



# Request for Supply Arrangement

For

## Lease Financing

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## **1 SECTION 1 GENERAL INFORMATION**

### **1.1 Overview of Section 1**

This section provides general information about Canada Mortgage and Housing Corporation (CMHC) and in particular about this Request For Supply Arrangement (RFSA).

The RFSA is the first stage of a two (2) stage procurement process. Within Stage 1, the procurement framework for any subsequent contracts will be detailed and vendors who submit offers in response to the RFSA (Offerors) will be evaluated against the mandatory criteria and the Supply Arrangements (SAs) will be issued to those Offerors who substantially comply with the mandatory criteria and have met or exceeded all upset scores. At Stage 2, contracts may be awarded as requirements become known, based on the framework and process defined herein.

### **1.2 Introduction and Scope**

CMHC wishes to enter into SAs with a selection of Offerors for the purpose of lease financing of Information Technology equipment and software. The duration of these SAs will be for three (3) years (Initial Term) with the possibility of two (2) one (1) year option renewal(s) (Renewal Term). Collectively, the Initial Term and Renewal Term shall not cumulatively exceed a total of five (5) years. The total dollar value of resulting contracts from this SA will not exceed \$20,000,000 (Maximum Amount).

CMHC has no obligation to procure any services, or to compensate any Offeror for work done other than as may be set out in a written contract with that Offeror.

By submitting an offer in response to this RFSA, Offerors agree to be bound by the terms of this RFSA and the terms of the offers, they submit. Such terms will be documented in the SA and any resulting contracts, which will, once executed by each CMHC and the Offeror, replace this RFSA.

**More detailed specifications can be found in Section 3, “Statement of Services.”**

### **1.3 CMHC Background**

CMHC is the Government of Canada’s National Housing Agency, with a mandate to help Canadians gain access to a wide choice of quality, affordable homes. It is a Crown Corporation, with a Board of Directors, reporting to Parliament through the Minister of Families, Children and Social Development, and Minister responsible for Canada Mortgage and Housing Corporation, the Honourable Jean-Yves Duclos.

CMHC has more than 2,000 people located at its National Office in Ottawa, and at various Business Service Centers throughout Canada. The Business Service Areas are divided into five regions: Atlantic; Quebec; Ontario; British Columbia; and Prairies & Territories. Offerors can visit CMHC’s Web site at for more information regarding CMHC: <http://www.cmhc-schl.gc.ca/>

### **1.4 Purpose of Request for Supply Arrangement (RFSA)**

CMHC will use this RFSA to retain a source list of up to five (5) qualified Offerors to provide the services as outlined under Section 3 of this RFSA on an “as-and-when requested” basis (Services). Throughout this RFSA, certain requirements are identified as “Mandatory Requirement(s)” and are identified with the words “Mandatory”, “must”, “shall” and “will”. Compliance with Mandatory Requirements will be assessed by CMHC in its sole discretion. A Mandatory Requirement is defined as:

- a minimum standard that an offer and Offeror must meet in order to be considered for further evaluation under the RFSA process;
- a requirement that must be met in order for the Offeror to substantially comply with the requirements of the RFSA; or
- a term that must be included in any contract that results from the RFSA.

Additionally, under the RFSA process, Offerors are also qualified in terms of the ability to satisfy the Mandatory Requirements, while also providing evidence of their ability to provide “Best Value” to CMHC. For greater clarity, Mandatory Requirements are identified in the following Sections of this RFSA:

- Section 2 (Submission Instructions)
- Section 3 (Requirements)
- Section 4 (Offer Requirements)
- Section 7.3 (Mandatory Compliance Checklist)

Offers which fail, in the sole discretion of CMHC, to meet any Mandatory Requirement will be eliminated from further consideration in the RFSA evaluation process. Notwithstanding the foregoing, CMHC reserves the right to waive or revise any Mandatory Requirements during the RFSA process if a waiver or revision is necessary to meet the CMHC’s intent in issuing the RFSA, or to ensure that CMHC receives the “best value” from the process. CMHC also reserves the right to waive formalities and accept proposals which substantially comply with the requirements of this RFSA.

In the event that CMHC elects to waive a Mandatory Requirement, all Offerors will be advised in writing of the change in requirements and provided with an opportunity to revise their offers as noted in Section 2.4 of this RFSA.

For Services **under \$10,000**, CMHC reserves the right to award a contract to any one of the selected Offerors in accordance with its existing Corporate Procurement policies. For Services **over \$10,000**, CMHC will seek competitive cost quotations and/or proposals from at least five (5) of the Offerors retained under the SA.

The existence of these SAs does not provide the selected Offerors with any exclusive rights to the provision of the Services. CMHC reserves the right to contract with other Offerors or any other provider to obtain these Services if required.

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## 1.5 Schedule of Events

The following schedule summarizes significant target events for the RFSA process. The dates may be changed by CMHC at its sole discretion and shall not become conditions of any SA which may be entered into by CMHC and a selected Offeror.

Date	Activities
October 11, 2019	RFSA issued
October 29, 2019	Submission of questions deadline
November 5, 2019	Offer Submission deadline – 2 pm Est
November 8, 2019	Evaluation and selection of RFSA Offerors
November 12, 2019	Announcement of successful SA Offeror(s)
December 2019	Debriefing of unsuccessful SA Offerors as requested

## 1.6 Terms and Conditions of Offer and Any Resulting Contract

The general terms, conditions and Sections identified herein by title, number, and date, are hereby incorporated by reference into and form part of this RFSA and any resulting contract, as though expressly set out herein, subject to any other express terms and conditions herein contained.

### 1.7 RFSA Potential Service Providers

CMHC's contracting and procurement activities are centralized at CMHC's National Office in Ottawa. The Policy pertaining to the selection of suppliers is based on the principle that all Offerors must be treated fairly and equally. CMHC utilizes the Supplier Information (SI) database, maintained by Business Access Canada as the Official CMHC Source list. Please see section 2.19 for details of this mandatory requirement

### 1.8 Income Tax Reporting Requirement

As a federal Crown Corporation, CMHC is obliged under the **Income Tax Act and Regulations** to report payments made by the CMHC to Offerors of goods and/or services by using a **T1204 supplementary slip**. CMHC must therefore obtain the necessary information from all Offerors (including the Supply Arrangement Holder's social insurance number and/or corporate identification number) in order to allow it to complete the **T1204 supplementary slip**. The Supply Arrangement Holders (SA Holder(s)) will be required to complete and sign a **Supplier - Direct Deposit and Tax Information Form (CMHC/SCHL 3085)** prior to execution of any contract resulting from this RFSA.

### 1.1 Proponent Feedback

It is the Offeror's responsibility to avail itself of any necessary information or due diligence required to prepare an offer in response to this RFSA. Any Offeror who notes a material flaw, errors, omissions, or ambiguities in this RFSA must report such flaw to CMHC as soon as possible, using the inquiry process specified in Section 2.4 of this RFSA.

### **1.9 Contracts Against the Supply Arrangement**

Contracts against this Supply Arrangement will be on an “as-and-when-required” basis. CMHC does not guarantee that any Offeror under this Supply Arrangement will in fact be awarded a contract. Upon being invited to respond to a Request for Service (RFS), any Offeror may accept or decline to submit a response to the issued RFSQ.

CMHC will issue RFSs under this Supply Arrangement based on the thresh hold chart in Appendix “H”.

CMHC will issue an RFS as laid out in Appendix “J” according to the number of Offerors based on the threshold chart in Appendix “H”, by e-mail to the Offeror(s). The RFSs will describe the Services required, needed, the term of lease, submission dead-line, and other details as needed. The deliverables may then be negotiated by CMHC and the Offeror.

The Offeror will sign and remit a signed RFS submission to CMHC. CMHC will evaluate all the submissions and choose one Offeror to provide the Services required. A contract will be issued to confirm the details and commit both parties to the arrangement.

Upon completion of an assignment under the Supply Arrangement contract, CMHC reserves the right to evaluate the selected Offeror’s work and performance. Invitations of subsequent RFQs may be affected by CMHC’s unfavourable evaluation of the Services performed under a Supply Arrangement contract. Evaluations of an Offeror’s work and performance are available to the relevant Offeror upon request.

### **1.10 Quantity**

The quantity of Services specified in the RFSA are only an approximation of requirements given in good faith. In submitting an offer to this RFSA, the Offeror acknowledges that any quantities provided are estimates only, and testifies to its ability to accommodate increases or decreases in workload as they occur.

The making of a Supply Arrangement submission by the Offeror shall not constitute a Supply Arrangement Agreement with CMHC to order any or all of the Services. CMHC may or may not issue RFSs in relation to this Supply Arrangement.

The acceptance of an Offeror as Supply Arrangement Holder by CMHC does not necessarily mean that any RFSs will be issued in relation to this Supply Arrangement.

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## **2 SECTION 2 INSTRUCTIONS, TERMS AND CONDITIONS FOR SUBMITTING AN OFFER IN RESPONSE TO THIS REQUEST FOR SUPPLY ARRANGEMENT (RFSA)**

### **2.1 Overview of Section 2**

The purpose of this Section 2 is to inform the Offerors about CMHC's offer submission requirements pertaining to this RFSA process. Offerors are advised that CMHC has provided a Mandatory Compliance Checklist as Appendix C to the RFSA. This checklist is provided for the benefit of Offerors prior to submission of their offers, to help them ensure that they have complied with all Mandatory Requirements. Non-compliance with a Mandatory Requirement may result in the offer being eliminated from further consideration.

### **2.2 Certificate of Submission (M)**

Each Offeror must include a completed **Certificate of Submission** (or an accurate reproduction) in the form attached as **Appendix A** of this RFSA.

Should an Offeror not include the signed Certificate of Submission the Offeror will be notified by CMHC and given forty-eight (48) hours in which to meet this requirement.

### **2.3 Delivery of Submissions**

#### **(a) Delivery Instructions and Deadline**

Timely and correct delivery of offers to the exact specified offer delivery address is the sole responsibility of the Offeror. All risks and consequences of incorrect delivery of offers are the responsibility of the Offeror. CMHC will not assume such responsibilities. Offers may be submitted in English or in French. For the purposes of this section, the time CMHC computer servers **receive** the offer is deemed the time of delivery.

#### **(b) Delivery Instructions and Deadline (by E-BID) (M)**

Timely and correct delivery of offers to the exact specified proposal delivery address is the sole responsibility of the Offerors. All risks and consequences of incorrect delivery of offers are the responsibility of the Offerors. CMHC will not assume such responsibilities. All registered times will be in accordance with the time CMHC computer servers **receive** the offer, not the time the offer was sent by the Offerors. **Please be advised that E-BID has a size limitation 10 MB. It is advisable and recommended that Offerors submit their proposal in multiple smaller files.** If an offer is delivered by using multiple smaller files, the time of receipt will be deemed to be when all such files have been received by CMHC. Upon receipt of offers, an automated confirmation will be issued by EBID to the sender's e-mail address. It is strongly recommended that Offerors follow up with the inquiries person named in Section 2.4 of this RFSA should they not receive said confirmation within thirty (30) minutes of their submission of the offer. Offers sent to any other email address will not be considered.

**Please be advised that electronic transmissions may not necessarily be immediate and can experience lengthy delivery delays. Offerors should ensure that sufficient delivery time is allowed, as they assume the risk of delays in transmission and receipt of their offer.**

- **Address for Delivery** – Offers, including all supporting documentation, are to be sent electronically to the following e-mail address: [EBID@cmhc-schl.gc.ca](mailto:EBID@cmhc-schl.gc.ca)
- **Format** – The subject line of the transmission must state: **RFSA, file number RFx000114** Offers may be submitted in MS Word or Adobe Acrobat PDF in English or in French.

**NOTE:** In certain email programs the “Send” format may need to be specified as either “HTML” or “Plain Text”. Rich Text formatted or Compressed (Zipped) documents cannot be opened by CMHC.

- **Offer Opening and Verification Period** – All EBID offers received on or before the “offer Submission Deadline”, as defined below, will be opened for evaluation purposes and verified by CMHC. If at that time, CMHC is unable to open an offer, the Offeror will be so advised and provided an opportunity to resubmit an openable version within two (2) hours from notification.
- **Offer Submission Deadline** – Your offer must be received at the exact location as specified above on or before the submission deadline set as:

**2 p.m. local Ottawa time, on November 5, 2019**  
**(Offer Submission Deadline).**

**Offers arriving late will be automatically rejected, and the sender will be so notified by e-mail.**

## 2.4 Inquiries

All questions regarding this RFSA must be sent by e-mail to:

William Finnagan

Senior Analyst, Information Technology Contracts, Procurement Sourcing Services

Email: [ProcurementSourcing\\_Sourcesd'approvisionnement@cmhc-schl.gc.ca](mailto:ProcurementSourcing_Sourcesd'approvisionnement@cmhc-schl.gc.ca)

Information given verbally by any person within CMHC shall not be binding upon CMHC. Any clarification, direction and changes relating to this RFSA be must be provided by CMHC in writing. CMHC cannot guarantee a reply to inquiries received less than seven (7) days prior to the **Offer Submission Deadline, as provided under Section 2.3 of this RFSA**. All written questions submitted, which in the opinion of CMHC affect all Offerors, will be answered by CMHC in writing and distributed to all Offerors by either, e-mail or Government Electronic Tendering System (GETS). All identification related to the inquiry will be removed in the response. Any questions of a proprietary nature must be clearly marked. CMHC will determine, at its sole discretion, whether it will respond to the question. In the event that it becomes necessary to revise any part of the RFSA as a result of any inquiry or for any other reason, an addendum to this RFSA will be provided to each Offeror to whom CMHC has issued this RFSA by either, e-mail or GETS.

## **2.5 Communication**

During offer evaluations, CMHC reserves the right, in its sole discretion, to contact or meet with any individual Offeror in order to obtain clarification on its offer submission or to gain insight into the quality and scope of relevant Services. An Offeror will not be allowed to add, change or delete any information during this process. CMHC is in no way obliged to meet with any or all Offerors for this purpose.

## **2.6 Offeror's Contact**

The Offeror shall name a person in their proposal to act as a primary contact for CMHC during the evaluation period. A secondary contact should also be provided for backup purposes.

## **2.7 Offering Period (M)**

All responses must provide that the terms of the response including the pricing proposal shall remain valid and binding on the Offeror until the SAs are assigned.

## **2.8 Changes to Offer**

Changes to the submitted offer can be made before the Offer Submission Deadline, provided they are received as an addendum to, or clarification of, a previously submitted offer, or as a complete new offer to cancel and supersede an earlier offer submitted by the Offeror. The addendum, clarification, or new offer: (i) must be submitted as per the delivery instructions outlined in Section 2.3 of this RFSA, (ii) must be clearly marked "REVISION", and (iii) must be received no later than the Offer Submission Deadline. In addition, the revised offer must include a description of the degree to which the contents are in substitution for the earlier offer that was submitted by the Offeror.

## **2.9 No Liability for Errors**

While CMHC has made considerable efforts to ensure that the information in this RFSA is accurate and complete, it is possible that errors may exist. The information is not guaranteed or warranted to be accurate by CMHC, nor is it necessarily comprehensive or exhaustive. CMHC will have no liability of any kind to proponents for losses or damages arising from any errors that may be found in the RFSA, regardless of how the errors are caused. Offerors remain obliged to make their own investigation of relevant information and to form their own opinions and conclusions in respect of the matters addressed in this RFSA. By submitting an offer, Offerors waive any claim or cause of action that they may have against CMHC or its representatives as a result of the conduct of this RFSA process or any resulting contract award. Offerors agree that they will not bring a court action or institute any other proceedings against CMHC for damages arising from the conduct of this RFSA or any resulting contract award. This section is intended to be a complete waiver of the Offeror's right to claim damages subject to the limited exception noted above.

## **2.10 Verification of Offerors' Offer (M)**

The Offeror authorizes CMHC to conduct such investigation as it deems appropriate to verify the contents of the Offerors' offer.

## 2.11 Ownership of Offers (M)

All responses and related materials shall, upon submission by the Offerer, become the sole property of CMHC and will not be returned to the Offerer following the end of the RFSA process. CMHC will not reimburse the Offerors for any work related to, or materials supplied in the preparation of the RFSA response. All information regarding the terms and conditions, financial and/or technical aspects of the Offeror's offer, which are, in the Offerer's opinion, of a proprietary or confidential nature, must be clearly marked "**PROPRIETARY**" or "**CONFIDENTIAL**" at **each item** or at the **top of each page**. Offerors' documents and information so marked will be treated accordingly by CMHC. Notwithstanding the foregoing, Offerors are advised that as a Crown Corporation, CMHC is subject to the federal legislation with respect to access to information and privacy. Information submitted by third parties will be protected or may be required to be disclosed in specific circumstances pursuant to CMHC requirement to comply with such federal legislation.

## 2.12 Proprietary Information (M)

Information contained in this RFSA is to be considered the "**Proprietary Information**" of CMHC and the Offeror is not to disclose this information to any party other than the Offerors's employees or agents participating in the preparation of the Offerer's response and offer to this RFSA. Proponents and other readers of this document may not make any other use of the Proprietary Information contained in this RFSA in any way.

## 2.13 Corporation Identification (M)

The Offerors agrees not to make any use whatsoever of CMHC's name, logo or initials including public advertisement, without the express written consent of CMHC.

## 2.14 Declaration re: Gratuities (M)

In submitting its offer, the Offerors certifies that no representative for the Offerors has offered or given a gratuity (e.g. an entertainment or gift) to any CMHC employee, Board member or Governor-in-Council appointee.

## 2.15 Conflict of Interest (M)

- (a) The Offerors who are successful will become "**SA Holders**". The SA Holder and its principals, employees and agents shall avoid any conflict of interest during the term of the SA and shall immediately declare any existing, potential or apparent conflict and shall, upon direction of CMHC, take steps to eliminate any conflict or perception that a conflict of interest exists.
- (b) The SA Holder must not provide any services to any third party in circumstances that might reasonably give rise to a conflict of interest, including a conflict between the SA Holder's duties to that third party and the SA Holder's duties to CMHC.
- (c) In the event that a conflict of interest, real or perceived, cannot be resolved to the satisfaction of CMHC, in its sole discretion, then CMHC shall have the right to immediately terminate the SA and any outstanding contracts resulting from the SA. All portions of the Services which have been completed at the date of termination of any contract resulting from the SA shall be forwarded to CMHC and CMHC shall be liable for payment to the SA Holder of an amount which, in the sole opinion of CMHC, constitutes reasonable payment for the partial performance of the SA Holder's

obligations under the contract. Upon such payment, CMHC shall have no further obligation of any nature or kind to the SA Holder.

Any former public office holder must be in compliance with the post-employment provisions of the Conflict of Interest and *Post-Employment Code for Public Office Holders (2012)* in order to derive a direct benefit from any contract which may arise from this Supply Arrangement.

### **2.16 Declaration re: Bid Rigging and Collusion (M)**

In submitting its offer, the Offeror certifies that:

- (a) prices as submitted in its offer have been arrived at independently from those of any other Offerors;
- (b) the prices as submitted have not been knowingly disclosed by the Offerors, and will not knowingly be disclosed by the Offerors prior to the award of the SA, directly or indirectly, to any other Offerors or competitor; and
- (c) no attempt has been made, nor will be made, to induce any other person to submit, or not to submit, an offer, for the purpose of restricting competition.

### **2.17 Intellectual Property Rights**

All information, materials, reports, and other work product produced under any contracts resulting from the SA shall be the exclusive property of the Offerors and the Offerors shall have copyright therein. Without restricting the scope of any license or other right that CMHC may otherwise hold, the Offerors hereby grants to CMHC an exclusive, perpetual, irrevocable, fully-paid and royalty-free right and license to use all or part of the information and materials produced under any contracts resulting from this SA world-wide, with the right to modify the information or materials for any purpose related to the current or future operations of CMHC. The license so granted shall survive the termination of the SA.

### **2.18 Non-Disclosure of CMHC Information (M)**

Under this Section, “**CMHC Information**” refers to any and all information which is managed, accessed, collected, used, disclosed, retained, received, created or disposed of in order to fulfill the requirements of the this RFSA, the SA and any resulting contract, however such information may of been obtained by the Offeror. Without limiting the generality of the foregoing, CMHC Information includes information held in any format, including any type of electronic format and information provided directly, indirectly or through third parties to the Offeror.

The Offeror acknowledges and understands that all CMHC Information is subject to Canadian laws on privacy and access to information under which CMHC is bound and that CMHC considers CMHC Information to be under its custody and control of all times. The Offeror further understands and agrees to treat all CMHC Information as proprietary confidential and sensitive unless otherwise specifically agreed to in writing by CMHC. The Offeror shall restrict access to CMHC Information to those persons who have a need to know this information in order to prepare an offer in response to this RFSA, or perform to perform the Services under any contract awarded as a result of the SA.

The Offeror shall ensure that CMHC Information shall remain in Canada and expressly agrees to segregate CMHC Information (whether in electronic format or in hard copy) from any other information in a database or repository physically independent from all other databases or repositories. Without limiting the generality of the foregoing, the Offeror shall not and shall ensure that any subcontractor, reseller, agent or any other

person engaged to perform any part of the Services by the Offeror does not release, share or otherwise divulge CMHC Information to any other person including subsidiaries, branch offices, partners of the Offeror or subcontractors without the prior written consent of CMHC.

Where disclosure of CMHC Information is required pursuant to a lawful requirement or for the purposes of complying with a subpoena or warrant lawfully issued or lawfully made by a court, person or body, the Offeror shall notify CMHC promptly after discovering the potential of disclosure of the CMHC Information so that CMHC has the opportunity to seek a protective order or other appropriate remedy. The Offeror also agrees that in the event that disclosure of CMHC Information is required by applicable law, it shall, in cooperation with CMHC, do all things possible to prevent access to CMHC Information, including but not limited to taking appropriate legal action against disclosure, providing information and other assistance in order for CMHC to take appropriate legal action against disclosure and ensuring that disclosure is strictly limited to the information lawfully requested.

### **2.19 Offerors' Procurement Business Number (PBN) (M)**

As a potential supplier to CMHC, an important feature is the Procurement Business Number (PBN) created using the Canada Revenue Agency Business Number to uniquely identify a company and its branches, division, or offices, where appropriate. All Canadian companies **MUST** have a PBN prior to the award of any SA as a result of this RFSA. Non-Canadian companies are strongly encouraged to obtain a PBN. Companies may register for a PBN in the Supplier Registration Information (SRI) service on line at the Business Access Canada Internet site at: (<https://buyandsell.gc.ca/>) In order for Offerors to be sourced by CMHC, they must complete the registration process and activate their account in the SRI service. For non-Internet registration, please contact the Business Access Canada InfoLine at: 1-800-811-1148, to obtain the telephone number of a supplier registration agent nearest to you.

### **2.20 Costs Associated with the Preparation of Offers (M)**

No payment shall be made for costs incurred in the preparation or submission of an offer in response to this RFSA for any reason whatsoever, including cancellation of this pre-qualification instrument at any time by CMHC, at its sole discretion. No payment shall be made for costs incurred before receipt of a signed contract under any resultant SA.

### **2.21 Joint Venture Submissions**

Joint venture submissions should adequately represent and communicate the proposed participation and responsibilities of each company in the joint venture, and must provide a description of the proposed joint venture business arrangement, which would be entered into by all parties upon an ensuing contract. The description must list the companies involved, indicate how long the business arrangement has been in existence, indicate the service(s) each respective party would be providing and describe the proposed participation and responsibility of each party.

The Offerors shall designate one of the partners as the contact person through whom any communication between the Offeror and CMHC will be channelled during the RFSA process.

Joint venture responses must be accompanied by a signed Certification of Submission from each participating company, refer to Section 2.2.

## **3 SECTION 3 STATEMENT OF SERVICES TO BE COVERED UNDER THIS SUPPLY ARRANGEMENT (SA)**

### 3.1 Overview of Section 3

This section of the RFSA is intended to provide Lessors with the information necessary to develop a qualifying offer. The Statement of Services is a complete description of the terms and services that may be required under a resulting SA.

**NOTE:** In keeping with CMHC's mandate of ensuring "best value for dollar", Lessor(s) shall make their best efforts to ensure that **the lease rates and future pricing formula** described in their proposal represent the best value for CMHC. CMHC reserves the right to obtain **alternative leasing rate** price quotes on selected items **during the term of any resulting agreement and any extensions thereof (36 months and up to 2 twelve month extensions)** and compare these values with new quotations from the Lessor(s). All quotations will be kept confidential. If, five days after receipt of this information, the Lessor has either not responded to the information provided or is unable to provide as good or better value on the particular item(s) requested (in the judgment of CMHC), CMHC may, at its sole discretion, contract with the alternate **Lessor**.

Throughout this RFSA, requirements are identified as Mandatory (**M**), Information (**I**) or Rated (**R**). It is the obligation of the Offeror to ensure that all requirements identified as (**M**), (**I**) or (**R**) throughout this entire RFSA are responded to accordingly.

A Mandatory requirement (**M**) is a minimum standard that a submission must meet in order to be considered for further evaluation. Mandatory is defined as having substantial compliance as assessed by CMHC in its sole and absolute discretion. Offerors must supply a response of “compliant” or “non-compliant” for each Mandatory requirement in this RFSA and must also substantiate compliance with a statement or reference to attached documentation.

An example of a compliant response to a mandatory requirement is as follows:

Requirement	Response	Response Details
Section	Compliant	Refer to attached technical reference on page 46. – be specific where to find the required information

**Caution:** submission which fail, in the sole discretion of CMHC, to meet any Mandatory (**M**) requirement will be eliminated from further consideration in the evaluation process. However, CMHC reserves the right, in its sole discretion, to waive any Mandatory (**M**) requirements if it deems fit and appropriate to meet the interests of and provide best value to CMHC. This clause should be interpreted solely for the benefit of CMHC and not for the benefit of the Offeror(s).

Items identified as Rated (**R**) have a degree of importance to CMHC and will be assigned a score from 1 to 10 based on the information provided in the Offeror’s submission.

Items identified as Information (**I**) are for information purposes only and do not require a response. The final RFSA may or may have any Information (**I**) items.

#### Mandatory Contract Terms and Conditions

The terms, conditions or sections of the draft contract in Section 6.3 that are labelled Mandatory (**M**) must be accepted by the Offeror without alteration.

### 3.2 Scope and Terms and Conditions (I)

CMHC is seeking Offerors (herein after in this Section 3 called the Lessor(s)) to enter into a multi-year Supply Arrangement (SA) to provide financing for various equipment, software and related services to CMHC field office locations across Canada and at CMHC's National Office located at 700 Montreal Road, Ottawa, Ontario.

CMHC requires three (3) year (**36 month**) SAs for financing various operating leases for equipment and related services (herein after referred to as "assets"), with an option to extend the SA(s) for up to two (2) **additional twelve (12) month periods** (in the event that the option to extend the term of the resulting agreement(s) is exercised), for all of the services listed within this RFSA. If notice of extension is not provided to the Lessor(s), then the Supply Arrangement(s) will continue in force on a month to month basis until notice has been provided.

CMHC requires that all resulting leasing agreements have the following provisions included.

The following terms and conditions may, at the discretion of CMHC, be incorporated into any lease agreement resulting from this RFSA. CMHC reserves the right to add terms and conditions during negotiations. Such additional terms and conditions would be within the scope of the RFSA and will not affect the proposal evaluations.

The Lessor's proposal and all associated correspondence from the Lessor, where relevant, shall to the extent desired by CMHC form part of the final lease agreement and the Lessor must accept that the final lease form will be in a format acceptable to CMHC.

### **3.3 Supply Arrangement Termination (M)**

CMHC may terminate any resulting Supply Arrangement (SA) for any reason with no penalty by giving thirty (30) days written notice, at any time during the resulting SA period and no further lease schedules will be entered into. Upon termination, CMHC shall be liable to the Lessor for any outstanding lease schedules currently in effect and any provision of the resulting SA applicable to any lease schedule then in effect shall survive such termination. Upon termination of the resulting SA or upon delivery of notice of intent to terminate the resulting SA, the Lessor shall promptly review all work in progress and, if the resulting SA is terminated prior to the expiry of the term, the Lessor shall nevertheless complete or arrange for the completion of any and all work in process at the time of termination. In addition, CMHC may suspend or reduce the scope of the work or any part or parts of the work not completed and the Lessor shall immediately comply with the requirements of such notice.

### **3.4 Termination for Default by Lessor (M)**

CMHC may, by giving a ten (10) day written notice to the Lessor, terminate the SA or any resulting lease agreement(s) if:

- a) The Lessor, due to negligence, fails to perform any of its obligations under the resulting lease agreement; or
- b) The Lessor becomes bankrupt or insolvent, or a receiving order is made against the Lessor, or any assignment is made for the benefit of the creditors, or if an order is made or a resolution passed for the winding up of the Lessor, or if the Lessor takes the benefit of any Statute for the time in force relating to bankrupt or insolvent debtors; or
- c) The Lessor commits fraud or gross misconduct; or



- d) A change in control of the Lessor where such control is acquired, directly or indirectly, in a single transaction or series of related transactions, or all or substantially all of the assets of the Lessor are acquired, by any entity, or the Lessor is merged with or into another entity to form a new entity, unless the Lessor demonstrates to the satisfaction of CMHC that such event will not adversely affect its ability to perform the services under the resulting lease agreement.

Subject to the deduction of any claim which CMHC may have against the Lessor arising out of the lease agreement or out of termination, payment will be made by CMHC to the Lessor within forty-five (45) days of the date of the invoice, for the value of all goods/services delivered to and accepted by CMHC, such value to be determined in accordance with the rate(s) specified in the lease agreement.

The Lessor's continued participation will depend upon a satisfactory performance record.

### **3.5 Title (M)**

Title to the equipment will at all times remain with the Lessor, unless and until CMHC exercises its purchase option under the terms of the lease agreement.

### **3.6 No Lease Registration (M)**

The Lessor must not registered any lease between Lessor and CMHC.

### **3.7 Lease Commencement (M)**

The lease commencement date shall be the first day of the month following acceptance of an agreement by CMHC. There shall be no interim lease payment for the period from the acceptance date to the first day of the following month.

### **3.8 Lease Schedule Term (M)**

Lessors must propose monthly operating lease quotes on a "dollar per thousand" basis for 24, and 36 month terms for each of the equipment categories as described in Appendix "D". CMHC shall have the option of selecting the lease term for any resulting lease schedule.

### **3.9 Master Lease Agreement Term (M)**

The Master Lease Agreement shall be for a term of three (3) years, with up to two (2) twelve month extension periods, which can be exercised at CMHC's discretion. CMHC shall also have the option to terminate the Master Lease Agreement at any time upon thirty (30) days prior written notice to the Lessor.

### **3.10 Additional Procurements (M)**

The resulting lease Agreement will constitute the Master Lease, the terms and conditions of which will be incorporated by reference into any additional procurements by CMHC from the Lessor. Such procurements will be incorporated into the Master lease agreement as add-on schedules and, unless otherwise agreed to by CMHC and the Lessor at the time of the additional procurement(s), will be subject to the same terms and conditions as the Master Lease.

### **3.11 Notice of Lease Schedule Termination (M)**

The Lessor must inform CMHC sixty (60) days in advance of a lease term expiration citing the costs of the end of lease options listed below. CMHC will provide direction on the end of lease options thirty (30) days after the Lessor's notification. If Lessor does not give notice, then CMHC shall have the option to extend the lease on a month-to-month basis at the current lease rate or terminate the lease as per the original termination date. End of term lease options:

- a) Extend the lease on a month-to-month basis at the current rate;
- b) Terminate the lease and return the equipment as per the original end of lease date;
- c) Terminate the lease at the end of any one month extension;
- d) Extend all or part of the lease for an additional term as specified by CMHC;
- e) Buy out the equipment at the predifinded amount.

### 3.12 Lease Extensions (M)

Lessor must provide CMHC with both six (6) and twelve (12) month lease extension quotes as specified in the attached Financial Cost Sheet, Appendix D. The extension cost must not exceed the end of term buyout cost and a new buy out cost must be calculated. If the notice as described in Section 3.11 is not provided, CMHC will have the option to renew the lease from the original expiry date at the new renewal rate negotiated with the Lessor or continue on a month-to-month basis at the current lease rate.

### 3.13 Lease Termination (M)

CMHC shall have the option to discontinue all or a portion of the lease schedule at any time. The lease termination cost for this option shall be based on the following formula:

$$\begin{array}{l}
 \text{Present value of the remaining lease payments} \\
 \text{PLUS} \\
 \text{Present value of the end of term purchase option} \\
 \text{MINUS} \\
 \text{The Fair Market Value * of the asset at the time of termination.} \\
 \\
 \text{= the lease termination cost}
 \end{array}$$

**Note:** Lessors must state:

- a) The interest rate to be used for the present value calculations.
- b) The actual amount of the end of term purchase option (to be included in Appendix D Financial Cost Sheet)

\*Fair Market Value will be determined using an average of three quotes from three different Lessors mutually agreed to between CMHC and the Lessor.

### 3.14 Equipment Buy-out Option (M)

CMHC shall have the option to purchase any or all of the equipment on any lease schedule at any time. The equipment buy-out cost shall be based on the following formula:

$$\begin{aligned} & \text{Present Value of the remaining lease payments} \\ & \quad \text{PLUS} \\ & \text{Present Value of the end of term purchase option} \\ & = \text{the buy-out cost} \end{aligned}$$

The interest rate for the present value calculations shall be indicated in the applicable lease schedule.

At no time shall the buy-out cost be greater than the Fair Market Value at the time of the buy-out.

### 3.15 Early Re-finance Option (M)

CMHC shall have the option to re-finance all or a portion of the equipment on any lease schedule at any time. The amount to re-finance for this option will be based on the following formula:

$$\begin{aligned} & \text{Present value of the remaining lease payments} \\ & \quad \text{PLUS} \\ & \text{Present value of the original end of term purchase option} \\ & \quad \text{MINUS} \\ & \text{The present value of the new end of term purchase option of the equipment at the time of early} \\ & \text{re-finance which must be stated at the time of the early re-finance.} \\ & = \text{the re-financed amount} \end{aligned}$$

### 3.16 Assignment of Agreement (M)

The selected Lessor shall not assign or transfer the lease agreement with CMHC to any third party without the prior written consent of CMHC. It is understood and agreed that the Lessor may engage other entities to assist the Lessor in providing certain of the services contemplated in a resulting lease agreement provided that the Lessor shall at all times remain responsible for the provision and quality of such services in a manner which fully recognizes and respects the confidential nature of the services. The Lessor undertakes to advise such entities in writing that they are independent Lessors, and are not employees or agents of the CMHC. No assignment of the contract or lease schedule shall relieve the Lessor from any obligation under a resulting lease agreement or impose any liability upon CMHC. CMHC will not sublet, assign or otherwise part with possession or control of the Equipment, nor assign the Lease Schedule, without first obtaining Lessor's written consent.

### 3.17 Quiet Enjoyment (M)

In the event that CMHC's right to quiet enjoyment is breached by the Lessor's failure to make or cause to be made payment to the equipment supplier of the full purchase price for the equipment on or before the date such payment becomes due, CMHC may give written notice to the Lessor and any assignee or secured party of the Lessor stating such fact and, notwithstanding any other provision of the Master Lease, if such breach is not cured within thirty (30) days after the giving of such notice, CMHC's obligations to make any further

payments under the applicable equipment schedule shall terminate and, without limiting any other provisions of the master lease or any additional remedies CMHC may have against the Lessor, the Lessor shall indemnify CMHC and hold it harmless from and against any and all liabilities, obligations, losses, damages, claims, costs, expenses of disbursements (including legal fees and expenses) incurred by CMHC in connection with or arising out of such breach of CMHC's right to quiet enjoyment, including, without limitation, any additional after tax costs of procuring the equipment or comparable equipment. The Lessor shall provide in due course evidence that the Lessor has paid for the equipment and has clear title to same.

### **3.18 Non-Compliance or Default by Lessor (M)**

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

### **3.19 Equipment Return (M)**

Upon CMHC returning the leased equipment at the end of the initial lease term or extension, and in the event that the Lessor and CMHC agree that leased equipment was damaged while in CMHC's possession, CMHC will only be liable for reasonable equipment repair costs, or the Fair Market Value \* of the equipment, whichever is lower.

\* Fair Market Value ("FMV") is defined as the price that a willing buyer will pay to a willing seller who is under no compulsion to sell or buy. In the event of a dispute of the FMV, then FMV shall be determined by an average of three FMV quotes from mutually agreed upon independent equipment Lessors. Under no circumstances shall the FMV exceed the difference between the original purchase price of the equipment and the sum of all lease payments made to date.

CMHC shall not be responsible for having to return leased equipment in original packing material. All costs associated with the return of the leased equipment, including packing, shipping, and insurance, are the responsibility of the Lessor. CMHC shall use the Lessor's selected shipping company to return the leased equipment to the Lessor.

The Lessor shall also allow CMHC to substitute equipment of the same make and model and allow for serial number substitution when returning leased equipment.

Upon return of a leased asset at the end of the lease term or extension, the Lessor shall make the appropriate invoice reduction to account for the asset return. If the asset is returned before the end of the lease term, then the Lessor will credit the return on the first of the month following the return. If the leased asset is returned by the 15<sup>th</sup> of the month following the end of the lease term, then the Lessor will credit the return for that month. If the leased asset is returned after the 15<sup>th</sup> of the month following the lease end date, then the Lessor will credit the return for the first of the following month.

**3.20 Return Costs (M)**

All costs associated with the return of the equipment from each CMHC location to the Lessor at the end of the lease term shall be borne by the Lessor. The Lessor will be responsible to insure the equipment for loss or damage during shipping and return to Lessor from CMHC sites. All lease quotes must include all costs associated with the return of the equipment to the Lessor at the end of the lease term.

**3.21 Removal Costs (M)**

All costs associated with the removal of the equipment at the end of the lease, including packing, return transportation and insurance costs, must be included in the price quoted and are the responsibility of the Lessor.

**3.22 Right to Upgrade (M)**

CMHC must have the right to upgrade any or all of the equipment on any lease schedule at any time with either CMHC- owned components or components leased through the Lessor. CMHC shall have the option to either remove the CMHC- owned upgrade at the end of the lease term or extension, or return the equipment to the Lessor with the upgrade installed.

**3.23 Warranties by Lessor (M)**

The Lessor shall pass through to CMHC all available manufacturer warranty benefits. The Lessor warrants that it has title to the equipment or that it has binding agreements with the manufacturer permitting Lessor to obtain title by the date of equipment delivery.

**3.24 Right to move Equipment (M)**

The Lessor shall allow CMHC to move any or all of the equipment from city to city and from province to province within Canada. [The Lessor, upon receiving such notice of a move, shall ensure that all related lease schedules are amended to show the correct applicable provincial or territorial sales taxes for the new installation location.](#)

**3.25 Lease Schedules (M)**

The Lessor(s) shall ensure a summary page is incorporated in any and all lease schedules provided to CMHC to include the following information:

- Schedule number;
- CMHC Reference Number;
- Lease Term;
- Start and End dates;
- Seller Name;
- Equipment description;
- Serial Numbers;
- Quantities;
- Purchase price;
- Discounted price;

- Monthly lease cost before taxes;
- Monthly taxes charged;
- Total monthly charged including taxes;
- Total lease cost with taxes over the term of the lease
- \$/1,000 rate
- End of term buy-out option;
- 6 and 12 month end of term extension options to own;
- 6 and 12 month end of term extension options to return;
- Lease termination formula with interest rate stated;
- Early lease buy-out formula with interest rate stated;
- Early lease re-finance option.
- Annual reconciliation updates per lease schedule.

### **3.26 Monthly Reports (M)**

The Lessor(s) to provide the following two reports monthly and on demand, in Excel format. (Initially the reports will need be monthly; however, CMHC may decide to suspend the frequency or time interval, to the point where they may become on demand only.

#### **3.26.1. Lease Summary Report**

List of all active leases with the following headings (headings to evolve over time)  
Schedule number, CMHC Reference Number, Seller Name, Lease Term, Start and End dates, Purchase price Monthly lease cost, Monthly taxes charged, Total monthly charged, Total lease cost with tax over the term of the lease including tax, Early lease re-finance option

#### **3.26.2. Lease Detail Report**

List of each item leased with the following headings (headings to evolve over time)  
Serial number, lease schedule number, Equipment description, Seller Name, CMHC Reference Number, Lease Term, Start and End dates, Purchase price Monthly lease cost, Monthly taxes charged, Total monthly charged, Total lease cost with tax over the term of the lease including tax, Early lease re-finance option

### **3.27 Purchase Orders (M)**

Lessor(s) agrees to list the CMHC Purchase Order (PO) on all invoices and requests for payment from every contract under this SA. The Lessor(s) must receive a CMHC PO before submitting invoices. Failure to list the CMHC PO on all invoices may result in delays of payment.

### **3.28 End of Term Buy-out Options (R)**

**Points Available: 1 to 10 - Weight: 10**

Lessors shall provide CMHC with end of term purchase options on an “as requested” basis for any or all of the equipment on any lease schedule. The end of term purchase options shall be specified in Appendix “D” – Financial Cost Sheet as a percentage of the original purchase price for the various equipment categories.

**3.29 Operating Lease (R)****Points Available: 1 to 10 - Weight: 20**

CMHC requires resulting leases to qualify as operating leases using CMHC's corporate discount rate, and based on the C.I.C.A. handbook guidelines. The Lessor must agree to provide CMHC with the estimated Fair Market Value of the equipment at the end of the lease term.

**CMHC's current corporate discount rate for 2 years is 1.72% and for 3 years is 1.82%.** This number is, however, subject to change. Should this be necessary, the prevailing discount rate will be provided to all Lessors seven (7) days prior to closing of the bid closing date.

**3.30 Insurance Coverage (R)****Points Available: 1 to 10 - Weight: 1**

Lessors must indicate if they carry insurance on the equipment while in CMHC possession or if CMHC shall be responsible for insurance coverage.

**3.31 Lessor's Background (R)****Points Available: 1 to 10 - Weight: 2**

The Lessor must provide:

- a) The correct legal name of the proposing entity;
- b) The principal business and corporate directions of the proposing entity;
- c) Number of years the Lessor has been conducting business in Canada;
- d) Description of the corporate organization of the proposing entity, including all major sub-Lessors;
- e) List any contracts terminated for cause or not renewed within the past two (2) years.
- f) If Offeror is a U.S. registered company, indicate how you intend to support a Canadian company.

**3.32 Lessor Information (R)****Points Available: 1 to 10 - Weight: 3**

CMHC intends to enter into a thirty-six (36) month agreement (with extension options) with the selected Lessor(s) to fulfill the objectives of the RFSA equipment Master Lease Agreement. The selected Lessors must possess a range of capabilities and experience that CMHC considers essential.

Some of the capabilities CMHC will be looking for are evidence that the Lessors have:

- a) Implemented contracts of similar size and scope;
- b) Number of years your company has been providing financial services
- c) Operating lease compliance.
- d) Conducted other similar successful multi-year partnering relationships
- e) High level of Client satisfaction

Please describe how your capabilities and experience meet these criteria and can benefit CMHC

**3.33 Lessor References (R)****Points Available: 1 to 10 - Weight: 5**

It is essential that your company has offered similar services for at least three (3) years and can demonstrate a successful and proven record of accomplishment in serving clients in Canada during that time. Lessor(s) should provide the following information regarding three (3) major contracts one (1) of which must be with a government institution either municipal, provincial, Crown Corporation, or Federal Department of a similar nature that they have successfully managed or are still managing:

- a) specify the name and address of these clients, including contact names and telephone numbers. CMHC may approach any such contact person for information relating to the quality of services provided by the Lessor;
- b) number of years serving these clients, current status and terms of contract;
- c) Level of client satisfaction;
- d) Approximate dollar value of the contract;
- e) brief description of the various products supplied by your company under the contract;

**3.34 Quarterly Rate Update (R)****Points Available: 1 to 10 - Weight: 2**

Lessor(2) should provide CMHC with a quarterly rate update specifying the dollar per thousand rates for the equipment categories indicated in Appendix "D". The rates must be fixed for the duration of the rate card term. CMHC will use these quarterly rate cards with operational lease verification and dollar per thousand rate adjustments to comply with operating lease criteria when required.

**3.35 Lease Rate Criteria (R)****Points Available: 1 to 10 - Weight: 5**

Lessor shall indicate their criteria for setting the dollar per thousand rates. Lessor shall also indicate how they will ensure that operating lease rates are proposed during the term of the Agreement.

**3.36 Future Pricing Methodology (R)****Points Available: 1 to 10 - Weight: 4**

Lessor shall indicate the methodology that shall be used to determine future lease rates.

**Remainder of page intentionally left blank**



## **4 SECTION 4 OFFER REQUIREMENTS**

### **4.1 Overview of Section 4**

Offers are to be organized and submitted in accordance with the instructions in this Section. Offers should be organized under the following response item components:

Response #

- 4.2 Covering Letter;
- 4.3 Table of Contents;
- 4.4 Response to Statement of Services;
- 4.5 Financial Information; and
- 4.6 Pricing Scenarios.

Elaborate or unnecessarily voluminous offers are not desired. Offerors are encouraged to take care in completely answering questions and offer requirements and to avoid submitting extraneous materials that do not show how the Offerors is able to meet SA requirements.

Requirements for each Response Item are detailed below. Certain requirements in section 4 are identified as mandatory. See section 1.4 for a description of mandatory requirements.

### **4.2 Covering Letter**

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

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

### **4.3 Table of Contents**

The Offerors shall include a table of contents using the response item headings and numbering system identified in Section 4.1 of this RFSA. The response must be paginated for ease of reference by the evaluation committee.

### **4.4 Response to Statement of Services (M)**

In this section, the Offerors **MUST** provide detailed information on each of the specifications listed in Section 3 (Statement of Services) to be covered under this Supply Arrangement (SA).

### **4.5 Financial Information**

#### **4.5.1 Credit Check (M)**

Sole proprietorships and partnerships **MUST** provide a statement contained within their offer giving express written permission for CMHC to perform a credit checks as required, in CMHC's sole discretion.

#### 4.5.2 Financial Capacity (M)

As part of the evaluation process, the top five (5) Offerors must undergo an assessment of their financial capacity. Should the Offerors be selected as a potential SA Holder CMHC will request the necessary financial statements to confirm the financial capacity of the Offerors. At that time, the potential SA Holder must provide CMHC with the following information, as appropriate, upon seventy-two (72) hours of CMHC's request:

##### A. Standard Requirements:

You must provide a complete set of signed, detailed, audited financial statements for each of the last three (3) years of your firm. You must agree to provide any other financial information that CMHC may subsequently request. The auditor's report must be signed by an appropriate officer of the audit firm. In the case that your financial statements are not audited, CMHC will only accept them if they are accompanied by a signed review engagement report for each year. A complete set of financial statements consists of all the following items:

1. Auditor's Report (or Review Engagement Report),
2. Balance Sheet,
3. Income Statement,
4. Cash Flow Statement, and
5. The Notes to the Financial Statements.

##### B. Requirements for Partnerships, Corporations, Joint Ventures and Consortiums:

In the case of a joint venture or consortium, each and all members of the joint venture or consortium **MUST** provide the information required for their legal form as indicated above for sole proprietorships, partnerships or corporations. For partnerships of individuals (as opposed to partnerships of corporations), each individual **MUST** provide written permission for CMHC to perform a credit check on them as individuals in accordance with Section 4.5.1.

**NOTE: Failure to comply with the Financial Information submission requirements as indicated above and within this section, will result in disqualification of the Offerors(s) at which time no further consideration will be provided to the respective offer(s).**

#### 4.6 Pricing Scenarios (M)

- (a) The Offerors Must provide a pricing schedule associated with the Services described in this RFSA. The pricing schedule **MUST** include the following information at minimum: (i) per diem rates, (ii) hourly rates, and (iii) any other pre-determined rates associated with the delivery of the Services described in this RFSA.
- (b) All prices in the pricing scenarios are to be quoted in Canadian dollars and be exclusive of the Goods and Services Tax (GST), Harmonized Sales Tax (HST), and Provincial Sales Tax (PST), as applicable, unless otherwise indicated.

### 5 SECTION 5 EVALUATION AND SELECTION

#### 5.1 Overview of Section 5

Section 5 describes the process CMHC will use to evaluate offers and qualify SA Holders. All Offerors that meet all of the Mandatory Requirements will advance to the rated evaluation phase. The top five (5) Offerors must undergo a financial capacity review as described in Section 4.5. Should one of the five (5) fail this review, CMHC will approach the next highest and so on until no qualified Offerors are left. The Offerors that have passed all three phases of the evaluation will be invited to complete a Supply Arrangement agreement. Receipt of a SA does **NOT** automatically mean that an Offeror will receive subsequent contracts under such SA. **CMHC reserves the right to accept or reject any or all offers in whole or in part.** As per Section 2.9 of this RFSA, by submitting an offer, Offerors agree to relinquish and expressly waive all causes of action, claims, complaints or demands that they may have against CMHC arising out of CMHC's: (i) evaluation of such offers, (ii) the alteration of any terms and conditions, (iii) the failure to evaluate any offer, (iv) the failure to sign a SA or resulting contract with any Offeror, or (v) the termination of this RFSA process. CMHC intends to conduct the RFSA process such that offers that represent the best value to CMHC, based on its operational requirements, are selected. It follows that the lowest costing offer will not necessarily be selected by CMHC.

## 5.2 Evaluation Table

The Evaluation Table as provided in **Appendix "B"** lists all the criteria upon which each offer will be evaluated. The criteria are based on the Mandatory and Rated Requirements as provided in this RFSA.

## 5.3 Evaluation Methodology

Each offer will be examined to determine substantial compliance with each Mandatory Requirement identified in this RFSA. An offer must substantially comply with all of the Mandatory Requirements in order to proceed in the evaluation process. An offer which is deemed by CMHC to be non-compliant in one or more Mandatory Requirements will be eliminated from further consideration. An offer which meets all the Mandatory Requirements will be deemed substantially compliant and will proceed in the evaluation process.

Each substantially compliant offer shall be evaluated by an "Evaluation Committee" made up of qualified personnel from CMHC. Each committee member shall evaluate and numerically score each offer in accordance with the evaluation criteria as shown in the Evaluation Table, **Appendix "B"**. An offer must meet the minimum upset score (as shown on the Evaluation Table) to remain in the evaluation process.

## 5.4 Technology Security Declaration (M)

When applicable and as a means of selecting a lead Offeror, at CMHC's sole discretion, CMHC shall have the right to conduct an assessment of the Offeror's security controls and frameworks of their operations which impact CMHC. The assessment may be carried out by CMHC itself or by a third party on behalf of CMHC. Should a lead Offeror be identified, CMHC may request the following information, within an agreed upon timeframe, to permit an analysis of the Offeror's Security Measures:

- a) Provide proof, to the satisfaction of CMHC of the Offeror's implementation of one of the following security control guidelines: (i) ISO 27001, (ii) ITSG-33 or (iii) equivalent guideline for a Protected B Level environment;
- b) Provide proof, to the satisfaction of CMHC that an enhanced Threat and Risk Assessment has been conducted on the Offeror's technology/infrastructure;
- c) Provide proof, to the satisfaction of CMHC that an internal and external Network Vulnerability Assessment has been conducted on the Offeror's technology/infrastructure; and
- d) Provide CMHC with a "Security Controls Checklist" as detailed within one of the following security control guidelines: (i) ISO 27001, (ii) ITSG-33 or (iii) equivalent.

The Offeror will be required to document how they have met or exceed the baseline safeguards.

The Offeror may refine Security Measures as part of this process to ensure a sufficient amount of detail for their allocation of high-level design specification. CMHC will review and potentially approve any refinements implemented by the Offeror as part of CMHC's review and change disposition. Upon request from CMHC IT Security Risk Management, the lead Offeror will provide assurance that security controls are being managed in accordance with a Protected B Level environment both physical and electronic throughout the life of an ensuing Agreement. The Offeror will be required to ensure that any additional safeguards have been implemented to address any risks or residual risks identified by it or by CMHC.

### **5.5 Offerors Selection**

Acceptance of an offer does not oblige CMHC to incorporate any or all of the accepted offers into an SA, but rather demonstrates a willingness on the part of CMHC to enter into negotiations for the purpose of arriving at a satisfactory SA with one or more parties. CMHC reserves the right to alter the stated requirements as its needs require and to accept an alternate offer included in any Offerors' offer. Without changing the intent of this RFSA or the qualifying Offerors' offer, CMHC will enter into discussions with the qualifying Offerors for the purpose of finalizing SAs. If at any time CMHC decides that any qualified Offerors cannot satisfy CMHC's requirements, CMHC may terminate negotiations. **Announcement of the successful Offerors will be made to all Offerors following the execution of SAs .**

### **5.6 Financial Review**

CMHC will carry out a credit check and/or a financial capacity on the lead Offerors before beginning SA discussions. This is a pass/fail test. Pass means that SA discussions will begin. Fail means that the Offeror may not enter into SA discussions with CMHC and are disqualified from further consideration. The financial review will be based on the information supplied by the Offerors as per Sections 4.5 of this RFSA.

**Remainder of page intentionally left blank.**

## **6 SECTION 6 TERMS AND CONDITIONS - SA AND ANY RESULTING CONTRACTS FROM THIS SA**

### **6.1 Overview of Section 6**

A SA is an agreement between a SA Holder and CMHC detailing the procurement process, clauses, terms and conditions and technical requirements for any resulting procurements by CMHC. CMHC reserves the right to issue RFPs or RFQs to all SA Holders or issue RFSs to a limited number of SA Holders in accordance with the terms set out in this RFSA. The terms and conditions in the SA will be incorporated into any resulting contracts from this RFSA. **CMHC RESERVES THE RIGHT TO ADD OR REMOVE TERMS AND CONDITIONS DURING CONTRACT NEGOTIATIONS.**

The SA is not in itself a contract, but rather a base document that forms part of any resulting RFPs, RFQs, and contracts. When being issued a SA, the SA Holder accepts the obligation to provide the specified services in accordance with the SA, under any resulting contracts that may be awarded. The offer and all associated correspondence from the Offeror, where relevant, shall to the extent desired by CMHC form part of the final SA and the Offeror must accept that the final SA will be in a format acceptable to CMHC.

Submission of an offer constitutes acknowledgment that the Offeror has read and, unless otherwise stated in the offer, agrees to be bound by the terms and conditions provided in substantially the same form as the SA Template provided under Section 6.2 of this RFSA.

### **6.2 Supply Arrangement Terms & Conditions**

For the purposes of this Section 6.2 the term "Supply Arrangement Holder (SA Holder)" refers to the successful Offerors with whom CMHC enters into a SA. The attached SA and Resulting Contract Terms & Conditions forms is provided under section 6.2 of this RFSA.

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## **SUPPLY ARRANGEMENT AND RESULTING CONTRACT CLAUSES, TERMS & CONDITIONS FOR ANY CONTRACTS AWARDED UNDER THE SA**

### **DRAFT SUPPLY ARRANGEMENT**

CMHC FILE No.

### **THIS AGREEMENT (SA)**

**BETWEEN**                      **CANADA MORTGAGE AND HOUSING CORPORATION**  
National Office  
700 Montreal Road  
Ottawa, Ontario, Canada  
K1A 0P7  
(hereinafter referred to as "CMHC")

**AND**

(hereinafter referred to as "SA Holder")  
(individually a "Party", collectively the "Parties")

**WITNESSES THAT** in consideration of the respective covenants and agreements of the Parties, CMHC and the SA Holder mutually covenant and agree as follows:

### **Article 1.0 - The Services**

**1.1** The supply arrangement holder (SA Holder) covenants and agrees to provide services in accordance with the terms and conditions set-out in Schedule A (Services) of this Supply Arrangement (SA).

**1.2** The SA Holder represents that it possesses the requisite skills and experience to perform the Services in accordance with the terms and conditions of the RFSA, this SA. The SA Holder warrants that the Services will be performed in a professional manner and in accordance with accepted industry standards.

**1.3** The SA Holder acknowledges that this SA by itself is not a contract. For Services under \$10,000, CMHC reserves the right to award a contract to any one of the selected Offerors in accordance with its existing **CMHC Corporate Procurement Policies**. For Services over \$10,000, a minimum of five (5) SA Holders with whom CMHC has issued SAs will be requested to submit proposals or quotations for Services to be done, as required. The SA Holder selected as the successful offer will be issued a contract, in accordance with the terms and conditions of this SA (Contract).

### **Article 2.0 - Term of the Supply Arrangement**

**2.1** This SA shall be for a period of three (3) years, (Initial Term) with the possibility of two (2) one (1) year renewal(s) (Renewal Term). Collectively, the Initial Term and Renewal Term shall not cumulatively exceed a total of five (5) years.

**2.2** Notwithstanding Article 2.1 above, CMHC shall conduct an assessment of the SA Holder's Work performed for past assignments and based on this assessment, at no less than sixty (60) days prior to the anniversary date of signing this SA, CMHC will advise the SA Holder in writing of their willingness to extend for one additional year or decision to terminate this SA.

**2.3** On expiration of this SA at the end of the Term, the SA Holder shall provide to CMHC, the reasonable assistance requested by CMHC to allow the Services to continue without interruption or adverse effect and to facilitate the orderly transfer of the Services to CMHC or its designee. Upon expiration of this SA at the end of the Term, it is understood and agreed that the SA Holder shall be liable for all of its out of pocket expenses and costs, including without limitation, employee termination costs, third party contract costs, equipment leases and maintenance agreements (if any). The SA Holder will work with CMHC during the notice period to minimize any costs to CMHC for this process and will act in good faith in the interests of the Parties.

### **Article 3.0 - Financial**

**3.1** In consideration of the carrying out of the Services, as described in Article 1.0, CMHC agrees to pay the SA Holder an amount based on the SA Holder's rates attached as Schedule X in the SA Holder's offer in response to the RFSA. Notwithstanding this however, CMHC's total financial liability with any supplier under the terms and conditions of the RFSA shall not exceed \$ [enter value] for the Term of the Supply

Arrangement. The Offeror's pricing provided to CMHC in the offer, will form part of any resulting Contract and must be fixed for the Term of this SA.

**3.2** The amount payable to the SA Holder by CMHC pursuant to Article 3.1 is inclusive of all taxes, rates or other levies payable by the SA Holder, including any goods and services tax or retail sales tax. Upon request, the SA Holder shall provide CMHC with satisfactory evidence of the payment of all such taxes, rates or levies as is the case with any disbursement the SA Holder has made. GST, HST or PST, to the extent applicable, will be incorporated into all invoices and shown as a separate item on invoices. All items that are zero-rated, exempt or to which GST, HST, or PST does not apply, are to be identified as such on all invoices. The SA Holder agrees to remit to Canada Revenue Agency any amounts of GST and HST paid or due pursuant to this Arrangement. The SA Holder agrees to remit to the appropriate Provincial Government any amounts of PST paid or due pursuant to this Arrangement.

**3.3** Invoicing - The SA Holder must allow thirty (30) days from delivery of invoice for payment without interest charges. The SA Holder cannot invoice prior to performance or delivery of the Services (as the case may be). CMHC shall be allowed to withhold any disputed portion of an invoice until resolution of the dispute is mutually agreed to, and shall also be allowed to set off any damage claims against the SA Holder's invoice. CMHC shall not be responsible for any interest as a result of late payment by the SA Holder to a third party, including without limitation the SA Holder's subcontractors (if applicable). All invoicing shall contain a detailed breakdown of charges for each separately billable component. The invoice must include the following information: (i) Services description, (ii) Purchase Order number, and (iii) Work Order number, if applicable, invoice period, and total cost of invoice. All items that are zero-rated, exempt or to which GST, HST, or PST do not apply are to be identified as such on all invoices.

Purchase Orders - CMHC will issue a Purchase Order (PO) for every contract under this SA. The SA Holder must receive a CMHC PO before submitting invoices.

All invoices and requests for payment must reference the relevant CMHC PO number and sent electronically to [accountspayable@cmhc-schl.gc.ca](mailto:accountspayable@cmhc-schl.gc.ca). Failure to do so may result in delays of payment.

**3.4** Audit - The SA Holders shall maintain proper records and accounts during the term of the SA and for a period of three (3) years following the end of the term and any renewals thereof. The SA Holder agrees to allow CMHC's internal and external auditors the right to examine, at any reasonable time, any and all records relating to the services identified herein. The SA Holder agrees to provide the Corporation's internal or external auditors with sufficient original documents in order to conduct any audit procedures. Any audit may be conducted without prior notice, however the Corporation agrees to cooperate with the SA Holder in the course of conducting any audit in order to avoid disruption in day-to-day operations and not to break confidentiality.

**3.5** All notices concerning this SA and resulting contracts must quoting CMHC file number and be forwarded to CMHC at the following address:

**Canada Mortgage and Housing Corporation**  
**Name: William Finnagan**  
**Senior Analyst, Information Technology Contracts,**  
**Procurement Sourcing Services**  
**700 Montreal Road**  
**Ottawa, Ontario**

**K1A 0P7**

[ProcurementSourcing\\_Sourcesd'approvisionnement@cmhc-schl.gc.ca](mailto:ProcurementSourcing_Sourcesd'approvisionnement@cmhc-schl.gc.ca)

**Article 4.0 - General Terms and Conditions****4.1 Supply Arrangement Termination**

Notwithstanding Articles 2 above, CMHC may terminate this SA and any resulting Contract for any reason with no penalty by giving thirty (30) days written notice, at any time during the the Term.

**4.2 Supply Arrangement Administrator (M)**

CMHC may assigned a Supply Arrangement Administrator (SA Administrator), either CMHC personnel or a third party at CMHC's sole discretion, to oversee the day-to-day management of this SA for the duration of the Term. For greater clarity, notwithstanding anything else in this SA, CMHC may upon notice to the SA Holder use one or more third party service providers designated by CMHC, at its sole discretion: (a) to manage CMHC's relationship with the SA Holder (which, for greater certainty, may include financial management); and (b) to access and use confidential information and Services provided by the SA Holder pursuant to the SA on behalf of and for the benefit of CMHC, in each case in accordance with the terms and conditions of this SA. The SA Holder shall be expected to name a counterpart representative. The SA Holder's representative will be responsible for providing scheduled status reports to the SA Administrator or a designate.

**4.3 Assignment of the Supply Arrangement**

The SA shall not be assigned in whole or in part by the SA Holder without the prior written consent of CMHC. It is understood and agreed that the SA Holder may engage other entities to assist them in providing certain of the Services contemplated in this SA provided that the SA Holder shall at all times remain responsible for the provision and quality of such services in a manner which fully recognizes and respects the confidential nature of the Services. The SA Holder undertakes to advise such entities in writing that they are independent contractors, and are not employees or agents of CMHC. No assignment of this SA shall relieve the SA Holder from any obligation under this SA or impose any liability upon CMHC.

**4.4 Supply Arrangement Holder's Indemnification**

The SA Holder agrees to indemnify, defend and hold harmless CMHC, its officers, employees and agents, for all loss, damages, costs, expenses, claims, demands, actions, suits or other proceedings of every nature and kind, including legal fees, arising from or in consequence of an act or omission of the SA Holder or of its subcontractors and employees related to the performance of the Services. The indemnification applies whether the actions, suits or proceedings are brought in the name of CMHC or in the name of the SA Holder. In the event that the SA Holder engages subcontractors to perform any of the Services hereunder, then the SA Holder shall be fully responsible to CMHC for the acts and omissions (including negligence) of its subcontractors and of persons directly or indirectly engaged by such subcontractors as if such acts and omissions were those of the SA Holder. CMHC shall have the right to assume control of its own defence at any time, provided that it assumes the costs of its defence. No specific remedy expressed in the Agreement is to be interpreted as limiting the rights and remedies to which CMHC may be entitled to under any contract or otherwise in law or at equity..

**4.5 Termination For Default of Supply Arrangement Holder**



Notwithstanding anything to the contrary in this document, CMHC may, by giving ten (10) days prior written notice to the SA Holder, terminate this SA and any resulting Contract without charge with respect to all or any part of this SA for any of the following reasons:

1. The SA Holder commits a material breach of its duties under this SA, unless, in the case of such breach, the SA Holder, within thirty (30) calendar days after receipt of written notice of such breach from CMHC, in a manner satisfactory to CMHC in its sole, absolute and non-reviewable discretion, (a) cures such breach and (b) indemnifies CMHC for any resulting damage or loss;
2. The SA Holder commits numerous breaches of its duties under this SA that collectively constitutes a material breach;
3. A change in control of the SA Holder where such control is acquired, directly or indirectly, in a single transaction or series of related transactions, or all or substantially all of the assets of the SA Holder are acquired, by any entity, or the SA Holder is merged with or into another entity to form a new entity, unless the SA Holder demonstrates to the satisfaction of CMHC that such event will not adversely affect its ability to perform the Services under this SA; or
5. The SA Holder becomes bankrupt or insolvent, or a receiving order is made against the SA Holder, or any assignment is made for the benefit of the creditors, or if an order is made or a resolution passed for the winding up of the SA Holder, or if the SA Holder takes the benefit of any Statute for the time in force relating to bankrupt or insolvent debtors.

In the case of fraud, gross misconduct or other unlawful acts CMHC may terminate the SA immediately.

In the event of a termination notice being given under the provisions of this Section 4.5, and subject to the deduction of any claim which CMHC may have against the SA Holder arising out of a Contract awarded from this SA or out of termination, payment will be made within thirty (30) days of the date of the invoice from CMHC to the SA Holder for the value of all finished Services delivered and accepted by CMHC, such value to be determined in accordance with the rate(s) specified in Schedule X provided by the SA Holder through the RFSA process.

#### **4.6 Non-Compliance or Default by SA Holder**

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

#### **4.7 Force Majeure**

In the event that the SA Holder is prevented from fulfilling its resulting contractual obligations under the terms of this SA by a force majeure or act of God (an event or effect that cannot be reasonably anticipated or controlled), the SA Holder shall notify CMHC in writing, within the shortest period of time. The said written

notice shall be sent by registered mail and shall state the factors that constitute a force majeure or an act of God. Without limiting the application of the above, the following shall constitute cases of force majeure: war, serious public disturbances, all impediments arising from orders or prohibitions of public authority, acts of God, actions of public enemies, strikes, lockout and other labour disputes, riots, flooding, hurricane, fire, explosion or any other natural disasters over which the SA Holder has no reasonable control. The SA Holder shall take all reasonable means to resume fulfillment of any contractual obligations. If this is not possible, CMHC may to the extent it deems necessary secure the services of any qualified supplier without compensation or obligation to the SA Holder.

#### **4.8 Compliance With Laws**

The SA Holder shall give all the notices and obtain all the licenses and permits required to perform the Services. The SA Holder shall comply with all the laws applicable to the Services or the performance any resulting Contract under the SA.

#### **4.9 Laws Governing Supply Arrangement**

The Supply Arrangement and any resulting Contract shall be governed by and construed in accordance with the laws with the federal laws of Canada and any provincial laws applicable therein.

#### **4.10 Independent Contractor**

The SA Holder shall act as an independent contractor for the purposes of this SA and any resulting Contract. The SA Holder and its employees, officers, subcontractors and agents are not engaged as employees of CMHC. The SA Holder agrees to so advise its employees, officers, subcontractors and agents. Without limiting the generality of the foregoing, the SA Holder shall retain complete control of and accountability for its employees and agents. The SA Holder shall prepare and process the payroll for its employees directly, and shall withhold and/or pay all applicable employment taxes and payroll deductions required in respect of its employees. All personnel shall, at all times, and for all purposes, be solely in the employment of the SA Holder.

#### **4.11 Supply Arrangement Holder's Authority**

The SA Holder agrees that it has no authority to give any guarantee or warranty whatsoever expressed or implied on behalf of CMHC and that it is in no way the legal representative or agent of CMHC and that it has no right or authority to create any obligation on behalf of CMHC or to bind CMHC in any way.

#### **4.12 Corporation Identification**

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

#### **4.13 Intellectual Property Rights**

All information, materials, reports, and other work product produced under this SA and any Contracts resulting from the SA shall be the exclusive property of the SA Holder and the SA Holder shall have copyright therein. Without restricting the scope of any license or other right that CMHC may otherwise hold, the SA Holder

hereby grants to CMHC an exclusive, perpetual, irrevocable, fully-paid and royalty-free right and license to use all or part of the information and materials produced under the SA and any Contracts resulting from this SA world-wide, with the right to modify the information or materials for any purpose related to the current or future operations of CMHC. The license so granted shall survive the termination of the SA or any resulting Contract.

#### **4.14 House of Commons**

No member of the House of Commons shall be admitted to any share or part of any Contract resulting from this SA or to any benefit arising therefrom.

#### **4.15 Income Tax Reporting Requirement**

As a federal Crown Corporation, CMHC is obliged under the Income Tax Act and Regulations to report payments made by CMHC to offerors(s) of goods and/or services by using a T1204 supplementary slip. CMHC must therefore obtain the necessary information from offerors(s) (including the SA Holder's social insurance number and/or corporate identification number) in order to allow it to complete the T1204 supplementary slip.

#### **4.16 Conflict of Interest**

- (a) The SA Holder and its principals, employees and agents shall avoid any conflict of interest during the term of this SA and shall immediately declare any existing, potential or apparent conflict and shall, upon direction of CMHC, take steps to eliminate any conflict or perception that a conflict of interest exists.
- (b) The SA Holder must not provide any Services to any third party in circumstances that might reasonably give rise to a conflict of interest, including a conflict between the SA Holder's duties to that third party and the SA Holder's duties to CMHC.
- (c) In the event that a conflict of interest, real or perceived, cannot be resolved to the satisfaction of CMHC, CMHC shall have the right to **immediately terminate** the SA. All portions of the Services which have been completed at the date of termination shall be forwarded to CMHC and CMHC shall be liable for payment to the SA Holder of an amount which, in the sole opinion of CMHC, constitutes reasonable payment for the partial performance of the SA Holder's obligations under this SA. Upon such payment, CMHC shall have no further obligation of any nature or kind to the SA Holder.

Any former public office holder must be in compliance with the post-employment provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders (2012) in order to derive a direct benefit from any contract which may arise from this SA.

#### **4.17 Approval of Services**

Before advancing any amount of payment to the SA Holder, CMHC reserves the right to determine, in its sole and absolute discretion, whether the resulting Contract for Services has been performed to the satisfaction of CMHC. The method of approving the Services done will be in writing through electronic courier, fax or traditional mail as described in **Schedule A** attached herein. In the event the Services are not acceptable to

CMHC, CMHC may take such action as it deems necessary to correct the SA Holder's default, including, without limitation, the following:

- (a) direct SA Holder to redo the Services or part of the section which was not completed to CMHC's satisfaction;
- (b) withhold payment due or accrued due to the SA Holder for Contracted Services rendered pursuant to this SA;
- (c) set off any expenses incurred by CMHC in remedying the default or failures of the SA Holder against payment for Contracted work due or accrued due to the SA Holder; and
- (d) terminate this SA and any resulting Contracts for default and /or seek indemnification from the SA Holder for losses suffered by CMHC as a result of such default.

#### **4.18 Confidentiality (M)**

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

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

- a) The SA Holder or its servants or agents will treat as confidential during, as well as after completion of, any subsequent contract, all information relating to the affairs of CMHC of which it acquires knowledge as a result of its engagement hereunder;
- b) [The SA Holder shall, at the request of CMHC, provide an Oath of Secrecy for each of its employees or persons engaged in carrying out the service, in a form prescribed by CMHC]<sup>1</sup>; and
- c) Any documents provided to the SA Holder in performance of the Services described herein shall be returned, uncopied to CMHC or destroyed by the SA Holder within six (6) months of the termination of any subsequent Contract. For documents not returned to CMHC, the SA Holder shall provide specific proof under oath of their destruction.

#### **4.19 Ownership**

- (a) Any quarterly reports or any other reports requested by CMHC and prepared by the SA Holder for the exclusively for the CMHC shall remain the property of the CMHC and all copyrights thereto are the property of the CMHC and neither the SA Holder nor its employees, officers, subcontractors or agents shall divulge, release or publish any such documentation.
- (b) Any and all other information relating to the CMHC and obtained by the SA Holder during the course of execution of its duties under this SA shall remain the property of the CMHC and shall not be used in any way or disclosed to anyone without the prior written consent of the CMHC.

## 4.20 Insurance

- a) The SA Holder will provide and maintain Commercial General Liability insurance for a limit of \$2,000,000 per occurrence for bodily injury, or damage to property including loss of use of such property. This policy shall include the following extensions:

cross liability including severability of interest clause

blanket contractual liability

CMHC to be added as additional insured

broad form completed operations (required if SA Holder is doing physical work, e.g. painting, welding, flooring, etc.)

non-owned automobile

employer's liability (or confirmation that all employees are covered by WSIB)

Supply Arrangement Holder's liability to include operations of independent contractors (if not provided then each subcontractor must provide a Certificate of Insurance confirming that they have liability insurance as detailed in the RFSA)

Thirty (30) days prior written notice of cancellation to Risk Management Consultant, 700 Montreal Road, Ottawa, Ontario K1A 0P7

- b) The SA Holder will provide and maintain Professional Liability insurance for a limit of not less than \$5,000,000. The policy will provide thirty (30) days prior written notice of cancellation to Risk Management Consultant, 700 Montreal Road, Ottawa, Ontario K1A 0P7. Coverage is to include SA Holder's employees and SA Holder's contract employees (if applicable) as named insureds.

c) **Automobile Insurance**

The Offeror will provide and maintain Automobile Insurance with an insurer licensed to do business in Canada with limits of not less than \$2,000,000 Third Party Liability for all motor vehicles used by the Offeror in the performance of this SA.

d) **Fidelity Bond/Employee Dishonesty Insurance**

The Offeror shall carry a fidelity bond/employee dishonesty insurance with an insurer licensed to do business in Canada. The policy shall extend to include a third party extension (client coverage) citing CMHC as a beneficiary with respect to services performed under the SA. Insurance is to include a third party extension for a limit of not less than \$100,000.

e) **Property Floater**

The Offeror shall insure all property/equipment brought onto the premises or otherwise in their care, custody, and control against direct physical loss or damage. The property insured shall be on a replacement cost basis and include but not be limited to any stock, inventory, goods for sale, equipment, displays, and kiosks in an amount not less than the actual cash value of the property/equipment.

f) **Transportation Floater Insurance/ Motor Truck Cargo**

The Offeror will provide and maintain transportation insurance with an insurer licensed to do business in Canada for damage to CMHC's leased property/equipment while in transit, including loading and unloading for an amount of not less than the replacement cost value of the property/equipment.

- g) The SA Holder will provide a Certificate of Insurance at least five (5) days prior to the SA commencement date confirming the above insurance policies and evidencing that coverage has been placed with an Insurer licensed to do business in Canada. Upon receipt of the certificate of insurance CMHC reserves the right to request a Certified copy of the SA Holders policy for review.

### **Other conditions**

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

All insurance policies required to be maintained by Offeror pursuant to this Section (Insurance) shall be primary with respect to this SA and any valid and collectible insurance of CMHC shall be excess of Offeror's insurance and shall not contribute to it.

All Certificate of Insurance shall mention that insurers will provide CMHC with at least thirty (30) days' written notice prior to cancellation of any insurance referred to under this Section (Insurance). In addition the Offeror shall provide written notice to CMHC forthwith upon learning that an insurer described in this Section (Insurance) intends to cancel, or intends to make or has made a material change to, any insurance referred to in this Section (Insurance).

A Certificate of Insurance meeting the above requirements shall be delivered to CMHC upon execution of this SA and for each renewal thereafter.

Without in any way restricting CMHC's direction to grant or withhold its consent to a request to subcontract pursuant to Section (Insurance), the Offeror agrees that it shall contractually obligate any subcontractor or independent contractor retained in connection with this SA to maintain insurance against such risks and in such amounts that having regard to such subcontractor's or independent contractor's involvement in the provision of the Services could reasonably be expected to be carried by Persons acting prudently and in a similar business to that of such subcontractor or independent contractor.

It shall be the sole responsibility of the Offeror to decide whether or not any other insurance coverage, in addition to the insurance requirements stipulated herein, is necessary for its own protection or to fulfill its obligation under the contract. All insurance policies shall be provided and maintained by the Offeror at its own expense.

#### **4.21 Non-waiver**

The failure of CMHC to insist on strict compliance with one or more of the terms of the SA shall not constitute a waiver of CMHC's right to enforce those terms at a later date. No provision of the SA shall be deemed to have been waived as a result of a breach by either party of the provision, unless such waiver is in writing and signed by the other party. The written waiver by either party of any breach of any provision of the SA by the

other party, shall not be deemed a waiver of such provision for any subsequent breach of the same or any other provision of the SA.

#### **4.22 Severability**

If any provision of the SA is held by competent authority to be invalid, illegal or unenforceable for any reason, the remaining provisions of the SA and its attachments will continue in full force so long as they express the intent of the Parties. If the intent of either Party cannot be preserved, the SA shall be either renegotiated or terminated by the Parties.

#### **4.23 Suspension of Services and Changes in Specifications**

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

#### **4.24 Non-Disclosure of CMHC Information (M)**

Under this section, “**CMHC Information**” refers to any and all information which is managed, accessed, collected, used, disclosed, retained, received, created or disposed of in order to fulfill the requirements of the SA, however obtained and in whatever format. Without limiting the generality of the foregoing, CMHC Information includes data held in any type of electronic format and information provided directly, indirectly or through third parties to the Supply Arrangement Holder, reseller, agent or any other person engaged to perform the Services under the Supply Arrangement. The Supply Arrangement Holder acknowledges and understands that all CMHC Information is subject to Canadian laws on privacy and access to information under which CMHC is bound and that CMHC considers CMHC information to be under its custody and control at all times. The Supply Arrangement Holder further understands and agrees to treat all CMHC Information as proprietary, confidential and sensitive unless otherwise specifically agreed to in writing by CMHC. The Supply Arrangement Holder shall restrict access to CMHC Information to those persons who have a need to know this information in order to perform the Services under the Supply Arrangement.

The SA Holder shall ensure that CMHC Information shall remain in Canada and expressly agrees to segregate CMHC Information (whether in electronic format or in hard copy) from any other information in a database or repository physically independent from all other databases or repositories. Without limiting the generality of the foregoing, the SA Holder shall not and shall ensure that any subcontractor, reseller, agent or any other person engaged to perform any part of the Services does not release, share or otherwise divulge CMHC Information to any other person including subsidiaries, branch offices, partners of the SA Holder or subcontractors without the prior written consent of CMHC.

#### **4.25 Extras**

Except as otherwise provided in any resulting Contract from this SA, no payment for extras shall be made unless such extras and the price thereof have been authorized in writing by CMHC.

#### **4.26 Binding**

This SA and any resulting Contract shall be binding upon the Parties hereto, their heirs, executors, administrators, successors and assigns. Any changes to this SA MUST be documented in writing by way of an amending agreement and approved in writing by both Parties hereto.

#### **4.27 Access to CMHC Property**

In the event that the SA Holder or any other persons engaged by the SA Holder are required to come on site to CMHC Locations (as listed in Schedule X of this SA) in the performance of the Services, this Article 4.27 shall apply:

- A. CMHC agrees to permit access by the SA Holder's employees or subcontractors onto CMHC premises for the purpose of fulfilling its obligations as per the terms of this SA. However, CMHC reserves the right to refuse entry of the SA Holder's personnel in cases of emergencies. CMHC also will have the right at any time to remove from and/or refuse entry to the work site any incompetent or intemperate employee who violates CMHC Safety and/or Security Regulations or interferes with CMHC operations at the site. The SA Holder shall be fully responsible to CMHC for the acts and omissions (including negligence) of its employees or subcontractors and of any persons directly or indirectly engaged by such SA Holder, as if such acts and omissions were those of the SA Holder.
- B. Security Clearance – The SA Holder agrees that it, or any other persons for which it is responsible, who are to perform the SA Holder's obligations hereunder, shall not be acceptable to CMHC unless, at the request of CMHC, those persons have received a security clearance from CMHC's Security Office in order to permit them access to CMHC information and premises. It is further agreed that the SA Holder shall provide and cause any such other person who is to perform Services under this SA and for whom the SA Holder is responsible to provide any and all information requested by CMHC's Security Office to CMHC immediately upon request. It is agreed that should the SA Holder or any other person who is to perform the Services under the SA and any resulting Contract and for whom the SA Holder is responsible, fail to receive such a security clearance, that CMHC shall have the sole discretion to exclude such person from performing any Services under this SA and any resulting Contract.

#### **4.28 Third Party Rights**

The SA Holder warrants and guarantees that the software and the Services delivered under the SA and any resulting Contract do not infringe any valid patent, copyright, trademark or industrial design, foreign or domestic, owned or controlled by any other corporation, firm or person. The SA Holder certifies that it has no outstanding contract or obligation that is in conflict with any of the provisions of this SA and any resulting Contract, or that would preclude the SA Holder from complying with the provisions hereof, and that it will not enter into any such conflicting contract during the term of this SA and any resulting Contract. The SA Holder further certifies that it will not disclose to CMHC any confidential, secret, and/or proprietary information, which is the property of others and which the SA Holder is not authorized to disclose. The SA Holder shall be responsible for obtaining, at its expense, all rights to third party intellectual property, necessary to comply with its obligations under this SA and any resulting Contract. The SA Holder warrants that it has all the necessary rights to use third party intellectual property included in software delivered and the Services performed under this SA and any resulting Contract.

#### **4.29 Survival**



The provisions of Section 4.9 (“Laws Governing the Supply Arrangement”), 4.13 (“Intellectual Property”), Section 4.18 (“Confidentiality”), Section 4.19 (“Ownership”), Section 4.24 (“Non-Disclosure of CMHC Information”), this Section 4.29 (“Survival”) shall survive any termination or expiration of this SA.

## **Article 5.0 - Supply Arrangement Administration**

**5.1** The SA Holder shall be notified in writing by CMHC's SA Administrator, of the names of CMHC representatives authorized, from time to time, to assign work and approve payments with respect to the services carried out under this SA.

### **5.2 – SA Documents**

The documents which comprise the entire agreement between the Parties with respect to this matter consist of the following:

- (a) This form of SA and attached Schedules dated ;
- (b) Any Contract resulting from this SA and any Schedules attached thereto;
- (c) CMHC's RFSA and any Appendices/Schedules attached thereto dated ; and
- (c) The Contractor's submitted Proposal dated .

together with all written change notices issued by CMHC hereunder and such further specifications and documents as the Parties may agree to in writing.

The documents comprising the Agreement are complementary and what is called for in any one shall be binding as if called for by all. The documents shall be interpreted as a whole and the intent of the whole shall govern. In the event of a conflict between them, the documents shall have precedence among themselves in the order as listed above.

**Signature follows:**

**IN WITNESS WHEREOF** this SA has been signed by the SA Holder by their duly authorized signing officers. By signing, the SA, the SA Holder agrees to the Terms & Conditions contained herein.

**Supply Arrangement Offerors:**

**Phone:**                      **Fax:**

**E-mail:**

---

**Supply Arrangement Offerors  
Authorized Officer**

---

**Date**

---

**Witness**

---

**Date**

**7 SECTION 7 APPENDICES**

**APPENDIX A (M)**

**7.1 Certificate of Submission**

\_\_\_\_\_ hereby:  
Procurement Business Number (PBN)

- 1) agrees to provide Services to CMHC, as described in this Offer, on an if, as and when required basis, all in accordance with the Request for Supply Arrangement (SA);
- 2) agrees to the terms as set out in this Offer, for the period of the SA as specified in this RFSA;
- 3) certifies that, at the time of submitting this Offer, is in full compliance with all tax statutes administered by all provincial, territorial and federal Ministries of Finance and that, in particular, all returns required to be filed under all provincial and federal tax statutes have been filed, and all taxes due and payable under those statutes have been paid or satisfactory arrangements for their payment have been made and maintained;
- 4) and warrants that in submitting the Offer or performing any Services awarded from a SA, there is no actual or perceived conflict of interest; or identifies the following conflict of interest:  
.
- 5) represents and warrants that in preparing the Offer, there was no actual or perceived unfair advantage due to the receipt of information regarding the RFSA that was not made available to other Offerors(s);
- 6) certifies that this Offer was independently arrived at, without collusion and certifies that no gratuities or gifts in kind were offered to any CMHC employee, Board member or Governor-in-Council appointee; and intended, by the gratuity, to obtain a SA;
- 7) authorizes CMHC to conduct such investigation as it deems appropriate to verify the contents of the offer;
- 8) agrees to comply with all of the Terms and Conditions in an unaltered form as stated for any Contract awarded as a result of this RFSA;
- 9) agrees that, in the event of acceptance of its Offer, it will enter SA negotiations in accordance with the RFSA, and, upon successful entry into any resulting Contract with CMHC, it will commit to providing the full scope of Services identified in any resulting Contract.
- 10) agrees that, all the materials produced under the terms of any Contract resulting from this RFSA shall be the exclusive property of CMHC, that CMHC shall have copyright therein; and will not reimburse the Offerors for costs associated with the services, travel or documents produced in response to this RFSA;
- 11) agrees that it and any other persons for which it is responsible, who are to perform the Services as stated in this RFSA, at the request of CMHC will comply with security screening as deemed appropriate;
- 12) authorizes CMHC to perform a credit check and/or financial evaluation, as required.

Signed this day of , at , Canada. Corporations are not required to provide a corporate seal.

**Corporation/Individual:**

\_\_\_\_\_  
Signature of Signing Authority

Declaration: I have the authority to bind the company.

**APPENDIX B**

**7.2 Evaluation Table**

<b>EVALUATION CRITERIA</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
	<b>WEIGHT 100 Total</b>	<b>POINTS 1 to 10</b>	<b>UPSET SCORE</b>	<b>SCORE AxB</b>
End of Term Buy-out Options	10			
Operating Lease	20			
Insurance Coverage	1			
Lessor's Background	2			
Lessor Information	3			
Lessor References	5			
Quarterly Rate Update	2			
Lease Rate Criteria	5			
Future Pricing Methodology	4			
<b>TOTALS</b>	<b>520</b>		<b>312</b>	

**APPENDIX C****7.3 Mandatory Compliance Checklist**

- |                          |                |   |
|--------------------------|----------------|---|
| <input type="checkbox"/> | Section 2.2    | Certificate of Submission                       |
| <input type="checkbox"/> | Section 2.3(b) | Delivery Instructions and Deadline (by E-BID)   |
| <input type="checkbox"/> | Section 2.7    | Offering Period                                 |
| <input type="checkbox"/> | Section 2.10   | Verification of Offerors's Offer                |
| <input type="checkbox"/> | Section 2.11   | Ownership of Offers                             |
| <input type="checkbox"/> | Section 2.12   | Proprietary Information                         |
| <input type="checkbox"/> | Section 2.13   | Corporation Identification                      |
| <input type="checkbox"/> | Section 2.14   | Declaration re: Gratuities                      |
| <input type="checkbox"/> | Section 2.15   | Conflict of Interest                            |
| <input type="checkbox"/> | Section 2.16   | Declaration re: Bid Rigging and Collusion       |
| <input type="checkbox"/> | Section 2.18   | Non-Disclosure of CMHC Information              |
| <input type="checkbox"/> | Section 2.19   | Offerors' Procurement Business Number (PBN)     |
| <input type="checkbox"/> | Section 2.20   | Costs Associated with the Preparation of Offers |
| <input type="checkbox"/> | Section 3.3    | Supply Arrangement Termination                  |
| <input type="checkbox"/> | Section 3.4    | Termination for Default by Lessor               |
| <input type="checkbox"/> | Section 3.5    | Title   |
| <input type="checkbox"/> | Section 3.6    | No Lease Registration                           |
| <input type="checkbox"/> | Section 3.7    | Lease Commencement                              |
| <input type="checkbox"/> | Section 3.8    | Lease Schedule Term                             |
| <input type="checkbox"/> | Section 3.9    | Master Lease Agreement Term                     |
| <input type="checkbox"/> | Section 3.10   | Additional Procurements                         |
| <input type="checkbox"/> | Section 3.11   | Notice of Lease Schedule Termination            |
| <input type="checkbox"/> | Section 3.12   | Lease Extensions                                |
| <input type="checkbox"/> | Section 3.13   | Lease Termination                               |
| <input type="checkbox"/> | Section 3.14   | Equipment Buy-out Option                        |
| <input type="checkbox"/> | Section 3.15   | Early Re-finance Option                         |
| <input type="checkbox"/> | Section 3.16   | Assignment of Agreement                         |
| <input type="checkbox"/> | Section 3.17   | Quiet Enjoyment                                 |
| <input type="checkbox"/> | Section 3.18   | Non-Compliance or Default by Lessor             |
| <input type="checkbox"/> | Section 3.19   | Equipment Return                                |
| <input type="checkbox"/> | Section 3.20   | Return Costs                                    |
| <input type="checkbox"/> | Section 3.21   | Removal Costs                                   |
| <input type="checkbox"/> | Section 3.22   | Right to Upgrade                                |
| <input type="checkbox"/> | Section 3.23   | Warranties by Lessor                            |
| <input type="checkbox"/> | Section 3.24   | Right to move Equipment                         |
| <input type="checkbox"/> | Section 3.25   | Lease Schedules                                 |
| <input type="checkbox"/> | Section 3.26   | Monthly Reports                                 |

- Section 3.26 Purchase Orders
- Section 4.4 Response to Statement of Services
- Section 4.5.1 Credit Check
- Section 4.5.2 Financial Capacity
- Section 4.6 Pricing Scenarios
- Section 5.4 Technology Security Declaration
- Section Contract - 4.2 Supply Arrangement Administrator
- Section Contract - 4.16 Conflict of Interest
- Section Contract - 4.18 Confidentiality
- Section Contract - 4.24 Non-Disclosure of CMHC Information
- Section APPENDIX "A" Certificate of Submission
- Section APPENDIX "E" CMHC's OFFEROR TRAVEL POLICY

**\* Offerors must return this original signed Request For Supply Arrangement (RFSA) document, including all requested signatures, as part of an offer to become a Supply Arrangement Holder.**

**Remainder of page intentionally left blank**

## **APPENDIX "D" Pricing**

Lease cost Excel spreadsheet attached with the RFSA

**APPENDIX “E” CMHC’s OFFEROR TRAVEL POLICY (M)**

This Schedule “E” outlines CMHC’s policy for Offeror’s travel reimbursement. Unless otherwise agreed in writing by CMHC, the Offeror agrees to abide by and follow and shall be reimbursed in accordance to policy herein.

**1. GENERAL**

All travel requirements must be pre-approved prior to travel commitments. In addition, CMHC reserves the right, at their sole discretion to refuse payment for any travel exceeding the allotted value and/or rates outlined in this Schedule “E” (CMHC’s Offeror Travel Policy).

**1.1 ADMINISTRATION**

CMHC will reimburse the Offeror for actual costs incurred for travel and accommodation where;

- (a) such costs are approved by CMHC in writing in advance of the travel expense being incurred; and
- (b) Costs and/or rates are in accordance to values set forth in this Schedule “E”.

**1.2 PROCESS FOR SUBMITTING EXPENSES**

For reimbursement by CMHC for expenses incurred, in connection with approved travel, the Service Provider shall:

- 2. Submit the invoice within thirty (30) days of the completion of travel in accordance to and to the address listed in Article 3.5 All invoices of the proposed contract terms and conditions (Section 6.2)
  - (a) Attach true copies of original receipts to the invoice.

**2.1. RECEIPTS**

Receipts must be a true copy of the original and must detail:

- Date,
- Location (name of establishment),
- Amount,
- Taxes (including HST, as applicable), and
- Description of the expense.

**NOTE:**

- Meal receipts in the form of a credit card receipt are not acceptable. Receipt books and hand written cheque receipts or proofs of payment will also not be accepted.
- Hotel receipts must be submitted for hotel charges.



- Expenses for air transportation must be accompanied by the receipt (electronic receipt for e-tickets) and the boarding pass.

**2.2. REIMBURSEMENT**

Prior to the reimbursement, the expenses will be reviewed by CMHC to confirm;

- (a) Amount of actual expenses incurred;
- (b) Rates and claims for such expenses are in accordance to this Schedule “E”.

2. **Air** – The Offeror must select the most economical airfare available at the time of reservation. .
3. **Car and Hotel**–Some suppliers have agreed to extend their government rates to Offerors, consultants or advisors working under contract to CMHC and traveling on official CMHC business in performance of that contract. Upon Request CMHC will provide Offerors, consultants or advisors with a letter, specifying the duration of their contract or specifying that they are on travel status on behalf of CMHC and their destination. Government rates for car rentals and hotel accommodations can be found on the following website - <http://rehelv-acrd.tpsgc-pwgsc.gc.ca/ACRDS/index-eng.aspx> (copy this link, email to yourself and click on the link in the received email and you will get to the page). If not selecting a supplier from the list on that website, travellers must choose alternate suppliers with rates similar to those published government rates.

Vehicles must be mid-size or smaller unless special circumstances warrant a larger vehicle, for example when there are several people sharing a vehicle, when transporting excess baggage or equipment that warrants a larger vehicle, or when travelling to remote areas warrants a specific type of vehicle. Rental of any vehicle with a value of more than \$55,000 are not permitted.

4. **Meal Allowance** - the Offeror shall be reimbursed the lesser of the applicable meal allowance (described below for each breakfast, lunch and dinner effective October 1, 2019) while on travel status to the actual expense recite. A meal allowance shall not be reimbursed to the Offeror with respect to a meal that has been provided or is claimed as a hospitality expense or the cost of any alcohol. [The Meal Allowance per diem for 2019 can be found at the following website:](#)

<http://www.njc-cnm.gc.ca/directive/d10/v238/s659/en>

Meal Allowance for Canada and USA (effective Oct 1 <sup>st</sup> , 2019)				
Private non-commercial accommodation allowance	Breakfast	Lunch	Dinner	Daily Totals – Meals
\$50.00	20.35	20.60	50.55	91.50

5. **Privately-owned vehicle and applicable Kilometre Rates** - The Offeror shall be reimbursed the number of kilometers driven for the use of privately owned vehicles used on authorized corporate business. The kilometer rates effective October 1, 2019, are 57.0¢/km for vehicles registered in

Ontario and 54.0¢/km for vehicles registered in Quebec. These rates include all taxes. The Offeror shall use the most direct, safe and practical road routes and shall claim only for distances necessarily driven on business travel.

The Offeror may use a privately owned vehicle for business purposes when its use is economical and practical as compared to renting a vehicle, commercial travel by airline carrier, train, taxi, etc. The following requirements must be adhered to when using a privately owned motor vehicle while travelling on CMHC business:

Any person (employee, contract employee, consultant) using a private vehicle on CMHC business, must ensure that the vehicle is protected by a minimum \$1,000,000 Public Liability and Property Damage Insurance.

Kilometer rates for 2019 et seq. can be found at the following website:

<http://www.njc-cnm.gc.ca/directive/d10/v238/s658/en>

***Travel Estimate Form on next page.***

**TRAVEL ESTIMATES FORM\***  
**FOR Offerors**  
 (\*pursuant to clause [ ] of the Agreement, reproduced at the end of this schedule for ease of reference)

OFFEROR INFORMATION		
Company Name		Number of travellers
CMHC Contracting Authority	Division	RC

TRAVEL INFORMATION		
Region of travel	Contract Start Date	Contract End Date
Purpose of Trip / Objective		
Explain why virtual presence or other remote meeting solutions were not used.		
Provide rationale for the mode of transportation selected.		

TOTAL ESTIMATED COST BEFORE TAXES	
	\$ CAD
Transportation Type (Air, Rail or Car)	
Accommodation	
Meals	
Incidentals	
Miscellaneous (Detail required)	
<b>Total</b>	

Approved by: (contracting authority signature)

Date:

**\*[Clause No.] Travel Costs.** All travel costs are included in the total contract value. The Offeror is not entitled to seek reimbursement from CMHC for any extra or separate travel expenses whatsoever under this Supply Arrangement or any Agreement(s), unless otherwise agreed by CMHC. Travel costs are to be estimated based on eligible travel costs which will be incurred directly by the Offeror to perform the Services that are reasonable and comparable to costs allowed under CMHC's Offeror Travel Policy, attached hereto as Appendix "E". In support of the travel costs included in the contract value, the Offeror is required to complete this Estimate Form (or provide the information contained in the Estimate Form in another format) and provide it to the designated CMHC Authority for pre-approval. **CMHC may, at its sole discretion, not reimburse the Offeror for the travel costs where the Offeror has not completed the Estimate Form and obtained a pre-approval.** The Offeror must also provide appropriate receipts that are satisfactory to CMHC in support of travel costs.

**APPENDIX “H” RFS threshold Chart**

RFS- Lease Financing – Threshold Table

A minimum number of Supply Arrangement Holders will be invited to bid on work on an as-and-when-required basis under a Request for Service (“RFS”) process. The minimum number of Supply Arrangement Holders invited will be based on the estimated contract value as per the threshold chart below.

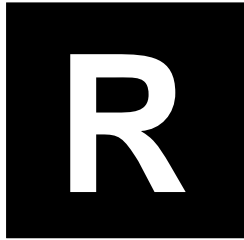
NON-COMPETITIVE	COMPETITIVE
Under \$10,000	Over \$10,001 All SA Holders invited
Single Source	

Note: CMHC will invite the minimum number of Supply Arrangement Holders in accordance to the table above however, in instances where the number of Supply Arrangement Holders qualified to deliver certain equipment is less than the minimum number of Supply Arrangement Holders to be invited, CMHC shall only be obligated to invite the Supply Arrangement Holders qualified to deliver such equipment.

Offerors will be given three (3) days to respond to a RFS in normal circumstances; however, CMHC reserves the right to adjust the number of days depending on complexity and/or urgency of individual requirements. Responses will be evaluated in accordance with the phases outlined in the RFSA and a contract may be awarded to a successful Supply Arrangement Holder of such RFS process.

## APPENDIX “J” RFS Template

RFSA- Lease Financing – RFS



# REQUEST FOR SERVICE

FOR

*Lease Rates for Task\_\_\_\_\_*

*Description of Equipment or Services*

Date re-issued: \_\_\_\_\_

Solicitation Closes: \_\_\_\_\_  
**at 2:00pm EST**

Solicitation File # : *Task* \_\_\_\_\_  
(File Number)

Originating Department: IT Contracts

Inquiries: \_\_\_\_\_

Tel: (613) \_\_\_\_\_

Email:  
[ProcurementSourcing\\_Sourcesd'approvisionnement@cmhc-schl.gc.ca](mailto:ProcurementSourcing_Sourcesd'approvisionnement@cmhc-schl.gc.ca)

Security Classification: PROTECTED

*Ce document est disponible en français sur demande*



## 1. GENERAL INFORMATION

As a Supply Arrangement Holder under the Request for Supply Arrangement # \_\_\_\_\_ (*herein after referred to as* (“SA Holder”), you are invited to submit a bid in reference to this lease rate Request for Services (“RFS”). Any contract resulting from this Request for RFS shall be subject to the terms and conditions of the Financing Services Supply Arrangement (“Agreement”).

## 2. SCOPE OF WORK

CMHC is requesting SA Holder(s) to submit a quote in reference to SCTASK\_\_\_\_\_ as outlined in Schedule “A” – detailed information for equipment and or software (Services) required.

## 3. DELIVERABLES

The successful SA Holder of this RFS process shall provide CMHC a binding quote for the Services in accordance to the terms and conditions of their Master Lease Agreement and. Please respond by email if your company chooses not to provide quote rather than not submitting a submission.

## 4. PRICE QUOTATION

The SA Holder must submit a fixed/firm quote for the Services using Schedule “B” –Quote Submission (“Quote Submission”) attached hereto.

All Quote Submission(s) must be in Canadian currency and show the Goods and Services Tax (GST), Harmonized Sales Tax (HST), and/or Provincial Sales Tax (PST), as applicable, unless otherwise stated as separate line items. All Travel and living expenses must be listed as separate line items as well.

For the purpose of clarity, CMHC shall not be liable for ANY additional costs which are not included in the SA Holder(s) Quote Submission unless otherwise stated in the Agreement.

## 5. SUBMISSION INSTRUCTIONS

SA Holders are requested to submit their **signed** Schedule “B” –Quote Submissions to [ProcurementSourcing\\_Sourcesd'approvisionnement@cmhc-schl.gc.ca](mailto:ProcurementSourcing_Sourcesd'approvisionnement@cmhc-schl.gc.ca), by **2:00 pm EST**, \_\_\_\_\_. The subject line of the transmission must state:

### **SCTASK**

Timely and correct delivery of Quote Submission(s) to the exact specified quotation delivery address is the sole responsibility of the SA Holder. All risks and consequences of incorrect delivery of Quote Submission(s) is the responsibility of the SA Holder. CMHC will not assume or have transferred to them such responsibilities. All registered times will be in accordance with the time CMHC computer servers **receive** the submission, not the time the quotation was sent by the SA Holder\*. Submissions received after **2:00 pm EST** will not be accepted.

\* Please be advised that electronic transmissions may not necessarily be immediate and can experience lengthy delivery delays. SA Holder(s) should ensure that sufficient delivery time is allowed for Quote Submission(s) to be received.

Quotation Submission(s) may be submitted in MS Word, MS Excel, Lotus WordPro or Adobe Acrobat PDF in English or in French.

NOTE: In certain email programs the "Send" format may need to be specified as either "HTML" or "Plain Text".

**Rich Text formatted documents cannot be opened by CMHC.**

### **SA HOLDER SELECTION**

The CMHC policy pertaining to the selection of suppliers is based on the principle that all suppliers, and in this instance SA Holders, shall be treated fairly and equally. For the purpose of this section, suppliers are defined as an individual or firm that could provide, or has provided, goods or services or construction under contract.

CMHC shall conduct the RFS process in a visibly fair manner and will treat all SA Holders equitably. It is intended that the lowest cost Quote Submission will be accepted, however, CMHC reserves the right to accept or reject any or all Quote Submission(s) and to verify that the SA Holder is able to meet the conditions outlined in the RFS prior to awarding a contract.

Without changing the intent of this RFS or the lead SA Holder's Quote Submission, CMHC will enter into discussions with the lead SA Holder for the purpose of finalizing the details surrounding the engagement outlined herein. If at any time CMHC decides the lead SA Holder cannot satisfy CMHC's requirements, CMHC may terminate negotiations. If at this time CMHC feels the secondary SA Holder may meet the requirements, CMHC will continue the process with the secondary SA Holder and so on.

Note: The fulfillment of requirements of this RFS shall be subject to the provisions set forth in the successful SA Holder Agreement. Announcement of the successful SA Holder will be made upon successful negotiation and acceptance of the fulfilment terms.



### Schedule "B" Quote Submission

		<b>SCTASK</b> _____				
		Description: _____				
<b>Total Equipment cost</b> <i>(excluding tax)</i>	\$ _____					
<b>Total services cost</b> <i>(excluding tax)</i>	\$ _____					
<b>Grand Total</b>	\$ _____					
<b>Equipment</b>						
Equipment Description	Quantity	Unit Price	Finance Amount	Rate / \$1,000	Monthly payment	Buy-Out cost
<b>TOTAL</b>			\$ _____		\$ _____	\$ _____
<b>Software</b>						
Software Description	Quantity	Unit Price	Finance Amount	Rate / \$1,000		
<b>TOTAL</b>			\$ _____		\$ _____	
<b>GRAND TOTAL</b>			\$ _____		\$ _____	\$ _____

Note: SA Holder is required to complete all sections of this Schedule B regardless of rate determining the outcome of the successful Quote Submission.

**SA HOLDER:** \_\_\_\_\_

\_\_\_\_\_

*Signature*

*Date*

*Print Name*

*Title*