10	0.7 /7
3.5.7.8	The Proponent should describe the access to use the proposed software solution. Is it an interactive sign on (user ID and password authentication) to the software or does dose it use Windows Integrated Login, please specify. If access to the software is required (interactive sign on) the proposed software solution should provide support for third party single sign-on. Refer to **Appendix D** for the software used at CMHC.	R	0-10	0.7 /7
3.5.7.9	Proponents should provide a description of the recommended technical configuration suggested for the CMHC environment. Also describe optimal configuration requirements for workstations, servers, and network after allowing for the minimum requirements as stated in 3.5.7.1 and **Appendix D.**	R	0-10	0.7 /7
3.5.7.10	Proponents should describe the proposed software's server(s) requirements' compatibility with CMHC's current standard for virtualization (IBM VMWare) (refer to **Appendix D**)	R	0-10	0.7 /7

Item #	Requirement	R/M/I	Points Available	Weight / max points available
3.5.7.11	Proponents should describe the support for server, data, and application redundancy. Include what technologies (e.g. Microsoft Clustering) are supported, certified, and/or recommended.	R	0-10	0.7 /7
3.5.7.12	Proponents proposed software solution should provide email notification in Simple Mail Transfer Protocol (SMTP). Describe the proposed software solution's e-mail capability.	R	0-10	.05 /5
3.5.7.13	Proponents should describe the proposed software solution's ability to integrate with Microsoft (MS) Office Automation products (MS Office 2007 or later).	R	0-10	0.7 /7
3.5.7.14	Proponents should describe the functionality that would enable system administrators to grant and revoke system access to individual Active Directory Userids, and if available to use effective dating, to identify dates when those Userids were enabled and disabled.	R	0-10	0.5 /7
3.5.7.15	Proponents should describe the client interface of the proposed software solution (i.e. Thin Client browser based or Fat client desktop based and the client's ability/compatibility with Citrix Xenapp 6.5).	R	0-10	0.7 /7
3.5.7.16	Proponents should describe the technical architecture of the proposed software solution.	R	0-10	0.7 /7
3.5.7.17	The proposed software solution should, at a minimum, be able to manage volumes of 1 Terabyte (TB) of CMHC data.	R	0-10	0.7 /7
3.5.7.18	Proponents should provide a description of the tools, if applicable, for the following functions: a) Import/export/transformation (e.g. extract, transform, and load [ETL]), of data b) Validation (editing of data to ensure it meets validity criteria) and cleansing of data.	R	0-10	1 /10
3.5.7.19	Proponents should provide a list of all supported data sources and file formats for both import to and export from the proposed software solution.	R	0-10	0.7 /7
3.5.7.20	Proponents should provide a description of meta data information and database schemas of the proposed solution.	R	0-10	0.5 /5
3.5.7.21	Proponents should describe the process to install and test the software in the CMHC Development environment. Include the details of the packaging (how) and level of effort to promote the solution from the Development environment to the other CMHC environments – System Test, External Integration Testing and Production.	R	0-10	0.7 /7
3.5.7.22	Proponents should provide a Testing Plan and flow chart, describing the steps required for production readiness, to test, make adjustments and finalize the proposed software solution.	R	0-10	0.3 /3
	3.5.8 Licensing and Warranty Requirements			**115**
3.5.8.1	Proponents must warrant that all software delivered to and accepted by CMHC will be in good working order, and must warrant that the Proponent will make any adjustment, repair or replacement to maintain the software during the life of the contract, which warranties must be included in the resulting Agreement.	M	Pass / Fail	
3.5.8.2	Proponents must specify all warranties and/or guarantees provided and clearly indicate any limitations, exceptions or conditions that would affect the warranty, which warranties and limitations must be included in the resulting Agreement.	M	Pass / Fail	
3.5.8.3	Concurrent with the installation of its system, the Proponent should deliver a complete copy of the source code to a Canadian Escrow Agent for CMHC's benefit. The parties will reasonably agree to and provide the Escrow Agent with written instructions specifying the conditions under which CMHC shall be entitled to receive a complete copy of the source code. These conditions shall include, but not necessarily be limited to; termination of any ensuing Agreement by CMHC should	R	0-10	1.5/15

Item #	Requirement	R/M/I	Points Available	Weight / max points available
	the Proponent become subject to bankruptcy or insolvency proceedings. The Proponent agrees that the updated source code of future versions that are provided to CMHC under any ensuing Agreement shall be subject to the same escrow procedures.			
3.5.8.4	The Proponent should include all technical, installation, operation and training manuals for the software solution, as part of the licensing costs. No additional costs should be levied for any manuals.	R	0-10	1.5/15
3.5.8.5	The Proponent's license agreement should include the right to host the solution within all CMHC environments (Production, Development, Test, External Integration Testing (EIT), and Disaster Recovery (DR)) at no additional cost to CMHC, which right will be included in the resulting Agreement.	R	0-10	1.5/15
3.5.8.6	Proponents should indicate the warranty periods for all proposed solutions, which periods will be included in the resulting Agreement.	R	0-10	1.5/15
3.5.8.7	The Proponent's software license rights for CMHC included in the resulting Agreement should be unrestricted by: a. Language of the client (English and French) b. Location(s) Number of clients, devices, clients c. Size and capacity of device(s), processor(s), and server(s) d. Media type e. Operating system f. Internet, Intranet, and Extranet g. Architectural changes	R	0-10	1.5/15
3.5.8.8	The Proponent should provide software upgrades for the proposed solution, when applicable, at no additional cost to CMHC. The upgrades should be packaged in a manner which can be applied by CMHC in an automated fashion and does not require proponent consulting services in order to perform the upgrade.	R	0-10	1/10
3.5.8.9	The Proponents should describe the licensing model used by the Proponent. Identify whether licensing is on a Named User basis, Enterprise (unlimited), or concurrent licenses and or in licences blocks (10 licences purchased but only 5 can be concurrent). Proponents are asked to list their pricing in **Appendix E** "Financial Cost Sheet", as per their licensing model described above.	R	0-10	2/20
3.5.8.10	Based on the Proponent's licensing model described above, Proponents are asked to define how CMHC would be able to accommodate 50 users, with 25 requiring full modelling capabilities, 10 requiring read only access to results, 10 requiring technical capabilities to support the software on a server. (the software is not core to their normal functions), and 5 business administrators to configure and security access capabilities. Proponents are asked to pricing this scenario in **Appendix E** "Financial Cost Sheet".	R	0-10	1/10
	3.5.9 References			**120**
	CMHC may want to contact references regarding relevant experience and success that the Proponent had integrating and deploying the proposed software solutions. The references may be contacted for their level of satisfaction with the integration services and for post-implementation support. As further described in section 2.20 of this RFP, the evaluation procedure may include the development of a shortlist of the highest-ranked proponents in order that CMHC can gather additional information and conduct further evaluation of the proposals.	I		

3.5.9.1	The Proponent is to provide three (3) different client references only for the Proposed Software Solution implementation within the last five (5) years: (each reference has a weight 4)
	
	• The Proponent should provide different references for each of the following categories:
	    a. implementation within Canada for a project of similar size, scope and complexity.
	    b. implementation for a project of similar size, scope and complexity **outside** of Canada.
	    c. implementation for a multi-language site (English and French)
	
	For each reference, the following must be included as a minimum:
	    I. Name of client organization
	    II. Name, title, telephone & fax number (including area codes), and email address (if available) of client contact
	    III. Client objectives and expected measurable outcomes and performance indicators of the referenced project
	    IV. Scope and complexity of the project
	
	Describe the work done for each reference.
		R	0-10	12/100

	3.5.10 Proposal Pricing			520
3.5.10.1	Each compliant proposal that meets the minimum upset scores in each category will be awarded pricing points relative to the 'best cost' submitted. Proponents will be awarded points as a percentage of the best cost submitted on a compliant proposal. This pricing point award is further explained in Section 5.4 "Evaluation Methodology"	R	Best Price	520

4   SECTION 4   PROPOSAL REQUIREMENTS

4.1   Overview of Section 4

Proposal responses are to be organized and submitted in accordance with the instructions listed below:

#	Item
4.3	Covering Letter
4.4	Table of Contents
4.5	Executive Summary
4.6	Proponent's Qualifications
4.7	Response to Statement of Requirements (following the numbering structure of section3)
4.8	Financial Information
4.9	Other Information
4.10	Pricing Proposal

Elaborate or unnecessarily voluminous proposals are not desired. Proponents are encouraged to take care in completely answering questions and proposal requirements and to avoid submitting extraneous materials that do not show how the Proponent intends to meet requirements.

Requirements for each Response Item are detailed below.

4.2   Mandatory Proposal Requirements

Certain requirements in section 4 are identified as mandatory. See Section 1.6 Mandatory Requirements for a description of mandatory requirements.

4.3   Covering Letter

A covering letter on the Proponent's letterhead should be submitted and include the following:
(a) A description of the company or joint venture/consortium.
(b) The names of the individuals who are the principals of the Proponent.
(c) Contact information for the primary contact person with respect to this RFP including: the individual's name, address, contact numbers by phone and fax, and contact e-mail address, if available.
(d) The locations of primary office, and all other offices that would be servicing any ensuing Agreement.

4.4   Table of Contents

The Proponent should include a table of contents using the response item headings and numbering system identified in this section of the RFP. The response should be paginated for easy referencing by the evaluation committee.

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4.5   Executive Summary

The Proponent's proposal should include an executive summary of the Proponent's proposal, including key features of the proposal, features that make the proposal advantageous for CMHC, innovative approaches to meeting the requirement and cost-saving opportunities, and a brief statement of the Proponent's qualifications to meet CMHC's stated requirements.

4.6   Proponent's Qualifications

The Proponent's proposal should include information about the Proponent's qualifications as follows:
(a) A description of the Proponent's organization, its history, legal status, number of full-time employees and areas of specialization.
(b) Resumés for all personnel who would be assigned to the project, including subcontractors, if any.
(c) A list of references that includes all contracts of a similar size and scope as described in Section 3.5.10.1 list the company name and address as well as a contact person name and phone number. CMHC may approach any such contact person for information relating to the quality of work provided by the Proponent.
(d) Information about office location(s) answering these questions: If awarded an Agreement, which office would provide support services? How many personnel are located in this office and what is their specific experience with the proposed Solution?

4.7   Response to Statement of Requirements   Mandatory

In this section, the Proponent must provide detailed information relative to the specifications listed in Section 3, The Statement of Requirements.

Proponents must provide a detailed point by point response to each section of the Statement of Requirements. Responses must clearly indicate Compliance or Non-Compliance with each applicable section and provide a statement which justifies their compliance, and give a reference to attached supporting documentation. Response such as "Understood" or "Read and Understood" to Mandatory requirements are unacceptable and will be deemed to be a non-compliant response. A numbering scheme for responses must match the numbering scheme in the statement of requirements.

4.8   Project Management Plan

The Proponent should describe its project management plan including:

(a)   Project Management Approach. The proponent should describe its project management approach and the project management organizational structure including reporting levels and lines of authority.
(b)   Quality Control. The proponent should describe its approach to quality control including:
        1. details of the methods used in ensuring quality of the work, and
        2. response mechanisms in the case of errors, omissions, delays, etc.

(c)   Status Reporting to CMHC. The proponent should describe its status reporting
       methodology, including details of written and oral progress reporting methods.
(d)   Work Schedule. The proponent should describe the method it will use to ensure
       compliance with the work schedule.
(e)   Interface with CMHC. The proponent should describe and explain

        1. its intended interface points with CMHC
        2. all available interface mechanisms, and
        3. how interface issues and difficulties will be resolved.

(f) The proponent's plan for ensuring continuous improvement of its practices and procedures
     for delivering the services.

4.9   Financial Information   Mandatory

4.9.1   Credit Check

Sole proprietorships and partnerships must provide a statement contained within their proposal
giving written permission for CMHC to perform a credit check as required.

4.9.2   Financial Capacity

CMHC reserves the right to conduct an assessment of the financial capacity of the lead
Proponent(s). Should a Proponent be selected as a lead Proponent following the RFP evaluation
process, CMHC will request the necessary financial documentation to confirm the financial
capacity of the Proponent. At that time, the Lead Proponent(s) must provide to CMHC the
following information, within 72 hours of CMHC's request to permit an analysis of the financial
capacity of the lead proponent(s):

Partnerships, Corporations, Joint Ventures and Consortiums:

The Proponent must provide a complete set of signed, detailed, audited financial
statements for each of the last three (3) years of your firm. The Proponent agrees to
provide any other financial information that CMHC may subsequently request. The
auditor's report must be signed by an appropriate officer of the audit firm. In the case that
your financial statements are not audited, CMHC will only accept them if they are
accompanied by a signed review engagement report for each year. A complete set of
financial statements consists of all the following items:

        1.   Auditor's Report (or Review Engagement Report),
        2.   Balance Sheet,
        3.   Income Statement,
        4.   Cash Flow Statement,
        5.   The Notes to the Financial Statements, and

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In the case of a joint venture or consortium, each and all members of the joint venture or consortium must provide the information required for their legal form as indicated above for partnerships or corporations. For partnerships of individuals (as opposed to partnerships of corporations), each individual must provide written permission for CMHC to perform a credit check on them as individuals.

Sole Proprietorships

Proponents that are organized as sole proprietorships must provide a statement contained within their proposal giving written permission for CMHC to perform a credit check as required. Where financial statements are available, they should accompany the foregoing statement.

4.10 Other

Proponent(s) may provide other relevant information here, but is not obligated to.

4.11 Pricing Proposal   Mandatory

The Proponent must provide the pricing of its proposed solution in a detailed manner in Section 7.5 APPENDIX E – Financial Cost Sheet Table

All prices and amounts of money in the proposal are to be quoted in **Canadian dollars** and be exclusive of the Goods and Services Tax (GST), Harmonized Sales Tax (HST), and Provincial Sales Tax (PST), as applicable, unless otherwise indicated.

Any price proposal which is submitted in currency other than CAD will be converted at a rate determined by CMHC for evaluation purposes.

The GST, HST or PST, whichever is applicable, shall be extra to the price quoted by the Proponent and will be paid by CMHC.

The Proponent must submit a fixed (firm) price for the products, consulting, training, implementation, per diem rates, and maintenance for the term of any ensuing Agreement. In addition, the Proponent must submit pricing information that indicates how the fixed price was calculated. Proponents may state price increases after the initial year or term of the Agreement in their proposal.

Any variable costs must be specifically identified in the pricing proposal.

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5   SECTION 5 EVALUATION AND SELECTION

5.1   Overview of Section 5

Section 5 describes the process CMHC will use to evaluate proposals, select a lead Proponent and negotiate an Agreement.

The lowest cost proposal will <u>not</u> necessarily be accepted. CMHC reserves the right to accept any proposal in whole or in part, to reject all proposals or to terminate the evaluation process and re-issue the RFP at a later date.

Upon notice to all Proponents, CMHC reserves the right to alter the stated requirements based on operational needs and to accept an alternate proposal included in any Proponent's response.

CMHC will conduct the RFP process in a visibly fair manner and will treat all Proponents equitably. To this end, it has established objective standards and evaluation criteria which will be applied uniformly to all Proponents. By submitting a proposal, Proponents accept the methodology set out in the RPP.   No Proponent shall have any cause of action against CMHC arising out of the elimination of one or more proposals from consideration, CMHC's failure to award an Agreement, or the methods by which proposals are assessed.

5.2   Limitation of Damages

Proponents are not entitled to compensation for the costs of preparing their proposal. A Proponent, by submitting a proposal, agrees that under no circumstances will it claim damages arising from this RFP process in excess of an amount equivalent to the reasonable costs incurred by the Proponent in preparing its proposal, and a Proponent, by submitting a proposal, waives any claim for loss of profits or other indirect or special damages if no Agreement is made with the Proponent.

5.3   Evaluation Table

The Evaluation Table as provided in Appendix B lists all the criteria upon which each proposal will be evaluated. The criteria are based on the requirements as provided in this RFP.

5.4   Evaluation Methodology

Each proposal will be examined to determine compliance with each mandatory requirement identified in this RFP. A proposal must comply with all of the mandatory requirements in order to proceed in the evaluation process. A proposal which is deemed by CMHC to be non-compliant in one or more mandatory requirements will be eliminated from further consideration. A proposal which meets all the mandatory requirements will be deemed compliant and will proceed in the evaluation process.
However, CMHC reserves the right to waive any mandatory requirements if it deems fit and appropriate to meet the interests of, and provide best value to CMHC.

_____

Evaluators will evaluate and numerically score each proposal in accordance with the evaluation criteria as shown in the table below to be entered in the Evaluation Table, Appendix B. Once individual evaluations are complete, the Evaluation Committee will discuss and agree upon a final score for each proposal.

Rating	Description	Points Available
Exceptional	Exceeds the requirements of the criteria in superlative and beneficial ways	10
Excellent	Exceeds the requirements of the criteria in ways which add additional value to CMHC's stated requirements	9
Very Good	Exceeds the requirements of the criteria in a manner which may not add additional value to the stated requirements	8
Fully Meets	Fully meets all requirements of the criteria	7
Average	Adequately meets most of the requirements of the criteria. May be lacking in some areas which are not critical	6
Average to Poor	Barely meets most of the requirements of the criteria to the minimum acceptable level and lacking in areas which are not critical	5
Poor	Addresses most, but not all of the requirements of the criteria to the minimum acceptable level	4
Poor to Very Poor	Barely addresses any of the requirements of the criteria and completely lacking in critical areas	3-1
Unsatisfactory		0

A proposal must meet the minimum upset score in each category (as shown on the Evaluation Table, Appendix B) to remain in the evaluation.

Each compliant proposal that meets the minimum upset scores in each category will then be award **pricing** points relative to the 'best price' submitted. Proponents will be awarded points as a percentage of the best cost submitted on a compliant proposal:

Formula: $1-\dfrac{(VP-BP)}{VP}$

Where: **VP is the Vendor Price**
            BP is the Best Price

Example 1: Vendor Price: $1,000.00
           Best Price: $1,000.00

Formula: $1-\dfrac{(1,000-1000)}{1,000} = 1- 0 = 1 = 100\%$ of allocated points

Example 2: Vendor Price: $2,000.00
           Best Price: $1,000.00

Formula: $1-\dfrac{(2,000-1000)}{2,000} = 1- \dfrac{(1000)}{2,000} = 1-.5 = 50\%$ of allocated points

Note: all applicable costs must be included in the financial proposal, so that CMHC can determine the full life cycle cost of the solution over the entire six (6) years of the Agreement. This should include the initial costs and any licensing (include the number of licences being offered in the price) maintenance or labour required for upgrading, along with any increase costs after the initial year or term of the Agreement.

Each compliant proposal that meets all the mandatory criteria and achieves minimum scores of **1170 out of 1950** in the Technical section and **72 out of 120** in the Reference section will be considered for short listing. CMHC may, at its sole discretion, further shortlist the top two (2) proposals based on the top scores, which will include the price points, call upon a Proponent to prepare a presentation, provide a demonstration of the proposed software, or provide additional information prior to the final selection. The demonstration will be expected to clearly demonstrate, at a minimum, the functionality within the proposed software solution that are included "out of the box", how customization is performed, how new models are developed.

> NOTE: Only the Lead / short listed Proponents may be asked to provide a software demonstration of their product(s).

> NOTE: For the Lead Proponent / short listed, solution demonstration will be a rated item and scored separately from the scoring criteria indicated in this RFP. Details and scoring criteria will be provided to the Lead Proponent and short listed Proponents at the time CMHC requests the demonstrations.

5.5   Financial Evaluation

CMHC may carry out a credit check and/or a financial capacity on the lead Proponent before beginning contract discussions. This is a pass/fail test. Pass means that contract discussions begin. Fail means that the lead Proponent may not enter into contract discussions and is disqualified from further consideration. The financial evaluation will be based on the information supplied by the Proponent as per Section 4.8 of this RFP.

5.6   Proponent Selection

Once a lead proponent has passed the financial evaluation, CMHC has the option of entering into negotiations with that Proponent to incorporate some or its entire proposal into an agreement.

If at any time CMHC decides that the lead Proponent cannot satisfy CMHC's requirements, CMHC may terminate negotiations. If at this time CMHC feels that the secondary Proponent may meet the requirements, CMHC will continue the process with the secondary Proponent and so on.

By submitting a proposal, Proponents agree that if they are selected as lead Proponent, they will enter into contract negotiations in a timely manner and in good faith, and within the framework of the RFP and the Proponent's response to the RFP.

Announcement of the successful Proponent will be made to all Proponents following the signing of an Agreement.

_____

6   SECTION 6 PROPOSED TERMS AND CONDITIONS

6.1   Overview of Section 6

The terms and conditions set out in this section will form part of any contract resulting from this RFP. CMHC reserves the right to add terms and conditions during negotiations.

The Proponent's proposal and all associated correspondence from the Proponent, where relevant, shall to the extent desired by CMHC form part of the final Agreement and the Proponent must accept that the final Agreement form will be in a format acceptable to CMHC.

Submission of a proposal constitutes acknowledgement that the Proponent has read and, unless otherwise stated in the Proponent's proposal, agrees to be bound by the terms and conditions in Section 6.2 in the event that the Proponent is selected by CMHC to enter into contract negotiations.

For the purposes of this section the term "Contractor" and "Vendor" both refer to the successful Proponent with whom CMHC enters into an Agreement.

6.2   Terms and Conditions to be incorporated into the resulting Agreement

SOFTWARE PURCHASE, IMPLEMENTATION AND TRAINING

TERMS AND CONDITIONS APPLICABLE TO SOFTWARE PURCHASE

1. *The Goods*

The Vendor agrees to provide (insert description of product to be provided)

2. *Delivery Date*

Unless instructed otherwise, delivery of the product shall be made free and clear of all liens and encumbrances, in the manner stipulated, by _____. CMHC reserves the right to refuse the product and, in addition to any other remedy or remedies which CMHC may have, CMHC reserves the right to cancel this order in whole or in part if deliveries are not made as stipulated in this Agreement. Time shall be of the essence of this Agreement.

3. *Inspection and Acceptance*

All products supplied under this Agreement are subject to inspection, trial and acceptance by CMHC within a reasonable time after receipt thereof. CMHC will notify the Vendor in writing of the rejection of any product which is not in accordance with the description or specifications stipulated in this Agreement.

4. *Vendor's Representations*

The Vendor warrants and represents that:

   a) *the product supplied under this Agreement is fit for the particular purpose or use for which they are purchased by CMHC as set out in the Request for Proposals dated _____ (the "RFP") and will perform in accordance with the specifications outlined in the Vendor's response to the RFP.*
   b) *the product delivered under the Agreement is free of any and all defects in material, workmanship or design.*
   c) *the product delivered under this Agreement does not infringe any valid patent, copyright, trade mark or industrial design, foreign or domestic, owned or controlled by any other corporation, firm or person.*
   d) *the Vendor holds all intellectual property rights necessary to perform its obligations under this Agreement and to assign CMHC all rights in the product necessary to use the product in accordance with its specifications.*
   e) *the Vendor has given or will give all the notices and obtain all the licenses and permits required to install the services.*

5. *Financial*

Under no circumstances shall CMHC's maximum financial liability under this Agreement exceed _____, inclusive of all applicable taxes.

_____

6. *Audit*

The Vendor shall keep proper and detailed records and statements relating to the Agreement for a period of three (3) years following the last date of delivery of the goods. The Vendor shall at all reasonable times permit inspection and audit of such records and statements by CMHC's internal or external auditors. The Vendor shall provide CMHC's auditors with sufficient original documents in order to conduct the audit.

7. *Compliance With Laws*

The Vendor shall comply with all the applicable laws and regulations in performing its obligations under the Agreement.

8. *Vendor's Authority*

The Vendor agrees that it has no authority to give any guarantee or warranty whatsoever expressed or implied on behalf of CMHC and that it is in no way the legal representative or agent of CMHC and that it has no right or authority to create any obligation on behalf of CMHC or to bind CMHC in any way.

9. *Laws Governing Agreement*

This Agreement shall be governed by and construed in accordance with the federal laws of Canada and any provincial laws applicable therein. The parties agree that any claims, complaints or proceedings initiated with respect to the Agreement will be initiated in the province of Ontario.

10. *Corporation Identification*

It is agreed that the Vendor will make no use whatsoever of CMHC's name, logo or other official marks without first obtaining the express written consent of CMHC.

11. *Confidentiality and Non-Disclosure of CMHC Information*

Under this section, "CMHC Information" refers to any and all information about the affairs of CMHC, its officers, directors or employees, or its clients that is obtained by the Vendor in any manner as a result of the performance of the Agreement. CMHC Information includes personal information of any kind, however obtained, and without limitation, data in any electronic format and information received directly, indirectly or through third parties.

The Vendor acknowledges and understands that all CMHC Information is subject to federal privacy and access to information legislation. The Vendor agrees to co-operate with CMHC to ensure that CMHC fulfills its obligations under the legislation.

The Vendor further understands and agrees to treat all CMHC Information as proprietary, confidential and sensitive unless otherwise specifically agreed to in writing by CMHC. The

_____

Vendor shall restrict access to CMHC Information to those persons who have a need for access in order to perform the Vendor's obligations under the Agreement.

The Vendor shall ensure that CMHC Information remains in Canada and shall segregate CMHC Information from any other information in a database or repository independent from all other databases or repositories.

Where disclosure of CMHC Information is required pursuant to a lawful requirement or for the purposes of complying with a subpoena or warrant lawfully issued by a court, person or body of competent jurisdiction, the Vendor shall notify CMHC promptly after discovering the potential of disclosure of the CMHC Information so that CMHC has the opportunity to seek a protective order or other appropriate remedy. The Vendor shall co-operate with CMHC and shall provide any information or assistance required by CMHC to allow it to take appropriate action to prevent or limit disclosure.

12. *Conflict of Interest*

The Vendor and its principals, employees and agents shall avoid any conflict of interest and shall immediately declare any existing, potential or apparent conflict. Upon direction of CMHC the Vendor shall take steps to eliminate any conflict or perception that a conflict of interest exists.

In the event that a conflict of interest, real or perceived, cannot be resolved to the satisfaction of CMHC despite reasonable efforts to do so, CMHC shall have the right to immediately terminate the Agreement without penalty. Upon such termination, CMHC shall have no further obligation of any nature or kind to the Contractor.

Any former public office holder must be in compliance with the post-employment provisions of the Conflict of Interest Act in order to derive a direct benefit from this Agreement.

13. *Indemnification*

The Vendor agrees to indemnify and save harmless CMHC, its officers and its employees from and against all claims, demands and all losses, costs, damages, expenses and liabilities which may be suffered or incurred by CMHC, arising out of or in connection with a breach of this Agreement by the Vendor or a breach of any copyrights, patents or other intellectual property rights. For greater certainty, and without limiting the generality of the foregoing, the indemnification contained in this section applies to any costs incurred by CMHC related to the procurement of a replacement product in the event that a dispute with a third party over intellectual property rights cannot be resolved within a timeframe which allows CMHC to avoid unreasonable interruption to its operations.

_____

14. *Income Tax Reporting*

As a federal Crown Corporation, CMHC is obliged under the Income Tax Act and Regulations to report payments made by CMHC to suppliers of goods and/or services by using a T1204 supplementary slip. The Vendor will be required to complete and sign a Supplier - Direct Deposit and Tax Information Form (CMHC/SCHL 3085) to allow CMHC to complete the T1204 slip.

15. *Extras*

Except as otherwise provided in the Agreement, no payment for extras shall be made unless such extras and the price thereof have been authorized in writing by CMHC.

16. *Assignment*

The Vendor shall not assign in whole or in part any of its rights or obligations arising out of this Agreement without the prior written consent of CMHC.

17. *Invoicing*

The Vendor shall provide CMHC with detailed invoices for the purchase of the software, training and implementation, outlining the Services provided and the rates charged. Invoices must allow thirty (30) days from delivery of invoice for payment without interest charges. The Vendor shall only invoice for Services that have been provided.

SOFTWARE SUPPORT SERVICES

TERMS AND CONDITIONS APPLICABLE TO THE PROVISION OF SOFTWARE SUPPORT SERVICES

1.   The Contractor covenants and agrees to provide services to CMHC as described in Schedule A to this Agreement (the "Services") (attach Schedule "A" containing full description from RFP). The Contractor represents and warrants that the Services will be provided in accordance with the service standards set out in Schedule "C".

2.   CMHC may terminate the Agreement for any reason with no penalty by giving thirty (30) days written notice, at any time during the Term.

In a case of default by the Contractor, CMHC may, by giving ten (10) days prior written notice to the Contractor, terminate this Agreement without charge with respect to all or any part of the Agreement. The following will constitute events of default:

> *a.   The Contractor commits a material breach of its duties under this Agreement, unless, in the case of such breach, the Contractor, within ten (10) calendar days after receipt of written notice of such breach from CMHC, in a manner satisfactory to CMHC in its sole, absolute and non-reviewable discretion, (a) cures such breach or takes reasonable steps to cure such breach and (b) indemnifies CMHC for any resulting damage or loss;*

> *b.   The Contractor commits numerous breaches of its duties under this Agreement that collectively constitute a material breach;*

> *c.   A change in control of the Contractor where such control is acquired, directly or indirectly, in a single transaction or series of related transactions, or all or substantially all of the assets of the Contractor are acquired, by any entity, or the Contractor is merged with or into another entity to form a new entity, unless the Contractor demonstrates to the satisfaction of CMHC that such event will not adversely affect its ability to perform the services under this Agreement;*

> *d.   The Contractor commits fraud or gross misconduct; or*

> *e.   The Contractor becomes bankrupt or insolvent, or a receiving order is made against the Contractor, or any assignment is made for the benefit of the creditors, or if an order is made or a resolution passed for the winding up of the Contractor, or if the Contractor takes the benefit of any Statute for the time in force relating to bankrupt or insolvent debtors.*

In the event of a termination notice is issued, the Contractor shall promptly review all work in progress and deliver the work in progress to CMHC with a final invoice. Subject to the deduction of any claim which CMHC may have against the Contractor arising out of the Agreement or out of termination, payment will be made within thirty (30) days of the date of

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receipt of the invoice for the value of all finished work delivered and accepted by CMHC, such value to be determined by CMHC in its sole discretion in accordance with the rates specified in the Agreement. Upon such payment, CMHC shall have no further obligation of any nature or kind to the Contractor.

The Contractor shall provide to CMHC any reasonable termination assistance requested by CMHC to allow the Services to continue without interruption or adverse effect and to facilitate the orderly transfer of the Work to CMHC or its designee.

3.1   Maximum Financial Liability

In consideration of the provision of the Services, CMHC agrees to pay the Contractor an amount based on the Contractor's rates attached as Schedule B. Notwithstanding this however, CMHC's total financial liability under the terms and conditions of the Agreement shall not in any event exceed $ _____.

3.2   Amount is Inclusive

The amount payable to the Contractor by CMHC pursuant to article 3.1 is inclusive of all taxes., assessments, duties or other levies that may be payable under this Agreement to the Contractor, including any product and services tax/harmonized sales tax (GST/HST) or retail sales tax (RST). No taxes, assessments, duties or other levies shall be payable to the Contractor in addition to the amount payable pursuant to article 3.1 unless specifically agreed to between the Contractor and CMHC.

3.3   Collection and Remittance of Taxes

GST/HST, RST and Quebec Sales Tax (QST), to the extent applicable and required to be collected by the Contractor, shall be collected and shown as a separate item on an invoice which includes the Contractor's GST/HST or QST number. The Contractor shall duly remit to the Canada Revenue Agency or the appropriate provincial taxing authorities any amounts of GST/HST, RST or QST collected on the consideration payable pursuant to this Agreement.

3.4   Invoicing

The Contractor shall provide CMHC with detailed invoices monthly during the Term, outlining the Services provided and the rates charged. Invoices must allow thirty (30) days from delivery of invoice for payment without interest charges. The Contractor shall only invoice for Services that have been provided.

3.5   Audit

The Contractor shall keep proper and detailed records and statements relating to the Agreement during the Term and for a period of three (3) years following the end of the Term and any renewals thereof. The Contractor shall at all reasonable times permit inspection and audit of such records and statements by CMHC's internal or external auditors. The Contractor shall

provide CMHC's auditors with sufficient original documents in order to conduct the audit. An audit may be conducted without prior notice, however CMHC agrees to cooperate with the Contractor in the course of conducting any audit in order to avoid disruption in day-to-day operations.

3.6   Income Tax Reporting

As a federal Crown Corporation, CMHC is obliged under the Income Tax Act and Regulations to report payments made by CMHC to suppliers of product and/or services by using a T1204 supplementary slip. The Contractor will be required to complete and sign a Supplier - Direct Deposit and Tax Information Form (CMHC/SCHL 3085) to allow CMHC to complete the T1204 slip.

4.1   Contractor's Indemnification

(a) The Contractor agrees that none of CMHC, its employees, officers, agents or subcontractors shall be liable for any damage, loss or claims related in any way to the Agreement or the provision of the Services and the Contractor hereby agrees to indemnify and hold harmless CMHC, its officers, employees, agents and subcontractors from and against any damages, losses, claims, costs, charges, liabilities, demands, judgments and expenses (including legal fees and disbursements) resulting, directly or indirectly from, or in any way related to the Agreement or the Services, whether such claims are brought in the name of CMHC or in the name of the Contractor or in the name of any officer, employee, agent or subcontractor of CMHC.

(b) CMHC shall not be liable to the Contractor, its officers, employees, agents or subcontractors for any loss or damages resulting directly or indirectly from the Agreement. Without limiting the generality of the foregoing, CMHC shall not be liable to the Contractor, its officers, employees, agents or subcontractors for any incidental, punitive, special, indirect or consequential loss, even if CMHC has been advised of the possibility of such damages, including but not limited to monetary loss, failure to realize monetary gain, failure to realize monetary savings of any kind, loss of profits, loss of revenues, loss of data, loss of business opportunity or similar losses of any kind that may arise in relation to the Agreement.

This term shall survive the termination or expiration of the Agreement.

4.2   Force Majeure

In the event that the Contractor is prevented from fulfilling its obligations under the terms of the Agreement by a force majeure or act of God (an event or effect that cannot be reasonably anticipated or controlled), the Contractor shall provide immediate written notice by registered mail describing the event(s) that constitute(s) a force majeure or an act of God. Without limiting the above, the following shall constitute cases of force majeure: war, serious public disturbances, all impediments arising from orders or prohibitions of public authority, acts of God, actions of public enemies, strikes, lockout and other labour disputes, riots, flooding, hurricane, fire, explosion or any other natural disasters over which the Contractor has no reasonable control. In the event it receives notice of a force majeure or act of God CMHC may to the extent it deems

necessary secure the services of other qualified Contractors without compensation or obligation to the Contractor.

4.3   Independent Contractor

The Contractor shall act as an independent contractor for the purposes of this Agreement. It and its employees, officers and agents are not engaged as employees of CMHC. The Contractor agrees to so advise its employees, officers, and agents. Without limiting the generality of the foregoing, the Contractor shall retain complete control of and accountability for its employees and agents. The Contractor shall prepare and process the payroll for its employees directly, and shall withhold and/or pay all applicable employment taxes and payroll deductions required in respect of its employees. All personnel shall, at all times, and for all purposes, be solely in the employment of the Contractor.

4.4   Contractor's Authority

The Contractor shall have no authority to give any guarantee or warranty whatsoever, expressed or implied, on behalf of CMHC and the Contractor is in no way the legal representative or agent of CMHC. The Contractor may not create any obligation on behalf of CMHC or bind CMHC in any way.

4.5   Confidentiality and Non-Disclosure of CMHC Information

Under this section, "CMHC Information" refers to any and all information which is managed, accessed, collected, used, disclosed, retained, received, created or disposed of in order to fulfill the requirements of the Agreement, including personal information of any kind, however obtained. Without limitation, CMHC Information includes data in any electronic format and information received directly, indirectly or through third parties.

The Contractor acknowledges and understands that all CMHC Information is subject to federal privacy and access to information legislation and that CMHC considers CMHC information to be under its custody and control of all times. The Contractor agrees to co-operate with CMHC to ensure that CMHC fulfills its obligations under the legislation.

The Contractor further understands and agrees to treat all CMHC Information as proprietary, confidential and sensitive unless otherwise specifically agreed to in writing by CMHC. The Contractor shall restrict access to CMHC Information to those persons who have a need to know this information in order to perform its obligations under the Agreement. The Contractor shall, at the request of CMHC, provide an Oath of Secrecy for each of its employees or persons engaged in carrying out the work, in a form prescribed by CMHC.

The Contractor shall ensure that CMHC Information remains in Canada and shall segregate CMHC Information from any other information in a database or repository independent from all other databases or repositories. Without limiting the generality of the foregoing, the Contractor shall ensure that any third party engaged to perform any part of the Work does not release, share

or otherwise divulge CMHC Information to any other person including subsidiaries, branch offices, partners of the Contractor or third party without the prior written consent of CMHC.

Where disclosure of CMHC Information is required pursuant to a lawful requirement or for the purposes of complying with a subpoena or warrant lawfully issued by a court, person or body of competent jurisdiction, the Contractor shall notify CMHC promptly after discovering the potential of disclosure of the CMHC Information so that CMHC has the opportunity to seek a protective order or other appropriate remedy. The Contractor shall co-operate with CMHC and shall provide any information or assistance required by CMHC to allow it to take appropriate action to prevent or limit disclosure.

Any CMHC Information provided to the Contractor in the performance of the Work described herein shall be returned, uncopied to CMHC or destroyed by the Contractor within three (3) months of the end of the Term. For documents not returned to CMHC, the Contractor shall provide specific proof under oath of their destruction.

4.6   Conflict of Interest

The Contractor and its principals, employees and agents shall avoid any conflict of interest during the term of this Agreement and shall immediately declare any existing, potential or apparent conflict and shall, upon direction of CMHC, take steps to eliminate any conflict or perception that a conflict of interest exists.

In the event that a conflict of interest, real or perceived, cannot be resolved to the satisfaction of CMHC despite reasonable efforts to do so, CMHC shall have the right to immediately terminate the Agreement. In the event of such termination, CMHC shall be liable for payment to the Contractor of an amount which, in the sole opinion of CMHC, constitutes reasonable payment for the partial performance of the Contractor's obligations under the Agreement. Upon such payment, CMHC shall have no further obligation of any nature or kind to the Contractor.

Any former public office holder must be in compliance with the post-employment provisions of the Conflict of Interest Act in order to derive a direct benefit from any contract which may arise from this request for proposal.

4.7   Intellectual Property Rights

All materials and documents which are the property of CMHC at the commencement of the Term shall remain the property of CMHC. All intellectual property rights which are the property of the Contractor at the commencement of the Term shall remain the property of the Contractor.

All material, reports, data sets and other work product produced under this Agreement will become the sole property of CMHC upon coming into existence. The Contractor warrants that the Contractor is the only person who has or will have moral rights in the material created by the Contractor and supplied under this Agreement and the Contractor hereby waives in favour of CMHC all of the Contractor's moral rights in the material, as provided for in the law of copyright. Upon the material coming into existence, the Contractor agrees to execute any

document requested by CMHC acknowledging CMHC's ownership of the material and work product and the waiver of the Contractor's moral rights therein. The Contractor shall have no right to use the materials, reports, data sets or resulting work product for any purpose other than those reasonably necessary for the provision of the Services under this Agreement.

4.8   Corporation Identification

It is agreed that the Contractor will make no use whatsoever of CMHC's name, logo, official marks or trademarks without first obtaining the express written consent of CMHC.

4.9   Insurance

A.   <u>*Commercial General Liability Insurance*</u>

The Contractor will provide and maintain Commercial General Liability insurance with an insurer license to do business in Canada with a limit of not less than $2,000,000 per occurrence for bodily injury or damage to property including loss of use of such property. This policy shall include the following extensions:

1. *cross Liability including severability of interest*
2. *personal Injury*
3. *blanket contractual*
4. *employers liability (or confirmation that all employees including subcontractors and independent contractors are covered by Workers Compensation)*
5. *non Owned automobile liability*
6. *Canada Mortgage and Housing Corporation to be added as additional insured.*
7. *Thirty (30) days prior written notice of cancellation to Risk Management Consultant, 700 Montréal Road, Ottawa, Ontario K1A 0P7*
8. *contractors liability to include operations of independent contractors (if not provided then each subcontractor must provide a certificate of insurance confirming that they have liability insurance as detailed in the RFP).*

B.   <u>*Professional (Errors & Omissions) Liability*</u>

The Contractor will provide and maintain Software Errors & Omissions Liability insurance with an insurer licensed to do business in Canada with a limit of not less than $4,000,000. The policy will provide thirty (30) days prior written notice of cancellation to Risk Management Consultant, 700 Montréal Road, Ottawa, Ontario K1A 0P7 Coverage is to include Contractor and Contractor's employees and contract employees (if applicable) as insured. The Contractor shall ensure that the policy is renewed continuously for a minimum period of five (5) years following the expiration or early termination of this Agreement.

C.   *Automobile Insurance*

The Contractor will provide and maintain Automobile Insurance with an insurer licensed to do business in Canada with limits of not less than $2,000,000. Third Party Liability for all motor vehicles used by the Proponent in the performance of this Agreement.

Other conditions

a) *If there are material changes in the scope of Services provided under this Agreement, CMHC may, request changes to the various minimum insurance coverage policies as set out above.*

b) *All Certificate of Insurance shall mention that insurers will provide CMHC with at least thirty (30) days' written notice prior to cancellation of any insurance referred to under this Article (4.28). In addition the Contractor shall provide written notice to CMHC forthwith upon learning that an insurer described in this Article (4.28) intends to cancel, or intends to make or has made a material change to, any insurance referred to in this Article (4.28). A Certificate of Insurance meeting the above requirements shall be delivered to CMHC upon execution of this Agreement and for each renewal thereafter.*

c) *Without in any way restricting CMHC's discretion to grant or withhold its consent to a allow subcontractors, the Contractor agrees that it shall contractually obligate any subcontractor or independent contractor retained in connection with this Agreement to maintain insurance against such risks and in such amounts that having regard to such subcontractor's or independent contractor's involvement in the provision of the Work could reasonably be expected to be carried out by Persons acting prudently and in a similar business to that of such subcontractor or independent contractor.*

d) *It shall be the sole responsibility of the Contractor and subcontractor or independent contractor to decide whether or not any other insurance coverage, in addition to the insurance requirements stipulated herein, is necessary for its own protection or to fulfill its obligation under this Agreement. All insurance policies shall be provided and maintained by the Contractor and subcontractor or independent contractor at its own expense.*

4.10   *Official Languages*

The Contractor acknowledges and understands that CMHC is governed by the Official Languages Act and follows related Treasury Board Policies. The Contractor agrees to take any measures necessary to ensure compliance with the Act and those policies. When providing services to or communicating with CMHC employees, in person, over the phone or in writing

(including electronic correspondence), the Contractor must actively offer bilingual services in and indicate clearly by verbal and/or visual means that employees can communicate with and obtain available services in either English or French. The Contractor must also ensure that there is sufficient capacity to provide services that are comparable in terms of quality and timeliness in both official languages.

4.11   Access to CMHC Property

Where reasonably necessary for the provision of the Services, CMHC agrees to permit access by the Contractor's principals and/or employees onto CMHC premises for the purpose of fulfilling the Contractor's obligations as per the terms of this Agreement. However, CMHC reserves the right to refuse entry to or remove from CMHC premises any of the Contractor's principals or employees where reasonably necessary. Removal will be reasonably necessary in the case of an emergency, violation of safety and/or security regulations, incompetence on the part of the principal or employee or other violation or concern of a serious nature.

The Contractor shall be fully responsible to CMHC for the acts and omissions (including negligence) of its employees, subcontractors and of persons directly or indirectly engaged by such subcontractors as if such acts and omissions were those of the Contractor.

4.12   Extras

Except as otherwise provided in the Agreement, no payment for extras shall be made unless such extras and the price thereof have been authorized in writing by CMHC

4.13   Laws Governing Agreement

This Agreement shall be governed by and construed in accordance with the federal laws of Canada and any provincial laws applicable therein. The parties agree that any proceedings initiated with respect to the Agreement will be initiated in the province of Ontario.

5.1   Invoices

*All invoices issued under the Agreement must make reference to this Agreement by quoting **CMHC file number 201305433** and be forwarded by fax, e-mail or postal service at the following address:*

> **Canada Mortgage and Housing Corporation**
> **700 Montreal Road**
> **Building "C", Floor "3"**
> **Attn: Information Technology**
> **Ottawa, Ontario, K1A 0P7**
>
> **Phone: (   ) _____ Fax: (   )_____**
> **E-mail: _____**

5.2   Agreement Administrators

All notices issued under the Agreement must make reference to this Agreement by quoting **CMHC file number 201305433** *and be forwarded by fax, e-mail or postal service at the following address:*

for CMHC;

> **Canada Mortgage and Housing Corporation**
> **700 Montreal Road**
> **Ottawa, Ontario, K1A 0P7**
>
> **Phone: (   ) _____ Fax: (   )_____**
> **E-mail: _____**

for Contractor;   _____
                       _____
                       _____
                       _____

> **Phone: (   ) _____ Fax: (   ) _____**
> **E-mail: _____**

6. Agreement Documents

The Agreement documents consist of the following:

>   *a.This form of Agreement as executed _____;*
>
>   *b.Negotiated Statement of Work as executed _____;*
>
>   *c.CMHC's Request for Proposal dated _____;*
>
>   *d.The Contractor's submitted Proposal dated _____; and*
>
> *together with all written change notices issued by CMHC hereunder and such further specifications and documents as the parties may agree in writing.*

6.2   The Agreement documents are complementary and what is called for in any one shall be binding as if called for by all. The Agreement documents shall be interpreted as a whole and the intent of the whole rather than the interpretation of any particular part shall govern. In the event of a conflict between them, the Agreement documents shall have precedence among themselves in the order as listed above.

7   SECTION 7 APPENDICES

7.1   **Certificate of Submission**   **MANDATORY**
APPENDIX A

_____   _____hereby:

| Company Name | Procurement Business Number (PBN) |

I.   offers to provide services and/or products to CMHC, as described in this proposal, on and if, as and when required basis, all in accordance with the Request for Proposal;

II.   offers the terms as set out in this proposal, including any pricing proposal for a period one hundred and twenty days (120) as specified in section 2 of the RFP;

III.   certifies that, at the time of submitting this bid, is in full compliance with all tax statutes administered by all provincial, territorial and federal Ministries of Finance and that, in particular, all returns required to be filed under all provincial and federal tax statutes have been filed, and all taxes due and payable under those statutes have been paid or satisfactory arrangements for their payment have been made and maintained;

IV.   represents and warrants that in submitting the proposal or performing the Agreement, there is no actual or perceived conflict of interest;

V.   represents and warrants that in preparing the proposal, there was no actual or perceived unfair advantage due to the receipt of information regarding the RFP that was not made available to other Proponents;

VI.   certifies that this proposal was independently arrived at, without collusion;

VII.   certifies that no gratuities or gifts in kind were offered to any CMHC employee, Board member or Governor-in-Council appointee; and intended, by the gratuity, to obtain an Agreement or favourable treatment under an Agreement;

VIII.   authorizes CMHC to conduct such investigation as it deems appropriate to verify the contents of the proposal;

IX.   certifies, unless explicitly outlined in the proposal, that all pricing information is based on service provision which, at a minimum, fully meets all of the existing service standards as outlined in the Statement of Requirements;

X.   agrees to comply with the terms and conditions set out in Section 6, other than as specifically noted in the proposal;

XI.   (for sole proprietorships and partnerships) provide permission herewith to CMHC to undertake credit checks on the individuals listed below (names, signatures and home addresses of each must be provided).

XII.   agrees that, in the event of acceptance of this proposal, it will enter agreement negotiations in accordance with the RFP, and upon entry into an Agreement with CMHC, it will commit to providing the full scope of services identified in the Agreement.

XIII.   agrees that all responses and related materials become the property of CMHC, will not be returned and CMHC will not reimburse the Proponent for any work related to, travel or materials supplied in the preparation of the RFP response.

XIV.   agrees that it and any other persons for which it is responsible, who are to perform the Work as stated in this RFP, at the request of CMHC will comply with security screening as deemed appropriate;

Signed this _____ day of _____, 2014 at _____, Canada.

Corporations are not required to provide a corporate seal. The signature of one witness is required for the signature of each Owner/Signing Authority.

Corporation/Individual:

_____   _____
Signature of Signing Authority   Name and Title of Signing Authority

Declaration: I am an authorized signing officer.

7.2 Evaluation Table

APPENDIX B

		M/R	Weighted Points Available	Minimum Point Requirement	Weights	% of total RFP
	3.5.1 Key Functional Requirements of the Software Solution Proposed					
3.5.1.17	Proponents should describe the extent to which the	R	180		18	
3.5.1.18	Proponents should describe how the model supports	R	60		6	
3.5.1.19	Proponents should describe how the outputs	R	60		6	
3.5.1.20	Proponents should describe how other assets and	R	60		6	
3.5.1.21	Proponents should provide a brief description of	R	60		6	
3.5.1.22	Proponents should list all data types supported for.	R	60		6	
3.5.1.23	Proponents should describe what processes are	R	60		6	
3.5.1.24	Proponents should list statistical loss distributions	R	70		7	
3.5.1.25	Proponents should provide a brief description on	R	105		10.5	
3.5.1.26	Proponents should provide a brief description of	R	70		7	
3.5.1.27	Proponents should describe any unique features of	R	60		6	
	Total Section:		**845**			
	3.5.2 Training Requirements					
3.5.2.5	Proponents should describe the on-site training	R	50		5	
	Total Section:		**50**			
	3.5.3. Administrative Requirements					
3.5.3.6	Proponents should provide a brief description of	R	20		2	
3.5.3.7	Proponents should provide a description of the	R	25		2.5	
3.5.3.8	Proponents should describe the audit trail features	R	25		2.5	
3.5.3.9	Proponents should describe additional capabilities	R	20		20	
	Total Section:		**90**			75%
	3.5.4 Reporting Requirements					
3.5.4.7	Proponents should briefly describe the reporting	R	80		8	
3.5.4.8	Proponents should provide a list of standard report	R	80		8	
3.5.4.9	Proponents should describe any other capability of	R	80		8	
	Total Section:		**240**			
	3.5.5 Methodology and Implementation Requirements					
3.5.5.3	Proponents should to include a typical high level	R	60		6	
3.5.5.4	Proponents should outline the Proponent's	R	45		4.5	

3.5.5.5	Proposals should include an outline of an	R	45		4.5
3.5.5.6	CMHC will want to implement as quickly as	R	45		4.5
3.5.5.7	Proponents should provide a description of the.	R	45		4.5
	Total Section:		**240**		
	3.5.6 Post Implementation and Support Requirements				
3.5.6.2	Proponents should describe the resources available	R	40		4
3.5.6.3	Proponents Should indicate the number of prior	R	20		4
3.5.6.4	Proponents should provide the Proponent's release.	R	40		4
3.5.6.5	Proponents should describe how the following	R	20		2
3.5.6.6	Proponents should identify lead times (3months, 1	R	15		1.5
3.5.6.7	Proponent should provide a toll free problem	R	15		1.5
3.5.6.8	Proponent should provide a WEB portal (via the	R	20		2
3.5.6.9	Proponent should describe what the support level	R	20		2
3.5.6.10	Proponents should provide a technical and user	R	20		2
3.5.6.11	Proponent should describe on-going support beyond	R	20		2
3.5.6.12	The Proponent's support office should be located in	R	20		2
	Total Section:		**250**		
	3.5.7 Technical Requirements				
3.5.7.6	The Proponent should provide a detailed description	R	13		1.3
3.5.7.7	The Proponent should Identify any additional	R	7		0.7
3.5.7.8	The proposed software solution should provide	R	7		0.7
3.5.7.9	Proponents should provide a description of the	R	7		0.7
3.5.7.10	Proponents should describe the proposed software	R	7		0.7
3.5.7.11	Proponents should describe the support for server,	R	7		0.7
3.5.7.12	Proponents proposed software solution should	R	5		0.5
3.5.7.13	Proponents should describe the proposed software	R	7		0.7
3.5.7.14	Proponents should describe the functionality that	R	7		0.7
3.5.7.15	Proponents should describe the client interface of	R	7		0.7
3.5.7.16	Proponents should describe the technical	R	7		0.7
3.5.7.17	The proposed software solution should at a	R	7		0.7
3.5.7.18	Proponents should provide a description of the	R	10		1
3.5.7.19	Proponents should provide a list of all supported	R	7		0.7
3.5.7.20	Proponents should provide a description of meta	R	5		0.5
3.5.7.21	Proponents should describe the process to install	R	7		0.7
3.5.7.22	Proponents should provide a Testing Plan and flow	R	3		0.3
	Total Section:		**120**		
	3.5.8 Licensing and Warranty Requirements				
3.5.8.3	Concurrent with the installation of its system, the	R	15		1.5
3.5.8.4	The Proponent should include all technical,	R	15		1.5

3.5.8.5	The Proponent's license agreement should include	R	15		1.5	
3.5.8.6	Proponent should indicate the warranty periods for	R	15		1.5	
3.5.8.7	The Proponent's software license rights for CMHC	R	15		1.5	
3.5.8.8	The proponent should provide software upgrades	R	10		1	
3.5.8.9	The Proponents should describe the licensing model	R	20		2	
3.5.8.10	Based on the Proponents licensing model described	R	10		1	
	Total Section:		**115**			
	Grand Total Technical		**1950**	1170		

	3.5.9 References					
3.5.9.1	The Proponent is to provide three (3) different	R	120		12	
	Total Section:		**120**	72		

	3.5.10 Pricing Proposal - Venders total Price		**520**			20%

	Grand total of all points		**2590**			100%

7.3 Mandatory Compliance Checklist

APPENDIX C

❑	Submission Deadline	Section 2.3
❑	On market for minimum of 3 years	Section 3.5.1.2
❑	Primary function must be model financial	Section 3.5.1.3
❑	Model assets at an individual security	Section 3.5.1.4
❑	Model mortgage insurance products	Section 3.5.1.5
❑	Model various securitization exposures	Section 3.5.1.6
❑	Dependency structures of assets and liabilities	Section 3.5.1.7
❑	Model CDN GAAP and IFRS accounting	Section 3.5.1.8
❑	Canadian Accounting docs (P&C-1)	Section 3.5.1.9
❑	Import large data sets in various formats	Section 3.5.1.10
❑	Financial statement projections over 30 years	Section 3.5.1.11
❑	Calculation of regulatory and economic capital	Section 3.5.1.12
❑	Model allocation of capital required/risk classes	Section 3.5.1.13
❑	Include standard theoretical loss distributions	Section 3.5.1.14
❑	Support simulation from distributions	Section 3.5.1.15
❑	Link to economic scenario generator	Section 3.5.1.16
❑	Training materials	Section 3.5.2.1
❑	Technical and operational documentation	Section 3.5.2.2
❑	Updating all online help and training docs	Section 3.5.2.3
❑	Training material in English	Section 3.5.2.4
❑	Role based access controls	Section 3.5.3.1
❑	Include an on-line help facility	Section 3.5.3.2
❑	Allow several people to access and work	Section 3.5.3.3
❑	Store multiple copies of a models	Section 3.5.3.4
❑	Maintain an audit trail of changes to the models	Section 3.5.3.5

❑	Report facility built into the software	Section 3.5.4.1
❑	Interface for defining queries	Section 3.5.4.2
❑	Provide online access to reports	Section 3.5.4.3
❑	Ability to export report in various formats	Section 3.5.4.4
❑	Create, reuse, and share report templates	Section 3.5.4.5
❑	Create a Balance Sheet, Statement of Inc.	Section 3.5.4.6
❑	Implementation start date	Section 3.5.5.2
❑	Supported prior version	Section 3.5.6.1
❑	Provide hardware & software requirements	Section 3.5.7.1
❑	No communication with external networks	Section 3.5.7.2
❑	Authentication using Active Directory	Section 3.5.7.3
❑	Data import and export	Section 3.5.7.4
❑	Control access to system based defined roles	Section 3.5.7.5
❑	Software warrant and maintenance	Section 3.5.8.1
❑	Limitations, exceptions or conditions that could affect the warranty	Section 3.5.8.2
❑	Response to Statement of Requirements	Section 4.7
❑	Financial Information	Section 4.9
❑	Pricing Proposal	Section 4.11
❑	7.1 Certificate of Submission	Appendix A

7.4 CMHC Technology Environment Overview (I)

APPENDIX D

It is highly preferred that the Proponent's proposed solution operates within the overall CMHC Information Technology Environment, which is as follows:

CMHC Operates 5 distinctive computer Environments

Production	All business functions/applications are operated in this Environment with full production data.
Disaster Recovery	Non-active copy of the Production environment which consists of identical hardware, platforms and mission critical software. Mirroring the Production environment ensures failover and high availability in the event of a disaster; the DR environment is only used in this event.
Development	Program developers use this environment to create code and user interfaces if required, using limited test data. Used to test the application when first received and new updates or patches.
System Test	Modifications to production version that are migrated from Development are tested by business clients in this environment. Performance testing of the application is conducted in this environment. Client acceptance of the software in this environment triggers promotion to EIT.
External Integration Testing (EIT)	Integration testing of application with other applications found in the production environment. Successful testing triggers promotion to production.

Development environment to the other CMHC environments – System Test, External Integration Testing and Production

Client and Server Network Environment

Server Hardware	• Intel Pentium and Xeon Class Servers – IBM eServer xSeries • Storage Area Network (SAN) environment • IBM TotalStorage DS8100,DS5100,DS4700 • Disk and TotalStorage 3584 tape systems.
Functional Domain	• Windows Server 2003 Domain • Windows Server 2008 R2
Operating Systems	• Windows 2008 (64 bit, R2)
Server Technology	• VMWare ESXi • Vmware Vsphere 4 • Blade Servers • Tivioli Storage Manger (TSM)
Network	• Ethernet

Infrastructure	• CISCO router-based networking • WiFi - Cisco Access Points & Controllers • TCP IP Primary Protocol v4 & v6 • SSL VPN and IPSec VPN Remote Access • Application Delivery Controller (aka. Load Balancing) - F5 Big IP LTM • WAN Optimization/Acceleration - Citrix Repeater • Primary and secondary MPLS circuit providers
Voice Services	• Main Telephone System - Avaya CS • Voice Mail Services & Server- Avaya Call Pilot Voicemail • Contact Centre Functionality - Avaya Contact Centre Suite • Monitoring and Status Technology - Witness Quality Monitoring, • NETIQ voice monitoring, PRI Monitor and Solar Winds. • Chat, video and presence information - Avaya Aura Unified Communications Infrastructure.
Video services	• Polycom Bridge • Polycom Converged Management Application CMA 4000 • Video Conferencing Units use Polycom VSX and HDX.

Mainframe Environment

Operating System	• z/OS 1.12

Desktop Environment

Hardware	Various desktops and laptops provided by multiple manufactures. specification minimums are: • USD 2.3 and 3.0 • 4 Gig of RAM • No optical readers • Dual Core • 120Gig hard drive • DVD drive
Standard Desktop Software	• Microsoft Windows7 (32bit) • Virtual Applications (Citrix Xenapps 6.5) • Lotus Notes Client R8.5 • Lotus Smartsuite Millenium Edition (Word Pro, Freelance, Lotus 1-2-3, Organizer, Approach) • Microsoft Office Standard Edition 2007, 2013 and 365 (Excel,

	Word, PowerPoint, Access)
	• Attachmate Reflection 2008
	• Symantec Anti-Virus
	• Microsoft Internet Explorer V 8 or V 9
	• Single Sign On (third party – Oracle V 11)
	• .NET Framework V4.5
COTS Applications	• Finance Core Financials (Infor SmartStream)
	• Warehouse and Order Desk (SAP R/3 OPIMS ECC6, Group1)
	• Treasury Systems (Finance Kit WallStreet Suite)
	• Document Management (IBM DB2 Enterprise Content Management (ECM))
	• Library System (Symphony)
	• Online Surveys (LimeSurvey)
	• Photo Library System (KE Emu)
	• Pension Fund Accounting System (Accpac Accounting)
	• Pension Fund Management System (CAMRA Portfolio Management System)
	• Financial Authorities System (Intellera WorkflowGen Software)
	• Access to Information (ATIP) tracking system (Privasoft)
	• Document Management (IBM DB2 Enterprise Content Management (ECM)
	• WebTrends
	• Finance Corporate Performance Management (SAP Business Planning and Consolidation)

IT Service and Software Management

IT Service and Software Management	• Marval Pursuit and Trakit software (Asset and Financial Management, Change Management, Problem Management, and Service Request Management)
	• LANDesk software distribution and inventory management

Database Technologies

Mainframe Database Platforms	• DB2 for z/os
Client server Database Platforms	• SQL Server • DB2 LUW for Windows
Lotus Notes Database Platforms	• Domino

Development Languages

.NET	• Visual Studio • .NET Framework V4.5 • ASP.Net and ASP.Net MVCVBA and VBScript • Silverlight 4
ColdFusion	• ColdFusion • CommonSpot Winter 2012
Java	• Java (SP, Struts) • Java 6
Mainframe	• IBM Enterprise COBOL for z/OS
Web	• HTML (4, 5), CSS, Javascript, XML
Lotus Notes	• Lotus Notes
Other	• SAP ECC 6/ABAP
Source Control	• Team Foundation Server (TFS) • Rational Team Concert (RTC)

Reporting Tools

Cognos Tools	• Cognos Impromptu • Cognos Powerplay • Cognos ReportNet
Microsoft SQL Tools	• Microsoft SQL Server (Reporting, Analysis, Integration Services)
SAS Tools	• SAS Mainframe • SAS PC • Crystal Reporting
Other	• Crystal Reporting • Microsoft Project • IBM enterprise content management – being replaced by OpenText in the near and long range CMHC business plans

7.5   Financial cost Sheet Table (M)

APPENDIX E

Instructions: Complete information in Yellow boxes below

Requirement	Effort (# of days)	Cost per diem ($)		Total Extended Cost
Project stage:				
Analysis				
Design				
Realization (Installation, Config and Testing)				
Go-Live				
Other (if applicable)				
List other options for implementation scenarios, type of resources required, and their applicable per diem rate				
Training – Train the trainer				
Training – On site Classroom - 8 students				
Training – On site Classroom – List Max students				
Training - Web				
Training - Other				
Training Documentation				
Documentation:	**Effort** (# of days)	**Per Diem Rate**		**Total Extended Cost**
Please list various Documentation				
Implementation Notes / Documentation				

Services – ad hoc:	Per Diem Rate	Indicate if minimum		Indicate if minimum
Consulting or Professional services on Financial Risk Modelling solution (for purposes of RFP rating assume services are for upgrades)				
Year 1 rate				
Year 2 rate				
Year 3 rate				
Year 4 rate				
Year 5 rate				
Year 6 rate				
Licensing	Units	Base Cost	Discounts	Total Cost
CMHC operates five (5) distinctive operating environments Production, Development, Test, and External Integration Testing (EIT), and Disaster Recovery (DR) – please costs to hold production and non-production versions of the software				
Per module Production				
Per module Development				
Per module Testing				
Per module EIT				
Per module DR				
3rd party applications (if required)				
Cost per administrative user				
Cost per technical user				
3rd party licenses (if required)				
List the number of licences included in the price provided				

Maintenance		Cost		
Basic Maintenance – please describe what is included				
1st year maintenance costs				
2nd year maintenance costs				
3rd year maintenance costs				
4th year maintenance costs				
5th year maintenance costs				
6th year maintenance costs				
Enhanced Maintenance listing uplifts from basic				
1st year maintenance costs				
2nd year maintenance costs				
3rd year maintenance costs				
4th year maintenance costs				
5th year maintenance costs				
6th year maintenance costs				
Support		**Cost**		
Rate for phone call access (if applicable) basic Service levels provided				
Rate for phone call access (if applicable) enhanced Service levels provided				
Rate for WEB access support (if applicable)				
Rate for WEB access support (if applicable) enhanced Service levels provided				
Other Costs		**Cost**		
List the number of technical resources available, tasks performed per type of resource, and their applicable per diem rate				

Application specialist				