- Q1. Can Canada confirm if there is a maximum size business that can apply to Call for Proposals (CFP) EN578-21ISC1?
- A1. This Call for Proposal is targeting small businesses of 499 or fewer full-time equivalent (FTE) employees.
- **Q2.** What is the purpose of two Testing Stream Calls for Proposals EN578-21ISC1 and EN578-21ISC2?
- A2. Canada's intent is to allow, through two distinct Calls for Proposals, all eligible businesses to propose their innovations. The first Call for Proposals will target eligible Canadian small businesses and the second will be open to eligible Canadian businesses and entities who are large companies, non-profit, universities, etc.
- **Q3.** Can Bidders apply to both CFPs?
- A3. No. Bidders must determine under which Call for Proposals they are eligible by referring to Article 1.3 Who Can Submit a Proposal. Bidders are only eligible to apply under one Call for Proposals.
- **Q4.** What are the steps for submitting a proposal under the Testing Stream?
- A4. As per the solicitation document Article 3.1. Proposal Submission sub article 3.1.2, Bidders must submit their proposal using the Testing Stream Electronic Proposal Submission Form. The form can be found by clicking the "Submit your Proposal" button on the ISC website. Proposals that are submitted in an alternate format will not be accepted unless prior approval has been obtained from the Contracting Authority at: TPSGC.PASICVoletessai-APISCTestingStream.PWGSC@tpsgc-pwgsc.gc.ca
- **Q5.** Is there an option to submit to this Call for Proposals using a PDF form or to provide attachments?
- A5. There is no option to upload additional information. The innovation description should be presented in the form as requested. In exceptional circumstances only, the following sub articles will apply:
 - "3.1.5 Bidders who are not able to submit their proposal using the web-based system must contact the Contracting Authority at TPSGC.PASICCOVID19-PISCCOVID19-PWGSC@tpsgc-pwgsc.gc.ca to arrange delivery of their proposal. This includes the submission of proposals with a security level exceeding Protected B." AND
 - "3.1.6 All proposals submitted will be bound by the same terms, conditions and limitations. For all proposals submitted, any text submitted above the character limit specified in the Testing Stream Electronic Proposal Submission Form will not be evaluated."
- **Q6.** Is there potential relief available on the 80% Canadian content requirement for prototype subcomponent materiel?
- A6. At this time the Testing Stream is not considering reducing the Canadian Content Requirement therefore Bidders must ensure innovations demonstrate 80% Canadian Content in accordance with article 1.5 Canadian Content A3050T (2018-12-06)

Canadian Content Definition of the solicitation document in order to be considered for this requirement.

- Q7. The SACC 2040 (2020-05-28), General Conditions Research & Development section 2040 26 (2008-05-12) Liability clause included in the Resulting Contract states that "The Parties agree that no limitation of liability or indemnity provision applies to the Contract unless it is specifically incorporated in full text in the Articles of the Agreement". Is this clause mandatory, i.e. if the innovation gets selected through the process and a department is interested in procuring it, would we have to sign an unlimited liability clause?
- A7. The Draft Resulting Contract Clauses included in the solicitation document at Appendix 3, remains silent on liability in accordance with 2040 (2020-05-28), General Conditions Research & Development section 2040 26 (2008-05-12) Liability below. All testing stream contracts generally do not include clauses that limit liability as they involve R&D tests for which risks are mitigated through the design and implementation of the test plan. Therefore contracts will rely on the default clause below.

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

- Q8. Regarding the Mandatory Criteria MC5 Pre-Commercial Status of the Calls for Proposals, would Canada consider removing / relaxing the requirement that:

 "The proposed innovation must not be openly available in the marketplace, and must not have been previously sold on a commercial basis as of the date of this bid submission."
- **A8.** At this point, Canada is not considering removing this requirement for this Call for Proposals.
- **Q9.** Does Canada require a company that does safety testing on equipment to provide certification prior to the equipment being complete?
- **A9.** Bidders must demonstrate, at time of proposal submission that their proposed innovation is safe to test in an operational environment.
- **Q10.** Can Bidders submit more than one proposal?
- **A10.** Yes. Bidders can submit more than one proposal, so long as it is for distinct Innovations.
- **Q11.** Can a university submit a proposal for this call?
- **A11.** In order to submit a proposal, Bidders must comply with all the requirements of the Calls for Proposals, including Article 1.3 Who Can Submit a Proposal. In general universities are eligible for Call for Proposals EN578-21ISC2, however the proposal is evaluated on

areas which include management team and commercialization plan. Joint-ventures are eligible under this CFP, which could include a University working with a for-profit enterprise.

- **Q12.** Can Canada advise as to when announcements will be made regarding the successful applicants?
- **A12.** All Bidders will be advised individually of the results of their evaluation in a debrief letter upon completion of the evaluations in accordance with the solicitation document Article 4.5 Debriefing.
- **Q13.** Will a Bidder with a pre-qualified proposal that has been selected by a Government of Canada organization, and that has a verified capacity to undertake the Work as per an agreed-upon SOW, be precluded from completing the contract award process if the Bidder has no financial history by virtue of the fact that it is a new start-up company?
- A13. All prequalified Bidders who are selected by a Government of Canada organization will be required to undergo the Contract Award Process outlined in the Call for Proposals at sub articles 5.2 and 5.3. Canada reserves the right to verify the financial capability of a Bidder prior to proceeding with Contract Award, as per sub article 5.3.3 Financial Capability.
- **Q14.** What is the Pathway to Commercialization (Direct Buy) and intent?
- A14. Pathway to Commercialization (Direct Buy) is an initiative that Innovative Solutions Canada is piloting to better support both small businesses and government organizations. Pathway to Commercialization will allow government organizations to commercially buy the innovation, within a pre-established framework, in larger quantities to meet operational requirements without having to compete for it through normal competitive vehicles. This pilot initiative will be open to contractors who have completed an initial contract resulting from this call for proposals EN578-21ISC1 and met the entry requirements of the Direct Buy pilot.

Canada's intent is to determine the feasibility of implementing this initiative on a long-term basis. This will be achieved by monitoring the process, gathering data and analyzing the benefits and disadvantages for Canada. Canada will determine if it is beneficial to proceed with a direct buy or compete the requirement separately through other methods of supply to meet operational requirements.

- Q15. Can Bidders apply directly to the Pathway to Commercialization (Direct Buy) pilot?
- A15. Only Small Canadian businesses who have received and completed an initial ISC contract as a result of CFP EN578-21ISC1, and whose innovation has reached the end of the TRL scale and are ready for market may participate in the Pathway to Commercialization pilot.
- Q16. Will the same terms and conditions as standard R&D apply to the Direct Buy pilot?
- **A16.** Direct Buy Contracts will use different terms and conditions that are commodity-specific, outside of the R&D umbrella. Various terms and conditions that may be used are listed on Buyandsell here: https://buyandsell.gc.ca/policy-and-guidelines/standard-acquisition-clauses-and-conditions-manual.

- **Q17.** Will Direct Buy contracts need to be competed separately?
- A17. Direct Buy Contracts will not be competed per se though eligible small businesses will be required to re-certify eligibility to enter the Pathway to Commercialization (Direct Buy) pilot, meet additional criteria outlined in Appendix 5 of the Call for Proposals EN578-21ISC1 and agree to the new terms and conditions of any resulting Direct Buy Contract.