

Question 3

Please provide clarification regarding 4.8 e).

Answer 3

**Please see amendment 4.**

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Question 4

Can the response file be password protected and a password provided to CMHC? Can the response file be encrypted and if so, in what format?

Answer 4

**The file can be password protected, and the password can be sent in a separate email to the listed CMHC procurement advisor.**

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Question 5

What percentage of the accounts assigned will be located in the US and what percentage located internationally?

Answer 5

**Less than two per cent (2%) of accounts have debtors living outside of Canada and less than one per cent (1%) will be outside of Canada and the US.**

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Question 6

Are lawyers performing legal work on our behalf considered subcontractors?

Answer 6

**If they are not direct employees of your company, then they would be considered a subcontractor.**

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Question 7

Proponent's Qualifications, Section 4.5 (d) – If the agreement is awarded, are you asking for the total number of personnel in the office, or only the personnel assigned to the CMHC project? And how does the “specific experience with the proposed work” differ from the information provided in the resumes?

Answer 7

**Section 4.5 (d) is referring to any and all staff working on the CMHC portfolio and the office locations for this staff. As detailed information may vary from what is indicated in the resume, we ask the proponent to elaborate on their specific experience as it relates defaulted mortgage loan collection.**

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Question 8

If licences expire soon after the closing date, should proponent resubmit the renewed licences when they received them?

Answer 8

**Please submit the new licences once received and make a note in that section indicating that this will be completed.**

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Question 9

Please provide clarification regarding 4.5 k)

What is the volume or percentage of accounts that consumers/debtors reside outside of Canada? How material or what is the weighted RFP score on this question?

Answer 9

**Less than two per cent (2%) of accounts have debtors living outside of Canada and less than one per cent (1%) will be outside of Canada and the US. The scored weight of this question is undetermined at this time.**

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Question 10

The proponent is **SOC I & PCI accredited** and is in midst of securing a **SOC II COMPLIANCE** expected to be no later than January 8th, 2018. Are the above security measures are satisfactory and meet section 5.5 of security evaluation criteria's.

Answer 10

**Yes, the above security measure are satisfactory. Please provide proof of accreditation**

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Question 11

Page 3/1.7 speaks to possible preferential pricing for environmental benefits, and refers to Section 5. However Section 5 and Appendix B do not mention environment at all. Should we ignore this section 1.7 entirely?

Answer 11

**There are no environmental preferences associated with this procurement.**

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Question 12

Will CMHC accept documents in Excel format as well as Word and PDF? (Page 4/2.3)

Answer 12

**Excel documents may be accepted in addition to Word and PDF formats.**

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Question 13

It is presumed that restrictions on use of name do not apply to the proponent's response. Please confirm. (Page 8/2.15)

Answer 13

**The restrictions on the use of CMHC's name do not apply in the RFP submission process.**

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Question 14

Is the security clearance required only if an agency employee will access the CMHC premises? What is the clearance process and who is responsible for any costs? (Page 9/2.19)

Answer 14

**Please see amendment 3.**

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Question 15

In relation to the statement "The proponent shall ensure that CMHC Information remains in Canada..." If an agency wishes to partner with a company outside of Canada for collection of US or other international accounts, will CMHC approve this (assuming all information evaluates favourably) and the transfer of only the appropriate files to the partner outside Canada? (Page 10/2.21)

Answer 15

**This will be determined on a case to case basis.**

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Question 16

Can CMHC provide the current number of accounts and dollar values for the top three non-resident countries? If this is not available can CMHC provide overall non-resident figures? (Page 11/3.3.1)

Answer 16

**The number of accounts outside of Canada amounts to approximately 80 accounts with a balance in the region of \$5,500,000.00.**

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Question 17

In relation to response to debtor voicemails, please confirm that the response requirement of 24 hours means the next business day where the message is left on a weekend/long weekend. (Page 15/3.3.7)

Answer 17

**Should a call be received on a weekend or holiday, the response requirement would be the next business day.**

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Question 18

Please confirm whether CMHC requires a full resume or a work biography. Also, can CMHC define “subcontractor” – would that include a service provider such as a credit bureau? If it does what kind of resume can we provide for such a large corporation? (Page 22/4.5(b))

Answer 18

**CMHC would require a work biography for all personnel assigned to the project. For this RFP; “a subcontractor is an individual or business hired by the agency to provide some portion of the collection services that the agency agrees to perform for CMHC.”**

Question 19

Is there a limit to the number of references that should be provided (e.g. 5, 10)? (Page 22/4.5(c))

Answer 19

**There is no limit.**

Question 20

As the agencies are required to use DRS/Techcom, which has its own reporting functionality, what extra reporting does CMHC expect from the agency? (Page 24/4.8(k))

Answer 20

**Section 4.8 Project Management Plan (K), allows the proponent to communicate any reporting capabilities the agency has that are independent of DRS.**

Question 21

3.3.10 “Canada Revenue Agency”

Are the Collection Agencies entitled to commission for monies recovered through the “Set-Off Program” for accounts being worked by the Collection Agency?

Answer 21

**Commissions are awarded to CRA payments only under these circumstances:**

- **When CRA was successfully flagged on an account due to agency efforts**
  - **For example, CRA was initiated by the agency due to locating and updating a new address which triggered the flag**
- **CRA is clearly indicated and documented as part of the settlement terms**
- **The debtor had filed their taxes through the Agency Collector’s advice/recommendations, and the account is fully documented as such**

Question 22

It is noted in the requirements Page 11, section 3.3.2 Automation and Electronic Innovation that the agency will be utilizing DRS to manage CMCH’s portfolio. Is there a preference to the agencies that are already on the DRS platform?

Answer 22

**The proponent must meet the IT and technical requirements in order to support DRS as described in Section 3.3.2 prior to the beginning of the Agreement term. There will be no preference given to those who are already on the DRS platform.**

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Question 23

Would an extension be considered for the RFP deadline?

Answer 23

**The submission deadline for the RFP has been extended to January 8<sup>th</sup> 2018 at 2:00 p.m.**

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Question 24

What is the average date of delinquency and/or date of default judgement?

Answer 24

**The approximate average judgment date is November 2011.**

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Question 25

Are all 26K accounts judgment files?

Answer 25

**On average, at least 99% are judgment files.**

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Question 26

What is the average balance of each judgement/account? Is that inclusive of court awarded judgment and interest?

Answer 26

**The average balance is \$48K including interest.**

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Question 27

Are there settlement parameter in place? If so, what are they?

Answer 27

**CMHC settles all accounts based on the debtor's ability to pay. Ability is determined by assessing the debtor's financial information provided through a required statutory declaration.**

**The Collection Agency cannot begin settlement negotiations until a complete settlement package, including a completed statutory declaration, is received.**

**The Collection Agency will be expected to obtain a lump sum payment or arrange a repayment schedule for each account. It is CMHC's expectation that every effort will be made in order to reach a settlement in a timely manner. To ensure proper settlement procedures have been established, during the first four (4) months of the initial contract term, all Agency negotiated settlements, including full balance settlements will require CMHC approval. Once CMHC has determined its settlement expectations have been met, the Agency will have the authority to accept settlements negotiated for ninety-five percent (95%) or more of the full balance. Anything less than ninety-five percent (95%) of the full balance will continue to require CMHC's approval.**

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Question 28

Have these accounts been assigned to other agencies? If so, how many and for how long?

- (i.e. 1st placed agency held paper for 1 year, 2nd placed agency was assigned the file/judgement after 1st placement agency and held the files for 1 year)

Answer 28

**All accounts are considered first time assignments regardless of the fact these may have been previously assigned to another Collection Agency. The time period at which an account is with an agency will vary.**

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Question 29

What is the volume or percentage of accounts that consumers/debtors reside outside of Canada? How material or what is the weighted RFP score on this question?

Answer 29

**Less than two per cent (2%) of accounts have debtors living outside of Canada and less than one per cent (1%) will be outside of Canada and the US. The weighted score for this question is not yet determined.**

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Question 30

For the question "The proponent shall describe its status reporting methodology, including details of written and oral progress reporting methods." Are you asking how the proponent track our status and progress of a file?

Answer 31

**CMHC is inquiring on what methods the proponent uses in reporting their progress on the CMHC portfolio and how that will be communicated to CMHC.**

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Question 32

4.8c) Status Reporting. As DRS is the platform for use, please explain requirement further?

Answer 32

**CMHC is inquiring on what methods the proponent uses in reporting their progress on the CMHC portfolio and how that will be communicated to CMHC.**

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Question 33

4.8k) Are the reporting capabilities related to reporting to Credit Bureaus or reporting to CMHC progress?

Answer 33

**Reporting to CMHC progress.**

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Question 34

4.8o) If an outside legal partners is used, are we required to provide the process for obtaining garnishments?

Answer 34

**Yes, proof would be required. All legal requests are subject to CMHC approval.**

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Question 35

Appendix B - 6.4 Evaluation table  
Can you please define column C - Upset Score?

Answer 35

**The upset score is the minimum score a proposal must meet to remain in the evaluation process.**

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Question 36

How have these accounts been worked prior to when they will be assigned thru this new program?

Answer 36

**How each account has been worked will vary. The accounts have either been worked in-house by CMHC, by a previous agency, or a combination of the two. All new agencies will be given an equal distribution of accounts during an initial period, namely the first three (3) months of the term of the Agreement.**

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Question 37

When was the last time the accounts were worked by a 3rd party collection agency?

Answer 37

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**As the accounts are not categorized by CMHC, the timeframe will vary.**

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Question 38

Will CMHC mandate ACR levels and if so, what will they be?

Answer 38

**CMHC has the ability to set recovery targets.**

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Question 39

3.3.1 Portfolio Of Work: The total value to be assigned is estimated at ~\$1,338,000,000 / 26,000 accounts. Can you please verify whether this would be the initial / 1st listing or whether this volume would be assigned over a period of time? If over a period of time, what would what the assignment volume pattern or “forward flow” be / look like?

Answer 39

**All Agencies will be given an equal distribution of accounts during an initial period, namely the first three (3) months of the term of the Agreement.**

**Distribution frequency of assignments will be determined at CMHC’s discretion. CMHC will determine the amount of monthly assignments available for distribution based on the volume of accounts.**

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Question 40

Would there be any stat barred accounts assigned?

Answer 40

**No, not to our knowledge.**

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Question 41

Would the loan date and last payment date be available upon assignment?

Answer 41

**No, the court awarded judgment date is available along with any adjustments, interest, or past payments.**

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