



**REQUEST FOR QUOTATION  
DEMANDE DE COTATION**

**RETURN BIDS TO :  
RETOURNER LES  
SOUMISSIONS A:**

National Research Council Canada (NRC)  
Procurement Services  
1200 Montreal Road, Building M-22  
Ottawa, Ontario  
K1A 0R6  
Bid Fax: (613) 991-3297

<b>Title/Sujet</b>  LN2 HEAT EXCHANGER FEED PIPING SYSTEM SUPPLY AND INSTALL	
<b>Solicitation No./N. de l'invitation</b> 14-22118	<b>Date</b> January 28 <sup>th</sup> 2015
<b>Solicitation Closes/L'invitation prend fin</b> at/à 14 :00 on/le February 9th 2015	<b>Time Zone/Fuseau Horaire</b> EST/EDT
<b>Address Enquiries To/Adresser demandes de renseignements à :</b> Johnathon Gillis Telephone No./N. de téléphone : (613)993-5506 Facsimile No./N. de télécopieur : (613) 993-6867 Email: <a href="mailto:Johnathon.Gillis@nrc-cnrc.gc.ca">Johnathon.Gillis@nrc-cnrc.gc.ca</a>	

Instructions: See Herein

Instructions: Voir aux présentes

Proposal To:

We hereby offer to sell to Her Majesty the Queen in right of Canada, in accordance with the terms and conditions set out herein, referred to herein or attached hereto, the goods, services, and construction listed herein and on any attached sheets at the price(s) set out therefor.

Proposition aux:

Nous offrons par la présente de vendre à Sa Majesté la Reine du chef du Canada, aux conditions énoncées ou incluses par référence dans la présente et aux annexes ci-jointes, les biens, services et construction énumérés ici sur toute feuille ci-annexée, au(x) prix indiqué(s).



<b>Vendor/Firm Name and Address</b> Raison sociale et adresse du fournisseur/de l'entrepreneur	
<b>Telephone No./N. de telephone</b> <b>Facsimile No./N. de télécopieur</b>	
<b>Name and title of person authorized to sign on behalf of Vendor/Firm (type or print)</b> <b>Nom et titre de la personne autorisé à signer au nom du fournisseur/de l'entrepreneur (taper ou écrire en caractères d'imprimerie)</b>	
<b>Signature</b>	<b>Date</b>

**LN2 HEAT EXCHANGER FEED PIPING SYSTEM, SUPPLY AND INSTALL****1.0 PRESENTATION OF PROPOSALS**

- 1.1 You are invited to submit two copies of a financial quotation to supply the National Research Council a Liquid Nitrogen exchanger feed as per the statement of requirement – Appendix A.

**2.0 SCOPE OF WORK**

- 2.1 To provide Professional Services to the **National Research Council** in accordance with the detailed Statement of Work attached as Appendix "A".

**3.0 PERIOD OF CONTRACT**

- 3.1 NRC anticipates that the work will begin on **February 10<sup>th</sup> 2015** and be completed by **March 31<sup>st</sup> 2015**.

**3.2 Site Visit will be held Tuesday, February 3<sup>rd</sup> 2015 – 2pm EST**

National Research Council Canada  
1200 Montreal Road, Bldg.  
M-10, Ottawa, Ontario K1A 0R6

**\*\*Please contact the contracting authority for more information.\*\***

**4.0 ENQUIRIES**

- 4.1 If you require clarification regarding any aspect of this RFQ, address all queries to the Contracting Authority, identified below, at least 2 working days before the closing date. All queries must be in writing and queries received less than 2 working days prior to the closing date cannot be guaranteed a response. Information received verbally will not be binding upon the NRC.

**Johnathon Gillis**

Contracting Authority, Procurement Services  
National Research Council Canada  
1200 Montreal Road, Bldg. M-22  
Ottawa, Ontario K1A 0R6  
Telephone: **(613) 993-5506**  
Facsimile: **(613) 993-6867**  
Email: [Johnathon.Gillis@nrc-cnrc.gc.ca](mailto:Johnathon.Gillis@nrc-cnrc.gc.ca)

- 4.2 To ensure the equality of information among Bidders, responses to general enquiries will be sent simultaneously to all bidders without identifying the source. All formal questions and answers will be distributed to all competing bidders unless such publication would reveal proprietary information. The bidder who initiates the question will not be identified. Technical questions that are considered proprietary by the bidder must be clearly identified. NRC will respond individually to the bidder if it considers the questions proprietary. If NRC does not consider the question proprietary, the bidder submitting it will be allowed to withdraw the question, or have the question and answer distributed to all bidders.

- 4.3 Vendors who attempt to obtain information regarding any aspect of this RFQ during the solicitation period through any NRC contacts other than the Contracting Authority identified herein, may be disqualified (for that reason alone).
- 4.4 It is the responsibility of the Bidder to obtain clarification of the requirement contained herein, if necessary, prior to submitting its proposal. The Bidder must have written confirmation from the Contracting Authority for any changes, alterations, etc., concerning this RFQ.

## **5.0 PROPOSAL CLOSING DATE AND BID SUBMISSION INSTRUCTIONS**

- 5.1 Proposals must be delivered not later than 2:00 PM EST, (day), **09<sup>th</sup>, February 2015**, to the following **Contracting Authority**:

**Proposals must not be sent directly to the Project Authority**

- 5.2 Proposals must be received by e-mail not later than 14:00 EST, NRC server time, February 9<sup>th</sup> 2015, to the following **Contracting Authority**:

**Johnathon Gillis**  
 Contracting Authority, Procurement Services  
 National Research Council Canada  
 1200 Montreal Road, Bldg. M-22  
 Ottawa, Ontario K1A 0R6  
 Telephone: **(613) 993-5506**  
 Facsimile: **(613) 993-6867**  
 Email: [Johnathon.Gillis@nrc-cnrc.gc.ca](mailto:Johnathon.Gillis@nrc-cnrc.gc.ca)

- 5.3 Proposals received after the closing date will not be considered and will be returned to the sender. The sender has the sole responsibility for the timely dispatch and delivery of a proposal and cannot transfer such responsibility to the NRC. No supplementary information will be accepted after the closing deadline unless NRC requests a clarification.
- 5.4 All submitted proposals become the property NRC and will not be returned to the originator.
- 6.0 Proposals will be assessed using the following evaluation criteria. Bidders should provide a detailed response to each criterion. NRC reserves the right to verify any and all information provided by the bidder in his/her proposal.
- 6.1 The supplier with the lowest financial cost that meets all aspects of the technical requirement will be considered for contract award.

## **7.0 COST PROPOSAL**

- 7.1 The cost proposal must be a **fixed price quotation, FOB Destination, excluding GST/HST**. The fixed price must include all the materials and services required to fulfil all

aspects of the Statement of Work. Bidders should identify the currency on which the cost proposal is based.

**(Note: caution re: travel costs whether bidders within or outside NCR, i.e., fixed price must include travel or travel will be in addition to fixed price or per diems – see example below.)**

**(i.e., option/amend as required:** It is anticipated that the work will take place in the National Capital Region (NCR). The per diem rates **(or fixed price quotation)** must include all costs required to perform the work, including Travel and Living Costs incurred in performing the services. Where NRC directs the Contractor to work outside the National Capital Region, the Contractor shall be paid for preauthorised reasonable and proper travel and living expenses supported by appropriate receipts. In this case, Travel and Living Costs will be in addition to the per diem rates **(or fixed price quotation)**.

7.2 The cost proposal must have sufficient structure to show how the total proposed cost was calculated. It should contain the following elements:

- a) The number, classification and per diem and/or hourly rate for all assigned personnel. For each classification, the number of workdays should be defined.
- b) The amount and explanation for other miscellaneous expenses that could be incurred.
- c) The Contractor will be reimbursed its authorized travel and living expenses reasonably and properly incurred in the performance of the Work, at cost, without any allowance for profit and/or administrative overhead, in accordance with the meal, private vehicle and incidental expenses provided in Appendices B, C and D of the Treasury Board Travel Directive, and with the other provisions of the directive referring to "travellers", rather than those referring to "employees".

7.3 **GOODS AND SERVICES TAX (GST) and HARMONIZED SALES TAX (HST):** The GST and HST, whichever is applicable, shall be considered an applicable tax for the purposes of this RFP and extra to the price herein. The amount of GST or HST shall be disclosed and shown as a separate item.

7.4 Bids will be evaluated in Canadian currency, therefore, for evaluation purposes, the exchange rate quoted by the Bank of Canada as being in effect on date of bid closing, shall be applied as the conversion factor for foreign currency. Prices quoted shall not be subject to, or conditional upon, fluctuations in commercial or other interest rates during either the evaluation or contract period.

## 8.0 **CONDITIONS OF SUBMISSION**

8.1 There shall be no payment by the National Research Council for costs incurred in the preparation and submission of proposals in response to this request. No payment shall be made for costs incurred for clarification(s) and/or demonstration(s) that may be required by NRC. The National Research Council reserves the right to reject any or all proposals submitted, or to accept any proposal in whole or in part without negotiation. A contract will not necessarily be issued as a result of this competition. NRC reserves the right to amend, cancel or reissue this requirement at any time.

8.2 Proposals submitted must be valid for not less than sixty (60) calendar days from the closing date of the RFQ.

8.3 Your proposal should contain the following statement:

"We hereby certify that the price quote is not in excess of the lowest price charged anyone else, including our most favoured customer, for like services".

8.4 Any contract resulting from this invitation will be subject to the General Conditions - Services 2010C (copy attached as Appendix "B") and any other special conditions that may apply.

## 9.0 **OWNERSHIP OF INTELLECTUAL AND OTHER PROPERTY**

9.1 All confidential information gathered or viewed or any product developed as a result of this RFQ must be treated as confidential and as NRC property.

## 10.0 **CONFIDENTIALITY**

10.1 This document is UNCLASSIFIED, however; the contractor shall treat as confidential, during as well as after the services contracted for, any information of the affairs of NRC of a confidential nature to which its servants or agents become privy.

## 11.0 **CRIMINAL CODE OF CANADA**

11.1 Canada may reject an offer where the Bidder, or any employee or subcontractor included as part of the offer, has been convicted under section 121 ("Frauds on the government" & Contractor subscribing to election fund"), 124 ("Selling or purchasing office"), or 418 ("Selling defective stores to Her Majesty") of the Criminal Code.

## 12.0 **DEBRIEFINGS**

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

## 13.0 **GOVERNMENT SMOKING POLICY**

13.1 Where the performance of the work requires the presence of the Contractor's personnel on government premises, the Contractor shall ensure that its personnel shall comply with the policy of the Government of Canada, which prohibits smoking on any government premises.

## 14.0 **ACCESS TO GOVERNMENT FACILITIES / EQUIPMENT**

14.1 Access to the facilities and equipment necessary to the performance of the work shall be provided through arrangements to be made by the Project Authority named herein. There will be however; no day-to-day supervision of the Contractor's activities nor control of the Contractor's hours of work by the Project Authority.

- 14.2 The Contractor undertakes and agrees to comply with all Standing Orders and Regulations in force on the site where the work is to be performed, relating to the safety of persons on the site or the protection of property against loss or damage from any and all causes including fires.

15.0 **GENERAL CONDITIONS**

- 16.1 The General Conditions 2010C entitled General Conditions Services and attached as Appendix "B" form part of this Contract.

16.0 **ADDITIONAL WORK**

- 16.1 The successful bidder can at NRC's option, be asked to provide additional work related to this requirement. Payment will be limited to the firm per diems quoted in the Contractor's proposal.

17.0 **NON-PERMANENT RESIDENT (FOREIGN COMPANY)**

- 17.1 The Contractor shall ensure that non-permanent residents intending to work in Canada on a temporary basis in fulfillment of the Contract, who are neither Canadian citizens nor United States nationals, receive all appropriate documents and instructions relating to Canadian immigration requirements and secure all required employment authorizations prior to their arrival at the Canadian port of entry. The Contractor shall ensure that United States nationals having such intentions receive all appropriate documents and instructions in that regard prior to their arrival at the Canadian port of entry. Such documents may be obtained at the appropriate Canadian Embassy/Consulate in the Contractor's country. The Contractor shall be responsible for all costs incurred as a result of non-compliance with immigration requirements.

18.0 **NON-PERMANENT RESIDENT (CANADIAN COMPANY)**

- 20.1 The Contractor is responsible for compliance with the immigration requirements applicable to non-permanent residents entering Canada to work on a temporary basis in fulfillment of the Contract. In some instances, the employment authorization necessary to enter Canada cannot be issued without prior approval of Human Resources Centre Canada (HRCC). HRCC should always be contacted as soon as the decision to bring in a non-permanent resident is made. The Contractor will be responsible for all costs incurred as a result of non-compliance with immigration requirements.

## 19.0 LUMP SUM PAYMENT - WORK FORCE REDUCTION PROGRAMS

21.1 It is a term of the contract that:

- a. the Contractor has declared to the Departmental Representative whether the Contractor has received a lump sum payment made pursuant to any work force reduction program, including but not limited to the Work Force Adjustment Directive, the Early Departure Incentive Program, the Early Retirement Incentive Program or the Executive Employment Transition Program, which has been implemented to reduce the public service;
- b. the Contractor has informed the Departmental Representative of the terms and conditions of that work force reduction program, pursuant to which the Contractor was made a lump sum payment, including the termination date, the amount of the lump sum payment and the rate of pay on which the lump sum payment was based; and
- c. the Contractor had informed the Departmental Representative of any exemption in respect of the abatement of a contract fee received by the Contractor under the Early Departure Incentive Program Order or paragraph 4 of Policy Notice 1995-8, of July 28, 1995.

## 20.0 FORMER PUBLIC SERVANT

20.1 Contracts with former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny, and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts with FPS, bidders must provide the information required below.

### 20.2 Definitions

For the purposes of this clause,

"former public servant" is any former member of a department as defined in the Financial Administration Act, R.S., 1985, c. F-11, a former member of the Canadian Armed Forces or a former member of the Royal Canadian Mounted Police. A former public servant may be:

- a) an individual;
- b) an individual who has incorporated;
- c) a partnership made of former public servants; or
- d) a sole proprietorship or entity where the affected individual has a controlling or major interest in the entity.

"lump sum payment period" means the period measured in weeks of salary, for which payment has been made to facilitate the transition to retirement or to other employment as a result of the implementation of various programs to reduce the size of the Public Service. The lump sum payment period does not include the period of severance pay, which is measured in a like manner.

"pension" means, a pension or annual allowance paid under the Public Service Superannuation Act (PSSA), R.S., 1985, c.P-36, and any increases paid pursuant to the Supplementary Retirement Benefits Act, R.S., 1985, c.S-24 as it affects the PSSA. It does not include pensions payable pursuant to the Canadian Forces Superannuation Act, R.S., 1985, c.C-17, the Defence Services Pension Continuation Act, 1970, c.D-3, the Royal Canadian Mounted Police Pension Continuation Act , 1970, c.R-10, and the Royal

Canadian Mounted Police Superannuation Act, R.S., 1985, c.R-11, the Members of Parliament Retiring Allowances Act, R.S., 1985, c.M-5, and that portion of pension payable to the Canada Pension Plan Act, R.S., 1985, c.C-8.

### 20.3 Former Public Servant in Receipt of a Pension

As per the above definitions, is the Bidder a FPS in receipt of a pension? **Yes ( ) No ( )**

If so, the Bidder must provide the following information, for all FPS in receipt of a pension, as applicable:

- a) name of former public servant;
- b) date of termination of employment or retirement from the Public Service.

20.4 By providing this information, Bidders agree that the successful Bidder's status, with respect to being a former public servant in receipt of a pension, will be reported on departmental websites as part of the published proactive disclosure reports in accordance with Contracting Policy Notice: 2012-2 and the Guidelines on the Proactive Disclosure of Contracts.

### 20.5 Work Force Reduction Program

Is the Bidder a FPS who received a lump sum payment pursuant to the terms of a work force reduction program? **Yes ( ) No ( )**

If so, the Bidder must provide the following information:

- a) name of former public servant;
- b) conditions of the lump sum payment incentive;
- c) date of termination of employment;
- d) amount of lump sum payment;
- e) rate of pay on which lump sum payment is based;
- f) period of lump sum payment including start date, end date and number of weeks;
- g) number and amount (professional fees) of other contracts subject to the restrictions of a work force reduction program.

20.6 For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is \$5,000, including the Goods and Services Tax or Harmonized Sales Tax.

## 21.0 OFFICE OF THE PROCUREMENT OMBUDSMAN (OPO)

21.1 The Office of the Procurement Ombudsman (OPO) was established by the Government of Canada to provide an independent avenue for suppliers to raise complaints regarding the award of contracts under \$25,000 for goods and under \$100,000 for services. You have the option of raising issues or concerns regarding the solicitation, or the award resulting from it, with the OPO by contacting them by telephone at 1-866-734-5169 or by e-mail at

[boa.opo@boa-opo.gc.ca](mailto:boa.opo@boa-opo.gc.ca). You can also obtain more information on the OPO services available to you at their website at [www.opo-boa.gc.ca](http://www.opo-boa.gc.ca).

22.0 **ATTACHMENTS**

Appendix "A" - Detailed Statement of Work

Appendix "B" - General Conditions 2010C

23.0 (Documents are available in French upon Request)

**LN2 HEAT EXCHANGER FEED PIPING SYSTEM REQUIREMENTS****Introduction:**

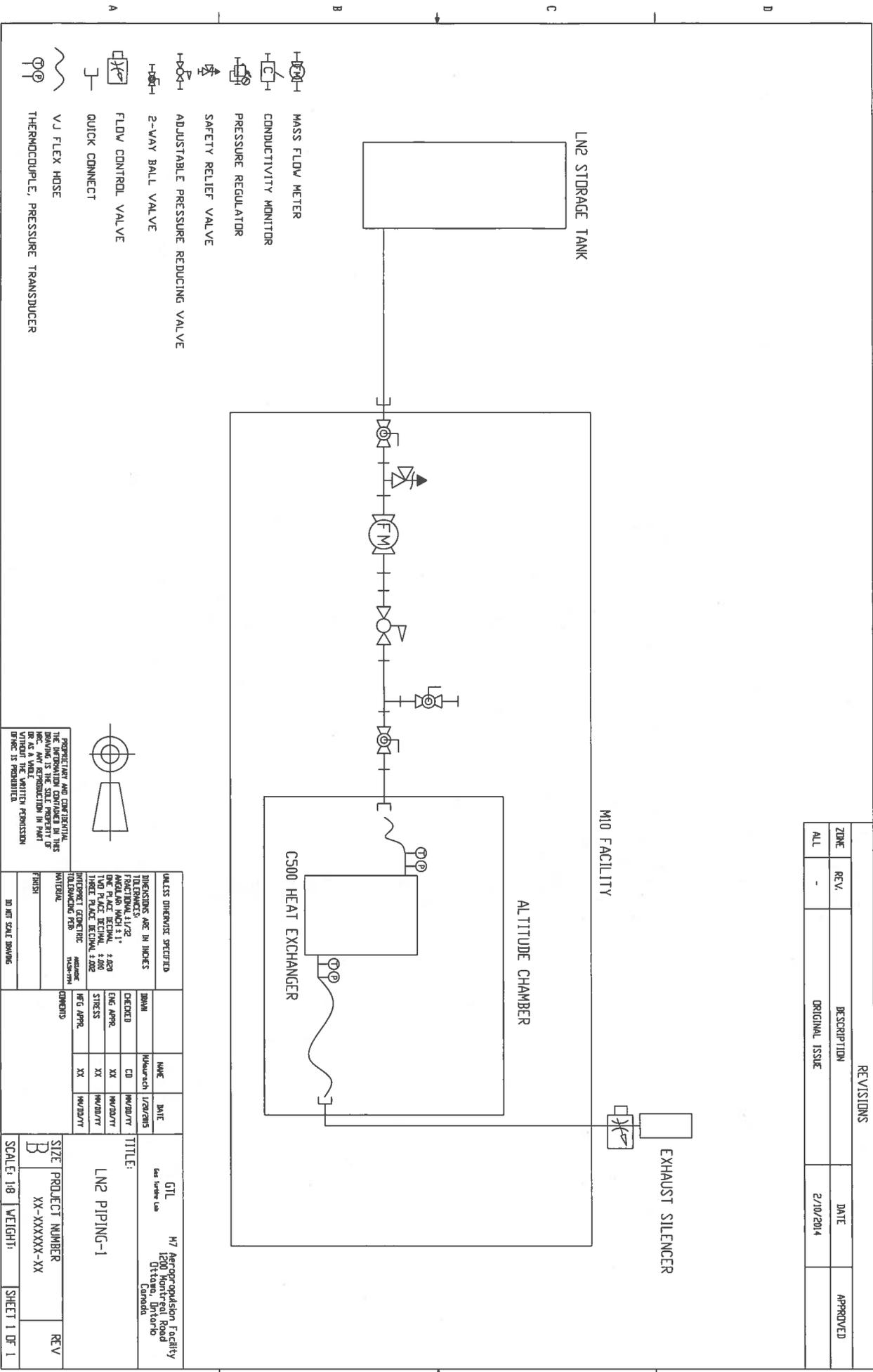
In order to expand the temperature capabilities of the Altitude cell, a liquid nitrogen (LN2)/air heat exchanger will be installed in the M10 altitude chamber. The following technical specification specifies the LN2 feed piping system requirements.

**Technical Requirements:**

1. All sizing calculations & specifications for the piping system shall fully conform to CSA B51 (where applicable) and ASME B31.3 Process Piping Code.
2. The piping system must be designed & installed by qualified personnel.
3. The piping system will be registered with TSSA & be issued a P number for the province of Ontario.
4. The piping system & flow control valve(s) will be sized to provide the maximum flow rate of liquid nitrogen as specified below:
  - a. Pressure at inlet to heat exchanger: 85 – 125 PSIG
  - b. Pressure at exit of heat exchanger: 50 – 125 PSIG
  - c. Flow up to 8,000 lb/hour
  - d. Design conditions call for -173°C of primarily saturated liquid at the inlet and -101°C of superheated vapour at the exit – these are design conditions but will vary depending on the operating point of the heat exchanger.
5. The piping system will be of the Vacuum Jacket design, and constructed from 304 stainless steel.
6. The piping system will be fitted with properly sized thermal relief valves.
7. The flow control valve(s) shall be fitted with a pneumatic actuator and 4-20mA HART positioner.
8. The flow control valve(s) shall be fitted with long stems and be suitable for LN2 service.
9. The Altitude chamber will be fitted with bulkhead fittings to route the LN2 feed piping into the chamber.
10. 3 properly sized vacuum jacket flex hoses with Stainless Steel JIC swivel fittings will connect to the heat exchanger inlet and vent process fittings.
11. A properly sized and thermally insulated heat exchanger outlet vent line will be installed and routed outside of the altitude chamber and M10 facility (vented to atmosphere). The vent line will be sized to allow for the maximum flow of gaseous nitrogen as provided above. A properly sized cryogenically rated flow control valve (4-20mA) will be required to back pressure the system and control the flow of nitrogen.
12. The completed piping system will be inspected and approved by the TSSA.

1	<b>Xchanger, Inc. Rating for Model C-500 ref #120578</b>		Page 1 of 1
2	Engineer: David Wangenstein		November 3, 2014
3	Prepared for:		
4	National Research Council Canada		
5	Mike Benner		
6			
7			
8	<b>PERFORMANCE</b>	<b>PROCESS MEDIA SIDE</b>	<b>SERVICE MEDIA SIDE</b>
9	Fluid Circulated	Air	Nitrogen
10	Volumetric Flow Rate	8,002.5 Std. ft <sup>3</sup> /min	
11	Total Fluid Entering	600.00 lb/min	5,350.5 lb/hr
12	Liquid		5,350.0 lb/hr
13	Water Vapor	20.6 lb/hr	0.5 lb/hr
14	Non-Condensibles	35,979.6 lb/hr	
15	Vaporized or (Cond.)	(20.0 lb/hr)	5,350.0 lb/hr
16	Temperature In	-10.0 °F	-279.4 °F
17	Temperature Out	-70.0 °F	-150.0 °F
18	Inlet Pressure (Absolute)	14.696 lb/in <sup>2</sup>	113.8 lb/in <sup>2</sup>
19	Velocity (Standard)	451.9 ft/min	39.2 ft/sec
20	Pressure Loss	0.1 in. water	6.5 lb/in <sup>2</sup>
21	Fouling Factor	0.00010 ft <sup>2</sup> -°F-hr/BTU	0.00100 ft <sup>2</sup> -°F-hr/BTU
22	Total Heat Exchanged: 539,123 BTU/hr (22,135 BTU/hr Latent)		
23			
24	<b>AVERAGE MEDIA PROPERTIES</b>		
25	Thermal Conductivity	0.012 BTU/hr-ft-°F	N/A
26	Specific Heat	0.239 BTU/lb-°F	N/A
27	Absolute Viscosity	0.037 lb/ft-hr	N/A
28	Density (MW)	(28.9)	N/A
29	Latent Heat of Vapor	1,109.3 BTU/lb	68.7 BTU/lb
30			
31	<b>CONSTRUCTION</b>		
32	Design Temperature	300 °F	200 °F
33	Design Pressure (Gauge)	15.0 lb/in <sup>2</sup>	-14.7 to 100.0 lb/in <sup>2</sup>
34	Test Pressure (Gauge)		Per ASME Code
35	Test Procedure	No Test	Bubble Test
36	ASME Code Stamp	Not Applicable	ASME UM Stamp
37			
38	Tube Material : 304L Stainless Steel	Housing Material : 304 Stainless Steel	
39	Fin Material : Aluminum	Casing Material : 304L Stainless Steel	
40	Sealant Material : Teflon	Phenolic Coating : None	
41	Removable Core : Yes, Front Only	Mist Eliminator : None	
42	Tube Circuit Type: Nontrapped	Gas Flow Dir. : Right Hand Horizontal	
43	Dry Weight : 2,650,519 lb	Wet Weight : 2,650,624 lb	
44	Thermometers : None	Mod. Water Valve : None	
45	Diff. Pres. Gauge: None	Auto. Drain Trap : None	
46			
47	<b>CONNECTIONS</b>		
48	Process Inlet : 50" X 50" Square Flange, 2" Wide		
49	Process Outlet : 50" X 50" Square Flange, 2" Wide		
50	Service Inlet : (2) 1 5/8" O.D. plain end tube stub		
51	Service Outlet : (1) 3" plain end pipe stub		
52			
53	<b>NOTES</b>		
54	Approximate unit dimensions (inches): A = 70, B = 22, C = 73, D = 36		
55	Construction material suitability must be determined by customer.		
56	The process flow must be uniform, smooth, and free of pulsation.		
57	This unit is not designed for cycling process gas pressure.		
58	Frost development is possible. Periodic thawing may be required.		
59	It is unlikely that condensate will carry-over in process stream.		
60			
61			
62			

REVISIONS				
ZONE	REV.	DESCRIPTION	DATE	APPROVED
ALL	-	ORIGINAL ISSUE	2/10/2014	



PROPORTION AND CONFIGURATION OF THE INFORMATION CONTAINED IN THIS DRAWING IS THE SOLE PROPERTY OF THE COMPANY. ANY REPRODUCTION IN PART OR IN WHOLE WITHOUT THE WRITTEN PERMISSION OF THE COMPANY IS PROHIBITED.

UNLESS OTHERWISE SPECIFIED		DIMENSIONS ARE IN INCHES		TOLERANCES	
FRAC.	±.005	DEC.	±.002	ANG.	±.002
FINISH	NO. 10	NO. 10	NO. 10	NO. 10	NO. 10
NO. 10	NO. 10	NO. 10	NO. 10	NO. 10	NO. 10

DATE	BY	CHKD	APPD	STRESS
10/20/14	CD	XX	XX	XX
10/20/14	HW	XX	XX	XX

DATE	BY	CHKD	APPD
10/20/14	HW	XX	XX

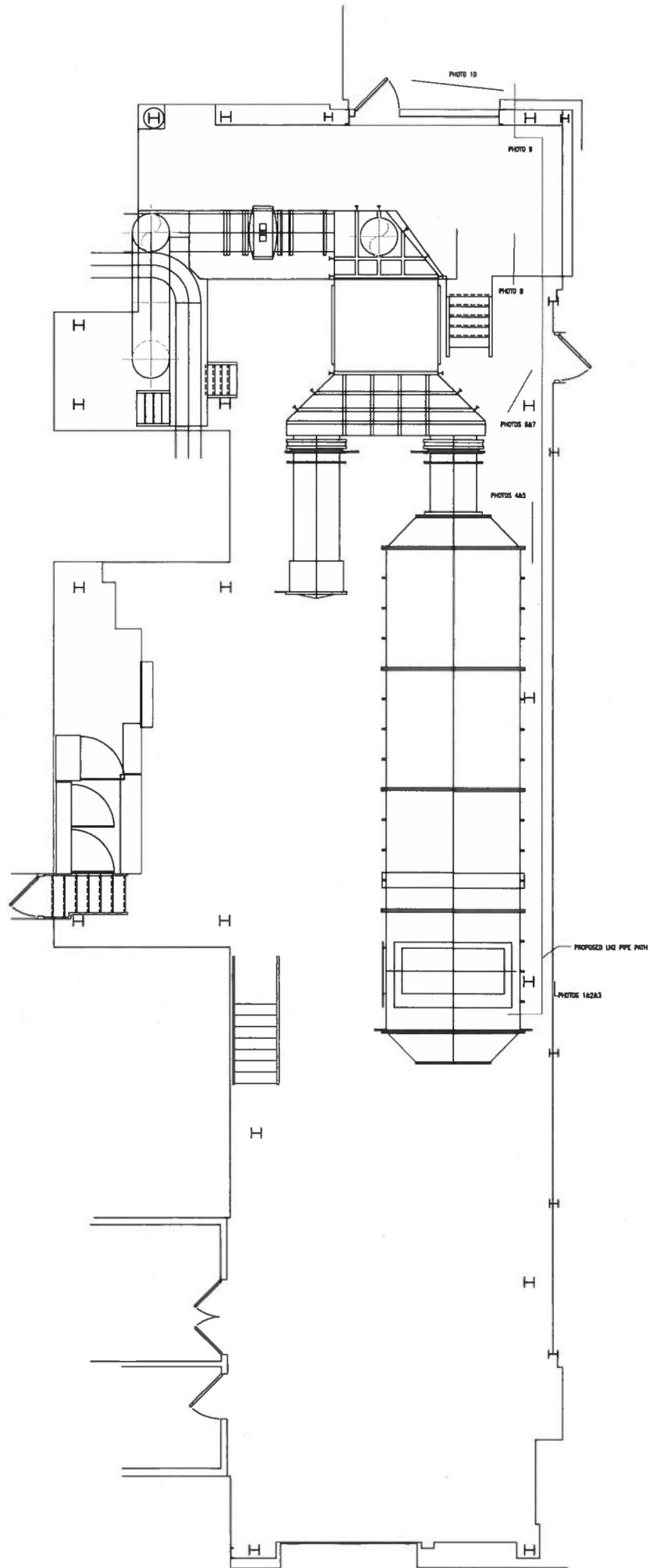
  

DATE	10/20/14
BY	HW
CHKD	XX
APPD	XX

TITLE:	LN2 PIPING-1
PROJECT NUMBER:	XX-XXXXXX-XX
SCALE:	1:1
WEIGHT:	
SHEET:	1 OF 1

GIL  
 1200 Kortright Road  
 Ottawa, Ontario  
 Canada





<b>ID</b>	<b>2010C</b>
<b>Title</b>	<b>General Conditions Services – Appendix B</b>
<b>Date</b>	<b>2010-08-16</b>
<b>Status</b>	<b>Active</b>

- 01 Interpretation
- 02 Powers of Canada
- 03 Status of the Contractor
- 04 Conduct of the Work
- 05 Subcontracts
- 06 Time of the Essence
- 07 Excusable Delay
- 08 Inspection and Acceptance of the Work
- 09 Invoice Submission
- 10 Taxes
- 11 Payment Period
- 12 Interest on Overdue Accounts
- 13 Audit
- 14 Compliance with Applicable Laws
- 15 Liability
- 16 Government Property
- 17 Amendment
- 18 Assignment
- 19 Suspension of the Work
- 20 Default by the Contractor
- 21 Termination for Convenience
- 22 Right of Set-off
- 23 Conflict of Interest and Values and Ethics Codes for the Public Service
- 24 Contingency Fees
- 25 International Sanctions
- 26 Harassment in the Workplace
- 27 Entire Agreement



**2010C 01 (2008-05-12) Interpretation**

In the Contract, unless the context otherwise requires:

"Articles of Agreement" means the clauses and conditions set out in full text or incorporated by reference to form the body of the Contract; it does not include these general conditions, any supplemental general conditions, annexes, the Contractor's bid or any other document

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada as represented by the National Research Council Canada and any other person duly authorized to act on behalf of the National Research Council Canada.

"Contract" means the Articles of Agreement, these general conditions, any supplemental general conditions, annexes and any other document specified or referred to as forming part of the Contract, all as amended by agreement of the Parties from time to time;

"Contracting Authority" means the person designated by that title in the Contract, or by notice to the Contractor, to act as Canada's representative to manage the Contract;

"Contractor" means the person, entity or entities named in the Contract to supply goods, services or both to Canada;

"Contract Price" means the amount stated in the Contract to be payable to the Contractor for the Work, exclusive of Goods and Services Tax and Harmonized Sales Tax;

"Government Property" means anything supplied to the Contractor by or on behalf of Canada for the purposes of performing the Contract and anything acquired by the Contractor in any manner in connection with the Work, the cost of which is paid by Canada under the Contract;

"Party" means Canada, the Contractor, or any other signatory to the Contract and "Parties" means all of them;

"Work" means all the activities, services, goods, equipment, matters and things required to be done, delivered or performed by the Contractor under the Contract.

**2010C 02 (2008-05-12) Powers of Canada**

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

**2010C 03 (2008-05-12) Status of the Contractor**

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



**2010C 04 (2008-05-12) Conduct of the Work**

1. The Contractor represents and warrants that:
  - (a) it is competent to perform the Work;
  - (b) it has everything necessary to perform the Work, including the resources, facilities, labour, technology, equipment, and materials; and
  - (c) it has the necessary qualifications, including knowledge, skill, know-how and experience, and the ability to use them effectively to perform the Work.
2. The Contractor must:
  - (a) perform the Work diligently and efficiently;
  - (b) except for Government Property, supply everything necessary to perform the Work;
  - (c) use, as a minimum, quality assurance procedures, inspections and controls generally used and recognized by the industry to ensure the degree of quality required by the Contract;
  - (d) select and employ a sufficient number of qualified people;
  - (e) perform the Work in accordance with standards of quality acceptable to Canada and in full conformity with the specifications and all the requirements of the Contract;
  - (f) provide effective and efficient supervision to ensure that the quality of workmanship meets the requirements of the Contract.
3. The Contractor consents in the case of a contract that has a value in excess of \$10,000.00 to the public disclosure of information – other than information described in any of paragraphs 20(1)a) to (d) of the Access to Information Act – relating to the contract.

**2010C 05 (2008-05-12) Subcontracts**

The Contractor may subcontract the supply of goods or services that are customarily subcontracted by the Contractor. Subcontracting does not relieve the Contractor from any of its obligations under the Contract or impose any liability upon Canada to a subcontractor. In any subcontract, the Contractor agrees to bind the subcontractor by the same conditions by which the Contractor is bound under the Contract, unless the Contracting Authority agrees otherwise.

**2010C 06 (2008-05-12) Time of the Essence**

It is essential that the Work be performed within or at the time stated in the Contract.

**2010C 07 (2008-05-12) Excusable Delay**

1. A delay in the performance by the Contractor of any obligation under the Contract that is caused by an event that:
  - (a) is beyond the reasonable control of the Contractor;



- (b) could not reasonably have been foreseen;
- (c) could not reasonably have been prevented by means reasonably available to the Contractor; and
- (d) occurred without the fault or neglect of the Contractor,

will be considered an "Excusable Delay" if the Contractor advises the Contracting Authority of the occurrence of the delay or of the likelihood of the delay as soon as the Contractor becomes aware of it. The Contractor must also advise the Contracting Authority, within fifteen (15) working days, of all the circumstances relating to the delay and provide to the Contracting Authority for approval a clear work around plan explaining in detail the steps that the Contractor proposes to take in order to minimize the impact of the event causing the delay.

- 2. Any delivery date or other date that is directly affected by an Excusable Delay will be postponed for a reasonable time that will not exceed the duration of the Excusable Delay.
- 3. However, if an Excusable Delay has continued for thirty (30) days or more, the Contracting Authority may, by giving notice in writing to the Contractor, terminate the Contract. In such a case, the Parties agree that neither will make any claim against the other for damages, costs, expected profits or any other loss arising out of the termination or the event that contributed to the Excusable Delay. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.
- 4. Unless Canada has caused the delay by failing to meet an obligation under the Contract, Canada will not be responsible for any costs incurred by the Contractor or any of its subcontractors or agents as a result of an Excusable Delay.

#### **2010C 08 (2008-05-12) Inspection and Acceptance of the Work**

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

#### **2010C 09 (2008-05-12) Invoice Submission**

- 1. Invoices must be submitted in the Contractor's name. The Contractor must submit invoices for each delivery or shipment; invoices must only apply to the Contract. Each invoice must indicate whether it covers partial or final delivery.
- 2. Invoices must show:
  - (a) the date, the name and address of the client, item or reference numbers, deliverable and/or description of the Work, contract number, Procurement Business Number (PBN) or GST/HST #;
  - (b) details of expenditures in accordance with the Basis of Payment, exclusive of Goods and Services Tax (GST) or Harmonized Sales Tax (HST) (such as item, quantity, unit of issue, unit price, fixed time labour rates and level of effort, subcontracts, as applicable);
  - (c) deduction for holdback, if applicable;



- (d) the extension of the totals, if applicable; and
  - (e) if applicable, the method of shipment together with date, case numbers and part or reference numbers, shipment charges and any other additional charges.
3. If applicable, the GST or HST must be specified on all invoices as a separate item. All items that are zero-rated, exempt or to which the GST or HST does not apply, must be identified as such on all invoices.
  4. By submitting an invoice, the Contractor certifies that the invoice is consistent with the Work delivered and is in accordance with the Contract.

### **2010C 10 (2010-08-16) Taxes**

#### **1. Municipal Taxes**

Municipal Taxes do not apply.

#### **2. Provincial Taxes**

(a) Excluding legislated exceptions, federal government departments and agencies are not required to pay any sales tax payable to the province in which the taxable goods or services are delivered. This exemption has been provided to federal government departments and agencies under the authority of one of the following:

(i) Provincial Sales Tax (PST) Exemption Licence Numbers, for the provinces of:

Prince Edward Island OP-10000-250  
Manitoba 390-516-0

(ii) for Quebec, Saskatchewan, the Yukon Territory, the Northwest Territories and Nunavut, an Exemption Certification, which certifies that the goods or services purchased are not subject to the provincial/territorial sales and consumption taxes because they are purchased by the federal government with Canada funds for the use of the federal government.

(b) Currently, in Alberta, the Yukon Territory, the Northwest Territories and Nunavut, there is no general PST. However, if a PST is introduced in Alberta, the Yukon Territory, the Northwest Territories or Nunavut, the sales tax exemption certificate would be required on the purchasing document.

(c) Federal departments must pay the HST in the participating provinces of Newfoundland and Labrador, Nova Scotia, New Brunswick, Ontario and British Columbia.

(d) The Contractor is not exempt from paying PST under the above Exemption Licence Numbers or Exemption Certification. The Contractor must pay the PST on taxable goods or services used or consumed in the performance of the Contract (in accordance with applicable provincial legislation), including material incorporated into real property.

#### **3. Changes to Taxes and Duties**

If there is any change to any tax or duty payable to any level of government in Canada after the bid submission date that affects the costs of the Work to the Contractor, the Contract Price will be adjusted to reflect the increase or decrease in the cost to the Contractor. However, there will be



no adjustment for any change that increases the cost of the Work to the Contractor if public notice of the change was given before bid submission date in sufficient detail to have permitted the Contractor to calculate the effect of the change on its cost. There will be no adjustment if the change takes effect after the date required by the Contract for delivery of the Work.

4. GST or HST

The estimated GST or HST, if applicable, is included in the total estimated cost on page 1 of the Contract. The GST or HST is not included in the Contract Price but will be paid by Canada as provided in the Invoice Submission section above. The Contractor agrees to remit to Canada Revenue Agency any amounts of GST and HST paid or due.

5. Tax Withholding of 15 Percent

Pursuant to the *Income Tax Act*, 1985, c. 1 (5th Supp.) and the *Income Tax Regulations*, Canada must withhold 15 percent of the amount to be paid to the Contractor in respect of services provided in Canada if the Contractor is a non-resident unless the Contractor obtains a valid waiver. The amount withheld will be held on account for the Contractor in respect to any tax liability which may be owed to Canada.

**2010C 11 (2008-05-12) Payment Period**

1. Canada's standard payment period is thirty (30) days. The payment period is measured from the date an invoice in acceptable form and content is received in accordance with the Contract or the date the Work is delivered in acceptable condition as required in the Contract, whichever is later. A payment is considered overdue on the 31st day following that date and interest will be paid automatically in accordance with the section 12.
2. If the content of the invoice and its substantiating documentation are not in accordance with the Contract or the Work is not in acceptable condition, Canada will notify the Contractor within fifteen (15) days of receipt. The 30-day payment period begins upon receipt of the revised invoice or the replacement or corrected Work. Failure by Canada to notify the Contractor within fifteen (15) days will only result in the date specified in subsection 1 to apply for the sole purpose of calculating interest on overdue accounts.

**2010C 12 (2008-12-12) Interest on Overdue Accounts**

1. For the purpose of this section:

"Average Rate" means the simple arithmetic mean of the Bank Rates in effect at 4:00 p.m. Eastern Time each day during the calendar month immediately before the calendar month in which payment is made;

"Bank Rate" means the rate of interest established from time to time by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to members of the Canadian Payments Association;

"date of payment" means the date of the negotiable instrument drawn by the Receiver General for Canada to pay any amount under the Contract;

an amount becomes "overdue" when it is unpaid on the first day following the day on which it is due and payable according to the Contract.



2. Canada will pay to the Contractor simple interest at the Average Rate plus 3 percent per year on any amount that is overdue, from the date that amount becomes overdue until the day before the date of payment, inclusive. The Contractor is not required to provide notice to Canada for interest to be payable.
3. Canada will pay interest in accordance with this section only if Canada is responsible for the delay in paying the Contractor. Canada will not pay interest on overdue advance payments.

**2010C 13 (2008-05-12) Audit**

The amount claimed under the Contract is subject to government audit both before and after payment is made. The Contractor must keep proper accounts and records of the cost of performing the Work and keep all documents relating to such cost for six (6) years after it receives the final payment under the Contract.

**2010C 14 (2008-05-12) Compliance with Applicable Laws**

1. The Contractor must comply with all laws applicable to the performance of the Contract. The Contractor must provide evidence of compliance with such laws to Canada at such times as Canada may reasonably request.
2. The Contractor must obtain and maintain at its own cost all permits, licenses, regulatory approvals and certificates required to perform the Work. If requested by the Contracting Authority, the Contractor must provide a copy of any required permit, license, regulatory approvals or certificate to Canada.

**2010C 15 (2008-05-12) Liability**

The Contractor is liable for any damage caused by the Contractor, its employees, subcontractors, or agents to Canada or any third party. Canada is liable for any damage caused by Canada, its employees or agents to the Contractor or any third party. The Parties agree that no limitation of liability or indemnity provision applies to the Contract unless it is specifically incorporated in full text in the Articles of Agreement. Damage includes any injury to persons (including injury resulting in death) or loss of or damage to property (including real property) caused as a result of or during the performance of the Contract.

**2010C 16 (2008-05-12) Government Property**

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

**2010C 17 (2008-05-12) Amendment**

To be effective, any amendment to the Contract must be done in writing by the Contracting Authority and the authorized representative of the Contractor.

**2010C 18 (2008-05-12) Assignment**

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



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

#### **2010C 19 (2008-05-12) Suspension of the Work**

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

#### **2010C 20 (2008-05-12) Default by the Contractor**

1. If the Contractor is in default in carrying out any of its obligations under the Contract, the Contracting Authority may, by giving written notice to the Contractor, terminate for default the Contract or part of the Contract. The termination will take effect immediately or at the expiration of a cure period specified in the notice, if the Contractor has not cured the default to the satisfaction of the Contracting Authority within that cure period.
2. If the Contractor becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or takes the benefit of any statute relating to bankrupt or insolvent debtors, or if a receiver is appointed under a debt instrument or a receiving order is made against the Contractor, or an order is made or a resolution passed for the dissolution, liquidation or winding up of the Contractor, the Contracting Authority may, to the extent permitted by the laws of Canada, by giving written notice to the Contractor, immediately terminate for default the Contract or part of the Contract.
3. If Canada gives notice under subsection 1 or 2, the Contractor will have no claim for further payment except as provided in this section. The Contractor will be liable to Canada for all losses and damages suffered by Canada because of the default or occurrence upon which the notice was based, including any increase in the cost incurred by Canada in procuring the Work from another source. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

#### **2010C 21 (2008-05-12) Termination for Convenience**

1. At any time before the completion of the Work, the Contracting Authority may, by giving notice in writing to the Contractor, terminate for convenience the Contract or part of the Contract. Once such a notice of termination for convenience is given, the Contractor must comply with the requirements of the termination notice. If the Contract is terminated in part only, the Contractor must proceed to complete any part of the Work that is not affected by the termination notice. The termination will take effect immediately or, as the case may be, at the time specified in the termination notice.
2. If a termination notice is given pursuant to subsection 1, the Contractor will be entitled to be paid, for costs that have been reasonably and properly incurred to perform the Contract to the extent that the Contractor has not already been paid or reimbursed by Canada. The Contractor will be paid:
  - (a) on the basis of the Contract Price, for all completed work that is inspected and accepted in accordance with the Contract, whether completed before, or after the termination in accordance with the instructions contained in the termination notice;



- (b) the Cost to the Contractor plus a fair and reasonable profit for all work terminated by the termination notice before completion; and
  - (c) all costs incidental to the termination of the Work incurred by the Contractor but not including the cost of severance payments or damages to employees whose services are no longer required, except wages that the Contractor is obligated by statute to pay.
3. Canada may reduce the payment in respect of any part of the Work, if upon inspection, it does not meet the requirements of the Contract.
  4. The total of the amounts, to which the Contractor is entitled to be paid under this section, together with any amounts paid, due or becoming due to the Contractor must not exceed the Contract Price. The Contractor will have no claim for damages, compensation, loss of profit, allowance arising out of any termination notice given by Canada under this section except to the extent that this section expressly provides. The Contractor agrees to repay immediately to Canada the portion of any advance payment that is unliquidated at the date of the termination.

**2010C 22 (2008-05-12) Right of Set-off**

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

**2010C 23 (2008-05-12) Conflict of Interest and Values and Ethics Codes for the Public Service**

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

**2010C 24 (2008-12-12) Contingency Fees**

The Contractor certifies that it has not, directly or indirectly, paid or agreed to pay and agrees that it will not, directly or indirectly, pay a contingency fee for the solicitation, negotiation or obtaining of the Contract to any person, other than an employee of the Contractor acting in the normal course of the employee's duties. In this section, "contingency fee" means any payment or other compensation that depends or is calculated based on a degree of success in soliciting, negotiating or obtaining the Contract and "person" includes any individual who is required to file a return with the registrar pursuant to section 5 of the *Lobbying Act*, 1985, c. 44 (4th Supplement).

**2010C 25 (2010-08-16) International Sanctions**

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



2. The Contractor must not supply to the Government of Canada any goods or services which are subject to economic sanctions.
3. The Contractor must comply with changes to the regulations imposed during the period of the Contract. The Contractor must immediately advise Canada if it is unable to perform the Work as a result of the imposition of economic sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services. If the Parties cannot agree on a work around plan, the Contract will be terminated for the convenience of Canada in accordance with section 21.

**2010C 26 (2010-08-16) Harassment in the Workplace**

1. The Contractor acknowledges the responsibility of Canada to ensure, for its employees, a healthy work environment, free of harassment. A copy of the Policy on the Prevention and Resolution of Harassment in the Workplace, which is also applicable to the Contractor, is available on the Treasury Board Web site.
2. The Contractor must not, either as an individual, or as a corporate or unincorporated entity, through its employees or subcontractors, harass, abuse, threaten, discriminate against or intimidate any employee, contractor or other individual employed by, or under contract with Canada. The Contractor will be advised in writing of any complaint and will have the right to respond in writing. Upon receipt of the Contractor's response, the Contracting Authority will, at its entire discretion, determine if the complaint is founded and decide on any action to be taken.

**2010C 27 (2008-05-12) Entire Agreement**

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