

## STANDING OFFER AGREEMENT

This agreement is issued against 4600000XXX Standing Offer, Health Canada file Request for Standing Offer # 1000XXXXXX. All terms and conditions of the referenced Request for Standing Offer apply and are incorporated into this resulting agreement.

These Articles of Agreement are made as of the XX day of Month, 20XX

between

Her Majesty the Queen in right of Canada (referred to in the contract as “Her Majesty”) represented by the Minister of Health (referred to in the contract as the “Minister”)

and

*Company Name and Address*

(referred to in the contract as the “Contractor”).

Her Majesty and the Contractor agree as follows:

### A1.0 Standing Offer Agreement

- A1.1 The following documents and any related amendments form the Agreement between Her Majesty and the Contractor:
- A1.1.1 these Articles of Agreement;
  - A1.1.2 The Request for Standing Offer document and any/all amendments issued thereto;
  - A1.1.3 the document attached as Appendix “A” and entitled “General Conditions”, referred to as the General Conditions;
  - A1.1.4 the document attached as Appendix “B” and entitled “Ownership of Intellectual and Other Property Including Copyright” referred to as Ownership of Intellectual and Other Property Including Copyright;
  - A1.1.5 the document attached as Appendix “C” and entitled “Terms of Payment”, referred to as the Terms of Payment;
- A1.2 In the event of discrepancies, inconsistencies or ambiguities in the wording of these documents, the wording of the document that first appears on the above list shall prevail over the wording of the document subsequently appearing on the list.

**A2.0 Date of Completion of Work and Description of Work**

- A2.1 The Standing Offer Agreement shall be for a period commencing from the date of these Articles of Agreement to date, inclusive.
- A2.2 Her Majesty reserves the right to extend the duration of the Standing Offer Agreement by up to two (2) consecutive additional one (1) year option periods to be exercised at Health Canada's discretion.
- A2.3 Should Her Majesty exercise the right to extend this Standing Offer Agreement beyond its initial period, the Contractor hereby agrees to provide the services specified herein under the same terms, conditions and rates specified herein.
- A2.4 Any such extension of the Standing Offer Agreement will be evidenced through the issuance of a written Notice given prior to the end of the Agreement.

**A3.0 Limitations**

- A3.1 The Total Cost to Her Majesty resulting from all call-ups against this Standing Offer shall not exceed the sum of XXXXXX, Goods and Services Tax or Harmonized Sales Tax included.
- A3.2 The Contractor understands and agrees that the level of service specified in the Request for Standing Offer is only an approximation of the requirements given in good faith. This Standing Offer shall not constitute a commitment by Her Majesty to order any or all of the said services whatsoever, or to spend any monies whatsoever.
- A3.3 Individual call-ups issued against this Standing Offer shall not exceed \$ XXXX (including Goods and Services Tax, Harmonized Sales Tax and all amendments).
- A3.4 The aggregate value of all amendments shall not exceed 50% of the original contract value and shall not increase the contract value above the call-up limitation.
- A3.5 The Contractor understands and agrees that Her Majesty's liability under this Standing Offer Agreement shall be limited to that which arises from individual call-ups against the Standing Offer Agreement.
- A3.6 The Contractor understands and agrees that a default under one or more contracts created by a call-up under this Standing Offer shall entitle Her Majesty, in Her Sole discretion, to treat such default as a default under any one or more of any remaining contracts created by a call-up under this Standing Offer, whether or not the Offeror is in fact in default under any of such remaining contracts.

**A4.0 Appropriate Law**

- A4.1 This Standing Offer Agreement and any resulting call-ups shall be governed by and construed in accordance with the laws in force in the Province of Ontario.

**A5.0 Standing Offer Authority**

Name of the holder of the standing offer along with their address, telephone and fax number

The Standing Offer Authority is responsible for the management of this Standing Offer Agreement. Any changes to the Standing Offer Agreement must be authorized in writing by the Standing Offer Authority. The Contractor is not to perform work outside the scope of this Standing Offer Agreement based on verbal or written request or instructions from any government personnel other than the Standing Offer Authority.

This Standing Offer Agreement has been executed on behalf of the Contractor and on behalf of Her Majesty the Queen in right of Canada by their duly authorized officers.

**FOR THE CONTRACTOR**

\_\_\_\_\_  
*(Sign above line; type name and title beneath line)* \_\_\_\_\_ *(Date)*

**FOR HER MAJESTY**

\_\_\_\_\_  
*Name and title* \_\_\_\_\_ *(Date)*

## **GENERAL CONDITIONS FOR CALL-UPS UNDER STANDING OFFER AGREEMENT**

### **GC1.0 Interpretation**

#### **GC1.1 In the Contract,**

GC1.1.1 "Contracting Authority" means the officer or employee of Canada who is designated by the Articles of Agreement and includes a person authorized by the Contracting Authority to perform any of the Contracting Authority's functions under the Contract;

GC1.1.2 "Cost" means Cost determined according to Public Works and Government Services Canada (PWGSC) Contract Cost Principles (CCP) 1031-2 as revised to the date of the bid solicitation or, if there was no bid solicitation, the date of the Contract. CCP 1031-2 are found on the PWGSC website at the following address: <https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual/3/1031-2>

GC1.1.3 "Minister" includes a person acting for, or if the office is vacant, in place of the Minister and the Minister's successors in the office, and the Minister's or their lawful deputy and any of the Minister's or their representatives appointed for the purpose of the Agreement;

GC1.1.4 "Work", unless otherwise expressed in the Agreement, means all the activities, services, goods, equipment and things required to be done, delivered or performed by the Contractor under the Agreement.

### **GC2.0 Date of Completion of Work and Description of Work**

GC2.1 The Contractor shall, between the start date and the end date specified in section C3 (Agreement Period of the Articles of Agreement), perform and complete with care, skill, diligence and efficiency the Work that is described in the Statement of Work (Annex A).

### **GC3.0 Successors and Assigns**

GC3.1. The Agreement is to the benefit of and binds the successors and permitted assignees of Canada and of the Contractor.

### **GC4.0 Subcontractors**

GC4.1 Subcontractors must obtain the equivalent level of screening or clearance as deemed required for the Contractor.

GC4.2 All call-ups with outside parties which contain security requirements are not to be awarded without prior written permission from the Contracting Authority.

### **GC5.0 Assignment**

GC5.1 The Contractor must not assign the Agreement without first obtaining the written consent of the Contracting Authority. Any assignment made without that consent is void and will have no effect. The assignment will be effective upon execution of an assignment agreement signed by the Parties and the assignee.

GC5.2 Assignment of the Agreement does not relieve the Contractor from any obligation under the Agreement and it does not impose any liability upon Canada.

#### **GC6.0 Time of the Essence and Excusable Delay**

GC6.1 It is essential that the Work be performed within or at the time stated in the Agreement.

GC6.2 A delay in the performance by the Contractor of any obligation under the Agreement that is caused by an event that:

- a. is beyond the reasonable control of the Contractor;
- b. could not reasonably have been foreseen;
- c. could not reasonably have been prevented by means reasonably available to the Contractor; and
- d. occurred without the fault or neglect of the Contractor, will be considered an "Excusable Delay" if the Contractor advises the Contracting Authority of the occurrence of the delay or of the likelihood of the delay as soon as the Contractor becomes aware of it. The Contractor must also advise the Contracting Authority, within fifteen (15) working days, of all the circumstances relating to the delay and provide to the Contracting Authority for approval a clear work around plan explaining in detail the steps that the Contractor proposes to take in order to minimize the impact of the event causing the delay.

GC6.3 Any delivery date or other date that is directly affected by an Excusable Delay will be postponed for a reasonable time that will not exceed the duration of the Excusable Delay.

GC6.4 However, if an Excusable Delay has continued for thirty (30) days or more, the Contracting Authority may, by giving notice in writing to the Contractor, terminate the Agreement. In such a case, the Parties agree that neither will make any claim against the other for damages, Costs, expected profits or any other loss arising out of the termination or the event that contributed to the Excusable Delay. The Contractor agrees to repay immediately to the Minister the portion of any advance payment that is unliquidated at the date of the termination.

GC6.5 Unless Canada has caused the delay by failing to meet an obligation under the Agreement, Canada will not be responsible for any Costs incurred by the Contractor or any of its subcontractors or agents as a result of an Excusable Delay.

#### **GC7.0 Indemnification**

GC7.1 The Contractor shall indemnify and save harmless Canada, the Minister and their employees, servants and agents from and against all claims, losses, damages, costs, expenses, actions and other proceedings, made, sustained, brought, prosecuted, threatened to be brought or prosecuted, in any manner based upon, occasioned by or attributable to any injury to or death of a person or damage to or loss of property arising from any wilful or negligent act, omission or delay on the part of the Contractor, the Contractor's employees, servants, agents or subcontractors in performing the Work or as a result of the Work.

GC7.1.1 The Contractor shall indemnify and save harmless Canada, the Minister and their employees, servants and agents from all costs, charges and expenses whatsoever that Canada sustains or incurs in all claims, actions, suits and proceedings for the use of the invention claimed in a patent, or infringement or alleged infringement of any patent or any registered industrial design or any copyright or other intellectual property right resulting from the performance of the Contractor's obligations under the Agreement, and in respect of the use of or disposal by Canada of anything furnished pursuant to the Agreement.

GC7.1.2 The Contractor's liability to indemnify, save harmless or reimburse Canada under the Agreement shall not affect or prejudice Canada from exercising any other rights under law.

GC7.1.3 The Contractor agrees that Canada shall not be liable for, and agrees to protect, indemnify and save harmless Canada, the Minister and their employees, servants and agents with respect to, any injury or damage (including death) to the Contractor or to the person of any officer, servant or agent of the Contractor or for the loss of or damage to the property of the Contractor or its officers, servants or agents in any manner based upon, occasioned by, or in any way attributable to the performance of the said Work unless the injury, loss or damage is caused by the negligence of an employee, servant or agent of Canada while acting within the scope of his or her employment.

#### **GC8.0 Notices**

GC8.1 Where in the Agreement any notice, request, direction, or other communication is required to be given or made by either Party, it shall be in writing and is effective if delivered in person, sent by registered mail, facsimile or electronic mail addressed to the Party for whom it is intended at the address mentioned in the Agreement and any notice, request, direction or other communication shall be deemed to have been given by registered mail, when the postal receipt is acknowledged by the other Party; and facsimile or electronic mail, when transmitted. The address of either Party may be changed by notice in the manner set out in this provision.

#### **GC9.0 Termination for Convenience**

GC9.1 At any time before the completion of the Work, the Contracting Authority may, by giving notice in writing to the Contractor, terminate for convenience the Agreement or part of the Agreement. Once such a notice of termination for convenience is given, the Contractor must comply with the requirements of the termination notice. If the Agreement is terminated in part only, the Contractor must proceed to complete any part of the Work that is not affected by the termination notice. The termination will take effect immediately or, as the case may be, at the time specified in the termination notice.

GC9.2 If a termination notice is given pursuant to subsection 9.1, the Contractor will be entitled to be paid, for Costs that have been reasonably and properly incurred to perform the Agreement to the extent that the Contractor has not already been paid or reimbursed by Canada. The Contractor will be paid:

- a. on the basis of the Agreement Dollar Value, for all completed Work that is inspected and accepted in accordance with the Agreement, whether completed before, or after the termination in accordance with the instructions contained in the termination notice;
- b. the Cost to the Contractor plus a fair and reasonable profit for all Work terminated by the termination notice before completion; and
- c. all Costs incidental to the termination of the Work incurred by the Contractor but not including the Cost of severance payments or damages to employees whose services are no longer required, except wages that the Contractor is obligated by statute to pay.

GC9.3 The Minister may reduce the payment in respect of any part of the Work, if upon inspection, it does not meet the requirements of the Agreement.

GC9.4 The total of the amounts, to which the Contractor is entitled to be paid under this section, together with any amounts paid, due or becoming due to the Contractor must not exceed the Agreement Dollar Value. The Contractor will have no claim for damages, compensation, loss of profit, allowance arising out of any termination notice given by Canada under this section except to the extent that this section expressly provides. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

## **GC10.0 Termination Due to Default of Contractor**

GC10.1 The Minister may, by notice to the Contractor, terminate all or any part of the Work if:

GC10.1.1 the Contractor becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or takes the benefit of any statute relating to bankrupt or insolvent debtors, or if a receiver is appointed under a debt instrument or a receiving order is made against the Contractor, or an order is made or a resolution passed for the winding down of the Contractor, the Contracting Authority may, to the extent permitted by the laws of Canada, by giving written notice to the Contractor, immediately terminate for default the Agreement or part of the Agreement; or

GC10.1.2 the Contractor fails to perform any of the Contractor's obligations under the Agreement, or, in the Minister's view, so fails to make progress as to endanger performance of the Agreement in accordance with its terms.

GC10.2 In the event that the Minister terminates the Work in whole or in part under GC10.1, the Minister may arrange, upon such terms and conditions and in such manner as the Minister deems appropriate, for all or part of the Work to be completed that was so terminated, and the Contractor shall be liable to Canada for any excess costs relating to the completion of the Work.

GC10.3 Upon termination of the Work under GC10.1, the Minister may require the Contractor to deliver and transfer title to Canada, in the manner and to the extent directed by the Minister, any finished Work which has not been delivered and accepted prior to such termination and any materials or Work-in-process which the Contractor has specifically acquired or produced for the fulfilment of the Agreement. Canada shall pay the Contractor for all finished Work delivered pursuant to the direction of, and accepted by, the Minister, the Cost to the Contractor of the finished Work plus the proportionate part of any fee fixed by the Agreement and shall pay or reimburse the Contractor the fair and reasonable Cost to the Contractor of all materials or Work-in-process delivered pursuant to the direction. Canada may withhold from the amounts due to the Contractor the sums that the Minister determines to be necessary to protect Canada against excess Costs for the completion of the Work.

GC10.4 The Contractor shall not be entitled to be reimbursed any amount which, taken together with any amounts paid or becoming due to the Contractor under the Agreement, exceeds the Agreement Dollar Value applicable to the Work or the particular part of the Work.

## **GC11.0 Records to be Kept by Contractor**

GC11.1 The Contractor shall keep proper accounts and records of the cost of the Work and of all expenditures or commitments made by the Contractor including invoices, original receipts and vouchers, which shall at reasonable times be open to audit and inspection by the authorized representatives of the Minister who may make copies and take extracts.

GC11.2 The Contractor shall afford facilities for audit and inspection and shall furnish the authorized representatives of the Minister with such information as the Minister or they may from time to time require with reference to the documents referred to in GC11.1.

GC11.3 The Contractor shall not dispose of the documents referred to in GC11.1 without the written consent of the Minister, but shall preserve and keep them available for audit and inspection for the period of time specified elsewhere in the Agreement or, in the absence of such specification, for a period of six years following completion of the Work.

## **GC12.0 Conflict of Interest**

GC12.1 The Contractor acknowledges that individuals who are subject to the provisions of the *Conflict of Interest Act*, 2006, c. 9, s. 2, the *Conflict of Interest Code for Members of the House of Commons*, the *Values and Ethics Code for the Public Service* or all other codes of values and ethics applicable within specific organizations cannot derive any direct benefit resulting from the Agreement.

### **GC13.0 Contractor Status**

GC13.1 This is a Agreement for the performance of services and the Contractor is an independent contractor engaged by Canada to perform the Work. Nothing in the Agreement is intended to create a partnership, a joint venture or an agency between Canada and the other Party or Parties. The Contractor must not represent itself as an agent or representative of Canada to anyone. Neither the Contractor nor any of its personnel is engaged as an employee or agent of Canada. The Contractor is responsible for all deductions and remittances required by law in relation to its employees.

### **GC14.0 Conduct of the Work**

GC14.1 The Contractor represents and warrants that:

- a. it is competent to perform the Work;
- b. it has everything necessary to perform the Work, including the resources, facilities, labour, technology, equipment, and materials; and
- c. it has the necessary qualifications, including knowledge, skill, know-how and experience, and the ability to use them effectively to perform the Work.

GC14.2 The Contractor must:

- a. perform the Work diligently and efficiently;
- b. except for Government property, supply everything necessary to perform the Work;
- c. use, as a minimum, quality assurance procedures, inspections and controls generally used and recognized by the industry to ensure the degree of quality required by the Agreement;
- d. select and employ a sufficient number of qualified people;
- e. perform the Work in accordance with standards of quality acceptable to Canada and in full conformity with the specifications and all the requirements of the Agreement; and
- f. provide effective and efficient supervision to ensure that the quality of workmanship meets the requirements of the Agreement.

GC14.3 The Work must not be performed by any person who, in the opinion of Canada, is incompetent, unsuitable or has conducted himself/herself improperly.

### **GC15.0 Member of Parliament**

GC15.1 No Member of Parliament shall be admitted to any share or part of this Agreement or to any benefit to arise from this Agreement.

### **GC16.0 Protection of Work**

GC16.1 The Contractor shall keep confidential all information provided to the Contractor by or on behalf of Canada in connection with the Work, including any information that is confidential or proprietary to third parties, and all information conceived, developed or produced by the Contractor as part of the Work where copyright or any other intellectual property rights in such information (except a licence) vests in Canada under the Agreement. The Contractor shall not disclose any such information to any person without the written permission of the Minister, except that the Contractor may disclose to a subcontractor information necessary for the performance of the subcontract, on the condition that the subcontractor agrees that it will be used solely for the purposes of such subcontract. Information provided to the Contractor by or on behalf of Canada shall be used solely for the purpose of the Agreement and shall remain the property of Canada or the third party, as the case may be. Unless

the Agreement otherwise expressly provides, the Contractor shall deliver to Canada all such information, together with every copy, draft, working paper and note thereof that contains such information, upon completion or termination of the Agreement or at such earlier time as the Minister may require. This section does not apply to any information that:

GC16.1.1 is publicly available from a source other than the Contractor; or

GC16.1.2 is or becomes known to the Contractor from a source other than Canada, except any source that is known to the Contractor to be under an obligation to Canada not to disclose the information.

GC16.2 When the Agreement, the Work, or any information referred to in GC16.1 is identified as TOP SECRET, SECRET, CONFIDENTIAL or PROTECTED by Canada,

GC16.2.1 the Contractor shall, at all times, take all measures reasonably necessary for the safeguarding of the material so identified, including any other instructions issued by the Minister; and

GC16.2.2 the Minister shall be entitled to inspect the Contractor's premises and the premises of a subcontractor at any tier for security purposes at any time during the term of the Agreement, and the Contractor shall comply with, and ensure that any subcontractor complies with, all written instructions issued by the Minister dealing with the material so identified, including any requirement that employees of the Contractor or of any subcontractor execute and deliver declarations relating to reliability screenings, security clearances and other procedures.

#### **GC17.0 Contingency Fees, Auditing and Public Disclosure**

GC17.1 The Contractor declares that the Contractor has not, directly or indirectly, paid or agreed to pay, and will not, directly or indirectly, pay a Contingency Fee to any individual for the solicitation, negotiation or obtaining of this Agreement if the payment of the fee would require the individual to file a return under section 5 of the *Lobbying Act* R.S.C., 1985, c. 44 (4th Supp.).

GC17.2 All accounts and records relating to any payment by the Contractor of fees or other compensation for the solicitation, obtaining or negotiation of the Agreement shall be subject to the accounting and auditing provisions of this Agreement.

GC17.3 The Contractor consents, in the case of a Agreement that has a value in excess of \$10,000, to the public disclosure of basic information - other than information described in any of paragraphs 20(1)(a) to (d) of the *Access to Information Act* - relating to the Agreement.

GC17.4 If the Contractor makes a false declaration under clause 17.1 or 21.1 or fails to comply with the terms set out in clause 17.2 or 17.3, it is an act of default under the Agreement and the Contractor agrees, in addition to any other remedies that may be available against the Contractor, to immediately return any advance payments and agrees that the Contracting Authority may terminate the Agreement in accordance with the default provisions of this Agreement.

GC17.5 In this section, "Contingency Fee" means any payment or other compensation that is contingent upon or is calculated upon the basis of a degree of success in soliciting or obtaining a government Agreement or negotiating the whole or any part of its terms.

#### **GC18.0 Work Force Reduction Programs**

GC18.1 The Contractor acknowledges and agrees that any person, including the Contractor, carrying out this Agreement, shall make available to the Contracting Authority any details of the status of the person

with respect to cash out benefits as well as details of any pension payments under work force reduction programs.

GC18.2 The Contractor shall, if asked in writing and where necessary, sign or cause to have signed on behalf of any person, a waiver of privacy with respect to any and all information in relation to any such benefits and payments.

#### **GC19.0 Amendments**

GC19.1 No amendment of the Agreement nor waiver of any of the terms and provisions shall be deemed valid unless effected by a written amendment. For greater certainty, to be effective, any amendment to the Agreement must be done in writing by the Contracting Authority and the authorized representative of the Contractor.

#### **GC20.0 Replacement Personnel**

GC20.1 The Contractor shall provide the services of the persons named in its bid and any additional persons necessary to perform the Work and provide the services required under this Agreement, unless the Contractor is unable to do so for reasons beyond the Contractor's control.

GC20.2 Should the Contractor, at any time, be unable to provide their services, the Contractor shall be responsible for providing replacements who shall be of similar ability and attainment and who shall be acceptable to the Contracting Authority. In such case the Contractor shall notify the Contracting Authority in writing and provide:

GC20.2.1 the reason for the removal of the named person from the project;

GC20.2.2 the name of the proposed replacement;

GC20.2.3 an outline of the qualifications and experience of the proposed replacement; and

GC20.2.4 an accepted security clearance certificate, if applicable.

GC20.3 The notice shall be sent at least seven (7) days in advance of the date upon which the replacement is to commence Work. Any change in the terms and conditions of this Agreement which result from a replacement of personnel shall be effected by a Agreement amendment.

GC20.4 Notwithstanding the foregoing, the Contractor is required to perform the Work and provide the services in accordance with the terms of this Agreement.

#### **GC21.0 Criminal Code of Canada**

GC21.1 The Contractor agrees to comply with the Code of Conduct for Procurement (the "Code") and to be bound by its terms. The Code can be accessed at the following Internet address: <http://www.tpsgc-pwgsc.gc.ca/app-acq/cndt-cndct/contexte-context-eng.html> Furthermore, in addition to the Code, the Contractor must comply with the terms set out in this section.

GC21.2 The Contractor declares and it is a term of this Agreement that the Contractor has, and any of the Contractor's employees assigned to the performance of the Agreement have, not never been convicted of an offence, other than an offence for which a pardon has been granted under the following sections of the *Criminal Code* of Canada:

GC21.2.1 Section 121, Frauds on the government;

GC21.2.2 Section 124, Selling or purchasing office; or

GC21.2.3 Section 418, Selling defective stores to Canada.

## **GC22.0 Inspection/Acceptance**

GC22.1 All the Work is subject to inspection and acceptance by Canada. Inspection and acceptance of the Work by Canada does not relieve the Contractor of its responsibility for defects or other failures to meet the requirements of the Agreement. Canada will have the right to reject any Work that is not in accordance with the requirements of the Agreement and require its correction or replacement at the Contractor's expense.

## **GC23.0 Taxes**

GC23.1 Federal governments and agencies are to pay Applicable Taxes.

GC23.2 Applicable Taxes will be paid by Canada as provided in the Invoice Submission section. It is the sole responsibility of the Contractor to charge Applicable Taxes at the correct rate in accordance with applicable legislation. The Contractor agrees to remit to appropriate tax authorities any amounts of Applicable Taxes paid or due.

GC23.3 The Contractor is not entitled to use Canada's exemptions from any tax, such as provincial sales taxes, unless otherwise specified by law. The Contractor must pay applicable provincial sales tax, ancillary taxes, and any commodity tax, on taxable goods or services used or consumed in the performance of the Agreement (in accordance with applicable legislation), including for material incorporated into real property.

GC23.4 In those cases where Applicable Taxes, customs duties, and excise taxes are included in the Agreement Price, the Agreement Price will be adjusted to reflect any increase, or decrease, of Applicable Taxes, customs duties, and excise taxes that will have occurred between bid submission and contract award. However, there will be no adjustment for any change to increase the Agreement Price if public notice of the change was given before bid submission date in sufficient detail to have permitted the Contractor to calculate the effect of the change.

GC23.5 Tax Withholding of 15 Percent – Canada Revenue Agency Pursuant to the *Income Tax Act*, 1985, c. 1 (5th Supp.) and the *Income Tax Regulations*, Canada must withhold 15 percent of the amount to be paid to the Contractor in respect of services provided in Canada if the Contractor is not a resident of Canada, unless the Contractor obtains a valid waiver from the *Canada Revenue Agency*. The amount withheld will be held on account for the Contractor in respect to any tax liability which may be owed to Canada.

## **GC24.0 Title**

GC24.1 Except as otherwise provided in the Agreement including the intellectual property provisions, and except as provided in subsection 24.2, title to the Work or any part thereof shall vest in Canada upon delivery and acceptance thereof by or on behalf of Canada.

GC24.2 Except as otherwise provided in the intellectual property provisions of the Agreement, upon any payment being made to the Contractor for or on account of materials, parts, Work-in-process or finished Work, either by way of progress payments or accountable advances or otherwise, title in and to all materials, parts, Work-in-process and finished Work so paid for shall vest in and remain in Canada unless already so vested under any other provision of the Agreement.

GC24.3 Notwithstanding any vesting of title referred to in this section and except as otherwise provided in the Agreement, the risk of loss or damage to the materials, parts, Work-in-process or finished Work or part thereof so vested shall remain with the Contractor until their delivery to Canada in accordance with the Agreement. The Contractor shall be liable for any loss or damage to any part of the Work caused by the Contractor or any subcontractor after such delivery.

GC24.4 Any vesting of title referred to in subsection 24.2 shall not constitute acceptance by Canada of the materials, parts, Work-in-process or finished Work, and shall not relieve the Contractor of its obligation to perform the Work in accordance with the Agreement.

GC24.5 Where title to any materials, parts, Work-in-process or finished Work becomes vested in Canada, the Contractor shall, upon the Minister's request, establish to the Minister's satisfaction that the title is free and clear of all claims, liens, attachments, charges or encumbrances and shall execute such conveyances thereof and other instruments necessary to perfect that title as the Minister may request.

GC24.6 If the Agreement is a defence Agreement within the meaning of the *Defence Production Act*, R.S. 1985, c. D-1, title to the Work or to any materials, parts, Work-in-process or finished Work shall vest in Canada free and clear of all claims, liens, attachments, charges or encumbrances, and the Minister shall be entitled at any time to remove, sell or dispose of it or any part of it in accordance with section 20 of that Act.

#### **GC25.0 Entire Agreement**

GC25.1 The Agreement constitutes the entire and only agreement between the Parties and supersedes all previous negotiations, communications and other agreements, whether written or oral, unless they are incorporated by reference in the Agreement. There are no terms, covenants, representations, statements or conditions binding on the Parties other than those contained in the Agreement.

#### **GC26.0 Harassment in the Workplace**

GC26.1. The Contractor acknowledges the responsibility of Canada to ensure, for its employees, a healthy work environment, free of harassment. A copy of the Policy on the Prevention and Resolution of Harassment in the Workplace, which is also applicable to the Contractor, is available on the Treasury Board Secretariat of Canada website.

GC26.2. The Contractor must not, either as an individual, or as a corporate or unincorporated entity, through its employees or subcontractors, harass, abuse, threaten, discriminate against or intimidate any employee, contractor or other individual employed by, or under Agreement with, Canada. The Contractor will be advised in writing of any complaint and will have the right to respond in writing. Upon receipt of the Contractor's response, the Contracting Authority will, at its entire discretion, determine if the complaint is founded and decide on any action to be taken.

#### **GC27.0 No Bribe or Conflict**

GC27.1. The Contractor declares that no bribe, gift, benefit, or other inducement has been or will be paid, given, promised or offered directly or indirectly to any official or employee of Canada or to a member of the family of such a person, with a view to influencing the entry into the Agreement or the administration of the Agreement.

GC27.2. The Contractor must not influence, seek to influence or otherwise take part in a decision of Canada knowing that the decision might further its private interest. The Contractor must have no financial interest in the business of a third party that causes or would appear to cause a conflict of interest in connection with the performance of its obligations under the Agreement. If such a financial interest is acquired during the period of the Agreement, the Contractor must immediately declare it to the Contracting Authority.

GC27.3. The Contractor warrants that, to the best of its knowledge after making diligent inquiry, no conflict exists or is likely to arise in the performance of the Agreement. In the event the Contractor becomes aware of any matter that causes or is likely to cause a conflict in relation to the Contractor's

performance under the Agreement, the Contractor must immediately disclose such matter to the Contracting Authority in writing.

GC27.4. If the Contracting Authority is of the opinion that a conflict exists as a result of the Contractor's disclosure or as a result of any other information brought to the Contracting Authority's attention, the Contracting Authority may require the Contractor to take steps to resolve or otherwise deal with the conflict or, at its entire discretion, terminate the Agreement for default. Conflict means any matter, circumstance, interest, or activity affecting the Contractor, its personnel or subcontractors, which may or may appear to impair the ability of the Contractor to perform the Work diligently and independently.

#### **GC28.0 Government Property**

GC28.1. The Contractor must take reasonable and proper care of all Government property while it is in its possession or subject to its control. The Agreementor is responsible for any loss or damage resulting from its failure to do so other than loss or damage caused by ordinary wear and tear.

#### **GC29.0 Suspension of Work**

GC29.1 The Contracting Authority may at any time, by giving written notice, order the Contractor to suspend or stop the Work or part of the Work under the Agreement. The Contractor must immediately comply with any such order in a way that minimizes the cost of doing so.

#### **GC30.0 Right of Set-Off**

GC30.1. Without restricting any right of set-off given by law, the Minister may set-off against any amount payable to the Contractor under the Agreement, any amount payable to the Government of Canada by the Contractor under the Agreement or under any other current Agreement. The Minister may, when making a payment pursuant to the Agreement, deduct from the amount payable to the Contractor any such amount payable to the Government of Canada by the Contractor which, by virtue of the right of set-off, may be retained by the Government of Canada.

#### **GC31.0 Powers of Canada**

GC31.1. All rights, remedies, powers and discretions granted or acquired by Canada under the Agreement or by law are cumulative, not exclusive.

#### **GC32.0 International Sanctions**

GC32.1. Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.

GC32.2. The Contractor must not supply to the Government of Canada any goods or services which are subject to economic sanctions.

GC32.3. The Contractor must comply with changes to the regulations imposed during the period of the Agreement. The Contractor must immediately advise Canada if it is unable to perform the Work as a result of the imposition of economic sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services. If the Parties cannot agree on a work around plan, the Agreement will be terminated for the convenience of Canada in accordance with section GC9.

#### **GC33.0 Transportation Costs**

GC33.1. If transportation Costs are payable by the Minister under the Agreement and the Contractor makes the transportation arrangements, shipments must be made by the most direct and economical means consistent with normal shipping practice. The Costs must be shown as a separate item on the invoice.

**GC34.0 Agreement administration and dispute resolution**

GC34.1. In the event that concerns or issues arise regarding the application of the terms and conditions of a Agreement, or regarding its administration, the Contractor should contact the contracting officer identified in the Agreement to schedule a meeting by phone or in person to discuss and/or resolve any disagreements or misunderstandings. After this initial meeting has taken in place, and if needed, contractors will be provided with information on other dispute resolution options available to them such as the Office of the Procurement Ombudsman (OPO) or other appropriate recourses.

GC34.2 At the request and consent of both Parties, the Office of the Procurement Ombudsman may be requested to participate in an alternative dispute resolution process to resolve any dispute between the Parties respecting the interpretation or application of the terms and conditions of the resulting Agreement and their consent to bear the costs of such a process. The Office of the Procurement Ombudsman may be contacted by phone at 1-866-734-5169 or by email at [boa.opo@boa.opo.gc.ca](mailto:boa.opo@boa.opo.gc.ca).

**GC35.0 Transportation Carriers' Liability**

GC35.1. The Government of Canada's policy of underwriting its own risks precludes payment of insurance or valuation charges for transportation beyond the point at which ownership of goods passes to the Government of Canada (determined by the FOB point of Incoterms). Where increased carrier liability is available without charge, the Contractor must obtain the increased liability for shipment.

**APPENDIX "B"**

**OWNERSHIP OF INTELLECTUAL AND OTHER PROPERTY INCLUDING COPYRIGHT**

**Crown to Own Intellectual Property Rights**

**B1.0 Interpretation**

In the Contract,

- B1.1 "Background Information" means all Intellectual Property that is not Foreground Information that is incorporated into the Work or necessary for the performance of the Work and that is proprietary to or the confidential information of the Contractor, its subcontractors or any other third party;
- B1.2 "Firmware" means any computer program stored in integrated circuits, read-only memory or other similar devices within the hardware or other equipment;
- B1.3 "Foreground Information" means all Intellectual Property first conceived, developed, produced or reduced to practice as part of the Work under the Contract;
- B1.4 "Intellectual Property" means any information or knowledge of an industrial, scientific, technical, commercial, literary, dramatic, artistic or otherwise creative nature relating to the Work, whether oral or recorded in any form or medium and whether or not subject to copyright; this includes but is not limited to any inventions, designs, methods, processes, techniques, know-how, show-how, models, prototypes, patterns, samples, schematics, experimental or test data, reports, drawings, plans, specifications, photographs, manuals and any other documents, Software and Firmware;
- B1.5 "Intellectual Property Right" means any intellectual property right recognized by law, including any intellectual property right protected by legislation such as patents, copyright, industrial design, integrated circuit topography, and plant breeders' rights, or subject to protection under the as trade secrets and confidential information;
- B1.6 "Software" means any computer program whether in source or object code (including Firmware), any computer program documentation recorded in any form or upon any medium, and any computer database, and includes modifications to any of the foregoing.

**B2.0 Records and Disclosure of Foreground Information**

- B2.1 During and after the performance of the Contract, the Contractor must keep detailed records of the Foreground Information, including details of its creation, ownership and about any sale or transfer of any right in the Foreground Information. The Contractor must report and fully disclose to the Minister all Foreground Information as required by the Contract. If the Contract does not specifically state when and how the Contractor must do so, the Contractor must provide this information when requested by the Minister or a representative of the Minister, whether before or after completion of the Contract.
- B2.2 The Contractor must, in each disclosure under this section, indicate the names of all subcontractors at any tier, if any, in which Intellectual Property Rights to any Foreground Information have vested or will vest.
- B2.3 Before and after final payment to the Contractor, the Contractor must provide the Minister with access to all records and supporting data that the Minister considers pertinent to the identification of Foreground Information.

B2.4 For any Intellectual Property that was developed or created in relation to the Work, the Minister will be entitled to assume that it was developed or created by Canada, if the Contractor's records do not list that Intellectual Property or do not indicate that it was created by the Contractor, or by someone on behalf of the Contractor, other than Canada.

**B3.0 Canada to Own Intellectual Property Rights in Foreground Information**

B3.1 All Intellectual Property Rights in the Foreground Information belong to Canada as soon as they come into existence. The Contractor shall have no right in or to any such Intellectual Property Rights in the Foreground Information except any right that may be granted under this Contract or otherwise in writing by Canada.

B3.2 The Contractor shall incorporate the copyright symbol and either of the following copyright notices, as appropriate, into all Foreground Information that is subject to copyright, regardless of the form in or medium upon which it is recorded:

© HER MAJESTY THE QUEEN IN RIGHT OF CANADA (year)

or

© SA MAJESTÉ LA REINE DU CHEF DU CANADA (année)

B3.3 Any personal information, as defined in the *Privacy Act*, R.S. 1985, c. P-21, collected by the Contractor in the execution of the Work under the Contract becomes the property of Canada immediately upon collection and must be used only for the performance of the Work. The Contractor has no right in any such personal information.

B3.4 If the Work under the Contract involves the preparation of a database or other compilation using information or data supplied by Canada or any personal information referred to above, the Intellectual Property Rights in the database or compilation containing such information will belong to Canada. Unless the Contract otherwise expressly provides, the Contractor shall deliver to Canada all such information, data or personal information, together with every copy, draft, working paper and note thereof that contains such information, data, or personal information, upon the completion or termination of the Contract or at such earlier time as the Minister may require.

B3.5 The Contractor must, at its own expense and without delay, execute such documents relating to ownership of the Intellectual Property Rights in the Foreground Information as the Minister may require. The Contractor must, at Canada's expense, provide all reasonable assistance in the preparation of applications and in the prosecution of any applications for registration of any Intellectual Property Right in any jurisdiction, including the assistance of the inventor in the case of inventions.

**B4.0 License to Intellectual Property Rights in Background Information**

B4.1 The Contractor hereby grants to Canada a non-exclusive, perpetual, irrevocable, world-wide, fully-paid and royalty-free license to exercise the Intellectual Property Rights in the Background Information for Canada's activities. Subject to any exception described in the Contract, this license allows Canada to do anything that it would be able to do if it were the owner of the Background Information, other than exploit it commercially in competition with the Contractor and transfer or assign ownership of it. This license cannot be restricted in any way by the Contractor providing any form of notice to the contrary, including the wording on any shrink-wrap license or any other kind of packaging, attached to any deliverable.

B4.2 For greater certainty, Canada's license in the Background Information includes, but is not limited to:

- a. the right to disclose the Background Information to third parties bidding on or negotiating contracts with Canada and to sublicense or otherwise authorize the use of that information by any contractor engaged by Canada solely for the purpose of carrying out such contracts. Canada will require

these third parties and contractors not to use or disclose that information except as may be necessary to bid on, negotiate or carry out those contracts;

- b. the right to disclose the Background Information to other governments for information purposes;
- c. the right to reproduce, modify, improve, develop or translate the Background Information or have it done by a person hired by Canada. Canada, or a person designated by Canada, will own the Intellectual Property Rights associated with the reproduction, modification, improvement, development or translation;
- d. without restricting the scope of any license or other right in the Background Information that Canada may otherwise hold, the right, in relation to any custom-designed or custom-manufactured part of the Work, to exercise such of the Intellectual Property Rights in the Background Information as may be required for the following purposes:
  - i. for the use, operation, maintenance, repair or overhaul of the custom-designed or custom-manufactured parts of the Work;
  - ii. in the manufacturing of spare parts for maintenance, repair or overhaul of any custom-designed or custom-manufactured part of the Work by Canada if those parts are not available on reasonable commercial terms to enable timely maintenance, repair or overhaul;
- e. for Software that is custom designed for Canada, the right to use any source code the Contractor must deliver to Canada under the Contract and to reproduce, use, modify, improve or translate the Software.

**B4.3** The Contractor agrees to make the Background Information, including in the case of Software, the source code promptly available to Canada for any purpose mentioned above. The license does not apply to any Software that is subject to detailed license conditions that are set out elsewhere in the Contract. Furthermore, in the case of commercial off-the-shelf software, the Contractor's obligation to make the source code promptly available to Canada applies only to source code that is within the control of or can be obtained by the Contractor or any subcontractor.

**B4.4** The Contractor represents and warrants that it has the right to grant to Canada the ownership in the Foreground Information and the license and any other rights to use the Background Information. The Contractor will ensure that any Intellectual Property Rights in any Foreground Information developed by a sub-contractor or any third party must be promptly transferred to and owned by Canada. If the Intellectual Property Rights in any Background Information are or will be owned by a subcontractor or any other third party, the Contractor must have or obtain promptly a license from that subcontractor or third party to grant promptly any required license directly to Canada.

**B4.5** Any information supplied by Canada to the Contractor for the performance of the Work remains the property of Canada. The Contractor must use Canada's information only to perform the Contract.

#### **B5.0 Waiver of Moral Rights**

If requested by Canada, during and after the Contract, the Contractor must provide a written permanent waiver of moral rights, as defined in the *Copyright Act*, R.S. 1985, c. C-42, from every author that contributes to any Foreground Information subject to copyright protection that is a deliverable to Canada under the Contract. If the Contractor is an author of the Foreground Information, the Contractor permanently waives the Contractor's moral rights in that Foreground Information

**APPENDIX "C"**

**TERMS OF PAYMENT**

- C1.1 Payments under this Contract, except advance payments, shall be conditional upon performance, completion and delivery of the Work, or any part of the Work to the satisfaction of the Minister but subject to the submission and receipt by Canada of a claim for payment.
- C1.2 Subject to parliamentary appropriation of funds and to TP1.1, payment by the Minister for the Work shall be made:
- C1.2.1 in the case of an advance payment, within thirty (30) days of the signing of this Contract by both Parties or within thirty (30) days of receipt of an invoice requesting payment, whichever is later,
- C1.2.2 in the case of progress payment, within thirty (30) days following the date of receipt of a duly completed Work or progress report or within thirty (30) days of receipt of an invoice requesting payment, whichever is later, and
- C1.2.3 in the case of a final payment, within thirty (30) days following the date of receipt of the completed Work or within thirty (30) days of receipt of an invoice requesting payment whichever is later.
- C1.3 For purposes of this Contract, a full day is any period of seven and one half (7.5) hours within any twenty-four (24) hour period.
- C1.4 If the Contractor is engaged in the performance of the Work for any period that exceeds or is less than a full day, the Contractor will be paid a pro-rata portion of the firm daily rate that corresponds to the number of hours during which the Contractor was so engaged.
- C1.5 If Canada has any objections to the form of the invoice or the substantiating documentation, within fifteen (15) days of its receipt, Canada shall notify the Contractor of the nature of the objection.
- C1.6 "Form of the invoice" means an invoice which contains or is accompanied by such substantiating documentation as Canada requires. Failure by Canada to act within fifteen (15) days only results in the date specified in TP1.1 of the clause to apply for the sole purpose of calculating interest on overdue accounts.
- C1.7 Notwithstanding any other provision of the Contract, no payment shall be made to the Contractor unless and until, with respect to all parts of the Work in respect of which payment is claimed, the Contractor, where required to do so, establishes to the satisfaction of the Minister that such parts of the Work will be free from all claims, liens, attachments, charges or encumbrances.
- C2.0 Interest on Overdue Accounts**
- C2.1 For the purposes of this section:
- (a) "average rate" means the simple arithmetic mean of the bank rates in effect at 4:00 p.m. Eastern Standard Time each day during the calendar month which immediately precedes the calendar month in which payment is made, where the "bank rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association;
- (b) "date of payment" means the date of the negotiable instrument drawn by the Receiver General for

Canada and given for payment of an amount due and payable;

(c) an amount is "due and payable" when it is due and payable by Canada to the Contractor in accordance with the terms of the Contract; and

(d) an amount becomes "overdue" when it is unpaid on the first day following the day upon which it is due and payable.

C2.2 Canada shall be liable to pay to the Contractor simple interest at the average rate plus three (3) percent per annum on any amount that is overdue, from the date such amount becomes overdue until the day prior to the date of payment, inclusive. Interest shall be paid without notice from the Contractor except in respect of payment which is less than 15 days overdue. No interest will be payable or paid in respect of payment made within such 15 days unless the Contractor so requests after payment has become due.

C2.3 Canada shall not be liable to pay interest in accordance with this clause if Canada is not responsible for the delay in paying the Contractor.

C2.4 Canada shall not be liable to pay interest on overdue advance payments.

### **C3.0 Appropriation**

C3.1 In accordance with section 40 of the *Financial Administration Act*, payment under the Contract is subject to there being an appropriation for the particular service for the fiscal year in which any commitment hereunder would come in course of payment.

### **C4.0 Travel and Living Expenses**

Travel and living expenses incurred by the Contractor are entirely subject to the content of the current National Joint Council Travel Directive (<http://www.njc-cnm.gc.ca/directive/travel-voyage/index-eng.php>) and the Treasury Board Secretariat Special Travel Authorities, Section 7, "Persons on Contract" ([http://www.tbs-sct.gc.ca/pubs\\_pol/hrpubs/tbm\\_113/statb-eng.asp](http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/tbm_113/statb-eng.asp)). Travel and living expenses are considered to be part of the total Cost of the Contract. Expenses which exceed the Directive will not be paid. Prior authorization by Canada for projected travel and living expenses is required.

#### **C4.1 General**

C4.1.1 Travel and living expenses are to be claimed at actual Cost but are not to exceed current National Joint Council Travel Directive.

C4.1.2 A statement indicating the names of travellers; places visited; dates and length of visits; and purpose of travel must be submitted with each claim for travel and living expenses.

C4.1.3 Insurance for all methods of travel; accidents; illness; cancellations; immunizations; and other obligations are the sole responsibility of the Contractor.

#### **C5.1 Method of Transportation**

C5.1.1 Air travel. The standard for air travel is economy class only. Upgrades to Business or First class are the sole financial responsibility of the Contractor.

C5.1.2 Rail Travel. The standard for rail travel is the next higher class after the full economy class.

C5.1.3 Rental vehicle. The standard for rental vehicles is mid size. Vehicle rental must be pre-approved by the Project Authority.

C5.1.4 Private vehicle. The Contractor may claim only for distances necessarily driven solely on government business, using the most direct, safe and practical road routes. The rate per kilometre which is payable is specified in the current National Joint Council Travel Directive. Insurance is the responsibility of the Contractor. Canada will not assume responsibility for deductible amounts related to comprehensive or collision coverage.

## **C6.0 Meal, accommodation, transportation and other allowances**

C6.1.1 For same day travel, with no overnight stay, the applicable meals allowance is paid, as specified in the current National Joint Council Travel Directive. Receipts are not required.

C6.1.2 For same day travel, with no overnight stay, the applicable transportation allowance is paid, as specified in the current National Joint Council Travel Directive. Copies of the receipts must be provided, except when private, non-commercial accommodation is used. Original receipts may be requested at any time by Canada, if so, the Contractor must provide original receipts prior to any payment being made.

C6.1.3 For travel of two (2) or more consecutive days, the applicable meal allowances, and the incidental expenses allowances per day are paid, as specified in the current National Joint Council Travel Directive. Receipts are not required.

C6.1.4 For travel of two (2) or more consecutive days, the applicable travel and accommodation allowances per day are paid, as specified in the current National Joint Council Travel Directive. Copies of the receipts must be provided, except when private, non-commercial accommodation is used. Original receipts may be requested at any time by Canada, if so, the Contractor must provide original receipts prior to any payment being made.

C6.1.5 Meal allowances are not paid in respect of meals included in a fare (e.g. airplane or club-car ticket), or provided free of charge in a government mess, or included as part of the Cost of an event or other function.

C6.1.6 Professional fees, or similar equivalent Costs cannot be claimed for travel time.

C6.1.7 Receipts and vouchers for accommodation and transportation are required to be submitted with each claim, except when private, non-commercial accommodation is used. Luxury accommodation is not permitted. Original receipts may be required upon request from Canada, if so, the Contractor must provide original receipts.

C6.1.8 Entertainment is not an allowable expense.

## **C7.0 BASIS OF PAYMENT**

C7.1 Canada will pay the Contractor for the satisfactory performance of the agreed to services (select "an amount not to exceed \$\_\_\_\_\_" for a limitation of expenditure type of contract, or select "an all-inclusive firm lot price of \$\_\_\_\_\_" for a firm price contract), inclusive of all expenses, customs and duties, and applicable taxes.

C7.2 All prices and amounts of money in the Contract are exclusive of the Goods and Services Tax (GST) or Harmonized Sales Tax (HST), whichever is applicable, unless otherwise indicated. GST or HST, to the

extent applicable, will be incorporated into all invoices and progress claims for goods supplied or work performed and will be paid by Canada. The Contractor agrees to remit to Canada Revenue Agency any GST or HST paid or due.

C7.3 No increase in the total liability of Canada or in the price of Work resulting from any design changes, modifications or interpretations of specifications made by the Contractor will be authorized or paid to the Contractor unless such changes, modifications or interpretations have been approved in writing by the Contracting Authority prior to their incorporation into the Work. The Contractor is not obliged to perform any Work or provide any service that would cause the total liability of Canada to be exceeded without the prior written approval of the Contracting Authority. The Contractor will notify the Project Authority in writing as to the adequacy of this sum:

- (a) when it is seventy five percent (75%) committed, or
- (b) four (4) months prior to the Contract expiry date, or
- (c) if the Contractor considers the funds provided to be inadequate for the completion of the Work, whichever comes first.

In the event that the notification refers to inadequate funds, the Contractor will provide to the Project Authority, in writing, an estimate for the additional funds required. Provision of such notification and estimate or the additional fund does not increase the liability of Canada.

## C8.0 PRICE BREAKDOWN

(Select one of the following)

### C8.1 Option 1 - Professional Services

For professional services, the Contractor will be paid at the following firm, all-inclusive rates. These rates include overhead and profit but do not include GST and HST.

Labour resources	per diem (CAD \$)	level of effort (number of days)	total price (CAD \$)
Resource #1 (name, labour category)			\$ _____
Resource #2 (name, labour category)			\$ _____
Resource #3 (name, labour category)			\$ _____
Other resources (name, labour category)			\$ _____
Subtotal (excluding GST/HST)			\$ _____

OR

### C8.1 Option 2 – Milestones

The schedule of milestones for which payments will be made in accordance with the Contract is as follows. These amounts do not include GST/HST.

Schedule of Milestones	Delivery date	Firm amount

#1.		\$ _____
#2.		\$ _____
#3.		\$ _____
Subtotal (excluding GST/HST)		\$ _____

C8.2 Estimated applicable taxes to Item 8.1 Est. \$ \_\_\_\_\_

**C8.3 Travel and Living Expenses**

Subject to the prior written authorization by Canada, travel and living expenses incurred in the performance of the Work will be reimbursed, with no allowance for overhead or profit, within the limits permitted by the current National Joint Council Travel Directive (see Section III, clause TP4 of the Contract).

Canada will not pay the Contractor its fixed time rates for any time spent in "travel status" (e.g time spent travelling by car or plane, or time spent travelling to and from the airport).

Est. travel and living expenses (inclusive of GST/HST) Est. \$ \_\_\_\_\_

**C8.4 Miscellaneous expenses**

Subject to the prior authorization by Canada, miscellaneous expenses incurred in the performance of the work will be reimbursed at cost with no allowance for overhead costs and profit.

Choose one of the following as applicable:

- estimated miscellaneous expenses are not to exceed (inclusive of GST/HST Est. \$ \_\_\_\_\_  
(To be used when the Contractor provides an estimate of such expenses)

OR

- a provisional cost allowance (inclusive of GST or HST) Est. \$ \_\_\_\_\_  
(This is used where the Department allocates an amount to cover such expenses. Example: The Department may have a need for the services of a particular specialist or expert where the per diem rate is to be negotiated only when such a need arises, or when the Department does not wish to give an estimate of the time or days that will be required.)

**C9.0 METHOD OF PAYMENT**

(Select one of the following)

**C9.1 OPTION 1 - LUMP SUM PAYMENT**

One lump sum payment for services rendered will be made upon completion and acceptance of the Work to the satisfaction of the Project Authority, following receipt of a detailed invoice.

**C9.1 OPTION 2 – MILESTONE PAYMENTS**

Canada will make milestone payments in accordance with the Schedule of Milestones detailed in the Contract and the payment provisions of the Contract if:

- i. an accurate and complete claim for payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
- ii. all work associated with the milestone and as applicable any deliverable required has been completed and accepted by Canada.

C9.1 OPTION 3 – MONTHLY PAYMENTS

Payment for services rendered will be made by Canada to the Contractor on monthly intervals upon receipt of an itemized invoice setting out, in detail, the Work performed, the progress towards the completion of the tasks/deliverables identified in the Contract and the number of person days expended, and the certificate of the Project Authority that the invoice is true and exact and that the Contractor has during the period covered by the invoice proceeded with the performance of the Work.