



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

**Bid Receiving - PWGSC / Réception des
soumissions - TPSGC**
11 Laurier St. / 11, rue Laurier
Place du Portage, Phase III
Core 0B2 / Noyau 0B2
Gatineau, Québec K1A 0S5
Bid Fax: (819) 997-9776

**Request For a Standing Offer
Demande d'offre à commandes**

National Master Standing Offer (NMSO)
Offre à commandes principale et nationale (OCPN)

Canada, as represented by the Minister of Public Works and
Government Services Canada, hereby requests a Standing Offer
on behalf of the Identified Users herein.

Le Canada, représenté par le ministre des Travaux Publics et
Services Gouvernementaux Canada, autorise par la présente,
une offre à commandes au nom des utilisateurs identifiés
énumérés ci-après.

Comments - Commentaires

**Vendor/Firm Name and Address
Raison sociale et adresse du
fournisseur/de l'entrepreneur**

Issuing Office - Bureau de distribution
Material Traffic Division /Division du transport du
matériel
11 Laurier St. / 11, rue Laurier
7B3, Place du Portage, Phase III
Gatineau, Québec K1A0S5

Title - Sujet Warehousing & Distribution	
Solicitation No. - N° de l'invitation E60LM-170031/A	Date 2017-01-30
Client Reference No. - N° de référence du client E60LM-170031	GETS Ref. No. - N° de réf. de SEAG PW-\$\$LM-001-72337
File No. - N° de dossier lm001.E60LM-170031	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2017-02-16	
Time Zone Fuseau horaire Eastern Standard Time EST	
Delivery Required - Livraison exigée See Herein	
Address Enquiries to: - Adresser toutes questions à: Jiang, Kevin	Buyer Id - Id de l'acheteur lm001
Telephone No. - N° de téléphone (819)420-2975 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: Specified Herein Précisé dans les présentes	
Security - Sécurité This request for a Standing Offer does not include provisions for security. Cette Demande d'offre à commandes ne comprend pas des dispositions en matière de sécurité.	

Instructions: See Herein

Instructions: Voir aux présentes

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

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Solicitation No. - N° de l'invitation
E60LM-170031/A
Client Ref. No. - N° de réf. du client
E60LM-170031

Amd. No. - N° de la modif.
English
File No. - N° du dossier
Im001E60LM-170031

Buyer ID - Id de l'acheteur
Im001
CCC No./N° CCC - FMS No./N° VME

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PART 1 - GENERAL INFORMATION

1.1 Introduction

The Request for Standing Offers (RFSO) template is divided into six parts:

Part 1: provides a general description of the requirement;

Part 2: provides the instruction clauses and conditions applicable to the RFSO and states that the Offeror agrees to be bound by the clauses and conditions contained in all parts of the RFSO;

Part 3: provides offerors with instructions on how to prepare their offer to address the evaluation criteria specified;

Part 4: indicates how the evaluation will be conducted, the evaluation criteria which must be addressed in the offer, the certifications to be provided in Annex "C", and the basis of selection;

Part 5: includes the certifications to be provided;

Part 6A: includes the Standing Offer containing the offer from the Offeror and the applicable clauses and conditions;

Part 6B: includes the clauses and conditions which will apply to any contract resulting from a "call-up" made pursuant to the Standing Offer.

The Annexes include the Statement of Work, Basis of Payment, Certifications, and Rated Financial Criteria.

1.2 Summary

Scope of Work

The Federal Government of Canada, on behalf of its Departments and Agencies, or Crown Corporation listed in Schedules I, I.1, II and III of the Financial Administration Act, R.S.C. 1985, c. F-11, hereinafter referred to as shippers, is seeking proposals for the issue of Regional Master Standing Offer(s) (RMSO) for the provision of warehousing and distribution services within the National Capital Region on an "as and when requested" basis.

National Capital Region (NCR) is an official federal designation for the Canadian capital of Ottawa, Ontario, the neighbouring city of Gatineau, Quebec, and surrounding urban and rural communities. The National Capital Region is defined by the National Capital Act, consists of an area of 4,715 square kilometers that straddles the Ottawa River which serves as the boundary between the provinces of Ontario and Quebec. This area is smaller than that of the Ottawa-Gatineau Census Metropolitan Area (CMA), which is 5,716 square kilometers in size.

The warehousing and distribution services include the provision of suitable and accessible dry, secure space for storage of material, the material handling equipment and warehousing aids necessary for efficient and safe handling of customer owned material, distribution, transportation, management and additional services as detailed herein. **This requirement does not include records storage or printing services.**

The estimated yearly expenditure is approximately \$300,000.00 in Canadian dollar.

The requirement is subject to the provisions of Agreement on Internal Trade (AIT). The provisions of the World Trade Organization - Agreement on Government Procurement (WTO-AGP), the North American Free Trade Agreement (NAFTA), or Comprehensive Land Claims Agreements (CLCAs) do not apply.

Period of Standing Offer

The initial period for making call ups against the Standing Offer is three (3) years, from April 3, 2017 to March 31, 2020.

Extension Of Standing Offer

Should the Standing Offer be authorized for use beyond the initial period, the Offeror offers to extend its offer for additional two (2) two-year periods under the same conditions and at the rates or prices specified in Annex "B" .

The Offeror will be advised of the decision to authorize the use of the Standing Offer for an extended period by the Standing Offer Authority thirty (30) days before the expiry date of the Standing Offer. A revision to the Standing Offer will be issued by the Standing Offer Authority.

1.3 Debriefings

After issuance of a standing offer, offerors may request a debriefing on the results of the request for standing offers process. Offerors should make the request to the Standing Offer Authority within fifteen (15) working days of receipt of the results of the request for standing offers process. The debriefing may be in writing, by telephone or in person.

1.4 Canadian Content

The goods and/or services covered by the Supply Arrangement are solely limited to Canadian goods and/or services as defined in clause A3050T.
A3050T (2014-11-27) - Canadian Content Definition.

PART 2 - OFFEROR INSTRUCTIONS

2.1 Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the Request for Standing Offers (RFSO) by number, date and title are set out in the Standard Acquisition Clauses and Conditions Manual issued by Public Works and Government Services Canada (PWGSC). The Manual is available on the PWGSC :
<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual/all>

Offerors who submit an offer agree to be bound by the instructions, clauses and conditions of the RFSO and accept the clauses and conditions of the Standing Offer and resulting contract(s).

The 2006 (2016-04-04) Standard Instructions - Request for Standing Offers - Goods or Services, are incorporated by reference into and form part of the RFSO.

2.2 Submission of Offers

Offers must be submitted only to Public Works and Government Services (PWGSC) Bid Receiving Unit by the date, time and place indicated and on page 1 of the Request for Standing Offers and incorporated by reference.

Due to the nature of the Request for Standing Offers, transmission of offers by facsimile to Public Works and Government Services Canada will not be accepted.

2.3 Enquiries - Request for Standing Offers

All enquiries must be submitted in writing to the Standing Offer Authority **at least five (5) calendar days before the Request for Standing Offers (RFSO) closing date**. Enquiries received after that time may not be answered.

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

2.4 Applicable Laws

The Standing Offer and any contract resulting from the Standing Offer must be interpreted and governed by the laws in force in Ontario, Canada.

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

2.5 Office of Small and Medium Enterprises (OSME)

PWGSC has established the Office of Small and Medium Enterprises (OSME) to assist suppliers in accessing and competing for opportunities in the federal marketplace. Its services include the Business Access Canada site found at:

<https://www.achatsetventes-buyandsell.gc.ca/eng>

For specific questions or concerns about applicability of the OSME to this RFSO, please contact the Standing Offer Authority.

2.6 Sustainable Development

It is the policy of the Canadian Government to carry out its mandate in a manner consistent with the principles of sustainable development and to promote sustainable development opportunities and obligations with respect to economic growth, social well-being, and a healthy environment thereby enhancing services to Canadians.

The Supplier is encouraged to support sustainable development by:

- 1) Contributing to environmental objectives, such as:

- * Reducing greenhouse gas emissions and air contaminants;
- * Improving energy and water efficiency;
- * Reducing ozone depleting substances;
- * Reducing waste and supporting reuse and recycling;
- * Reducing hazardous waste; and
- * Reducing toxic and hazardous chemicals and substances.

2) Resulting in more environmentally responsible planning, acquisition, use and disposal practices in the Federal Government.

The Supplier is requested to provide details of its practices for sustainable development. These details will not be evaluated.

PART 3 - OFFER PREPARATION INSTRUCTIONS

3.1 Offer Preparation Instructions

Section of Offer

Canada requests that offerors provide their offer in separately bound sections as follows:

- **Section I: Technical Offer:** one (1) hard copy
- **Section II: Financial Offer:** two (2) hard copies
- **Section III: Certifications:** one (1) hard copy

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

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

Canada requests that offerors follow the format instructions described below in the preparation of their offer.

- (a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
- (b) use a numbering system that corresponds to that of the Request for Standing Offers;
- (c) include the certifications as a separate section of the offer.

In April 2006, Canada issued a policy directing federal departments and agencies to take the necessary steps to incorporate environmental considerations into the procurement process Policy on Green Procurement (<http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/achats-procurement/politique-policy-eng.html>).

To assist Canada in reaching its objectives, offerors are encouraged to:

- 1) use paper containing fibre certified as originating from a sustainably-managed forest and/or Containing minimum 30% recycled content; and
- 2) use an environmentally-preferable format including black and white printing instead of colour printing, printing double sided/duplex, using staples or clips instead of cerlox, duotangs or binders.

Section I: Technical Offer

In their technical offer, Offerors should explain and demonstrate how they propose to meet the requirements and how they will carry out the Work.

Section II: Financial Offer

Offerors must submit their financial offer in accordance with the Basis of Payment detailed in Annex "B". The total amount of Goods and Services Tax or Harmonized Sales Tax is to be shown separately, if applicable.

Payment by Credit Card

Canada requests that Offerors complete one of the following, (a) or (b):

- (a) Government of Canada Acquisition Cards (credit cards) will be accepted for payment of call-ups against the standing offer.

The following credit card(s) are accepted:

VISA _____

Master Card _____

- (b) Government of Canada Acquisition Cards (credit cards) will not be accepted for payment of call-ups against the standing offer.

The Offeror is not obligated to accept payment by credit card.

Acceptance of credit cards for payment of call-ups will not be considered as an evaluation criterion.

Section III: Certifications

Offerors must submit the certifications required under Part 5.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

4.1 Evaluation Procedures

- (a) Offers will be assessed in accordance with the entire requirement of the Request for Standing Offers including the technical and financial evaluation criteria.
- (b) An evaluation team composed of representatives of Canada will evaluate the offers. It is the intent to issue up to **four (4)** Standing Offers for this requirement.

4.1.1. Technical Evaluation

4.1.1.1 Mandatory Technical Criteria

Compliance with the following **Mandatory** factors, will be taken into consideration in the evaluation of each offer. Offeror's proposals not meeting the mandatory requirements below will not be considered for the issuance of a Standing Offer.

4.1.1.1 (a) Legal Entity and Warehouse Location

The Offeror must be a legal entity. The full legal name of the Offeror must be provided.

Addresses of all warehouses must be provided and must be in National Capital Region (NCR).

Joint Venture

- A joint venture is an association of two or more parties who combine their money, property, knowledge, expertise or other resources in a single joint business enterprise, sometimes referred as a consortium, to submit an offer together on a requirement. Offerors who submit an offer as a joint venture must indicate clearly that it is a joint venture and must provide the following information:
 - (a) the name of each member of the joint venture;
 - (b) the Procurement Business Number of each member of the joint venture;
 - (c) the name of the representative of the joint venture, i.e. the member chosen by the other members to act on their behalf, if applicable;
 - (d) the name of the joint venture, if applicable.
- If the information is not clearly provided in the offer, the Offeror must provide the information on request from the Standing Offer Authority.
- The offer must be signed by all the members of the joint venture unless one member has been appointed to act on behalf of all members of the joint venture. The Standing Offer Authority may, at any time, require each member of the joint venture to confirm that the representative has been appointed with full authority to act as its representative for the purposes of the RFSO and any resulting Standing Offer.

4.1.1.1 (b) Firm Experience

The Offeror must possess a minimum of sixty (60) months experience in the provision of warehousing and distribution services.

The experience must have been obtained by the Offeror itself and does not include the experience of any proposed subcontractors, any affiliate(s) of the Offeror or any corporate predecessor.

Only listing the project title(s) or contract number(s) without details will not be accepted as experience. The Offeror must demonstrate the firm's experience by providing the following details of the specific work:

- detailed description of specific project and services provided,
- name of client(s),
- client reference including name, and phone number
(The Offeror is responsible to ensure the contact information is valid. The experience information provided may be validated.)
- duration of the project

Only consecutive duration will be calculated. If duration of different project overlap, the overlapped sections of the duration will not be calculated.

For example, the duration of Project One is from January 2009 to March 2009, the duration of Project Two is from February 2009 to April 2009. In this example, the overlapped duration of February 2009 to March 2009 will be counted once. Thus the total duration of Project One and Project Two is considered four months. These four months include the months of January 2009, February 2009, March 2009 and April 2009 that are counted only once.

4.1.1.1 (c) Bilingual Services

The Offeror must indicate the name(s) of resources who will be able to perform the duties described in this document for the Identified Users in both official languages, both orally and written.

4.1.1.1 (d) Computerized Inventory System

The Offeror must confirm that it has a computerized inventory system for Identified Users to track inventory record.

4.1.2 Financial Evaluation

The price of the offer will be evaluated in Canadian dollars, Applicable Taxes excluded, FOB destination, Canadian customs duties and excise taxes included.

4.1.2.1 Mandatory Financial Criteria

4.1.2.1 (a) Completion of Annex "B" - Basis of Payment

The Offeror must state the cost of their services (i.e. Rates), for all activities, in the Annex "B" - Basis of Payment, contained herein in Canadian dollars, Goods and Services Tax (GST) or Harmonized Sales Tax (HST) excluded from the unit price. Please note the rates must be provided according to the format provided.

The rates submitted by the Offeror are inclusive of all fees and expenses for the period of the standing offer.

4.1.2.2 Rated Financial Criteria

4.1.2.2 (a) Total Bid Price

All bids that comply with the mandatory criteria will be further evaluated against the monthly pricing for all seven (7) years. Please refer to Annex "D" for details.

4.2 Basis of Selection

An offer must comply with the requirements of the Request for Standing Offers and meet all mandatory technical and financial evaluation criteria to be declared responsive.

Up to four (4) responsive offers will be recommended for issuance of a standing offer. These (4) responsive offers will be the following offers: the lowest total bid price, the second lowest total bid price, the third lowest total bid price and the fourth lowest total bid price.

PART 5 - CERTIFICATIONS

Offerors must provide the required certifications and additional information to be issued a standing offer.

The certifications provided by Offerors to Canada are subject to verification by Canada at all times. Unless specified otherwise, Canada will declare an offer non-responsive, will have the right to set-aside a standing offer, or will declare a contractor in default if any certification made by the Offeror is found to be untrue whether made knowingly or unknowingly during the offer evaluation period, during the Standing Offer period, or during the contract period.

The Standing Offer Authority will have the right to ask for additional information to verify the Offeror's certifications. Failure to comply and to cooperate with any request or requirement imposed by the

Standing Offer Authority will render the offer non-responsive, result in the setting aside of the Standing Offer or constitute a default under the Contract.

5.1 Certifications Precedent to the Issuance of a Standing Offer and Additional Information

The certifications and additional information listed below should be submitted with the offer, but may be submitted afterwards. If any of these required certifications or additional information is not completed and submitted as requested, the Standing Offer Authority will inform the Offeror of a time frame within which to provide the information. Failure to provide the certifications or the additional information listed below within the time frame provided will render the offer non-responsive.

5.1.1 Integrity Provisions - Declaration of Convicted Offences

In accordance with the *Ineligibility and Suspension Policy* (<http://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html>), the Offeror must provide the required documentation, as applicable, to be given further consideration in the procurement process.

5.1.2 Additional Certifications

The certifications listed in Annex "C".

PART 6 - FINANCIAL AND INSURANCE REQUIREMENTS

6.1 Financial Capability

6.1.1 Financial Capability Requirement: The Offeror must have the financial capability to fulfill this requirement. To determine the Offeror's financial capability, the Standing Offer Authority may, by written notice to the Offeror, require the submission of some or all of the financial information detailed below during the evaluation of offers. The Offeror must provide the following information to the Standing Offer Authority within fifteen (15) working days of the request or as specified by the Standing Offer Authority in the notice:

(a) Audited financial statements, if available, or the unaudited financial statements (prepared by the Offeror's outside accounting firm, if available, or prepared in-house if no external statements have been prepared) for the Offeror's last three fiscal years, or for the years that the Offeror has been in business if this is less than three years (including, as a minimum, the Balance Sheet, the Statement of Retained Earnings, the Income Statement and any notes to the statements).

(b) If the date of the financial statements in (a) above is more than five months before the date of the request for information by the Standing Offer Authority, the Offeror must also provide, unless this is prohibited by legislation for public companies, the last quarterly financial statements (consisting of a Balance Sheet and a year-to-date Income Statement), as of two months before the date on which the Standing Offer Authority requests this information.

(c) If the Offeror has not been in business for at least one full fiscal year, the following must be provided:

- (i) the opening Balance Sheet on commencement of business (in the case of a corporation, the date of incorporation); and
- (ii) the last quarterly financial statements (consisting of a Balance Sheet and a year-to-date Income Statement) as of two months before the date on which the Standing

Offer Authority requests this information.

(d) A certification from the Chief Financial Officer or an authorized signing officer of the Offeror that the financial information provided is complete and accurate.

(e) A confirmation letter from all of the financial institution(s) that have provided short-term financing to the Offeror outlining the total of lines of credit granted to the Offeror and the amount of credit that remains available and not drawn upon as of one month prior to the date on which the Standing Offer Authority requests this information.

6.1.2 If the Offeror is a joint venture, the financial information required by the Standing Offer Authority must be provided by each member of the joint venture.

6.1.3 If the Offeror is a subsidiary of another company, then any financial information in 1. (a) to (e) above required by the Standing Offer Authority must be provided by the ultimate parent company. Provision of parent company financial information does not satisfy the requirement for the provision of the financial information of the Offeror, and the financial capability of a parent cannot be substituted for the financial capability of the Offeror itself unless an agreement by the parent company to sign a Parental Guarantee, as drawn up by Public Works and Government Services Canada (PWGSC), is provided with the required information.

6.1.4 Financial Information Already Provided to PWGSC: The Offeror is not required to resubmit any financial information requested by the Standing Offer Authority that is already on file at PWGSC with the Contract Cost Analysis, Audit and Policy Directorate of the Policy, Risk, Integrity and Strategic Management Sector, provided that within the above-noted time frame:

- (a) the Offeror identifies to the Standing Offer Authority in writing the specific information that is on file and the requirement for which this information was provided; and
- (b) the Offeror authorizes the use of the information for this requirement.

It is the Offeror's responsibility to confirm with the Standing Offer Authority that this information is still on file with PWGSC.

6.1.5 Other Information: Canada reserves the right to request from the Offeror any other information that Canada requires to conduct a complete financial capability assessment of the Offeror.

6.1.6 Confidentiality: If the Offeror provides the information required above to Canada in confidence while indicating that the disclosed information is confidential, then Canada will treat the information in a confidential manner as permitted by the Access to Information Act, R.S., 1985, c. A-1, Section 20(1) (b) and (c).

6.1.7 Security: In determining the Offeror's financial capability to fulfill this requirement, Canada may consider any security the Offeror is capable of providing, at the Offeror's sole expense (for example, an irrevocable letter of credit from a registered financial institution drawn in favour of Canada, a performance guarantee from a third party or some other form of security, as determined by Canada).

(Derived from - Provenant de: M9033T, 2011-05-16)

6.2 Warehouseman's Legal Liability Insurance

- i) The Offeror must obtain Warehouseman's Legal Liability Insurance coverage on Government Property, and maintain it in force while under its care, custody or control for storage, in an amount of not less than ten million (10 000 000\$) Canadian dollars. The

Government's Property must be insured on a Replacement Cost basis.

- ii) Administration of Claims: The Offeror must notify Canada promptly about any losses or damages to Government Property and monitor, investigate and document losses of or damage to Government Property to ensure that claims are properly made and paid.
- iii) The following endorsements must be included:
 - (a) Notice of Cancellation: The Insurer will endeavour to provide the Contracting Authority thirty (30) days written notice of cancellation.
 - (b) Settlement of Claims: The insurance proceeds regarding any loss of or damage to Government Property must be payable to the appropriate party as directed by the Contracting Authority.
 - (c) Loss Payee: Canada as its interest may appear or it may direct.
 - (d) Waiver of Subrogation Rights: Contractor's Insurer to waive all rights of subrogation against Canada as represented by the identified user department or agency and Public Works and Government Services Canada for any and all loss of or damage to the property however caused.

PART 7 - STANDING OFFER AND RESULTING CONTRACT CLAUSES

A. STANDING OFFER

7.1 Offer

The Offeror offers to perform the Work in accordance with the Statement of Work at Annex "A".

7.2 Standard Clauses and Conditions

All clauses and conditions identified in the Standing Offer and resulting contract(s) by number, date and title are set out in the Standard Acquisition Clauses and Conditions Manual issued by Public Works and Government Services Canada (PWGSC). The Manual is available on the PWGSC Website: <http://sacc.pwgsc.gc.ca/sacc/index-e.jsp>.

7.2.1 General Conditions

2005 (2016-04-04) General Conditions - Standing Offers - Goods or Services, apply to and form part of the Standing Offer.

7.2.2 Standing Offers Reporting

The Offeror must compile and maintain records on its provision of services to the federal government under contracts resulting from the Standing Offer. This data must include all purchases paid for by a Government of Canada Acquisition Card.

The data must be submitted on a quarterly basis to the Standing Offer Authority. The following is an example of a quarter report:

Acquisition Branch
Traffic Management Division
7B3, Place du Portage, Phase III,
11 Laurier St., Gatineau QC K1A 0S5
Telephone: 819-420-2975
Facsimile: 819-956-4944
E-mail address: kevin.jiang@pwgsc.gc.ca

The Standing Offer Authority is responsible for the establishment of the Standing Offer, its administration and its revision, if applicable. Upon the making of a call-up, as Contracting Authority, he is responsible for any contractual issues relating to individual call-ups made against the Standing Offer by any Identified User.

7.4.2 Offeror Contacts

Name: (to be advised upon the issuance of a Standing Offer)
Telephone: (to be advised upon the issuance of a Standing Offer)
Fax: (to be advised upon the issuance of a Standing Offer)
E-mail: (to be advised upon the issuance of a Standing Offer)

During the Standing Offer period, if the Offeror's contact changes, the Offeror is requested to inform the Standing Offer Authority in writing within ten (10) working days.

7.5 Identified Users

The Identified Users authorized to make call-ups against the Standing Offer include any government department, agency or Crown Corporation listed in Schedules I, I.1, II and III of the Financial Administration Act, R.S.C. 1985, c. F-11.

7.6 Call-up Procedures

The Identified Users must ensure that a call-up against standing offer is raised during the period of the Standing Offer.

The Identified Users should use the following steps to select an Offeror for service:

- 1) use the following table as an template, enter the estimated usage numbers to the best of knowledge, use the formula in the table to calculate the extended price and total price each Offeror may charge.
- 2) use the calculated total prices to establish a rank to find which Offeror's total price is the lowest, 2nd lowest, etc.
- 3) send Statement of Work and the estimation table to the Offeror with the lowest total price for acceptance.
- 4) If the Offeror accepts the work, the call-up will be issued to this Offeror; if the Offeror does not accept the work, the Identified User move to propose the work to the Offeror with the 2nd lowest price.
- 5) Repeat this process until an Offeror is selected.

If an Offeror is selected other than the Offeror with the lowest total price, the Identified Users should be prepared to defend their decision.

Template of Estimation Table

No.	Service Item needed (Service item not needed shall be removed from the table)	Estimated Usage (User to insert usage numbers required)	Unit Price of the Offeror	Extended Price (usage number * unit price except for item 5)
1	<u>STORAGE (within 92 days)</u> (All inclusive, including provision of reports)	_____ cubic feet	\$____/monthly /cubic foot	\$_____
2	<u>STORAGE (over 92 days)</u> (All inclusive, including provision of reports)	_____ cubic feet	\$____/monthly /cubic foot	\$_____
3	<u>WAREHOUSING HANDLING</u> (domestic crating and international crating service excluded)	_____ cubic feet	\$____/cubic foot	\$_____
4	<u>DOMESTIC CRATING AND INTERNATIONAL CRATING</u> (including material and labor)	_____ cubic feet	\$____/cubic foot	\$_____
5	<u>TRANSPORTATION</u> i) Local delivery (one person and one vehicle)	__ hours.	\$____/hourly rate	\$_____
	ii) Extra person	__ hours	\$____/hourly rate	\$_____
6	<u>THIRD PARTY SERVICES</u> (only including postage and out-of-town transportation)	at \$____ plus	____% markup (5% at maximum)	Actual usage plus (actual usage * ____% markup)
7	<u>TAKING PHYSICAL INVENTORY AS REQUESTED BY THE IDENTIFIED USER</u>	__ hours	\$____/hourly rate	\$_____
	Total Price			\$_____

7.7 Call-up Instrument

The Work will be authorized or confirmed by the Identified User(s) using the Form PWGSC-TPSGC 942, "Call-up against a Standing Offer".

7.8 Limitation of Call-ups

Individual call-ups against the Standing Offer must not exceed \$200,000.00 (Goods and Services Tax or Harmonized Sales Tax included).

7.9 Priority of Documents

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

- a) The Call-up against the Standing Offer, including any annexes;
- b) The articles of the Standing Offer;
- c) General Conditions - Standing Offer - Goods and Services 2005 (2016-04-04)
- d) General Conditions - Services 2035 (2016-04-04)
- e) Annex "A" - Statement of Work;
- f) Annex "B" - Basis of Payment;
- g) PART 6, article 2, Warehouseman's Legal Liability Insurance;
- h) the Offeror's offer _____, (insert date of Offer), as amended _____ (insert date of amendment(s)-if applicable)

7.10 Certifications

7.10.1 Compliance

Compliance with the Certifications provided by the Offeror is a condition of authorization of the Standing Offer and subject to verification by Canada during the entire period of the Standing Offer and of any resulting contract that would continue beyond the period of the Standing Offer. In the event that the Offeror does not comply with any certification or that it is determined that any certification made by the Offeror in its offer is untrue, whether made knowingly or unknowingly, the Standing Offer Authority has the right to terminate any resulting contract for default and set aside the Standing Offer.

7.11 Applicable Laws

The Standing Offer and any contract resulting from the Standing Offer must be interpreted and governed by the laws in force in _____, Canada.

B. RESULTING CONTRACT CLAUSES

The following clauses and conditions apply to and form part of any contract resulting from a call-up against the Standing Offer.

7.1 Statement of Work

The Contractor must perform the Work described in the call-up against the Standing Offer.

7.2 Standard Clauses and Conditions

7.2.1 General Conditions

General Conditions - Services 2035 (2016-04-04), apply to and form part of the Contract.

7.2.2 Offeror's Help Line

To provide at time of offer a contact name, phone & fax number as well as an e-mail address for the Offeror's coordinator for Federal Government accounts. This coordinator should be responsible, among other thing, for the federal government account holders and provide federal government departments / agencies with assistance when required, to address their complaints and help them to resolve claims.

Please specify the coordinator's particulars

Name: (to be advised upon the issuance of a Standing Offer)
Telephone: (to be advised upon the issuance of a Standing Offer)
Fax: (to be advised upon the issuance of a Standing Offer)
E-mail: (to be advised upon the issuance of a Standing Offer)

During the Standing Offer period, if the Offeror's Coordinator changes, the Offeror is requested to inform the Standing Offer Authority in writing within ten (10) working days.

7.2.3 Client Project Authority

The Project Authority for the Standing Offer is identified in the call-up against the Standing Offer.

The Project Authority is the representative of the Federal Government Department, Agency or Crown Corporation, whose name will be specified on Form DSS 942. The Client Project Authority will be responsible for all matters concerning the technical content of the work under the call-up against the Standing Offer.

Any proposed changes to the call-up documents Form DSS 942 must be discussed with the Client Project Authority and any resulting changes must be reflected on the Form DSS 942 and authorized by the Client Project Authority.

All services provided are to be to the satisfaction of and are subject to inspection and acceptance of the federal government authorized person initiating the request for service or the authorized person specified in the call up form DSS 942.

7.2.4 Crown Property, Damage to or loss of

The Contractor shall reimburse Canada any cost or expenses due to the damage to or loss of Crown-owned property resulting from the Contract or the carrying out thereof, or shall, upon reasonable notice, promptly repair such damage or substitute such loss to Canada's satisfaction.

7.3 Term of Contract

7.3.1 Period of Contract

The Work must be completed in accordance with the call-up against the Standing Offer.

7.4 Payment

7.4.1 Basis of Payment

Refer to Annex "B". Payment will be based on the rates contained in Annex "B". Offerors must state the cost of their services, Goods and Services Tax (GST) or Harmonized Sales Tax (HST) excluded from the unit prices.

7.4.2 Method of Payment

Canada will pay the Offeror on a monthly basis for work performed during the month covered by the invoice in accordance with the payment provisions of the Call-up if:

- (a) an accurate and complete invoice and any other documents required by the Call-up have been submitted in accordance with the invoicing instructions provided in the Call-up;
- (b) all such documents have been verified by Canada;
- (c) the Work performed has been accepted by Canada.

7.4.3 The following Standard Acquisition Clauses and Conditions (SACC) Manual clause is incorporated by reference:

Number	Name	Effective Date
C6000C	Limitation of Price	2011-05-16

7.4.4 Payment by Credit Card

The following credit card(s) are accepted: _____ and _____

7.5 Invoicing Instructions

- 1) The offeror shall submit monthly invoices on its own form, and shall include the following information: the date, name and address of the consignee(s), quantity, reference number and description, contract file, and call-up number. The invoice must include a breakdown into the service items in accordance with the Basis of Payment in Annex "B"
- 2) Canada will only make payment upon receipt of a satisfactory invoice duly supported by specified documents and any other documents called for under the Standing Offer.
- 3) The offeror shall not submit an invoice prior to work to which it relates.
- 4) Invoices will not be submitted more frequently than on a monthly basis.

7.6 Insurance Requirements

The Contractor must comply with the insurance requirements specified in PART 6, article 2, Warehouseman's Legal Liability Insurance. The Contractor must maintain the required insurance coverage for the duration of the Contract. Compliance with the insurance requirements does not release the Contractor from or reduce its liability under the Contract.

The Contractor is responsible for deciding if additional insurance coverage is necessary to fulfill its obligation under the Contract and to ensure compliance with any applicable law. Any additional insurance coverage is at the Contractor's expense, and for its own benefit and protection.

The Contractor must forward to the Contracting Authority within ten (10) days after the date of award of the Contract, a Certificate of Insurance evidencing the insurance coverage and confirming that the insurance policy complying with the requirements is in force. Coverage must be placed with an Insurer licensed to carry out business in Canada. The Contractor must, if requested by the Contracting Authority, forward to Canada a certified true copy of all applicable insurance policies.

(Derived from - Provenant de: G1001C,2013-11-06)

7.7 Financial Security Deposits/ Irrevocable Standby Letter of Credit

If PWGSC notifies the Offeror that it will be issued a standing offer on the condition that the Offeror provides an irrevocable standby letter of credit, the Offeror shall, at its sole expense, provide financial security to the Crown within fifteen (15) working days from such notification, in the form of an irrevocable standby letter of credit in the amount of **\$100,000.00** Canadian dollars pursuant to which demand may be made if the contractor is in default in carrying out any of its obligations under any contract resulting from the standing offer. If the Letter of Credit is not provided after fifteen (15) working days, Canada reserves the right to not further consider the Offer submitted. The letter of credit shall be in force for the period of the standing offer, including any extensions thereto, and shall be in a form satisfactory to Canada and its solicitors. In addition, the letter of credit shall meet the criteria specified below.

Nothing in this clause shall be interpreted as a promise by the Crown to make any call-ups against the standing offer.

For the purpose of the above clause, "irrevocable standby letter of credit" means any arrangement, however named or described, whereby a financial institution (the "Issuer"), acting at the request and on the instructions of a customer (the "Applicant"), or on its own behalf, is to make a payment to or to the order of Canada, as the beneficiary, or is to accept and pay bills of exchange drawn by Canada, or authorizes another financial institution to effect such payment, or accept and pay such bills of exchange, or authorizes another financial institution to negotiate, against written demand(s) for payment provided that the terms and conditions of the letter of credit are complied with. The letter of credit shall:

- a. means any arrangement, however named or described, whereby a financial institution (the "Issuer"), acting at the request and on the instructions of a customer (the "Applicant"), or on its behalf,
 - i. will make a payment to or to the order of Canada, as the beneficiary;
 - ii. will accept and pay bills of exchange drawn by Canada;
 - iii. authorizes another financial institution to effect such payment, or accept and pay such bills of exchange; or
 - iv. authorizes another financial institution to negotiate, against written demand(s) for payment, provided that the conditions of the letter of credit are complied with.
- b. must state the face amount which may be drawn against it;
- c. must state its expiry date;

- d. must provide for sight payment to the Receiver General for Canada by way of the financial institution's draft against presentation of a written demand for payment signed by the authorized departmental representative identified in the letter of credit by hisher office;
- e. must provide that more than one written demand for payment may be presented subject to the sum of those demands not exceeding the face amount of the letter of credit;
- f. must provide that it is subject to the International Chamber of Commerce (ICC) Uniform Customs and Practice (UCP) for Documentary Credits, 2007 Revision, ICC Publication No. 600. Pursuant to the ICC UCP, a credit is irrevocable even if there is no indication to that effect; and
- g. must be issued (Issuer) or confirmed (Confirmer), in either official language, by a financial institution that is a member of the Canadian Payments Association and is on the letterhead of the Issuer or Confirmer. The format is left to the discretion of the Issuer or Confirmer.

(Derived from - Provenant de: E0008C, 2014-09-25)

7.8 Transition Period

The Offeror acknowledges that the nature of the services provided under a call-up requires continuity after standing offer expires, a transition period may be required at the end of the call-up period. Canada may, at its discretion, raise a call-up during the standing offer period, and extend the call-up by a period up to ninety (90) calendar days beyond the expiry date of the Standing Offer. After ninety (90) calendar days, the performance of any storage services which are called up must cease and the storage at the warehouse must be moved out.

Individual call-up including all of its amendments must not exceed \$200,000.00 (Goods and Services Tax or Harmonized Sales Tax included).

During the extended period of the call-up, the Offeror will be paid in accordance with the applicable provisions as set out in the Basis of Payment of the Standing Offer when the call-up is raised. All terms and conditions of the Standing Offer when the call-up is raised will apply.

The Identified User will advise the Offeror of the extension by sending a written notice to the Offeror at least ten (10) calendar days before the call-up expiry date. The extension will be evidenced for administrative purposes only, through a call-up amendment.

Annex "A"

STATEMENT OF WORK (For Warehousing and Distribution Services)

1. Services

The Offeror agrees to provide, but not be limited to, the following services:

- 1) to receive, inspect, record, and store material, such as, but not limited to paper goods **(excluding records storage)**, office furniture, computers.
- 2) to pick & pack, address and transport material on behalf of Identified Users, using the mode of transport as directed by the Identified Users, as and when requested.
- 3) to provide a small goods packaging, franking and mailing service or shipping requested via postal services. Packaging must comply with all postal requirements and Canada Post parcel pickup is to be utilized if available; otherwise once a day delivery service to the nearest Post Office is to be provided.

This service is at no additional cost to the Identified Users except for shipping service. Postage and envelopes are to be charged at actual cost plus the percentage markup detailed in the THIRD PARTY SERVICES of Annex "B" - Basis of Payment

- 4) to take annual and special physical inventory counts as requested, of any or all Identified User material stored. All authorized inventory taking will be chargeable and records of inventory taking will be provided to the authorizing Project Authority of the Identified User.
- 5) On request, to provide a local pickup and delivery service, within the National Capital Region area, solely for goods stored or to be stored in the Offeror's facility.
- 6) On request, to deliver goods to the Identified User's building within 24 hours.
- 7) to provide domestic crating and international crating service.
- 8) to store Information Technology (IT) equipment on racks.
- 9) When goods arrive at warehouse, the Offeror is to obtain a list of arrived items from the Identified User; when goods are removed from the warehouse, the Offeror is also to obtain a list of removed items from Identified Users. At all time, the Offeror is to maintain an updated list of items stored at the warehouse for each Identified User.
- 10) to provide reports for all equipment arriving at the warehouse, including serial number and bar code number to track delivery.
- 11) At time of invoicing, provide the monthly inventory listing of items in storage at no cost.
- 12) to be able to deliver goods to the Identified User's building on a daily basis, and to include a packing slip with all deliveries. The packing slip should record shipment number, method of wrapping, bar code and serial number.
- 13) Most requests for services will occur during normal working hours - from 8:00 a.m. to 5:00 p.m., Monday to Friday. The Offeror must make provisions for service requests,

before and after the normal working hours, on weekends and statutory holidays on an "as and when requested" basis.

2. Warehousing Facility

The Offeror agrees to provide, but not be limited to, the following warehousing facilities:

- 1) The warehouse must be in a good state of repair and must have adequate lighting.
- 2) The warehouse needs to be humidity controlled to the extent that paper products will not be damaged while in storage (maximum 40% humidity level).
- 3) The warehouse must be equipped with an alarm system for after hours security, monitored by a security service company.
- 4) The warehouse space must be laid out for aisles.
- 5) The racked area must be able to accommodate pallets of four (4) feet in height vertically and measuring 40" x 48".
- 6) The floor locations shall be capable of stacking at least three (3) pallet high, each pallet being four (4) feet in height.
- 7) All doors of buildings are equipped with adequate locking devices. Access to doors is not blocked.
- 8) The receiving/shipping dock must be adjacent to the warehouse and be of sufficient height to accommodate large trucks and semitrailers.
- 9) The warehouse premises must be protected by a fire detection system and a sprinkler system.
- 10) A valid certificate from the fire department of the City must be in place.
- 11) An inspection will be conducted before the issuance of a standing offer. If the warehouse does not have all of the above, no standing offer will be issued.
- 12) The normal working hours of the Offeror's staff should be from 8:00 a.m. to 5:00 p.m., Monday to Friday inclusive, except statutory holidays. Exceptions may apply.
- 13) The Offeror agrees to notify the Standing Offer Authority of any change in warehouse location at least sixty (60) days in advance of any proposed change. Relocation of facilities must be approved in advance by the Standing Offer Authority.

3. Warehouse Equipment and Handling Aids

The Offeror agrees to maintain, but not be limited to, the following warehouse equipment and handling aids and to maintain all equipment in good operating condition over the period of the Standing Offer and resulting contracts.

- 1) A powered forklift capable of reaching the highest location in the warehouse.
- 2) A powered forklift or "docker" for use in loading and unloading, capable of transporting palletized material in and out of transport vans and of stacking pallets.

- 3) An automatic or semiautomatic stretch wrap machine must be available to "unitize" all pallet loads prior to shipping.
- 4) Sufficient pallets, as required, to store customer material while in the Offeror's warehouse.
- 5) The Offeror shall provide bins/shelves for the warehousing of small stores at no cost.
- 6) Mailing machine with postage meter or a mailing and distribution system.

4. Warehouse Safekeeping Practices

- 1) The Offeror agrees to follow good warehousing practices, e.g. stacks away from the wall, active warehousing, good housecleaning program, rodent and pest control program, good lighting, etc.
- 2) Access to government owned material is not permitted to other than the Offeror's regular employees normally engaged in providing warehousing services and, as arranged, to Identified Users.
- 3) During working hours, the doors to the warehouse will be either locked or supervised.
- 4) The warehouse must operate with a computerized location system that identifies the location of each item warehoused.
- 5) Telephone communication with the Offeror's warehouse must always be available during normal working hours.
- 6) Identified Users must be allowed free access to the Offeror's warehouse for the purpose of inspecting their material. Visits are to be by appointment and must be during normal working hours. Any necessary labor by Offeror's personnel, in making material accessible for examination or inspection by lowering from upper storage levels, will be charged at the specified hourly labor rate. Each Identified User will provide on request from the Offeror, a list of personnel authorized

5. The Responsibilities of Government Departments or Agencies

The Government Departments or Agencies utilizing the Offeror's services will be responsible for the following:

- 1) to supply the Offeror with all the necessary documentation for the receipt of Government owned material to be warehoused;
- 2) to supply the Offeror with any relevant information or documentation that may be required for the onward shipment of the goods to different consignees, such as consignee's name, shipping address, method of transportation and deadline;
- 3) to inform the Offeror as soon as possible of any urgent requirements which could necessitate overtime and extra resources;
- 4) for all transportation costs incurred for authorized shipments made on their behalf; and
- 5) for the inspection and quality control of all material received.

Annex "B"

**Basis of Payment
Initial Period
For the period from April 3, 2017 to March 31, 2020**

Prices quoted are firm for the period of the Standing Offer. The rates submitted are to be inclusive of all fees and expenses for the full terms of the Standing Offer. Rates exclude GST/HST.

1. STORAGE (within 92 days) \$__ /monthly/
cubic foot
(all inclusive, including provision of reports)
Storage to be charged on the following basis:
 - actual cubic feet: goods received less goods removed.
 - actual number of days: full monthly charge for 30 days,
prorated monthly charge for less than 30 days.

2. STORAGE (over 92 days) \$__ /monthly/
cubic foot
(all inclusive, including provision of reports)
Storage to be charged on the following basis:
 - actual cubic feet: goods received less goods removed.
 - actual number of days: full monthly charge for 30 days,
prorated monthly charge for less than 30 days.

3. WAREHOUSING HANDLING \$__ /cubic foot
(domestic crating and international crating excluded)

4. DOMESTIC CRATING and/or INTERNATIONAL CRATING \$__ /cubic foot
(including material and labor)

5. TRANSPORTATION
i) Local delivery \$__ /hourly rate
(one person and one vehicle)

ii) Extra person \$__ /hourly rate

6. THIRD PARTY SERVICES at cost plus __% markup
(only including postage, envelopes (5% at maximum)
and out-of-town transportation)

7. TAKING PHYSICAL INVENTORY
AS REQUESTED BY THE IDENTIFIED USER \$__ /hourly rate

Annex "B"

**Basis of Payment
Option 1**

For the period from April 1, 2020 to March 31, 2022

Prices quoted are firm for the period of the Standing Offer. The rates submitted are to be inclusive of all fees and expenses for the full terms of the Standing Offer. Rates exclude GST/HST.

1. STORAGE (within 92 days) \$ __/monthly/
cubic foot
(all inclusive, including provision of reports)
Storage to be charged on the following basis:
 - actual cubic feet: goods received less goods removed.
 - actual number of days: full monthly charge for 30 days,
prorated monthly charge for less than 30 days.

2. STORAGE (over 92 days) \$ __/monthly/
cubic foot
(all inclusive, including provision of reports)
Storage to be charged on the following basis:
 - actual cubic feet: goods received less goods removed.
 - actual number of days: full monthly charge for 30 days,
prorated monthly charge for less than 30 days.

3. WAREHOUSING HANDLING \$ __/cubic foot
(domestic crating and international crating excluded)

4. DOMESTIC CRATING and/or INTERNATIONAL CRATING \$ __/cubic foot
(including material and labor)

5. TRANSPORTATION
i) Local delivery \$ __/hourly rate
(one person and one vehicle)

ii) Extra person \$ __/hourly rate

6. THIRD PARTY SERVICES at cost plus __% markup
(only including postage, envelopes (5% at maximum)
and out-of-town transportation)

7. TAKING PHYSICAL INVENTORY
AS REQUESTED BY THE IDENTIFIED USER \$ __/hourly rate

Annex "B"

**Basis of Payment
Option 2
For the period from April 1, 2022 to March 31, 2024**

Prices quoted are firm for the period of the Standing Offer. The rates submitted are to be inclusive of all fees and expenses for the full terms of the Standing Offer. Rates exclude GST/HST.

1. STORAGE (within 92 days) \$__ /monthly/
cubic foot
(all inclusive, including provision of reports)
Storage to be charged on the following basis:
 - actual cubic feet: goods received less goods removed.
 - actual number of days: full monthly charge for 30 days,
prorated monthly charge for less than 30 days.

2. STORAGE (over 92 days) \$__ /monthly/
cubic foot
(all inclusive, including provision of reports)
Storage to be charged on the following basis:
 - actual cubic feet: goods received less goods removed.
 - actual number of days: full monthly charge for 30 days,
prorated monthly charge for less than 30 days.

3. WAREHOUSING HANDLING \$__ /cubic foot
(domestic crating and international crating excluded)

4. DOMESTIC CRATING and/or INTERNATIONAL CRATING \$__ /cubic foot
(including material and labor)

5. TRANSPORTATION
i) Local delivery \$__ /hourly rate
(one person and one vehicle)

ii) Extra person \$__ /hourly rate

6. THIRD PARTY SERVICES at cost plus __% markup
(only including postage, envelopes (5% at maximum)
and out-of-town transportation)

7. TAKING PHYSICAL INVENTORY
AS REQUESTED BY THE IDENTIFIED USER \$__ /hourly rate

Annex "C"

CERTIFICATIONS

The following certifications will form part of the offer:

Contractual Capacity

We further certify, should we be issued a standing offer, that we must have the technical, financial, managerial capabilities to perform the work and submit this signed statement to the effect.

Procurement Business Number

We are aware of the requirements for a PBN.

Our PBN is _____ **or** we will apply for a PBN prior to any standing offer issued, should we be a successful bidder.

Canadian Content Certification

This procurement is solely limited to Canadian services.

The Bidder certifies that:

() the service offered is a Canadian service as defined in paragraph 2 of clause A3050T (2014-11-27) Canadian Content Definition

Hazardous Materials

The Offeror hereby certifies that all Federal, Provincial, Municipal regulations governing the storage, transportation packaging and crating of the materiel including dangerous goods as defined by the International Air Transport Associations (IATA) and/or the International Maritime Organization (IMO) and adherence to any dangerous goods regulations, is or will be met and/or obtained before the commencement of any service. Any legal actions and any extra costs resulting from non-compliance with these regulations will be the responsibility of the Offeror. Non-compliance could absolve Canada of its indebtedness to the Offeror.

Signature

Date

Annex "D"

Rated Financial Criteria

All offers must comply with the mandatory criteria to be further evaluated.

The proposals that meet all the mandatory criteria, and have the **four (4) lowest** Total Bid Prices will be recommended for issuance of a Standing Offer.

For evaluation purpose, the average monthly usage amounts in bold print, inserted in the column of Average Monthly Usage in the example below, represent the amounts which will be used to calculate the Total Bid Price. For evaluation purpose, the average monthly usage amounts will be the same for each of the three periods (i.e. April 3, 2017 to March 31, 2020; April 1, 2020 to March 31, 2022; and April 1, 2022 to March 31, 2024). The quantity of goods, level of services and estimated expenditure below are only an approximation of requirements given in good faith and do not represent a commitment on the part of Canada.

The Total Bid Price of a proposal will be calculated in three steps as follows:

Step 1:

For each of the three pricing period (i.e. April 3, 2017 to March 31, 2020; April 1, 2020 to March 31, 2022; April 1, 2022 to March 31, 2024) extended prices will be calculated for each element of Service Item. For each element of Service Item, the Average Monthly Usage indicated in the table below will be multiplied by the proposed unit price of each respective Service Item in order to calculate an extended price.

Step 2:

For each of the three pricing period (i.e. April 3, 2017 to March 31, 2020; April 1, 2020 to March 31, 2022; April 1, 2022 to March 31, 2024), an estimated monthly price will be calculated by adding the extended price of each element of Service Item.

Step 3:

The Total Bid Price will represent the result of the following formula:
(Estimated monthly price for period April 3, 2017 to March 31, 2020 X 36) + (Estimated monthly price for period April 1, 2020 to March 31, 2022 X 24) + (Estimated monthly price for period April 1, 2022 to March 31, 2024 X 24)

The following table is an example showing how the estimated monthly price would be calculated for a given period.

Example:

No.	Service Item	Average Monthly Usage	Proposed Unit Price	Extended Price
1	<u>STORAGE (within 92 days)</u> (All inclusive, including provision of reports)	120,000 cubic feet	<u>\$0.10/monthly</u> /cubic foot	\$12,000.00
2	<u>STORAGE (over 92 days)</u> (All inclusive, including provision of reports)	120,000 cubic feet	<u>\$0.14/monthly</u> /cubic foot	\$16,800.00
3	<u>WAREHOUSING HANDLING</u> (domestic crating service excluded)	120,000 cubic feet	<u>\$2.00/cubic foot</u>	\$240,000.00
4	<u>Domestic Crating</u> (including material and labor)	120 cubic feet	<u>\$5.00/cubic foot</u>	\$600.00
5	<u>TRANSPORTATION</u> i) Local delivery (one person and one vehicle)	20 hours.	\$40.00/hourly rate	\$800.00
	ii) Extra person	2 hours	<u>\$20.00/hourly</u> rate	\$40.00
6	<u>THIRD PARTY SERVICES</u> (only including postage, envelopes, and out-of-town transportation)	at \$500 plus	<u>5% markup</u> (5% at maximum)	\$505.00
7	<u>TAKING PHYSICAL INVENTORY AS REQUESTED BY THE IDENTIFIED USER</u>	10 hours	<u>\$1.00/hourly</u> rate	\$10.00
	Price		Monthly Total	\$270,755.00

Assuming the estimated monthly price for all three periods is \$270,755.00, the Total Bid Price would be calculated as follows:

$$\begin{aligned}
& \$270,755.00 \text{ (initial period April 1, 2017 to March 31, 2020) X 36} \\
& + \$270,755.00 \text{ (1st option period April 1, 2020 to March 31, 2022) X 24} \\
& + \$270,755.00 \text{ (2nd option period April 1, 2022 to March 31, 2024) X 24} \\
& = \$22,743,420.00
\end{aligned}$$