

Purchasing Office - Bureau des achats
Public Works and Government Services Canada - Pacific
Region
800 Burrard Street, 12th Floor
800, rue Burrard, 12e étage
Vancouver, BC V6Z 2V8

DRAFT - PROJET

**Standing Offer and Call-up Authority
Autorisation de passer une offre à commandes
et des commandes subséquentes**

**This is not a Contract
La présente n'est pas un contrat**

Canada, as represented by the Minister of Public Works and Government Services Canada, hereby authorizes the identified Users listed herein to make call-ups against this Standing Offer.

Le Canada, représenté par le ministre des Travaux Publics et Services Gouvernementaux Canada, autorise par la présente, les utilisateurs identifiés énumérés ci-après, à passer des commandes subséquentes à cette offre à commandes.

The Offeror hereby acknowledges that the attached document contains its Standing offer.

Le Proposant constate, par la présente, que le document ci-joint comprend son offre à commandes.

Signature	Date
Name and Title of person authorized to sign on behalf of Offeror Nom et titre de la personne autorisée à signer au nom du Proposant (Type or print) (Taper ou imprimer)	

Comments - Commentaires

**Vendor/Firm Name and Address
Raison sociale et adresse du
fournisseur/de l'entrepreneur**

Title - Sujet PRINTER NMSO 2006	
Period of Standing Offer - Durée de l'offre à commandes Start/début: _____ End/fin: _____	
Standing Offer No. - N° de l'offre à commandes EZ107-060001/007/VAN	Date
Client Reference No. - N° de référence du client EZ107-060001	
Requisition Reference No. - N° de la demande EZ107-060001	
File No. - N° de dossier VAN-5-20287	Amendment No. - N° modif.
CCC No./N° CCC - FMS No./N° VME	
Individual Call-up Limitation - Limite des commandes individuelles	GST/ HST TPS/TVH
Financial Code(s) - Code(s) financier(s)	Amount - Montant
Security - Sécurité This Standing Offer shall not be used for call-ups where security requirements have been identified. Cette offre à commandes ne peut pas être utilisée pour les commandes subséquentes dans lesquelles les besoins en matière de sécurité ont été déterminés.	
If marked "X," please see the box to the left. <input type="checkbox"/> Acknowledgement copy required S'il y a un "X" ici, s.v.p. voir la boîte à la gauche. <input type="checkbox"/> Accusé de réception requis	
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: Various as per Call-up document Comme précisé dans la commande subséquente	
Invoices - Original and two copies to be sent to: Factures - Envoyer l'original et deux copies à: Various as per Call-up document Comme précisé dans la commande subséquente	
Address Enquiries to: - Adresser toutes questions à: Naisby, John J.	Buyer Id - Id de l'acheteur van575
Telephone No. - N° de téléphone (604) 775-7088 ()	FAX No. - N° de FAX (604) 775-7526
Total Estimated Cost - Coût total estimatif \$0.00	Currency Type - Genre de devise CAD
For the Minister - Pour le Ministre	

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van575

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PART A: RESULTING STANDING OFFER CLAUSES

STANDING OFFER

A.1 OVERVIEW OF OFFER

- (a) _____ (the “**Offeror**”) offers to supply, deliver, configure, install (if required by a Call-up), provide user manuals, warranty and technical support for the Products, in accordance with the prices, terms and conditions of this Standing Offer, as and when Authorized Users place orders by making a Call-up.
- (b) Unless otherwise expressly provided for in this Standing Offer, the Offeror agrees only to supply goods/services authorized for supply under this Standing Offer on the date the Call-up is issued, without variation or substitution. The Offeror acknowledges that only the Products listed in the Best Value Grid on the IPMG website on the date the Call-up is issued may be supplied. Notwithstanding the foregoing, if Optional Items are added to any Product so that the resulting printer is available from the manufacturer under another part number, the Product bearing that part number may be supplied under this Standing Offer, unless the Contracting Authority determines that the reconfigured printer would be most appropriately classified in another Sub-Category. The Offeror agrees to contact the Contracting Authority whenever Optional Items are selected under a Call-up that would result in the Offeror delivering a printer under another part number.
- (c) An “**Active Offeror**” under this Standing Offer means an Offeror that has been identified by the Contracting Authority as having a Value Factor which falls within 15% of the Best Value Factor (on an aggregate Category basis for Group 1 and on a Sub-Category basis for Group 2).
- (d) “**Best Value Grid**” refers to the list of approved NMSO offered printers for each Offeror, along with approved imaging consumables and Optional Items, which can be found on the IPMG website.
- (e) “**IPMG website**” means the Imaging Products Management Group (IPMG) website, within the Desktop and Network Printers section of the following website:<http://www.pwgsc.gc.ca/ipmg>.
- (f) “**Value Factor**” is defined in Annex D (Definition and Calculation of Value Factor). The best Value Factor is the highest Value Factor.
- (g) A “**Call-up**” under this Standing Offer is any form of order issued in accordance with the provisions of this Standing Offer. All Call-ups are subject to the terms and conditions set out in the Resulting Contract clauses that form part of this Standing Offer.
- (h) “**Optional Items**” refers to optional equipment or warranty upgrades that have been approved by the Contracting Authority for supply under this Standing Offer and are listed on the date of the Call-up for supply by the Offeror on the IPMG website. Only optional equipment or warranty upgrades that relate to the requirements of this Standing Offer (i.e., optional equipment that attaches directly to or is used with printer models being offered by the Offeror or additional warranty options, such as upgraded service levels or extensions of the Warranty Period defined in the Resulting Contract clauses) will be authorized.

- (i) **“Original Equipment Manufacturer”** or **“OEM”** means the manufacturer of the hardware, as evidenced by the name appearing on both the hardware and on all accompanying documentation.
- (j) The **“Products”** under this Standing Offer are the printers, consumables, and Optional Items listed on the date of a Call-up in the Best Value Grid for this Offeror.
- (k) In this Standing Offer, a **“Quarter”** is defined as the following three-month periods: January - March; April - June; July - September; and October - December.

A.2 NATURE OF STANDING OFFER

The Offeror acknowledges that:

- (a) a contract for the purchase of goods and/or services will only exist if an Authorized User places a valid Call-up against this Standing Offer; a valid Call-up is any Call-up made in accordance with all the terms and conditions of this Standing Offer;
- (b) issuance of this Standing Offer does not oblige Canada to authorize or order any or all of the goods or services offered by the Offeror or to spend the estimated expenditure or any monies whatsoever; and
- (c) Canada’s liability under this Standing Offer will be limited to that which arises from any Call-ups against the Standing Offer.

A.3 CONDITIONS OF HOLDING A STANDING OFFER

The Offeror acknowledges that it is a condition of this Standing Offer that:

- (a) the Offeror (and its Authorized Agents and subcontractors, as applicable) continuously satisfy all the environmental requirements described in Annex B (Environmental Requirements);
- (b) the Offeror (and its Authorized Agents and subcontractors, as applicable) not publish or make available any promotional/marketing literature associated in any way with this Standing Offer without the prior approval of the Contracting Authority;
- (c) all certifications made in the Offeror’s original Offer be true on the date of this Standing Offer and remain true throughout the Standing Offer Period; the Offeror acknowledges that Canada is entitled to verify these certifications throughout the Standing Offer Period;
- (d) the Offeror obtain and maintain all permits, licences and certificates of approval required by any applicable federal, provincial or municipal legislation that are required to perform any resulting Call-ups and pay any charges imposed by such legislation or regulations. Upon request, the Offeror must provide a copy of any such permit, licence, or certificate to the Contracting Authority.

Canada may verify compliance with these conditions at any time during the Standing Offer and failure to meet any of these conditions constitutes grounds for setting aside authority to use this Standing Offer.

A.4 STANDING OFFER PERIOD

- (a) Canada may place Call-ups under the printer series of Standing Offers from _____ to _____ (the **“Initial Standing Offer Period”**).
- (b) Canada may extend the period in which it places Call-ups under this Standing Offer for 2 period(s) of up to 12 months each (the **“Extension Periods”**). Canada may request such extension at any time by sending a notice to the Offeror at least 30 calendar days before the date

on which this Standing Offer would otherwise expire. Any extension may only be requested by the Contracting Authority and will be evidenced, for administrative purposes only, by a Standing Offer revision.

- (c) The Initial Standing Offer Period and the Extension Periods are collectively referred to as the “**Standing Offer Period**”.
- (d) The Offeror agrees that the rates/prices will be in accordance with the provisions of this Standing Offer throughout the Standing Offer Period.
- (e) The Contract Period of individual Call-ups may extend beyond the Standing Offer Period. That is, a Call-up may be placed up until the last day of the Standing Offer Period; the resulting contract will be in force until all the work has been completed, including warranty services.
- (f) The Offeror may withdraw its Offer in respect of one or more Sub-Categories at any time; provided, however, that if the Offeror withdraws in respect of a Group 1 Sub-Category, Canada reserves the right to require that its entire Group 1 Offer for that Category be withdrawn.

GENERAL & INTERPRETATION

A.5 APPLICABLE LAWS

This Standing Offer and any resulting contracts will be interpreted and governed, and the relations between the Parties determined, by the laws in force in _____.

A.6 TERMS AND CONDITIONS OF THE STANDING OFFER

- (a) **Standard Acquisition Clauses and Conditions (SACC) Manual:** All instructions, general terms, conditions and clauses identified in this document by title, number and date are set out in the Standard Acquisition Clauses and Conditions Manual, issued by Public Works and Government Services Canada (PWGSC). An electronic version of the Manual is available on the PWGSC Website: <http://sacc.pwgsc.gc.ca/sacc/index-e.jsp>.
- (b) **Terms and Conditions of the Standing Offer:** Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the general terms, conditions and clauses identified in this document by title, number and date, and the Conditions set out in Part B of Standard Instructions and Conditions 9403-6 (2005-06-10), as well as portions of the IPMG website identified in this Standing Offer, are incorporated by reference into this Standing Offer as though expressly set out in this document, subject to any other express terms and conditions contained in this Standing Offer.

A.7 PRIORITY OF DOCUMENTS

The documents specified below form part of and are incorporated into the Standing Offer. If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears will prevail over the wording of any document that appears later in the list.

- (a) The articles of this Standing Offer;
- (b) The Product Details pages for the Offeror’s Products, as revised from time to time in accordance with this Standing Offer (where the Contracting Authority has revised the Standing Offer by issuing a revision in hard copy, the hard copy will take precedence over the electronic data on the IPMG website);
- (c) The Pricing Details pages for the Offeror’s Products, as revised from time to time in accordance with this Standing Offer (where the Contracting Authority has revised the Standing Offer by

issuing a revision in hard copy, the hard copy will take precedence over the electronic data on the IPMG website);

- (d) The list of Sales and Service Outlets on the IPMG website, as amended from time to time in accordance with this Standing Offer (where the Contracting Authority has revised the Standing Offer by issuing a revision in hard copy, the hard copy will take precedence over the electronic data on the IPMG website);
- (e) Part B of Standard Instructions and Conditions 9403-6;
- (f) The Resulting Contract clauses;
- (g) Annex A: Technical Specifications;
- (h) Annex B: Environmental Requirements;
- (i) Annex C: Benchmark Testing;
- (j) Annex D: Definition and Calculation of Value Factor; and
- (k) The Offeror's Offer dated _____, as clarified by _____.

A.8 STANDING OFFER AUTHORITIES FOR CANADA

- (a) **Authorized User:** Any Authorized User is permitted to order goods and services in accordance with this Standing Offer, subject to the process set out in the Article entitled "Call-up Process/Call-up Limitations". "Authorized User" means any authorized representative of a Canadian Government Department, Departmental Corporation or Agency, as identified in Schedules I, I.1, II, III, IV or V of the *Financial Administration Act* (as amended from time to time) or such other party for which the Department of Public Works and Government Services has been authorized to act from time to time pursuant to section 16 of the *Department of Public Works and Government Services Act*.
- (b) **Contracting Authority:** The Contracting Authority is the PWGSC contracting officer named below. The Contracting Authority is responsible for the establishment of the Standing Offer, its administration, and any contractual issues relating to individual Call-ups. Any changes to the requirement must be authorized, in writing, by the Contracting Authority. No work is to be performed in excess of or outside the scope of this requirement based on instructions from any government personnel other than the Contracting Authority.

John Naisby
Supply Specialist
Public Works and Government Services Canada
Room 641 - 800 Burrard Street
Vancouver, British Columbia
V6Z 2V8

Telephone: (604) 775-7088
Facsimile: (604) 775-7526
Email: john.naisby@pwgsc.gc.ca

- (c) **Technical Authority:** At the time of issuing this Standing Offer, PWGSC has not designated a Technical Authority. PWGSC may, during the Standing Offer Period, designate a Technical Authority by providing notice to the Contractor. In the absence of PWGSC designating a central Technical Authority, individual Authorized Users may designate a Technical Authority on a Call-up. If designated, the Technical Authority is responsible for all matters concerning the technical content of the Work under any resulting Call-ups.

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van575

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- (d) The preceding authorities may delegate their authority and may act through a duly appointed representative within their department. Canada will notify the Offeror of any such delegation in writing.
- (e) The Offeror agrees not to accept Call-ups to perform work in excess of or outside the scope of this Standing Offer without specific written authorization from the Contracting Authority. The Offeror acknowledges that the Authorized Users are without authority to vary or amend the terms or the scope of this Standing Offer.

A.9 OFFEROR'S REPRESENTATIVE(S)

The Offeror's single point of contact for the administration of this Standing Offer and for all work performed under Call-ups made under this Standing Offer is set out below. The Offeror acknowledges that the name of the Offeror's representative will be posted on the IPMG website.

Contact: *[Offeror's single point of contact name]*

E-Mail Address: *[email address]*

Telephone: *[telephone number]*

Facsimile: *[facsimile number]*

A.10 NOTICES

Under this Standing Offer, where the Offeror is required to provide notice to Canada or the Minister, notice must be provided in writing to the Contracting Authority; where Canada or the Minister is required to provide notice to the Offeror, notice must be provided in writing to the Offeror's representative designated in this Standing Offer.

PROCESS FOR PLACING CALL-UPS UNDER THE STANDING OFFER

A.11 CONTRACTING UNDER THIS STANDING OFFER

- (a) Authorized Call-ups against this Standing Offer made directly by Authorized Users within the applicable Call-up Limitations will be made using PWGSC Form 942. Authorized Call-ups against this Standing Offer made directly by the Contracting Authority may be made using another Call-up form. Goods and services may also be ordered by telephone, facsimile, email or credit card, but must then be confirmed in writing using PWGSC Form 942.
- (b) Each Call-up results in a separate contract between Canada and the Offeror.
- (c) Each Call-up must specify the Standing Offer number, the applicable Sub-Category(ies), the item number, the Product name, model, and part number.
- (d) The Offeror acknowledges that no costs incurred before the receipt of a signed Call-up can be charged to this Standing Offer or any Call-ups made against it.
- (e) The Offeror acknowledges and agrees that the terms and conditions set out in the Resulting Contract clauses that form part of this Standing Offer apply to every Call-up made under this Standing Offer.

A.12 CALL-UP PROCESS / CALL-UP LIMITATIONS

- (a) **Multiple Standing Offers:** The Offeror acknowledges that multiple Standing Offers have been issued for this requirement. Call-ups will be allocated among the Offerors in accordance with the process described below.

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- (b) **Only Authorized Call-ups to be Accepted:** The Offeror agrees only to accept individual Call-ups made by Authorized Users pursuant to this Standing Offer that do not exceed the applicable Call-up Limitations outlined below. The Offeror acknowledges that any Call-up made by an Authorized User exceeding the applicable Call-up Limitation is not permitted under this Standing Offer and without authority.
- (c) **Call-ups only to be Accepted by Active Offerors:** The Offeror agrees only to accept Call-ups for printers during periods in which it has been identified by the Contracting Authority as an “Active Offeror” for that particular Sub-Category, unless contacted directly the Contracting Authority.
- (d) **Call-ups may be directed to Agents:** Call-ups may be addressed to the Offeror directly or to the Offeror care of any of its Authorized Agents.
- (e) **Contracting Authority:** PWGSC will act as the Contracting Authority for all Call-ups, including those made directly by Authorized Users.
- (f) **Division and Consolidation of Requirements:** Multiple Call-ups will not be issued in order to circumvent competition. The Contracting Authority may consolidate requirements across Authorized Users and issue Call-ups on a periodic basis to receive best tier or better pricing on the Products.
- (g) **Call-up Limitations:** An Authorized User may issue a Call-up directly to any Offeror (or the Offeror’s Authorized Agent) in the applicable Sub-Category, up to the applicable Call-up Limitation specified below, in accordance with the following:
- (i) For Call-ups of consumables only: the Authorized User may place Call-ups (valued at up to \$25,000) that consist only of consumables, from any of the Offerors (both Active and Inactive). Any Call-ups of consumables exceeding \$25,000 must be issued by the Contracting Authority.
 - (ii) For Call-ups of Optional Items only: the Authorized User may place Call-ups (valued at up to \$25,000) that consist of Optional Items only from any of the Offerors (both Active and Inactive). Any Call-ups of Optional Items exceeding \$25,000 must be issued by the Contracting Authority.
 - (iii) For Call-ups from Group 1 Sub-Categories (which may include, within the Call-up Limitation, additional consumables and Optional Items):
 - (A) **Up to \$25,000** (GST/HST included): the Authorized User may place the Call-up with the Active Offeror whose Product(s), in the Authorized User’s view, represents the best value;
 - (B) **Up to \$400,000** (GST/HST included): the Authorized User may place the Call-up with the Active Offeror with the Product with the best Value Factor in the appropriate order-size tier in the Sub-Category on the date of the Call-up, if the Product meets the technical and compatibility requirements of the Authorized User;

If an Authorized User wishes to issue a call-up to a single supplier for a requirement consisting of multiple Sub-categories within Category 1, or Category 2, respectively, the Authorized User may place the Call-up with the Active Offeror offering the products with the best aggregate Value Factor in the appropriate order-size tier across the required Sub-categories, providing the aggregate Value Factor falls within 10% of the aggregation of the best value products from multiple suppliers.

- (C) **From \$400,000 up to \$10,000,000** (GST/HST included): only the Contracting Authority may place Call-ups of this value. The Contracting Authority will place the Call-up with the Active Offeror with the Product with the best Value Factor on the date of the Call-up for the required configuration in the appropriate order-size tier, if the Product meets the technical and compatibility requirements of the Authorized User.

The Contracting Authority reserves the right to negotiate the prices for Call-ups over \$400,000 and, where the Contracting Authority determines that the available prices do not represent good value, the Contracting Authority may use other methods of supply to fulfill the requirement.

- (iv) For Call-ups from Group 2 Sub-Categories (which may include, within the Call-up Limitation, additional consumables and Optional Items):

- (A) **Up to \$25,000** (GST/HST included): the Authorized User may place the Call-up with the Active Offeror whose Product(s), in the Authorized User's view, represents the best value;

- (B) **Up to \$200,000** (GST/HST included): the Authorized User may place the Call-up with the Active Offeror with the Product with the best Value Factor in the appropriate order-size tier in the Sub-Category on the date of the Call-up, if the Product meets the technical and compatibility requirements of the Authorized User.

- (C) **From \$200,000 up to \$10,000,000** (GST/HST included): only the Contracting Authority may place Call-ups of this value. The Contracting Authority will place the Call-up with the Active Offeror with the Product with the best Value Factor on the date of the Call-up for the required configuration in the appropriate order-size tier, if the Product meets the technical and compatibility requirements of the Authorized User.

The Contracting Authority reserves the right to negotiate the prices for Call-ups over \$200,000 and, where the Contracting Authority determines that the available prices do not represent good value, the Contracting Authority may use other methods of supply to fulfill the requirement.

These Call-up limitations apply to the total value of the Call-up, including any Optional Items listed on this Standing Offer that are included in a Call-up.

- (h) **Terms to be Confirmed in Call-up:** At the time of the Call-up, the Offeror must:
- (i) inform the Authorized User of the installation charges set out in the Best Value Grid on the IPMG website that apply if on-site installation and configuration are requested;
 - (ii) provide the Authorized User with any wiring specifications or special environmental conditions required for the Products. Any alterations to the site are the responsibility of the Authorized User;
 - (iii) determine the language requirements of the Authorized User for the user manuals to be delivered with the Products; and

- (iv) determine whether receipt of the user manuals on CD-ROM or downloadable from the Internet is acceptable (instead of delivery of hard copies)

(i) **Requirements of \$25,000 or more (GST/HST included) that Cannot be Satisfied by Active Offeror with the printer with the highest rating in the Best Value Grid:** Where the Contracting Authority is satisfied that the Active Offeror with the printer with the best Value Factor cannot satisfy an Authorized User's requirement in any Sub-Category because that Offeror:

- (i) cannot supply all the Products required by the Authorized User by the Delivery Date specified in the Resulting Contract clauses;
- (ii) does not have a printer listed in the Best Value Grid on the IPMG website that meets all the legitimate operational requirements of the Authorized User;
- (iii) has failed the compatibility sub-test for that requirement; or
- (iv) has already defaulted on a Call-up issued by the Authorized User for the required Products,

then the Contracting Authority may place a Call-up (or provide written permission to the Authorized User to place a Call-up) with the next highest Active Offeror.

(j) **Requirements that Cannot be Satisfied by Active Offerors:** Where the Contracting Authority is satisfied that the none of Active Offerors can satisfy an Authorized User's requirement in any Sub-Category because the Active Offerors:

- (i) cannot supply all the Products required by the Authorized User by the Delivery Date specified in the Resulting Contract clauses;
- (ii) do not have a printer listed in the Best Value Grid on the IPMG website that meets all the legitimate operational requirements of the Authorized User;
- (iii) have all failed the compatibility sub-test for that requirement; or
- (iv) have defaulted on Call-ups for the Products currently required by the Authorized User,

then the Contracting Authority may place a Call-up with one of the other Offerors in the relevant Sub-Category that can satisfy these requirements, at the unit price(s) that Offeror offered during the most recent downward price revision or the Contracting Authority may use other sourcing methods to procure the Products. Only the Contracting Authority can place Call-ups with Offerors other than the Active Offerors. The Offeror agrees not to accept any Call-ups, except from the Contracting Authority, while it is not an Active Offeror.

(k) **Authority of Authorized Users to Place Direct Call-ups may be Withdrawn:** The Contracting Authority may, at any time, provide the Offerors with 30 days' written notice that the authority of an Authorized User to place direct Call-ups has been withdrawn. In this case, only the Contracting Authority may make Call-ups on behalf of that Authorized User and the Offeror agrees not to fulfill any Call-ups made directly by that Authorized User.

purchasing tool will no longer receive Call-ups. PWGSC agrees to provide the Offeror with no less than three (3) months' notice regarding the requirements related to any electronic purchasing tool before making use of the tool mandatory for any Call-ups.

A.14 AVAILABLE PRODUCTS

- (a) The Products available for purchase under this Standing Offer are organized into Groups, with Categories and Sub-Categories within each Group.
- (b) The Products the Offeror is authorized to supply under this Standing Offer are set out in the Best Value Grid on the IPMG website.
- (c) PWGSC may, at any time, conduct further Requests for Standing Offers for new Groups, Categories or Sub-Categories and the resulting offers may be incorporated into this Standing Offer. These requirements will be subject to an open competition posted on the Government Electronic Tendering Service.

A.15 PUBLICATION OF STANDING OFFER PRICES AND BENCHMARK RESULTS

- (a) The Offeror acknowledges that its Standing Offer prices and benchmark results may be published in whole or in part or otherwise made available to other suppliers and the public by Canada (on a website and/or by other means).
- (b) The Offeror consents to this disclosure and agrees that it has no right of claim against Her Majesty, the Minister, the Authorized User, their employees, agents or servants in relation to such disclosure, and will indemnify them against any action, suit, demand, right or claim asserted by anyone as a result of such disclosure.
- (c) Canada will not be liable for any errors, inconsistencies or omissions in any such published information. If the Offeror identifies any errors, inconsistencies or omissions, the Offeror agrees to notify the Contracting Authority immediately.

A.16 DOWNWARD PRICE REVISION

PWGSC will allow all Offerors (both Inactive and Active) in each Sub-Category to reduce their pricing voluntarily on a monthly basis. Written notification of requested changes must be received by the Contracting Authority a minimum of three (3) working days prior to the last day of the month and the Value Factor will be adjusted accordingly. During the Standing Offer Period, PWGSC reserves the right to specify an alternative downward price revision process at their sole discretion. Offerors will be given sufficient notification of any changes to the downward price revision process.

A.16.1 PROMOTIONAL PRICING

Promotional pricing may be offered for all listed products and is defined as temporary pricing that is put in place for one month at a time only without lowering the ceiling price of the item. Promotional pricing must be requested at the time of submission of downward price revisions, but will be applied only for Offerors that have been identified as Active Offerors for that month in accordance with A.17 Identification of Active Offerors. Offerors may choose to both request a reduction of their ceiling price in order to ensure that they will be Active and therefore able to post their sale pricing and request a Promotional Price, concurrently. Promotional pricing must be in the form of price reductions only and the same rules apply as for the submission of regular pricing: each subsequent tier must be at an equal or lower rate than the previous tier.

Promotional prices on printers, on the upgrade of the warranty service from one year to four years, and on the installation, will impact the order of selection for the Call-up Limitations, but will not

displace vendors who had been accepted as Active Offerors for the month before the application of the Promotional Pricing.

Promotional prices on consumables will not impact the order of selection for the Call-up Limitations or displace vendors who had been accepted as Active Offerors for the month before the application of the Promotional Pricing. The ceiling price of consumables will always be used in the calculation of the Imaging Consumables Cost Factor and determination of the Value Factor.

Promotional prices on optional equipment are permissible for the first tier. The volume pricing for optional equipment will be based on the percentage reductions as calculated with the Promotional price provided for the associated printer in each tier.

A.17 IDENTIFICATION OF ACTIVE OFFERORS

The downward price revision process will allow PWGSC to identify, for the next one month period, the Offerors for each Sub-Category having printers with Value Factors falling within 15% of the best Value Factor (on an aggregate basis for each Group 1 Category and on a Sub-Category basis for all Group 2 Sub-Categories). These Offerors are referred to as the "Active Offerors", as only their Products will be available to Authorized Users for Call-ups during the one month period. The new Active Offerors and their prices will be posted in the Best Value Grid for use on the first business day of the month following receipt of the price revision request.

A.18 PRODUCT SUBSTITUTIONS

- (a) **Conditions for Proposing Substitution(s):** The Offeror may propose a substitution for an existing Product, provided the proposed substitute provides equal or better value. A Product provides equal or better value if it:
 - (i) is equal or better than the Value Factor of the Product being replaced; and
 - (ii) has equal, or lower, prices than the Product being replaced (in each and every order size tier, not just on average); and
 - (iii) meets or exceeds the minimum specifications for the Sub-Category of the Product being replaced.
- (b) **Benchmark Testing:** Benchmark testing for proposed substitutions will be performed as required. NSTL Canada Corp. (NSTL) will test printers at the request of the Contracting Authority with a minimum of 15 calendar days' notice. NSTL will complete the tests and provide spreadsheet results to PWGSC within 20 calendar days. All costs associated with the benchmark evaluation (e.g., transportation, benchmark fee, etc.) are at the Offeror's expense.
- (c) **Process for Requesting Substitution:** To initiate a substitution, the Offeror must submit the following to the Contracting Authority, in addition to completing the Product Details and Pricing Details pages of the IPMG website:
 - (i) The name, part number and Sub-Category of the existing Product the Offeror wishes to replace with the substitution;
 - (ii) The OEM name and the OEM part number for the Product (if the Offeror has not previously provided an OEM certification from the OEM of the new Product, the Offeror must provide this certification);
 - (iii) Technical Documentation:

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- (A) Advertising and technical literature that substantiates the compliance of the Product with each and every mandatory requirement in Annex A for the appropriate Group, Category and Sub-Category (including the overall Mandatory General Specifications set out in Annex A). Offerors are requested to indicate the page and paragraph number where substantiation regarding each of the mandatory requirements in Annex A can be found. This technical documentation must be provided in both official languages.
- (B) Proof that the Product:
- (1) is certified as compliant with the Canadian Electrical Code for office printers by an organization approved by the Standards Branch of Canada;
 - (2) is certified by the manufacturer as complying with the Class A or B limits for radio noise emissions from digital apparatus set out in the Interference Causing Equipment Standard (ICES-003) of Industry Canada, or US FCC Class B equivalent emission limits for digital apparatus as set in the Radio Interference Regulations;
 - (3) is qualified under the Energy Star program;
 - (4) is manufactured in facilities that are both ISO 9001:2000 and ISO 14001 certified; and
 - (5) has an Environmental Ecolabeling Certification.
- (iv) the proposed unit prices for the substitute Product in all required order size tiers (in each tier, the proposed unit prices for the substitute Product must be equal or less than the prices proposed for the Product that is being replaced).
- (d) **Scheduling of Benchmark Testing:** If the Contracting Authority determines that the Offeror has submitted all the information required to initiate a substitution, the Contracting Authority will notify the Offeror. The Offeror must then contact NSTL regarding the test schedule and to arrange a delivery/set-up date and time for the Product. NSTL will also provide or confirm access to the Features data site so that the Offeror can complete the Features Questionnaire. This questionnaire must be completed before the Product is delivered to the test site.
- (e) **Conduct of Testing:** On the prearranged date and time the Offeror must deliver and set up the Product in accordance with Annex C.
- (f) **Acceptance of Substitution Discretionary:** Whether or not to accept or reject a proposed substitution is entirely within the discretion of Canada. If Canada does not accept a proposed substitution, the original Product will continue to be authorized under this Standing Offer, unless the Offeror withdraws that Product from the Standing Offer; the Offeror acknowledges that withdrawal of any Product from a Group 1 Sub-Category may result in complete withdrawal from Group 1. The Offeror agrees that no substitute items may be shipped under a Call-up until formally authorized by PWGSC in writing and posted in the Best Value Grid on the IPMG website.
- (g) **Documentation of Accepted Substitution:** If a substitute Product is approved for supply under this Standing Offer, it will be listed in the Best Value Grid and will be available for purchase on Call-ups. Approved substitutions cannot be supplied under a Call-up until posted in the Best Value Grid. In the case of a Call-up, the substitution must be posted at the time the Call-up is

issued; otherwise, the item posted in the Best Value Grid at the time the Call-up was issued must be supplied.

A.19 SUBSTITUTION OF OFFEROR

This Standing Offer is not assignable or transferable and any purported assignment or transfer is void and of no effect. However, Canada may agree to issue a substitute Standing Offer where:

- (a) a request to the Contracting Authority to issue a substitute Standing Offer is made by the original Offeror; and
- (b) the proposed substitute Standing Offer is for the same goods and services, on the same terms and conditions, and at the same prices as the offer submitted by the original Offeror.

Whether to agree to issue a substitute Standing Offer is within the sole discretion of Canada.

A.20 REMOVAL OF OPTIONAL ITEMS

PWGSC reserves the right to remove any Optional Items from this Standing Offer at any time, in its sole discretion.

OFFEROR'S SALES AND SERVICE NETWORK

A.21 SALES AND SERVICE NETWORK

- (a) **National/Regional Requirements:** Canada requires delivery and service throughout Canada, excluding CLCA areas. In this Standing Offer, the regions where delivery and Warranty Services are required are defined as follows:
 - (i) Pacific Region: British Columbia
 - (ii) Western Region: Alberta, Saskatchewan and Manitoba
 - (iii) Capital Region: the area within a radius of 100 km from Ottawa, Ontario
 - (iv) Central Region: the provinces of Quebec and Ontario, excluding the Capital Region
 - (v) Atlantic Region: the provinces East of Quebec

For requirements with delivery points in parts of Canada not covered within these regions (i.e., CLCA areas, which include the Yukon, NWT, Nunavut, and other areas), other sourcing methods will be used.

- (b) **Number of Sales Outlets:** The Offeror must maintain a minimum of five (5) sales outlets, with at least one (1) outlet in each of the Pacific, Western, Central, Capital and Atlantic regions. The Offeror may satisfy this requirement itself or through its Authorized Agents or subcontractors.
- (c) **Number of Service Outlets:** The Offeror must also be able to provide the Warranty Services described in the Resulting Contract clauses by maintaining, at a minimum:
 - (i) Three (3) service outlets in EACH of the Western and Central regions, and
 - (ii) Two (2) service outlets in EACH of the Pacific, Atlantic and Capital regions.

The Offeror may satisfy this requirement itself or through its Authorized Agents or subcontractors. Also, the Offeror may provide a single toll-free Maintenance Dispatch Number or a separate telephone number for the service outlets in each region.

- (d) **Sufficiency of Sales and Service Outlets:** The Contracting Authority may, at any time during the Standing Offer Period, verify that sales and service outlets are available (and sufficiently

staffed) nationally to make deliveries and provide Warranty Services within the time frames set out in the Resulting Contract clauses. Sales outlets are defined as providing representation, through either employees, agents, or subcontractors, in the applicable region, familiar with the terms and conditions of the National Master Standing Offer as well as with the Offeror's pricing and the technical details of the offered printers, and able to communicate this information to Authorized Users. The main deliverable required from a Sales outlet is the ability to assist an Authorized User, if requested, with the determination their requirement; with the interpretation of product information, and with the placement of the subsequent call-up, in accordance with the terms of the agreement. The Sales outlets may be asked to provide pre-sales assistance on-site and this option is to be available to the client should the need arise and the specific requirement warrants such service.

- (e) **Sales Outlets and Service Outlets:** A single outlet may provide both sales and service. The Offeror has identified its sales and service outlets in its offer and acknowledges that these sales and service outlets will be posted on the IPMG website. The Offeror must inform the PWGSC Contracting Authority, in writing, of any changes in the list of sales and service outlets during the Standing Offer Period. The Offeror must submit changes to the list, in the format prescribed by the Contracting Authority, for posting on the IPMG website and any ePurchasing sites.
- (f) **Status of Sales and Service Outlets as Subcontractors or Authorized Agents:** Any sales or service outlets not owned and operated by the Offeror will be considered subcontractors under this Standing Offer and under any Call-ups against this Standing Offer, unless the operator of the sales and/or service outlet has also been designated by the Offeror as an Authorized Agent (in which case the Authorized Agent will act on the Offeror's behalf and can be contacted directly to make Call-ups).
- (g) **Receipt of Payment by Authorized Agent:** Canada is entitled to forward payment for contracts under this Standing Offer to the Offeror or to its Authorized Agent that performed the work. Receipt by the Authorized Agent of payment for any Call-up performed by that Authorized Agent on behalf of the Offeror will be deemed to be receipt by the Offeror of such payment.
- (h) **Offeror Responsibility:** Any subcontracting or agency relationship (through which the subcontractor or Authorized Agent performs contractual obligations on behalf of the Offeror) does not amend, diminish or modify any of the responsibilities of the Offeror under this Standing Offer. The Offeror agrees and understands that it is the responsibility of the Offeror to ensure that all of its Authorized Agents and subcontractors conform to the terms and conditions of the Standing Offer and complete any Call-ups in accordance with their terms and conditions. If an Authorized Agent or subcontractor fails to fulfill the obligations of any Call-up, the Offeror must, upon written notification from the PWGSC Contracting Authority, immediately complete and fulfill those obligations directly at no additional cost to Canada.

ADMINISTRATION OF STANDING OFFERS

A.22 WITHDRAWAL OF AUTHORITY TO USE STANDING OFFER

- (a) Canada may, at any time, for operational reasons, withdraw authority from Authorized Users to use the Printer series of Standing Offers.
- (b) Canada may also, at any time, withdraw authority from Authorized Users to use this Standing Offer if the Offeror breaches the terms of this Standing Offer or any Call-up.
- (c) Situations that may result in the withdrawal of authority to use this Standing Offer for cause include:

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- (i) Delivery of any Products not listed in this Standing Offer, except to the extent expressly authorized by this Standing Offer. Authorized Products are those that have been specifically approved in writing by the Contracting Authority for inclusion in this Standing Offer and posted in the Best Value Grid;
 - (ii) Delivery of any Product that provides a lower level of performance than or otherwise does not meet the Technical Specifications set out in Annex A or the technical specifications of the Product approved and posted in the Best Value Grid, whichever is higher;
 - (iii) Late deliveries;
 - (iv) Poor warranty/maintenance service;
 - (v) Unauthorized substitution of any Product without prior written authorization from the Contracting Authority;
 - (vi) Price revision without prior written authorization from the Contracting Authority;
 - (vii) Distribution or publication of advertising, including information included in supplier websites without the prior approval of the Contracting Authority and/or which might be interpreted as suggesting that unauthorized items are available under the Standing Offer or providing any information that conflicts with any aspect of the terms and conditions, pricing, or availability of systems currently available under this Standing Offer (as set out in the Best Value Grid).
 - (viii) Failure to submit complete and accurate Activity Reports within the required time frames;
 - (ix) Breach of any of the specific terms and conditions detailed in the Standing Offer (e.g., failure to meet the service levels for warranty service, failure to respect the Call-up limitations, etc.); and
 - (x) Refusing a Call-up at any time or for any reason from any Authorized User where the Call-up is for a Product currently listed and approved under this Standing Offer.
- (d) The Offeror acknowledges that Canada may suspend the authority of Authorized Users to use the Offeror's Standing Offer for a period of up to three (3) months upon the first suspension.
 - (e) The Offeror acknowledges that Canada may suspend the authority of Authorized Users to use the Offeror's Standing Offer for the remainder of Standing Offer Period upon any subsequent breach of any of the terms and conditions of the Standing Offer or a Call-up.
 - (f) The Offeror acknowledges that Canada may publish information regarding the status of the Offeror's Offer, including the suspension or withdrawal of authority to use the Offeror's Standing Offer.
 - (g) Any Offeror whose Authorized Agent or subcontractor is found to be in breach of any of the terms and conditions of this Standing Offer or a Call-up may be asked to remove that Authorized Agent or subcontractor from its list of Authorized Agents or subcontractors, in addition to any other remedy PWGSC may invoke. Refusal to do so may result in setting aside the authority to use this Standing Offer.
 - (h) If Canada intends to set aside the authority to use this Standing Offer for cause, the Contracting Authority will inform the Offeror in writing and provide the Offeror ten (10) calendar days within which to make representations, before making a final decision on setting aside the authority to use the Standing Offer.

A.23 TERMINATION OF INDIVIDUAL CONTRACTS MADE UNDER THIS STANDING OFFER

If an individual contract made under this Standing offer is terminated, for default or otherwise, that termination will not automatically result in withdrawal of authority to use this Standing Offer. The Offeror acknowledges, however, that a default under any contract made under this Standing Offer may result in the suspension or withdrawal of authority to use this Standing Offer.

A.24 EXPANSION OF OFFERORS FOLLOWING WITHDRAWAL OF AUTHORITY TO USE STANDING OFFER

If the number of Offerors for any given Group, Category or Sub-Category is reduced during the Standing Offer Period for any reason (including setting aside authority to use a Standing Offer or voluntary withdrawal by the Offeror), Canada may, in its sole discretion, do one or more of the following in respect of any Group, Category or Sub-Category:

- (a) leave the Group, Category or Sub-Category "as is" (i.e., the Standing Offers of the remaining Offerors will remain available for Call-ups and no new Offerors will be added);
- (b) call for new Offers in respect of one or more affected Group, Category or Sub-Category through the Government Electronic Tendering Service; or
- (c) contact the Offeror (if any) whose offered Product complied with all the requirements of the Request for Standing Offer that resulted in the issuance of this Standing Offer and was "next in line" under the evaluation methodology, but who was not issued a Standing Offer because all spots in the relevant Group, Category or Sub-Category had been filled, and
 - (i) in the case of Group 1 Categories, the new Offeror agrees to meet or better the aggregate Value Factor of the existing Products of the Offeror whose Standing Offer has been cancelled in any one of the two Group 1 Categories; or
 - (ii) in the case of a Sub-Category of Group 2, the new Offeror agrees to meet or better the Value Factor in the relevant Sub-Category(ies) of the existing Product(s) of the Offeror whose Standing Offer has been cancelled; then

that new Offeror may be issued a Standing Offer in the applicable Group, Category or Sub-Category. If the new Offeror does not agree to meet or better the Value Factor of the previous Offeror's Product, no Standing Offer will be issued to that Offeror and Canada may, but will have no obligation to, contact the next-ranked Offeror.

A.25 REPORTING REQUIREMENTS

- (a) **Standing Offer Activity Reports:** The Offeror must provide Standing Offer Activity Reports on usage of the Standing Offer to the Contracting Authority, using a Microsoft Excel spreadsheet that will be provided at the time the Standing Offer is issued. Every Call-up made against the Offeror's NMSO (including those made through the Offeror's Authorized Agents) must be included, each as a separate line item (even if delivery has not yet been made).
- (b) **Quarterly Reporting Periods:** The Offeror must submit the Standing Offer Activity Reports for each Quarter. The Standing Offer Activity Reports must be completed and forwarded to the Contracting Authority no later than the end of the month following completion of the Quarter.
- (c) **Content of Activity Reports:** The standard reporting spreadsheet will contain two (2) sheets for every Quarter: the Summary Report and the Detailed Report. The following fields will make up the reports:
 - (i) Summary Report

- (A) Sub-Category Number
- (B) Number of Call-Ups (i.e., number of orders, not line items)
- (C) Number of Printers
- (D) Total Value of Sales for Period
- (E) Value of Sales to Date against NMSO
- (ii) Detailed Report
 - (A) Sub-Category Number
 - (B) Requesting Department
 - (C) Destination Postal Code
 - (D) Order Number (Call-Up number)
 - (E) Printer Model/Option/Consumable Name
 - (F) Part Number
 - (G) Item Quantity
 - (H) Date of Order Receipt, or Order Entry
 - (I) Date of Delivery
 - (J) Value of Order
- (d) **Complete Information:** All data fields of the Activity Report must be completed. If some data is not available, the reason must be indicated in the Activity Report. If no goods or services are provided during a given period, the Offeror must still provide a "NIL" report.
- (e) **Failure to Submit Activity Reports:** The Offeror acknowledges that failure to deliver complete and accurate Activity Reports on schedule may result in PWGSC obtaining this information and charging the Offeror the cost and/or in PWGSC withdrawing authority to use the Standing Offer and/or applying vendor performance corrective measures.

A.26 AUDIT RIGHTS

The Offeror acknowledges that the PWGSC Contracting Authority is entitled to exercise any and all audit and verification rights provided for in any Call-up in respect of individual contracts or all contracts made under this Standing Offer.

PART B: RESULTING CONTRACT CLAUSES

SECURITY & INTERNATIONAL SANCTIONS

B.1 SECURITY REQUIREMENT

- (a) The security classification of this Standing Offer is “UNCLASSIFIED”. However, the Contractor must treat as confidential, during as well as after the provision of goods or services contracted for, any information of a character confidential to the affairs of Canada, to which the Contractor’s servants, subcontractors or Authorized Agents become privy.
- (b) All personnel assigned to provide services must have a current security clearance to the level specified in the Call-up against this Standing Offer, granted by the Canadian and International Industrial Security Directorate.
- (c) Should it become necessary, during the Contract Period, for the Authorized User to invoke further security measures, the Contractor must comply with the security classification established at that time.

B.2 INTERNATIONAL SANCTIONS

- (a) Persons in Canada, and Canadians outside of Canada, are bound by economic sanctions imposed by Canada. As a result, the Government of Canada cannot accept delivery of goods or services that originate, either directly or indirectly, from the countries or persons subject to economic sanctions.
- (b) Details on existing sanctions can be found at: <http://www.dfait-maeci.gc.ca/trade/sanctions-e.asp>.
- (c) It is a condition of this Contract that the Contractor not supply to the Government of Canada any goods or services which are subject to economic sanctions.
- (d) By law, the Contractor must comply with changes to the regulations imposed during the life of the Contract. During the performance of the Contract, should the imposition of sanctions against a country or person or the addition of a good or service to the list of sanctioned goods or services cause an impossibility of performance for the Contractor, the situation will be treated by the Parties as an Excusable Delay.

GENERAL & INTERPRETATION

B.3 CONTRACT PERIOD

This Contract is effective on the date the Call-up is issued. The “**Contract Period**” is the entire period of time in which Contractor is obliged to perform the Work, from the date the Call-up is issued until the end of the Warranty Period or all work required during the Warranty Period has been completed for all Products, whichever is later.

B.4 APPLICABLE LAWS

This Contract will be interpreted and governed, and the relations between the Parties determined, by the laws in force in _____.

B.5 TERMS AND CONDITIONS OF THE CONTRACT

- (a) **Standard Acquisition Clauses and Conditions (SACC) Manual:** All instructions, general terms, conditions and clauses identified in this document by title, number and date are set out in

the Standard Acquisition Clauses and Conditions Manual, issued by Public Works and Government Services Canada (PWGSC). An electronic version of the Manual is available on the PWGSC Website: <http://sacc.pwgsc.gc.ca/sacc/index-e.jsp>.

- (b) **Terms and Conditions of the Contract:** Pursuant to the *Department of Public Works and Government Services Act*, S.C. 1996, c.16, the general terms, conditions and clauses identified in this document by title, number and date, and the Conditions set out in Part B of Standard Instructions and Conditions 9403 (2004-12-10) are incorporated by reference into and form part of this Contract as though expressly set out in this Contract, subject to any other express terms and conditions in this Contract.
- (i) General Conditions 9601 – Long Form (2004-12-10), which is amended by deleting Section 22 (Indemnity Against Third-party Claims) and Section 23 (Royalties and Infringement).
- (ii) Supplemental General Conditions:
- (A) 9601-1 Hardware Purchase or Lease (2004-12-10); provided, however, that despite Section 8.0 - Warranty in Supplemental General Conditions 9601-1, the Contractor's warranty must include the provision of all warranty and maintenance services described in this Contract, and the Warranty Period will commence on the first day of Acceptance by Canada and conclude upon completion of the Warranty Period;
- (B) 9601-3 Systems Integration (2004-12-10);
- (C) 9601-4 Licensed Software (2004-12-10); and
- (D) 9601-5 Support Services for Licensed Software (2004-12-10).

B.6 PRIORITY OF DOCUMENTS

The documents specified below form part of and are incorporated into the Contract. If there is a discrepancy between the wording of any documents that appear on the list, the wording of the document that first appears will prevail over the wording of any document that subsequently appears on the list.

- (a) The Call-up form that resulted in the issuance of this Contract;
- (b) These articles of agreement including any individual SACC clauses incorporated into this Contract by reference;
- (c) Annex A: Technical Specifications;
- (d) Annex B: Environmental Requirements;
- (e) Supplemental General Conditions:
- (i) 9601-3 Systems Integration;
- (ii) 9601-1 Hardware Purchase or Lease;
- (iii) 9601-4 Licensed Software; and
- (iv) 9601-5 Support Services for Licensed Software;
- (f) General Conditions 9601 – Long Form;
- (g) Part B of Standard Instructions and Conditions 9403; and
- (h) Standing Offer number EZ107-060001/XXX/VAN (the "**Standing Offer**").

B.7 AUTHORITIES FOR CANADA

- (a) **Contracting Authority:** The Contracting Authority is the individual identified as such in the Standing Offer and is responsible for the management of this Contract. Any changes to the Contract must be authorized in writing by the Contracting Authority. The Contractor must not perform work in excess of or outside the scope of this Contract based on verbal or written requests or instructions from any government personnel other than the Contracting Authority.
- (b) **Technical Authority:** If designated, the Technical Authority is responsible for all matters concerning the technical content of the Work under this Contract. Any proposed changes to the scope of the Work are to be discussed with the Technical Authority, but any resulting change can only be confirmed by a contract amendment issued by the Contracting Authority. The Technical Authority is the individual identified in the Call-up; provided, however, that if no Technical Authority has specifically been identified in the Call-up, the Technical Authority is the individual identified as such in the Standing Offer.
- (c) **Delegation of Authority:** The preceding authorities may delegate their authority and may act through a duly appointed representative within their respective departments. Canada will notify the Contractor of any such delegation.

B.8 CONTRACTOR'S REPRESENTATIVE

The Contractor's representative for all matters relating to this Contract is the individual identified as such in the Standing Offer and indicated on the IPMG website.

DELIVERY OF PRODUCTS, INCLUSIONS AND WARRANTY SERVICE

B.9 DELIVERY OF PRODUCTS

1) Compatibility Sub-Test

For any Call-up of ten printers or more, an Authorized User or the Contracting Authority may specify in the Call-up that the Offeror must perform a compatibility sub-test, prior to delivery of the Products, to determine whether the ordered Product(s) will meet the Authorized User's compatibility requirements. To complete these tests, the Contractor must deliver and set up (at any location designated by Canada, as long as it is within a radius of 100 km of any city or town with a population of at least 30,000, except CLCA areas), within 3 working days, up to two (2) of the Product(s) for testing. The Products delivered for testing must:

- (A) be configured in accordance with the Technical Specifications in Annex A;
- (B) be loaded with all necessary drivers; and
- (C) be compatible with the specific hardware, network or software requirements identified by the Authorized User or the Contracting Authority at the time notice of testing is given to the Offeror.

If the testing indicates that some upgrades/changes (for example, to the drivers or firmware) are required, Canada will work with the Offeror to resolve these issues, provided they are reasonable within a reasonable period. If testing demonstrates that a Product is not compatible with the Authorized User's particular environment, the Call-up may be cancelled in its entirety and the next highest Active Offeror will be considered, for the purposes of the Call-up Limitations, to have the Product with the best Value Factor.

If the test unit provided is new and is to be delivered to the end-user's location, and if it is agreed upon with the Authorized User, the test unit may be considered as the first unit of the subsequent delivery. Once compatibility is assured, arrangements will be made for delivery of the rest of the order.

2) Delivery Terms

- (a) _____ (the “**Contractor**”) agrees to supply, deliver, configure, install (if requested), provide documentation, and provide Warranty Services for the Products listed in the Call-up, to the Authorized User by the Delivery Date, in accordance with the terms and conditions and at the price set out in this Contract. Title to all the Products vests in Her Majesty the Queen in right of Canada.
- (b) **Consumables Pricing during Contract Period:** The Contractor agrees to supply additional consumables to the Authorized User upon request throughout the Contract Period at the price set out on the IPMG website at the time of the Call-up or the time of the request, whichever is less.
- (c) **Inclusions with Products:** The Products must be delivered with the following, all of which are included in the unit price(s) for the Products:
- (i) all ancillary equipment, such as a power supply, cabinetry and connectors required to enable the Product to satisfy the Technical Specifications in Annex A and the Product Details, and be operable in a standard office environment; however, the Contractor is not required to supply a cable to connect the printer to a computer or network;
 - (ii) the first set of imaging consumables (toner, fuser, drum, etc.);
 - (iii) one complete set of the user manuals normally included by the Contractor or the OEM with each printer in the Authorized User’s Official Language of choice (or bilingual). If the Offeror fails to provide user manuals in the language of the Authorized User’s choice, the Offeror must exchange the user manuals for copies in the other language at no cost to Canada. Manuals may be supplied on CD or be downloadable from a website if either of these options is acceptable to the Authorized User; and
 - (iv) any software required for the printer to function in accordance with the Technical Specifications in Annex A (the “**Licensed Software**”). The Licensed Software must be the current release and, unless otherwise specified, require no further research or development to meet the Technical Specifications and the Product Details. The Licensed Software must be supported by, and fully compatible with the Product(s) up to the limit of the Product’s expansion capability. All printer software must be completely integrated with and fully interfaced to the Product. This Contract grants to Canada the perpetual right (i.e., the license to use the Licensed Software is not a “demo” model and does not expire) to install, copy, deploy and use the Licensed Software with the Product(s) in accordance with the terms of this Contract (which does not include any terms or conditions contained in a shrink-wrap license).
- (d) **Delivery Date:** Unless otherwise specified in the Call-up or the Authorized User has agreed in writing to other arrangements, delivery of all Products must be made within the following period (the “**Delivery Date**”):
- (i) 15 calendar days for orders of fewer than 20 printers; or

(ii) 20 calendar days for orders of 20 or more printers.

The Contractor must advise the Authorized User of its best delivery date after receipt of the Call-up (which date must be no later than the Delivery Date). If the required number of Products exceeds or threatens to exceed the Contractor's ability to supply by the Delivery Date, the Contractor must immediately advise the Contracting Authority and the Authorized User. The Contracting Authority will have the option of terminating the Call-up for default, extending the delivery date, or of accepting late delivery. Deliveries received after the Delivery Date will be subject to the discounts described in the Article entitled "Discounts for Late Deliveries and Reimbursement of Reprocurement Costs".

- (e) **Products to be New, Off-the-Shelf, and Current:** The Products must be new and unused (however, some parts used in the manufacture of the Product may be refurbished, if they are certified as equal quality to new and unused parts); "off-the-shelf" (composed of standard equipment requiring no further research or development); of current manufacture (still in production by the OEM); and conform to the current issue of the applicable specification and/or part number of the OEM.
- (f) **Packaging, Shipping and Delivery:** All deliveries to be made in Canada are FOB Destination. Packaging and shipping must be in accordance with the industry standard for all items in order to ensure their safe arrival at destination. Packing slips must accompany each shipment. The Contractor is responsible for the safe delivery and installation (if required by the Call-up) and for obtaining acceptance of the Products at destination. The cost of delivery, including all transportation, packaging and shipping costs, is included in the unit price(s). Costs associated with replacement of Products damaged in transit to the final destination are the Contractor's responsibility, and the Products will not be considered delivered on the Delivery Date unless the Products are undamaged and ready for acceptance.
- (g) **Configuration Before Delivery:** All Products must be configured in accordance with the Technical Specifications in Annex A and the Product Details, unless the Call-up specifically provides otherwise. The Contractor must configure the Products, including installation of internal options such as memory or connectivity cards, as detailed in any Call-up, before shipment of the Product(s) to the destination. The configuration of the Products is included in the unit price.
- (h) **Installation upon Request:** On-site installation must be available for all Products to be delivered within a radius of 100 km of any city or town with a population of at least 30,000 (except CLCA areas). The Contractor must install the Products if installation is requested in the Call-up. On-site installation includes Product set-up at the installation site and ensuring that the Products are functioning in accordance with the Technical Specifications and the Product Details. The Contractor is responsible for maintaining all work areas at the installation site(s) in a clean and tidy condition on completion of each day of work and on completion of acceptance, including the removal and disposal of all related packing material in accordance with industry standards and the Environmental Requirements set out in Annex B. The installation of the Product is subject to the firm installation price set out in the Best Value Grid on the date of the Call-up.
- (i) **Environmental Requirements:** The Contractor agrees to comply with all the Environmental Requirements described in Annex B.
- (j) **Additional User Manuals:** The Contractor agrees to supply additional user manuals at the price set out in the Best Value Grid on the date of the Call-up.

- (k) **One-Time Use/Returnable Cartridges:** One-Time Use/Returnable cartridges are defined as those prescribing additional terms and conditions or licensing agreements that imply Canada will not be buying the cartridges per se, only the use of them. Any terms and conditions or licensing agreements accompanying or on the cartridge itself will not be acknowledged by Canada or passed on through the Call-up document.
- (l) **Definitions:** Under this Contract, the following terms have the following meanings:
- (i) **“Authorized User”** means the Canadian Government Department, Departmental Corporation or Agency, as identified in Schedules I, I.1, II, III, IV or V of the *Financial Administration Act* (as amended from time to time), or such other party for which the Department of Public Works and Government Services has been authorized to act from time to time pursuant to section 16 of the *Department of Public Works and Government Services Act* that has been identified as the ultimate recipient of the Products in the Call-up.
 - (ii) **“Best Value Grid”** refers to the list of approved NMSO offered printers for each Offeror, along with approved imaging consumables and Optional Items, which can be found on the IPMG website.
 - (iii) **“Call-up”** refers to any order issued in accordance with the provisions of the Standing Offer.
 - (iv) **“IPMG website”** means the Imaging Products Management Group (IPMG) website, within the Desktop and Network Printers section of the following website: <http://www.pwgsc.gc.ca/ipmg>.
 - (v) **“Product Details”** means all the technical specifications and functionalities described by the Contractor in the Product Details it pages it submitted to PWGSC in connection with the Products;
 - (vi) Any other capitalized terms not defined in this Contract have the meaning given to them in the Standing Offer or the General Conditions or Supplemental Conditions incorporated into this Contract by reference.

B.10 INSPECTION AND ACCEPTANCE OF PRODUCTS

- (a) Inspection and acceptance of the Products will be done at each destination by the Authorized User to ensure that the Products meet the Technical Specifications in Annex A and the Product Details (including configuration and compatible operation with the Authorized User's network using the Licensed Software) and any specific technical specifications described in the Call-up. If the Products do not meet these specifications, the Contractor will be in default of this Contract.
- (b) Canada will notify the Contractor on the day that the Products are accepted when the Contractor has completed configuration and, if requested, installation and all other terms of this Contract, other than providing the Warranty Services and any other work which is scheduled under this Contract to be performed after the start of the Warranty Period (the **“Acceptance Date”**).
- (c) For DND requirements, the Contractor must, upon request at no additional cost to Canada, submit form CF-1280, Certificate of Acceptance and Release, as detailed in any Call-up, following completion of acceptance.

B.11 WARRANTY SERVICES

In addition to and notwithstanding Section 8.0 (Warranty) in Supplemental General Conditions 9601-1 and Section 13.0 (Warranty) in Supplemental General Conditions 9601-4, the Contractor agrees to provide the following Warranty Services:

- (a) **Warranty Period:** The Warranty Period under this Contract is 12 months, unless the Authorized User purchases an upgrade to the standard warranty (either at the time of purchase of the Product or at any time before the expiry of the initial one-year on-site warranty).
- (b) **Beginning of Warranty Period:** The Warranty Period begins on the Acceptance Date for each Product (and, therefore, the Warranty Period may begin on different dates for different Products under this Contract, if they were delivered and/or accepted on different dates).
- (c) **Warranty Services:** The warranty services to be provided by the Contractor include On-Site Warranty Maintenance and Warranty Technical Support as described in this Contract (collectively, the "Warranty Services").
- (d) **Parts:** The Contractor guarantees that all parts and technical materials required to provide the Warranty Services will be available for 4 years from the date of the Call-up. All parts supplied by the Contractor in performing any maintenance services must be new, unused or certified equal quality.
- (e) **Warranty Service Calls:** Authorized Users may contact:
 - (i) any service outlet identified by the Contractor at the telephone number on the IPMG website (which must accept service calls from all Authorized Users, anywhere in Canada, during the hours of 08:00 to 17:00 in the local time where the service outlet is located, Monday through Friday, excluding statutory holidays); or
 - (ii) the Offeror's single toll-free Maintenance Dispatch Number (which must accept service calls from all Authorized Users, anywhere in Canada, during the hours of 08:00 to 17:00 across all time zones across Canada, Monday through Friday, excluding statutory holidays).
- (f) **Warranty Services included in Product Price:** The cost of all parts, labour, travel and any other related costs associated with the Warranty Services are included in the unit price of the Products and no payments will be made for the Warranty Services, regardless of the location from which the Warranty Services are provided.
- (g) **Hot Swap Service:** If agreed upon by the Authorized User, Hot Swap Warranty Service may be provided instead of on-site Warranty Service, either on a per-service-call basis or throughout the Warranty Period. In the latter case, the Authorized User must have approved this at the time of the Call-up, in writing. Where a Warranty Service call is made that cannot be resolved by telephone and Hot Swap Service applies, the Offeror must, within 24 hours, send to the Authorized User, postage paid, a replacement Product that is substantially equal to the Product being replaced, in that it is of similar age or better and able to perform all functions of the Product being replaced. Upon receipt of the replacement Product, the Authorized User will return the defective Product to the Offeror or manufacturer, as applicable, in appropriate packaging with the shipping paid by the Offeror. If the Authorized User is not satisfied that the replacement Product is substantially equal, the Contractor must supply another replacement. The Contractor must continue to provide the Warranty Services for the replacement Product.
- (h) **Change in Authorized User:** The Contractor's obligation to provide the Warranty Services will not be affected by any change in the Authorized User of the Product(s).

- (i) **Escalation Plan:** The Contractor's escalation plan with respect to Warranty Services has been provided to the Contracting Authority and forms a part of the Offer. The escalation plan is available to Identified Users upon request.

B.12 ON-SITE WARRANTY MAINTENANCE

As part of the Warranty Services, the Contractor accepts prime responsibility for the diagnosis and resolution of all problems that occur in the Products (including software issues and compatibility with the Authorized User's network) throughout the Warranty Period and will provide the maintenance services described in Supplemental General Conditions 9601-1 as follows:

- (a) **Principal Period of Maintenance:** The Contractor must perform the On-site Warranty Services during the Principal Period of Maintenance (PPM), which is defined as the continuous period during the hours of 08:00 to 17:00 (local time in all time zones across Canada), Monday through Friday, excluding statutory holidays.
- (b) **Exception - Hot Swap Warranty Services:** The Contractor is not required to provide On-Site Warranty Maintenance services for Products that are not located in Canada within a radius of 100 km of any city or town with a population of at least 30,000 (except CLCA areas), unless service to these other areas is within the scope of the Contractor's or the manufacturer's standard warranty for the printer model. For locations outside of these areas, the Contractor must provide Hot Swap Warranty Service. The Contractor may also substitute Hot Swap Warranty Service for any service call where the Authorized User agrees in writing.
- (c) **Remedial Maintenance:**
- (i) The Contractor must perform remedial maintenance services, as and when requested by Authorized Users.
- (ii) When Canada requests remedial maintenance, the Contractor's service representative must respond within 24 hours. Service response time does not include Saturdays, Sundays or statutory holidays. Response time is calculated from the time the Contractor, its Authorized Agent or Service Outlet has been notified by the Authorized User until the Contractor's technician arrives on site, regardless of the location from which the maintenance services are provided.
- (iii) Upon commencing maintenance services, the technician must work continuously throughout the PPM until the Product is returned to operation in accordance with the Technical Specifications in Annex A and the Product Details or until notified by Canada to suspend the work.
- (iv) If, after arrival by the Contractor's technician on site, the Contractor determines that it cannot repair the Product within two (2) working days, then the Contractor must provide a loaner unit, similarly equipped as the Product being repaired, at no charge within 24 hours of making this determination. The Authorized User must be permitted to keep the loaner unit until the original Product is repaired and returned in working condition to the Authorized User. The Contractor must provide restoration and hardware-specific configuration on the loaner equipment and upon return of the original Product.
- (d) **Software Support:** The Licensed Software must be to the latest version released, unless otherwise specified, and must be provided with the standard software publisher's warranty and customer support. The Contractor must specify the duration and level of coverage of the software publisher's standard warranty (e.g., one-year hotline support).

- (e) **Maintenance Reports:** For each visit to perform On-Site Warranty Services, a Warranty Service maintenance report must be prepared by the Contractor's technician. It must include the following:
- (i) Standing Offer and Call-up number;
 - (ii) Authorized User's name, telephone number and location;
 - (iii) date and time of receipt of call and which service outlet received the call;
 - (iv) dispatch date and time;
 - (v) printer type and Serial Number;
 - (vi) site arrival/departure date and time (including the number of hours and date for each day on-site);
 - (vii) reason for call (description of symptom/diagnosis of fault);
 - (viii) action taken/service performed, including list of parts replaced/installed;
 - (ix) technician's name and signature; and
 - (x) name (printed) and signature of Authorized User accepting that the Product appears to be working in a satisfactory manner.

FINANCIAL, LIABILITY AND INSURANCE

B.15 INVOICING AND PAYMENT

- (a) **Payment for Products:** For the supply, delivery (FOB destination) and configuration of the Products identified in the Call-up, the ancillary equipment, required software, user manuals, and one-year on-site Warranty Services, the Contractor will be paid the firm unit price in the Best Value Grid on the IPMG website on the date of the Call-up for the appropriate tier (based on the volume of Products ordered).
- (b) **Payment for Upgrade to Warranty Service:** For the provision of an upgrade of the one-year on-site Warranty Services, the Contractor will be paid the price on the Best Value Grid on the IPMG website on the date of the Call-up.
- (c) **Payment for Installation of Printers:** For the installation of printers (if requested in the Call-up), the Contractor will be paid the firm installation prices set out in the Best Value Grid on the IPMG website on the date of the Call-up. This price includes all travel, labour, parts, other materials and all other related costs for the provision of installation service at locations anywhere in Canada within a radius of 100 km of any city or town with a population of at least 30,000 (except CLCA areas).
- (d) **Payment for Installation of Optional Items:** An installation price for Optional Items may be charged if set out in the Best Value Grid on the IPMG website, but only if the Optional Item is ordered and installed on-site after the original delivery of the printer (that is, the installation price for a printer includes the installation any associated Optional Items, except where that Optional Item is ordered separately and installed later).
- (e) **Payment for Consumables:** For Consumables, the Contractor will be paid the firm prices set out in the Best Value Grid on the IPMG website on the date of the Call-up.
- (f) **Negotiated Prices:** If the Call-up was issued by the Contracting Authority, all prices will be as negotiated by the Contracting Authority. Any additional or revised terms and conditions will form part of any negotiated Call-up.
- (g) **Taxes and Surcharges:**
- (i) **GST/HST:** The Goods and Services Tax (GST) and the Harmonized Sales Tax (HST) are extra. GST/HST, to the extent applicable, must be incorporated into all invoices and progress claims and will be paid by Canada. GST/HST must be shown as a separate item on invoices and progress claims. All items that are zero-rated, exempt, or to which the GST/HST does not apply must be identified as such on all invoices. The Contractor agrees to remit to Canada Revenue Agency any GST/HST paid or due.
- (ii) **Provincial Sales Tax:** The prices do not include provincial sales tax. If a provincial sales tax license number or a signed Certificate of Exemption is not provided in a Call-up, the provincial sales tax, if applicable, may be added to the invoice by the Contractor as a separate item and will be paid by Canada (unless Canada provides the provincial sales tax license number or a signed Certificate of Exemption with its payment).
- (iii) **Alberta Advance Disposal Surcharge:** If the Product is delivered to a location in Alberta, all unit prices are exclusive of the Alberta Advance Disposal Surcharge (ADS), unless otherwise indicated. The ADS is extra to the price and will be paid by Canada. If the province where the printer is delivered has a program similar to the one that has

been put into place in the province of Alberta, the applicable surcharge will be extra to the prices and amounts in the Standing Offer and will be paid by Canada.

- (h) **Invoicing:** Invoices may be issued by the Contractor or its Authorized Agent. The invoice must be in the Contractor's or its Authorized Agent's own form and must be in accordance with Standard Instructions and Conditions 9403-6, Part C (Conditions), section 4. The Contractor must send the invoice to the Authorized User in accordance with any instructions detailed in the Call-up and must not submit an invoice before delivery of the Products to which it relates. Any invoices where items or group of items cannot be easily identified will be sent back to the Contractor for clarification with no interest or late payment charges applicable to Canada.
- (i) **Payment:** Canada will pay the Contractor within thirty (30) days following the Acceptance Date or thirty (30) days following the date on which an invoice and substantiating documentation are received according to the terms of this Contract, whichever is later. If Canada disputes an invoice for any reason, Canada will pay the Contractor the undisputed portion of the invoice, as long as the undisputed items are separate line items on the invoice and are otherwise due and payable. In the case of disputed invoices, the invoice will only be deemed to have been received for the purposes of Section 15 of General Conditions 9601 (Interest on Overdue Accounts) once the dispute is resolved.
- (j) **Payments Directed to Authorized Agent:** If this Contract is being performed by an Authorized Agent on behalf of the Contractor, Canada is entitled to forward payment either to the Contractor or to its Authorized Agent that performed the work. Receipt by the Authorized Agent of payment will be deemed to be receipt by the Contractor of such payment.
- (k) **Credit Card Payment:** The Contractor will not add any surcharge for payment by credit card.

B.16 DISCOUNTS FOR LATE DELIVERIES & REIMBURSEMENT OF REPROCUREMENT COSTS

- (a) If the Contractor fails to deliver any Products by the Delivery Date and Canada does not terminate the Call-up for default and instead provides the Contractor with additional time to make delivery, the Contractor agrees to reduce the price of the Products by 5% of the total value of the Call-up.
- (b) If the Contractor is late in delivering only part of the Products ordered on a Call-up, and Canada does not terminate the Call-up for default and instead provides the Contractor with additional time to make balance of the delivery, the Contractor agrees to reduce the price of the Products delivered late by 15%, up to a maximum of 5% of the total value of the Call-up.
- (c) These discounts constitute liquidated damages and the Parties agree that these amounts are their best pre-estimate of the loss to Canada in the event of the defaults described, and that they are not a penalty.
- (d) If this Contract is terminated by Canada for default, the Contractor must reimburse Canada for any difference in cost between the price of the Products and the cost of procuring the Products from another supplier.
- (e) To collect the liquidated damages, Canada has the right to hold back, drawback, deduct or set off from and against any money Canada owes to the Contractor from time to time.
- (f) Nothing in this article limits the rights and remedies to which Canada is otherwise entitled under this Contract, the Standing Offer, or the law.

B.17 T1204 - INVOICING INSTRUCTIONS

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- (a) Pursuant to paragraph 221(1)(d) of the *Income Tax Act*, payments made by departments and agencies to contractors under applicable services contracts (including contracts involving a mix of goods and services) must be reported on a T1204 Government Service Contract Payments slip.
- (b) To enable departments and agencies to comply with this requirement, the Contractor must provide the information listed below with its first invoice. Where the required information includes a Social Insurance Number (SIN), the information should be provided in a separate envelope marked "PROTECTED" and attached to the invoice:
- (i) the legal name of the business entity or sole proprietorship, as applicable, i.e. the legal name associated with the Business Number (BN) or Social Insurance Number (SIN), as well as the address and the postal code;
- (ii) the legal nature of the Contractor, i.e., corporation, partnership, sole proprietorship, or joint venture;
- (iii) the BN if the Contractor is a corporation or partnership; the SIN if the entity is a sole proprietorship; provided, however, that:
- (A) if the Contractor is a partnership and does not have a BN, then the partner who has signed the contract must provide its SIN;
- (B) if the Contractor is a joint venture, then the BN of all contractors comprising the joint venture that will receive payment (SIN for applicable contractor(s) without a BN);
- (iv) the following certification signed by the Contractor or an authorized officer:
- "I certify that I have examined the information provided by the Contractor regarding its legal nature, legal name, and Canada Revenue Agency identifier, as applicable, and that it is correct and complete, and fully discloses the identification of this Contractor."*

B.18 PRICES NOT JUSTIFIED

PWGSC reserves the right to withdraw the authorization for Call-up authority for any item(s) where it can be demonstrated that prices are not justified. The determination of adequate justification will rest solely with PWGSC.

B.19 LIMITATION ON EXPENDITURE – FIRM PRICE

No increase in the total liability of Canada or in the price of Work resulting from any design changes, modifications or interpretations of specifications will be authorized or paid to the Contractor unless such changes, modifications or interpretations have been approved, in writing, by the Contracting Authority, before their incorporation into the Work.

B.20 INTELLECTUAL PROPERTY RIGHT INFRINGEMENT

- (a) If a third party claims that equipment or software that the Contractor provides under the Contract infringes any intellectual property right, the Contractor, if requested to do so by Canada, will defend Canada against the claim at the Contractor's expense. In this regard, the Contractor will pay all costs, damages and legal fees that a court finally awards, provided that Canada:
- (i) promptly notifies the Contractor in writing of the claim;
- (ii) co-operates with the Contractor in, and allows the Contractor full participation in, the defence and related settlement negotiations; and

- (iii) obtains the Contractor's prior approval to any agreement resulting from settlement negotiations held with the third party.

The Contractor must participate in any claims, action or proceeding arising under Sub-article (a) and no such claim, action or proceeding will be settled without the prior written approval of the Contractor and Canada.

- (b) If such a claim is made or appears likely to be made, Canada agrees to permit the Contractor to enable Canada, at the Contractor's expense, to continue to use the equipment or software or to modify or replace it with equipment or software which has published specifications equal or superior to the equipment or software being replaced. If the Contractor determines that none of these alternatives is reasonably available, Canada may elect, at the Contractor's expense, to independently secure the right to continue to use the equipment or software, or Canada may require the Contractor to accept the return of the equipment or software and to refund all monies paid to the Contractor under the Contract for the equipment and software, as well as all amounts paid for services and license and development fees.
- (c) The provisions of Sub-articles (a) and (b) do not apply in situations where the Contractor was instructed by Canada to purchase a specific item of equipment or software from a specific source on behalf of Canada. In this case, the Contractor must ensure that its subcontract for the equipment or software states that *"If a third party claims that equipment or software that the subcontractor supplies under the Contract infringes any intellectual property right, the subcontractor, if requested to do so by either the Contractor or Canada, will defend the Contractor and Canada against that claim at the subcontractor's expense and will pay all costs, damages and legal fees that a court finally awards."* In the event that the Contractor is unable to incorporate this into its subcontract, then it must advise Canada of the situation and not proceed with the subcontract without receiving written notice from Canada that the level of intellectual property right infringement protection is acceptable.
- (d) Without prejudice to Canada's right to terminate the Contract for default before completion of the Work, the above represents the Contractor's entire obligation to Canada regarding any claim of infringement.
- (e) The Contractor has no obligation regarding any claim based on any of the following:
- (i) Canada's unauthorized modification of the equipment or software, or Canada's unauthorized use of the equipment or software in other than its published specified operating environment;
 - (ii) the combination, operation or use of the equipment or software with any product, data or apparatus that the Contractor did not provide under the Contract, or which combination, operation or use the Contractor did not authorize or approve in advance, if infringement would not have occurred but for such combination, operation or use.

B.21 LIMITATION OF LIABILITY

- (a) Liability of Canada and the Contractor to Third Parties: Each Party to this Contract agrees it is responsible to any third party for injury or losses that the third party may suffer to the extent such Party to this Contract caused them, where the third party has a cause of action directly against that Party in respect of the injury or losses. The Parties agree that with respect to such third party claims against the Contractor, the Contractor will be responsible for damages arising out of the injury or losses to the extent that it caused them, including those situations where Canada may be required to pay the damages caused by the Contractor as a result of joint and several liability. With respect to third party claims where the third party does not have a cause of action directly against the Party causing the damage, this Sub-article (a) does not prevent or restrict in any way

Canada's right to pursue and enforce any rights that it may have against the Contractor. In the event of any conflict between this Sub-article (a) and any other Sub-article of this Article, this Sub-article (a) will prevail.

- (b) Extent of Contractor's Liability for Damages: Regardless of the basis on which Canada may be entitled to claim damages from the Contractor (whether in contract, tort or any other cause of action), the Contractor is liable to Canada only for the following:
- (i) all damages and costs resulting from intellectual property right infringement as set out in the Article entitled "Intellectual Property Infringement";
 - (ii) all damages for physical injury, including death, caused by the Contractor, its employees, agents or subcontractors;
 - (iii) all direct damages for loss of or physical harm to tangible property and real property caused by the Contractor, its employees, agents or subcontractors;
 - (iv) all damages for breach of confidentiality;
 - (v) all damages arising from claims for liens, attachments, charges or other encumbrances or claims upon or in respect of any materials, parts, work-in-process or finished work furnished to, or in respect of which any payment has been made by, Canada, provided that this Sub-article does not apply to claims of intellectual property infringement which claims are covered in Sub-article (i) above; and,
 - (vi) any other direct damages caused by the Contractor, its employees, agents or subcontractors in relation to this Contract, including procurement costs as defined below, and restoration of records to the extent that the Contractor fails to comply with Section (d) below, up to an aggregate maximum for this Sub-article (b) (vi) of the greater of 0.5 times the total estimated cost, or \$1,000,000.00.
- (c) The Contractor will not be liable to Canada for the following:
- (i) damages of third parties claimed against Canada except those referred to in Sub-article (b)(i), (ii), (iii), (iv) or (v) above;
 - (ii) harm to Canada's records or data, except for the restoration set out in Section (d) below, and subject to the limitation set out in Sub-article (b)(vi) above; or
 - (iii) special, indirect or consequential damages (other than the payments referred to in Sub-article (b)(i) above, and the damages referred to in Sub-article (b)(ii) above), even if the Contractor is made aware of the potential for such damages, including lost profits and lost savings.
- (d) Canada is responsible for maintaining adequate backup of its records and data to enable their restoration if needed for any reason. If Canada's records or data are harmed by the Contractor's or a subcontractor's negligence or willful act, the Contractor is responsible for restoring Canada's records and data to the same state as in the last available backup copy.
- (e) For the purposes of this Article:
- (i) total estimated cost means the dollar amount shown on the first page of the Contract in the cell titled "Total Estimated Cost";
 - (ii) procurement costs means all identifiable direct costs incurred by Canada to procure the Work with another contractor, including deinstallation and return of the Work to the Contractor, administrative costs of selecting another contractor or retendering all or part

of the Contract, as applicable, and any increase in the price payable by Canada for the other Work having equivalent functionality, performance and quality; and,

- (iii) the term "Contract" applies to stand-alone contracts, and to each call-up, purchase order and other contractual document, irrespective of its title, issued under a Standing Offer or a Supply Arrangement.

B.22 INSURANCE

It is the sole responsibility of the Contractor to determine whether or not any insurance coverage, in addition to any specific insurance requirements stipulated in this Contract, is necessary for its own protection or to fulfill its obligations under the Contract, including:

- (a) any insurance required by federal, provincial or municipal law;
- (b) coverage to insure against risks such as damage, theft, loss or destruction of equipment installed by the Contractor on Canada's property for the purpose of performing the Work; and
- (c) damage it causes to any property of Canada.

Any such insurance must be obtained and maintained by the Contractor at its own expense.

B.23 CANADA'S LIABILITY FOR PERSONAL INJURIES

Without restricting the terms and conditions of the Contract, it is understood and agreed that, except to the extent caused by or due to Canada, Canada will not be liable for any losses, claims, damages, or expenses relating to any injury, disease, illness, disability or death of the Contractor or any employee, agent or representative of the Contractor caused or alleged to be caused as a result of performing the Contract. The Contractor agrees to fully protect and indemnify Canada and not to make any claims or demands against Canada in respect of any of the foregoing contingencies.

ANNEX A: TECHNICAL SPECIFICATIONS

1. MANDATORY GENERAL SPECIFICATIONS FOR ALL PRINTERS

All printers, under all Groups, Categories and Sub-Categories must meet or exceed the following Mandatory General Specifications:

- (a) The printers must produce output from normal and complex office automation applications such as word processing, spreadsheets, graphics, and a combination of text and graphics on the same page.
- (b) The printers must support bilingual (English & French) capabilities for the full character set including upper- and lower-case accents, scientific graphics, and special bit-generated characters. All printers must support the bilingual (English & French) capabilities of all IBM and IBM-compatible microcomputer software. It is desirable that all printers also support Apple/Macintosh computers.
- (c) The printers must be fully operational in a normal office environment at normal room temperature, and be capable of meeting the yield volume and level of service requirements listed in these Technical Specifications, in a non-dedicated operator situation, in a minimal attended mode.
- (d) A user manual must be supplied with each printer in accordance with the Article in the Contract entitled "User Manuals". The user manual must define all functions and include complete instructions for the operation of the printer and include documentation regarding power and environmental or site preparation requirements; documentation for diagnostics and power-on self test; software and hardware installation and configuration instructions; and packaging instructions for shipping or transporting.
- (e) All printers must operate with 8 1/2" x 11" plain paper normally used in office correspondence, such as 20 pound, # 7 bond, plain offset stock, or pre-printed letterhead sheets.
- (f) All printers must:
 - (i) be certified as compliant with the Canadian Electrical Code for office printers by an organization approved by the Standards Council of Canada;
 - (ii) be certified by the manufacturer as complying with the Class A or B limits for radio noise emissions from digital apparatus set out in the Interference Causing Equipment Standard (ICES-003) of Industry Canada, or US FCC Class A or B equivalent emission limits for digital apparatus as set in the Radio Interference Regulations;
 - (iii) be Energy Star qualified at the time of product acceptance. The vendor must ship all products with the Energy Star low-power feature activated or enabled.
 - (iv) be manufactured in facilities that are both ISO 9001:2000 and ISO 14001 certified; and
 - (v) have an Environmental Ecolabeling Certification at the time of product acceptance.
- (g) All printers must be equipped with an alarm or indicator, either hardware or software, to alert the user when the printer is out of paper.
- (h) All printers must switch from PCL to Postscript or vice versa without manual intervention, if PostScript is one of the emulations offered. The method and implementation of this switching must be compatible with typical network operation.

- (i) The printers must not prevent, through specific design features or manufacturing processes, the use of remanufactured imaging consumables, except where a licensing agreement has precluded the remanufacture. Consumables able to be remanufactured must be available for the printers.

GROUP 1 REQUIREMENTS (CORE PRINTERS)

2. GENERAL CATEGORY 1 REQUIREMENTS - MONOCHROME PAGE PRINTERS (DUPLEX STANDARD)

All Category 1 printers must:

- (a) utilize Laser, LED or other page print technology;
- (b) have a minimum print resolution of 600 x 600 dpi;
- (c) accommodate and print on both letter and legal size media; and
- (d) be configured to print double-sided (duplex) documents as their default.

3. SPECIFIC CATEGORY 1 - SUB-CATEGORY REQUIREMENTS

- (a) **Sub-Category 1.1 - Monochrome Standalone Page Printers, duplex standard (minimum 20 ppm):** All Sub-Category 1.1 printers must:

- (i) have a minimum rated print speed of 20 pages per minute;
- (ii) include a minimum of 2 paper sources: one of which can be the bypass, one 8 1/2" X 11" cut sheet, and one additional cut sheet which can be accommodated simultaneously;
- (iii) have a minimum input capacity of 250 sheets; and
- (iv) incorporate a bi-directional Centronics parallel port, unless the printer is a USB PORT ONLY device, in which case a USB port is acceptable.

- (b) **Sub-Category 1.2 - Monochrome Network Page Printers, duplex standard (minimum 25 ppm):** All Sub-Category 1.2 printers must:

- (i) have a minimum rated print speed of 25 pages per minute;
- (ii) include a minimum of 3 paper sources, one of which can be the bypass, one of which must be for 8 1/2" x 11" cut sheet, and one of which must be for additional cut sheet paper, all of which can be accommodated simultaneously;
- (iii) have a minimum input capacity of 500 sheets; and
- (iv) have an Ethernet connection port (10/100 or 100 Base T) and the capacity to add or substitute in at least one of the following: Parallel, Serial, AppleTalk, Token Ring, Infrared, USB and/or Twinax/Coax.
- (v) have a minimum rated monthly duty cycle of 50,000 pages.

- (c) **Sub-Category 1.3 - Monochrome Network Page Printers, duplex standard (minimum 35 ppm):** All Sub-Category 1.3 printers must:

- (i) have a minimum rated print speed of 35 pages per minute;
- (ii) include a minimum of 3 paper sources: one of which can be the bypass, one of which must be for 8 1/2" X 11" cut sheet, and one of which must be for additional cut sheet paper, all of which can be accommodated simultaneously;

- (iii) have a combined minimum input capacity of 1000 sheets; and
- (iv) have an Ethernet connection port (10/100 or 100 Base T) and the capacity to add or substitute in at least one of the following: Parallel, Serial, AppleTalk, Token Ring, Infrared, USB and/or Twinax/Coax.
- (v) have a minimum rated monthly duty cycle of 100,000 pages.
- (d) **Sub-Category 1.4 - Monochrome Network Page Printers, duplex standard (minimum 45 ppm):** All Sub-Category 1.4 printers must:
 - (i) have a minimum rated print speed of 45 pages per minute;
 - (ii) include a minimum of 3 paper sources: one of which can be the bypass, one of which must be for 8 1/2" X 11" cut sheet, and one of which must be for additional cut sheet paper, all of which can be accommodated simultaneously;
 - (iii) have a combined minimum input capacity of 1000 sheets; and
 - (iv) have an Ethernet connection port (10/100 or 100 Base T) and the capacity to add or substitute in at least one of the following: Parallel, Serial, AppleTalk, Token Ring, Infrared, USB and/or Twinax/Coax.
 - (v) have a minimum rated monthly duty cycle of 250,000 pages.

4. GENERAL CATEGORY 2 REQUIREMENTS: COLOUR PAGE PRINTERS (DUPLEX STANDARD)

All Category 2 printers must:

- (a) utilize Laser, LED or other page print technology;
- (b) produce a minimum resolution of 600 x 600 dpi in 256 colour output; and
- (c) be configured to print double-sided (duplex) documents as their default.

5. SPECIFIC SUB-CATEGORY 2 REQUIREMENTS

- (a) **Sub-Category 2.1 Standalone Colour Page Printers, duplex standard (minimum 15 ppm full colour):** All Sub-Category 2.1 printers must:
 - (i) have a minimum rated print speed of 15 full colour pages per minute;
 - (ii) have a minimum input capacity of 350 sheets from a minimum of 2 paper sources, one of which can be the bypass; and
 - (iii) incorporate a bi-directional Centronics parallel port, unless the printer is a USB PORT ONLY device, in which case a USB port is acceptable.
- (b) **Sub-Category 2.2 Network Colour Page Printers, duplex standard (minimum 20 ppm full colour):** All Sub-Category 2.2 printers must:
 - (i) have a minimum rated print speed of 20 full colour pages per minute;
 - (ii) have a minimum input capacity of 500 sheets from a minimum of 2 paper sources, one of which can be the bypass; and
 - (iii) have an Ethernet connection port (10/100 or 100 Base T) and the capacity to add or substitute in at least one of the following: Parallel, Serial, AppleTalk, Token Ring, Infrared, USB and/or Twinax/Coax.

GROUP 2 REQUIREMENTS (SPECIALTY PRINTERS)

6. GENERAL CATEGORY 3 REQUIREMENTS - MONOCHROME SPECIALTY PRINTERS

All Category 3 printers must:

- (a) utilize Laser, LED or other page print technology;
- (b) have a minimum print resolution of 600 x 600 dpi;
- (c) accommodate and print on both letter and legal size media; and
- (d) be configured to print double-sided (duplex) documents as their default.

7. SPECIFIC SUB-CATEGORY 3 REQUIREMENTS

(a) **Sub-Category 3.1 Large Format Monochrome Standalone Page Printers, duplex standard (minimum 20 ppm):** All Sub-Category 3.1 printers must:

- (i) have a minimum rated print speed of 20 pages per minute;
- (ii) be able to print a minimum 10.5" X 16.5" full page graphic in both landscape and portrait modes;
- (iii) be capable of printing on letter, legal and tabloid (11" X 17") paper sizes;
- (iv) include a minimum of 2 paper sources, of which one must accommodate a minimum of 100 sheets of 11" X 17" media and of which one can be the bypass.
- (v) have a minimum input capacity of 350 sheets; and
- (vi) incorporate a bi-directional Centronics parallel port, unless the printer is a USB PORT ONLY device, in which case a USB port will be acceptable.

(b) **Sub-Category 3.2 Monochrome Multifunction Standalone Page Printers, duplex standard (minimum 15 ppm):** All Sub-Category 3.2 printers must:

- (i) have a minimum rated print speed of 15 pages per minute;
- (ii) include printing and copying functionality along with at least one other function (e.g.: scan to file, scan to e-mail, or faxing);
- (iii) comply with ITU G-3 standards for facsimile technology and have a minimum modem speed of 33.6kb/s, if fax is one of the functions offered;
- (iv) incorporate an automatic document feeder;
- (v) incorporate interface software to control functionality;
- (vi) include a minimum of 2 paper sources: one of which can be the bypass, one 8 1/2" X 11" cut sheet, and one additional cut sheet which can be accommodated simultaneously;
- (vii) have a minimum input capacity of 250 sheets in the offered configuration; and
- (viii) incorporate a bi-directional Centronics parallel port, unless the printer is a USB PORT ONLY device, in which case a USB port will be acceptable.

(c) **Sub-Category 3.3 Large Format Monochrome Network Page Printers, duplex standard (minimum 45 ppm):** All Sub-Category 3.3 printers must:

- (i) have a minimum rated print speed of 45 pages per minute;

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- (ii) be able to print a minimum 10.5" X 16.5" full page graphic in both landscape and portrait modes;
 - (iii) be able to print on letter, legal and tabloid (11" X 17") paper sizes;
 - (iv) have a combined minimum input capacity of 1000 sheets from 3 or more trays: one of which can be the bypass, which can be accommodated simultaneously; at least one of these trays must hold at least 500 sheets of 8 1/2" X 11" cut sheet paper; and
 - (v) have an Ethernet connection port (10/100 or 100 Base T) and the capacity to add or substitute in at least one of the following: Parallel, Serial, AppleTalk, Token Ring, Infrared, USB and/or Twinax/Coax.
- (d) **Sub-Category 3.4 Monochrome Multifunction Network Page Printers, duplex standard (minimum 25 ppm):** All Sub-Category 3.4 printers must:
- (i) have a minimum rated print speed of 25 pages per minute;
 - (ii) include printing and copying functionality along with at least one other function (e.g.: scan to file, scan to e-mail, or faxing);
 - (iii) comply with ITU G-3 standards for facsimile technology and have a minimum modem speed of 33.6kb/s, if fax is one of the functions offered;
 - (iv) incorporate an automatic document feeder;
 - (v) incorporate interface software to control functionality;
 - (vi) include a minimum of 2 paper sources, one of which can be the bypass;
 - (vii) have a combined minimum input capacity of 500 sheets; and
 - (viii) have an Ethernet connection port (10/100 or 100 Base T) and the capacity to add or substitute in at least one of the following: Parallel, Serial, AppleTalk, Token Ring, Infrared, USB and/or Twinax/Coax.
- (e) **Sub-Category 3.5 Monochrome Multifunction Network Page Printers, duplex standard (minimum 45 ppm):** All Sub-Category 3.5 printers must:
- (i) have a minimum rated print speed of 45 pages per minute;
 - (ii) include printing and copying functionality along with at least one other function (e.g.: scan to file, scan to e-mail, or faxing);
 - (iii) comply with ITU G-3 standards for facsimile technology and have a minimum modem speed of 33.6kb/s, if fax is one of the functions offered;
 - (iv) incorporate an automatic document feeder;
 - (v) incorporate interface software to control functionality;
 - (vi) include a minimum of 3 paper sources, one of which can be the bypass;
 - (vii) have a combined minimum input capacity of 1000 sheets; and
 - (viii) have an Ethernet connection port (10/100 or 100 Base T) and the capacity to add or substitute in at least one of the following: Parallel, Serial, AppleTalk, Token Ring, Infrared, USB and/or Twinax/Coax.
- (f) **Sub-Category 3.6 Large Format Monochrome Multifunction Network Page Printers, duplex standard (minimum 35 ppm):** All Sub-Category 3.6 printers must:

- (i) have a minimum rated print speed of 35 pages per minute;
- (ii) include printing and copying functionality along with at least one other function (e.g.: scan to file, scan to e-mail, or faxing);
- (iii) comply with ITU G-3 standards for facsimile technology and have a minimum modem speed of 33.6kb/s, if fax is one of the functions offered;
- (iv) incorporate an automatic document feeder;
- (v) incorporate interface software to control functionality;
- (vi) include a minimum of 3 paper sources in the offered configuration, one of which can be the bypass; one of which is for 8 1/2" X 11" cut sheet paper, and one of which is for additional cut sheet paper, all of which can be accommodated simultaneously;
- (vii) print on letter, legal and tabloid (11" x 17") paper sizes;
- (viii) have a combined minimum input capacity of 2000 sheets; and
- (ix) have an Ethernet connection port (10/100 or 100 Base T) and the capacity to add or substitute in at least one of the following: Parallel, Serial, AppleTalk, Token Ring, Infrared, USB and/or Twinax/Coax.

8. GENERAL CATEGORY 4 REQUIREMENTS - COLOUR PAGE SPECIALTY PRINTERS

All Category 4 printers must:

- (a) utilize Laser, LED or other page print technology;
- (b) produce a minimum resolution of 600 x 600 dpi in 256 colour output;
- (c) be configured to print double-sided (duplex) documents as their default; and
- (d) be capable of accommodating and printing on, at a minimum, both letter and legal size media.

9. SPECIFIC SUB-CATEGORY 4 REQUIREMENTS

- (a) **Sub-Category 4.1 Large Format Standalone Colour Page Printers (minimum 20 ppm full colour):** All Sub-Category 4.1 printers must:
 - (i) have a minimum rated print speed of 20 full colour pages per minute;
 - (ii) be able to produce a minimum 10.5" X 16.5" full page graphic in both landscape and portrait modes;
 - (iii) have a minimum input capacity of 500 sheets from a minimum of 2 paper sources;
 - (iv) accommodate a minimum of 100 sheets of 11" X 17" media; and
 - (v) incorporate a bi-directional Centronics parallel port, unless the printer is a USB PORT ONLY device, in which case a USB port will be acceptable.
- (b) **Sub-Category 4.2 Large Format Network Colour Page Printers, duplex standard (minimum 25 ppm):** All Sub-Category 4.2 printers must:
 - (i) have a minimum rated print speed of 25 full colour pages per minute;
 - (ii) be able to produce a minimum 10.5" X 16.5" full page graphic in both landscape and portrait modes;

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- (iii) have a minimum input capacity of 500 sheets from a minimum of 2 paper sources in the offered configuration, one of which can be the bypass;
 - (iv) accommodate a minimum of 100 sheets of 11" X 17" media; and
 - (v) have an Ethernet connection port (10/100 or 100 Base T) and the capacity to add or substitute in at least one of the following: Parallel, Serial, AppleTalk, Token Ring, Infrared, USB and/or Twinax/Coax.
- (c) **Sub-Category 4.3 Multifunction Network Colour Page Printers, duplex standard:** All Sub-Category 4.3 printers must:
- (i) include printing and copying functionality along with at least one other function (e.g.: scan to file, scan to e-mail, or faxing);
 - (ii) comply with ITU G-3 standards for facsimile technology and have a minimum modem speed of 33.6kb/s, if fax is one of the functions offered;
 - (iii) incorporate an automatic document feeder;
 - (iv) incorporate interface software to control functionality;
 - (v) include a minimum of 2 paper sources, one of which can be the bypass;
 - (vi) have a combined minimum input capacity of 1000 sheets from a minimum of 3 paper sources, one of which can be the bypass; and
 - (vii) have an Ethernet connection port (10/100 or 100 Base T) and the capacity to add or substitute in at least one of the following: Parallel, Serial, AppleTalk, Token Ring, Infrared, USB and/or Twinax/Coax.

ANNEX B: ENVIRONMENTAL REQUIREMENTS

1. CONSUMABLES CONTAINERS RECYCLING PROGRAM

- (a) For all locations in Canada (except CLCA areas) where consumables containers cannot be recycled through local "blue-box" recycling programs, the Contractor must provide its own consumables recycling program by either:
 - (i) providing prepaid, postage-return packaging with the consumable when it is originally delivered, or available for download from the manufacturer's website; OR
 - (ii) picking up used consumables containers at no charge.
- (b) Where consumables are purchased through subsequent standing offers or other purchasing instruments with provisions for Empty Cartridge Return Credit, this credit will be payable to Canada and procedures for return and pick up will be in accordance with the provisions of those standing offers.

2. HARDWARE TAKE-BACK AND RECYCLING PROGRAM

- (a) The Contractor must control electronic waste through the establishment of an ongoing hardware take-back and recycling program.
- (b) For a period of six (6) years from the date of the Call-up issuance, the Contractor must take back (whether or not the equipment remains in government control) any products supplied under any Call-ups (even if the Warranty Period is complete), if requested by the end user, at no charge, but is not required to pay for shipping and handling.
- (c) The Contractor must recycle or dispose of all equipment taken back in an environmentally sensitive manner. At a minimum, the recycling of equipment should involve material recovery and metals recovery processes. Facilities used to process end of life electronics must meet all applicable health, safety, environment, transport and export regulations. Facilities must possess all required permits and appropriate insurance.

Acceptable processes include manual dismantling and sorting into major material categories (non-hazardous materials, electronic scrap materials, and hazardous materials) and mechanical processing for dismantling and/or material separation, with provision of dust collection and operator risk assessments and protection.

Major Material categories are defined as follows:

- 1) Non-Hazardous Materials include ferrous metal, non-ferrous metal, other metals (brass, bronze, metal fines), plastics, wood, and glass (non-leaded).
- 2) Electronic Scrap Materials include cables and wires, printed circuit boards (high, medium and low grade), components, including hard drives, chips and other electronic components.
- 3) Hazardous Materials include cathode ray tubes (CRT), CRT frit, leaded plasma display glass and other leaded glass, rechargeable batteries, non-rechargeable batteries, including alkaline, lead acid, and coin cell batteries on circuit boards, mercury bearing lamps and switches, components containing polychlorinated biphenyls, Ink and toner cartridges.

Electronic scrap materials and hazardous materials:

- may not be landfilled, exported to non-OECD or non-EU member countries, or processed with the use of prison labour.

- exporting of these materials must be done in compliance to the Export and Import of Hazardous Waste and Hazardous Recyclable Material Regulation (EIHWHRMR).

- (d) In the event that it is determined by Canada that an Offeror is refusing to take back product or not recycling that product in accordance with the minimum requirements of the standing offer, Canada will arrange to have the subject material recovered and disposed off appropriately at the cost of the Offeror. In addition, the Offeror will have their standing offer deauthorized and will be excluded from holding a similar standing offer with Canada for a minimum of one year from the date of determination.

3. PACKAGING TAKE-BACK AND RECYCLING

- (a) All materials in which the Products are packaged and shipped must be recyclable.
- (b) The Contractor must reuse, recycle or dispose of all packaging materials removed from Products delivered under any Call-up in an environmentally sensitive manner.

ANNEX C: BENCHMARK TESTING

1. OVERVIEW

Benchmark tests on offered equipment are mandatory and must be conducted as part of the evaluation.

- (b) Each printer should be delivered with a 10' cable for the Centronics parallel interface. Printers that have both a USB and a parallel interface should be delivered with USB and parallel cables. USB-only devices must incorporate a USB port and include a USB cable.
- (c) The Offeror should also supply two (2) sets of appropriate imaging consumables (not including paper).
- (d) Printers submitted into network categories should include a card and cable for Ethernet 10/100 or 100 Base T.
- (e) Any Products delivered without all of the above may not be tested by NSTL, in which case they will be disqualified as non-compliant.
- (f) Each Product supplied for benchmark testing must meet or exceed the Technical Specifications in Annex A and the Product Details and must be identical to the Product described in the Offer.

6. INSTALLATION AND CONFIGURATION FOR BENCHMARK TESTING

- (a) It is the Offeror's responsibility to install, set up and test the equipment at the NSTL testing site before benchmark testing.
- (b) It is the Offeror's responsibility to ensure that equipment is delivered to the Benchmark test site on the appointed date by 2PM EST.
- (c) Offerors setting up more than 1 machine are expected to bring sufficient staff to complete all set-ups according to the following guidelines:
 - (i) 4 hours for up to 8 machines;
 - (ii) 8 hours for up to 16 machines; and
 - (iii) 12 hours for over 16 machines.
- (d) Failure to set up the Products within these time frames will result in disqualification if NSTL, in its sole discretion, determines that extending the deadline will have an impact on the overall testing schedule.

7. INADEQUATE OR MALFUNCTIONING EQUIPMENT

- (a) If the equipment set up for benchmark testing does not function in compliance with the Technical Specifications in Annex A and/or the technical specifications described in the Offer, or is found to be different from the printer described in the Offer, it will be removed, and a new appointment will be made to deliver an operational and/or compliant printer within 2 working days.
- (b) If a printer is unable to complete benchmark tasks with the offered memory and additional memory is required, the Offeror will be given an opportunity to increase the memory for further benchmark testing within 2 working days. If the printer completes benchmark testing with the increased memory, the Offeror must furnish this added memory for all Call-ups for the printer without increasing the price (if it is listed in a resulting Standing Offer) or withdraw the printer from consideration.
- (c) If, at the end of this 2-working-day period:
 - (i) the equipment or its replacement exhibits the same fault a second time;
 - (ii) the equipment or its replacement exhibits another fault;
 - (iii) the addition of memory does not allow the printer to function in accordance with the Technical Specifications; or

(iv) the Offeror has failed to make the repair or submit the replacement or additional memory,

the equipment will be eliminated from further consideration in all relevant Sub-Categories.

(d) Upon request, NSTL will demonstrate any fault found during the benchmark tests.

8. RETURN OF EQUIPMENT AFTER TESTING

Equipment provided for testing may be required for up to 60 working days. After the Product has been tested, NSTL will contact the Offeror with a date and time for retrieving the Product from the test site. The Offeror must retrieve the Product from NSTL within an hour of the appointed date and time. Offerors are strongly advised to inform NSTL as soon as they become aware that they might not be able to make an appointment to deliver or retrieve printers.

9. CONTACT INFORMATION

Offerors may contact the following NSTL contact (collocated at PWGSC) for any matters concerning the logistics of benchmark testing (scheduling, etc.):

NSTL Canada Corp.
c/o PWGSC/STAMS
11 Laurier Street, Place du Portage, 4C2
Gatineau, PQ K1A 0S5

Contact: Jon Drummond
jon.drummond@pwgsc.gc.ca
Phone: 819.956.8355
Facsimile: 819.956.1156

10. BENCHMARK TEST FEES

Benchmark tests must be conducted by NSTL Canada Corp. NSTL is not part of the Government of Canada. The Offeror may be required to enter into an agreement with NSTL regarding the testing. All costs associated with the benchmark testing are the Offeror's responsibility. The cost for benchmark testing each printer will be in accordance with the Schedule of Benchmark Costs identified below, and is payable by certified cheque made out to NSTL. The fees below will apply during initial evaluation, but may be subject to change during the Standing Offer Period. The fees below include GST.

A certified cheque in the amount required must be delivered to NSTL before benchmark testing commences. Offerors submitting more than one printer may present one cheque for all printers or one cheque for each group of printers submitted for testing. Printers that are not paid for within 24 hours of set-up will not be tested.

Group 1: Core Printers

1.1 Monochrome Standalone Laser Printers, duplex standard: minimum 20 ppm	\$2,756.50
1.2 Monochrome Network Laser Printers, duplex standard: minimum 25 ppm	\$2,756.50
1.3 Monochrome Network Laser Printers, duplex standard: minimum 35 ppm	\$2,756.50
1.4 Monochrome Network Laser Printers, duplex standard: minimum 45 ppm	\$2,756.50
2.1 Standalone Colour Page Printers, duplex standard: minimum 15 ppm full colour	\$3,869.00
2.2 Network Colour Page Printers, duplex standard: minimum 20 ppm full colour	\$3,869.00

Group 2: Specialty Printers

3.1 Large Format Monochrome Standalone Laser Printers, duplex standard: minimum 20 ppm	\$2,756.50
3.2 Monochrome Standalone Multifunction Page Printers, duplex standard: minimum 15 ppm	\$3,763.00

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3.3 Large Format Monochrome Network Laser Printers, duplex standard: minimum 45 ppm	\$3,551.00
3.4 Monochrome Multifunction Network Laser Printers, duplex standard: minimum 25 ppm	\$3,763.00
3.5 Monochrome Multifunction Network Laser Printers, duplex standard: minimum 45 ppm	\$3,763.00
3.6 Large Format Monochrome Multifunction Network Laser Printers, duplex standard: minimum 35 ppm	\$3,763.00
4.1 Large Format Standalone Colour Page Printers, duplex standard: minimum 20 ppm full colour	\$3,657.00
4.2 Large Format Network Colour Page Printers, duplex standard: minimum 25 ppm full colour	\$3,869.00
4.3 Multifunction Network Colour Page Printers, duplex standard	\$3,869.00

Exceptions:

- (a) Products offered in the Monochrome Network Laser Printer Category that are also offered in any Monochrome Standalone Laser Printer Sub-Categories will be subject to an additional cost of \$901.00/unit per additional Sub-Category tested (instead of the Sub-Category fee set out above).
- (b) Products offered in Network Colour Page Sub-Categories that are also offered in any Standalone Colour Page Printer Sub-Categories will be subject to an additional cost of \$901.00/unit per Sub-Category tested (instead of the Sub-Category fee set out above).
- (c) Where an otherwise identical printer is tested in a Multifunction Sub-Category, then in a Network Sub-Category, and then finally as a standalone printer, the Offeror will first pay the benchmark test fee for the multifunction printer Sub-Category, then an additional \$1060.00/unit test fee for the network Sub-Category, and finally a \$901.00/unit test fee for the standalone Sub-Category (instead of the Sub-Category fees set out above).
- (d) For any printer model being tested for more than one Sub-Category, if the model is configured identically in each Sub-Category for which it is offered (so that the benchmark tests can be run just once) to obtain data for all Sub-Categories, the benchmark fee for that printer will only be payable once, with an additional administrative fee of \$530.00 per additional Sub-Category in which it is offered.

ANNEX D: DEFINITION AND CALCULATION OF VALUE FACTOR

1. DEFINITION OF “VALUE FACTOR”

“Value Factor” is the term used in this Standing Offer for determining the Products offering the best value to the Government of Canada, based on the evaluated price and the benchmark score for that Product. The best Value Factor is the Product with the highest score for Value Factor in accordance with this Annex.

The Value Factor will be determined in order to select Offerors for issuance of resulting Standing Offers, to determine the applicable Call-up Limitation, and to determine the “Active Offerors” during each monthly period following a downward price revision.

The Value Factor for each printer will be calculated based on two elements:

- (1) the Evaluated Price (calculated as set out below); and
- (2) the total Benchmark Score.

2. STEP 1 - CALCULATION OF “EVALUATED PRICE”

Within each Sub-Category of printers the “Evaluated Price” per unit will be the sum of the following:

- (a) The weighted average of the unit prices (each unit price must be equal to or lower than that of the preceding order size tier) submitted for the five pricing tiers for the printer (including all equipment required for the printer to meet the minimum specifications for the Sub-Category - for purposes of the financial and technical evaluation, all printers offered in network Sub-Categories must be configured and priced with an Ethernet 10/100 Base T or 100 Base T Network Interface Card), including one full set of initial consumables, user manuals, configuration, delivery, and the provision of one-year of Warranty Service (on-site where applicable, as described in the Resulting Contract clauses and Hot Swap Warranty Service for all other locations), inclusive of travel, labour and parts replacement.
- (b) The weighted average of the unit prices (each unit price must be equal to or lower than that of the preceding order size tier) submitted for the five identified tiers for the installation of the printer at final destination. The average installation price will be used to calculate the Evaluated Price for each unit offered, even though installation will not necessarily be requested by all Authorized Users.
- (c) The weighted average of the unit prices (each unit price must be equal to or lower than that of the preceding order size tier) submitted for the five identified tiers for the upgrade of the Warranty Services from one year to four years, on-site where applicable, inclusive of all travel, labour and parts replacement.
- (d) The Imaging Consumables Cost Factor (the total cost of imaging consumables, other than paper, to produce a specified number of prints at a specified page coverage, which will be calculated using Tier 1 pricing only).

The weights which will be used for the purposes of calculating the weighted average unit prices (a, b, and c) above, will be as follows for both Group 1 and Group 2:

Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
40%	30%	10%	10%	10%

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The following is an example of the calculation of the Value Factor:

Cost components	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
Cost of Printer	\$7,000.00	\$6,700.00	\$6,500.00	\$6,200.00	\$5,900.00
Installation at Client Site	\$50.00	\$45.00	\$37.00	\$32.00	\$30.00
Upgrade to 4 yr site warranty	\$356.00	\$280.00	\$260.00	\$200.00	\$150.00
Add Consumable Factor	Will be the same across all tiers (\$6,095.00)				
Total Cost Factor	\$13,501.00	\$13,120.00	\$12,892.00	\$12,527.00	\$12,175.00
Weighted Average of Cost Factor	\$5,400.40	\$3,936.00	\$1,289.20	\$1,252.70	\$1,217.50
Total Weighted Average of Cost Factor	\$13,095.80				

2. STEP 2 - BENCHMARK SCORE

The Benchmark Score will be determined by NSTL. The maximum Benchmark Score for each printer is 10.

3. STEP 3 - CALCULATION OF "VALUE FACTOR"

The elements will be combined at a ratio of 70% for Total Weighted Average of Cost Factor to 30% for benchmark points. The lowest Total Weighted Average of Cost Factor will achieve 70 points and all other Offerors' Total Weighted Average of Cost Factors will be pro-rated accordingly. The Offeror achieving the highest total benchmark points will achieve 30 points and all the other Offerors' total points will be pro-rated accordingly. The Value Factor will be the sum of the each of the two elements after they are prorated.

Example:

	Vendor A	Vendor B	Vendor C	Vendor D
ELEMENT 1				
Total Weighted Average of Cost Factor	\$15,356.78	\$ 14,120.30	\$13,095.80	\$ 18,340.00
Cost rating (Pro-rated against lowest cost)	59.69	64.92	70.00	49.98
<i>Ex. VENDOR A = $\frac{\\$13,095.80}{\\$15,356.78} \times 70$</i>				

ELEMENT 2

	Vendor A	Vendor B	Vendor C	Vendor D
NSTL Score	8.70	7.50	7.13	7.16
Benchmark Points rating (Pro-rated against highest)	30.00	25.86	24.59	24.69
<i>Ex. VENDOR C = $\frac{7.13}{8.70} \times 30$</i>				

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SUMMARY	Cost	Benchmark Points	Sum	Rank
Vendor A	59.69	30.00	89.69	3
Vendor B	64.92	25.86	90.78	2
Vendor C	70.00	24.59	94.59	1
Vendor D	49.98	24.69	74.67	4