



LCBO NOTICE OF INTENDED PROCUREMENT AND TENDER NOTICE

Request for Quotation (RFQ): 2020-903-005
RFQ Title: Prepress Services for up to 13 editions for Thematic Promotional POP
Issue Date: January 8, 2020
LCBO Contact: Charlotte Maruno
Contact email: charlotte.maruno@lcbo.com
Questions Deadline: January 15, 2020 at 4:00 pm
Submission Deadline: January 22, 2020 at 11:00 am Eastern Standard Time (EST)

The RFQ is available for download through LCBO's designated tender site, Biddingo.com. For information on obtaining a subscription to Biddingo to obtain the tender document, please go to www.biddingo.com.

Bids shall be submitted on or before the Submission Deadline by fax at 416-864-6853 or at 1 Yonge Street, Suite 1404, Toronto, Ontario, M5E 1E5, Canada. Late submissions will not be considered. Bids must be in English.

This procurement may be subject to Chapter 5 of the Canada Free Trade Agreement ("CFTA") and Chapter 19 of the Comprehensive Economic Trade Agreement ("CETA").

The LCBO expects all suppliers to adhere to the LCBO's Supplier Code of Business Conduct, which is available on the LCBO's website under "Doing Business with the LCBO". The Supplier Code sets out principles applicable to all suppliers (including both suppliers of beverage alcohol products and suppliers of non-alcohol goods or services) that wish to establish and maintain a business relationship with the LCBO.

Brief Description of the Procurement:

To supply pre-press services for Thematic Promotional POP for up to thirteen (13) editions commencing from P1 to P13. Each period works on a 4 week rotation. Creative and versioning varies between all editions. Upon award the LCBO will hand over advance images to be posted to the vendor's FTP site to be used for placement in the final art file.

The successful Vendor to supply pre-press services for multiple components; colour correct to match supplied Digital Photography Epson proofs, and or product (s) supplied. Close crop and or mask bottle or product shots as requested. Colour correct and adjust files as directed by LCBO. Output assembled random and content proofs for LCBO approval. Maintain an ongoing record of all changes for both colour and content if requested. Post final high res to your FTP of any images requested. Update all files per LCBO specifications outlined. Vendor to maintain and retain an archive copy of all high resolution images for at least three years.

Term of Purchase Order: Up to February 28, 2021

LCBO Request for Quotation



Prepress Services for up to 13 editions for Thematic Promotional POP RFQ 2020-903-005 (32467-JH21-5047)

1.0 PROJECT DESCRIPTION:

To supply pre-press services for Thematic Promotional POP for up to thirteen (13) editions commencing from P1 to P13. Each period works on a 4 week rotation. Creative and versioning varies between all editions. Upon award the LCBO will hand over advance images to be posted to the vendor's FTP site to be used for placement in the final art file. Pricing will be based on costs submitted on the Pricing Table on the bid submission form. The duration of this contract will be completed by the end of February 28, 2021.

Typically each promotion will involve some new photography, stock photography, illustrations or pick-up images from previous promotions. Vendor is to submit an all-inclusive price for services based on RFQ specifications described within.

1. Total Project Cost Submitted on the Submission form must be added up correctly.
2. For each promotion the "PRICING TABLE" submitted with your response will be used to confirm the final actual cost of each promotion. There is a total of 4 prices on the pricing table and each edition will be calculated based on scope of work required. Awarded vendor to provide summary of actual proofs output and provide update upon completion of each edition.
3. For award purposes we have outlined the scope of work forecasted for one (1) typical editions.
4. On the Pricing Table on the Submission form are the following categories:
 1. An all-inclusive price for close cropping simple bottles for example
 2. An all-inclusive price for complex close cropping of drinks with garnish for example
 3. An all-inclusive price for any one off POP image
 4. An all-inclusive price for final assembled proof
 5. System work hourly rate for image manipulation and color corrections
 6. DVD Archive cost for final assembled files, 2 contact sheets and

The successful Vendor to supply pre-press services for multiple components; colour correct to match supplied Digital Photography Epson proofs, and or product (s) supplied. Close crop and or mask bottle or product shots as requested. Colour correct and adjust files as directed by LCBO. Output assembled random and content proofs for LCBO approval. Maintain an ongoing record of all changes for both colour and content if requested. Post final high res to your FTP of any images requested. Update all files per LCBO specifications outlined. Vendor to maintain and retain an archive copy of all high resolution images for at least three years. Collect and package components as outlined. Supply 3 hardcopy archive thumbnails "contact sheets" plus one PDF version. Post or supply working files or PDF's as requested by LCBO for each edition.

2.0 SCHEDULE

MILESTONES	DATES
RFQ Quotation Due	January 22, 2020 @ 11:00 AM Eastern Standard Time
Award	January 27, 2020
Advance images	January 28, 2020
Final Art to Pre-press first edition	February 21, 2020
Final art to print for first edition	February 28, 2020
Last edition files due to printer	January 22, 2021
Last completion date of contract	February 28, 2021

LCBO Request for Quotation Production Requirements

RFQ 2020-903-005 (30467-JH21-5047)

3.0 SPECIFICATION SUMMARY

POP Backer-card Requirement	Backer-cards (10 branded versions in English and Bilingual, plus 3 generic = 23 total) for each of the edition. For the backer cards show the common English and generic versions for approval. Once approved a final set of assembled English and Bilingual proofs can be output for final delivery. Images are common to both English and Bilingual. Typically Backers are approved within 1-2 rounds of color. The scope of work and creative varies by edition. All versions are typically lifestyle and or cropped bottles with cocktails. Execute any copy, layout or design changes requested by LCBO. An example may be we will pick one common background tone to match. Allow up to 3 or more drink pours or bottles that may or may not require close cropping per backer on some editions. Espons will be provided with image edits.
POP Common Image Requirement	A total of up to 18, stock, lifestyle and or product shots with epsons will be provided to match and will be marked up with moderate edits per edition. Typically allow time for some close cropping of drinks and products.
Final assembled proof any common POP image	Once all common images are approved, vendor to update, collect and assembled final files and run final color proofs for each component.

4.0 PROJECT REQUIREMENTS

COMPONENT	PACKAGING REQUIREMENT
Items 1 – 5,	All on disk with final proofs for Large Format Printing
Item 6	All on disk with final proofs for Litho Printing
Item 7- 11	On disk with final proofs for Digital printing
Contact Representative	The LCBO requires a dedicated hands-on contact person who will meet and review projects in person to go over scope of work upon handover. Representative will also be present for all color and random approvals as requested. Typically meeting is at LCBO Head Office several times per edition
SWOP Certified Proofing	Proofs must be certified according to the SWOP 2006+ system. Systems certified as Grade 1 will be required for all Sheet Fed applications and Grade 1 or 3 for all web applications. Further information on the SWOP certification process is available at http://www.swop.org/certification/index.asp
Image Editing and Manipulation	Images will be supplied high resolution stock, photography or illustration. The LCBO may request alterations to the layout, design or copy and vendor is to execute changes upon request and this is to be included in the pre-press time requirement outlined. Vendor is required to pre-colour correct images to match supplied digital proofs or as directed by LCBO. Occasionally actual bottles may be supplied to vendor to match to for colour if photographer supplied files and proofs are not accurate. Colour accuracy should be regarded as critical. Vendor must pre-flight all files to ensure appropriate resolution to accommodate final output size
Supply of final art files and proofs	Once randoms are approved, post final high res images to your FTP. Vendor is to prepare, assemble and collect all high resolution and supporting native files and burn to CD and pack with final colour proofs as outlined for various printers
Supplied Digital Photography	All digital photography will be supplied on disk with attached profile and colour proofs. Vendor is required to execute the following prior to showing first round of random's (included in cost): Convert all files, or supplied photography from RGB to CMYK Close-crop any bottle shots if they are not in a life style setting. Pre-colour correct images to match supplied product or proofs Execute any colour or image manipulation edits requested. Clean up all label tears and remove highlights or shadow as marked on proofs. All colour corrections and author alt's are to be incorporated prior to showing random's

LCBO Request for Quotation Production Requirements

RFQ 2020-903-005 (30467-JH21-5047)

Archive Requirement	Upon completion of project, the successful Vendor will prepare a final DVD, archive including all high res native and working files along with low res PDF's for each image. Also provide a full directory of the disk contents. Provide three (3) hardcopy 11" x 17" and one low res electronic copy of a "contact sheet" of all final assembled images per the supplied PDF attachment samples.
File Management and FTP site	Included in your quoted price, you will provide a secure online asset library of all images for up to one 3 years. Have a high speed FTP website available for transfer of work in progress by the LCBO or designated designer as requested. You may also be required from to retrieve images and download or post images once approved and as requested by LCBO.
Pre-press services, image editing Requirement	The LCBO expectation is that all pre-press services to be completed for all image edits and author alterations requested at the price submitted on the Pricing Table. The LCBO is unable to pay additional work required unless approved in advance. All conversion of digital photography and color match to the supplied Epson is included in the quoted price and not part of the above image editing or author alteration's requested.
Close Cropping	<p>Simple Close Cropping:</p> <p>Typically we require some bottles to be close cropped for on-shelf or on-line. Epson proofs will be supplied for you to match to with any image edits required. Provide a clipping path with and without supplied holding shadows or reflections, you may be required create holding shadow as requested. Vendor to show ganged up randoms of all bottle shots at approx. 2" high for color approval. Random's are typically approved within 2 rounds of proofs.</p> <p>Supply final high and low res images on disk with proofs approved proofs</p> <p>Complex Close Cropping:</p> <p>This involves any close crop requirement for a drink pour in a glass with garnishes or straws, or any decorative ornament of piece of fruit which require a clipping path.</p>

5.0 SPECIFICATION AND COMPONENT SUMMARY

COMPONENTS	LCBO Provides:
For All POP components	<p>Final artwork will be supplied low resolution (FPO) in InDesign or Illustrator on disk at full or reduced file sizes, generally at 1/2 or 1/3 size. Files will be posted to successful Vendor FTP site. All high-resolution digital photography will be supplied on separate CD in RGB or CMYK with photo proofs and attached profile. No scanning is required as all images are captured with digital or stock photography or high res illustrations. Occasionally there may be issues with the way files are supplied by Design firm and it is the responsibility of the pre-press vendor to correct the files in cooperation with the LCBO and designated Design firm as required. For all Digital Photography the raw native files will be supplied to you in addition to the final art disks upon request. Final art typically handed in batches; typically separated into 2 packages at different times: Backer cards, main POP items. Typically we will supply images in advance of final art to start processing images and colour edits and to have low res images posted to your FTP site for designer to use in final art supplied as linked images using an agreeable naming convention.</p>

LCBO Request for Quotation Production Requirements

RFQ 2020-903-005 (30467-JH21-5047)

In total there will be 13 editions of pre-press. Eight editions are "Seasonal" and will require all components processed. The other five editions are "Periodic" and only require component 1 and 6. This summary below captures the total scope of work for all seven editions.

Component	Final Print Size	Random Size	ONE off Random Required	Final assembled proofs Required
1. Deal of week (periodic English & Bilingual)	20" X 70"	12" X 18"	6	12
2. Large Banner Stand (seasonal)	20" X 70"	12" X 18"		1
3. Window Showcard (seasonal)	28" X 45"	12" X 18"		5
4. Exterior Banners (seasonal)	43.5" X 90"	12" X 18"	5	5
5. Backlit (seasonal)	22" X 32.5"	12" X 18"		1
6. Backercards: 10 English, 10 Bilingual , (Periodic) 2 Generic, 1 Generic Bilingual	36" X 24"	12" X 18"	13	23
7. Square Transparency (seasonal)	28.5" X 28.5"	12" X 18"		5
8. Horizontal Transparency (seasonal)	45"w x 28"h	12" x 18"	5	5
9.Small Vertical Transparency (seasonal)	28"w X 45"h	12" X 18"		5
10. Medium Vertical Transparency (seasonal)	28"w X 54"h	12" X 18"		5
11. Large Vertical Transparency (seasonal)	35.5 x 71"h	12 x 18		5
Subtotal of Thematic POP	various	12 x 18"	29	72

6.0 ENQUIRIES

No Respondent may claim any advantage from any error, inconsistency or omission in this RFQ. Any Respondent who has questions as to the meaning of any part of this RFQ or the project, or who believes the RFQ contains any error, inconsistency or omission, must make a written enquiry prior to **January 15 , 2020 at 11:00am Toronto time** requesting clarification, interpretation or explanation in writing to the LCBO at the following address.

Attention: Charlotte Maruno
Email: charlotte.maruno@lcbo.com

The LCBO reserves the right to distribute any or all questions and answers to all other Respondents. Respondents are requested not to make verbal inquiries of LCBO staff and are reminded that oral information provided to any Respondent will not be binding on the LCBO.

The LCBO is not required to respond to late enquiries.

LCBO Request for Quotation Production Requirements

RFQ 2020-903-005 (30467-JH21-5047)

7.0 SUBMISSION OF RESPONSES

A signed Response must be submitted via fax or in person on or before **January 22, 2020 at 11:00 am** Toronto time to:

LCBO Procurement Department
1 Yonge St, Suite 1404
Toronto, ON M5E 1E5
Attention: Charlotte Maruno
Fax No: 416-864-6853

For the purpose of calculating time, the LCBO clock at the prescribed location for submission shall govern. All Responses must be signed. Late or unsigned Responses will be disqualified.

Where there is a discrepancy between the Total Cost for Printing (as set out in the Submission Form) and the total of the production components (including, but not limited to Stock Cost, Printing Cost, and Pre-Press Cost), the total of the production components shall prevail and the Total Cost for Printing shall be adjusted accordingly. Also, any mathematical errors made by the Respondent in the production components, will be corrected by the LCBO and the Total Cost for Printing shall be adjusted accordingly, and the revised amount shall prevail.

PREVIEW DOCUMENT
The original document must be obtained for the Bid Submission

LCBO Request for Quotation Bid Submission Form - Page 1 of 2

**Prepress Services for up to 13 editions
for Thematic Promotional POP
RFQ 2020-903-005 (32457-JH21-5047)**

Company Name:			
Contact Name:			
Telephone:		Email:	

QUOTATION DUE:	January 22, 2020 @ 11:00 am Eastern Standard Time (EST)
RESPONSE TO:	LCBO Procurement Services, Attn : Charlotte Maruno Fax No: 416-864-6853

PRICING TABLE

PRICING TABLE				
Component		# of Versions	Maximum Proof size	Specify Price for single page proof
One off common POP Random – all inclusive cost including all color and image edits, pre-press and random proof outputs		1	12" x 18"	\$
Cost for any final assembled proofs of all approved common POP images and final assembled proof for Printer		1	12" x 18"	\$
Simple close crop clipping path of any bottles / wine glass		1	Shown as ganged up random	\$
Complex Clipping Path (Drinks with Garnish, fruit, ornament)		1		\$
System Work: Image manipulation and color corrections		Hourly rate =\$		
DVD Archive: Final assembled files, 2 contact sheet color print 12" x 18 including a PDF		Cost = \$		
Confirmation of SWOP Certified Proofing Device		SWOP Certified Proofing System** Confirmation Confirm you equipment is listed per Current SWOP.org website (http://www.swop.org/certification/systemlist.asp)		
		Manufacturer	System Name	Display Type

LCBO Request for Quotation Submission Form - Page 2 of 2

Prepress Services for up to 13 editions for Thematic Promotional POP (P1-13)
RFQ 2020-903-005 (32457-JH21-5047)

Company Name:

Component	Final Printing Size	One Off Common Random	Final Assembled POP proofs	
1. DEAL of Week Inserts	20" x 70"	6	12	
2. Lg. Banner Stand	20" x 70"		1	
3. Window Showcard	28" x 45"		5	
4. Exterior Banners	43.5" x 90"	5	5	
5. Backlit	22" x 32.5"		1	
6. Backer Cards	36" x 24"	13	25	
7. Square transparency	28.5 x 28.5"		5	
8. Horizontal Transparency	28"w x 45"h	5	5	
9. Small Vertical Transparency	28"h x 54"h		5	
10. Medium Vertical Transparency	28"w x 45"h		5	
11. Large Vertical Transparency	35.5"w x 71"h		5	
TOTOL Thematic POP Proofs Required		29	72	
Estimated pricing based on price for single page proof on Page 1				Extended Price (insert price for single page proof to calculate)
Estimated SEASONAL common for "One off" common POP proofs				29 x \$ = \$ (extended price) x 8 seasonal = A) \$
Estimated SEASONAL cost for total number of final assembled POP proofs				72 x \$ = \$ (extended price) x 8 seasonal = B) \$
Estimated PERIODIC common for "One off" common POP proofs				19 x \$ = \$ (extended price) x 5 periodic = C) \$
Estimated SEASONAL cost for total number of final assembled POP proofs				37 x \$ = \$ (extended price) x 5 periodic = D) \$
DVD Archive component				13 x \$ = \$ (extended price) x 13 editions = E) \$
TOTAL Extended Cost for 13 Editions				A+B+C+D+E = \$
Agreement to meet deadlines (please tick) <input type="checkbox"/>				
Signature Required:			Date:	
<p>Note: All Respondents must use this form for their Response. Failure to do so may result in disqualification. Late, incomplete or unsigned Responses may be disqualified.</p>				

1. The LCBO will not be liable for: (i) any costs incurred by any Respondent in the preparation and submission of a Response including, if applicable, costs incurred for interviews or presentations; or (ii) any expenses, costs, losses or any direct or indirect damages incurred or suffered by any Respondent as a result of participating in, or otherwise in connection with, this RFQ.
2. Any Respondent who has questions respecting this document or the project or who believes there is any error, inconsistency or omission herein should make an enquiry in writing prior to the Closing Date and Time indicated herein. The LCBO reserves the right to distribute any or all questions and answers to all other Respondents.
3. Any changes or revisions hereto this RFQ will be issued as a formal Addendum to all Respondents.
4. It is the Respondent's responsibility to ensure that it has all the necessary information concerning the intent and requirements of this document and the project described herein.
5. Responses are irrevocable by the Respondent and will remain in effect and open for acceptance by the LCBO for a period of one hundred and eighty (180) days after the closing date.
6. Revisions to a submitted Response will be permitted if the revision is received prior to Closing Date and Time. Revisions and or alterations received after the Closing Date and Time will not be considered.
7. Responses may be withdrawn at any time prior to the Closing Date.
8. If more than one Response is received from the same Respondent and no notice of withdrawal has been received by the LCBO, the Response received bearing the latest date and time stamp will be considered by the LCBO. Any other Response(s) will be considered withdrawn.
9. No information given orally by the LCBO or by means of wire or telephone will be binding nor will it be construed as to change the requirements hereof in any way.
10. The Response with lowest quoted price will not necessarily be accepted. While price is an important element in the selection process, it is to be clearly understood that there may be other factors that the LCBO will consider in examining Responses.
11. All Responses shall be considered confidential, subject to the provisions of the Freedom of Information and Protection of Privacy Act, as it may be amended from time to time. The LCBO may, however, make copies of Responses for internal review purposes.
12. The LCBO reserves the right to reject any Response whether or not completed properly and whether or not it contains all required information. Without prejudice to this right, the LCBO may request clarification where any Respondent's intent is unclear and may waive or request amendment where in the opinion of the LCBO there is a MINOR irregularity or omission in the information submitted.
13. The LCBO may verify any information provided in any Response and the LCBO may, in its sole discretion, reject any Response containing evidence of false or misleading information.
14. The LCBO reserves the right to award the project to one Respondent alone or, if it deems appropriate, the project may be divided and awarded to more than one Respondent.
15. The LCBO will issue Purchase Orders to the successful Respondent(s), and such Purchase Orders will be subject to the Terms and Conditions of Purchase attached hereto. By submitting a Response, each Respondent agrees to such Terms and Conditions of Purchase and agrees to provide the goods or services herein required at the price quoted all in accordance with the terms of this document and the Response.
16. The LCBO may, in its absolute discretion, reject a Respondent's Response if the Respondent, or any officer or director of the Respondent, is or has been involved within five (5) years of the date of this RFQ, either directly or indirectly through another corporation, (i) in a legal action taken by the LCBO, any of its Board members, officers or employees in connection with any matters related to the LCBO, or (ii) in a legal action against the LCBO, any of its Board members, officers or employees, in connection with any matter related to the LCBO, including without limitation, arising from the LCBO's exercise of its powers, duties or functions.
17. The LCBO is under no obligation to proceed with this project after receiving and reviewing Responses, and that under no condition will any Respondent receive payment of any kind for submitting information in response to this RFQ.

1. IMPORTANT:

(i) All invoices are to be forwarded to attention: the address on the front of this Purchase Order. (ii) Purchase Order Number must appear on all invoices, packages, packing list, B/L and correspondence.

2. PRODUCTS

For the purposes of this Purchase Order, "PRODUCTS" shall mean any and all goods described on the front page of this Purchase Order ("Goods") and services described on the front page of this Purchase Order ("Services")

3. APPLICATION OF TERMS AND CONDITIONS OF PURCHASE

Notwithstanding the issuance of these Terms and Conditions of Purchase with a Purchase Order or anything else set out herein, if the SUPPLIER and the LCBO have entered into a separate, written agreement with respect to the supply of the specific PRODUCTS or SERVICES (the "Existing Agreement") the Existing Agreement shall take precedence and shall apply to the supply of the PRODUCTS or SERVICES and these Terms and Conditions of Purchase shall be of no legal effect with respect to the supply of the PRODUCTS or SERVICES.

4. MATERIAL FORMING PART OF AGREEMENT

Any RFQ or RFP issued by the LCBO in relation to the PRODUCTS, the SUPPLIER's Response thereto including any appendices), together with this Purchase Order (including the Terms and Conditions of Purchase) are collectively referred to as the "AGREEMENT" and constitute the entire agreement among the parties. In the event of any inconsistency among the documents, this Purchase Order (including the Terms and Conditions of Purchase) shall prevail.

5. ACCEPTANCE OF TERMS AND CONDITIONS

Supply of the PRODUCTS or any part thereof by the SUPPLIER shall be deemed to constitute acceptance of these TERMS AND CONDITIONS OF PURCHASE unless clause 3 applies. Any of the SUPPLIER'S terms and conditions which are in addition to or inconsistent with these TERMS AND CONDITIONS OF PURCHASE will be considered as proposals for addition to this AGREEMENT and will not be binding unless agreed to in writing by the LCBO.

6. MODIFICATIONS

No modification of this AGREEMENT and no waiver of any rights under this AGREEMENT shall be valid or binding on the parties unless the same be in writing. Failure of the LCBO to insist upon strict performance of this AGREEMENT or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver of such performance, or any other covenants or agreements, but the same shall be and remain in full force and effect.

7. ASSIGNMENT AND SUBCONTRACTING

The SUPPLIER agrees not to assign or subcontract ANY portion of its rights or obligations under this AGREEMENT without the prior written consent of the LCBO. The SUPPLIER shall designate in writing to the LCBO all subcontractors and shall not subsequently change such subcontractors without the LCBO's prior written approval. This AGREEMENT shall be binding on the successors and permitted assigns of the SUPPLIER.

8. STANDARD OF PRODUCTS

The SUPPLIER shall ensure that all PRODUCTS are provided in accordance with all applicable laws, regulations and codes, including, but not limited to, the LCBO Supplier Code of Business Conduct (www.doingbusinesswithlcbo.com/tro/Forms-Documents), and in all instances by qualified personnel. Where the PRODUCTS include services, the SUPPLIER agrees to provide all labour, supplies and equipment necessary for the performance of such services and completion of all required deliverables.

9. WARRANTY

The SUPPLIER expressly warrants that, where the PRODUCTS include Goods: (i) the Goods are of good and merchantable quality and shall comply with the SUPPLIER'S specifications, and with all specifications contained in the RFQ or RFP and the SUPPLIER's Response furnished to the LCBO with respect to the goods; (ii) the Goods are fit for the purposes for which the goods are intended to be used; (iii) the Goods are transferred to the LCBO free and clear of all liens, encumbrances and rights of others; and (iv) the Goods have been manufactured in a good and workmanlike manner in compliance with requirements of all applicable laws. Where the PRODUCTS include services, SUPPLIER hereby represents and warrants that the Services shall be provided fully and diligently in a professional and competent manner by persons qualified and skilled in their occupations. The foregoing warranties are in addition to and shall not derogate from any express warranty of the SUPPLIER or any other right or remedy which the LCBO may have under applicable law.

10. INSPECTION

All PRODUCTS will be subject to inspection and approval by the LCBO, within a reasonable time after delivery or pick up or performance, as the case may be. The LCBO reserves the right at all times to cancel and repudiate this AGREEMENT without further liability if, upon inspection of the PRODUCTS delivered, it is determined that the PRODUCTS are defective in any manner, do not comply with federal or provincial standards established for products of that description, do not match any sample of the PRODUCTS previously submitted to the LCBO by the SUPPLIER and accepted by it or are not to the satisfaction of the LCBO. The LCBO shall notify the SUPPLIER who shall immediately refund to the LCBO any amounts paid by the LCBO for the PRODUCTS including all costs of removing or destroying the PRODUCTS. All costs, expenses, loss or damage resulting from such cancellation will be the sole liability of the SUPPLIER. The LCBO reserves the right to issue a rectification notice to the SUPPLIER setting out the manner and time-frame for rectification (including without limitation, the replacement of goods not accepted or the correction of any services not accepted) and the SUPPLIER shall forthwith make the necessary replacements, corrections at its own expense as specified by the LCBO in a rectification notice.

11. PERFORMANCE BY NAMED INDIVIDUALS ONLY

Where the PRODUCTS include services, only those individuals approved by the LCBO shall perform the Services on behalf of the SUPPLIER. The SUPPLIER shall use commercially reasonable efforts to maintain continuity by using the same personnel to perform the Services throughout the project. The SUPPLIER shall not replace or substitute any of the individuals approved by the LCBO without the prior written approval of the LCBO, which may not be arbitrarily or unreasonably withheld. If the LCBO, in its sole discretion, deems any of the SUPPLIER's personnel to be inappropriate, the LCBO may require the SUPPLIER to replace such personnel. The SUPPLIER shall immediately, upon receipt of the LCBO's request, remove any individual performing the Services.

12. PAYMENT

Payment for PRODUCTS is conditional upon the following conditions, which are all to be completed to the LCBO's satisfaction, and which are included for its sole benefit, and which it may waive in writing in whole or in part: (a) delivery of the PRODUCTS in accordance with this AGREEMENT; (b) receipt of invoices; and (c) compliance with all terms of this AGREEMENT. Unless payment terms are set out in the RFQ or on the front page of this AGREEMENT, the SUPPLIER shall invoice the LCBO following delivery of the PRODUCTS.

13. EXPENSES

The LCBO is not responsible for any expenses incurred by the SUPPLIER that are not pre-approved in writing by the LCBO and charged in accordance with LCBO's Administration Manual, as may be amended or replaced from time to time. The SUPPLIER shall list expenses as separate line items on its invoices, and shall support all such expenses with receipts.

14. DEDUCTION FROM PAYMENTS

Notwithstanding any other provision in this AGREEMENT, the LCBO may withhold any payment or payments otherwise due to the SUPPLIER upon completion (i) until the SUPPLIER provides satisfactory evidence to the LCBO that all required inspections by authorities having jurisdiction have been made and has passed all such inspections or (ii) if, in the opinion of the LCBO, acting reasonably, the SUPPLIER has failed to comply with any terms of the AGREEMENT.

15. TITLE

Title to and risk of the Goods shall pass to the LCBO upon acceptance of the Goods by the LCBO, such acceptance not to occur, however, prior to all required testing of the Goods being completed to the satisfaction of the LCBO.

16. PRICING

The PRODUCTS must not be delivered at a higher price than quoted, except for the inclusion of the Harmonized Sales Tax. The SUPPLIER must also not change the specific quantity of PRODUCTS ordered nor make any substitutions without the prior written consent of the LCBO. No charges for packaging, crating, freight, installation or set-up will be paid unless specified in this AGREEMENT. All Goods must be packed in conformity with tariff or classification requirements so as to secure lowest possible freight rates. It is understood that the LCBO shall receive benefits of any decrease in freight rates between the time of quotation and date of shipment in any case where freight enters into the price quoted. The SUPPLIER shall separately state on its invoices to the LCBO, any charges of packaging, crating, freight, installation or set-up.

17. CHANGES

The LCBO may, without invalidating this AGREEMENT, make changes to the PRODUCTS consisting of additions, deletions or other revisions to the PRODUCTS by change request, and the price and time shall be adjusted accordingly upon agreement of the parties. All such changes to the PRODUCTS shall be performed in accordance with the terms and conditions of the AGREEMENT. Any claims for the extension of time needed to perform such change to the PRODUCTS must be agreed upon at the time of ordering such change. The SUPPLIER shall make no other claims for such change, including claims relating to the impact of changes to the PRODUCTS unless the same shall be agreed upon in writing by the LCBO prior to the performance of such change. In case of any disputes over the appropriate adjustment of the price, the SUPPLIER shall proceed with the change without prejudice to the rights of either party to make a claim.

18. SET OFF

Should the SUPPLIER fail to refund the LCBO any amounts owing pursuant to clauses 10 or 16, the LCBO may set off any amounts so owing from any future order placed with the SUPPLIER.

19. WAIVER AND RELEASE

Upon receipt of final payment, the SUPPLIER waives and releases the LCBO from all claims against the LCBO including without limitation those that might arise from the negligence of or breach of AGREEMENT by the LCBO.

20. LCBO INTELLECTUAL PROPERTY

The SUPPLIER agrees that any intellectual, industrial or other proprietary right of any type in any form protected or protectable under the laws of Canada, any foreign country, or any political subdivision of any country, including, without limitation, any intellectual, industrial or proprietary rights protected or protectable by legislation, by common law or at equity ("Intellectual Property") and every other right, title and interest in and to all concepts, techniques, ideas, information and materials, however recorded, (including images and data) provided by the LCBO to the SUPPLIER shall remain the sole property of the LCBO at all times, shall not be furnished to any other party and shall be returned to the LCBO upon request. No copies of the specifications, drawings, designs or data are to be made without the prior written authority of the LCBO.

21. NO USE OF LCBO MARKS

The SUPPLIER shall not use any mark or logo of the LCBO except where required to provide the PRODUCTS, and only if it has received the prior written permission of the LCBO to do so.

22. OWNERSHIP OF MATERIALS

The LCBO shall be the sole owner of all right, title and interest in any designs, drawings, sketches, graphic representations, specifications, computer generated designs, papers, data, reports, plans and other materials and documents created by the SUPPLIER to carry out services under this AGREEMENT (the "Materials") and no use of the same shall be made, nor may ideas obtained therefrom be used except with written approval from the LCBO. All such Materials are to be delivered to the LCBO at termination of this AGREEMENT unless otherwise specified. All Intellectual Property in the Materials shall accrue continuously to the LCBO as Materials are continuously created. The SUPPLIER irrevocably assigns to and in favor of the LCBO and the LCBO accepts every right, title and interest (including all Intellectual Property) in and to all Materials, immediately following the creation thereof, for all time.

23. THIRD PARTY INTELLECTUAL PROPERTY

The SUPPLIER represents and warrants that the provision or use of the PRODUCTS shall not infringe or induce the infringement of any third-party Intellectual Property rights.

24. MORAL RIGHTS

Where requested by the LCBO, the SUPPLIER shall obtain waivers of all rights of integrity and any other moral rights in relation to the Materials from its employees, volunteers, agents and subcontractors and from any other party in the position to assert such rights in relation to any of the Materials, which waivers may be invoked without restriction by any person authorized by the LCBO to use the Materials.

25. DAMAGE TO PROPERTY

Damage caused by the SUPPLIER to property other than its own shall be reported immediately to the LCBO, and the SUPPLIER shall be responsible for its repair and for all consequential losses arising from the damage.

26. PERMITS, TAXES

The SUPPLIER shall obtain and pay for all permits, fees and licences necessary for the performance of this AGREEMENT and shall pay any and all federal, provincial and municipal taxes, which are incurred in the performance of this AGREEMENT.

27. WORKERS' COMPENSATION

At any time during the subsistence of this AGREEMENT when requested to do so by the LCBO, the SUPPLIER shall provide such evidence of compliance by itself and any or all of its subcontractors with all requirements with respect to payments due under the *Workplace Safety Insurance Act* (Ontario).

28. INSURANCE

Where required by the LCBO and where the PRODUCTS include any services, the SUPPLIER shall obtain at his own expense and keep in force during the term of this AGREEMENT, commercial general liability insurance for third party bodily injury and property damage with minimum inclusive limits as follows: Five Million Dollars (\$5,000,000) per occurrence. Such insurance shall indicate that it includes contractual liability coverage applicable to the indemnity provisions of this AGREEMENT and shall include employers liability, non-owned automobile liability and products and completed operations coverage. Such insurance shall include the LCBO and any other entity that the LCBO, acting reasonably, may require as additional insureds, shall contain cross liability and severability of interests clauses and shall be primary and not call into contribution any other insurance available to the LCBO. Where required by the LCBO, the SUPPLIER shall also maintain (i) standard automobile insurance providing third party liability insurance in limits of not less than Five Million Dollars (\$5,000,000) per occurrence, and (ii) professional liability or errors & omissions liability insurance, insuring liability for errors and omissions in the performance or failure to perform the SERVICES contemplated in this AGREEMENT, in the amount not less than Two Million Dollars (\$2,000,000) per claim and in the annual aggregate and for twelve months following completion of the services. The SUPPLIER shall ensure that its insurance carrier shall furnish to the LCBO such evidence of coverage as may be required by the LCBO, including a copy of the insurance policies if requested by the LCBO. The SUPPLIER shall ensure that such insurance may not be cancelled or amended unless the insurer gives the LCBO thirty (30) days' prior written notice of any such cancellation or amendment of such insurance.

29. INDEMNIFICATION

The SUPPLIER agrees to indemnify and save harmless the LCBO, its officers, board members, agents and employees, from and against any and all third party claims, demands, losses, costs, damages, actions, suits, or proceedings and of whatsoever kind or nature arising out of or attributable to the PRODUCTS supplied by the SUPPLIER or the SUPPLIER's performance (or non-performance) of this AGREEMENT, including that of its servants, agents and employees and by any subcontractors engaged by the SUPPLIER, and their servants, agents and employees, including without limitation any actions, claims, damages or expenses in any manner arising from: (i) any actual or alleged infringement or any patent, copyright, trademark or other proprietary or industrial property right, or (ii) any breach of the warranties as set forth in clauses 9 or 23 of these conditions, as a result of the purchase and the use by the LCBO of any of the PRODUCTS.

30. INDEPENDENT SUPPLIER

The SUPPLIER is acting as an independent contractor in the performance of this AGREEMENT and shall not be deemed to be an employee, partner, agent, or in joint venturer with, the LCBO.

31. CONFIDENTIALITY

The SUPPLIER shall keep strictly confidential any information regarding the LCBO which the SUPPLIER obtains in the course of providing the PRODUCTS (including trade secrets, know how, techniques, processes, programs, documentation, data, service manuals, technical reports, and financial information) except as is otherwise necessary for the delivery of the PRODUCTS. In addition, the SUPPLIER acknowledges that information it may receive from the LCBO may contain information about identifiable individuals ("Personal Information") and agrees it use any and all Personal Information provided to it by the LCBO only to fulfill its obligations under this AGREEMENT and for no other purpose and in any event, in accordance with the requirements of applicable legislation in respect of the protection of personal information. Without limiting the foregoing, the SUPPLIER further agrees that it shall (i) not disclose any Personal Information to any other entity in whole or in part, (ii) return

or destroy the Personal Information as and when directed by the LCBO, and in any event upon the expiry or termination of this AGREEMENT, unless required by law to retain such Personal Information for a longer period of time, (iii) co-operate with the LCBO in granting timely access to the Personal Information of a specific individual, if such individual has requested access through the LCBO and promptly refer to the LCBO any requests it receives for access to, amendments of or complaints about the Personal Information, (iv) maintain appropriate security in respect of the Personal Information and permit the LCBO, on prior notice, to have reasonable access to its facilities and records to review the same, and (v) notify the LCBO immediately of any breach of this clause 31 and co-operate with the LCBO to remedy the same. The SUPPLIER acknowledges that the LCBO is an institution to which the *Freedom of Information and Protection of Privacy Act* (Ontario) applies.

32. TERMINATION

The LCBO may, without liability, cost or penalty, terminate this AGREEMENT immediately for cause, if any of the following occur: (a) the SUPPLIER is adjudged bankrupt or is insolvent according to the provisions of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c.B-3, as amended, and the regulations made thereunder; (b) a receiver or trustee of the SUPPLIER's property and affairs is appointed; (c) the SUPPLIER makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, is petitioned into bankruptcy, or files for the appointment of a receiver; (d) the SUPPLIER is in breach of any of the terms of this Agreement; (e) where there is any change in the ownership or control of the SUPPLIER; (f) where the SUPPLIER transfers or assigns any rights under this Agreement; or (g) the PRODUCTS provided by the SUPPLIER are unsatisfactory to the LCBO. The LCBO reserves the right to cancel any order for Goods in whole or in part at any time at the SUPPLIER's expense and risk for the SUPPLIER's failure to meet the delivery deadlines specified. The LCBO shall also have the right to terminate this AGREEMENT, without liability, cost or penalty upon thirty (30) days written notice to the SUPPLIER.

33. SUPPLIER'S PAYMENT UPON TERMINATION

The LCBO shall only be responsible for the payment of the PRODUCTS provided under the AGREEMENT up to and including the effective date of any termination. Termination shall not relieve the SUPPLIER of its warranties and other responsibilities relating to the PRODUCTS provided or money paid. In addition to its other rights of hold back or set off, the LCBO may hold back payment or set off against any payments owed by the LCBO to the SUPPLIER if the SUPPLIER fails to comply with its obligations on termination.

34. RIGHTS NOT EXCLUSIVE

The express rights and remedies of the LCBO set out in the AGREEMENT are in addition to and shall in no way limit any other rights or remedies of the LCBO under the AGREEMENT, at law or in equity.

35. CONFLICT OF INTEREST

The SUPPLIER shall disclose any real, apparent or potential conflict of interest that comes to its attention at any time prior to delivery of the PRODUCTS and during the performance of its obligations under the AGREEMENT. The SUPPLIER shall accept any determination by the LCBO, including termination of the AGREEMENT, as a result of any conflict.

36. NOTICES IN WRITING

Addresses for the LCBO and the SUPPLIER are set out on the front page of this AGREEMENT. Notices in writing between the parties shall be considered to have been received by the addressee on the date of delivery if delivered by hand, courier, or confirmed fax transmission or by registered post; or if sent by regular post, to have been delivered within five (5) working days after the date of mailing.

37. GOVERNING LAW and CURRENCY

The validity, interpretation, construction and effect of this AGREEMENT shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein, excluding the United Nations Convention on Contracts for International Sale of Goods, signed in Vienna on April 11, 1980. All references to monetary amounts are references to Canadian Dollars. Except as expressly set forth on the face of this AGREEMENT, the prices quoted herein are inclusive of all sales and similar taxes, duties, brokers fees, levies and similar amounts, excepting Harmonized Sales Tax.

38. AMENDMENTS

Any changes to this AGREEMENT shall only be made by written amendment signed by the LCBO and the SUPPLIER. No changes shall be effective or shall be carried out in the absence of such an amendment.

39. SEVERABILITY

If any term or condition of the AGREEMENT, or the application thereof to the parties or to any persons or circumstances, is to any extent invalid or unenforceable, the remainder of the AGREEMENT, and the application of such term or condition to the parties, persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

40. TIME OF THE ESSENCE

Time is of the essence hereof.

41. SURVIVAL

The provisions of clauses 9, 29 and 31 shall continue in force indefinitely, even after this AGREEMENT ends or terminates.

42. For Computer suppliers only

Invoices must be itemized as documented within the Purchase Order. Itemizing each item or group of items by Technical Request number.