



Table of Contents

PART 1 - GENERAL INFORMATION	4
1. INTRODUCTION.....	4
2. SUMMARY.....	4
3. SECURITY REQUIREMENT	4
4. TRADE AGREEMENTS	4
5. FEDERAL CONTRACTORS PROGRAM.....	5
6. RECOMMENDED SPARE PARTS LIST	5
7. PHASED BID COMPLIANCE PROCESS.....	5
8. BID SUBMISSION WITH EPOST CONNECT SERVICE.....	5
9. DEBRIEFINGS	5
PART 2 - BIDDER INSTRUCTIONS.....	6
1. STANDARD INSTRUCTIONS, CLAUSES AND CONDITIONS.....	6
2. SUBMISSION OF BIDS.....	6
3. FORMER PUBLIC SERVANT	6
4. ENQUIRIES - BID SOLICITATION	8
5. APPLICABLE LAWS.....	8
6. IMPROVEMENT OF REQUIREMENT DURING SOLICITATION PERIOD	8
PART 3 - BID PREPARATION INSTRUCTIONS.....	9
1. BID PREPARATION INSTRUCTIONS.....	9
2. SECTION I: TECHNICAL BID	10
3. MANDATORY AND RATED TECHNICAL REQUIREMENTS EVALUATION CRITERIA:	10
4. SECTION II: FINANCIAL BID.....	11
5. ELECTRONIC PAYMENT OF INVOICES – BID	12
6. EXCHANGE RATE FLUCTUATION	13
7. SECTION III: CERTIFICATIONS	13
PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION	14
1. EVALUATION PROCEDURES	14
2. PHASED BID COMPLIANCE PROCESS.....	14
3. TECHNICAL BID EVALUATION – MANDATORY REQUIREMENTS	18
4. TECHNICAL BID EVALUATION – RATED REQUIREMENTS.....	18
5. FINANCIAL BID EVALUATION.....	18
6. BASIS OF SELECTION - HIGHEST COMBINED RATING OF TECHNICAL MERIT AND PRICE.....	19
PART 5 – CERTIFICATIONS AND ADDITIONAL INFORMATION	21
1. CERTIFICATIONS REQUIRED WITH THE BID	21
2. CERTIFICATIONS PRECEDENT TO CONTRACT AWARD AND ADDITIONAL INFORMATION.....	21

PART 6 - SECURITY AND FINANCIAL REQUIREMENTS	23
1. SECURITY REQUIREMENTS	23
2. FINANCIAL CAPABILITY	23
PART 7 - RESULTING CLAUSES FOR ACQUISITION CONTRACT	24
1. STATEMENT OF WORK.....	24
2. STANDARD CLAUSES AND CONDITIONS	24
3. SECURITY REQUIREMENTS	24
4. TERM OF CONTRACT	25
5. AUTHORITIES.....	26
6. PROACTIVE DISCLOSURE OF CONTRACTS WITH FORMER PUBLIC SERVANTS	27
7. PAYMENT.....	27
8. TASK AUTHORIZATION FOR ADDITIONAL WORK REQUIREMENTS (AWRs).....	28
9. INVOICING INSTRUCTIONS	31
10. RELEASE DOCUMENTS – DISTRIBUTION	32
11. CERTIFICATIONS AND ADDITIONAL INFORMATION.....	32
12. APPLICABLE LAWS.....	33
13. PRIORITY OF DOCUMENTS	33
14. DEFENCE CONTRACT	33
15. RECOMMENDED SPARE PART LISTS (RSPL)	33
16. INSURANCE REQUIREMENTS.....	34
17. SACC MANUAL CLAUSES	34
18. CONFIRMATION OF CONTRACT AWARD.....	34
19. CONTRACTUAL DISPUTES	34
PART 8 - RESULTING CLAUSES FOR IN-SERVICE SUPPORT CONTRACT	36
1 SECURITY REQUIREMENTS	36
2 STATEMENT OF WORK.....	36
3 STANDARD CLAUSES AND CONDITIONS	36
4 TERM OF CONTRACT	37
5 AUTHORITIES.....	37
6 PROACTIVE DISCLOSURE OF CONTRACTS WITH FORMER PUBLIC SERVANTS	38
7 PAYMENT.....	38
8 TASK AUTHORIZATION FOR ADDITIONAL WORK REQUIREMENTS (AWRs).....	41
9 INVOICING INSTRUCTIONS	44
10 RELEASE DOCUMENTS – DISTRIBUTION	44
11 CERTIFICATIONS AND ADDITIONAL INFORMATION.....	45
12 APPLICABLE LAWS.....	45
13 PRIORITY OF DOCUMENTS	45
14 DEFENCE CONTRACT	46
15 INSURANCE REQUIREMENTS.....	46
16 SACC MANUAL CLAUSES	46
17 CONTRACTUAL DISPUTES	46
18 NOTICE OF LABOUR DISPUTES	47

List of Annexes for the Acquisition Requirement

Annex A – Security Requirement Check List (SRCL)

Annex B – Statement Of Work (SOW)

Appendix B1 – Current Network Configuration and where the PBX resides, within it.

Appendix B2 – Overview of intended use of the new system.

Appendix B3 – DND National Dial Plan.

Annex C – Basis of Payment (BOP) and Financial Bid Evaluation (Also includes the Word BOP Document that will be finalized to incorporate bid pricing information at the contract award stage)

Annex D – DND 626 – Task Authorization Form

Annex E – PWGSC Form 1111 – Progress Payments

Annex F – Technical Bid Evaluation Criteria

Annex G – Federal Contractors Program for Employment Equity - Certification

Annex H – Electronic Payment Instruments

List of Annexes for the In-Service Support Requirement

Annex AA – Security Requirement Check List (SRCL)

Annex BB – Statement Of Work (SOW)

Annex CC – Logistics Statement Of Work (LOG SOW)

Appendix CC1 - A-LM-184-001/JS-001, Special Instructions for Repair and Overhaul Contractors

Annex DD – Basis of Payment

Annex EE – DND 626 – Task Authorization Form

Annex FF – PWGSC Form 1111 – Progress Payments

PART 1 - GENERAL INFORMATION

1. Introduction

The bid solicitation is divided into seven parts plus attachments and annexes, as follows:

- Part 1 General Information: provides a general description of the requirement;
- Part 2 Bidder Instructions: provides the instructions, clauses and conditions applicable to the bid solicitation;
- Part 3 Bid Preparation Instructions: provides Bidders with instructions on how to prepare their bid;
- Part 4 Evaluation Procedures and Basis of Selection: indicates how the evaluation will be conducted, the evaluation criteria that must be addressed in the bid, and the basis of selection;
- Part 5 Certifications and Additional Information: includes the certifications and additional information to be provided;
- Part 6 Security, Financial and Other Requirements: includes specific requirements that must be addressed by Bidders; and
- Part 7 Resulting Clauses for Acquisition Contract: includes the clauses and conditions that will apply to the Acquisition contract.
- Part 8 Resulting Clauses for In-Service Support Contract: includes the clauses and conditions that will apply to the In-Service Support contract.

2. Summary

This Request for Proposal (RFP) is published on behalf of Department of National Defence (DND) to solicit proposals from industry partners for the Deployable Private Branch Exchange (PBX). Two separate contracts may be awarded as a result of this RFP – Acquisition Contract and the In-Service Support Contract. Both contracts shall be awarded to one successful bidder.

3. Security Requirement

There are security requirements associated with this requirement. For additional information, consult Part 6 - Security, Financial and Other Requirements, Part 7 - Resulting Contract Clauses for Acquisition and Part 8 - Resulting Contract Clauses for In-Service Support.

For more information on personnel and organization security screening or security clauses, Bidders should refer to the [Contract Security Program](http://www.tpsgc-pwgsc.gc.ca/esc-src/introduction-eng.html) of Public Works and Government Services Canada (<http://www.tpsgc-pwgsc.gc.ca/esc-src/introduction-eng.html>) website.

4. Trade Agreements

The requirement is subject to the provisions the Canadian Free Trade Agreement (CFTA).

5. Federal Contractors Program

The Federal Contractors Program (FCP) for employment equity applies to this procurement; refer to Part 5 – Certifications and Additional Information, Part 7 - Resulting Contract Clauses for Acquisition, Part 8 - Resulting Contract Clauses for In-Service Support and the annex titled Federal Contractors Program for Employment Equity - Certification.

6. Recommended Spare Parts List

B4052T (2014-06-26) Recommended Spare Parts List - Bid

7. Phased Bid Compliance Process

The Phased Bid Compliance Process (PBCP) applies to this requirement.

8. Bid Submission with epost Connect Service

This bid solicitation allows bidders to use the epost Connect service provided by Canada Post Corporation to transmit their bid electronically. Bidders must refer to Part 2 entitled Bidder Instructions, and Part 3 entitled Bid Preparation Instructions, of the bid solicitation, for further information.

9. Debriefings

Bidders may request a debriefing on the results of the bid solicitation process. Bidders should make the request to the Contracting Authority within 15 working days from receipt of the results of the bid solicitation process. The debriefing may be in writing, by telephone or in person.

PART 2 - BIDDER INSTRUCTIONS

1. Standard Instructions, Clauses and Conditions

All instructions, clauses and conditions identified in the bid solicitation by number, date and title are set out in the [Standard Acquisition Clauses and Conditions Manual](https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual) (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

Bidders who submit a bid agree to be bound by the instructions, clauses and conditions of the bid solicitation and accept the clauses and conditions of the resulting contract.

The [2003](#) (2019-03-04) Standard Instructions - Goods or Services - Competitive Requirements, are incorporated by reference into and form part of the bid solicitation.

Subsection 5.4 of [2003](#), Standard Instructions - Goods or Services - Competitive Requirements, is amended as follows:

Delete: 60 days
Insert : 120 days

2. Submission of Bids

Bids must be submitted only to Public Works and Government Services Canada (PWGSC) Bid Receiving Unit by the date, time and place indicated in the bid solicitation.

Note: For bidders choosing to submit using epost Connect for bids closing at the Bid Receiving Unit in the National Capital Region (NCR) the email address is:

tpsgc.dgareceptiondessoumissions-abbidreceiving.pwgsc@tpsgc-pwgsc.gc.ca

Note: Bids will not be accepted if emailed directly to this email address. This email address is to be used to open an epost Connect conversation, as detailed in Standard Instructions 2003, or to send bids through an epost Connect message if the bidder is using its own licensing agreement for epost Connect.

3. Former Public Servant

Contracts awarded to former public servants (FPS) in receipt of a pension or of a lump sum payment must bear the closest public scrutiny, and reflect fairness in the spending of public funds. In order to comply with Treasury Board policies and directives on contracts awarded to FPSs, bidders must provide the information required below before contract award. If the answer to the questions and, as applicable the information required have not been received by the time the evaluation of bids is completed, Canada will inform the Bidder of a time frame within which to provide the information. Failure to comply with Canada's request and meet the requirement within the prescribed time frame will render the bid non-responsive.

Definitions

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

- a. an individual;

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

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

"pension" means a pension or annual allowance paid under the [Public Service Superannuation Act](#) (PSSA), R.S., 1985, c. P-36, and any increases paid pursuant to the [Supplementary Retirement Benefits Act](#), R.S., 1985, c. S-24 as it affects the PSSA. It does not include pensions payable pursuant to the [Canadian Forces Superannuation Act](#), R.S., 1985, c. C-17, the [Defence Services Pension Continuation Act](#), 1970, c. D-3, the [Royal Canadian Mounted Police Pension Continuation Act](#), 1970, c. R-10, and the [Royal Canadian Mounted Police Superannuation Act](#), R.S., 1985, c. R-11, the [Members of Parliament Retiring Allowances Act](#), R.S. 1985, c. M-5, and that portion of pension payable to the [Canada Pension Plan Act](#), R.S., 1985, c. C-8.

Former Public Servant in Receipt of a Pension

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

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

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

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

Work Force Adjustment Directive

Is the Bidder a FPS who received a lump sum payment pursuant to the terms of the Work Force Adjustment Directive? **Yes () No ()**

If so, the Bidder must provide the following information:

- a. name of former public servant;
- b. conditions of the lump sum payment incentive;
- c. date of termination of employment;
- d. amount of lump sum payment;
- e. rate of pay on which lump sum payment is based;
- f. period of lump sum payment including start date, end date and number of weeks;

- g. number and amount (professional fees) of other contracts subject to the restrictions of a work force adjustment program.

For all contracts awarded during the lump sum payment period, the total amount of fees that may be paid to a FPS who received a lump sum payment is \$5,000, including Applicable Taxes.

4. Enquiries - Bid Solicitation

All enquiries must be submitted in writing to the Contracting Authority no later than 10 calendar days before the bid closing date. Enquiries received after that time may not be answered.

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

5. Applicable Laws

Any resulting contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in Ontario.

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

6. Improvement of Requirement During Solicitation Period

Should bidders consider that the specifications or Statement of Work contained in the bid solicitation could be improved technically or technologically, bidders are invited to make suggestions, in writing, to the Contracting Authority named in the bid solicitation. Bidders must clearly outline the suggested improvement as well as the reason for the suggestion. Suggestions that do not restrict the level of competition nor favour a particular bidder will be given consideration provided they are submitted to the Contracting Authority at least 10 days before the bid closing date. Canada will have the right to accept or reject any or all suggestions.

PART 3 - BID PREPARATION INSTRUCTIONS

1. Bid Preparation Instructions

- 1.1 If the Bidder chooses to submit its bid electronically, Canada requests that the Bidder submits its bid in accordance with section 08 of the 2003 standard instructions. The epost Connect system has a limit of 1GB per single message posted and a limit of 20GB per conversation.

The bid must be gathered per section and separated as follows:

Section I: Technical Bid

Section II: Financial Bid

Section III: Certifications

Section IV: Additional Information

- 1.2 If the Bidder chooses to submit its bid in hard copies, Canada requests that the Bidder submits its bid in separately bound sections as follows:

Section I: Technical Bid (2 hard copies and 2 soft copies on DVD)

Section II: Financial Bid (2 hard copies and 2 soft copies on DVD)

Section III: Certifications (2 hard copies and 2 soft copies on DVD)

Section IV: Additional Information (2 hard copies and 2 soft copies on DVD)

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

- 1.3 If the Bidder is simultaneously providing copies of its bid using multiple acceptable delivery methods, and if there is a discrepancy between the wording of any of these copies and the electronic copy provided through epost Connect service, the wording of the electronic copy provided through epost Connect service will have priority over the wording of the other copies.
- 1.4 Prices must appear in the financial bid only. No prices must be indicated in any other section of the bid.
- 1.5 Canada requests that bidders follow the format instructions described below in the preparation of hard copy of their bid:
- (a) use 8.5 x 11 inch (216 mm x 279 mm) paper;
 - (b) use a numbering system that corresponds to the bid solicitation.

In April 2006, Canada issued a policy directing federal departments and agencies to take the necessary steps to incorporate environmental considerations into the procurement process [Policy on Green Procurement](https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=32573) (<https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=32573>). To assist Canada in reaching its objectives, bidders should:

- 1) use 8.5 x 11 inch (216 mm x 279 mm) paper containing fibre certified as originating from a sustainably-managed forest and containing minimum 30% recycled content; and

- 2) use an environmentally-preferable format including black and white printing instead of colour printing, printing double sided/duplex, using staples or clips instead of cerlox, duotangs or binders.

2 Section I: Technical Bid

- 2.1 The definition of mandatory requirements is as follows:

MANDATORY REQUIREMENTS. A mandatory requirement is identified specifically with the word "shall", "must", "will", "mandatory" or the phrase "Canada requires".

- 2.2 Bidders must utilize Annex F – Technical Bid Evaluation Criteria to address Mandatory and Rated Technical Requirements as listed therein.
- 2.3 Bidders must submit a completed Annex F that explicitly addresses all the listed Mandatory requirements including all proposed Rated requirements.
- 2.4 Bidders should address clearly and in sufficient depth the Mandatory and Rated Technical Requirements that are subject to the evaluation criteria contained in Annex F against which the bid will be evaluated. Simply repeating the statement contained in the bid solicitation is not sufficient. In order to facilitate the evaluation of the bid, Canada requests that Bidders address and present topics in the order of the evaluation criteria under the same headings. To avoid duplication, Bidders may refer to different sections of their bids by identifying the specific paragraph and page number where the subject topic has already been addressed.
- 2.5 Bidders must include Proof of Compliance in the technical bid as defined where specified in Annex F. References to Web sites are not acceptable.
- 2.6 Bidders must include in the column entitled "Proposal Reference(s)" of Annex F, the relevant section(s) of its bid which contains the information demonstrating compliance with the respective evaluation criteria.
- 2.7 Bidders must submit additional information in the Bidder's Comment section of Annex F demonstrating how the bidder meets the requirements, without cross referencing to other statements in Annex F.
- 2.8 All Mandatory and Rated Technical Requirements must be addressed separately within Section 1 - Technical Bid.
- 2.9 For any of the Firm and Optional Hardware Requirements, in case one PBX unit is not sufficient to meet the requirement/s, bidders may propose more than one PBX unit in accordance with their most suitable design configuration, keeping their bid price as competitive as possible.

3 Mandatory and Rated Technical Requirements Evaluation Criteria:

- 3.1 Evaluation Criteria including Compliance and Rating Methodology is described in Annex F.
- 3.2 Only Requirements that are contained in Annex F will be evaluated against the evaluation criteria specified therein to deem compliance.
- 3.3 A compliance statement ("Compliant" or "Non-compliant"). A "Compliant" statement will be interpreted as meaning full agreement with the requirement, whereas a Non-compliant statement will be interpreted as meaning not in full agreement with the requirement and the offer will be deemed non-responsive and not given any further consideration. For mandatory requirements,

statements such as "Read", "Comply with Intent", "Partial Compliance", "Noted" or the like will be considered as non-responsive.

- 3.4 For Proof of Compliance, the technical bid must include a description of the proposed equipment, complete with necessary technical documentation (e.g. technical brochures, part numbers, drawings, specifications, test reports or any other published literature) to demonstrate compliance with the requirements. References to Web sites are not acceptable.
- 3.5 Bidders must provide the following details to demonstrate Proven Experience:
 - a. Client reference, including client's organization name and address; and the client name, telephone number, and email address.
 - b. The project name;
 - c. A description of the project;
 - d. The scope of the work performed which must demonstrate that the requirement was met;
 - e. The date of completion of the project; and
 - f. The duration of project.

4 Section II: Financial Bid

Bidders should submit the financial information within the tables provided in the Annex C - Basis of Payment and Financial Bid Evaluation Criteria.

Bidders should submit pricing for all items in the Basis of Payments in their respective tables and cells as provided in Annex C – Basis of Payment and Financial Bid Evaluation.

4.1 Resulting Contract 001 – Acquisition

- 4.1.1 Bidders must submit pricing for the Factory Acceptance Test (FAT). The proposed pricing is only for Level of Effort (LOE) excluding Hardware and Software Costs.
- 4.1.2 Bidders must submit pricing for the Firm and Optional Hardware Requirements for the contract period. Proposed pricing must be Firm Price (FP) that includes custom duties, shipping, travel & living Expenses but excludes taxes, as applicable. Hypothetical Number of Sites shown in column E of Annex C are the multiplication factors to determine the aggregate pricing for Optional Requirement. The Hypothetical Number of Sites are used for evaluation purpose only and will be removed at the contract award stage.
- 4.1.3 For Firm and Optional Hardware Requirements, in case bidders wish to propose more than one PBX unit in accordance with their most suitable design configuration, bidders may insert additional column/s to provide pricing accordingly.
- 4.1.4 Bidders must submit pricing for the Graphic User Interface (GUI), Command Line Interface Software and a lump sum price for all perpetual licenses. The proposed price must include LOE for the development and the delivery of the Software and Firmware, all overheads & profit, and excludes taxes, as applicable.
- 4.1.5 Bidders must submit firm prices for the Training Courses including Travel and Living expenses excluding applicable taxes.
- 4.1.6 Bidders must submit Hourly Labour Rates for Additional Work Requirements (AWRs). The labour rates must be fully loaded and must not include travel and living expenses. They must include General and Administration expenses, overheads, Canadian customs duties, excise taxes, and profit. All applicable taxes shall be extra. Hypothetical Hours shown in column C of Annex C are the

multiplication factors to determine the aggregate labour rates. The Hypothetical Hours are used for evaluation purpose only and will be removed at the contract award stage.

- 4.1.7 Bidders must submit Hourly Labour Rates for junior categories lower than the senior categories. For example, Junior Engineer's hourly labour rate must not be higher than the Senior Engineer's hourly labour rate. Bidders will be asked to correct this oversight if found in the Financial Bid in accordance with PBCP, as inaccurate rates will not be deemed fair and reasonable.
- 4.1.8 Bidders must submit pricing for the Recommended Spare Parts. Proposed pricing must be Firm Price (FP) that includes custom duties, shipping, travel & living Expenses but excludes taxes, as applicable.

4.2 Resulting Contract 002 – In-Service Support

- 4.2.1 Bidders must submit pricing for the monthly Technical Support Service Fee for the contract period. Technical Support Service Fee must be a firm fixed amount that includes all overheads & profit, and excludes taxes, as applicable. Monthly Technical Support Service Fee will come into force on the day the In-Service Support Contract becomes effective. The fee shall be payable at the end of each month for the period of contract. Bidders must submit prices for the contract period excluding the Option Periods as they will be escalated based on the CPI methodology described in the resulting contract clauses.
- 4.2.2 Bidders must submit fair and reasonable Mark-up for Material excluding applicable taxes. Hypothetical Material Cost per year shown in column C of Annex C are the multiplication factors to determine the aggregate Material Mark-Ups. The Hypothetical Material Costs per year are used for evaluation purpose only and will be removed at the contract award stage. Bidders must submit Mark-up for Material for the contract period excluding the Option Periods as they will be negotiated prior to exercising the Option Period.
- 4.2.3 Bidders must submit firm prices for Optional Training Courses including Travel and Living expenses excluding applicable taxes. Bidders must submit prices for the contract period excluding the Option Periods as they will be escalated based on the CPI methodology described in the resulting contract clauses.
- 4.2.4 Bidders must submit Hourly Labour Rates for Additional Work Requirements (AWRs). The labour rates must be fully loaded and must not include travel and living expenses. They must include General and Administration expenses, overheads, Canadian customs duties, excise taxes, and profit. All applicable taxes shall be extra. Hypothetical Hours shown in column C of Annex C are the multiplication factors to determine the aggregate labour rates. The Hypothetical Hours are used for evaluation purpose only and will be removed at the contract award stage. Bidders must submit labour rates for the contract period excluding the Option Periods as they will be escalated based on the CPI methodology described in the resulting contract clauses.
- 4.2.5 Bidders must submit Hourly Labour Rates for junior categories lower than the senior categories. For example, Junior Engineer's hourly labour rate must not be higher than the Senior Engineer's hourly labour rate. Bidders will be asked to correct this oversight if found in the Financial Bid in accordance with PBCP, as inaccurate rates will not be deemed fair and reasonable.

5 Electronic Payment of Invoices – Bid

If you are willing to accept payment of invoices by Electronic Payment Instruments, complete Annex H - Electronic Payment Instruments, to identify which ones are accepted.

If Annex H - Electronic Payment Instruments is not completed, it will be considered as if Electronic Payment Instruments are not being accepted for payment of invoices.

Acceptance of Electronic Payment Instruments will not be considered as an evaluation criterion.

6 Exchange Rate Fluctuation

The requirement does not offer exchange rate fluctuation risk mitigation. Requests for exchange rate fluctuation risk mitigation will not be considered. All bids including such provision will render the bid non-responsive.

7 Section III: Certifications

Bidders must submit the certifications and additional information required under Part 5.

PART 4 - EVALUATION PROCEDURES AND BASIS OF SELECTION

1. Evaluation Procedures

- 1.1 Bids will be assessed in accordance with the entire requirement of the bid solicitation including the technical and financial evaluation criteria.
- 1.2 An evaluation team composed of representatives of Canada will evaluate the bids.

2. Phased Bid Compliance Process

The Phased Bid Compliance Process (PBCP) applies to this requirement.

2.1 General

- 2.1.1 Canada is conducting the PBCP described below for this requirement.
- 2.1.2 Notwithstanding any review by Canada at Phase I or II of the PBCP, Bidders are and will remain solely responsible for the accuracy, consistency and completeness of their Bids and Canada does not undertake, by reason of this review, any obligations or responsibility for identifying any or all errors or omissions in Bids or in responses by a Bidder to any communication from Canada.

THE BIDDER ACKNOWLEDGES THAT THE REVIEWS IN PHASE I AND II OF THIS PBCP ARE PRELIMINARY AND DO NOT PRECLUDE A FINDING IN PHASE III THAT THE BID IS NON-RESPONSIVE, EVEN FOR MANDATORY

REQUIREMENTS WHICH WERE SUBJECT TO REVIEW IN PHASE I OR II AND NOTWITHSTANDING THAT THE BID HAD BEEN FOUND RESPONSIVE IN SUCH EARLIER PHASE. CANADA MAY DEEM A BID TO BE NON-RESPONSIVE TO A MANDATORY REQUIREMENT AT ANY PHASE.

THE BIDDER ALSO ACKNOWLEDGES THAT ITS RESPONSE TO A NOTICE OR A COMPLIANCE ASSESSMENT REPORT (CAR) (EACH DEFINED BELOW) IN PHASE I OR II MAY NOT BE SUCCESSFUL IN RENDERING ITS BID RESPONSIVE TO THE MANDATORY REQUIREMENTS THAT ARE THE SUBJECT OF THE NOTICE OR CAR, AND MAY RENDER ITS BID NON-RESPONSIVE TO OTHER MANDATORY REQUIREMENTS.

- 2.1.3 Canada may, in its discretion, request and accept at any time from a Bidder and consider as part of the Bid, any information to correct errors or deficiencies in the Bid that are clerical or administrative, such as, without limitation, failure to sign the Bid or any part or to checkmark a box in a form, or other failure of format or form or failure to acknowledge; failure to provide a procurement business number or contact information such as names, addresses and telephone numbers; inadvertent errors in numbers or calculations that do not change the amount the Bidder has specified as the price or of any component thereof that is subject to evaluation. This shall not limit Canada's right to request or accept any information after the bid solicitation closing in circumstances where the bid solicitation expressly provides for this right. The Bidder will have the time period specified in writing by Canada to provide the necessary documentation. Failure to meet this deadline will result in the Bid being declared non-responsive.
- 2.1.4 The PBCP does not limit Canada's rights under Standard Acquisition Clauses and Conditions (SACC) 2003 (2019-03-04) Standard Instructions – Goods or Services – Competitive

Requirements nor Canada's right to request or accept any information during the solicitation period or after bid solicitation closing in circumstances where the bid solicitation expressly provides for this right, or in the circumstances described in subsection 2.1.3.

- 2.1.5 Canada will send any Notice or CAR by any method Canada chooses, in its absolute discretion. The Bidder must submit its response by the method stipulated in the Notice or CAR. Responses are deemed to be received by Canada at the date and time they are delivered to Canada by the method and at the address specified in the Notice or CAR. An email response permitted by the Notice or CAR is deemed received by Canada on the date and time it is received in Canada's email inbox at Canada's email address specified in the Notice or CAR. A Notice or CAR sent by Canada to the Bidder at any address provided by the Bidder in or pursuant to the Bid is deemed received by the Bidder on the date it is sent by Canada. Canada is not responsible for late receipt by Canada of a response, however caused.

2.2 Phase I: Financial Bid

- 2.2.1 After the closing date and time of this bid solicitation, Canada will examine the Bid to determine whether it includes a Financial Bid and whether any Financial Bid includes all information required by the solicitation. Canada's review in Phase I will be limited to identifying whether any information that is required under the bid solicitation to be included in the Financial Bid is missing from the Financial Bid. This review will not assess whether the Financial Bid meets any standard or is responsive to all solicitation requirements.
- 2.2.2 Canada's review in Phase I will be performed by officials of the Department of Public Works and Government Services.
- 2.2.3 If Canada determines, in its absolute discretion that there is no Financial Bid or that the Financial Bid is missing all of the information required by the bid solicitation to be included in the Financial Bid, then the Bid will be considered non-responsive and will be given no further consideration.
- 2.2.4 For Bids other than those described in 2.2.3, Canada will send a written notice to the Bidder ("Notice") identifying where the Financial Bid is missing information. A Bidder, whose Financial Bid has been found responsive to the requirements that are reviewed at Phase I, will not receive a Notice. Such Bidders shall not be entitled to submit any additional information in respect of their Financial Bid.
- 2.2.5 The Bidders who have been sent a Notice shall have the time period specified in the Notice (the "Remedy Period") to remedy the matters identified in the Notice by providing to Canada, in writing, additional information or clarification in response to the Notice. Responses received after the end of the Remedy Period will not be considered by Canada, except in circumstances and on terms expressly provided for in the Notice.
- 2.2.6 In its response to the Notice, the Bidder will be entitled to remedy only that part of its Financial Bid which is identified in the Notice. For instance, where the Notice states that a required line item has been left blank, only the missing information may be added to the Financial Bid, except that, in those instances where the addition of such information will necessarily result in a change to other calculations previously submitted in its Financial Bid, (for example, the calculation to determine a

total price), such necessary adjustments shall be identified by the Bidder and only these adjustments shall be made. All submitted information must comply with the requirements of this solicitation.

- 2.2.7 Any other changes to the Financial Bid submitted by the Bidder will be considered to be new information and will be disregarded. There will be no change permitted to any other Section of the Bidder's Bid. Information submitted in accordance with the requirements of this solicitation in response to the Notice will replace, in full, only that part of the original Financial Bid as is permitted above, and will be used for the remainder of the bid evaluation process.
- 2.2.8 Canada will determine whether the Financial Bid is responsive to the requirements reviewed at Phase I, considering such additional information or clarification as may have been provided by the Bidder in accordance with this Section. If the Financial Bid is not found responsive for the requirements reviewed at Phase I to the satisfaction of Canada, then the Bid shall be considered non-responsive and will receive no further consideration.
- 2.2.9 Only Bids found responsive to the requirements reviewed in Phase I to the satisfaction of Canada, will receive a Phase II review.

2.3 Phase II: Technical Bid

- 2.3.1 Canada's review at Phase II will be limited to a review of the Technical Bid to identify any instances where the Bidder has failed to meet any Eligible Mandatory Criterion. This review will not assess whether the Technical Bid meets any standard or is responsive to all solicitation requirements. Eligible Mandatory Criteria are all mandatory technical criteria that are identified in this solicitation as being subject to the PBCP. Mandatory technical criteria that are not identified in the solicitation as being subject to the PBCP, will not be evaluated until Phase III.
- 2.3.2 Canada will send a written notice to the Bidder (Compliance Assessment Report or "CAR") identifying any Eligible Mandatory Criteria that the Bid has failed to meet. A Bidder whose Bid has been found responsive to the requirements that are reviewed at Phase II will receive a CAR that states that its Bid has been found responsive to the requirements reviewed at Phase II. Such Bidder shall not be entitled to submit any response to the CAR.
- 2.3.3 A Bidder shall have the period specified in the CAR (the "Remedy Period") to remedy the failure to meet any Eligible Mandatory Criterion identified in the CAR by providing to Canada in writing additional or different information or clarification in response to the CAR. Responses received after the end of the Remedy Period will not be considered by Canada, except in circumstances and on terms expressly provided for in the CAR.
- 2.3.4 The Bidder's response must address only the Eligible Mandatory Criteria listed in the CAR as not having been achieved, and must include only such information as is necessary to achieve such compliance. Any additional information provided by the Bidder which is not necessary to achieve such compliance will not be considered by Canada, except that, in those instances where such a response to the Eligible Mandatory Criteria specified in the CAR will necessarily result in a consequential change to other parts of the Bid, the Bidder shall identify such additional changes, provided that its response must not include any change to the Financial Bid.

- 2.3.5 The Bidder's response to the CAR should identify in each case the Eligible Mandatory Criterion in the CAR to which it is responding, including identifying in the corresponding section of the original Bid, the wording of the proposed change to that section, and the wording and location in the Bid of any other consequential changes that necessarily result from such change. In respect of any such consequential change, the Bidder must include a rationale explaining why such consequential change is a necessary result of the change proposed to meet the Eligible Mandatory Criterion. It is not up to Canada to revise the Bidder's Bid, and failure of the Bidder to do so in accordance with this subparagraph is at the Bidder's own risk. All submitted information must comply with the requirements of this solicitation.
- 2.3.6 Any changes to the Bid submitted by the Bidder other than as permitted in this solicitation, will be considered to be new information and will be disregarded. Information submitted in accordance with the requirements of this solicitation in response to the CAR will replace, in full, only that part of the original Bid as is permitted in this Section.
- 2.3.7 Additional or different information submitted during Phase II permitted by this section will be considered as included in the Bid, but will be considered by Canada in the evaluation of the Bid at Phase II only for the purpose of determining whether the Bid meets the Eligible Mandatory Criteria. It will not be used at any Phase of the evaluation to increase or decrease any score that the original Bid would achieve without the benefit of such additional or different information. For instance, an Eligible Mandatory Criterion that requires a mandatory minimum number of points to achieve compliance will be assessed at Phase II to determine whether such mandatory minimum score would be achieved with such additional or different information submitted by the Bidder in response to the CAR. If so, the Bid will be considered responsive in respect of such Eligible Mandatory Criterion, and the additional or different information submitted by the Bidder shall bind the Bidder as part of its Bid, but the Bidder's original score, which was less than the mandatory minimum for such Eligible Mandatory Criterion, will not change, and it will be that original score that is used to calculate any score for the Bid
- 2.3.8 Canada will determine whether the Bid is responsive for the requirements reviewed at Phase II, considering such additional or different information or clarification as may have been provided by the Bidder in accordance with this Section. If the Bid is not found responsive for the requirements reviewed at Phase II to the satisfaction of Canada, then the Bid shall be considered non-responsive and will receive no further consideration.
- 2.3.9 Only Bids found responsive to the requirements reviewed in Phase II to the satisfaction of Canada, will receive a Phase III evaluation.

2.4 Phase III: Final Evaluation of the Bid

- 2.4.1 In Phase III, Canada will complete the evaluation of all Bids found responsive to the requirements reviewed at Phase II. Bids will be assessed in accordance with the entire requirement of the bid solicitation including the technical and financial evaluation criteria.
- 2.4.2 A Bid is non-responsive and will receive no further consideration if it does not meet all mandatory evaluation criteria of the solicitation.

3. Technical Bid Evaluation – Mandatory Requirements

- 3.1 Mandatory Requirements that are subject to evaluation are listed in Annex F and will be assessed for Pass/Fail basis.
- 3.2 Bidders must meet all Mandatory Requirements as specified in Annex F. If any of the Mandatory Requirements are not met, the bid will be deemed non-responsive and will not be further evaluated.
- 3.3 Mandatory technical requirements will be evaluated against the evaluation criteria specified in Annex F – Technical Bid Evaluation Criteria.
- 3.4 Bids satisfying all Mandatory requirements will proceed to be evaluated against the Technical Point Rated Criteria.
- 3.5 The Phased Bid Compliance Process will apply to all Mandatory Technical Criteria.

4. Technical Bid Evaluation – Rated Requirements

- 4.1 Rated Requirements including the Rated Technical Evaluation Criteria and Scoring Methodology is described in Annex F.
- 4.2 The Rated Requirements will be scored in accordance with Annex F - Rated Technical Evaluation Criteria and Scoring Methodology. There are total 119 points allocated for the Rated Requirements.
- 4.3 Rated Requirements are not mandatory requirements but are desirable. Bids not satisfying the rated requirements will not be deemed non-responsive.
- 4.4 Bids that pass the Mandatory requirements listed in Annex F will be scored in accordance with the Rating Method described in Annex F. There is no requirement of a minimum rated score necessary for bidders to achieve.
- 4.5 The Phased Bid Compliance Process will apply to the Rated Technical Criteria.

5. Financial Bid Evaluation

- 5.1 Bidders must submit firm prices DDP Incoterms 2010, Canadian customs duties and excise taxes included, and the applicable taxes excluded.
- 5.2 The financial bids will be evaluated in Canadian currency. Pricing submitted in foreign currency will be converted to Canadian dollars based on the exchange rate provided by the Bank of Canada at 16:30 Hrs. Eastern Time (EST) on the date of RFP closing.
- 5.3 Exchange rate fluctuation protection is not offered for this requirement. Any request for exchange rate fluctuation protection will not be considered and will render the bid non-responsive. However, Bidders may choose to submit their bids in currency of their choice. A bid submitted in multiple currencies will not be deemed compliant. The Contract will be awarded in the currency of bid.
- 5.4 The bid price will be evaluated using the Financial Bid Evaluation Methodology described in Annex C.

- 5.5 Proposed prices for the Recommended Manufacturer's Parts List (RSPL) and Material Mark-up applicable to ISS Contract will not form part of the financial evaluation. Accordingly RSPL proposed prices and Material mark-up will not be evaluated.
- 5.6 Estimated level of effort (LOE) per labour category is used solely for the financial bid evaluation purposes, and is not guaranteed work under the resulting contract.
- 5.7 The Phased Bid Compliance Process will apply to all Financial Bid Evaluation.

6. Basis of Selection - Highest Combined Rating of Technical Merit and Price

6.1 Basis of Selection

- 6.1.1 To be declared responsive, a bid must:
 - a. comply with all the requirements of the bid solicitation; and
 - b. meet all mandatory criteria.
- 6.1.2 Bids not meeting (a) and (b) will be declared non-responsive.
- 6.2 The selection will be based on the highest combined rating of technical merit and price. The ratio will be 60% for the technical merit and 40% for the price.
- 6.3 To establish the technical merit score, the overall technical score for each responsive bid will be determined as follows: total number of points obtained / maximum number of points available multiplied by the ratio of 60%.
- 6.4 To establish the pricing score, each responsive bid will be prorated against the lowest evaluated price and the ratio of 40%.
- 6.5 For each responsive bid, the technical merit score and the pricing score will be added to determine its combined rating.
- 6.6 Neither the responsive bid obtaining the highest technical score nor the one with the lowest evaluated price will necessarily be accepted. The responsive bid with the highest combined rating of technical merit and price will be recommended for a contract award.
- 6.7 The table below illustrates an example where all three bids are responsive and the selection of the Contractor is determined by a 60/40 ratio of technical merit and price respectively. The total available points equals 119 and the lowest evaluated price is \$45,000.
- 6.8 Bid with the Highest Combined Rating of Technical Merit and Price will be selected for the contract award as per the example shown below.

Basis of Selection - Highest Combined Rating Technical Merit (60%) and Price (40%)

		Bidder 1	Bidder 2	Bidder 3
Overall Technical Score		128	118	108
Bid Evaluated Price		\$55,000	\$45,000	\$65,000
Calculations	Technical Merit Score	$(109/119) * 60 = 54.96$	$(99/119) * 60 = 49.92$	$(89/119) * 60 = 44.87$
	Pricing Score	$(45/55) * 40 = 32.73$	$(45/45) * 40 = 40$	$(45/65) * 40 = 27.69$
Combined Rating		87.69	89.92	72.56
Ranking		2st	1st	3rd

PART 5 – CERTIFICATIONS AND ADDITIONAL INFORMATION

Bidders must provide the required certifications and additional information to be awarded a contract.

The certifications provided by Bidders to Canada are subject to verification by Canada at all times. Unless specified otherwise, Canada will declare a bid non-responsive, or will declare a contractor in default if any certification made by the Bidder is found to be untrue, whether made knowingly or unknowingly, during the bid evaluation period or during the contract period.

The Contracting Authority will have the right to ask for additional information to verify the Bidder's certifications. Failure to comply and to cooperate with any request or requirement imposed by the Contracting Authority will render the bid non-responsive or constitute a default under the Contract.

1. Certifications Required with the Bid

Bidders must submit the following duly completed certifications as part of their bid.

1.1. Integrity Provisions - Declaration of Convicted Offences

In accordance with the Integrity Provisions of the Standard Instructions, all bidders must provide with their bid, **if applicable**, the Integrity declaration form available on the [Forms for the Integrity Regime](http://www.tpsgc-pwgsc.gc.ca/ci-if/declaration-eng.html) website (<http://www.tpsgc-pwgsc.gc.ca/ci-if/declaration-eng.html>), to be given further consideration in the procurement process.

2. Certifications Precedent to Contract Award and Additional Information

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

2.1 Integrity Provisions – Required Documentation

In accordance with the section titled Information to be provided when bidding, contracting or entering into a real property agreement of the [Ineligibility and Suspension Policy](http://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html) (<http://www.tpsgc-pwgsc.gc.ca/ci-if/politique-policy-eng.html>), the Bidder must provide the required documentation, as applicable, to be given further consideration in the procurement process.

2.1.1 Integrity Provision – List of Names

Bidders who are incorporated, including those bidding as a joint venture, must provide a complete list of names of all individuals who are currently directors of the Bidder.

Bidders bidding as sole proprietorship, as well as those bidding as a joint venture, must provide the name of the owner(s).

Bidders bidding as societies, firms or partnerships do not need to provide lists of names.

2.2 Federal Contractors Program for Employment Equity - Bid Certification

By submitting a bid, the Bidder certifies that the Bidder, and any of the Bidder's members if the Bidder is a Joint Venture, is not named on the Federal Contractors Program (FCP) for employment equity "FCP Limited Eligibility to Bid" list available at the bottom of the page of the [Employment and](#)

[Social Development Canada \(ESDC\) - Labour's](https://www.canada.ca/en/employment-social-development/programs/employment-equity/federal-contractor-program.html#) website (<https://www.canada.ca/en/employment-social-development/programs/employment-equity/federal-contractor-program.html#>).

Canada will have the right to declare a bid non-responsive if the Bidder, or any member of the Bidder if the Bidder is a Joint Venture, appears on the "FCP Limited Eligibility to Bid list at the time of contract award.

Canada will also have the right to terminate the Contract for default if a Contractor, or any member of the Contractor if the Contractor is a Joint Venture, appears on the "[FCP Limited Eligibility to Bid](#)" list during the period of the Contract.

The Bidder must provide the Contracting Authority with a completed annex titled Federal Contractors Program for Employment Equity - Certification, before contract award. If the Bidder is a Joint Venture, the Bidder must provide the Contracting Authority with a completed annex Federal Contractors Program for Employment Equity - Certification, for each member of the Joint Venture.

2.3 Certifications, Declarations and Proof Documents

Bidders must provide the following certifications as part of the technical bid for all proposed equipment as these are mandatory to finalize the bid evaluation process.

- 2.3.1 Bidders must provide Joint Interoperability Test Command (JITC) of United States Department of Defence (DOD) compliance certificate.
- 2.3.2 Bidders must provide Approved Product List (APL) memo and Interoperability (IO) certifications issued by Defense Information System Agency (DISA).
- 2.3.3 Bidders must provide Original Equipment Manufacturer (OEM) supplied security certificates.

PART 6 - SECURITY AND FINANCIAL REQUIREMENTS

1. Security Requirements

1. At the date of bid closing, the following conditions must be met:
 - (a) the Bidder must hold a valid organization security clearance as indicated in Part 7 - Resulting Contract Clauses for Acquisition Contract and Part 8 – Resulting Contract Clauses for In-Service Support Contract;
 - (b) the Bidder's proposed individuals requiring access to classified or protected information, assets or sensitive work sites must meet the security requirements as indicated in Part 7 - Resulting Contract Clauses for Acquisition Contract and Part 8 – Resulting Contract Clauses for In-Service Support Contract;
 - (c) the Bidder must provide the name of all individuals who will require access to classified or protected information, assets or sensitive work sites;
2. For additional information on security requirements, Bidders should refer to the [Contract Security Program](http://www.tpsgc-pwgsc.gc.ca/esc-src/introduction-eng.html) of Public Works and Government Services Canada (<http://www.tpsgc-pwgsc.gc.ca/esc-src/introduction-eng.html>) website.

2. Financial Capability

SACC Manual clause [A9033T](#) (2012-07-16) Financial Capability

PART 7 - RESULTING CLAUSES FOR ACQUISITION CONTRACT

The following clauses and conditions apply to and form part of any contract resulting from the bid solicitation.

1. Statement of Work

The Contractor must perform the Work in accordance with the Annex B - Statement of Work.

2. Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the [Standard Acquisition Clauses and Conditions Manual](https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual) (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

2.1 General Conditions

[2030](#) (2018-06-21) General Conditions – Goods (Higher Complexity - Goods, apply to and form part of the Contract.

The following sections and subsections of [2035](#) (2018-06-21), General Conditions - Services (Higher Complexity), apply to and form part of the Contract:

1. Section 5 – Conduct of Work:
Subsection 2.d, 2.e and 2.f and subsection 3, 4 and 5
2. Section 20 – Copyright
3. Section 21 – Translation of Documentation
4. Section 35 – No Bribe or Conflict
Subsection 2, 3 and 4
5. Section 42 – Harassment in Workplace
6. Section 44 – Access to Information

2.2 Supplemental General Conditions

[4001](#) (2015-04-01) Hardware Purchase, Lease and Maintenance apply to and form part of the Contract, excluding:

- Part IV - Additional Conditions: Lease

[4003](#) (2010-08-16) Licensed Software, apply to and form part of the Contract.

[4006](#) (2010-08-16) Contractor to Own Intellectual Property Rights in Foreground Information

3. Security Requirements

3.1 The following security requirements (SRCL and related clauses provided by the Contract Security Program) apply and form part of the Contract.

1. The Contractor must, at all times during the performance of the Contract/Standing Offer, hold a valid Designated Organization Screening (DOS), issued by the Contract Security Program

(CSP) of the Industrial Security Sector (ISS), Public Works and Government Services (PWGSC).

2. The Contractor personnel requiring access to sensitive work site(s) must EACH hold a valid RELIABILITY STATUS, granted or approved by the CSP/ISS/PWGSC.
 3. Subcontracts which contain security requirements are NOT to be awarded without the prior written permission of the CSP/ISS/PWGSC.
 4. The Contractor must comply with the provisions of the:
 - a. Security Requirements Check List and security guide (if applicable), attached at Annex A;
 - b. Industrial Security Manual (Latest Edition).
- 3.2 The Company Security Officer must ensure through the Contract Security Program that the Contractor and individuals hold a valid security clearance at the required level.

4. Term of Contract

4.1 Period of the Contract

The period of the Contract is from date of Contract to 31 December 2021 inclusive.

4.2 Delivery Date of the Firm Hardware Software and Licenses Requirements

All Firm Hardware, Software and Licenses Requirements must be delivered within 3 months after the Contract Award (MACA).

4.3 Delivery Address of the Firm Hardware Software and Licenses Requirements

Delivery of the Firm Hardware, Software and Licenses Requirements must be made to:

**Department of National Defence
6363 Notre Dame East
Montreal QC H1N 3V9
Canada**

4.4 Delivery of the Optional Requirements

Delivery date and delivery address for the Optional Requirement will be firmed up at the time of order.

4.5 Optional Goods and/or Services

The Contractor grants to Canada the irrevocable option to acquire the goods, services or both described at Annex B of the Contract under the same conditions and at the prices and/or rates stated in the Contract. The option may only be exercised by the Contracting Authority and will be evidenced, for administrative purposes only, through a contract amendment.

The Contracting Authority may exercise the option at any time before the expiry of the Contract by sending a written notice to the Contractor.

5. Authorities

5.1 Contracting Authority

The Contracting Authority for the Contract is:

Yessica Wijaya

Public Works and Government Services Canada
Acquisitions Branch
Land and Aerospace Equipment Procurement and Support Sector
Place du Portage, Phase III 8C2, 11 Laurier Street
Gatineau, QC, K1A 0S5

Telephone: 819-420-5482

E-mail address: YessicaKarnali.WijayaPutri@tpsgc-pwgsc.gc.ca

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

5.2 Procurement Authority

The Procurement Authority for the Contract is:

To be inserted at the contract award.

The Procurement Authority is the representative of the department or agency for whom the Work is being carried out under the Contract. The Procurement Authority is responsible for the implementation of tools and processes required for the administration of the Contract. The Contractor may discuss administrative matters identified in the Contract with the Procurement Authority however the Procurement Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of Work can only be made through a contract amendment issued by the Contracting Authority.

5.3 Technical Authority

The Technical Authority for the Contract is:

To be inserted at the contract award.

The Technical Authority named above is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Technical Authority, however the Technical Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

5.4 Contractor's Representative

To be inserted at the contract award.

6. Proactive Disclosure of Contracts with Former Public Servants

By providing information on its status, with respect to being a former public servant in receipt of a Public Service Superannuation Act (PSSA) pension, the Contractor has agreed that this information will be reported on departmental websites as part of the published proactive disclosure reports, in accordance with Contracting Policy Notice: 2012-2 of the Treasury Board Secretariat of Canada.

7. Payment

7.1 Basis of Payment

In consideration of the Contractor satisfactorily completing all of its obligations under this Contract, the Contractor will be paid in accordance with Annex C – Basis of Payment - Acquisition.

For the firm price portion of the Work only, Canada will not pay the Contractor for any design changes, modifications or interpretations of the Work unless they have been approved, in writing, by the Contracting Authority before their incorporation into the Work.

The following terms shall apply:

Incoterms 2010	Delivery Duty Paid (DDP)
Transportation/ Shipping charges:	Included
Canadian Customs/Duties:	Included
GST/HST:	Extra

7.2 Milestone Payments for the Factory Acceptance Test

H3010C (2016-01-28) Milestone Payments - Not subject to holdback

7.3 Multiple Payment

H1001C (2008-05-12) Multiple Payment

7.4 Payment for the Additional Work Requirements

For each task, payment terms will be finalized in accordance with the AWR pricing options listed in this document, and the Contractor shall be paid as per the Hourly Labour Rates and Prices listed in Annex C - Basis of Payment.

7.5 Limitation of Expenditure

7.5.1 Canada's total liability to the Contractor under the Contract must not exceed \$ _____ *(to be inserted at the contract award)*. Customs duties are included and Applicable Taxes are extra.

7.5.2 No increase in the total liability of Canada or in the price of the Work resulting from any design changes, modifications or interpretations of the Work, will be authorized or paid to the Contractor unless these design changes, modifications or interpretations have been approved, in writing, by the Contracting Authority before their incorporation into the Work. The Contractor must not perform any work or provide any service that would result in Canada's total liability being exceeded before obtaining the written approval of the Contracting Authority. The Contractor must notify the Contracting Authority in writing as to the adequacy of this sum:

- a. when it is 75% committed, or
- b. four months before the contract expiry date, or
- c. as soon as the Contractor considers that the contract funds provided are inadequate for the completion of the Work,

whichever comes first.

7.5.3 If the notification is for inadequate contract funds, the Contractor must provide to the Contracting Authority a written estimate for the additional funds required. Provision of such information by the Contractor does not increase Canada's liability.

7.6 Electronic Payment of Invoices – Contract

The Contractor accepts to be paid using any of the following Electronic Payment Instrument(s):

- a. Visa Acquisition Card;
- b. MasterCard Acquisition Card;
- c. Direct Deposit (Domestic and International);
- d. Electronic Data Interchange (EDI);
- e. Wire Transfer (International Only);
- f. Large Value Transfer System (LVTS) (Over \$25M)

The above will be updated at the time of contract award based on the information provided in the bid.

8. Task Authorization for Additional Work Requirements (AWRs)

Should there be any requirement beyond the established scope of this contract:

1. The Procurement Authority through Contracting Authority will provide the Contractor with a description of the task using the Form DND 626 - Task Authorization Form.
2. The Task Authorization (TA) will contain the details of the activities to be performed, a description of the deliverables, and a schedule indicating completion dates for the major activities or submission dates for the deliverables. The TA will also include the applicable basis (bases) and methods of payment as specified in the Contract.
3. The Contractor must provide Procurement and Contracting Authority, within 15 calendar days of its receipt, the proposed total estimated cost for performing the task and a breakdown of that cost, established in accordance with the Basis of Payment specified in the Contract.
4. The Contractor must not commence work until a TA authorized by the Contracting Authority has been received by the Contractor. The Contractor acknowledges that any work performed before a TA has been received will be done at the Contractor's own risk.

8.1 General AWRs Pricing Options

- a. Firm Price: For AWRs, the Contractor must submit a "Firm Price" excluding travel and living expenses to the Procurement Authority when the scope of Work is clearly understood by both parties and no changes are anticipated in the scope of the Work. Where a firm price

has been established, the Contractor will be obliged to complete the Work for the specified firm price. Travel and living expenses will be paid based on actual expenditure incurred by the Contractor in accordance with the Basis of Payment.

- b. Ceiling Price: AWRs, the Contractor may submit a "Ceiling Price" quote excluding travel and living expenses to the Procurement Authority when the scope of the Work cannot be clearly defined. The term Ceiling Price is the maximum price that is to be paid to the Contractor and beyond which the Contractor will not receive additional compensation for the defined Work and in return for which the Contractor is obligated to complete the Work. No additional funds will be made available. When the "Ceiling Price" approach is used both parties agree prior to the Work authorization that the price is subject to downward revision on completion of the task, based on the actual cost and verification of the actuals. Travel and living expenses will be paid based on actual expenditure incurred by the contractor IAW the Basis of Payment.

Each Task Authorization for AWRs must clearly state whether the price is a "Firm Fixed Price" or a "Ceiling Price".

- c. Limitation of Expenditure Price: When it is not possible for the Contractor to submit a "Firm Price" or a "Ceiling Price" as described above, the Contractor may submit a "Limitation of Expenditure" quote.
- d. The "Firm Price", "Ceiling Price" and/or the "Limitation of Expenditure" quote must be based on the rates in Canadian Funds. All proposed prices and cost estimates must be supported by a detailed cost breakdown.
- e. For a Task which is subject to a "Limitation of Expenditure" as described in Sub-article c. above, the Contractor must notify the proper authority in writing as to the inadequacy of its "Limitation of Expenditure" when:
- the resources required for its timely completion reaches 75% of the authorized Task funding; or
 - if during the execution of the authorized Tasking it appears to the Contractor that the Scope of Work is greater than had been anticipated and that the funds provided for a Task are inadequate.
- f. When providing the notification described in Sub-article e above, the Contractor must, as a minimum, identify;
- estimated labour hours and schedule forecast to complete;
 - work around plan; and
 - risk assessment.

A revised proposal and proper justification for the requested amendment must be submitted to the proper approval Authority for consideration. Under no circumstance is the authorized level of expenditure to be exceeded. Canada is under no obligation to pay for any Work that exceeds the authorized funding limitation.

- g. All amounts charged on a "Ceiling price" or "Limitation of Expenditure" basis must be subject to Government audit before or after payment of an invoice.

8.2 Task Completion/Closure Procedures

The Contractor must monitor all Tasks issued under the Contract. If at any time the Contractor believes that a specific Task has been completed or has been inactive for a period of at least one (1) month, the Contractor must proceed as follows to request closure:

- 8.2.1 The Contractor must determine the final costs to Canada, itemized as necessary for each individual Task being considered for closure;
- 8.2.2 The Contractor must submit a letter to the PA (one copy each to PA and CA) requesting closure of the Task with reference to reports or letters concerning the Task as applicable;
- 8.2.3 In cases where authorized funds were not all expended to complete specific Tasks, these funds are considered returned to the Contract funding baseline for re-issuance/re-distribution as necessary.

8.3 Consolidation of Task Authorizations for Administrative Purposes

For administrative purposes, the contract will be amended by the Contracting Authority from time to time to reflect all TAs issued and approved to date under the contract.

8.4 Task Authorization Limit

The Procurement Authority may authorize individual task authorizations up to a limit of \$40,000.00 CAD, Applicable Taxes included, inclusive of any revisions.

Any task authorization to be issued in excess of that limit must be authorized by the Contracting Authority before issuance.

8.5 Canada's Obligation - Portion of the Work - Task Authorizations

- 8.5.1 Canada's obligation with respect to the portion of the Work under the Contract that is performed through task authorizations is limited to the total amount of the actual tasks performed by the Contractor.
- 8.5.2 Canada reserves the right, at any time, to acquire the requested Work by other means including by selecting other suppliers. For example, Canada may decide to acquire the requested Work by other means when the Contractor provides a written proposal that has been rejected by Canada.

8.6 Periodic Usage Reports - Contracts with Task Authorizations

The Contractor must compile and maintain records on its provision of services to the federal government under authorized Task Authorizations issued under the Contract.

The Contractor must provide this data in accordance with the reporting requirements detailed below. If some data is not available, the reason must be indicated. If services are not provided during a given period, the Contractor must still provide a "nil" report.

The data must be submitted on a quarterly basis to the Contracting Authority.

The quarterly periods are defined as follows:

1st quarter: April 1 to June 30;

2nd quarter: July 1 to September 30;

3rd quarter: October 1 to December 31; and

4th quarter: January 1 to March 31.

The data must be submitted to the Contracting Authority no later than 10 calendar days after the end of the reporting period.

Reporting Requirement - Details

A detailed and current record of all authorized tasks must be kept for each contract with a task authorization process. This record must contain:

For each authorized task:

- i. the authorized task number or task revision number(s);
- ii. a title or a brief description of each authorized task;
- iii. the total estimated cost specified in the authorized Task Authorization (TA) of each task, exclusive of Applicable Taxes;
- iv. the total amount, exclusive of Applicable Taxes, expended to date against each authorized task;
- v. the start and completion date for each authorized task; and
- vi. the active status of each authorized task, as applicable.

For all authorized tasks:

- i. the amount (exclusive of Applicable Taxes) specified in the contract (as last amended, as applicable) as Canada's total liability to the contractor for all authorized TAs; and
- ii. the total amount, exclusive of Applicable Taxes, expended to date against all authorized TAs.

8.7 Task Authorization - Department of National Defence

The administration of the Task Authorization process will be carried out by the applicable Department of National Defence designation, (*The Contracting Authority will provide designation at contract award*). This process includes monitoring, controlling and reporting on expenditures of the contract with task authorizations to the Contracting Authority.

9. Invoicing Instructions

9.1 The Contractor must submit invoices in accordance with the section entitled "Invoice Submission" of the general conditions. Invoices cannot be submitted until all work identified in the invoice is completed.

9.2 Invoices must be distributed as follows:

- a. The original and one (1) copy must be forwarded to the following address for certification and payment.

**Department of National Defence
101 Colonel By Dr
Ottawa ON K1A 0K2**

Attn: _____ *(To be inserted at the Contract Award)*

- b. One (1) e-copy must be forwarded to the Contracting Authority identified under the section entitled "Authorities" of the Contract.
- c. One (1) e-copy must be forwarded to the Procurement Authority identified under the section entitled "Authorities" of the Contract.
- d. one (1) e-copy must be forwarded to the consignee.

10. Release Documents – Distribution

The Contractor must prepare the release documents in a current electronic format and distribute them as follows:

- a. One (1) copy mailed to consignee marked: "Attention: Receipts Officer";
- b. Two (2) copies with shipment (in a waterproof envelope) to the consignee;
- c. One (1) copy to the Contracting Authority;
- d. One (1) copy to:

**National Defence Headquarters
Mgen George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A OK2
Attention: _____ *(To be inserted at the Contract Award)***

- e. One (1) copy to the Quality Assurance Representative;
- f. One (1) copy to the Contractor; and
- g. For all non-Canadian contractors, one (1) copy to:

**DQA/Contract Administration
National Defence Headquarters
Mgen George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A OK2**

E-mail: ContractAdmin.DQA@forces.gc.ca.

11. Certifications and Additional Information

11.1 Compliance

Unless specified otherwise, the continuous compliance with the certifications provided by the Contractor in its bid or precedent to contract award, and the ongoing cooperation in providing additional information are conditions of the Contract and failure to comply will constitute the Contractor in default. Certifications are subject to verification by Canada during the entire period of the Contract.

11.2 Federal Contractors Program for Employment Equity - Default by the Contractor

The Contractor understands and agrees that, when an Agreement to Implement Employment Equity (AIEE) exists between the Contractor and Employment and Social Development Canada (ESDC)-Labour, the AIEE must remain valid during the entire period of the Contract. If the AIEE becomes invalid, the name of the Contractor will be added to the "[FCP Limited Eligibility to Bid](#)" list. The imposition of such a sanction by ESDC will constitute the Contractor in default as per the terms of the Contract.

12. Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____ (*insert the name of the province or territory as specified by the Bidder in its bid, if applicable*).

13. Priority of Documents

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

- a. the Articles of Agreement;
- b. the supplemental general conditions 4001 (2015-04-01), Hardware Purchase, Lease and Maintenance;
- c. the supplemental general conditions 4003 (2010-08-16), Licensed Software;
- d. the supplemental general conditions 4006 (2010-08-16), Contractor to Own Intellectual Property Rights in Foreground Information
- e. the general conditions 2030 (2018-06-21), Goods – Higher Complexity;
- f. The applicable sections and sub-sections of the general conditions 2035 (2016-04-04), General Conditions - Services (Higher Complexity);
- g. Annex A - Security Requirements Check List;
- h. Annex B - Statement of Work;
- i. Annex C - Basis of Payment;
- j. the Contractor's bid dated _____.

14. Defence Contract

SACC Manual clause [A9006C](#) (2012-07-16) Defence Contract

15. Recommended Spare Part Lists (RSPL)

1. The Contractor must, within 15 calendar days after contract award, provide to the Procurement Authority a Recommended Spare Parts List (RSPL) prepared in accordance with the current issue of Canadian Forces Specification D-01-100-214/SF-000. The RSPL must contain the Contractor's recommendation for spares required to maintain the equipment for a 24-month period, and must provide the basis for the spares selection to be made by Department of National Defence. Upon request from the Contractor, the specification will be provided by the Contracting Authority.
2. Supplementary Provisioning Technical Documentation (SPTD), as prepared by the actual manufacturer of the item, is required for the codification and cataloguing of all items listed in the RSPL. The SPTD called up in the above specification must accompany the RSPL as detailed in the specification. Specific details of the data elements required must be listed on a Provisioning Documentation Selection Sheet, prepared in accordance with the above specification, and be submitted in electronic ASCII text format.

3. Questions regarding the preparation, format or contents of the above provisioning documentation must be directed to the Procurement Authority.

16. Insurance Requirements

SACC Manual clause [G1005C](#) (2016-01-28) Insurance – No Specific Requirement

17. SACC Manual Clauses

A2000C (2006-06-16)	Foreign Nationals (Canadian Contractors)
A2001C (2006-06-16)	Foreign Nationals (Foreign Contractor)
A9062C (2011-05-16)	Canadian Forces Site Regulations
A9065C (2006-06-16)	Identification Badge
A9117C (2007-11-30)	T1204 - Direct Request by Customer Department
B4061C (2008-05-12)	North Atlantic Treaty Organization Codification - Data Requirements
B7500C (2006-06-16)	Excess Goods
C0705C (2010-01-11)	Discretionary Audit
C2611C (2007-11-30)	Custom Duties – Contractor Importer
C2800C (2013-01-28)	Priority Rating, or
C2801C (2017-08-17)	Priority Rating: Canadian-based contractors
D2000C (2007-11-30)	Marking
D2001C (2007-11-30)	Labeling
D2025C (2013-11-06)	Wood Packaging Materials
D5510C (2014-06-26)	Quality Assurance Authority (Department of National Defence) - Canadian-based Contractor, or
D5515C (2010-01-11)	Quality Assurance Authority (Department of National Defence) - Foreign-based and United States Contractor
D5540C (2019-05-30)	ISO 9001:2008 - Quality Management Systems - Requirements (Quality Assurance Code Q)
D5604C (2008-12-12)	Release Documents (Department of National Defence) - Foreign-based Contractor, or
D5605C (2010-01-11)	Release Documents (Department of National Defence) - United States-based Contractor, or
D5606C (2012-07-16)	Release Documents (Department of National Defence) - Canadian-based Contractor
D6010C (2007-11-30)	Palletization
D9002C (2007-11-30)	Incomplete Assemblies

18. Confirmation of Contract Award

The Contractor was notified of contract award by _____ (*insert "e-mail" or "telephone", as applicable*) on _____ (*insert date*). The Work specified in the notice, if any, must not be duplicated.

19. Contractual Disputes

The following procedures for the settlement of any disputes which may arise throughout the life of this Contract shall prevail:

- 19.1 Disputes arising from this Contract will in the first instance be resolved by the Contracting Authority and the Contractor's Contract Administrator within fifteen (15) working days or such additional time as may be agreed to by both parties.

- 19.2 Failing resolution under (1) above, the Manager, Defence Communications Division, Electronics, Munitions and Tactical Systems Procurement Directorate (EMTSPD), Land and Aerospace Equipment Procurement and Support Sector (LAEPSS) and the Contractor's Representative Supervisor will attempt to resolve the dispute within an additional fifteen (15) working days.
- 19.3 Failing resolution under (1) or (2), the Senior Director of EMTSPD, LAEPSS and the Contractor's equivalent Senior Management will attempt to resolve the dispute within an additional thirty (30) working days.

PART 8 - RESULTING CLAUSES FOR IN-SERVICE SUPPORT CONTRACT

The following clauses and conditions apply to and form part of any contract resulting from the bid solicitation.

1 Security Requirements

- 2.1 The following security requirements (SRCL and related clauses provided by the Contract Security Program) apply and form part of the Contract.
1. The Contractor/Offeror must, at all times during the performance of the Contract/Standing Offer, hold a valid Designated Organization Screening (DOS), issued by the Contract Security Program (CSP) of the Industrial Security Sector (ISS), Public Works and Government Services (PWGSC).
 2. The Contractor/Offeror personnel requiring access to sensitive work site(s) must EACH hold a valid RELIABILITY STATUS, granted or approved by the CSP/ISS/PWGSC.
 3. Subcontracts which contain security requirements are NOT to be awarded without the prior written permission of the CSP/ISS/PWGSC.
 4. The Contractor/Offeror must comply with the provisions of the:
 - a. Security Requirements Check List and security guide (if applicable), attached at Annex AA;
 - b. Industrial Security Manual (Latest Edition).
- 2.2 The Company Security Officer must ensure through the Contract Security Program that the Contractor and individuals hold a valid security clearance at the required level.

2 Statement of Work

The Contractor must perform the Work in accordance with Annex BB - Technical Statement of Work at and Annex CC – Logistics Statement of Work (LOG SOW).

3 Standard Clauses and Conditions

All clauses and conditions identified in the Contract by number, date and title are set out in the Standard Acquisition Clauses and Conditions Manual (<https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual>) issued by Public Works and Government Services Canada.

3.1 General Conditions

2035 (2018-06-21) General Conditions – Services (Higher Complexity), apply to and form part of the Contract.

3.2 Supplemental General Conditions

4003 (2010-08-16) Licensed Software, apply to and form part of the Contract.

4006 (2010-08-16) Contractor to Own Intellectual Property Rights in Foreground Information

4 Term of Contract

4.1 Period of the Contract

4.1.1 The effective date of In-Service Support Contract will be one day after the warranty period of the firm hardware requirements has expired.
The period of the Contract is four years from the effective date of the In-Service Support Contract.

4.1.2 In this Contract, Period of the Contract is defined below:

- | | |
|--------------------------|--------------------------------------|
| 1. Year 1 (Y1) | : 01 January 2021 – 31 December 2021 |
| 2. Year 2 (Y2) | : 01 January 2022 – 31 December 2022 |
| 3. Year 3 (Y3) | : 01 January 2023 – 31 December 2023 |
| 4. Year 4 (Y4) | : 01 January 2024 – 31 December 2024 |
| 5. Option Period 1 (OP1) | : 01 January 2025 – 31 December 2025 |
| 6. Option Period 2 (OP2) | : 01 January 2026 – 31 December 2026 |

(The above listed dates are presumptive as the actual dates will be finalized at the contract award).

4.2 Optional Goods and/or Services

The Contractor grants to Canada the irrevocable option to acquire the goods, services or both described at Annex BB and Annex CC of the Contract under the same conditions and at the prices and/or rates stated in the Contract. The option may only be exercised by the Contracting Authority and will be evidenced, for administrative purposes only, through a contract amendment.

The Contracting Authority may exercise the option at any time before the expiry of the Contract by sending a written notice to the Contractor.

4.3 Option to Extend the Contract

The Contractor grants to Canada the irrevocable option to extend the term of the Contract by up to two (2) additional one (1) year period(s) under the same conditions. The Contractor agrees that, during the extended period of the Contract, it will be paid in accordance with the applicable provisions as set out in the Basis of Payment.

Canada may exercise this option at any time by sending a written notice to the Contractor at least 30 calendar days before the expiry date of the Contract. The option may only be exercised by the Contracting Authority, and will be evidenced for administrative purposes only, through a contract amendment.

5 Authorities

5.1 Contracting Authority

The Contracting Authority for the Contract is:

Yessica Wijaya

Public Works and Government Services Canada
Acquisitions Branch
Land and Aerospace Equipment Procurement and Support Sector
Place du Portage, Phase III 8C2, 11 Laurier Street

Gatineau, QC, K1A 0S5

Telephone : 819-420-5482

E-mail address : YessicaKarnali.WijayaPutri@tpsgc-pwgsc.gc.ca

The Contracting Authority is responsible for the management of the Contract and any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of the Contract based on verbal or written requests or instructions from anybody other than the Contracting Authority.

5.2 Procurement Authority

The Procurement Authority for the Contract is:

To be inserted at the contract award.

The Procurement Authority is the representative of the department or agency for whom the Work is being carried out under the Contract. The Procurement Authority is responsible for the implementation of tools and processes required for the administration of the Contract. The Contractor may discuss administrative matters identified in the Contract with the Procurement Authority however the Procurement Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of Work can only be made through a contract amendment issued by the Contracting Authority.

5.3 Technical Authority

The Technical Authority for the Contract is:

To be inserted at the contract award.

The Technical Authority named above is the representative of the department or agency for whom the Work is being carried out under the Contract and is responsible for all matters concerning the technical content of the Work under the Contract. Technical matters may be discussed with the Technical Authority, however the Technical Authority has no authority to authorize changes to the scope of the Work. Changes to the scope of the Work can only be made through a contract amendment issued by the Contracting Authority.

5.4 Contractor's Representative

To be inserted at the contract award.

6 Proactive Disclosure of Contracts with Former Public Servants

By providing information on its status, with respect to being a former public servant in receipt of a Public Service Superannuation Act (PSSA) pension, the Contractor has agreed that this information will be reported on departmental websites as part of the published proactive disclosure reports, in accordance with Contracting Policy Notice: 2012-2 of the Treasury Board Secretariat of Canada.

7 Payment

7.1 Basis of Payment

In consideration of the Contractor satisfactorily completing all of its obligations under this Contract, the Contractor will be paid in accordance with Annex DD – Basis of Payment – In-Service Support.

For the firm price portion of the Work only, Canada will not pay the Contractor for any design changes, modifications or interpretations of the Work unless they have been approved, in writing, by the Contracting Authority before their incorporation into the Work.

The terms shall apply:

Incoterms 2010	Delivery Duty Paid (DDP)
Transportation/ Shipping charges:	Included
Canadian Customs/Duties:	Included
GST/HST:	Extra

7.2 Limitation of Expenditure

7.2.1 Canada's total liability to the Contractor under the Contract must not exceed \$ _____ (*To be inserted at the contract award.*). Customs duties are included and Applicable Taxes are extra.

7.2.2 No increase in the total liability of Canada or in the price of the Work resulting from any design changes, modifications or interpretations of the Work, will be authorized or paid to the Contractor unless these design changes, modifications or interpretations have been approved, in writing, by the Contracting Authority before their incorporation into the Work. The Contractor must not perform any work or provide any service that would result in Canada's total liability being exceeded before obtaining the written approval of the Contracting Authority. The Contractor must notify the Contracting Authority in writing as to the adequacy of this sum:

- when it is 75% committed, or
- four months before the contract expiry date, or
- as soon as the Contractor considers that the contract funds provided are inadequate for the completion of the Work,

whichever comes first.

7.2.3 If the notification is for inadequate contract funds, the Contractor must provide to the Contracting Authority a written estimate for the additional funds required. Provision of such information by the Contractor does not increase Canada's liability.

7.3 Progress Payment

- Canada will make progress payments in accordance with the payment provisions of the Contract, no more than once a month, for cost incurred in the performance of the Work, up to 100 percent of the amount claimed and approved by Canada if:
 - an accurate and complete claim for payment using form PWGSC-TPSGC 1111, Claim for Progress Payment, and any other document required by the Contract have been submitted in accordance with the invoicing instructions provided in the Contract;
 - the amount claimed is in accordance with the basis of payment;
 - the total amount for all progress payments paid by Canada does not exceed 100 percent of the total amount to be paid under the Contract;
 - all certificates appearing on form PWGSC-TPSGC 1111 have been signed by the respective authorized representatives.

2. The balance of the amount payable will be paid in accordance with the payment provisions of the Contract upon completion and delivery of all work required under the Contract if the Work has been accepted by Canada and a final claim for the payment is submitted.
3. Progress payments are interim payments only. Canada may conduct a government audit and interim time and cost verifications and reserves the rights to make adjustments to the Contract from time to time during the performance of the Work. Any overpayment resulting from progress payments or otherwise must be refunded promptly to Canada.

7.4 Payment for the Additional Work Requirements

For each task, payment terms will be finalized in accordance with the AWR pricing options listed in this document, and the Contractor shall be paid as per the Hourly Labour Rates and Prices listed in Annex DD - Basis of Payment

7.5 Economic Price Adjustment

For Option Periods including any subsequent years, if exercised, the Contractor will be paid the annually adjusted prices and rates adjusted in accordance with the Economic Price Adjustment (EPA) methodology as per the following:

Prices and Rates for the following will be adjusted;

- a. Firm Prices for the Monthly Technical Support Services Fee.
- b. Firm Prices for Optional Training
- c. Fixed Hourly Labour Rates for Additional Work Requirement and ISS.

The Canadian Consumer Price Index shall be used to determine the adjusted labour rates and Prices. The calculation for the adjusted rates and prices will be based on the Consumer Price Index (CPI) monthly, not seasonally adjusted for "All items" as per the latest available Table: 18-10-0004-13 (formerly CANSIM 326-0020) published by Statistics Canada.

Labour Rates and the Prices for the option periods will be incorporated in Annex DD - Basis of Payment prior to exercising the options. In the event, the Labour Rates and Prices could not be finalized in time, last year's rates and prices will continue to apply as an interim basis subject to adjustment upon completion of the annual rate negotiations between PSPC and the Contractor for each Option Period.

7.6 Electronic Payment of Invoices – Contract

The Contractor accepts to be paid using any of the following Electronic Payment Instrument(s):

- a. Visa Acquisition Card;
- b. MasterCard Acquisition Card;
- c. Direct Deposit (Domestic and International);
- d. Electronic Data Interchange (EDI);
- e. Wire Transfer (International Only);
- f. Large Value Transfer System (LVTS) (Over \$25M)

The above will be updated at the time of contract award based on the information provided in the bid.

8 Task Authorization for Additional Work Requirements (AWRs)

Should there be any requirement beyond the established scope of this contract:

1. The Procurement Authority through Contracting Authority will provide the Contractor with a description of the task using the Form DND 626 - Task Authorization Form.
2. The Task Authorization (TA) will contain the details of the activities to be performed, a description of the deliverables, and a schedule indicating completion dates for the major activities or submission dates for the deliverables. The TA will also include the applicable basis (bases) and methods of payment as specified in the Contract.
3. The Contractor must provide Procurement and Contracting Authority, within 15 calendar days of its receipt, the proposed total estimated cost for performing the task and a breakdown of that cost, established in accordance with the Basis of Payment specified in the Contract.
4. The Contractor must not commence work until a TA authorized by the Contracting Authority has been received by the Contractor. The Contractor acknowledges that any work performed before a TA has been received will be done at the Contractor's own risk.

8.1 General TIES/AWRs Pricing Options

- a. Firm Price: For TIES/AWAs, the Contractor must submit a "Firm Price" excluding travel and living expenses to the Procurement Authority when the scope of Work is clearly understood by both parties and no changes are anticipated in the scope of the Work. Where a firm price has been established, the Contractor will be obliged to complete the Work for the specified firm price. Travel and living expenses will be paid based on actual expenditure incurred by the Contractor in accordance with the Basis of Payment.
- b. Ceiling Price: TIES/AWAs, the Contractor may submit a "Ceiling Price" quote excluding travel and living expenses to the Procurement Authority when the scope of the Work cannot be clearly defined. The term Ceiling Price is the maximum price that is to be paid to the Contractor and beyond which the Contractor will not receive additional compensation for the defined Work and in return for which the Contractor is obligated to complete the Work. No additional funds will be made available. When the "Ceiling Price" approach is used both parties agree prior to the Work authorization that the price is subject to downward revision on completion of the task, based on the actual cost and verification of the actuals. Travel and living expenses will be paid based on actual expenditure incurred by the contractor IAW the Basis of Payment.

Each Task Authorization for TIES/AWAs must clearly state whether the price is a "Firm Fixed Price" or a "Ceiling Price".

- c. Limitation of Expenditure Price: When it is not possible for the Contractor to submit a "Firm Price" or a "Ceiling Price" as described above, the Contractor may submit a "Limitation of Expenditure" quote.

- d. The "Firm Price", "Ceiling Price" and/or the "Limitation of Expenditure" quote must be based on the rates in Canadian Funds. All proposed prices and cost estimates must be supported by a detailed cost breakdown.
- e. For a Task which is subject to a "Limitation of Expenditure" as described in Sub-article c. above, the Contractor must notify the proper authority in writing as to the inadequacy of its "Limitation of Expenditure" when:
- the resources required for its timely completion reaches 75% of the authorized Task funding; or
 - if during the execution of the authorized Tasking it appears to the Contractor that the Scope of Work is greater than had been anticipated and that the funds provided for a Task are inadequate.
- f. When providing the notification described in Sub-article e above, the Contractor must, as a minimum, identify;
- estimated labour hours and schedule forecast to complete;
 - work around plan; and
 - risk assessment.
- A revised proposal and proper justification for the requested amendment must be submitted to the proper approval Authority for consideration. Under no circumstance is the authorized level of expenditure to be exceeded. Canada is under no obligation to pay for any Work that exceeds the authorized funding limitation.
- g. All amounts charged on a "Ceiling price" or "Limitation of Expenditure" basis must be subject to Government audit before or after payment of an invoice.

8.2 Task Completion/Closure Procedures

The Contractor must monitor all Tasks issued under the Contract. If at any time the Contractor believes that a specific Task has been completed or has been inactive for a period of at least one (1) month, the Contractor must proceed as follows to request closure:

- 8.2.1 The Contractor must determine the final costs to Canada, itemized as necessary for each individual Task being considered for closure;
- 8.2.2 The Contractor must submit a letter to the PA (one copy each to PA and CA) requesting closure of the Task with reference to reports or letters concerning the Task as applicable;
- 8.2.3 In cases where authorized funds were not all expended to complete specific Tasks, these funds are considered returned to the Contract funding baseline for re-issuance/re-distribution as necessary.

8.3 Consolidation of Task Authorizations for Administrative Purposes

For administrative purposes, the contract will be amended by the Contracting Authority from time to time to reflect all TAs issued and approved to date under the contract.

8.4 Task Authorization Limit

The Technical Authority may authorize individual task authorizations up to a limit of \$40,000.00 CAD, Applicable Taxes included, inclusive of any revisions.

Any task authorization to be issued in excess of that limit must be authorized by the Contracting Authority before issuance.

8.5 Canada's Obligation - Portion of the Work - Task Authorizations

8.5.1 Canada's obligation with respect to the portion of the Work under the Contract that is performed through task authorizations is limited to the total amount of the actual tasks performed by the Contractor.

8.5.2 Canada reserves the right, at any time, to acquire the requested Work by other means including by selecting other suppliers. For example, Canada may decide to acquire the requested Work by other means when the Contractor provides a written proposal that has been rejected by Canada.

8.6 Periodic Usage Reports - Contracts with Task Authorizations

The Contractor must compile and maintain records on its provision of services to the federal government under authorized Task Authorizations issued under the Contract.

The Contractor must provide this data in accordance with the reporting requirements detailed below. If some data is not available, the reason must be indicated. If services are not provided during a given period, the Contractor must still provide a "nil" report.

The data must be submitted on a quarterly basis to the Contracting Authority.

The quarterly periods are defined as follows:

1st quarter: April 1 to June 30;

2nd quarter: July 1 to September 30;

3rd quarter: October 1 to December 31; and

4th quarter: January 1 to March 31.

The data must be submitted to the Contracting Authority no later than 10 calendar days after the end of the reporting period.

Reporting Requirement - Details

A detailed and current record of all authorized tasks must be kept for each contract with a task authorization process. This record must contain (contracting authority to edit the text as applicable):

For each authorized task:

- i. the authorized task number or task revision number(s);
- ii. a title or a brief description of each authorized task;
- iii. the total estimated cost specified in the authorized Task Authorization (TA) of each task, exclusive of Applicable Taxes;
- iv. the total amount, exclusive of Applicable Taxes, expended to date against each authorized task;

- v. the start and completion date for each authorized task; and
- vi. the active status of each authorized task, as applicable.

For all authorized tasks:

- i. the amount (exclusive of Applicable Taxes) specified in the contract (as last amended, as applicable) as Canada's total liability to the contractor for all authorized TAs; and
- ii. the total amount, exclusive of Applicable Taxes, expended to date against all authorized TAs.

8.7 Task Authorization - Department of National Defence

The administration of the Task Authorization process will be carried out by the applicable Department of National Defence designation, *(The Contracting Authority will provide designation at contract award)*. This process includes monitoring, controlling and reporting on expenditures of the contract with task authorizations to the Contracting Authority.

9 Invoicing Instructions

- 9.1 The Contractor must submit invoices in accordance with the section entitled "Invoice Submission" of the general conditions. Invoices cannot be submitted until all work identified in the invoice is completed.
- 9.2 Invoices must be distributed as follows:
- a. The original and one (1) copy must be forwarded to the following address for certification and payment.

Department of National Defence
101 Colonel By Dr
Ottawa ON K1A 0K2

Attn: _____ *(To be inserted at the Contract Award)*

- b. One (1) e-copy must be forwarded to the Contracting Authority identified under the section entitled "Authorities" of the Contract.
- c. One (1) e-copy must be forwarded to the Procurement Authority identified under the section entitled "Authorities" of the Contract.
- d. one (1) e-copy must be forwarded to the consignee.

10 Release Documents - Distribution

The Contractor must prepare the release documents in a current electronic format and distribute them as follows:

- a. One (1) copy mailed to consignee marked: "Attention: Receipts Officer";
- b. Two (2) copies with shipment (in a waterproof envelope) to the consignee;
- c. One (1) copy to the Contracting Authority;
- d. One (1) copy to:

National Defence Headquarters
Mgen George R. Pearkes Building

101 Colonel By Drive
Ottawa, ON K1A OK2
Attention: _____ *(To be inserted at the Contract Award)*

- e. One (1) copy to the Quality Assurance Representative;
- f. One (1) copy to the Contractor; and
- g. For all non-Canadian contractors, one (1) copy to:

DQA/Contract Administration
National Defence Headquarters
Mgen George R. Pearkes Building
101 Colonel By Drive
Ottawa, ON K1A OK2

E-mail: ContractAdmin.DQA@forces.gc.ca.

11 Certifications and Additional Information

11.1 Compliance

Unless specified otherwise, the continuous compliance with the certifications provided by the Contractor in its bid or precedent to contract award, and the ongoing cooperation in providing additional information are conditions of the Contract and failure to comply will constitute the Contractor in default. Certifications are subject to verification by Canada during the entire period of the Contract.

11.2 Federal Contractors Program for Employment Equity - Default by the Contractor

The Contractor understands and agrees that, when an Agreement to Implement Employment Equity (AIEE) exists between the Contractor and Employment and Social Development Canada (ESDC)-Labour, the AIEE must remain valid during the entire period of the Contract. If the AIEE becomes invalid, the name of the Contractor will be added to the "[FCP Limited Eligibility to Bid](#)" list. The imposition of such a sanction by ESDC will constitute the Contractor in default as per the terms of the Contract.

12 Applicable Laws

The Contract must be interpreted and governed, and the relations between the parties determined, by the laws in force in _____ (*insert the name of the province or territory as specified by the Bidder in its bid, if applicable*).

13 Priority of Documents

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

- a. the Articles of Agreement;
- b. the supplemental general conditions 4003 (2010-08-16), Licensed Software;
- c. the supplemental general conditions 4006 (2010-08-16), Contractor to Own Intellectual Property Rights in Foreground Information

- d. the general conditions 2035 (2016-04-04), General Conditions - Services (Higher Complexity);
- e. Annex AA, Security Requirements Check List;
- f. Annex BB, Technical Statement of Work;
- g. Annex CC, Logistic Statement of Work;
- h. Annex DD, Basis of Payment; and
- i. the Contractor's bid dated _____.

14 Defence Contract

SACC Manual clause [A9006C](#) (2012-07-16) Defence Contract

15 Insurance Requirements

SACC Manual clause [G1005C](#) (2016-01-28) Insurance – No Specific Requirement

16 SACC Manual Clauses

A2000C (2006-06-16)	Foreign Nationals (Canadian Contractors)
A2001C (2006-06-16)	Foreign Nationals (Foreign Contractor)
A9062C (2011-05-16)	Canadian Forces Site Regulations
A9065C (2006-06-16)	Identification Badge
A9117C (2007-11-30)	T1204 - Direct Request by Customer Department
B7500C (2006-06-16)	Excess Goods
C0705C (2010-01-11)	Discretionary Audit
C2611C (2007-11-30)	Custom Duties – Contractor Importer
C2800C (2013-01-28)	Priority Rating, or
C2801C (2017-08-17)	Priority Rating: Canadian-based contractors
D2000C (2007-11-30)	Marking
D2001C (2007-11-30)	Labeling
D2025C (2013-11-06)	Wood Packaging Materials
D5510C (2014-06-26)	Quality Assurance Authority (Department of National Defence) - Canadian-based Contractor, or
D5515C (2010-01-11)	Quality Assurance Authority (Department of National Defence) - Foreign-based and United States Contractor
D5540C (2019-05-30)	ISO 9001:2008 - Quality Management Systems - Requirements (Quality Assurance Code Q)
D5604C (2008-12-12)	Release Documents (Department of National Defence) - Foreign-based Contractor, or
D5605C (2010-01-11)	Release Documents (Department of National Defence) - United States-based Contractor, or
D5606C (2012-07-16)	Release Documents (Department of National Defence) - Canadian-based Contractor
D6010C (2007-11-30)	Palletization
D9002C (2007-11-30)	Incomplete Assemblies

17 Contractual Disputes

The following procedures for the settlement of any disputes which may arise throughout the life of this Contract shall prevail:

- 17.1 Disputes arising from this Contract will in the first instance be resolved by the Contracting Authority and the Contractor's Contract Administrator within fifteen (15) working days or such additional time as may be agreed to by both parties.

- 17.2 Failing resolution under (1) above, the Manager, Defence Communications Division, Electronics, Munitions and Tactical Systems Procurement Directorate (EMTSPD), Land and Aerospace Equipment Procurement and Support Sector (LAEPSS) and the Contractor's Representative Supervisor will attempt to resolve the dispute within an additional fifteen (15) working days.
- 17.3 Failing resolution under (1) or (2), the Senior Director of EMTSPD, LAEPSS and the Contractor's equivalent Senior Management will attempt to resolve the dispute within an additional thirty (30) working days.

18 Notice of Labour Disputes

Whenever the contractor, or any sub-contractor hereunder has knowledge that an actual or potential labour dispute is delaying or threatens to delay the timely performance of any resultant contract, the contractor or any such sub-contractor shall immediately give notice thereof, including all relevant information with respect thereto, to the Contract Authority.