



REQUEST FOR PROPOSAL

FOR

Claims Adjusting Services Administrator

Date issued: January 27, 2015

Solicitation File # :201404984

Contracting Authority: Canada
Mortgage and Housing Corporation

Solicitation Closes: 2:00 pm EST,
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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 CMHC and this Request for Proposal.

1.2 Introduction and Scope

The Canada Mortgage and Housing Corporation (CMHC) requires the services of a Third Party Administrator (TPA) licensed in all provinces and territories within Canada to professionally adjust and administer claims with respect to CMHC's casualty losses that fall under the Self-Insured Retention. The TPA will work with CMHC and their respective insurer(s) to create acceptable guidelines and use their best efforts consistent with the insurance adjusting industry standards in the performance of their duties.

The duration of this contract shall be for a period of four (4) years with the option to renew for two (2) subsequent one-year periods, for a maximum of six (6) years.

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

Canada Mortgage and Housing Corporation shall not be obligated in any manner to any proponent whatsoever until a written Agreement has been duly executed relating to a qualified, approved proposal.

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 more than 2,000 people located at its National Office in Ottawa, and at various Business Centres throughout Canada. The Business Centre areas are divided into five regions: Atlantic; Quebec; Ontario; British Columbia; and Prairies & Territories.

1.4 Purpose of Request for Proposal

CMHC uses a Request for Proposal (RFP) to describe its requirements, ask suppliers 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 operate or 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 in terms of price.

1.4.1 All Service Providers

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

The policy pertaining to the selection of suppliers is based on the principle that all suppliers must be treated fairly and equally. Suppliers 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 events for the RFP process. The dates may be changed by CMHC at its sole discretion and shall not become conditions of any contract which may be entered into by CMHC and the selected proponent.

Date	Activities
January 27, 2015	Request for Proposal issued
February 10, 2015	Submission of questions deadline
February 17, 2015	Submission Deadline
February 2015	Evaluation of lead proponent
March 2015	Selection of lead proponent
March 2015	Finalize contract with lead proponent
April 2015	Contract award
April 2015	Announcement of successful proponent
May 2015	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 having 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 Work
- Section 4 Proposal Requirements

- Section 6 Proposed Contract
- Appendix A The Certificate of Submission, and
- Appendix C Mandatory Compliance Checklist

Caution: Proposals which fail, in the sole discretion of CMHC, to meet any mandatory requirement will be eliminated from further consideration 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. This clause should be interpreted solely for the benefit of CMHC and not for the benefit of the Proponents.

1.7 Procurement Policy Re: The Environment

CMHC fully supports the principle of sustainable development. Economic development and the preservation of the environment are given equal consideration to ensure that the actions of one generation do not compromise the ability of future generations to have an equal quality of life.

1.8 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 may submit comments labelled as *Proponent Feedback RFP file no. 201404984* 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 the contract award has been announced.

Any proponent who notes a material flaw in the RFP that could affect the outcome should report it as specified in Section 2.4

1.9 Income Tax Reporting Requirement

As a federal Crown Corporation, CMHC is obliged under the Income Tax Act and Regulations to report payments made by the Corporation 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 this Agreement.

2 SECTION 2 SUBMISSION INSTRUCTIONS

2.1 Overview of Section 2

The purpose of Section 2 is to inform the proponent 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 will result in disqualification.

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 or have transferred to it those responsibilities. Proposals may be submitted in English or in French.

Number of copies

One (1) signed original and four (4) copies of the complete proposal are to be submitted.

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 follows:

**C1 Guard Station
Canada Mortgage and Housing Corporation
1st Floor, "C" Building
700 Montreal Road
Ottawa, Ontario K1A 0P7
PROPOSAL CALL: Request for Proposal (RFP) for Claims Adjusting Services
Administrator, file no. 201404984**

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. EST local Ottawa time, on February 17, 2015

2.4 Inquiries

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

Patricia Knott, Procurement Advisor
Fax No.: (613) 748-2079
Email: phowse@cmhc-schl.gc.ca

Information given verbally by any person within CMHC shall not be binding upon CMHC. Proponents must have written confirmation from CMHC for any changes, alterations, etc., concerning this RFP. CMHC cannot guarantee a reply to inquiries received less than **seven calendar days** prior to the closing date.

All written questions 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.

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 Submission

Changes to the submitted proposal can be made, if required, 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

Vendors interested in submitting more than one proposal may do so, providing that each proposal stands alone and independently complies with the instructions, conditions and specifications of this Request for Proposal.

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.

2.11 Liability for Errors

While CMHC has made considerable efforts to ensure an accurate representation of information in this RFP, the information contained in this RFP is supplied solely as a guideline for proponents. The information is not guaranteed or warranted to be accurate by CMHC, nor is it necessarily comprehensive or exhaustive. Nothing in this RFP is intended to relieve proponents from forming their own opinions and conclusions in respect of the matters addressed in this RFP.

2.12 Verification of Proponent's Response

The proponent authorizes CMHC to conduct such investigation as it deems appropriate to verify the contents of the proponent's response.

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 the RFP response.

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 or may be required to be disclosed in specific circumstances pursuant to the federal legislation.

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 initials, including public advertisement, without the express written consent of CMHC.

2.16 Declaration re: 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 a contract or favourable treatment under a contract.

2.17 Conflict of Interest

- (a) 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.
- (b) The Contractor must not provide any services to any third party in circumstances that might reasonably give rise to a conflict of interest, including a conflict between the Contractor's duties to that third party and the Contractor's duties to CMHC.
- (c) In the event that a conflict of interest, real or perceived, cannot be resolved to the satisfaction of CMHC, CMHC shall have the right to immediately terminate the Agreement. All portions of the Work which have been completed at the date of termination shall be forwarded to CMHC and 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.

- (d) Any former public office holder must be in compliance with the post-employment provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders (2006) in order to derive a direct benefit from any contract which may arise from this request for proposal.

2.18 Declaration re: 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 Shortlist

The evaluation procedure may include a shortlist based on the stated criteria. The shortlisted proponents may be asked to prepare a presentation, supply demonstration equipment or provide additional information prior to the final selection. CMHC reserves the right to supply more information to those bidders who are shortlisted.

2.20 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 a contract. 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.

2.21 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 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.

2.22 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 fulfil the requirements of the Contract, 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 Contractor, any subcontractor, reseller, agent or any other person engaged to perform the Work under the contract.

The Contractor 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.

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 person who have a need to know this information in order to perform the Work under the Contract.

The Contractor agrees that if any CMHC Information is to be located outside of Canada for any period of time, it shall do the following:

- Obtain CMHC written authorization before the information is transferred to any location outside Canada;
- Inform CMHC where the information will be located outside of Canada, and for what period of time;
- Ensure that CMHC Information is segregated from all other information in another repository physically independent from all other repositories; and
- Inform CMHC of the measures in place to protect CMHC Information from disclosure.

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 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 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 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.

3 SECTION 3 STATEMENT OF WORK

3.1 Overview of Section 3

This section of the RFP is intended to provide the prospective proponent with the information necessary to develop a competitive proposal. The Statement of Work is a complete description of the tasks to be done, results to be achieved and/or the goods to be supplied

3.2 Mandatory Requirements

A mandatory requirement is a minimum standard that a proposal must meet in order to be considered for further evaluation.

Any mandatory requirements associated with the Statement of Work are clearly identified in Section 4 - Proposal Requirement.

The Mandatory Compliance Checklist is located at Appendix C (7.3).

3.3 Background Information

CMHC has a requirement for loss adjuster services to fulfill its loss adjusting needs for losses that fall under its Self-Insured Retentions and or deductibles.

It is the intention of CMHC to select one Proposer who will investigate, negotiate and settle general liability losses, for a four (4) year term with option to renew for two (2) subsequent one-year periods, for a maximum of six (6) years.

3.4 CMHC Profile

CMHC has a large real estate portfolio and key locations are the National Office Complex in Ottawa, Ontario and Granville Island in Vancouver, B.C. Property may be located anywhere in Canada.

CMHC Head Office Legal Services manages national guidelines for managing claims and reports pertaining to data quality and file management in addition to monitoring claim activity nationally. CMHC's claim management application, including the review, assessment and reporting of claims and corporate claim history to insurers where required is managed by CMHC Head Office Legal Services.

CMHC's Legal Services administers individual claims management primarily pertaining to the investigation, negotiation and settlement of claims for claims made by third parties arising from general liability. Claims are managed by CMHC's Legal Services division in Ottawa.

3.5 Legal and Corporate Secretary responsibilities provided in-house by CMHC include:

- report loss to control adjuster
- provide direction to CMHC's adjuster on settlement of claims below self insured retention or deductible
- review of adjusters quarterly bordereaux
- monitor the flow of legal liability claims to ensure the Corporation's position is adequately represented
- liaise with CMHC's Legal Division to provide status reports on all claims involving actual or potential litigation

3.6 Statement of Work

The successful proponent will be required to perform the following key responsibilities under this contract on a national basis;

- provide adjusting services which includes but not limited to investigation, negotiation and settlement of claims
- provide preliminary report with reserve recommendations within 30 days
- provide adjuster confidential reports including report enclosures to file and label appropriately
- provide copies of reports to liability insurer and excess liability insurers for monitoring
- provide general account administration
- adjuster to issue cheques that are required on claims files
- prepare and provide bulk billing submissions on a quarterly basis
- provide Web-Based Claim Management System and 24/7 Telephone Service
- ensure release forms are prepared and signed by claimant upon agreement of negotiated settlement

The key responsibilities and deliverables are described as follow:

A. Claims Handling:

The successful Proponent will be expected to provide a high level of service, promptly investigating losses upon assignment and comply with the following loss report requirements. The details of the deliverable are as follows:

- a) Acknowledgement of assignment within 24 hours, acknowledgement must be made by e-mail message to the appropriate CMHC contact.
- b) Report to CMHC insurers including all layers of coverage when applicable.
- c) Confirmation of contact was made with claimant to CMHC contact within 48 hours of assignment.
- d) Confirmation of claimant solicitor contact, where claimant has a solicitor, to the appropriate CMHC contact within 48 hours.
- e) All reports are copied to CMHC insurers for monitoring purposes.
- f) File status report within 30 calendar days including Bodily injury reserve to CMHC contact.
- g) Provide direction on settlements below CMHC's self insured retention and or deductibles.

-
- h) Subsequent status reports within 30 calendar days after the first status report or at 60 of 90 day intervals, as directed by CMHC contact.
 - i) Provide reporting until the final disposition of each claim.

B. Claim File Documentation/Correspondence

The claim files are to be maintained for at least 12 months beyond the limitation date and must be available for inspection/audit by CMHC or the insurer of CMHC upon CMHC's instruction.

C. Reserving

The Successful Proponent will communicate with CMHC's insurer(s) to ensure reserve information is current on at least a quarterly basis. CMHC's Senior Advisor, Corporate Insurance and the applicable insurer must immediately be advised whenever a reserve is set at, or increased to, 50%+ of CMHC self insured retention, or as per the reporting value required by each of CMHC's insurer(s), whichever is sooner.

D. Toll-Free Number and Administration Services

The Successful Proponent must provide a Toll-free "24/7" emergency claim reporting telephone line, providing service in English and French.

E. Claims Management Information System

The Successful Proponent must have a web-based claim information management system which the proponent manages and can be made accessible to authorized users at CMHC. The primary characteristics of the system at a minimum must include;

- a. Capability to capture existing CMHC claim data. The web-based claim management system must maintain real-time detailed claims data commensurate with industry standards, including claimant and financial information;
- b. Be user-password-protected and demonstrate by providing a description of the level of security of the proposed web-based Claim Management System;
- c. Enable the authorized CMHC user to access and download file notes, reports, photos and all other claim file data and correspondence in applications appropriate for the information format, such as Word, Excel, JPEG and PDF.
- d. Enable the authorized CMHC with the ability to leave notes online for the adjuster.
- e. Provide standard and customized claims management reports from the web-based claims system, including but not limited to quarterly claim bordereaux of all claims activity to be provided within ten days of the end of each quarter.
- f. Have an abeyance or reminder function which can be used by the Proponent or CMHC to alert adjusters or CMHC as required. Describe this functionality.

F. Bordereaux

Quarterly bordereaux and any required computerized loss report for all claims are required. The report must include the date open and closed, date of loss, type of claim, brief description of claim, reserve amount, payments and location of loss.

G. Invoicing

The Successful Proponent will provide Service fee itemized invoice on a quarterly basis it will include claimant first and last name, CMHC claim reference, payment amount before any administration fee, payment amount inclusive of any administration fee and explanation of payment for the following;

- all new open claims during the quarter
- all re-open claims during the quarter,
- all claims closed during the quarter,
- number of fees submitted during the quarter

The itemized fees are to be invoiced as directed to the appropriate CMHC contact as follows ; December 15, March 31, June 30 and September 30.

H. Subrogation

The Successful Proponent will identify and pursue subrogation where appropriate and as directed by CMHC. Subrogation will not include litigation.

I. Litigation

The Successful Proponent will prepare and maintain all files necessary for the defence of claims, litigation, other claims actions (such as subrogation, contribution or indemnity) or other proceedings, and maintain control of all activities, expenses and assistance to the instructing lawyer in preparing claims for trial, hearings or appeal; and,

The Successful Proponent will work with CMHC's insurer(s), their adjusters and their legal counsel, as instructed by CMHC, providing claims data on request.

J. Transition

If the TPA is to change, a smooth and orderly transition between the Successful Proponent and the predecessor Contractor will be required to assure minimum disruption to vital Proponent services and CMHC claims management.

- 1) The Successful Proponent must expedite/facilitate the transition process, so that CMHC have one on line system in place (merging of historical data into the proponent's system) and assume the responsibility for open files.
- 2) The Successful Proponent will work with CMHC and the current claims administrator to transfer all existing open claims and/or claims date (including historical and "run off") to their claims management system in such a way that this data can be accessed in the same manner and format as new claims;
- 3) Should CMHC or the Successful Proponent terminate the adjusting services contract, the Successful Proponent will provide CMHC with all claims data, including run-of data, and work with CMHC and the new claims management vendor in the seamless transfer of the claim's data.

4 SECTION 4 PROPOSAL REQUIREMENTS

4.1 Overview of Section 4

Proposal responses are to be organized and submitted in accordance with the instructions in this section. Responses should be organized into the following Response Item sections.

Response Item

#	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 Work
4.8	Financial Information
4.9	Other Information
4.10	Pricing Proposal
4.11	Insurance

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.

4.3 Covering Letter

A covering letter on the proponent's letterhead shall be submitted and include the following:

- (a) A description of the company or joint venture/consortium.
- (b) The names of the principals.
- (c) The primary contact person with respect to this RFP: the individual's name, address, contact numbers by phone and fax, and contact e-mail address, if available.
- (d) The locations of primary and all other offices that would be servicing the contract.

4.4 Table of Contents

The proponent shall 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.

4.5 Executive Summary

The proponent's proposal should include an executive summary highlighting the following:

- (a) A summary of the proponent's proposal, including key features of the proposal, features that make the proposal superior, innovations or cost-saving opportunities.
- (b) A brief statement of the proponent's qualifications to meet the need of CMHC.

4.6 Proponents Qualifications/Organization/Team Mandatory

- 1) The Proponent shall provide an organizational chart illustrating that all services will be provided through corporate owned and controlled business units or subsidiaries.
- 2) The Proponent must demonstrate that their adjusting firm maintains the required insurance coverages as outlines in section 4.11.
- 3) The Proponent is to identify key servicing staff to be assigned to manage the day-to-day activities associated with the Canada Mortgage and Housing Corporation account. Identify using examples of your experience in the following (not to exceed 3 examples for each i, ii, iii,;
 - i. Federal & Provincial Crown Corporation experience
 - ii. Financial Institution experience
 - iii. Large Real Estate account experience
- 4) The Proponent shall provide a list of relevant information of their team including;
 - i. Name of individual account service team members and their respective responsibilities;
 - ii. Number of years experience each service team member has servicing accounts of a similar size and nature to Canada Mortgage and Housing Corporation;
 - iii. Resumes of the principals and members of the proposed account service team. Resumes should include the following;
 - (a) Education;
 - (b) Years of experience; particularly handling large, Risk Management accounts;
 - (c) Professional designations

The proponent shall detail the location of account service team and ease of accessibility to the adjusting firm.

The Proponent shall describe their ability to provide service as-and-when required, in both of Canada's official languages, French and English.

The following should outline the roles and responsibilities of the key individuals your company propose for the account. Include the control adjuster's case load and indicate the percentage of

time they will dedicate to CMHC. The TPA must promptly notify CMHC of change of any personnel that are key contracts on the CMHC account.

Describe in detail how your company is capable of providing at a minimum the following services:

A) Senior Contact:

This person will be the central point of contact between CMHC and your company with overall accountability and authority to direct resources and make decisions for the delivery of the claim management services being proposed. The Senior Contract is expected to attend bi-annual meetings with CMHC in Ottawa (included in fee) to review the account performance and outstanding claims issues.

B) Control Adjuster:

This person will be responsible for the day to day operation of the account and responsible to the senior contract. All claims will be reported to this individual for appropriate “triage” to determine if they require telephone adjustment, limited filed assignment or a full time and expense field adjustment. The Control Adjuster will be responsible for the adjustment of all claims, for oversight of all adjusters working on CMHC files ensure proper reserves, timely contact and to immediately address any issues. The Control Adjuster will also be required to attend bi-annual claims meeting in Ottawa (included in fee) to review the account performance and outstanding claims issues. The Control Adjuster is responsible for communicating with all adjusters working on CMHC files, ensuring an understanding of the importance of the unique relationship between CMHC and CMHC clients.

Please provide additional details of the above roles, as well as other professionals, who will make up part of the service team. Please confirm that if CMHC reasonably determines that an employee of your company working on CMHC’s account should be replaced, CMHC will provide your company with notice and your company will replace the individual in question with another who is acceptable to CMHC within a reasonable time period, at no additional cost to CMHC.

4.7 Response to Statement of Work

Mandatory

In this section, the proponent should provide detailed information relative to the specifications listed in Section 3, The Statement of Work.

A. Claims Handling:

- 1) The Proponent must demonstrate that it is licensed to provide adjusting services in all provinces and territories by providing a schedule of staff and their applicable provincial/territorial licenses. The Proponent must demonstrate that each

- province/territory has at least one individual on staff licensed to provide adjusting services;
- 2) The Proponent must demonstrate how they will conduct all necessary investigation, coordination, documentation, evaluation and negotiation of each claim to determine its validity by a licensed adjuster for the Province/Territory in which they operate;
 - 3) The Proponent must demonstrate how claims are tracked and monitored;
 - 4) The Proponent must confirm they will handle all claims in accordance with the rules, regulations, restrictions and laws of the province or territory involved, including but not limited to the settlement and denial of claims and ensuring there is regular and appropriate contact with the insured, the claimant, and/or the lawyers and medical experts as required to handle the claim;
 - 5) The Proponent must confirm that they will identify appropriate limitation periods to CMHC when a claim is first opened. Outline how your company will handle notification to CMHC and/or the claimant about upcoming limitation periods;
 - 6) The Proponent must outline how they will handle coverage disputes between CMHC and their insurer and/or potential denial of coverage on claim;
 - 7) The Proponent will demonstrate, in its corporate directory of services, the ability to adjust General Liability losses;
 - 8) The Proponent must confirm that they will provide reporting until the final disposition of each claim.
 - 9) The Proponent must describe the part of its business continuity plan that is currently in place through its organization and which will be used to maintain the delivery of services to CMHC in case of a disaster or other business interruption events that could affect the proponent's capability to perform its obligations under the agreement, including a description of the approach that will be used to maintain the scope of services described in this RFP.

B. Claim File Documentation/Correspondence

- 1) The Proponent shall describe the contents of a typical claims file and how it is maintained;
- 2) The Proponent must outline the company's subrogation strategy and capabilities;
- 3) The Proponent must confirm that claims files are maintained for at least 12 months beyond the limitation date; and,

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- 4) The Proponent must confirm that all claims files will be available for inspection/audit by CMHC, or the insurer of CMHC upon CMHC's instruction.

C. Reserving

- 1) The Proponent must confirm the company's has a detailed reserving policy which is communicated to all adjuster;
- 2) The Proponent must provide the company's detailed reserving policy, from the time the claim is established and the monitoring of reserves throughout the life of the claim;
- 3) The Proponent must outline the process used to communicate the reserving policy to all adjusters and how your company monitors compliance with the reserving policy;
- 4) The Proponent must outline how your company will communicate with CMHC's insurer(s) to ensure reserve information is current on at least a quarterly basis;
- 5) The Proponent must describe how the company will ensure that CMHC's Senior Advisor, Corporate Insurance and the applicable insurer are immediately advised whenever a reserve is set at, or increased to, 50%+ of CMHC self insured retention, or as per the reporting value required by each of CMHC's insurer(s), whichever is sooner.

D. Toll-Free Number and Administration Services

The Proponent will demonstrate its ability to provide a Toll-free "24/7" emergency claim reporting telephone line, providing service in English and French. This should include information in the corporate directory detailing the phone number and may also include information and instructions on contract by internet.

E. Claims Management Information System

The Proponent must have a web-based claim information management system which the proponent manages and can be made accessible to authorized users at CMHC. Demonstrate by providing screenshots of the system capturing standard claim information, including the following; initial claim entry, updating existing claim, financials including reserving, third party contact information, adjuster notes, description of the claim. The Proponent must also demonstrate the ability to provide customized reports from the web-based system. The primary characteristics of the system at a minimum must include:

- a. Capability to capture existing CMHC claim data. The web-based claim management system must maintain real-time detailed claims data commensurate with industry standards, including claimant and financial information;
- b. Be user-password-protected and demonstrate by providing a description of the level of security of the proposed web-based Claim Management System;
- c. Enable the authorized CMHC user to access and download file notes, reports, photos and all other claim file data and correspondence in applications appropriate for the

- information format, such as Word, Excel, JPEG and PDF. The Proponent is to demonstrate by providing screenshots;
- d. Confirm that your claim management system will provide the authorized CMHC with the ability to leave notes online for the adjuster. Describe this functionality;
 - e. Confirm that your claim management will provide standard and customized claims management reports from your web-based claims system, including but not limited to quarterly claim bordereaux of all claims activity to be provided within ten days of the end of each quarter. Describe this functionality; and,
 - f. Confirm your claims management system has an abeyance or reminder function within your claims management system which can be used by our company or CMHC to alert adjusters or CMHC as required. Describe this functionality.

F. Bordereaux

The Proponent will provide at a minimum (3) quarterly bordereaux and any required computerized loss report for all claims. The report must include the date open and closed, date of loss, type of claim, brief description of claim, reserve amount, payments and location of loss.

The Proponent is to include sample reports currently provided to clients, along with executive summaries and details regarding custom report capabilities.

G. Invoicing

- 1) The Proponent must describe the capability and procedures regarding the issuing of payments to claimants and expense payments for adjusting and expert fees on behalf of CMHC.
- 2) The Proponent must demonstrate the ability to invoice from one central location on a quarterly basis by providing the mailing address of the location, and the contact information of the individual that will be responsible for all invoicing matters.
- 3) The Proponent must confirm that their firm will issue cheques on behalf of CMHC that are required on ongoing claims as directed by CMHC contact. The Proponent will claim reimbursement for all cheques issued under the Service fee itemized invoice at each quarter.

H. Subrogation

The Proponent must describe their ability to identify and pursue subrogation where appropriate and as directed by CMHC. Subrogation will not include litigation.

I. Litigation

- 1) The Proponent must describe how they will prepare and maintain all files necessary for the defence of claims, litigation, other claims actions (such as subrogation, contribution or

indemnity) or other proceedings, and maintain control of all activities, expenses and assistance to the instructing lawyer in preparing claims for trial, hearings or appeal; and,

- 2) The Proponent must confirm they will work with CMHC's insurer(s), their adjusters and their legal counsel, as instructed by CMHC, providing claims data on request.

J. Transition

If the TPA is to change we would need a smooth and orderly transition between the Proponent and the predecessor Proponent to assure minimum disruption to vital Proponent services and CMHC claims management.

- 1) The Proponent must describe how your firm would expedite/facilitate the transition process, so that CMHC have one on line system in place (merging of historical data into your system) and how you propose to assume the responsibility for open files. Describe how your firm will work with CMHC and the current claims administrator in the seamless transfer of the claims data;
- 2) The Proponent must confirm that they will work with CMHC and the current claims administrator to transfer all existing open claims and/or claims date (including historical and "run off") to your claims management system in such a way that this data can be accessed in the same manner and format as new claims; and,
- 3) Should CMHC or the Proponent terminate the adjusting services contract, outline in detail how the Proponent will provide CMHC with all claims data, including run-of data, and work with CMHC and the new claims management vendor in the seamless transfer of the claim's data.

4.8 Financial Information

Mandatory

4.8.1 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.

4.8.2 Financial Capacity

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

Note: Failure to comply with the Financial Information submission requirements as indicated above and within this section, will result in disqualification of the Lead

Proponent(s) at which time no further consideration will be provided to the respective submission(s).

Partnerships, Corporations, Joint Ventures and Consortiums:

CMHC requires the provision of the financial statements for the analysis of financial capacity. You must provide a complete set of signed, detailed, audited financial statements for each of the last three (3) years of your firm. You must agree 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

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.

4.9 Other

The Proponent may provide other relevant information here, but is not obligated to.

4.10 Pricing Proposal

Mandatory

The proponent must provide a response relative to the pricing of its proposed solution.

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.

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

The proponent must submit a fixed (firm) price quoting firm fixed yearly rates for each position and services listed on the Chart below, for each initial four (4) years of the contract, including pricing information that indicates how the fixed price was calculated for each position listed.

List of services	Year 1 Hourly rate or flat fee	Year 2 Hourly rate or flat fee	Year 3 Hourly rate or flat fee	Year 4 Hourly rate or flat fee
Adjusters rate (includes telephone and field adjusters)				
Specialized Services (such as special investigators, surveillance etc.)				
Administration fee				
Management account fee				
Any additional services that may be available and the added cost associated with each service				

4.11 Insurance

Mandatory

The Proponent must include with their proposal a certificate of insurance addressed To Whom It May Concern with the insurance requirements as detailed below:

A) Commercial General Liability Insurance

The Proponent will provide and maintain Commercial General Liability insurance with an insurer license to do business in Canada with a limit of not less than \$5,000,000 per occurrence for bodily injury or damage to property including loss of use of such property. This policy shall include the following extensions:

- cross Liability including severability of interest
- personal Injury
- blanket contractual
- employers liability (or confirmation that all employees including sub-contractors and independent contractors are covered by Workers Compensation)
- non Owned automobile liability
- Canada Mortgage and Housing Corporation to be added as additional insured.
- 30 days prior written notice of cancellation to Senior Advisor, Corporate Insurance, 700 Montréal Road, Ottawa, Ontario K1A 0P7

- 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) Professional (Errors & Omissions) Liability

The Proponent will provide and maintain Professional Liability insurance with an insurer license to do business in Canada with a limit of not less than \$10,000,000. The policy will provide 30 days prior written notice of cancellation to Senior Advisor, Corporate Insurance Consultant, 700 Montréal Road, Ottawa, Ontario K1A 0P7 Coverage is to include Proponents and Service Providers employees and contract employees (if applicable) as insured. The Proponent 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 Proponent will provide and maintain Automobile Insurance with an insurer license 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 Contract.

D) Network Security Liability and Privacy Liability

The Proponent will provide and maintain Network Security Liability and Privacy Liability with an insurer license to do business in Canada with a limit of not less than \$5,000,000 and for the duration of the contract. The policy will provide 30 days prior written notice of cancellation to Senior Advisor, Corporate Insurance Consultant, 700 Montréal Road, Ottawa, Ontario K1A 0P7 Coverage is to including Proponent's employees and Proponent's contract employees (if applicable) as named insured. The Proponent 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.

Other conditions

If there are material changes in the scope of Services provided under this Agreement, CMHC may, via the Service Level Change Procedures, request changes to the minimum insurance coverages set out above.

All insurance policies required to be maintained by Proponent pursuant to this Article shall be primary with respect to this Agreement and any valid and collectible insurance of CMHC shall be excess of Proponent's insurance and shall not contribute to it.

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 4.11. In addition Proponent shall provide written notice to CMHC forthwith upon learning that an insurer described in this Article 4.11 intends to cancel, or intends to make or has made a material change to, any insurance referred to in this Article 4.11. A Certificate of Insurance meeting the

above requirements shall be delivered to CMHC upon execution of this Agreement and for each renewal thereafter.

Without in any way restricting CMHC's direction to grant or withhold its consent to a request to subcontract pursuant to Section 4.11, the Proponent 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 Services could reasonably be expected to be carried by Persons acting prudently and in a similar business to that of such subcontractor or independent contractor.

It shall be the sole responsibility of the Proponent 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 the contract. All insurance policies shall be provided and maintained by the Proponents Contractor at its own expense.

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 finalize and sign a contract.

The lowest cost or any proposal will not necessarily be accepted and CMHC reserves the right to accept or reject any or all proposals in whole or in part.

CMHC reserves the right to alter the stated requirements as needs require and to accept an alternate proposal included in any proponent's response.

CMHC shall conduct the RFP process in a visibly fair manner and will treat all proponents equitably. To this end, it has established objective RFP standards and evaluation criteria which will be applied uniformly to all proponents. Therefore, no proponent shall have any cause of action against CMHC arising out of a failure to award a contract, the failure to evaluate any proposal, or the methods by which proposals are assessed.

5.2 Limitation of Damages

The proponent, by submitting a proposal, agrees that it will not claim damages in excess of an amount equivalent to the reasonable costs incurred by the proponent in preparing its proposal for matters relating to the agreement or in respect of the competitive process, and the proponent, by submitting a proposal, waives any claim for loss of profits 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.

Each compliant proposal shall be individually evaluated by each member of the Evaluation Committee, made up of qualified personnel. Evaluators shall evaluate and numerically score each proposal in accordance with the evaluation criteria as shown 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.

The proposal with the highest overall score will be considered the lead proponent with who CMHC will endeavour to contract.

Please note that the lead proponent must be accepted by CMHC's insurer (s) prior to awarding a contract. In the event that the lead proponent is not accepted by CMHC's insurer, CMHC reserves the right to endeavour to contract with the second highest overall scored proponent.

5.5 Financial Evaluation

CMHC will 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 4.9 of this RFP.

5.6 Proponent Selection

Acceptance of a proposal does not oblige CMHC to incorporate any or all of the accepted proposal into a contractual agreement, but rather demonstrates a willingness on the part of CMHC to enter into negotiations for the purpose of arriving at a satisfactory contractual arrangement with one or more parties.

Without changing the intent of this RFP or the lead proponent's proposal, CMHC will enter into discussions with the lead proponent for the purpose of finalizing the contract. 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.

Announcement of the successful proponent will be made to all proponents following the signing of a contract.

6 SECTION 6 PROPOSED CONTRACT

6.1 Overview of Section 6

Attached in Section 6.3 is a proposed contract. The terms and conditions in this draft contract may be incorporated into any contract resulting from this RFP. CMHC reserves the right to add terms and conditions during negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

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 contract and the proponent must accept that the final contract 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 (including a declaration in the attached draft contract of any potential conflicts of interest), agrees to be bound by the terms and conditions in the draft contract in Section 6.3 in the event that the proponent is selected by CMHC to enter into a contract agreement.

For the purposes of this section the term "Contractor" refers to the successful proponent with whom CMHC enters into a contract agreement.

6.2 Mandatory Contract Terms and Conditions

The terms, conditions or sections of the draft contract in Section 6.3 that are labelled mandatory must be accepted by the proponent without alteration.

6.3 Proposed Contract

The attached proposed contract forms Section 6.3 of this RFP.

PROPOSED CONTRACT

CMHC FILE No. _____

THIS AGREEMENT made this ____ day of _____, _____.

BETWEEN

CANADA MORTGAGE AND HOUSING CORPORATION
National Office
700 Montreal Road
Ottawa, Ontario, Canada
K1A 0P7

(hereinafter referred to as "CMHC")

AND

(hereinafter referred to as "the Contractor")

WITNESSES THAT in consideration of the respective covenants and agreements hereinafter contained, CMHC and the Contractor mutually covenant and agree as follows:

Article 1.0 - The Work

1.1 The Contractor covenants and agrees to provide third party administrator services, as outlines in Schedule A.

1.2 All CMHC office sites are to be serviced. A complete list is provided in the RFP and shall form part of this Agreement.

Article 2.0 - Term of the Agreement

2.1 This agreement shall be for a period of four (4) years commencing on _____ and ending on _____, with the option to renew for two (2) subsequent one year periods for a maximum of six (6) years.

2.2 Notwithstanding article 2.1 above, CMHC shall conduct on an annual basis, an assessment of the Contractor's work performed for the past year and based on this assessment, at no less than sixty (60) days prior to each year's anniversary date of signing the agreement, CMHC will advise the Contractor in writing of their decision to continue or terminate the Agreement.

Article 3.0 - Financial

3.1 In consideration of the carrying out of the work, as described in Article 1.0, 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 exceed \$ _____ for the initial four (4) year term of the contract. Proponents' pricing provided to CMHC in their submission, will form part of the contract and must be fixed for the initial term of the contract. Price increases may be negotiated for each successive one (1) year renewal term.

3.2 The amount payable to the Contractor by CMHC pursuant to article 3.1 is exclusive of all taxes, assessments, duties or other levies that may be payable under this Contract to the Contractor, including any goods 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 Notwithstanding article 3.2 above, GST/HST or RST, to the extent applicable and required to be collected by the Contractor, shall be collected by the Contractor on the consideration due and shown as a separate item on an invoice. Where the Contractor is required to collect the GST/HST, the invoice issued by the Contractor shall show the Contractor's GST/HST number. Where the Contractor is also required to collect the Quebec Sales Tax (QST), the invoice shall show the QST number. The Contractor shall duly remit to the Canada Revenue Agency any amounts of GST/HST collected on the consideration payable pursuant to this Contract. The Contractor shall remit to the appropriate provincial taxing authorities any amounts of RST or QST collected by the Contractor from CMHC pursuant to this Contract.

3.4 Invoicing - The Contractor must allow 30 days from delivery of invoice for payment without interest charges. The Contractor cannot invoice prior to performance of the service or delivery of the goods.

3.5 Audit - The Contractor shall maintain proper records and accounts during the term of the Agreement and for a period of three (3) years following the end of the term and any renewals thereof. The Contractor agrees to allow CMHC's internal and external auditors the right to examine, at any reasonable time, any and all records relating to the services identified herein

The Contractor agrees to provide the Corporation's internal or external auditors with sufficient original documents in order to conduct any audit procedures. Any audit may be conducted without prior notice, however the Corporation agrees to cooperate with the Contractor in the course of conducting any audit in order to avoid disruption in day-to-day operations and not to break confidentiality.

3.6 All invoices, notices and requests for payment must make reference to this contract by quoting **CMHC file number 201404984** and be forwarded to CMHC at the following address:

Canada Mortgage and Housing Corporation
Name Christine Provost
Title Senior Advisor, Corporate Insurance
Room C1-340
700 Montreal Road
Ottawa, Ontario
K1A 0P7

Article 4.0 - General Terms and Conditions

4.1 Contract Termination

Notwithstanding articles 2.1 and 2.2 above, CMHC may terminate the contract for any reason with no penalty by giving thirty (30) days written notice, at any time during the contract period.

Upon termination of this Contract or upon delivery of notice of intent to terminate this Contract, the Contractor shall promptly review all work in progress and, if this Contract is terminated prior to the expiry of the term, the Contractor shall nevertheless complete or arrange for the completion of any and all work in process at the time of termination.

4.2 Contract Administrator

CMHC has assigned a contract administrator to oversee the contract (see article 5.1). The Contractor shall be expected to name a counterpart representative. The Contractor's representative will be responsible for providing scheduled status reports to the contract administrator or a designate.

4.3 Contract Renewal

This Contract may be renewed, at the sole discretion of CMHC, for additional two (2) subsequent one year periods, not to exceed a cumulative total of six (6) years, including the initial term. At its discretion, CMHC shall within thirty (30) days prior to contract termination, advise the Contractor in writing of CMHC's wish to either extend or terminate the Agreement.

4.4 Assignment of the Contract

Mandatory

The Contract shall not be assigned in whole or in part by the Contractor without the prior written consent of CMHC, which consent may be withheld by CMHC for any reason. It is understood and agreed that the Contractor may engage other entities to assist the Contractor in providing any of the Services, provided that the Contractor shall at all times remain responsible for the provision and quality of the Services in a manner which fully recognizes and respects the

confidential nature of the Services. The Contractor undertakes to advise such entities in writing that they are independent contractors, and are not employees or agents of CMHC. No assignment of the contract shall relieve the Contractor from any obligation under the Contract or impose any liability upon CMHC.

4.5 Contractor's Indemnification

The Contractor agrees to indemnify CMHC, and its officers for all loss, damages, costs, expenses, claims, demands, actions, suits or other proceedings of every nature and kind arising from or in consequence of the performance of this agreement, provided such loss, damages, costs, expenses, claims, demands, actions, suits or proceedings arise without negligence on the part of CMHC or its officers or employees, and whether such actions, suits or proceedings are brought in the name of CMHC or in the name of the Contractor.

4.6 Liquidated Damages

No specific remedy expressed in the Contract is to be interpreted as limiting the rights and remedies which CMHC may be entitled to under any contract or otherwise in law.

4.7 Termination for Default of Contractor

Notwithstanding anything to the contrary in this document, CMHC may, by giving 10 days prior written notice to the Contractor, terminate this contract without charge with respect to all or any part of the contract for any of the following reasons:

1. The Contractor commits a material breach of its duties under this contract, unless, in the case of such breach, the Contractor, within thirty (30) 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 and (b) indemnifies for any resulting damage or loss;

2. The Contractor commits numerous breaches of its duties under this contract that collectively constitutes a material breach;

3. 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 contract;

4. The Contractor commits fraud or gross misconduct; or

5. 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 being given under the provisions of this section, and subject to the deduction of any claim which CMHC may have against the Contractor arising out of the contract or out of termination, payment will be made within thirty (30) days of the date of the invoice from CMHC to the Contractor for the value of all finished work delivered and accepted by CMHC, such value to be determined in accordance with the rate (s) specified in the contract.

4.8 Procedures on Termination

Commencing six (6) months prior to expiration of this contract or on such earlier date as CMHC may request, or commencing upon any notice of termination or non-renewal of this contract, the Contractor shall provide to CMHC, the reasonable termination /expiration assistance requested by CMHC to allow the services to continue without interruption or adverse effect and to facilitate the orderly transfer of the services to CMHC or its designee.

4.9 Non-Compliance or Default by Contractor

If the Contractor fails to comply with a direction or decision of CMHC properly given under the terms of the agreement, or is in default in any other manner under the Contract, CMHC may do such things and incur such costs as it deems necessary to correct the Contractor's default, including without limitation the withholding of payment due or accrued due to the Contractor for services rendered pursuant to this Contract, which moneys may be set off by the Corporation against any expenses that it may incur in remedying a default or failures as described above.

4.10 Force Majeure

In the event that the Contractor is prevented from fulfilling its obligations under the terms of this agreement by a force majeure or act of God (an event or effect that cannot be reasonably anticipated or controlled), the Contractor shall notify CMHC in writing, within the shortest period of time. The said written notice shall be sent by registered mail and shall state the factors that constitute a force majeure or an act of God. Without limiting the application of 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.

The Contractor shall take all reasonable means to resume fulfillment of its obligations. If this is not possible, CMHC may to the extent it deems necessary secure the services of other qualified Contractors without compensation or obligation to the Contractor.

4.11 Compliance With Laws

The Contractor shall give all the notices and obtain all the licenses and permits required to perform the work. The Contractor shall comply with all the laws applicable to the work or the performance of the contract.

4.12 Provincial Laws Governing Agreement

This contract shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. Failure by either party to assert any of its rights under the agreement shall not be construed as a waiver thereof.

4.13 Independent Contractor

The Contractor shall act as an independent contractor for the purposes of this contract. 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.

4.14 Contractor's Authority

The Contractor 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 anyway.

4.15 Corporation Identification

It is agreed that the Contractor will make no use whatsoever of CMHC's name, logo or initials without the express written consent of CMHC

4.16 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 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.

4.17 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 fulfil the requirements of the Contract, 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 Contractor, subcontractor, reseller, agent or any other person engaged to perform the Work under the contract.

The Contractor 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 of all times.

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 person who have a need to know this information in order to perform the Work under the Contract.

If Information to remain in Canada

The Contractor 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 Contractor shall not and shall ensure that any subcontractor, reseller, agent or any other person 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 subcontractors without the prior written consent of CMHC.

If information not to remain in Canada or can be accessed elsewhere

The Contractor agrees that if any CMHC Information is to be located outside of Canada for any period of time, it shall do the following:

- Obtain CMHC written authorization before the information is transferred to any location outside Canada;
- Inform CMHC where the information will be located outside of Canada, and for what period of time;
- Ensure that CMHC Information is segregated from all other information in another repository physically independent from all other repositories; and
- Inform CMHC of the measures in place to protect CMHC Information from disclosure.

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 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 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 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.

4.18 Confidentiality

Mandatory

Proposals: Proposals will be held in strict confidence. Notwithstanding the foregoing, proponents are advised that as a Crown Corporation, CMHC is subject to the provisions of the Access to Information Act ("the Act"). Information submitted by proponents or third parties will only be exempted from disclosure if the records or part of them qualify for an exemption under the Act.

Contracts: The Contractor agrees that all records and information obtained by the Contractor on behalf of CMHC will be kept confidential to the extent required by federal Access to Information and Privacy Legislation or provincial law.

1. The Contractor or its servants or agents will treat as confidential during, as well as after completion of, the contract, all information relating to the affairs of CMHC of which it acquires knowledge as a result of its engagement hereunder.

2. 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.

3. Any documents provided to the Contractor in the performance of the work described herein shall be returned, uncopied to CMHC or destroyed by the Contractor within 6 months of the termination of this contract. For documents not returned to CMHC, the Contractor shall provide specific proof under oath of their destruction.

4.19 House of Commons

No member of the House of Commons shall be admitted to any share or part of this agreement or to any benefit arising there from.

4.20 Binding

This contract shall be binding upon the parties hereto, their heirs, executors, administrators, successors and assigns.

4.21 Scope of Agreement

This contract contains all of the agreements of the parties hereto and no other representations or warranties, verbal or otherwise, exist between the parties except those set out herein or attached as Specifications, Conditions and Addendum. In case of conflicts between the Contractor's documents and CMHC's documents, the latter shall govern.

4.22 Income Tax Reporting Requirement

As a federal Crown Corporation, CMHC is obliged under the Income Tax Act and Regulations to report payments made by the Corporation 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 this Agreement.

4.23 Conflict of Interest

Mandatory

- (a) 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.
- (b) The Contractor must not provide any services to any third party in circumstances that might reasonably give rise to a conflict of interest, including a conflict between the Contractor's duties to that third party and the Contractor's duties to CMHC.
- (c) In the event that a conflict of interest, real or perceived, cannot be resolved to the satisfaction of CMHC, CMHC shall have the right to immediately terminate the Agreement. All portions of the Work which have been completed at the date of termination shall be forwarded to CMHC and 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.
- (d) Any former public office holder must be in compliance with the post-employment provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders (2012) in order to derive a direct benefit from any contract which may arise from this request for proposal.

4.24 Ownership

(a) The quarterly reports and any other reports prepared exclusively for the Corporation shall remain the property of the Corporation and all copyrights thereto are the property of the Corporation and neither the Contractor nor its servants or agents shall divulge, release or publish any such documentation.

(b) Any and all other information relating to the Corporation and obtained by the Contractor during the course of execution of its duties under this Agreement shall remain the property of the Corporation and shall not be used in any way or disclosed to anyone without the prior written consent of the Corporation.

4.25 Insurance

Mandatory

A) **Commercial General Liability Insurance**

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 \$5,000,000 per occurrence for bodily injury or damage to property including loss of use of such property. This policy shall include the following extensions:

- cross Liability including severability of interest
- personal Injury
- blanket contractual
- employers liability (or confirmation that all employees including sub-contractors and independent contractors are covered by Workers Compensation)
- non Owned automobile liability
- Canada Mortgage and Housing Corporation to be added as additional insured.
- 30 days prior written notice of cancellation to Senior Advisor, Corporate Insurance, 700 Montréal Road, Ottawa, Ontario K1A 0P7
- 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) **Professional (Errors & Omissions) Liability**

The Contractor will provide and maintain Professional Liability insurance with an insurer license to do business in Canada with a limit of not less than \$1,000,000. The policy will provide 30 days prior written notice of cancellation to Senior Advisor, Corporate Insurance Consultant, 700 Montréal Road, Ottawa, Ontario K1A 0P7 Coverage is to include Proponents and Service Providers employees and contract employees (if applicable) as insured. The Proponent 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 license 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 Contract.

D) **Network Security Liability and Privacy Liability**

The Contractor will provide and maintain Network Security Liability and Privacy Liability with an insurer license to do business in Canada with a limit of not less than \$5,000,000 and for the duration of the contract. The policy will provide 30 days prior written notice of cancellation to Senior Advisor, Corporate Insurance Consultant, 700 Montréal Road, Ottawa, Ontario K1A 0P7 Coverage is to including Proponent's employees and Proponent's contract employees (if applicable) as named insured. The Proponent 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.

Other conditions

If there are material changes in the scope of Services provided under this Agreement, CMHC may, via the Service Level Change Procedures, request changes to the minimum insurance coverages set out above.

All insurance policies required to be maintained by Contractor pursuant to this Article shall be primary with respect to this Agreement and any valid and collectible insurance of CMHC shall be excess of Proponent's insurance and shall not contribute to it.

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 4.11. In addition Proponent shall provide written notice to CMHC forthwith upon learning that an insurer described in this Article 4.11 intends to cancel, or intends to make or has made a material change to, any insurance referred to in this Article 4.11. A Certificate of Insurance meeting the above requirements shall be delivered to CMHC upon execution of this Agreement and for each renewal thereafter.

Without in any way restricting CMHC's direction to grant or withhold its consent to a request to subcontract pursuant to Section 4.11, the Proponent 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 Services could reasonably be expected to be carried by Persons acting prudently and in a similar business to that of such subcontractor or independent contractor.

It shall be the sole responsibility of the Proponent 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 the contract. All insurance policies shall be provided and maintained by the Proponents Contractor at its own expense.

4.26 Access to CMHC Property

CMHC agrees to permit access by the Contractor's employees onto CMHC premises for the purpose of fulfilling its obligations as per the terms of this agreement. However, CMHC reserves the right to refuse entry of Contractor's personnel in cases of emergencies. CMHC also will have the right at any time to remove from and/or refuse entry to the work site any incompetent or intemperate employee who violates CMHC Safety and/or Security regulations or interferes with CMHC operations at the site.

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

4.27 Suspension of Work and Changes in Specifications

CMHC may, at any time and from time to time, order a suspension of the work in whole or in part, and make modifications of, changes in or additions to the specifications of the type of services offered and methods of delivery. All directions given by CMHC in writing with respect to the foregoing shall be complied with by the Contractor. If any such suspension, modification, change or addition shall result in an increase or decrease in the cost of the work, the contract price shall be adjusted accordingly provided that the Contractor shall in no event be entitled to compensation for any loss of anticipated profits and provided further that minor increases or decreases in cost shall be disregarded.

4.28 Extras

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

4.29 Closure of CMHC Offices

(a) Where services are being provided by the Contractor pursuant to this Agreement on CMHC premises and the premises become inaccessible due to evacuation or closure because of events or circumstances beyond the control of CMHC, and where the health or safety of persons on the premises may be reasonably determined by CMHC, in its sole judgment, to be at risk, payment to the contractor hereunder may be suspended or modified. Payment will be suspended in full after 48 hours written notice unless the Contractor provides satisfactory evidence to CMHC that the Contractor will continue to incur monetary obligations to others directly as a result of its undertakings under this Agreement and is unable to mitigate its losses due to such obligations. Based on such evidence and the extent to which the Contractor is able to mitigate, CMHC may continue payment in full (subject to clause (b) below), or at a reduced amount, or suspend payment completely.

(b) Notwithstanding clause (a) above, if closure is continued beyond one calendar week, payment under this Agreement may be suspended in full immediately, on further written notice to the Contractor, until reopening permits the services to continue.

Article 5.0 - Contract Administration

5.1 The Contractor shall be notified in writing by CMHC's contract administrator, of the names of CMHC representatives authorized, from time to time, to assign jobs and approve payments with respect to the work carried out under this contract.

5.2 Changes and/or additions to the terms and conditions of this contract shall be transmitted either by fax, e-mail or postal service to the party's authorized representative as follows:

for CMHC;

**Canada Mortgage and Housing Corporation
700 Montreal Road
Ottawa, Ontario K1A 0P7**

Phone: () _____ **Fax:** () _____
e-mail: _____

for Contractor; _____

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

Article 6.0 - Contract Documents

6.1 The Contract documents consist of the following:

- (a) This form of Agreement as executed _____;
- (b) CMHC's Request for Proposal dated _____;
- (c) 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 contract documents are complementary and what is called for in any one shall be binding as if called for by all. The contract 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 contract documents shall have precedence among themselves in the order as listed above.

IN WITNESS WHEREOF this agreement has been signed by the Parties hereto by their duly authorized signing officers.

THE CONTRACTOR

**CANADA MORTGAGE AND
HOUSING CORPORATION**

SCHEDULE "A"

TERMS OF REFERENCE

The Contractor is required to perform the following key responsibilities under this contract on a national basis;

- provide adjusting services which includes but not limited to investigation, negotiation and settlement of claims
- provide preliminary report with reserve recommendations within 30 days
- provide adjuster confidential reports including report enclosures to file and label appropriately
- provide copies of reports to liability insurer and excess liability insurers for monitoring
- provide general account administration
- adjuster to issue cheques that are required on claims files
- prepare and provide bulk billing submissions on a quarterly basis
- provide Web-Based Claim Management System and 24/7 Telephone Service
- ensure release forms are prepared and signed by claimant upon agreement of negotiated settlement

The key responsibilities and deliverables are described as follow:

A. Claims Handling:

The Contractor will be expected to provide a high level of service, promptly investigating losses upon assignment and comply with the following loss report requirements. The details of the deliverable are as follows:

- a) Acknowledgement of assignment within 24 hours, acknowledgement must be made by e-mail message to the appropriate CMHC contact.
- b) Report to CMHC insurers including all layers of coverage when applicable.
- c) Confirmation of contact was made with claimant to CMHC contact within 48 hours of assignment.
- d) Confirmation of claimant solicitor contact, where claimant has a solicitor, to the appropriate CMHC contact within 48 hours.
- e) All reports are copied to CMHC insurers for monitoring purposes.
- f) File status report within 30 calendar days including Bodily injury reserve to CMHC contact.
- g) Provide direction on settlements below CMHC's self insured retention and or deductibles.
- h) Subsequent status reports within 30 calendar days after the first status report or at 60 of 90 day intervals, as directed by CMHC contact.
- i) Provide reporting until the final disposition of each claim.

B. Claim File Documentation/Correspondence

The claim files are to be maintained for at least 12 months beyond the limitation date and must be available for inspection/audit by CMHC or the insurer of CMHC upon CMHC's instruction.

C. Reserving

The Contractor will communicate with CMHC's insurer(s) to ensure reserve information is current on at least a quarterly basis. CMHC's Senior Advisor, Corporate Insurance and the applicable insurer must immediately be advised whenever a reserve is set at, or increased to, 50%+ of CMHC self insured retention, or as per the reporting value required by each of CMHC's insurer(s), whichever is sooner.

D. Toll-Free Number and Administration Services

The Contractor must provide a Toll-free "24/7" emergency claim reporting telephone line, providing service in English and French..

E. Claims Management Information System

The Contractor must have a web-based claim information management system which the proponent manages and can be made accessible to authorized users at CMHC. The primary characteristics of the system at a minimum must include;

- a. Capability to capture existing CMHC claim data. The web-based claim management system must maintain real-time detailed claims data commensurate with industry standards, including claimant and financial information;
- b. Be user-password-protected and demonstrate by providing a description of the level of security of the proposed web-based Claim Management System;
- c. Enable the authorized CMHC user to access and download file notes, reports, photos and all other claim file data and correspondence in applications appropriate for the information format, such as Word, Excel, JPEG and PDF.
- d. Enable the authorized CMHC with the ability to leave notes online for the adjuster.
- e. Provide standard and customized claims management reports from the web-based claims system, including but not limited to quarterly claim bordereaux of all claims activity to be provided within ten days of the end of each quarter.
- f. Have an abeyance or reminder function which can be used by the Proponent or CMHC to alert adjusters or CMHC as required. Describe this functionality.

F. Bordereaux

Quarterly bordereaux and any required computerized loss report for all claims are required. The report must include the date open and closed, date of loss, type of claim, brief description of claim, reserve amount, payments and location of loss.

G. Invoicing

The Contractor will provide Service fee itemized invoice on a quarterly basis it will include claimant first and last name, CMHC claim reference, payment amount before any administration fee, payment amount inclusive of any administration fee and explanation of payment for the following;

- all new open claims during the quarter
- all re-open claims during the quarter,
- all claims closed during the quarter,
- number of fees submitted during the quarter

The itemized fees are to be invoiced as directed to the appropriate CMHC contact as follows ;
December 15, March 31, June 30 and September 30.

H. Subrogation

The Contractor will identify and pursue subrogation where appropriate and as directed by CMHC. Subrogation will not include litigation.

I. Litigation

The Contractor will prepare and maintain all files necessary for the defence of claims, litigation, other claims actions (such as subrogation, contribution or indemnity) or other proceedings, and maintain control of all activities, expenses and assistance to the instructing lawyer in preparing claims for trial, hearings or appeal; and,

The Contractor will work with CMHC's insurer(s), their adjusters and their legal counsel, as instructed by CMHC, providing claims data on request.

J. Transition

If the TPA is to change, a smooth and orderly transition between the Successful Proponent and the predecessor Contractor will be required to assure minimum disruption to vital Proponent services and CMHC claims management.

- 1) The Contractor must expedite/facilitate the transition process, so that CMHC have one on line system in place (merging of historical data into their system) and assume the responsibility for open files.
- 2) The Contractor will work with CMHC and the current claims administrator to transfer all existing open claims and/or claims date (including historical and "run off") to their

- claims management system in such a way that this data can be accessed in the same manner and format as new claims;
- 3) Should CMHC or the Contractor terminate the adjusting services contract, provide CMHC with all claims data, including run-of data, and work with CMHC and the new claims management vendor in the seamless transfer of the claim's data.

SCHEDULE "B"

MANNER OF PAYMENT

If the Contractor is not in breach of any of its (his, her) obligations under this contract, the Contractor will be paid in accordance with the following schedule:

All payments should be made contingent upon the work being performed to the satisfaction of CMHC.

7 SECTION 7 APPENDICES

APPENDIX A

MANDATORY

7.1 Certificate of Submission

_____ 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 120 days 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 Contract, 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 a contract or favourable treatment under a contract;
- 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 Work;
- X. agrees to comply with all of the section 6.0 contract MANDATORY clauses in an unaltered form as stated;
- 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 Contract negotiations in accordance with the RFP, and upon entry into a Contract with CMHC, it will commit to providing the full scope of services identified in the Contract.
- 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 _____, 2015 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 have the authority to bind the company.

APPENDIX B

7.2 Evaluation Table

EVALUATION CRITERIA	A	B	D
	WEIGHT 100 Total	POINTS 1 to 10	SCORE AxB
<p>Proponents Qualifications/Account Management/ Team (4.6)</p> <ul style="list-style-type: none"> • Organization chart • Insurance certificate • Experience/References • Resumes • Office locale information • Bilingual capacity • Key staff assigned to the day to day activities • Description of duties/roles Senior Contact and Control Adjuster 	30		
<p>Response to Statement of Work (4.7) The proposal must demonstrate a clear understanding of the work requirements. The proponent must provide a detailed response to each item listed in Section 4.7 demonstrating how they meet each requirement.</p>	50		
<p>Pricing Proposal (4.10) The proponent submitting the lowest price proposal will receive the maximum 10 points on the standard CMHC evaluation scale of 1 to 10. Other proponents will receive a prorated score out of 10 based on the relative proportion of their price to the lowest price submitted.</p>	20		
TOTALS:	100		
Pass or Fail Criterion	Pass	Fail	
Accepted by CMHC's insurer			

APPENDIX C

7.3 Mandatory Compliance Checklist

- | | | |
|--------------------------|-------------------------------|---------------------------------------|
| <input type="checkbox"/> | Submission Deadline | Section 2.3 |
| <input type="checkbox"/> | Offering Period | Section 2.7 |
| <input type="checkbox"/> | Proponent's Qualifications | Section 4.6 |
| <input type="checkbox"/> | Response to Statement of Work | Section 4.7 |
| <input type="checkbox"/> | Financial Information | Section 4.8 |
| <input type="checkbox"/> | Pricing Proposal | Section 4.10 |
| <input type="checkbox"/> | Insurance Certificate | Section 4.11 |
| <input type="checkbox"/> | Proposed Contract | Section 6 |
| <input type="checkbox"/> | 7.1 Certificate of Submission | (Section 7 Appendices,
Appendix A) |