

1. **Title** Treasury and Investment Advisory Services

2. **Introduction and Supply Arrangement Requirements**

1. Canada Deposit Insurance Corporation (“**CDIC**”) is seeking to establish a qualified pool of Suppliers to provide Treasury and Investment Advisory Services as identified in Schedule “A” (Statement of Work) for any one or both of the following two (2) Service Streams:

**Service Stream #1:** *Ex Ante* Funding and Loss Absorbency

**Service Stream #2:** Investments and Sources of Liquidity

2. CDIC is a federal Crown corporation, with headquarters in Ottawa, and an office in Toronto. CDIC is responsible for providing insurance against the loss of part or all of deposits, and for promoting and otherwise contributing to the stability of the financial system in Canada. These objectives are pursued for the benefit of persons having deposits with CDIC member institutions and in such a manner as will minimize the exposure of CDIC to loss. CDIC is also the resolution authority for CDIC member institutions.

Further information about CDIC can be obtained at [www.cdic.ca](http://www.cdic.ca).

3. **Trade Agreements**

This RFSA is issued in accordance with the following trade agreements:

Canadian Free Trade Agreement

Canada-European Union Comprehensive Economic and Trade Agreement

4. **Summary of Key RFSA Dates and Defined Terms**

1. The following capitalized terms shall have the following meanings where used in this RFSA, and its incorporated schedules and forms:

<b>Date of Issuance:</b>	March 17, 2021
<b>Deadline for Suppliers to Submit Questions:</b>	March 24, 2021, at 2:00 p.m., Ottawa local time
<b>Deadline for Response to Suppliers Questions:</b>	April 6, 2021
<b>Proposal Submission Deadline:</b>	April 20, 2021, at 2:00 p.m., Ottawa local time
<b>Proposal Delivery Address:</b>	<a href="mailto:procurement@cdic.ca">procurement@cdic.ca</a>
<b>CDIC Contact Person:</b>	Sara Kruyk

2. The following additional capitalized terms shall have the following meanings where used in this RFSA, and its incorporated schedules and forms:

**“Ex Ante Funding and Loss Absorbency”** means the services described in Service Stream #1, as described in Appendix “A-1” ( Service Stream #1: *Ex Ante* Funding and Loss Absorbency);

<sup>1</sup> The complete and official copy of this Request for Supply Arrangement #2021-3042, can be found at no cost at [Buyandsell.gc.ca](http://Buyandsell.gc.ca)

**“Engagement”** means a specific body of work that was carried out pursuant to a specific client requirement/need;

**“Professional Services Agreement”** means the agreement to be entered into by a Supplier with CDIC, for any one or both of the Service Streams (see Schedule “F” (Form of Professional Services Agreement));

**“Investments and Sources of Liquidity”** means the services described in Service Stream #2, as set out in Appendix “A-2” ( Service Stream #2: Investments and Sources of Liquidity);

**“Proposal”** means the Technical Offer submitted by a Supplier when applying for the Supply Arrangement under this RFSA;

**“Reference Engagement”** means an Engagement, the details of which are being provided by a Supplier as evidence of the Supplier’s technical experience and expertise;

**“Reference Engagement Form”** means the fillable form contained in Appendix “C-2” (Reference Engagement Form);

**“RFSA”** means this Request for Supply Arrangement;

**“Service Request”** means a document issued by CDIC to an SA Holder(s), that includes instructions and applicable CDIC service requirements, which may result in a Task Authorization. (See Section 4, Service Request Process of Schedule “A” (Statement of Work));

**“Service Stream(s)”** means the services identified as Service Stream #1: *Ex Ante* Funding and Loss Absorbency, and/or Service Stream #2: Investments and Sources of Liquidity, as described in Schedule “A” (Statement of Work);

**“Service Stream #1”** means the services identified as Service Stream #1: *Ex Ante* Funding and Loss Absorbency, as described in Schedule “A” (Statement of Work);

**“Service Stream #2”** means the services identified as Service Stream #2: Investments and Sources of Liquidity, as described in Schedule “A” (Statement of Work);

**“SLA”** means service level agreement;

**“Supplier”** means an entity submitting a Proposal, or who is considering submitting a Proposal in response to this RFSA;

**“Supply Arrangement”** means an arrangement entered into between a Supplier and CDIC by executing a Professional Services Agreement;

**“Supply Arrangement Holder”** or **“SA Holder”** means a Supplier that has entered into a Professional Services Agreement;

**“Task Authorization”** means the authorization issued by CDIC, following the receipt of an SA Holder’s response to a Service Request, authorizing services to be completed under the Supply Arrangement; and

**“Technical Offer”** consists of the fillable forms contained in Schedule “C” (Technical Offer), Appendix “C-1” (Technical Offer Form); and Appendix “C-2” (Reference Engagement Form).

3. Words expressed in the singular include the plural and vice versa.

**5. Incorporated Schedules and Appendices**

In addition to the main body of this RFSA, the following schedules and appendices are included as part of the RFSA:

<b>Schedule/Appendix</b>	<b>Name</b>
Schedule "A"	Statement of Work
Appendix "A-1"	Service Stream #1: <i>Ex Ante</i> Funding and Loss Absorbency
Appendix "A-2"	Service Stream #2: Investments and Sources of Liquidity
Schedule "B"	Evaluation and Selection Process
Schedule "C"	Technical Offer
Appendix "C-1"	Technical Offer Form
Appendix "C-2"	Reference Engagement Form
Schedule "E"	Mandatory Proposal Forms
Schedule "F"	Form of Professional Services Agreement

**6. Questions and Communication Related to the RFSA Document**

1. Any questions or requests for clarification of the contents of, or interpretation or correction, relating to this RFSA, should:
  - i) be made in writing prior to the Deadline for Suppliers to Submit Questions;
  - ii) be addressed only to the CDIC Contact Person;
  - iii) list the RFSA number in the subject line; and
  - iv) be sent by electronic mail to the Proposal Delivery Address.
2. CDIC will provide the Suppliers with a response to questions no later than the Deadline for Response to Suppliers Questions. CDIC will circulate the responses to questions as written addenda to this RFSA, in the same manner as the RFSA.
3. Any attempt by a Supplier or any of its employees, agents, contractors or any other representatives to contact any person at CDIC other than the CDIC Contact Person, or to contact the CDIC Contact Person regarding this RFSA, other than in writing at the Proposal Delivery Address, may in CDIC's sole and absolute discretion, result in the Supplier's disqualification and the rejection of its Proposal.
4. Nothing in this RFSA limits CDIC's right, in its sole and absolute discretion, for which CDIC shall have no obligation, to communicate with any Supplier regarding any matter in the normal course of business from any contractual relationship for the provision of any other or similar goods or services independently of this RFSA.
5. It is the sole responsibility of a Supplier to avail itself of any information it may require, ask any questions, or obtain any clarification of the requirements or other matters in this RFSA, and make its own investigations, projections and conclusions prior to submitting a Proposal.

**7. Proposal Delivery**

1. Proposals must be received in electronic format at the Proposal Delivery Address no later than the Proposal Submission Deadline, with the time of delivery confirmed by a CDIC authorized representative. It is the Supplier's responsibility to ensure that the Proposal is delivered by the Proposal Submission Deadline to the Proposal Delivery Address. The time of delivery shall be the time the email is received in the inbox of the email address provided as the Proposal Delivery Address.

2. Proposals received after the Proposal Submission Deadline may be deemed to be non-compliant and may be returned to the sender. CDIC may, in its sole and absolute discretion, accept a Proposal delivered to the Proposal Delivery Address after the Proposal Submission Deadline if CDIC deems it to be in CDIC's best interests, and the Supplier demonstrates to CDIC's satisfaction that:
    - i) the Proposal would have been delivered to the Proposal Delivery Address by no later than the Proposal Submission Deadline but for circumstances beyond the Supplier's control; and
    - ii) CDIC's acceptance of the Proposal would not otherwise confer a substantive advantage on the Supplier.
  3. CDIC may only accept Proposals submitted to the Proposal Delivery Address. Proposals submitted by another means or at any other physical location (as applicable) may be deemed by CDIC to be non-compliant and rejected.
  4. Suppliers may, in writing, revoke and re-submit a Proposal at any time up to the Proposal Submission Deadline. Suppliers may, in writing, revoke a Proposal at any time (even after the Proposal Submission Deadline).
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**8. Proposal Format**

1. Proposals are to be submitted in either English or French to the Proposal Delivery Address, as follows:
  - i) in Adobe Reader format (.pdf).

It is possible due to file size that the Proposal may not be received. The maximum file size which CDIC is able to receive via email is 20 MB. It is highly recommended to contact the CDIC Contact Person by a separate email to the Proposal Delivery Address to advise that the Proposal has been sent and confirm CDIC's receipt.

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**9. Proposal Requirements and Required Documents**

1. Suppliers may submit Proposals for any one or both of the Service Streams.
  2. Suppliers must comply with all requirements of this RFSA, including those identified as "must" or "shall", including, but not limited to, the requirement to:
    - i) submit information in support of each Rated Requirement listed in Appendix "C-1" (Technical Offer Form) and Appendix "C-2" (Reference Engagement Form); and
    - ii) submit a Technical Offer (including all forms listed in Schedule "E" (Mandatory Proposal Forms)), completed as required.
  3. Where a Supplier fails to include any of the required information or documents in its Proposal, CDIC may, in CDIC's sole and absolute discretion (but provided that it treats all Suppliers in the same manner):
    - i) require the submission of such information or documents within a prescribed timeframe satisfactory to CDIC; and
    - ii) reject or refuse to consider any Proposal from a Supplier who fails to comply with any such submission requirement.
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**10. Evaluation and Selection**

Proposals will be evaluated in accordance with the competitive process set out in Schedule "B" (Evaluation and Selection Process), leading to the selection of successful Suppliers, each to enter into a Professional Services Agreement with CDIC to become SA Holders.

The successful Suppliers will be notified via email to the contact person at the email address provided by the Supplier in Schedule "C" (Technical Offer).

Following the issuance of Supply Arrangements with successful Suppliers resulting from this RFSA, CDIC will inform unsuccessful Suppliers of the results of their Proposals.

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## **11. CDIC's Reserved Rights**

Notwithstanding anything to the contrary in this RFSA, CDIC reserves the right in its sole and absolute discretion to exercise any or all of the following rights, alone or in combination with each other, to:

1. Evaluate or accept Proposals:
  - i) which in CDIC's sole and absolute discretion substantially comply with the requirements of this RFSA; or
  - ii) in whole or in part without negotiations.
2. Enter into negotiations with:
  - i) any or all Suppliers on any or all aspects of their Proposal, to ensure CDIC's operational requirements are met and to promote best value; or
  - ii) any or all Suppliers, or any prospective persons or entities capable of delivering the required services but who may not have submitted a Proposal in response to this RFSA in the event, in CDIC's sole and absolute discretion, no Proposals meet the requirements of this RFSA.
3. Omitted intentionally.
4. Cancel, modify, re-issue or suspend:
  - i) any aspect of this RFSA, in whole or in part, at any time, for any reason;
  - ii) the schedule for this RFSA, including without limitation the Proposal Submission Deadline stated above and any other activity or date stipulated in this RFSA, in whole or in part, at any time, for any reason; or
  - iii) this RFSA in its current or modified form and invite Proposals from only the Suppliers who submitted Proposals in response to this RFSA, where to do so is deemed, in CDIC's sole and absolute discretion, to be in CDIC's best interests.
5. Seek clarification, validate or take into account:
  - i) independently or with the help of the Suppliers, any or all information provided by the Supplier with respect to this RFSA and, for this purpose, disclose any or all information provided by the Supplier to a third party, subject to CDIC obtaining appropriate assurances of confidentiality from those third parties.
6. Reject or refuse to consider any Proposal:
  - i) if, in CDIC's sole and absolute discretion, it fails in any material respect to comply with the requirements of this RFSA;
  - ii) containing false, misleading or misrepresented information;
  - iii) in the event any matter causes or is likely to cause, in CDIC's sole and absolute discretion, a conflict of interest in relation to the selection of any Proposal;
  - iv) from a Supplier who colludes with one or more other Suppliers in the preparation of any Proposal;
  - v) from a Supplier who fails to cooperate with CDIC in any attempt by CDIC to clarify or validate any information provided by the Supplier or who fails to provide accurate and complete documentation as directed by CDIC;
  - vi) from a Supplier against whom economic sanctions have been imposed by the Government of Canada;

- vii) from a Supplier with whom CDIC has previously terminated an agreement for any reason;
- viii) from a Supplier failing to have the capacity to contract with CDIC, or Her Majesty, or both; or
- ix) if deemed by CDIC, in its sole and absolute discretion, as necessary to safeguard Canada's security interests or if the Supplier is prohibited from receiving any benefits under an agreement between Her Majesty and any other person by virtue of Section 750(3) of the *Criminal Code of Canada*.

7. Award:

- i) Professional Services Agreements in connection with Service Stream #1 and Service Stream #2, as described in Schedule "A" (Statement of Work). By entering into a Professional Services Agreement, CDIC does not guarantee that any requests for services will actually be awarded to an SA Holder; and
- ii) one or more Suppliers with Professional Services Agreements for more than one Service Stream, as described in Schedule "A" (Statement of Work).

8. Waive:

- i) irregularities, informalities, non-conformity, non-compliance, omissions and defects in any Proposal where, in CDIC's sole and absolute discretion, they do not materially affect the ability of the Supplier to provide the goods or services required by this RFSA.

The exercise of any of the above rights or sub-rights of CDIC shall not be a waiver or limit the right of CDIC to exercise any other rights.

**12. Limitation of Liability**

1. By submitting a Proposal, the Supplier acknowledges and agrees to the requirements of this Section 12.
2. The Supplier acknowledges and agrees that in no event shall CDIC, its employees, officers, directors, consultants or advisors be liable or responsible for:
  - i) any damages, including without limitation direct, indirect, consequential, incidental, general, special or exemplary damages, any economic losses, any lost profits, opportunities, expenses, costs or any other losses arising out of, in connection with, or in any way related to, any Supplier's participation in this RFSA or any acts, omissions or errors, including negligence of CDIC, its employees, officers, directors, consultants and advisors; or
  - ii) any actions of any Supplier in relation to CDIC, or another Supplier, or any third party, in receiving and responding to this RFSA.
3. Without limiting the above, expenses or costs incurred by any Supplier in any way related to or associated with this RFSA, including without limitation the preparation, submission or evaluation of Proposals, the provision of information to CDIC or CDIC's authorized representative for a determination of any Supplier's technical, managerial or financial capabilities, any expenses related to travel, and the satisfaction, fulfillment or completion of any conditions precedent to any agreement with CDIC to deliver the goods and services required by this RFSA, are a Supplier's sole responsibility and may not be charged to CDIC in any way.
4. Without limiting any rights CDIC may reserve elsewhere in this RFSA or may have otherwise at law, CDIC may, in its sole and absolute discretion, elect to exercise its sole and absolute discretion pursuant to this RFSA, without any liability or obligation to any Supplier.

5. If any Supplier is determined by a court or trade tribunal of competent jurisdiction to be entitled to compensation arising from this RFSA or from the actions of CDIC, its employees, officers, directors, consultants or advisors in relation to this RFSA, including without limitation any exercise of CDIC's sole and absolute discretion, the Supplier expressly acknowledges and agrees by submitting a Proposal that the total maximum compensation for, without limitation, any and all damages, economic losses, profits, opportunities, expenses, costs, or other losses, either individually or cumulatively, is limited to one thousand dollars (\$1,000.00 CAD).
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**13. Governing Law**

This RFSA is governed by and construed in accordance with the laws in force in the Province of Ontario, Canada, and, subject to the jurisdiction of the Canadian International Trade Tribunal, Ontario courts have exclusive jurisdiction to hear any disputes under this RFSA.

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**14. Resulting Agreements and Term of Agreement**

1. CDIC intends to award agreements based on Schedule "F" (Form of Professional Services Agreement), covering Service Stream #1, and/or Service Stream #2, each for an initial three (3)-year term plus, at CDIC's sole discretion, two (2) options to extend for a one (1)-year term, for up to five (5) years in total.

Each such Professional Services Agreement will include:

- i) the applicable portion(s) of the Statement of Work, attached to this RFSA as Schedule "A" (Statement of Work);
  - ii) any other RFSA document CDIC deems appropriate to include as part of the resulting agreement(s); and
  - iii) the applicable documents submitted with the successful Proposal.
2. CDIC intends to have Professional Services Agreements in place with successful Suppliers in November/December 2020. Successful Suppliers will be expected to enter into Professional Services Agreements with CDIC within fifteen (15) business days of being notified of having been selected as a successful Supplier.
  3. Once CDIC has entered into a Professional Services Agreement with a successful Supplier, CDIC may, in its absolute discretion, begin requesting services from any such firm, whether or not any Professional Services Agreements have yet been entered into with other successful Suppliers.
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**15. Open Supply Arrangement**

It is currently CDIC's intention that the Supply Arrangement established under this RFSA will be open during the term of the Supply Arrangement to allow, pursuant to the terms and conditions of a separate request for Supply Arrangement:

- i) additional firms to be selected as SA Holders under the Supply Arrangement for any one or both of the Service Streams described in this RSFA; and/or
  - ii) qualified SA Holders to be selected to provide services in Service Streams for which they were not previously qualified under this RSFA; and/or
  - iii) firms to be selected as SA Holders under this Supply Arrangement for new Service Streams and/or categories of resources that may be added by CDIC in the future.
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**16. No Guarantee of Volume of Work or Exclusivity of Contract**

CDIC makes no guarantee of the value or volume of work SA Holders may receive through the Supply Arrangement. The value and volume of Services, if any, acquired will depend on a variety of factors including annual budgetary approvals.

The Professional Services Agreement executed with SA Holders will not be exclusive contracts for the provision of the described Services. CDIC may contract with others for the same or similar services to those described in this RFSA or may obtain the same or similar services internally.

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**17. Debriefing**

After notification of the results of the RFSA process, Suppliers may request a debriefing. Suppliers should make the request to the CDIC Contact Person within fifteen (15) business days of receipt of the notification. The debriefing may be in writing, by telephone or by video conference. The intent of the debriefing information session is to aid Suppliers in understanding why their Proposal was not selected. Any debriefing provided is not for the purpose of providing an opportunity to challenge the procurement process.

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**18. Disclaimer**

CDIC makes no representation or warranty as to the accuracy or completeness of any information provided by it in connection with this RFSA and disclaims all express and implied representations, warranties, and conditions in connection with this RFSA. Suppliers should make their own investigations, projections and conclusions. They should consult their own advisors to verify independently the information contained in this RFSA and to obtain any additional information that they may require, prior to submitting a Proposal.

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**19. General**

1. In the event of any discrepancy, inconsistency or conflict between the wording of the English or French version of this RFSA, or any related documents, the wording of the English version shall prevail.
2. CDIC agrees to keep in confidence any information contained in a Proposal that is clearly marked "confidential". Notwithstanding the foregoing, the submission of a Proposal by a Supplier constitutes an acknowledgement by that Supplier that CDIC is subject to the *Access to Information Act* (Canada), as amended from time to time, and that, as a consequence, CDIC may be required to disclose certain information contained in its records pursuant to a request for access made under that Act.
3. CDIC requires any persons supplying services to or performing any work for CDIC to conduct their affairs to avoid any conflict of interest. A conflict of interest includes any situation where a Supplier has or may have an unfair advantage or where other commitments, relationships or interests could or could be seen to compromise a Supplier's performance of its obligations to CDIC. To the extent that a Supplier may be in a conflict of interest, that Supplier must include a description of such conflict of interest in its Proposal.

If CDIC is of the belief that a Supplier may be in a conflict of interest, CDIC may disqualify the Proposal submitted by the Supplier or terminate any agreement with that Supplier pursuant to this RFSA.



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**20. Not a Tender,  
No “Contract  
A / Contract  
B”**

This RFSA is not an offer to enter into either a binding contract (often referred to as “Contract A”) or an agreement to acquire goods or services from the Supplier (often referred to as “Contract B”). Neither this RFSA nor a Supplier’s Proposal shall create any contractual rights or obligations whatsoever on any of CDIC or any Supplier, save and except related to limitation of liability.

Supplier Proposals are revocable by Suppliers; however, CDIC is under no obligation to continue to evaluate or consider any Proposal that the Supplier seeks to modify following the Proposal Submission Deadline (including any change in pricing that is adverse to CDIC). Proposals and related information about Suppliers will be assessed during the evaluation of Proposals and accordingly, misleading or incomplete information, including withdrawn or altered Proposal information or pricing, could adversely impact any such evaluation, or result in CDIC revisiting that evaluation and may result in disqualification, in CDIC’s sole discretion.

**[END OF MAIN RFSA BODY]**

## Schedule “A”

### Statement of Work

#### 1. BACKGROUND

The Canada Deposit Insurance Corporation (CDIC) was established in 1967 by the *Canada Deposit Insurance Corporation Act* (the CDIC Act). The Corporation is an agent of Her Majesty in right of Canada and is a Crown corporation named in Part I of Schedule III to the Financial Administration Act. CDIC reports to Parliament through the Minister of Finance.

The Corporation is funded by premiums that are assessed on the insured deposits of member institutions as at April 30 of each year. CDIC applies a differential premiums structure that classifies each member annually into one of four premium categories.

CDIC is the resolution authority for all its member institutions, including the six largest banks, known as domestic systemically important banks (D-SIBs), two of which are also global systemically important banks (G-SIBs). The Corporation also works with its federal partners and domestic and international stakeholders to strengthen collaboration and planning, to be ready in the unlikely event of a D-SIB or G-SIB failure in Canada.

In contribution to the outcomes of CDIC’s Corporate Plan (2020/21 – 2024/25), to ensure that CDIC continues to adapt to the changing landscape and expectations of depositors, CDIC continues to explore enhancements to its *ex ante* funding (loss absorbency), investing and liquidity management activities.

As part of CDIC’s transformation and to remain current with legislation including the *Financial Risk Management Guidelines for Crown Corporations* issued by the Minister of Finance, CDIC conducts reviews of its key financial risk activities, including but not limited to its *ex ante* funding framework, its investment strategies and policies and liquidity management activities on an on-going basis.

#### 2. OBJECTIVES

This RFSA is an invitation issued by CDIC to prospective Suppliers to provide Proposals for the delivery of Treasury and Investment Advisory Services as further described in, and in accordance with, this RFSA.

This RFSA will establish a multi-year Supply Arrangement vehicle with experienced and qualified firms (SA Holders), capable of delivering the services of qualified resources, as described herein.

#### 3. SERVICE STREAMS

The Supply Arrangement vehicle will incorporate two (2) Service Streams with services to be requested on an as and when required basis through a Service Request.

In order for a Supplier to be qualified to become an SA Holder on the Supply Arrangement, the Supplier must qualify to provide Services in one or both of the following two (2) Service Streams, (as set out in Appendix “A-1” (Service Stream #1: *Ex Ante* Funding and Loss Absorbency, Description) and Appendix “A-2” (Service Stream #2: Investments and Sources of Liquidity, Description)), under the Service Stream(s), for which the Supplier wishes to qualify:

<b>SERVICE STREAMS</b>
<b>Service Stream # 1:</b> <i>Ex Ante</i> Funding and Loss Absorbency
<b>Service Stream # 2:</b> Investments and Sources of Liquidity

The services described within the RFSA will provide a high-level framework of the services, with specific projects, tasks and deliverables to be further defined within a Service Request. The SA Holder will be authorized by Task Authorization to proceed with the delivery of services in accordance with the agreed upon Service Request.

The services provided under each Task Authorization may require the SA Holder to work, as directed by CDIC, in collaboration with CDIC personnel, and other CDIC suppliers/consultants.

All Proposals submitted in response to this RFSA will be evaluated in a competitive process, as set out in Schedule "B" ( Evaluation and Selection Process), leading to the selection of Suppliers, to become SA Holders capable of delivering the services, each to enter into a Professional Services Agreement.

### **3.1 Service Stream # 1: Ex Ante Funding and Loss Absorbency**

Service Stream # 1 may include, but is not limited to:

- a) Articulating the key, high-level strategic considerations and trade-offs for CDIC's *ex ante* funding framework and capacity for loss absorbency;
- b) Identifying an optimal, sustainable target structure for CDIC's *ex ante* fund and capacity for loss absorbency;
- c) Estimating CDIC's targeted level for the size of the *ex ante* fund and overall loss absorbency, including the quantitative approaches that would report and stress-test the fund's level of adequacy at any point in time;
- d) Determining a reasonable timeframe and funding path that would be appropriate for CDIC to reach its targeted *ex ante* fund size and structure, and any other objectives for overall capacity for loss absorbency;
- e) Supporting the implementation of the enhancements to CDIC's *ex ante* funding framework and capacity for loss absorbency into CDIC's governance and management requirements; and
- f) Other priority emerging issues related to *ex ante* funding and loss absorbency.

CDIC invites prospective Suppliers to submit Proposals to supply services related to *Ex Ante* Funding and Loss Absorbency as further identified and described in Appendix "A-1" (Service Stream #1: *Ex Ante* Funding and Loss Absorbency, Description).

Specific required deliverables and scopes of work will be specified in any resultant Service Request. Notwithstanding, deliverables will generally align with the job activities / responsibilities provided in Appendix "A-1" (Service Stream #1: *Ex Ante* Funding and Loss Absorbency, Description).

### **3.2 Service Stream # 2: Investments and Sources of Liquidity**

Service Stream # 2 may include, but is not limited to:

- a) Efficient Frontier analysis to assess asset allocation and as support for any proposed amendments to asset allocation strategies;
- b) Propose additions to, or exclusions from, current asset allocation including how such changes align with CDIC's investment objectives, its liquidity management, resolution funding priorities, Risk Tolerance Statement and how such additions or exclusions compare to CDIC's existing policy constraints;
- c) Review CDIC's risk tolerance, stress testing, and value at risk approach and provide a comparison against industry best practices;
- d) Propose improvements to CDIC's practices and procedures for investments, sources of liquidity and resolution funding that are consistent with industry best practices; and
- e) Provide such other related services as CDIC may require and the successful candidate may agree to provide.

CDIC invites prospective Suppliers to submit Proposals to supply services related to Investments and Sources of Liquidity as further identified and described in Appendix "A-2" (Service Stream #2: Investments and Sources of Liquidity, Description).

Specific required deliverables and scopes of work will be specified in any resultant Service Request. Notwithstanding, deliverables will generally align with the job activities / responsibilities provided Appendix "A-2" (Service Stream #2: Investments and Sources of Liquidity, Description).

#### **4. SERVICE REQUEST PROCESS**

All services to be completed under the Supply Arrangement will result from a Service Request process. Upon written acceptance by CDIC of an SA Holder's response to a Service Request, the SA Holder will be authorized by Task Authorization to proceed with the delivery of services in accordance with the agreed upon Service Request response.

The current Service Request process is generally described below for information purposes only, and may be amended from time to time, at CDIC's sole discretion.

CDIC will issue a Service Request to one or more SA Holders describing the requirements of a specific engagement, including the required timeframe to respond and requesting the SA Holder to propose appropriate personnel to provide the Services. The number of SA Holders invited to bid on an engagement is determined by the dollar value of the engagement.

Only SA Holders on the Supply Arrangement will be notified of any engagements, be issued Service Requests, and be eligible to respond to Service Requests. If an SA Holder responds to a Service Request, it will do so at no charge to CDIC.

The Service Requests may include, but are not limited to, the following for each respective Service Stream as required:

- i. A list of required resources, and number of resources required;
- ii. The minimum qualification requirements for the required resource(s);
- iii. The overall scope of work and any tasks specific to any resource(s);
- iv. The schedule and duration of the work assignment;
- v. Any Service Request assignment specific SLAs;
- vi. Any technology requirements specific to the work;
- vii. Deliverable requirements;
- viii. Any resource or technological security requirements above the minimum;
- ix. Any other requirements related to the services; and
- x. Any evaluation methodology/criteria applicable for issuing a Task Authorization.

The SA Holder must include in its response to the Service Request, the names and resumes of each resource that it proposes as well as proposed fees for each resource. Reference checks may be conducted on the resource(s) proposed and such checks may be with references other than those listed in the resource's resume or in the SA Holder's response to the Service Request. Any other information requested in the Service Request should also be included in the SA Holder's response to the Service Request. SA Holders will respond to the Service Request with submissions that are then evaluated by CDIC, who will select the most suitable SA Holder for its engagement through the issuance of a written Task Authorization.

#### **5. REPORTING**

SA Holders may be requested to provide a monthly report to CDIC on all active Task Authorizations including, but not limited to:

- a) Status of work and any pending end dates, including all related applicable Task Authorization reference numbers provided by CDIC;
- b) The name(s), role(s) and overall volume of resources engaged, and effort expended including timesheets;
- c) Performance under any (if applicable) vendor performance management framework, including monitoring of resource turnover, and any issues and resolutions required;
- d) An invoice including a summary of the services provided in the preceding month, and the related purchase order number(s) and Task Authorizations number(s);

- e) For Task Authorizations that include a task/engagement specific SLA with CDIC, the SA Holder should report on its delivery of services against the identified SLA(s) within its monthly report.

## **6. LANGUAGE REQUIREMENTS**

SA Holders must be able to provide resources who are proficient in English, at a minimum, and in some cases may be asked to provide bilingual resources who are proficient in English and French. When CDIC advises of the need to fill a role for a respective Service Stream, CDIC will specify the language requirement for the assignment at the time of issuance of the Service Request.

## **7. LOCATION OF WORK**

The location of work will be identified by CDIC at the time of issuance of the Service Request. The determination as to whether the work must be performed on-site or off-site will be at CDIC's sole discretion. Where CDIC determines that the work must be performed at CDIC's offices, CDIC will advise whether the work is to be performed at its office in Ottawa, Ontario, or its office in Toronto, Ontario. In either case, CDIC is not responsible for any travel or accommodation costs.

No personal information or other confidential information may leave CDIC premises or be transferred to any third party or transferred out of Canada.

## **8. RESOURCE AVAILABILITY AND SUBSTITUTION**

SA Holders should ensure that resources proposed and deployed in response to any issued Task Authorization should remain available for the duration of the period stipulated in the Task Authorization, unless the resource becomes unavailable due to circumstances beyond the SA Holder's control (such as, but not limited to, illness, termination of employment with the SA Holder, or compassionate leave).

For short-term assignments or engagements (typically less than ninety (90) days), as identified within a Task Authorization, no resource substitution by the SA Holder may be permitted without CDIC's prior consent or approval.

For longer-term assignments or engagements (typically ninety (90) days or more), as identified within a Task Authorization, a maximum number of qualified resource substitutions may be permitted by CDIC as identified in the Task Authorization, dependent upon duration of the engagement.

CDIC reserves the right to require the SA Holder to replace any deployed resource(s) should an individual not meet CDIC's qualification requirements and performance expectations.

## **9. VENDOR PERFORMANCE MANAGEMENT**

CDIC is intending to enhance the vendor performance management process. This process may consist of new metrics, tools, reports, processes and remedies designed to effectively and efficiently measure, report on and manage the level and quality of service being provided to CDIC.

SA Holders will be expected to comply with the vendor performance management guidelines that may be issued from time to time.

Should changes to performance management reporting and processes be implemented during the term of the Supply Arrangement, the SA Holders shall cooperate fully with CDIC in providing the information required and adapting existing processes to reflect the changes resulting from the implementation of these enhancements.

**[END OF SCHEDULE "A" (STATEMENT OF WORK)]**

## Appendix “A-1”

### **Service Stream # 1: Ex Ante Funding and Loss Absorbency, Description**

Projects undertaken by CDIC under Service Stream # 1 may require either an individual resource or a team of resources to work with CDIC. CDIC may require resources to have additional skills or subject matter knowledge for specific engagements.

<b>Service Stream # 1: Ex Ante Funding and Loss Absorbency</b>
<p><b>Description:</b></p>
<p><b>BACKGROUND</b></p> <p>Adequate funding is critical for the proper functioning of Canada’s deposit insurance system. As Canada’s federal deposit insurer, CDIC has two primary funding mechanisms we would rely on if a member bank were to fail and funds were needed to resolve the failure. The first is an <i>ex ante</i> fund, which is being accumulated over time. The second is the ability to borrow from the Government of Canada.</p> <p>The <i>ex ante</i> fund is built up over time from the annual premiums that CDIC member institutions pay on the insured deposits they hold. The goal is to accumulate financial resources well ahead of the unlikely event that a member institution was to fail. An important consideration for CDIC in building such a fund is setting a target amount. Currently, CDIC targets a minimum <i>ex ante</i> fund size of 1% of insured deposits. When the fund was first established in 2004, the target size was a range of between 0.4% and 0.5% of insured deposits. The 2008 global financial crisis caused CDIC (and many other deposit insurers around the world) to re-evaluate funding targets. We consulted with our members, academics, and other stakeholders to get views on what funding target made sense and how best to reach that target. The outcome of this process was a revised funding target and a plan on how to reach it over a realistic period of time (approx. 10 years). To review a copy of CDIC’s consultation paper from that time please visit the following hyperlink: <a href="https://www.cdic.ca/wp-content/uploads/paa_tfl_Consultation.pdf">https://www.cdic.ca/wp-content/uploads/paa_tfl_Consultation.pdf</a></p> <p>The <i>ex ante</i> fund stands at over \$6 billion and current forecasts indicate that it will reach the minimum target of 1% of insured deposits in fiscal 2027/2028. Each year, CDIC reviews the target, based on current economic and other factors, and periodically runs Monte Carlo Simulations to consider if changes to the target are called for.</p> <p>CDIC’s second key funding resource is its ability to borrow funds, if necessary. The CDIC Act permits us to borrow from the Government of Canada or from capital markets. This limit is adjusted each year as insured deposits grow. Furthermore, Parliament could authorize additional funding if the available funds were not adequate to cover CDIC’s obligations in the event of a bank failure.</p>
<p><b>SCOPE OF WORK</b></p> <p>CDIC plans to undertake ongoing analytical work for enhancements to its <i>ex ante</i> funding framework and its overall capacity for loss absorbency, including but not limited to:</p> <p>Articulating the key, high-level strategic considerations, and trade-offs for CDIC’s <i>ex ante</i> funding framework and capacity for loss absorbency, considering:</p> <ul style="list-style-type: none"><li>• Global best practices for strategic objectives related to <i>ex ante</i> funding and loss absorbency;</li><li>• Suitability for the proposed strategic objectives for CDIC’s risk appetite and in the Canadian context;</li><li>• Impact of the strategies for <i>ex ante</i> funding and loss absorbency on depositor confidence and the Canadian financial system; etc.</li></ul> <p>Identifying an optimal, sustainable target structure for CDIC’s <i>ex ante</i> fund and capacity for loss absorbency, including:</p> <ul style="list-style-type: none"><li>• both historical and forward-looking information;</li></ul>

- looking at the structure of the *ex ante* fund;
- costs and benefits of any proposed targets; etc.

Quantitative approaches that would report and stress-test the fund's level of adequacy at any point in time, including:

- comparison of the proposed target level for CDIC relative to other deposit insurers;
- discretionary capacity to absorb incremental member institution growth within idiosyncratic and systemic payout and non-payout scenarios;
- designing, assessing and executing simulations that use advanced statistical techniques and specialized data including but not limited to statistical distribution charting at a specified level of confidence for variables such as loss given default, probability of default, exposure at default, correlation risk and the length of the bank failure time horizon; etc.

Determining a reasonable timeframe and funding path that would be appropriate for CDIC to reach its targeted *ex ante* fund size and structure, and any other objectives for overall capacity for loss absorbency, including:

- review of multiple funding path choices and timeframe sequences over which the targeted fund size and loss absorbency could be reached and the trade-offs among these choices;
- identify scenarios and sensitivities on the most critical levers that could accelerate or delay the number of years to reach the targeted fund and loss absorbency;
- foresight on the impact that any acceleration or delay toward the targeted *ex ante* fund size and loss absorbency where borne by CDIC member financials;
- recommendations on the recalibration of funding path and time frame sequencing activities to be undertaken by CDIC when significant events occur, including but not limited to:
  - following a bank failure and depletion of the *ex ante* fund;
  - after the targeted fund size has been reached; and
  - other material events from the perspective of loss absorbency.

Supporting the implementation of the enhancements to CDIC's *ex ante* funding framework and capacity for loss absorbency into CDIC's governance and management requirements, including:

- contributing presentation reference materials, coordinating interviews and group discussions with CDIC's management, Board, advisors and other stakeholders;
- establishment of new controls and reporting to decision makers, auditors and other users;
- design and construction of models as described in the other sections of this Statement of Work;
- drafting project plans and priorities for the orderly rollout of enhancements related to the *ex ante* funding framework and loss absorbency;
- documentation to fulfill CDIC's standards for new practices and financial risk policies;
- support on the selection and evaluation of any new systems, data or other capabilities required for the *ex ante* fund and loss absorbency;
- training and ongoing dialogue for any further changes affecting teams involved in *ex ante* funding and loss absorbency; etc.

Other priority emerging issues related to *ex ante* funding and loss absorbency:

- *Ex ante* funding and loss absorbency are complex topics and are always changing as global regulation, banks and the economic environment evolve over time. As a result, other priority emerging issues for *ex ante* funding and loss absorbency that are not explicitly specified above may also need to be addressed under any resulting Service Requests.

**[END OF APPENDIX "A-1" (SERVICE STREAM # 1: EX ANTE FUNDING AND LOSS ABSORBENCY, DESCRIPTION)]**

## Appendix "A-2"

### **Service Stream # 2: Investments and Sources of Liquidity, Description**

Projects undertaken by CDIC under Service Stream # 2 may require either an individual resource or a team of resources to work with CDIC. CDIC may require resources to have additional skills or subject matter knowledge for specific engagements.

<b>Service Stream # 2: Investments and Sources of Liquidity</b>
<p><b>Description:</b></p>
<p><b>BACKGROUND</b></p> <p>CDIC has two primary sources of liquidity that would be relied upon if a member institution were to fail and funds were needed to resolve the failure: the Corporation's investment portfolio and its borrowing authority.</p> <p><b>Investment portfolio</b></p> <p>The investment portfolio is built up over time from annual premiums that CDIC member institutions pay on insured deposits. It is invested in debt securities issued or guaranteed by the Government of Canada or Provincial governments. The objectives of the portfolio are to provide liquidity as necessary for member resolution and CDIC operations, to preserve capital and to provide a reasonable yield considering overall investment constraints.</p> <p>The Corporation's hold to maturity (HTM) investment portfolio is allocated to a 5-year ladder comprised of 5 rungs. The target allocation to each rung is 20% of the portfolio within a tolerance band.</p> <p>Individual investments are highly liquid and, if necessary, to fund a resolution, CDIC might sell its securities through a Board approved investment dealer network.</p> <p><b>Borrowing authority</b></p> <p>Under the CDIC Act, CDIC has the authority to access additional funds through borrowing. CDIC's statutory borrowing limit is indexed to the growth of insured deposits. CDIC can borrow either from market sources or from the Consolidated Revenue Fund, subject to approval by the Minister of Finance. Additional borrowing could be provided by Parliament through an Appropriation Act if available funding was not sufficient. CDIC could also receive loans from the Government of Canada beyond its statutory borrowing limit when deemed necessary to promote the stability or maintain the efficiency of the financial system in Canada.</p> <p>CDIC's sources of liquidity help to ensure that appropriate measures and tools are in place for CDIC to resolve any of its members, from the smallest to the largest, while supporting public confidence and financial stability.</p> <p>Additional information is available in CDIC's most recent Annual Report and Summary of the Corporate Plan which can be found on CDIC's website (<a href="http://www.cdic.ca">www.cdic.ca</a>).</p> <p><b>SCOPE OF WORK</b></p> <p>As part of regular reviews of treasury activities, Management is seeking assistance in reviewing CDIC's investment strategy, sources of liquidity and Financial Risk Policies. This may include the review of the current investment strategy, liquidity management, and resolution funding to identify alternatives if required, potential outsourcing arrangements and compliance with the Minister of Finance Financial Risk Management Guidelines for Crown Corporations. Any proposed amendments to the Financial Risk Policies will need to be consistent with CDIC's Enterprise Risk Management framework and the overall Risk Tolerance established by CDIC's Board of Directors.</p>



The successful candidate may provide services in respect of the review of the Financial Risk Policies, investment strategy, liquidity management and resolution funding, including:

1. Conduct an Efficient Frontier analysis to assess current asset allocation and as support for any proposed amendments to asset allocation strategies;
2. Propose additions to, or exclusions from, current asset allocation including how such changes align with CDIC's investment objectives, its liquidity management, resolution funding priorities, and Risk Tolerance Statement and how such additions or exclusions compare to CDIC's existing policy constraints;
3. Review CDIC's risk tolerance, stress testing, and value at risk approach and provide a comparison against industry best practices;
4. Propose improvements to CDIC's practices and procedures for investments and sources of liquidity and resolution funding that are consistent with industry best practices (e.g., a duration-based target); and
5. Provide such other related services as CDIC may require and the successful candidate may agree to provide, including but not limited to:
  - Make recommendations, including a cost and benefits analysis, of an interest rate and foreign currency hedging program (e.g., floating -rate bonds, fixed-for floating rate interest rate swaps, USD foreign-currency denominated bonds, etc.);
  - Assess the impact of stressed environments on asset allocation strategies, sources of liquidity or other recommendations (e.g., a rising rate environment, declining rate environment, moderate recession, a severe crisis, an idiosyncratic regional stress event, etc);
  - Assess opportunities for outsourcing the management of CDIC's investment portfolio, liquidity management and resolution funding considering CDIC's role in Canada's financial safety net including but not limited to analyses of pros and cons, and an evaluation of how such opportunities meet "know your client" and anti-money laundering requirements; etc.

As part of the above services, the successful candidate will make recommendations appropriate to CDIC.

**[END OF APPENDIX "A-2" (SERVICE STREAM # 2: INVESTMENTS AND SOURCES OF LIQUIDITY, DESCRIPTION)]**

## Schedule “B”

### **Evaluation and Selection Process**

#### **Selection Method**

Without limiting Section 11, CDIC’s Reserved Rights of the RFSA, CDIC may, in its sole and absolute discretion, reject or refuse to consider any Proposal if CDIC determines that the information, statements or supporting material in the Technical Offer is inconsistent with, or otherwise fails to respond to, any of the requirements of the RFSA.

All Proposals for one or both Service Steams will be examined in accordance with the following process:

#### **Step 1: Confirmation of Compliance with the Mandatory Requirements**

During Step 1 evaluation, Proposals will be examined to ensure that they meet the **Mandatory Requirements** described in Schedule “C” (Technical Offer) of the RFSA. Suppliers must ensure that all Mandatory Requirements have been addressed satisfactorily in its Proposal, in order for the Proposal to proceed to Step 2 evaluation. Any Proposal that is not considered by CDIC to be in substantial compliance with all mandatory Proposal requirements and all other Mandatory Requirements may be disqualified.

Step 1 will consist of a review of Technical Offers for compliance with the **Mandatory Requirements** described in Schedule “C” (Technical Offer) of the RFSA, to confirm that the information, statements and supporting material in the Supplier’s Technical Offer substantiate a compliant response. Subject to CDIC’s reserved rights (including those in Section 11, CDIC’s Reserved Rights), Mandatory Requirements will be confirmed on a pass or fail basis, and Technical Offers that do not comply with any Mandatory Requirement will be considered non-compliant and will receive no further consideration.

**a) Appendix “C-1” (Technical Offer Form)**

As part of Step 1, CDIC will review the Supplier’s Proposals to identify if Appendix “C-1” (Technical Offer Form) has been included in the Proposal. The Supplier must provide a detailed Technical Offer Form where the Supplier’s business experience and expertise will be evaluated as per the instructions and guidelines set out in Schedule “C” (Technical Offer) and in Appendix “C-1” (Technical Offer Form).

**b) Appendix “C-2” (Reference Engagement Form)**

As part of Step 1, CDIC will review the Supplier’s Proposal to identify if Appendix “C-2” (Reference Engagement Form) for each Service Stream for which the Supplier is offering have been included.

For clarity, the Supplier must provide three (3) completed Reference Engagement Forms for each Service Stream being offered in order for the Supplier’s offer for that Service Stream to be qualified. If the Supplier does not include three (3) completed Reference Engagement Forms for each Service Stream its offer for that Service Stream will be disqualified.

Suppliers must qualify for at least one Service Stream to be qualified under this RFSA.

#### **Step 2: Evaluation of Rated Requirements – Technical Offer (100 Points)**

Step 2 will consist of an evaluation of the business experience and expertise of the Supplier.

**a) Technical Offer**

All Suppliers must submit one (1) Appendix “C-1” (Technical Offer Form), which will be evaluated based on the Supplier’s responses to the Rated Requirements provided in the form.

In Step 2, the Supplier will be evaluated on how the Supplier will provide a team of qualified resources when requested by CDIC. This step will also evaluate the methodology used by the Supplier to obtain and manage resources.

The maximum points allocated for Step 2 is **100 Points**. A minimum score of **70 points (70%)** is required in order for the Proposal to receive a “pass” for Step 2 and proceed to Step 3 of the evaluation process (see Evaluation Point Allocation Chart in evaluation Step 4, below).

Any Proposal that scores less than the **70 points** required for Step 2 will receive a “fail” and will not proceed to Step 3 of the evaluation process.

**Step 3: Evaluation of Rated Requirements –Technical Experience and Expertise - Reference Engagements (300 Points)**

Step 3 will consist of an evaluation of the Supplier’s (not an individual resource’s) Reference Engagements as they relate to the technical experience and expertise for the Service Stream being proposed in the Supplier’s Proposal.

In Step 3, each Service Stream will be evaluated separately and independently from another.

**Note: All Suppliers are required to submit three (3) Reference Engagement Forms per Service Stream in which they are bidding.**

The maximum total points allocation for Step 3 for each Service Stream under a Service Stream is **300 points** (100 points for each Reference Engagement Form). Each Service Stream in a Proposal must score a minimum of **210 points (70%)** to receive a “pass” for that Service Stream. Any Service Stream that does not receive a minimum score of **210 points** will receive a “fail” for that Service Stream only, and the Supplier will not be qualified for that Service Stream.

In addition, each Reference Engagement Form in a Proposal must score a minimum of **70 points (70%)** to receive a “pass” for that Service Stream. A Reference Engagement Form for any Service Stream that does not receive a minimum score of **70 points** will receive a “fail” for that Service Stream only and the Supplier will not be qualified for that Service Stream.

**a) Reference Engagement Form**

The Supplier must provide three (3) completed Reference Engagement Forms for the Service Stream being offered (**one Reference Engagement Form for each of three (3) independent and distinct Engagements**), according to the instructions contained in the form.

The Supplier must provide details in each of the three (3) Reference Engagement Forms of its experience and expertise as it relates to the particular Service Stream for which the Supplier is submitting an offer. Scoring of the Reference Engagement Form will be based on how well the Proposal demonstrates the Supplier’s technical experience and expertise in relation to the requirements in the RFSA and the level of detail of the Reference Engagement Forms provided. Information provided elsewhere in the Proposal may not be considered in the evaluation of Step 3 of this RFSA.

The information provided in the Reference Engagement Form must reflect Engagements the Supplier has **completed after January 1, 2018**, and prior to the Proposal Submission Deadline. Any Engagement with a completion date prior to January 1, 2018, or after the Proposal Submission Deadline will not be considered for evaluation and will be disqualified. The Engagements should directly relate to the Service Stream for which the Supplier wishes to be qualified in the Service Stream as described in Schedule “A” (Statement of Work) of this RFSA and offered in the Supplier’s Proposal.

If a Supplier submits fewer than the three (3) Reference Engagement Forms required for a particular Service Stream, the Supplier will not be qualified for that particular Service Stream.

Each Service Stream will receive an individual score for the Reference Engagement Forms that the Supplier has provided to demonstrate the Supplier’s ability to provide Services in the particular Service Stream.

Each of the three (3) Reference Engagement Forms required will be scored independently, and each will have a maximum score of 100 points. The scores from each of the three (3) Reference Engagement

Forms for a particular Service Stream will be added together to determine the total score for that Service Stream.

**For example**, the three (3) Reference Engagement Forms submitted for Service Stream #1, receive scores of 80 points, 85 points and 90 points. The three (3) scores will be added together to achieve a total score of 255 points for Service Stream #1 and will be considered to have obtained the minimum score of 210 points required for Service Stream #1.

As each Service Stream will be scored separately, it is possible for a Proposal to pass the Step 3 evaluation for Service Stream #1 but not for Service Stream #2, if:

- (a) the three (3) Reference Engagement Forms provided for the Service Stream #1, do not achieve in total, the minimum point score (210 points) required; or
- (b) one (1) of the three (3) Reference Engagement Forms provided for Service Stream #1, does not achieve, the minimum point score (70 points) required.

For further clarity, a Supplier submitting a Proposal for Service Stream #1 must, in order to meet Step 3 Requirements for a Service Stream, submit three (3) Reference Engagement Forms for a total of three (3) Reference Engagement Forms.

A Supplier submitting a Proposal for both Service Stream #1 and Service Stream #2 must, in order to meet Step 3 Requirements for all of the Service Streams, submit three (3) Reference Engagement Forms for each Service Stream – for a total of six (6) Reference Engagement Forms.

**b) Evaluation**

Step 3 evaluation will be conducted in two stages:

- Stage 1 - (Evaluation of each Reference Engagement Form)
- Stage 2 - (Cumulative Total Score of all Reference Engagement Forms)

**i. Stage 1 – Evaluation of Reference Engagement Forms (Appendix “C-2” (Reference Engagement Form))**

**In this evaluation stage, each Reference Engagement Form will be evaluated separately and individually.**

The maximum score for each Reference Engagement Form is 100 points.

The Supplier must demonstrate its ability to provide services under one or both of the two (2) Service Streams in Schedule “A” (Statement of Work). Three (3) Reference Engagement Forms are required for each Service Stream. Each Reference Engagement Form is allocated up to 100 points. Therefore, a total maximum score of 300 points is allocated for each Service Stream. A Reference Engagement Form must receive a minimum of 70 points for each Service Stream in order to be considered for that Service Stream.

**Example Evaluation Scenario for Illustration Purposes**

REFERENCE ENGAGEMENT (REF)	SERVICE STREAM (SS)	
	SS#1	SS#2
REF #1	100	80
REF #2	<b>40</b>	90
REF #3	80	75
PASS/FAIL	<b>Fail</b>	Pass

**Note: A Supplier must be successful in one or both of the two (2) Service Streams to proceed further in the evaluation process.**

**ii. Stage 2 - Cumulative Total Score of all three (3) Reference Engagement Forms**

The scores for each of the three (3) Reference Engagement Forms that receive a “pass” in Stage 1, will be added together to determine the cumulative total score for the Service Stream. A Proposal that achieves a minimum cumulative total score of 210 points will pass Step 3.

**Scenario #1**

REFERENCE ENGAGEMENT FORMS (REF) For Service Stream #1	TOTAL POINTS (per RE)	PASS / FAIL	Cumulative Total Score for SS#1	Step 3 Result for SS#1
REF #1	77	Pass	77 + 84 + 90 = 251	Pass
REF #2	84	Pass		
REF #3	90	Pass		

**Scenario #2**

REFERENCE ENGAGEMENT FORMS (REF) For Service Stream #1	TOTAL POINTS (per RE)	PASS / FAIL	Cumulative Total Score for SS#1	Step 3 Result for SS#1
REF #1	60	Fail	60 + 75 + 70 = 205	Fail
REF #2	75	Pass		
REF #3	70	Pass		

**Scenario #3**

REFERENCE ENGAGEMENT FORMS (REF) For Service Stream #1	TOTAL POINTS (per RE)	PASS / FAIL	Cumulative Total Score for SS#1	Step 3 Result for SS#1
REF #1	75	Pass	75 + 65 + 90 = 230	Fail
REF #2	65	Fail		
REF #3	90	Pass		

**Step 4: Selection of Successful Suppliers**

At the conclusion of Step 3 evaluation, subject to, and without limiting any other provision in this RFSA, including but not limited to, Section 11, CDIC’s Reserved Rights, a recommendation may be made by CDIC to award an agreement to each Supplier that is successful in one or both Service Stream(s) to provide Services in the Service Stream that achieved a “pass” in Stage 3. If the recommendation is approved, CDIC will award the agreement(s) and will enter into the agreement(s) with the Supplier(s) in accordance with this RFSA.

## Evaluation Point Allocation Chart

The following tables show a summary of the evaluation steps and methodology for this RFSA:

Steps	Evaluation Criteria	Maximum Points	Minimum Points Required
1	<b>Mandatory Proposal Requirements</b>	Pass	<b>Pass</b>
2	<b>Technical Offer Form</b> Business Experience and Expertise (Rated) <b>(Appendix "C-1")</b>	<b>100</b> points	<b>Pass</b> <b>70</b> points (70%)
3	<b>Reference Engagement Forms</b> Technical Experience and Expertise (Rated) <b>(Appendix "C-2")</b>	<b>300</b> points (100 points for each Reference Engagement Form)	<b>Pass</b> <b>Total of 210</b> points (70 minimum points for each Reference Engagement Form)

### Scoring Methodology

The following is the basis for the scoring method that will be applied to the rated requirements in Appendix "C-1" (Technical Offer Form) and Appendix "C-2" (Reference Engagement Form):

Score	Rational
5	Exceptional, fully meets and/or exceeds CDIC's requirement. No weaknesses exist. A comprehensive response with no significant gaps.
4	Very Good, substantially meets CDIC's requirement. Strengths exceed weaknesses, and weaknesses are easily correctable.
3	Acceptable, meets the basic requirement of CDIC. There may be strengths or weaknesses, or both. Weaknesses do not significantly impact the requirements and are correctable.
2	Marginal, falls short of meeting the basic requirement of CDIC. Weaknesses exceed strengths and will be difficult to correct.
1	Unacceptable, minimal response, e.g., statement of compliance with no substantiation. Noted deficiencies are expected to be very difficult to correct or are not correctable.
0	Unresponsive, no relevant response / unsatisfactory.

**[END OF SCHEDULE "B" (EVALUATION AND SELECTION PROCESS)]**

Schedule "C"

Technical Offer

Technical Offer should be accompanied by Appendix "C-1" (Technical Offer Form) and all applicable Appendix "C-2" (Reference Engagement Form(s)), for each Service Stream being offered.

TECHNICAL OFFER

LEGAL NAME OF SUPPLIER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CONTACT NAME: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

EMAIL: \_\_\_\_\_

SERVICES: **Treasury and Investment Advisory Services**

The undersigned supplier (hereinafter referred to as the "Supplier") declares:

- (i) it has not, directly or indirectly, paid or agreed to pay, and will not, directly or indirectly, pay, a contingency fee to any individual for the solicitation, negotiation or obtaining of the Professional Services Agreement if the payment of the fee would require the individual to file a return under section 5 of the *Lobbying Act*; and
- (ii) it has not been convicted of an offence under section 121, 124 or 418 of the *Criminal Code* other than an offence for which a pardon has been granted.

By signing this Form, the Supplier represents that the above information is accurate.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

**PROPOSALS WHICH DO NOT CONTAIN THE REQUESTED DOCUMENTATION MAY BE DEEMED NON-COMPLIANT.**

## Technical Offer Requirements and Evaluation

### A. Mandatory Requirements

M1.	Supplier must complete and submit the <u>Appendix “C-1”</u> (Technical Offer Form) – One per Proposal.
M2.	Supplier must complete and submit three (3) Reference Engagement Forms (see <u>Appendix “C-2”</u> (Reference Engagement Form)) for each Service Stream being offered.  Each Reference Engagement Form must meet the requirements set out in <u>Appendix “C-2”</u> (Reference Engagement Form Requirements).

### B. Technical Offer Requirements

CDIC will evaluate the Supplier’s Technical Offer and assign points in respect of each of the Service Stream(s) the Supplier is offering as part of its Proposal based in part on how the Supplier demonstrates its knowledge and experience in response to the Rated Requirements identified in Appendix “C-1” (Technical Offer Form), below.

For clarity, the detail and information requested in each Rated Requirement should be provided for each of the Service Stream(s) the Supplier is offering as part of its Proposal.

All requested information should be provided in Appendix “C-1” (Technical Offer Form), below.

**[END OF SCHEDULE “C” (TECHNICAL OFFER)]**



Appendix "C-1"

**Technical Offer Form**

**1. Supplier Information – Supplier should provide the following information (Not Rated):**

<i>a) Supplier's Legal Name:</i>	<b>[Insert legal name]</b>
<i>b) Number of years the Supplier has been in business:</i>	<b>[Insert years in business]</b>
<i>c) Number of employees employed by the Supplier (identify the number of full-time, part-time and contract personnel):</i>	
<b>(Maximum of 200 words)</b>	
<i>d) Description of the corporate history of Supplier, including any acquisitions or divestitures over the last ten (10) years:</i>	
<b>(Maximum of 500 words)</b>	
<i>e) Location of each of the Supplier's offices, including number of staff at each location and their primary functions:</i>	
<b>(Maximum of 500 words)</b>	

**2. The Supplier should identify the Service Stream(s) it will offer by placing an  in one or both of the applicable boxes.**

- 1. **Service Stream #1: Ex Ante Funding and Loss Absorbency**
- 2. **Service Stream #2: Investments and Sources of Liquidity**

### 3. Rated Requirements – (Maximum Total Points - 100)

#### RR #1 – Organizational Experience – (Maximum assigned points – 30)

*Supplier should clearly describe the organization's knowledge, qualifications and expertise in relation to the proposed Service Stream(s) the Supplier is offering as part of its Proposal.*

*Supplier should provide, at a minimum, a clear description of how such knowledge, qualifications and expertise are aligned with CDIC's requirements for each Service Stream(s) the Supplier will be offering as part of its Proposal.*

*Supplier should include in this description a summary of any experience in the public sector related to each Service Stream(s) the Supplier will be offering as part of its Proposal.*

**A #1: (Maximum of 1,000 words)**

#### RR #2 – Understanding and Approach – (Maximum assigned points – 10)

*Supplier should describe its understanding of CDIC's requirements in relation to the Service Stream(s) the Supplier is offering as part of its Proposal, and the Supplier's approach to meeting CDIC's requirements.*

*In its description, Supplier should clearly demonstrate:*

- a) How the Supplier plans to establish and maintain an effective working relationship with CDIC;*
- b) How the Supplier will collaborate with CDIC and manage feedback and changes; and*
- c) How the Supplier will handle any issues that may arise between the Supplier and CDIC.*

**A #2 (Maximum of 500 words)**

#### RR #3 – Key Personnel Qualifications – (Maximum assigned points – 10)

*In relation to the services described under the Service Stream(s) the Supplier is offering as part of its Proposal, the Supplier should:*

- a) Clearly identify the proposed key client relationship lead(s), including who will serve as the key point of contact for each applicable Service Stream, and clearly describe any other roles and resources that would be involved in providing such services to CDIC;*
- b) For the key client relationship lead(s) that the Supplier proposes to assign to CDIC for the delivery of the services identified for each respective Service Stream, and for any proposed alternate, provide a resumé that includes the number of years of experience providing services such as those required for the engagement with CDIC, including specific examples of experience; and*
- c) Clearly identify and describe the Supplier's approach to maintaining its relationship with CDIC in the event that a change of key client relationship lead(s) and/or key point of contact occurs, on either an interim or an ongoing basis.*

**A #3** (Maximum of 500 words, excluding resumé(s))

**RR #4 – Ongoing Access to Resources – (Maximum assigned points – 10)**

*Supplier should clearly describe for each of the Service Stream(s) the Supplier is offering as part of its Proposal:*

- a) *How the Supplier will retain ongoing access to qualified resources to meet immediate and future CDIC requirements; and*
- b) *How the Supplier will cover for any absences and/or departures of resources during the performance of the services. The Supplier should clearly describe its current resource management framework and explain how it will be applied.*

**A #4** (Maximum of 500 words)

**RR #5 – Performance / Service Levels – (Maximum assigned points – 10)**

*Supplier should clearly describe for each of the Service Stream(s) the Supplier is offering as part of its Proposal, the processes the Supplier has in place that will measure the Supplier's organization's performance and service levels to meet CDIC's requirements, including such processes for any subcontractors (if applicable).*

**A #5** (Maximum of 500 words)

**RR #6 – Quality Assurance – (Maximum assigned points – 10)**

*Supplier should clearly describe for each of the Service Stream(s) the Supplier will be offering as part of its Proposal:*

- a) *Approach to quality assurance for the performance of the services for each proposed Service Stream; and*
- b) *How the quality assurance approach will be consistent throughout the duration of the Supply Arrangement for each proposed Service Stream, including such approach for any subcontractors (if applicable).*

**A #6** (Maximum of 500 words)

**RR #7 – Information Security – (Maximum assigned points – 20)**

*Supplier should clearly describe methodology and approach to collecting CDIC data and maintaining data security throughout the duration of the Supply Arrangement, including reassurances that CDIC collected data will only be stored in Canada.*

**A #7** (Maximum of 500 words)

[END OF APPENDIX “C-1” (TECHNICAL OFFER FORM)]

## Appendix “C-2”

### Reference Engagement Form Requirements

#### 1. Reference Engagement Form Requirements / Instructions

**Note:** To be eligible, Reference Engagement Forms must profile only Engagements that were completed after January 1, 2018, and prior to the Proposal Submission Deadline. Any Engagement with a completion date prior to January 1, 2018, or after the Proposal Submission Deadline will not be considered for evaluation and will be disqualified.

- 1.1. The Reference Engagement Form below must be completed for each Reference Engagement being profiled. In order to ensure that the Supplier has an opportunity to attain a high score for the Reference Engagement Form, detailed responses must be provided to each of the Rated Requirements set out in the Reference Engagement Form.
- 1.2. A separate Reference Engagement Form must be used for each proposed Service Stream using only the Service Stream name referred in this RFSA for which the Supplier wishes to be qualified. The Supplier must identify, in Section 1 of the Reference Engagement Form the Service Stream to which the Reference Engagement Form applies by placing an (X) in the box beside the name of the Service Stream to which the Reference Engagement Form relates, respectively. If the Supplier places an (X) in more than one box, CDIC will only evaluate the Reference Engagement indicated by the first box in which an (X) appears.

In order to meet Step 3: Evaluation of Rated Requirements – Technical Experience and Expertise, of Schedule “B” (Evaluation and Selection Process) (referred to herein as “Step 3 Requirements”), a Supplier that submits a Proposal for any of the two (2) Service Streams shall include in its Proposal three (3) Reference Engagement Forms for each Service Stream being offered.

**For example:**

- (i) A Supplier submitting a Proposal for Service Stream #1 must, in order to meet Step 3 Requirements for a Service Stream, submit three (3) Reference Engagement Forms for a total of three (3) Reference Engagement Forms.
  - (ii) A Supplier submitting a Proposal for both Service Stream #1 and Service Stream #2 must, in order to meet Step 3 Requirements for all of the Service Streams, submit three (3) Reference Engagement Forms for each Service Stream – for a total of six (6) Reference Engagement Forms.
- 1.3. Only three (3) Reference Engagement Forms may be submitted for each Service Stream. If a Supplier submits more than three (3) Reference Engagement Forms for the same Service Stream in its Proposal, CDIC will only evaluate the first three (3) Reference Engagement Forms submitted for that Service Stream, in the order in which they appear in the Proposal.
- 1.4. A Supplier **may not** submit the same Reference Engagement Form for more than one (1) Service Stream. Each of the three (3) Reference Engagement Forms submitted for a Service Stream must be for different Engagements. Also, **an Engagement may only be profiled once in a Supplier’s Proposal**. If the Supplier does profile the same Engagement more than once, CDIC will only evaluate the Engagement in the first Reference Engagement Form in which it appears.
- 1.5. The dollar value of each Reference Engagement that is profiled must have a minimum value of \$25,000 (CAD). Any Reference Engagement with a value under \$25,000 will not be considered for evaluation and will be disqualified. To demonstrate this, it is acceptable to provide, in Section 3 of the Reference Engagement Form, a dollar value range for the Reference Engagement or a statement confirming that the Reference Engagement value was a minimum of \$25,000 (CAD).
- 1.6. The “**Supplier’s Legal Name**” provided in the Reference Engagement Form should be the same legal name provided in Schedule “C” (Technical Offer).

The Supplier should carefully review and follow the instructions set out in the RFSA, including, without  
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limitation, in this Appendix "C-2" (Reference Engagement Form) when completing a Reference Engagement Form. The Supplier should consider the definition of Reference Engagement, in Section 4, Summary of Key RFSA Dates and Defined Terms in this RFSA, and the description of eligible Engagements contained therein.

**Reference Engagement Forms** submitted in the Supplier's Proposal should detail a Reference Engagement that has been completed and that a Supplier has chosen to profile as described in the evaluation of Step 3 Requirements. Reference Engagements that are eligible to be profiled are only those Reference Engagements carried out by:

- (a) the Supplier, where the Supplier retained responsibility for and control over the work of its personnel and/or its subcontractors on the Reference Engagement; or
- (b) if the Supplier is a partnership, any partner forming part of the partnership, where that partner retained responsibility for and control over the work of its personnel and/or its subcontractors in relation to the Reference Engagement.

1.7. The Supplier **must not** indicate "on-going" or other similar wording to describe a Reference Engagement that has not yet been completed as the Engagement End Date in the Reference Engagement Form. A firm completion date (i.e., the day, month and year) must be shown for the Reference Engagement that has been completed. Any Reference Engagement Form with an "on-going" completion date will not be considered for evaluation.

A Reference Engagement that has deliverables which include on-going maintenance and support may be profiled; however, only the **completed** portion of the deliverables is considered by CDIC to be eligible to be profiled. A Reference Engagement that is still on-going as at the **Proposal Submission Deadline** is not considered by CDIC to be eligible to be profiled and **will not** be considered for evaluation.

- 1.8. Engagement Profiles may be for Reference Engagements conducted for clients in either the public or private sector.
- 1.9. Total level of effort for a given Service Stream within a Reference Engagement Form must be a minimum of 20 working days (7 hours equals 1 working day) level of effort.
- 1.10. Each Reference Engagement Form provided must thoroughly demonstrate the Supplier's experience and ability in performing the Services with respect to the particular Service Stream for which it wishes to be qualified. The Supplier must describe **in detail** the evidence of skills for the Service Stream being profiled.
- 1.11. Without limiting the reserved right of CDIC to check references other than those provided by the Supplier, CDIC, in its sole discretion, may, during the RFSA evaluation process, confirm the Supplier's experience and/or ability to undertake the Engagement/provide the services required and described in the Supplier's Proposal by contacting the named Engagement reference identified in the Reference Engagement Form to verify the information provided.

## Reference Engagement Form

**NOTE: Three (3)** Reference Engagement Forms to be completed for each Service Stream.

<b>Supplier's Legal Name:</b>	[Insert legal name]
-------------------------------	---------------------

**1. The Supplier should identify the Service Stream profiled in this Reference Engagement (ONLY 1 Service Stream per Reference Engagement) by placing an  in the applicable box.**

Service Stream	
<input type="checkbox"/> <b>1. Service Stream #1: Ex Ante Funding and Loss Absorbency</b>	<input type="checkbox"/> <b>2. Service Stream #2: Investments and Sources of Liquidity</b>

### 2. Engagement Reference - Client (Company) Contact Information

<b>Client (Company) Name:</b>	
<b>Client (Company) Address:</b>	
<b>Client (Company) Contact Person Name:</b>	
<b>Title:</b>	
<b>Telephone #:</b>	
<b>Email:</b>	

### 3. Engagement Profile Details

<b>Engagement/Project Name:</b>			
<b>Engagement Value:</b>	\$		
<b>Engagement Start Date:</b> (mm/dd/yyyy) (e.g. 07/01/ 2017)		<b>Total Level of Effort (Days):</b> (7 hours equals 1 working day)	
<b>Engagement End Date:</b> (mm/dd/yyyy) (e.g. 12/31/ 2018)			_____ Days

### 4. Technical Experience and Expertise (Maximum assigned points - 100)

#### **RR #4.1 Scope and Type of Services – (Maximum assigned points – 40)**

*Supplier should clearly describe in detail the scope and type of services provided, including any similarities/relevance between the client and CDIC's organizations.*

*The details should clearly demonstrate relevance to the scope of the respective Service Stream described in Appendix "A-1" (Service Stream #1: **Ex Ante Funding and Loss Absorbency**, Description) and Appendix "A-2" (Service Stream #2: **Investments and Sources of Liquidity**, Description), as applicable, for each Service Stream the Supplier is offering as part of its Proposal.*

**A #4.1** [Insert detailed description of services – Maximum of 500 words]

**RR #4.2 Client Management – (Maximum assigned points – 15)**

Supplier should clearly describe, in detail, how the Engagement was approached by addressing each of the following items:

- a) Understanding and delivery of the client's vision;
- b) Methodologies and tools used to complete the deliverables;
- c) Managing client feedback and changes; and.
- d) Ensuring client engagement and involvement.

**A #4.2** [Insert detailed description of client management – Maximum of 500 words]

**RR #4.3 Knowledge Transfer – (Maximum assigned points – 15)**

Supplier should clearly describe, in detail, the processes used by the Supplier to transfer knowledge to the client upon completion of this Engagement (e.g. reports, training, user manual).

**A #4.3** [Insert detailed description of knowledge transfer - Maximum of 500 words]

**RR #4.4 Outcome of Engagement – (Maximum assigned points – 15)**

Describe in detail the outcome of this Engagement.

**A #4.4** [Insert detailed description of outcome of engagement - Maximum of 500 words]



**RR #4.5 Success Factors – (Maximum assigned points – 15)**

*Describe in detail the critical success factors and how Supplier contributed to achieve the outcome.*

**A #4.5** [Insert detailed description of success factors - Maximum of 500 words]

**[END OF APPENDIX “C-2” (REFERENCE ENGAGEMENT FORM)]**

**Schedule "D"**

*Intentionally omitted.*

**[END OF SCHEDULE "D"]**

**Schedule "E"**  
**Mandatory Proposal Forms**

The following is a list of mandatory forms which must be included in the Supplier's Proposal as applicable.

<b>Schedule/Appendix</b>	<b>Proposal Form Required</b>
<u>Appendix "C-1"</u>	Technical Offer Form (One (1) per <i>Proposal</i> )
<u>Appendix "C-2"</u>	Reference Engagement Form ( <i>Three (3) per Service Stream</i> )

**[END OF SCHEDULE "E" (MANDATORY PROPOSAL FORMS)]**

Schedule "F"

**Form of Professional Services Agreement**

**PROFESSIONAL SERVICES AGREEMENT**

**THIS AGREEMENT** is made as of the Execution Date

**BETWEEN:**

**CANADA DEPOSIT INSURANCE CORPORATION,**  
a federal crown corporation established by an Act of Parliament  
the *Canada Deposit Insurance Corporation Act*  
("CDIC")

**AND:**

**[insert name of corporation or partnership],**  
a corporation incorporated under the laws of <\*>  
*or*  
a (**limited liability**) partnership established pursuant to the laws of <\*>  
("Supplier").

**BACKGROUND**

- A. Following a request-for-proposal process, CDIC has selected the Supplier to provide the Services on a standby/as-needed basis as set out in Appendix A to this Agreement. CDIC makes no guarantee as to the value or volume of work, if any, to be assigned to any Supplier.
- B. The Supplier is qualified to provide the Services and agrees to provide the Services in accordance with the terms and conditions of this Agreement.

**IN CONSIDERATION** of the Background, the mutual covenants set out herein, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

**ARTICLE 1  
DEFINITIONS AND INTERPRETATION**

**1.1 Definitions.** Whenever used in this Agreement, the following words and terms shall have the meanings set out below:

"**Acceptance**", "**Accepts**", "**Accepted**" or "**Acceptable**" means the confirmation in writing by the Designated Officer that CDIC is satisfied with the quality of the Services provided;

"**Agreement**" means this Professional Services Agreement and includes the appendices and any schedules attached hereto, as such may be amended from time to time by written agreement of the Parties hereto;

**“Assigned Person”** means any person employed or engaged by the Supplier who is (i) assigned by the Supplier to perform the Services and is listed in Appendix A, or (ii) who is assigned by the Supplier to perform the Services as an alternate, pursuant to Section 6.5;

**“Business Day”** means a day, other than a Saturday, Sunday or a statutory or civic holiday in the City of Ottawa, Province of Ontario, Canada;

**“Claim”** means any claim, demand, action, assessment or reassessment, suit, cause of action, damage, loss, charge, judgment, debt, costs, liability or expense, including taxes, interest and penalties imposed by law and the reasonable professional fees and all costs incurred in investigating or pursuing, defending or settling any of the foregoing or any proceeding relating to any of the foregoing;

**“Commencement Date”** means the date set out in Appendix A on which the Supplier shall begin to provide the Services;

**“Completion Date”** means the date set out in Appendix A on which the Supplier shall cease to provide the Services;

**“Confidential Information”** has the meaning attributed thereto in Appendix C;

**“Designated Officer”** means the individual set out in Appendix A who represents CDIC, or such other person as may be designated by CDIC from time to time;

**“Disbursements”** means the reasonable fees, expenses, costs or charges, from other parties that are incurred by the Supplier for the purpose of performing the Services including all applicable taxes thereon, but do not include Pre-approved Expenses;

**“Effective Date”** means the date of this Agreement, as first set out above in the caption to this Agreement;

**“Fee” or “Fees”** means an amount agreed to be paid to the Supplier for the provision of any part of the Services as set out in Appendix A;

**“GST/HST/PST”** means all taxes eligible under Part IX of the *Excise Tax Act*;

**“Information”** means all information provided to the Supplier and any Assigned Person, regardless of form or medium, whether reproducible or not, and includes any facts, data, hypotheses, analyses, projections, assumptions, or opinions;

**“Intellectual Property Rights”** means any rights provided under: (i) patent law; (ii) copyright law (including moral rights); (iii) trade-mark law; (iv) design patent or industrial design law; (v) semi-conductor chip or mask work law; or (vi) any other statutory provision or common law principle applicable to this Agreement, including trade secret law, which may provide a right in either hardware, software, documentation, Confidential Information, ideas, formulae, algorithms, concepts, inventions, processes or know-how generally, or the expression or use of such hardware, software, documentation, Confidential Information, ideas, formulae, algorithms, concepts, inventions, processes or know-how; or any rights provided under any applications, registrations, licenses, sub-licenses, franchises, agreements or any other evidence of a right in any of the foregoing;

**“Non-Compliant Jurisdiction”** means any jurisdiction whose laws conflict with or impede the application of the *Privacy Act* and the *Personal Information Protection and Electronic Documents Act*, either expressly or through subsequent application. This includes the United States of America;

**“Parties”** means CDIC and the Supplier, and **“Party”** means either one of them;

**“person”** includes an individual, a corporation, a general or limited partnership, a joint venture, a trust, an unincorporated organization, the Crown or a federal, provincial, national, state or municipal government or any agency or instrumentality of the Crown or a government or any entity recognized by law;

**“Personal Information”** means Information about an identifiable individual;

**“Pre-approved Expenses”** mean the reasonable out-of-town travel, accommodation and living expenses, including all applicable taxes thereon, that are expected to be incurred by the Supplier for the purpose of performing the Services and that are approved by CDIC’s Designated Officer prior to actually being incurred;

**“Role(s)”** means the function(s) assumed, or proposed to be assumed, by an individual in respect of a particular Service Request or Task Authorization (see Appendix D Service Request and Task Authorization Form);

**“Services”** means the tasks or activities required to be performed by the Supplier as set out in Appendix A and any services ancillary thereto;

**“Service Request”** means a document issued by CDIC to a Supplier, that includes instructions and applicable CDIC service requirements, which may result in a Task Authorization;

**“Task Authorization”** means the authorization issued by CDIC, following the receipt of a Supplier’s response to a Service Request, authorizing services to commence;

**“Total Fee”** means the total amount payable to the Supplier for the provision of the Services as set out in Appendix A; and

**“Work Product”** means all materials, inventions and other deliverables that the Supplier may develop for CDIC in the course of providing the Services, whether alone or jointly with others, including all research, reports, correspondence, memoranda, notes, source code, object code, executable code, technical documentation, user documentation, custom software and all information generated by the Supplier specifically for CDIC in any reproducible medium in connection with the provision of the Services.

## **1.2 Certain Rules of Interpretation.** In this Agreement,

- (a) **Time** - the Supplier will use all reasonable efforts to complete within any agreed upon time frame the performance of the Services. However, the Supplier will not be liable for failures or delays in performance that arise from causes beyond its control;
- (b) **Currency** - unless otherwise specified, all references to monetary amounts in this Agreement are to lawful currency of Canada;

- (c) **Headings** - descriptive headings of Articles and Sections are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such Articles or Sections and as such, shall not affect the construction or interpretation of this Agreement;
- (d) **Singular, etc.** - words expressed in the singular include the plural and vice-versa and words in one gender include all genders;
- (e) **Consent** - whenever a provision of this Agreement requires an approval or consent by a Party to this Agreement and notification of such approval or consent is not delivered within the applicable time, then, unless otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent;
- (f) **Calculation of Time** - unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends;
- (g) **Business Day** - whenever any payment is to be made or action to be taken under this Agreement is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following such day;
- (h) **Inclusion** - where the words “including” or “includes” appear in this Agreement, they mean “including without limitation” or “includes without limitation” respectively;
- (i) **References** - the words “herein”, “hereof”, “hereby” and “hereunder” and similar expressions refer to this Agreement as a whole and not to any particular portion of it and references to an Article, Section or subsection refer to the applicable Article, Section or subsection of this Agreement; and
- (j) **No Strict Construction** – the language used in this Agreement is the language chosen to express the mutual intent of the Parties, and no rule of strict construction will be applied against either of the Parties.

**1.3 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The rights and obligations under this Agreement shall not be governed by the *United Nations Convention on Contracts for the International Sale of Goods* or any local implementing legislation, the application of which is expressly excluded.

**1.4 Appendices.** The appendices to this Agreement listed below include additional terms which form part of this Agreement:

<u>Appendix</u>	<u>Description</u>
-----------------	--------------------

- |        |   |
|--------|---|
| A..... | Services and Fees   |
| B..... | Service Stream(s)   |
| C..... | Confidentiality, Privacy, Conflict of Interest and Security |

**ARTICLE 2  
AGREEMENT FOR SERVICE**

- 2.1 The Supplier is hereby engaged by CDIC as an independent contractor on a non-exclusive basis for the sole purpose of undertaking and delivering the Services set out in Appendix A, any Task Authorization, and any applicable Work Product for the term set out therein, and in accordance with this Agreement.
- 2.2 CDIC makes no guarantee as to the volume or value of work to be assigned, if any, to the Supplier and the Supplier acknowledges same.
- 2.3 Subject to the conflict of interest provisions contained in Appendix C, CDIC acknowledges that, during the term of this Agreement, the Supplier and any Assigned Person may provide services to other persons (including member institutions of CDIC or any parent or subsidiary corporations or affiliates thereof).
- 2.4 The Supplier is responsible for the delivery of all filings required in relation to, and the payment of: all taxes, levies, premiums or payments assessed, levied or charged against the Supplier, including any GST/HST/PST, income tax, local tax, workplace safety and insurance premiums, Canada Pension Plan or Quebec Pension Plan premiums, Employment Insurance premiums and Ontario Health Insurance Plan premiums or levies or other contributions as required by all laws applicable to the Supplier or to any Assigned Person (all collectively, the “**filings and deductions**”). In addition to any other indemnifications contained in this Agreement, the Supplier agrees to indemnify and save harmless CDIC, its employees, agents, officers and directors from any Claims arising as a result of or in relation to:
- (a) the Supplier’s failure, omission or refusal to deliver or remit any filings and deductions to the appropriate federal, provincial or municipal government entity, agency or collecting body, as required by law; or,
  - (b) a determination by any federal, provincial or municipal government entity, agency or collecting body that (notwithstanding the express and mutual intention of the Parties,) the relationship between CDIC and any of the Supplier or any Assigned Person, is not an independent contractor relationship.

**ARTICLE 3  
LIMITATION OF AUTHORITY**

- 3.1 The Supplier shall have no authority to enter into any contract, commitment or obligation of any kind whatsoever on behalf of CDIC unless the Supplier receives prior written authorization from CDIC.
- 3.2 Neither the Supplier nor any Assigned Person shall, at any time, be deemed to be an employee, servant or agent of CDIC or of Her Majesty in Right of Canada, for any purpose whatsoever.



**ARTICLE 4**  
**CONFIDENTIALITY AND CONFLICT OF INTEREST**  
**AND USE OF PERSONAL AND CONFIDENTIAL INFORMATION**

- 4.1** The Supplier agrees to be bound by the terms set out in this Article 4 and in the attached Appendix C entitled “Confidentiality, Privacy Conflict of Interest and Security”.
- 4.2** The Supplier agrees that prior to allowing any Assigned Person to perform the Services, it shall require that Assigned Person to read and agree to abide by the terms of the attached Appendix C entitled “Confidentiality, Privacy, Conflict of Interest and Security”.
- 4.3** Except as set out in Appendix A, the Supplier represents and warrants that:
- (a) The Supplier only carries on business in Canada;
  - (b) The Supplier does not have a parent, subsidiary or other related company that operates in a Non-Compliant Jurisdiction;
  - (c) The Supplier does not subcontract or outsource data processing or storage to any third party carrying on business in a Non-Compliant Jurisdiction; and
  - (d) The Supplier’s employees are bound by written confidentiality agreements or binding confidentiality policies.
- 4.4** The Supplier agrees that:
- (a) CDIC shall retain custody and control of any Confidential Information and Personal Information transferred, collected, created, obtained, maintained or otherwise held by the Supplier for the purposes of this Agreement, and all Confidential Information and Personal Information must be returned to CDIC upon request;
  - (b) Except as set out in Appendix A, the Supplier shall not transfer Personal Information to any entity or person carrying on business in a Non-Compliant Jurisdiction for any purpose unless approved by CDIC in writing. Confidential Information may be disclosed to third parties that provide data processing, storage and similar services to the Supplier and may correspondingly be used, processed and stored outside Canada by the Supplier and such third-party service providers. The Supplier is responsible to CDIC for causing such third-party service providers to comply with the obligations of confidentiality set out in this Agreement;
  - (c) CDIC shall have the right to review from time to time the measures and practices adopted by the Supplier to perform its obligations under this Agreement. This right of review includes the right to be escorted, in accordance with the Supplier’s security rules and heavily restricted to certain areas of the Supplier’s premises on reasonable written notice to the Supplier to attend the Supplier’s premises on reasonable written notice to the Supplier to review such measures and practices and the right to audit the Supplier’s relevant records and otherwise verify audit trails for data access, modification or disclosure. The Supplier shall provide full cooperation in connection with any such review. To the extent that such review causes the Supplier to incur reasonable third-party expenses, such expenses shall be reimbursed by CDIC;

- (d) The Supplier shall implement sufficient audit trail requirements to record access to Confidential Information and any attempted access thereto and any modification or disclosure of Confidential Information; and
  - (e) The Supplier shall include the above representations, warranties and terms in any agreement with a third party respecting the transfer of Confidential Information or Personal Information, *mutatis mutandis*.
- 4.5 If the Supplier learns of any actual or reasonably suspected access, use, destruction, alteration or disclosure of Confidential Information or Personal Information that is not permitted by this Agreement or otherwise approved by CDIC in writing (including any loss or theft of Confidential Information or Personal Information) (collectively, a “**Data Breach**”), Supplier shall promptly notify CDIC in writing of the particulars of such Data Breach (unless such notice is prohibited by applicable law). The Supplier shall thereafter contain and investigate the Data Breach and fully cooperate with CDIC in resolving the Data Breach.
- 4.6 In the event of a change in status or ownership of a parent company or of the Supplier that may result in a change of custody or control of data being held and/or processed by the Supplier, the Supplier shall promptly notify CDIC. Following such notification, CDIC reserves the right to immediately terminate this Agreement or seek amendments thereto.
- 4.7 In the event of a change in the operations of the Supplier, such as acquiring or creating an entity in a Non-Compliant Jurisdiction that shall have access to CDIC Information, the Supplier shall promptly notify CDIC. Following such notification, CDIC reserves the right to immediately terminate this Agreement or seek amendments thereto.

## **ARTICLE 5 CDIC’S RESPONSIBILITIES**

- 5.1 If and when necessary, CDIC shall provide the Supplier with limited access, as required, to its offices and personnel at 50 O’Connor Street, Ottawa, Ontario and 79 Wellington Street West, Suite 1200, Toronto, Ontario (collectively, the “**Premises**”) to facilitate the provision of the Services. The Supplier agrees to abide by the requirements of CDIC and the Designated Officer with respect to security, timing and manner and method of access, occupancy and egress from the Premises, as those requirements may change from time to time. The Supplier further agrees to abide by any rules regarding access, occupancy and egress imposed by the landlord of the Premises.
- 5.2 The Designated Officer, or other representative of CDIC, as may be appropriate, shall provide the Supplier with the Information and Confidential Information that is required for the provision of the Services.
- 5.3 CDIC acknowledges that the provision of the Services may require the Designated Officer and other CDIC personnel to be available for meetings with the Supplier and to respond promptly to the inquiries of the Supplier. CDIC shall use reasonable efforts to accommodate same without disrupting its operations.
- 5.4 The Supplier shall consult with the Designated Officer from time to time, regarding the provision of the Services. The Designated Officer may provide the Supplier with a schedule for the completion of the Services (the “**Schedule**”).

- 5.5** CDIC may, at its own discretion, periodically or from time to time, advise the Supplier as to whether the provision of Services by the Supplier is Acceptable. CDIC shall have the right to require the Supplier to correct or replace any Services and Work Product that are deemed by CDIC not to be Acceptable, at the Supplier's own expense. CDIC shall inform the Supplier of the reasons for any such non-Acceptance of the Services or Work Product as the case may be.
- 5.6** CDIC or its representatives may, at any time during the term of this Agreement or within one (1) year of the expiration or termination of this Agreement, upon reasonable prior written notice to Supplier, and during the regular business hours of the Supplier conduct an audit of the books, accounts, records, and data of the Supplier relating to the performance of the Services and of all expenditures or commitments made by the Supplier in connection therewith. The Supplier shall not, without the prior written consent of CDIC, dispose of any books, accounts or records that relate to the performance of the Services until the later of: (i) the expiration of one (1) year after the final payment is made under this Agreement; or (ii) the settlement of all outstanding claims and disputes between the Parties. The Supplier shall provide CDIC with access to all books, accounts, and records related to the performance of the Services and shall reasonably co-operate with CDIC in respect of any audit that is conducted.

## **ARTICLE 6 SUPPLIER'S RESPONSIBILITIES**

- 6.1** The Supplier represents and warrants that it is validly incorporated under the laws of <\*> and that it has the power and authority to enter into this Agreement. The Supplier represents and warrants that the Supplier and each Assigned Person has the necessary resources, competence and qualifications, including knowledge, skill and experience to provide the Services. The Supplier shall provide the Services promptly, efficiently, in accordance with reasonable standards of quality acceptable to CDIC, in consultation with the Designated Officer, in conformity with the Schedule established by the Designated Officer, if any, and with the terms and provisions of this Agreement.
- 6.2** The Supplier shall commence the provision of the Services on the Commencement Date and shall provide the Services until the earlier of the Completion Date or the date on which the Services are completed by the Supplier and Accepted by the Designated Officer.
- 6.3** The Supplier shall make periodic written reports, as requested by the Designated Officer, outlining the progress made by the Supplier in providing the Services.
- 6.4** CDIC is required to notify individuals in connection with the collection of Personal Information by CDIC. The Supplier agrees that prior to providing any Personal Information about an Assigned Person to CDIC, or prior to allowing an Assigned Person to perform the Services, as applicable, the Supplier shall either (a) provide the Assigned Person with CDIC's privacy notice (a copy of which is at <http://www.cdic.ca/en/about-cdic/policies-reports/atip/Pages/Privacy.aspx>), or (b) refer the Assigned Person to the webpage where the privacy notice is posted, and require the Assigned Person to read the privacy notice.
- 6.5** The Supplier shall ensure that the Services are only provided by the Assigned Persons listed in Appendix A hereof and that such Assigned Persons are available to perform the Services

in accordance with the Schedule established by the Designated Officer, if any. Should such Assigned Person be unavailable to provide the Services, the Supplier may, with CDIC's prior written consent, acting reasonably, assign an alternate Assigned Person who has a comparable level of skill, ability and qualifications to provide the Services. Other amendments to the list of Assigned Persons in Appendix A may be made with the written consent of CDIC.

- 6.6 CDIC shall have access at all reasonable times to the books, accounts, records, data, Work Product and other information in the Supplier's and any Assigned Person's possession and control in connection with the provision of the Services.
- 6.7 On termination for any reason other than breach by CDIC, to the extent that it may exist, in whole or in part, the Supplier shall deliver to CDIC, or such person as CDIC may designate, the Work Product and knowledge that is required by CDIC to complete the provision of the Services or that will allow CDIC to utilize the Services or Work Product on an ongoing basis.
- 6.8 The Supplier warrants that no Work Product will infringe or otherwise violate any Intellectual Property Rights of any third party.
- 6.9 The Supplier warrants that all Services and Work Product provided under this Agreement will, at the time of Acceptance, be free from any defect in workmanship and conform to the requirements of this Agreement. If the Supplier is required to correct or replace the Services or Work Product or any portion thereof, it shall be at no cost to CDIC, and any Services or Work Product corrected or replaced by the Supplier shall be subject to all the provisions of this Agreement to the same extent as the Services or Work Product as initially performed.
- 6.10 The Supplier acknowledges and agrees that CDIC may require the Supplier to require any Assigned Person, to act in conformity with any existing or future policies, standards, guidelines and procedures of CDIC as may become appropriate in CDIC's discretion, at all times during the provision of the Services, including:
  - a) where the Services involve Personal Information or other "Protected Information", as that term is defined in CDIC's *Information Classification Standard*, the Supplier will adhere to CDIC's *Corporate Security Policy*;
  - b) where the Services involve travel and related living expenses, the Supplier will adhere to CDIC's *Travel, Hospitality, Conferences and Events Policy*; and
  - c) where any Assigned Person will be performing Services at CDIC's Premises on a regular basis, to require any Assigned Person to review and act in conformity with: (i) the Guidelines for Contractor/Suppliers' Personnel/Agency Personnel (the "**Guidelines**") and (ii) *Harassment in the Workplace Policy* prior to or on the date such Assigned Person commences performing the Services.
- 6.11 The Supplier shall be responsible for ensuring that each Assigned Person complies with all of the terms of this Agreement and shall be responsible for any non-compliance in any way attributable to any Assigned Person or other person for whom the Supplier is responsible.

**ARTICLE 7**  
**OWNERSHIP OF INTELLECTUAL PROPERTY**

- 7.1 The Supplier agrees that prior to allowing any Assigned Person to perform the Services, it shall require that Assigned Person to read and agree to abide by the terms of this Article 7.
- 7.2 If, during the course of providing Services to CDIC, the Supplier develops any work for CDIC that is protected by copyright, the Supplier hereby waives unconditionally any moral rights it may have in such work and shall require each Assigned Person to waive unconditionally any moral rights in such work upon applicable payment by CDIC to Supplier.
- 7.3 The Supplier shall not use or disclose any Work Product or other materials embodying any of CDIC's Intellectual Property Rights provided by CDIC or developed for CDIC except in the course of providing the Services or as expressly authorized by CDIC in writing.
- 7.4 The Supplier shall not make any unauthorized use of any trade secrets or Intellectual Property Rights of a third party during the course of providing Services to CDIC.
- 7.5 The Supplier shall not make any unauthorized use of CDIC's property including its computer systems, communications networks, databases or files, and shall adhere to all CDIC policies regarding the use of such computer systems, communication networks, databases or files provided that such policies have been provided to Supplier in writing prior to execution of this Agreement.
- 7.6 The Supplier shall only use software authorized by CDIC on CDIC equipment.
- 7.7 The Supplier acknowledges and agrees that it shall be held liable for any breach or any damages resulting from any violations of the terms of this Article 7 that are caused by the Supplier or that are attributable in any way to an Assigned Person.
- 7.8 All Work Product first created for CDIC shall be the exclusive property of CDIC and the Supplier shall have no right, title or interest in any such Intellectual Property Rights. At the request and expense of CDIC, the Supplier shall do all acts necessary and sign all documentation necessary in order to assign all rights in the Intellectual Property Rights to CDIC and to enable CDIC to register patents, copyrights, trade-marks, mask works, industrial designs and such other protections as CDIC deems advisable anywhere in the world.
- 7.9 The Supplier agrees to provide all reasonable assistance to CDIC in the prosecution of any patent application, copyright registration or trade-mark application or the protection of any Intellectual Property Rights. The Supplier agrees to execute any documentation necessary to assist with any such prosecution or to effect any such application or registration upon the request of CDIC, whether such request is made during the term of this Agreement or after the expiration or termination of this Agreement for any reason whatsoever.

**ARTICLE 8  
FEES AND BILLING PROCEDURES**

- 8.1** The Total Fee payable under this Agreement is as set out in Appendix A. The Supplier shall have no right to demand any additional Fees other than as set out in Appendix A, either before, during or after the completion of provision of the Services.
- 8.2** In accordance with the terms of Appendix A, the Supplier shall deliver a written request for payment in the form of an invoice for services rendered to CDIC (the “**Invoice**”).
- 8.3** The Invoice shall be accompanied by supporting documentation confirming the amount and particulars of any Disbursements or Pre-approved Expenses incurred by the Supplier in providing the Services and shall specify the following information, as applicable:
- (a) a detailed suitable description of the Services provided in relation to the Fees billed by the Supplier;
  - (b) the amount owing in accordance with the Fees set out in Appendix A;
  - (c) the amount of GST/HST/PST thereon;
  - (d) the amount of any Disbursements and Pre-approved Expenses; and
  - (e) such other information as CDIC may reasonably require.

The Supplier agrees that failure to include all supporting documentation with the Invoice and/or failure to provide any or all of the foregoing information as part of the Invoice may result in a delay of payment to the Supplier.

- 8.4** Within thirty (30) days of receiving an Invoice, CDIC shall verify the amounts stipulated in the Invoice and subject to Section 8.1 hereof, shall pay to the Supplier the full amount of the Invoice. CDIC shall advise the Supplier of the details of any objection it may have to the form, content or amount of the Invoice within fifteen (15) days of receipt of the Invoice, and the above-noted thirty (30) day period shall commence to run after receipt by CDIC of a revised Invoice.
- 8.5** Subject to Section 9.3 hereof, upon termination of this Agreement by CDIC, the Supplier shall, within fifteen (15) days after the effective date of such termination, deliver a final Invoice to CDIC in the form specified above setting out the Fees, GST/HST/PST, Disbursements, and Pre-approved Expenses charged or incurred by the Supplier from the date of the previous Invoice to the effective date of termination and CDIC shall pay the Invoice in accordance with this Article 8. The Supplier shall not be entitled to payment for any amount on account of Fees, GST/HST/PST, Disbursements or Pre-approved Expenses that are either charged or incurred by the Supplier following the effective date of termination of this Agreement.
- 8.6** Unless otherwise specified herein, any and all taxes, duties, fees, levies and other impositions imposed by the laws of a non-Canadian jurisdiction, including without

limitation federal excise tax, state or local sales or use tax, value-added tax, income tax, and any other foreign tax whatsoever, are included in the Total Fee.

- 8.7** Where any amounts payable by CDIC under the Agreement are subject to any Canadian federal or provincial deduction, withholding or similar tax, CDIC shall deduct or withhold the necessary amount it is required to deduct or withhold from the amounts to be paid to the Supplier under the Agreement, unless Supplier provides proper documentation from the competent Canadian federal or provincial governmental authority relieving CDIC of its withholding obligations prior to payment being made. The Supplier is solely responsible, at all times, for obtaining its own professional advice regarding any Canadian federal or provincial deduction and withholding or similar tax.

## **ARTICLE 9 EXPIRATION AND TERMINATION**

- 9.1** CDIC may terminate this Agreement at any time by giving the Supplier ten (10) business days prior written notice. The Supplier and CDIC agree and acknowledge that the giving of such written notice shall serve to discharge all liability whether contractual, statutory, or otherwise owed by CDIC to the Supplier, except CDIC's obligation to pay the Supplier any outstanding Fees earned and GST/HST/PST thereon, and any Disbursements or Pre-approved Expenses incurred by the Supplier in the period prior to the effective date of termination of this Agreement which obligation shall survive such termination.
- 9.2** If the Supplier breaches any provision of this Agreement and fails to remedy such breach within five (5) Business Days of receiving a written notice from CDIC notifying the Supplier of such breach, CDIC may, without giving any further notice to the Supplier, terminate this Agreement effective as of the end of such five (5) day period.
- 9.3** Notwithstanding any other provision of this Agreement, if this Agreement is terminated by CDIC pursuant to Section 9.2 above:
- (a) the Supplier shall not be entitled to payment for any amount on account of Fees, GST/HST/PST, Disbursements or Pre-approved Expenses that are charged or incurred by the Supplier after the day upon which such notice of breach of the Agreement is received by the Supplier; and,
  - (b) CDIC may arrange, upon such terms and conditions and in such manner as CDIC deems appropriate, for any uncompleted Services to be completed and the Supplier shall be liable to CDIC for any amounts in excess of the Total Fee as are required to retain a replacement Supplier to complete the Services. CDIC may, in its sole discretion, withhold from the amount due to the Supplier upon termination of this Agreement such sums as CDIC determines to be necessary to protect CDIC against any excess costs it might incur in relation to the retention of a replacement Supplier and the completion of the Services.

- 9.4 If the Services are not provided in full, the Supplier shall be entitled to payment of that portion of the Total Fee represented by the Services performed as determined by CDIC acting reasonably and based on the agreed upon scope of Services.
- 9.5 This Agreement shall expire automatically on the earlier of the Completion Date or the date on which the Services are completed by the Supplier and Accepted by the Designated Officer.
- 9.6 Upon expiration or termination of this Agreement for any reason whatsoever, the Supplier shall forthwith return all Information, Confidential Information, Work Product and other materials embodying CDIC's Intellectual Property Rights in the possession or control of the Supplier or any Assigned Person to CDIC or shall provide a written certificate to CDIC certifying the destruction of all Information, Confidential Information, Work Product and other materials embodying CDIC's Intellectual Property Rights if instructed by CDIC to destroy such Information.

## **ARTICLE 10 INDEMNIFICATION**

- 10.1 CDIC agrees to indemnify, defend and hold harmless the Supplier and its respective employees, agents, officers, directors, successors and assigns (each, a "**Supplier Indemnitee**"), from and against any Claims that may be made or brought against the Supplier Indemnitee, or which they may suffer or incur, directly as a result of any deliberate or negligent acts or omissions by CDIC or any person for whom CDIC is responsible.
- 10.2 The Supplier agrees to indemnify, defend and hold harmless CDIC and its respective employees, agents, officers, directors, successors and assigns (each, a "**CDIC Indemnitee**") from and against any Claims that may be made or brought against the CDIC Indemnitee, or which they may suffer or incur, directly or indirectly as a result of or in connection with:
- (a) any deliberate or negligent acts or omissions of the Supplier or any person for whom the Supplier is responsible (including any Assigned Person);
  - (b) any injury sustained by the Supplier or by any Assigned Person while on the Premises for any reason connected with this Agreement;
  - (c) the infringement, alleged infringement or potential infringement by any aspect of the Services or the Work Product of the Intellectual Property Rights of any person;
  - (d) any breach by the Supplier or any Assigned Person of Article 4 or the obligations to protect Confidential Information or Personal Information; or
  - (e) any other breach of this Agreement by the Supplier or by any Assigned Person.
- 10.3 The obligation to indemnify in respect of any Claim is contingent upon the CDIC Indemnitee or the Supplier Indemnitee (as applicable) (the "**Indemnified Party**") (a) giving prompt written notice thereof to the indemnifying Party (the "**Indemnifying**



Party”) and (b) providing reasonable co-operation and assistance to the Indemnifying Party in the investigation, defence, negotiation and settlement of any Claim, including providing reasonable access to relevant information and employees. The obligation to indemnify in respect of any Claim shall terminate unless the Indemnified Party gives the aforementioned written notice to the Indemnifying Party within two (2) years of the date on which the Indemnified Party knew or ought reasonably to have known of the existence of the Claim.

**10.4 Third Party Claims.** In respect of any third party Claim, the Indemnifying Party will be entitled to elect by written notice addressed to the Indemnified Party, within fifteen (15) days after its receipt of such notice, to assume control over the investigation, defence, negotiation and settlement of such third party Claim at its own cost, risk and expense.

(a) If the Indemnifying Party elects to assume such control, the Indemnified Party will have the right to participate in the investigation, defence, negotiation and settlement of such third party claim at the cost of the Indemnifying Party and to retain counsel to act on its behalf, provided that the fees and disbursements of such counsel will be paid by the Indemnified Party unless the Indemnifying Party consents to the retention of such counsel or unless the named parties to any action or proceeding include both the Indemnifying Party and the Indemnified Party and the representation of both the Indemnifying Party and the Indemnified Party by the same counsel would be inappropriate due to the actual or reasonably potential differing interests between them (such as the availability of different defences). The Indemnifying Party will not settle any Claim without the prior written consent of the Indemnified Party.

(b) If the Indemnifying Party does not elect to assume control of the investigation, defence, negotiation and settlement of the third party Claim, or if the Indemnifying Party, having elected to assume such control thereafter fails to diligently defend the third party Claim, the Indemnified Party will have the right to assume such control in such reasonable manner as it may deem appropriate, at the cost, risk and expense of the Indemnifying Party, and the Indemnifying Party will be bound by the results obtained by the Indemnified Party with respect to such third party Claim. The Indemnifying Party will have the right to participate in such defence at its own cost and expense.

**10.5 Set-off and Subrogation.** The indemnity obligations hereunder will be enforceable without right of set-off, counterclaim or defence as against the Indemnified Party. The Indemnifying Party will, upon payment of an indemnity in full under this Agreement, be subrogated to all rights of the Indemnified Party with respect to the claims and defences to which such indemnification relates.

**ARTICLE 11  
DISPUTE RESOLUTION**

- 11.1** Subject to Section 11.4 below, all matters to be decided or agreed upon by the Parties under this Agreement and all disputes which may arise with respect to any matter governed by this Agreement shall at first instance be decided or resolved by the most senior Assigned Person or Designated Officer of each Party. Each Party acknowledges that it is in their mutual best interests to make all such decisions by mutual agreement and agrees to act reasonably and in good faith in order to permit and encourage their employees and officers to do so.
- 11.2** If the Assigned Person or Designated Officer noted above are not able to resolve any dispute referred to them within fifteen (15) days of such referral, or if they are not able to agree on any other matter required to be decided by them under this Agreement, either Party may refer the matter to arbitration in accordance with the provisions of the *Commercial Arbitration Act*, R.S.C., 1985, c. 17 (2nd Supp.).
- 11.3** No Party may bring legal proceedings in respect of any issue that is to be submitted to arbitration hereunder unless that Party has complied with subsection 11.1 and 11.2.
- 11.4** Notwithstanding the above, each Party reserves the right to seek equitable relief in a court of competent jurisdiction to protect Intellectual Property Rights, Confidential Information or Personal Information.

**ARTICLE 12  
SURVIVAL OF TERMS OF AGREEMENT**

- 12.1** All of:
- (a) the Supplier's and any Assigned Person's obligations regarding confidentiality of information and ownership of Intellectual Property Rights under Articles 4 and 7 and Appendix C;
  - (b) the provisions regarding indemnification; and
  - (c) the provisions regarding dispute resolution,
- shall survive the expiration or termination of this Agreement for any reason whatsoever, as shall any other provision of this Agreement which, by the nature of the rights or obligations set out therein, might reasonably be expected to so survive.

**ARTICLE 13  
GENERAL**

- 13.1** **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties

pertaining to that subject matter. No supplement, modification or waiver or termination of this Agreement shall be binding unless executed in writing by the Party to be bound thereby.

- 13.2 Amendments.** This Agreement may be changed, amended or modified at any time by written instrument executed by the authorized representatives of the Parties, except for amendments to the list of Assigned Persons in Appendix A pursuant to Section 6.5 which only require the written consent of CDIC.
- 13.3 Renewal.** The term of this Agreement may be extended prior to the expiration hereof or this Agreement may be renewed for such period and on such terms and conditions as may be agreed upon in writing by the Parties.
- 13.4 Waiver.** No term or provision of this Agreement shall be deemed waived and no breach thereof shall be deemed excused unless such waiver or consent is in writing and signed by the Party waiving or consenting. No waiver or consent by any Party, whether express or implied, shall constitute a waiver or consent for any other term or provision or subsequent breach of such term or provision.
- 13.5 Assignment.** Neither this Agreement nor any part of, nor any right, title or interest under this Agreement shall be assigned, sub-contracted or otherwise transferred by the Supplier without CDIC's prior written consent, which consent may be withheld without reason. This Agreement shall enure to the benefit of and bind the Supplier and its successors and permitted assigns.
- 13.6 Publicity.** The Supplier shall not refer to this Agreement, nor to any of its rights or obligations under this Agreement, in any public forum, or for the purpose of promoting itself or its products or services, without the prior written consent of CDIC. The Supplier acknowledges that CDIC is subject to the *Access to Information Act* and, as a consequence, CDIC may be required to disclose any information contained in this Agreement including, but not limited to, the name of the Supplier and/or any Assigned Person, the Total Fee, the description of the Services and any Work Product arising therefrom. The Supplier also acknowledges that CDIC may refer to any information contained in this Agreement on its website.
- 13.7 No Solicitation.** The Parties agree that, unless otherwise agreed to by the Parties in writing, during the term of this Agreement neither Party shall directly or indirectly solicit as an employee or independent contractor an employee of or Supplier to the other Party or a former employee of or Supplier to the other Party that is or was involved in providing the Services under this Agreement.
- 13.8 Severability.** If any of the provisions contained in this Agreement are found by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- 13.9 Further Assurances.** The Parties hereto agree, from time to time after the execution of this Agreement, to make, do, execute or cause or permit to be made, done or executed all

such further and other lawful acts, deeds, things, devices, conveyances and assurances in law whatsoever as may be required to carry out the true intention and to give full force and effect to this Agreement.

- 13.10 Enforceability.** Each Party affirms that it has full power and authority to enter into and perform the terms of this Agreement, and that the person(s) signing this Agreement on behalf of each Party is (are) properly authorized and empowered to sign it. Each Party further acknowledges that prior to execution of this Agreement, it has read this Agreement, has had the opportunity to be advised by an independent legal advisor if it so desired, and that it understands and agrees to be bound by this Agreement.
- 13.11 Conflict.** In the event of any conflict or inconsistency between this Agreement and the appendices to this Agreement, the terms and conditions set out in this Agreement shall prevail.
- 13.12 Remedies.** The remedies expressly stated in this Agreement shall be cumulative and in addition to and not in substitution for those generally available at law or in equity.
- 13.13 Notices.** Any notice required or permitted to be given hereunder in writing may be delivered (including by commercial courier) or sent by facsimile, email or other electronic transmission. Delivered notices shall be deemed received upon delivery during business hours. Notices sent by facsimile, email or other electronic transmission or delivered outside of business hours shall be deemed received on the next Business Day following the day of transmission or delivery. The addresses to be used for any deliveries or transmissions may be changed by notice given in accordance with this Section and, until so changed, shall be as follows:

if to the Supplier:

<\*name + address\*>

Attention: <\*name\*>, <\*title\*>

Telephone: <\*>

Email: <\*>

and if to CDIC:

Canada Deposit Insurance Corporation  
50 O'Connor Street, 17<sup>th</sup> Floor  
Ottawa, ON K1P 6L2

Attention: <\*name\*>, <\*title\*>

Telephone: (613) <\*>

Email: <\*>@cdic.ca

**[INTENTIONALLY INSERTED PAGE BREAK]**

**13.14 Counterparts.** This Agreement may be executed in any number of counterparts. Either Party may send a copy of its executed counterpart to the other Party by facsimile, email or other electronic transmission instead of delivering a signed original of that counterpart. Each executed counterpart (including each copy sent by other means) will be deemed to be an original; all executed counterparts taken together will constitute one agreement.

**THE PARTIES HAVE EXECUTED** this Agreement as of the latest date this Agreement is signed by all the Parties (Execution Date).

**CANADA DEPOSIT INSURANCE CORPORATION**

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Name: <\*>  
Title: <\*>

Date:

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Name: <\*>  
Title: <\*>

Date:

We have authority to bind the above corporation.

**[Supplier's Name in Caps]**

---

Name: **[Supplier's Representative's Name]**

Title: <\*>

Date:

I have authority to bind the above corporation.

## **Appendix A SERVICES AND FEES**

### **1. Description of Services**

The Supplier agrees to provide to CDIC certain services (the “**Services**”) in respect of the Service Stream(s) for which the Supplier has qualified, as outlined in Appendix B and the Supplier’s Proposal (the “**Proposal**”) dated [February X, 2021] submitted in response to this the Request for Supply Arrangement 2020-XXXX (“**RFSA**”).

In the event of any conflict or inconsistency between (i) this Appendix A and Articles 1 through 13 of the Agreement; and (ii) the attached Proposal, the terms and conditions of this Appendix A and of Articles 1 through 13 shall prevail.

### **2. Service Request Process**

CDIC may issue a written Service Request to the Supplier and to other suppliers selected pursuant to the RFSA, setting out a brief description of the Services and deliverables required, the timeframes, and any other requirements.

If the Supplier wishes to respond to a Service Request, the Supplier shall prepare, at no cost to CDIC, a written response delivered to CDIC setting out: the list and description of the deliverables; the names and resumes of the resources that the Supplier proposes to assign to each of the Roles (if applicable); the estimated duration for each resource required to achieve completion of the proposed Services within the timeframe specified in the Service Request; the proposed fees (including a detailed breakdown of the fees for particular Services and/or deliverables); and the applicable milestones. The Supplier’s response to the Service Request shall comply with the requirements set out in the Service Request. The Supplier shall ensure that each individual proposed is qualified for the Role. The Supplier shall provide CDIC or its representatives with the opportunity to interview its proposed resource(s), at no cost.

If the Supplier receives a Service Request but does not intend to submit a response, the Supplier shall notify CDIC that it will not respond.

### **3. Task Authorization**

Upon CDIC’s acceptance of a Supplier’s satisfactory response to the requirements set out in the Service Request, both parties must provide approval in writing, resulting in a Task Authorization, which authorizes Services to commence.

CDIC will issue an amendment to the Task Authorization in the event of any changes to the scope of the Services, activities to be performed, or changes in any schedules that may be necessary or desirable in light of additional information or actual experience obtained prior to, or in the course of the Services, or as CDIC redefines its needs.

CDIC will not pay the Supplier for any design changes, modifications or interpretations of the Services unless they have been approved, in writing, and CDIC has issued a Task

Authorization amendment authorizing the increased expenditure to be incorporated into the work.

CDIC may terminate all or any part of an authorized Task Authorization for the convenience of CDIC on ten (10) days written notice to the Supplier. In the event of such termination, the Supplier agrees that it will be entitled to be compensated only for work performed and accepted up to the effective date of such termination.

CDIC may terminate all or any part of an authorized Task Authorization due to the default of the Supplier at any time on ten (10) day's written notice to the Supplier provided the Supplier has not rectified the default during the notice period. In the event of such termination, the Supplier and CDIC agree that the rights and obligations of the Supplier and CDIC will be governed by the provisions of Article 9. Expiry and Termination of the Agreement.

#### 4. Term

Subject to any earlier termination by CDIC pursuant to the Agreement, the term of this Agreement shall be:

Commencement Date: [Execution Date][or insert date (if obligations to commence prior to or after the Execution Date)].

Completion Date: <\*>.

The term of this Agreement may be renewed or extended for up to two (2) consecutive one (1) year periods (each, a "Renewal") to a maximum of five (5) years, at CDIC's sole option and discretion.

#### 5. Fees

The Supplier agrees to provide the Services at the rates (the "Fees") set out in Appendix B.

Assigned Person(s): *[insert if applicable]*

Name: <\*>

Title: <\*>

*[hourly rate]*

The Parties confirm that **the total fee** to be paid by CDIC to the Supplier for the completion of the Services will not exceed \$<\*> (the "Total Fee"). **The Total Fee includes all the Fees** (to a maximum of \$<\*>), **any Disbursements, any Pre-approved Expenses and all applicable taxes.**

[OR, if MAXIMUM disbursements/pre-approved expenses: The Parties confirm that the total fee to be paid by CDIC to the Supplier for the completion of the Services shall not exceed \$<\*> (the "Total Fee"). The Total Fee includes Fees (to a maximum of \$<\*>), all



applicable taxes, Disbursements (to a maximum of \$<\*>) and any Pre-approved Expenses (to a maximum of \$<\*>).]

[OR, if NO disbursements/pre-approved expenses: The Parties confirm that the total fee to be paid by CDIC to the Supplier for the completion of the Services shall not exceed \$<\*> (the “**Total Fee**”). The Total Fee includes Fees (to a maximum of \$<\*>) and all applicable taxes. There shall be no Disbursements and no Pre-approved Expenses payable by CDIC. For greater certainty, in the event the Supplier incurs travel expenses in the provision of the Services, such travel expenses are not payable by CDIC.

## 6. Payment Scheduling

The Supplier shall provide an Invoice to CDIC upon completion and Acceptance of **[the Services]** **[OR: each phase of the Services]**

## 7. CDIC Designated Officer

Name: <\*>

Title: <\*>

## 8. Disclosure Regarding Non-Compliant Jurisdictions

**[Insert “None” or describe any disclosures re: Article 4 of the Agreement, if any]**

## 9. Subcontractor(s): **[Insert if applicable]**

If required, CDIC acknowledges that some of the Services will be subcontracted by the Supplier to **[insert name of subcontractor(s)]**, pursuant to an arrangement between the Supplier and the subcontractor. CDIC hereby consents to such portion of the Services, as reasonably determined by the Supplier, being completed by the foregoing subcontractor(s).

**Appendix B**  
**SERVICE STREAM(S)**

1. Qualified Service Stream(s)

[Supplier] is qualified to provide services for Service Stream #1: Ex Ante Funding and Loss Absorbency.

Projects undertaken by CDIC under Service Stream #1 may require either an individual resource or a team of resources to work with CDIC. CDIC may require resources to have additional skills or subject matter knowledge for specific engagements.

2. Service Stream #1: Ex Ante Funding and Loss Absorbency:

**[Instructions: Insert chart for particular Service Stream.]**

3. Fees

For Service Stream #1, the Parties confirm that the Total Fee to be paid by CDIC to the Supplier for the completion of the Services shall not exceed the Total Fees as set out in a particular Task Authorization for Services outlined therein.

1. Qualified Service Stream(s)

[Supplier] is qualified to provide services for Service Stream #2: Investments and Sources of Liquidity.

Projects undertaken by CDIC under Service Stream #2 may require either an individual resource or a team of resources to work with CDIC. CDIC may require resources to have additional skills or subject matter knowledge for specific engagements.

2. Service Stream #2: Investments and Sources of Liquidity.

**Instructions: Insert chart for particular Service Stream.]**

3. Fees

For Service Stream #2, the Parties confirm that the Total Fee to be paid by CDIC to the Supplier for the completion of the Services shall not exceed the Total Fees as set out in a particular Task Authorization for Services outlined therein.

**Appendix C**  
**CONFIDENTIALITY, PRIVACY, CONFLICT OF INTEREST AND SECURITY**

Any capitalized terms used herein but not defined have the meaning set out in the Agreement.

**Confidentiality:**

1. **“Confidential Information”** means
  - (a) any and all technical and non-technical information including patents, copyrights, trade secrets, proprietary information, techniques, sketches, drawings, models, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulae related to existing, proposed and future products and services;
  - (b) information concerning research, experiments, procurement requirements, manufacturing, customer lists, business forecasts, sales, merchandising and marketing plans;
  - (c) proprietary or confidential information of any third party that may rightfully be disclosed by CDIC to the Supplier;
  - (d) information which is expressly communicated as being or is marked as confidential;
  - (e) information which by its nature and the context in which it is disclosed is confidential;
  - (f) all information regarding CDIC or any of its business affairs, liabilities, assets, plans or prospects, including any and all information in respect to the Services and the provision of those Services;
  - (g) all information regarding any member or former member institution of CDIC, any parent or subsidiary corporation or affiliate thereof, or any of the business affairs, liabilities, assets, plans or prospects of any member or former member institution of CDIC or any parent or subsidiary corporation or affiliate thereof, disclosed to or received by the Supplier during or as a result of providing the Services, whether originating from CDIC or any other source; and
  - (h) all Work Product.
2. The Supplier shall not disclose any Confidential Information, unless such disclosure:
  - a. is compelled:
    - i. by law in connection with proceedings before a court, commission of inquiry or other public tribunal of competent jurisdiction;
    - ii. by law at the request of any regulatory or supervisory authority having jurisdiction; or

- iii. in accordance with the practices and procedures of Parliament (including any committee of the House of Commons or Senate of Canada);
  - b. is of information that is in the public domain or has come into the public domain other than by reason of a breach of this Appendix (and, for the purpose hereof, information is not considered to be in the public domain merely because it appears in a court file or other repository to which members of the public are capable of having access, but only if it has actually been disseminated to the general public, such as through the news media or the publication of annual or other reports);
  - c. is of information that has been, or is hereafter, received by the Supplier or any Assigned Person other than from or at the request of CDIC and other than during or as a result of providing the Services;
  - d. is part of the performance of any part of the Services which is to be done on a shared, cooperative or joint basis with such other persons at the request, or with the concurrence of the Designated Officer who have signed an agreement similar in form and substance to this Appendix; or
  - e. is made with the prior written consent of the Designated Officer.
3. If the Supplier believes that disclosure of Confidential Information is or is about to be required in one of the circumstances described in subsection 2.a, or in any circumstances not referred to in Section 2, it shall notify CDIC orally as soon as reasonably possible and as much in advance of the impending disclosure as possible, of the circumstances and scope of the disclosure and shall immediately confirm such oral notice in writing.
4. The Supplier agrees that it acquires no right, title or interest to any Confidential Information, except a limited right to use the Confidential Information in connection with the provision of the Services. All Confidential Information remains the property of CDIC or its members and no licence or other right, title or interest in the Confidential Information is granted hereby.
5. The Supplier agrees to protect the Confidential Information and prevent any wrongful use, dissemination or publication of the Confidential Information not permitted hereunder by a reasonable degree of care, but no less than the degree of care used to protect its own confidential information of a like nature.
6. On receipt of a written demand from CDIC, the Supplier shall immediately return all Confidential Information, including any copies thereof, and any memoranda, notes or other documents relating to the Confidential Information (the “**Confidential Material**”), or shall provide a written certificate to CDIC certifying the destruction of all Confidential Information and Confidential Material and other materials embodying CDIC Intellectual Property if instructed by CDIC to destroy such Information.
7. The Supplier acknowledges and accepts that, in the event of any breach or anticipated breach of this Appendix, damages alone would not be an adequate remedy, and agree that CDIC shall be entitled to seek equitable relief, such as an injunction, in addition to or in lieu of damages and without being required to prove that it has suffered or is likely to suffer damages.

8. All Confidential Information is provided “AS IS” and without any warranty, express, implied or otherwise, regarding its accuracy.
9. Unless expressly authorized in this Agreement or by CDIC in writing, Supplier shall, in accordance with reasonable industry standards, enforce policies, procedures and access control mechanisms to prevent the merger, linking or commingling of any Confidential Information or Personal Information with its own data or the data of any other person;

**Privacy:**

10. If CDIC intends to provide the Supplier with (or allow the Supplier to access or collect on CDIC’s behalf) any Personal Information as part of the Services, CDIC shall advise the Supplier of this fact, and the Supplier shall be required to comply with the following privacy obligations.
11. The Supplier shall comply at all times with all applicable Canadian laws and regulations relating to the collection, creation, use, storage and disclosure of Personal Information, and for greater certainty shall conduct itself so as to ensure that the Services comply with the Canadian *Privacy Act*.
12. The Supplier shall provide a copy of, or, where appropriate, a reference to, a privacy notice in a form acceptable to CDIC when collecting Personal Information on behalf of CDIC.
13. The Supplier shall not use or disclose any Personal Information except to the extent required to perform obligations under the Agreement or as otherwise permitted under applicable law. If, in performing its obligations under the Agreement, the Supplier is required to disclose Personal Information to a third party, the Supplier shall, prior to disclosing such Personal Information, advise CDIC in writing of the proposed use of the Personal Information by the third party. If CDIC consents to the disclosure, the Supplier shall require the third party to enter into an agreement imposing obligations upon the third party with respect to the collection, use and disclosure of the Personal Information that are substantially similar to the obligations set out herein, failing which, the Personal Information shall not be disclosed except in accordance with applicable law.
14. The Supplier shall promptly notify CDIC in writing and assist CDIC in resolving any claim, inquiry, active or pending investigation, complaint that is made to the Supplier or filed with competent authorities, or any remedial action that either has been ordered to take by competent authorities regarding the collection, storage, use or disclosure of Personal Information by the Supplier.
15. The Supplier shall retain the Personal Information only for so long as is reasonably necessary to complete the purposes for which the Personal Information was provided and as otherwise permitted by applicable law, unless otherwise specified by CDIC in writing (collectively, the “**Retention Period**”) – and upon the expiry of the Retention Period, shall return to CDIC, or as directed by CDIC, delete or destroy the Personal Information. The Retention Period shall (unless otherwise specified by CDIC in writing) automatically expire on the date on which the Agreement expires or is terminated for any reason whatsoever. Upon request, the Supplier shall provide CDIC with a written certificate certifying the destruction of the Personal Information or the return to CDIC of all Personal Information (as applicable).

**Conflict of interest:**

16. CDIC requires any persons entering into any agreement with CDIC, supplying services to, or performing any work for or in regards to CDIC, to conduct their affairs in such a way as to avoid any conflict of interest. The Supplier hereby represents and declares that, after due inquiry, it is not aware of any circumstances which do or might cause the Supplier to have a conflict of interest in carrying out the Services. The Supplier agrees not to enter into any contract or other commitment with any person during the term of the Agreement that would cause a conflict of interest on the Supplier's part in connection with the performance of the Services.

**Security:**

**Protection of Information**

17. The Supplier confirms that Services involving Personal Information or other "**Protected Information**", as that term is defined in CDIC's *Information Classification Standard* will be handled in accordance with CDIC's *IT Asset and Information Handling Standard* and *Cryptography Procedure* and other security procedures, as applicable. Where the Supplier cannot meet the requirements of the procedure, Services involving Personal Information or other Protected Information will be performed on CDIC's premises only, using CDIC computer systems exclusively or, where applicable, specific remote access or other technology approved by CDIC in writing ("**Access Technology**" as set out below). The Supplier shall require that no Protected Information is removed from CDIC premises at any time during the Term of the Agreement, except where transmitted using the Access Technology.

CDIC has adopted Access Technology as a means for the secure electronic transmission of designated information, classified up to a Protected "B" level, over the Internet. In order for CDIC to provide Access Technology accounts to any Assigned Persons, the Supplier agrees that the Supplier shall, in addition to any other term herein, use the Access Technology in accordance with the following terms and conditions:

- (i) CDIC shall designate one or more Assigned Persons to be known as Token Registration Authorities ("**TRAs**") who shall be responsible for coordinating the applications by, and for verifying the identify of, each Assigned Person for whom CDIC agrees to provide an Access Technology account;
- (ii) CDIC reserves the right to refuse to issue an Access Technology account to any or all Assigned Persons;
- (iii) Supplier shall be required to complete application forms to obtain Access Technology tokens with the approval of CDIC, together with training to be provided by CDIC concerning the administration of the Access Technology;
- (iv) The Supplier shall require all Assigned Persons with Access Technology

accounts to keep their respective Access Technology tokens and passwords confidential, and to take all reasonable measures to prevent the loss, unauthorized disclosure, modification or improper use of any Access Technology token or associated password.

The Supplier shall prohibit each Assigned Person from sharing their Access Technology token or associated password with any other person;

- (v) The Supplier shall require that all CDIC data accessed and modified by the Supplier and its Assigned Persons while using the Access Technology is re-saved only to the CDIC network. The Supplier and its Assigned Persons shall not transfer, save or send any copies of CDIC data to a non- CDIC computer system, nor create hard copies of the data, without the express written consent of CDIC;
- (vi) The Supplier shall promptly advise CDIC if any Assigned Person's Access Technology token or associated password is, was or may be compromised or not secure, and shall likewise require Assigned Persons to promptly report any such incidents to the Supplier;
- (vii) The Supplier shall promptly advise CDIC if (a) any Assigned Person ceases to be involved in providing the Services or (b) any of the information contained in an Assigned Person's Access Technology application changes or becomes otherwise inaccurate or incomplete;
- (viii) The Supplier acknowledges and agrees that the Access Technology is for the sole use of the Supplier in connection with the delivery of the Services to CDIC. The Supplier shall not permit anyone other than an approved Assigned Person and CDIC to access the Access Technology and related software, or to authenticate Access Technology passwords in accordance with this Agreement;
- (ix) The Supplier shall require that any operating software and computer virus software that is installed on all computer systems to be used by the Assigned Persons in connection with the Access Technology is acceptable to CDIC, and will update or install such software as CDIC may request to maintain the security of the Protected Information. The Supplier acknowledges that if the software required by CDIC is not installed properly on any computer systems used by Assigned Persons in connection with the Services, then access to the Access Technology and the CDIC network, and any use of the Access Technology , may be denied and will be at the Supplier's risk;
- (x) CDIC reserves the right to revoke or modify any Access Technology account provided to any Assigned Person at any time, without notice and in its sole discretion, including without limitation if a Access Technology token or password was, is or is suspected of being compromised, or if an Assigned Person is no longer involved in providing the Services. All Access Technology accounts shall be revoked by CDIC and all Access Technology tokens promptly returned by the Supplier when the Agreement between CDIC and the Supplier expires or



is terminated, whichever occurs earlier;

- (xi) The Supplier acknowledges that the Access Technology software is subject to intellectual property licenses and restrictions and agrees to adhere to the terms and conditions outlined in this Agreement concerning the use of such software. In particular, and without limiting the generality of other provisions in this Agreement, the Supplier shall not tamper with, alter, destroy, modify, reverse engineer, decompile, or abuse the Access Technology software or tokens in any way, nor distribute or use the software or tokens for any purpose other than for dealings with CDIC;
- (xii) The Supplier acknowledges and agrees that it shall be jointly and severally liable with each Assigned Person for any breach of the above terms concerning the use of the Access Technology software by any such Assigned Person; and
- (xiii) CDIC cannot warrant or represent that the Access Technology will be always available or functional, including without limitation because of events such as system maintenance and repair, or events outside the reasonable control of CDIC, or that occurred without the fault or neglect of CDIC.

### **Security Clearance**

18. If the performance of the Services involves Personal Information or other Protected Information, the Supplier shall require that all the Assigned Persons or any Subcontractor's personnel who will perform the Services either:

- 3.3** as of the Commencement Date, have a minimum security clearance of "Reliability", as that term is defined in CDIC's *Personnel Security Standard* or such other security clearance level as requested by CDIC; or
- 3.4** within one (1) week of the Commencement Date, the Supplier will apply to obtain the necessary security clearance.

The Supplier agrees that once the required level of security clearance is obtained by an Assigned Person or any Subcontractor's personnel, it shall cause each Assigned Person or Subcontractor's personnel to maintain his or her respective security clearance for the duration of his or her work during the term of the Agreement.

**Appendix D  
SERVICE REQUEST AND TASK AUTHORIZATION FORM**

(SAMPLE ONLY)

All correspondence and invoices **MUST** show the Service Request Number/Task Authorization and Professional Services Agreement number.

SECTION 1: TO BE COMPLETED BY CDIC	
Service Request Number:	Professional Services Agreement Number:
Service Request Type: <i>&lt;Select One of the following&gt;</i> <input type="checkbox"/> Direct <input type="checkbox"/> Mini-Quotation (issued to multiple Suppliers)	Service Request Title:
To: <i>&lt;Supplier Name and Address&gt;</i>	Date of Service Request Issuance:
	Response Required by: <i>&lt;Identify Date and Time&gt;</i>
Type of Service Requested: <i>&lt;Select One of the following&gt;</i> <input type="checkbox"/> Service Stream #1 – Ex Ante Funding and Loss Absorbency <input type="checkbox"/> Service Stream #2 – Investments and Sources of Liquidity	Required Commencement Date:
	Required Completion Date:
Statement of Work Details: <i>&lt;Insert Task Details – required Work, formats, milestones or due dates, or request the Supplier to provide a work plan, as applicable&gt;</i>	
Resource/Work Required for Delivery	Identify Required Delivery Dates (if applicable):
Required Resource Roles and Levels: <i>&lt;Select One of the following options. Where CDIC requires specific Roles/Levels, complete the table as applicable to the requirement&gt;</i>	
<input type="checkbox"/> Supplier to propose Resource Team	

OR

CDIC requires the Services of the following:

Role	Level	Quantity Required <indicate number of Resources required>	Specific Assigned Person Required <Indicate name(s) if applicable>

**Additional Resource Requirements:** <Where CDIC requires additional experience, education/certification or qualification requirements, describe what is required per Resource Role and Level, as applicable>

**Authorized Location(s) of Work:** <Select all that apply>

- On-Site (50 O'Connor Street, Ottawa)
- On-Site (79 Wellington Street West, Suite 1200, Toronto)
- Off-Site (Supplier's Premises)

**Provide any additional Requirements for the Statement of Work:** <as applicable, include detailed schedule, milestones, and payment frequency (e.g. monthly, quarterly, by milestone, upon completion, etc.)>

**Service Request Response Details:**

With its response to this Service Request Form, the Supplier is requested to provide the following documentation under a separate cover: **<Select all that apply>**

- Proposed Work Plan and Schedule
- CVs of proposed Assigned Persons (Resources) demonstrating the Minimum Qualifications for the Role and level in which they are proposed, and any additional Resource Requirements set out in this Service Request
- Estimated hours to complete the Services
- Other **<Specify>** \_\_\_\_\_

**Mini-Quotation Process: <For use when the Service Request is issued to multiple Suppliers for a Response. Select applicable options and complete as applicable to the Service Request. Delete this section if not applicable>**

Responses to this Service Request will be evaluated based on the following:

- Experience of proposed Assigned Persons (Resources), weighted at <\_\_%>
- Proposed Total Fee, weighted at <\_\_%>

**Refined Proposal Process Details: <Select applicable options and complete as applicable to the Service Request. Delete this section if not applicable>**

Following CDIC's review and assessment of the Supplier's initial response, the Supplier will be asked to provide a refined response (e.g. refinement of proposed Resources, work plan and effort required) for CDIC's final evaluation and selection.

Select applicable Options:

- For Direct Service Requests: CDIC requests the Supplier to submit a Refined Response to Service Request No. <\_\_\_\_###> in accordance with the updated Service Request Requirements as detailed herein **<Select where the Service Request is re-issued with refined scope, requirements, etc.>**
- For Mini-Quotation Process: Following the issuance of additional Refined Response Submission Requirements to Suppliers by CDIC, Suppliers will be eligible to submit a refined response for evaluation and determination by CDIC.

**SECTION 2: TO BE COMPLETED BY SUPPLIER (CDIC TO SELECT APPLICABLE SUPPLIER ON BASIS OF PAYMENT).**

**Response Payment Format <CDIC to select applicable Basis of Payment(s) for the Service Request and delete those that do not apply. Additional rows may be added as required>**

**A. Payment on an Hourly Basis (Payment based on Actual Hours of Service Delivered multiplied by Hourly Rate)**

Assigned Person Name	Role and Level	Proposed Hourly Rate	No. of hours	Extended price for Statement of Work <i>(hourly rate x no. of hours)</i>
		\$		\$
		\$		\$
		\$		\$
<b>Estimated Total Fee</b>				\$

**B. Payment on an Estimated Price Basis (Payment based on Actual Hours of Service Delivery to an overall maximum Total Fee not to exceed the total amount identified below)**

Work Product	Estimated Price per Work Product	Estimated number of hours per Work Product	Estimated extended price for Statement of Work
	\$		\$
	\$		\$
	\$		\$
	\$		\$
<b>Estimated Total Fee</b>			\$

**C. Payment on a Firm/Fixed Price Basis (Payment based on Firm/Fixed Price per Work Product to an overall maximum Total Fee not to exceed the total amount identified below)**

Work Product	Firm/Fixed Price per Work Product <i>(hourly rate x no. of hours)</i>	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
<b>Firm/Fixed Total Fee</b>		\$

**SECTION 3: TASK AUTHORIZATION**

**Both parties must provide approval in writing below, resulting in a Task Authorization, to authorize Services to commence.**

**Start Date:**

**End Date:**

We acknowledge receipt of this Service Request # \_\_\_\_\_ and agree to deliver the Services in accordance with the Terms and Conditions of the Professional Services Agreement and this Task Authorization.

Supplier is authorized to deliver the Services detailed in this Service Request, in accordance with its Service Request Response dated (\_\_\_\_\_).

Signed, sealed and delivered on behalf of CDIC

*I have authority to bind the Supplier:*

**Supplier Signature:**

**CDIC Signature:**

\_\_\_\_\_

\_\_\_\_\_

**Supplier Authorized Representative Name:**

**CDIC Authorized Representative Name:**

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Schedule 1 to Appendix A  
PROPOSAL**

[Insert the Supplier's Proposal, as required]