



APPENDIX A

CORPORATE SUPPLY ARRANGEMENT # CS-000426

Fitness Equipment

THIS CORPORATE SUPPLY ARRANGEMENT is made the **third** day of **December 2007**

(the "Offeror")

HEREBY OFFERS TO SUPPLY, AS, IF AND WHEN REQUESTED, THE GOODS OR SERVICES DESCRIBED IN SCHEDULE "A", TO HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA AND OTHER ENTITIES AND INDIVIDUALS DEFINED HEREIN ("Purchasers") AND IN ACCORDANCE WITH THE TERMS AND CONDITIONS DESCRIBED BELOW.

THE OFFER IS AS FOLLOWS:

1.0 DEFINITIONS

1.1 In this Corporate Supply Arrangement:

- a) "Administrative Requirements" means those requirements set out in Schedule "D";
- b) "Contract" means the Contract on the applicable Terms and Conditions entered into by the Offeror and a Purchaser that is formed on receipt by the Offeror of a written Draw Down;
- c) "Contractor" means the Offeror who is in receipt of a Draw Down;
- d) "Corporate Supply Arrangement" or "CSA" means this CSA;
- e) "Draw Down" means a written Draw Down form issued by an Entity to the Offeror against this CSA for the provision of a specified quantity of Goods or Services at the prices set out in this CSA; or in the case of an employee purchase completion of the Offeror's standard bill of sale;
- f) "Entity" means those eligible entities listed on the Purchasing Services' website;
- g) "Goods" means those Goods and related services described in Schedules "A" and "B";
- h) "Offeror Representative" means the representative and designated back-up assigned by the Offeror to administer the CSA;
- i) "Prices" means the prices set out in Schedule "B";

- j) "Province" means Her Majesty the Queen in Right of the Province of British Columbia;
- k) "Province Representative" means Jonathan Odlum, or such other individual designated from time to time by the Province to administer this CSA on behalf of the Province;
- l) "Purchaser" means the Province or an Entity or an employee of the Province or member of the employee's immediate family that has issued a Draw Down;
- m) "Services" means those Services described in Schedules "A" and "B"; and
- n) "Terms and Conditions" means:
 - (i) In respect of a Draw Down for Goods made by the Province, the Terms and Conditions that are set out in Appendix A - Schedules "A", "B", "C", "D" and "E" of the CSA, and
 - (ii) In respect of a Draw Down for Goods made by an Entity other than the Province, the Terms and Conditions that are set out in Appendix A - Schedules "A", "B", "C", "D" and "F" of the CSA, and
 - (iii) In respect of a personal purchase of Goods made by an employee of the Province or member of their immediate family the Terms and Conditions set out in Appendix A - Schedule "G" of the CSA.

1.2 All references to dollars, currency, and money will mean Canadian dollars (\$CAD).

2.0 TERM

2.1 This CSA will expire on December 4, 2010, unless withdrawn in accordance with Section 5 or renewed by mutual consent of the parties.

3.0 CORPORATE SUPPLY ARRANGEMENT

3.1 The Offeror understands and agrees that:

- a) the issue of this CSA does not oblige the Province or any other Entity or employee of the Province to authorize or order all or any of the Goods or Services from the Offeror;
- b) a Contract is formed only on receipt of a Draw Down by the Offeror;
- c) a Draw Down will form a Contract only for those Goods or Services in respect of which a Draw Down has been issued by a Purchaser, provided always that such Draw Down is made in accordance with the provisions of this CSA;
- d) a Purchaser will pay to the Offeror the Prices and any applicable sales taxes for the Goods or Services that have been specified in the Draw Down;
- e) the Province and any Entity each reserves the right to procure the Goods or Services by any other means, including the use of other contracts, or by other procurement or contracting methods;
- f) the Purchaser's liability will be limited to that which arises from a Contract made prior to the expiry date described in paragraph 2.1;

- g) the Province reserves the right to set aside this CSA, for whatever reason, and not make it available for any Draw Downs. The Province will promptly notify the Offeror of such action;
- h) apart from the Province's right to set aside this CSA under subparagraph (g), no change to this CSA will be valid unless it is by way of an addendum signed by both the Offeror and the Province;
- i) neither an Entity utilizing the CSA nor the Offeror will be required to agree to any terms or conditions other than those set out in this CSA;
- j) the Offeror will not apply restrictions regarding the Entities wishing to use the CSA;
- k) the Offeror Representative will be available during the Province's normal business hours and will have the authority to represent the Offeror with respect to all issues arising from this CSA;
- l) the Offeror agrees that Goods or Services purchased through this CSA are for the sole use of, and are being purchased by the Province of British Columbia, with Crown funds, and are not subject to the Goods and Services Tax (GST). However, the application of GST may be different for Purchasers other than the Province and it is the sole responsibility of the Offeror to inquire at the time of Draw Down about the application of GST to the particular Entity;
- m) ministry Draw Downs exceeding \$50,000 must be approved by Purchasing Services prior to being processed by the Offeror; and
- n) At the request of the Province, the Offeror will provide price grids and other relevant information in hard copy or in a mutually acceptable electronic format.

4.0 DRAW DOWN MECHANISM

- 4.1 Goods or Services may be ordered by issuance of a Draw Down.
- 4.2 The Offeror will treat as valid any Draw Down from the Province or an Entity that includes the following:
 - (a) the CSA reference number;
 - (b) the Purchaser's purchase order number; and
 - (c) the specified quantity of the Goods or Services that are being ordered.
- 4.3 Draw Downs against a CSA made by the Province may be paid for with the Province's BMO MasterCard purchasing card.
- 4.4 If an Entity issues a Draw Down to the Offeror prior to the expiry of this CSA and receives the Goods or Services, then the Entity will pay to the Offeror the amounts payable as described in Schedule "B".
- 4.5 If there is any conflict or inconsistency among any of the provisions of the following documents:
 - (a) this CSA; and
 - (b) a Draw Down,then the order of precedence will be (a) and then (b).

5.0 NOTIFICATION OF WITHDRAWAL

- 5.1. In the event that the Offeror wishes to withdraw this CSA, the Offeror will provide no less than thirty (30) days' prior written notice to the Province Representative, and such withdrawal of this CSA will not be effective until receipt of such notification by the Province Representative and the expiry of such notice period.
- 5.2. The Offeror agrees to fulfil any Draw Downs made before the expiry of such notice period.

6.0 REPRESENTATIONS

- 6.1. The Offeror represents and warrants to the Province that:
- (a) it is a corporation, duly organized, validly existing and having the legal capacity to provide the Goods or Services;
 - (b) it has the power and capacity to enter into the CSA and to comply with each and every term and condition in the CSA;
 - (c) all necessary proceedings have been taken to authorize the execution and delivery of the CSA by the Offeror;
 - (d) all statements, representations or information, whether oral or written, made, furnished or given by the Offeror, its directors, officers or anyone acting on behalf of the Offeror, to the Province in connection with this CSA are materially correct and accurate;
 - (e) it has no knowledge of any fact that materially adversely affects or, so far as it can foresee, might materially adversely affect its condition or its ability to fulfil its obligations under this CSA or a subsequent Contract;
 - (f) it is neither a party to nor threatened with any litigation and has no knowledge of any claims against it that would materially adversely affect its financial condition or its ability to fulfil its obligations under this CSA or a subsequent Contract;
 - (g) it has filed all tax, corporate information, and other returns required to be filed by the laws of British Columbia and Canada, has complied with the *Workers' Compensation Act* and other similar legislation to which it is subject, and has paid all taxes, fees, and assessments due as of the date of this CSA;
 - (h) it is not in breach of any law, statute, regulation, or by-law applicable to its operations;
 - (i) it holds all permits, licenses, consents, and authorities issued by any level of government or any agency of government, that are required by law to conduct its business; and,
 - (j) it has, and will provide and maintain throughout the term of this CSA, sufficient staff, servants, employees, subcontractors, materials and appropriate resources in place and available to it to fully perform and provide their obligations under this CSA in a proper and timely manner.

6.2 All representations, warranties, covenants and agreements made in this CSA are material and the Province has relied on them, notwithstanding any prior or subsequent investigation by the Province.

SIGNED by the Offeror

(Authorized Signatory)

Title

APPENDIX A - Schedule A | Fitness Equipment Requirements

1.0 GENERAL SPECIFICATIONS

The following requirements will apply to any Fitness Equipment sold as part of the CSA.

Quality, Variety, & Value Added

1.1 DEFINITION OF FITNESS EQUIPMENT

Definition of Fitness Equipment: commercial grade strength, cardio, and movement equipment used for general health and wellness. Commercial grade Fitness Equipment is defined as Fitness Equipment that can be used for eight (8) to twelve (12) hours daily.

1.1.a Minimum Standard

All Fitness Equipment sold under this corporate supply arrangement must be Canadian Standards Association (CSA) approved.

1.2 FITNESS EQUIPMENT TYPES

A variety of types of Fitness Equipment should be offered including: selectorized equipment, free weights and related equipment, cardio equipment, and miscellaneous equipment. A variety of Fitness Equipment should be offered to suit the different performance levels and needs, i.e. ease of use for persons with disabilities.

1.2.1 GENERAL SPECIFICATIONS FOR SELECTORIZED EQUIPMENT, FREE WEIGHTS, AND RELATED EQUIPMENT

A list of Fitness Equipment has been identified in Section 8.2.3 Pricing. This is the expected minimum listing of available products. Offerors may offer additional commercial grade items, which is suitable for a health and wellness facility.

1.2.2. General Specifications for Cardio Equipment

Specific requirements for various types of equipment are listed below:

Treadmill

- Lifefitness 95TI, Precor or equivalent
- Water bottle holder
- Book stand
- Heart rate monitor
- Emergency off
- Side rails
- 12 – 15 mph
- Programmable
- Belt stops when no user detected

Recumbent Bicycle (step through for handicap access)

- Startrac or equivalent
- Self powered

- Water bottle holder
- Book stand
- Heart rate monitor
- Programmable

Rower

- Concept II or equivalent
- Self powered
- Heart rate monitor compatible
- Programmable

Elliptical Trainer (with upper body feature)

- Lifefitness, Sportsart or equivalent
- Self powered
- Water bottle holder
- Book stand
- Heart rate monitor
- Programmable

Spinning Bikes (non programmable)

- Schwinn LeMond, Kaiser or equivalent
- Horizontal and vertical seat adjustment
- Handlebar adjustment
- Water bottle holder

1.2.3 General Specifications for Miscellaneous Equipment

A list of Fitness Equipment is available in Section 8.2.3 Pricing, Respondents may include additional commercial grade items that are suitable for a health and wellness facility.

Service, Delivery, Installation & Warranty

1.3 SERVICE

Offerors should make information available to assist Purchasers in determining the proper fitness equipment for their use. Information could include suggested equipment for a typical fitness centre and a recommended solution, e.g. an appropriate balance of cardio equipment to strength equipment.

Along with each variety, information should be included that will assist a user in determining Fitness Equipment that will best suit their facility, based on performance levels, size of population, usage; entertainment value, biomedical functions, and other needs.

1.4 DELIVERY

The ministries and other users may be located anywhere in the Province of British Columbia. It would be beneficial for a supplier to have a dealer network in many cities and towns in BC. This would assure reasonable delivery times and reasonable delivery costs. It would also allow the opportunity for a user to go to the Offeror's location and look at Fitness Equipment or discuss other details with the Offeror prior to choosing Fitness Equipment.

All Fitness Equipment must be shipped FOB Destination, freight prepaid and deliverable to anywhere in British Columbia. Note: copy of waybill(s) must accompany invoice.

1.5 INSTALLATION AND TESTING

It is anticipated that users will choose to have Fitness Equipment installed by the Offeror. The Offeror must test all Fitness Equipment at the time of installation to ensure that it is operating to the manufacturer's specifications. When the tests have been completed to the satisfaction of the user, and provided that all defects and deficiencies which have become apparent have been made good by the Offeror, the user shall accept the equipment.

1.6 WARRANTY

At a minimum the Fitness Equipment must be warranted against manufacturer defects, materials and workmanship for one (1) year after acceptance by a Purchaser. The Offeror is to replace, free of charge, all parts found to be defective and subject to warranty. Downtime of equipment is to be minimized, therefore, a preference is for local servicing.

Any repairs or service in conjunction with the warranty or guarantee shall be at no cost to the user. There will be no additional cost for freight or technician travel time or travel expenses.

1.7 OPERATION AND MAINTENANCE

At the time individual pieces of Fitness Equipment are delivered, the Offeror must provide the individual Purchaser with operation and maintenance manuals for all equipment supplied under contract.

The Offeror must train a staff representative of each individual Purchaser on the operation, use, and day to day maintenance on each piece of equipment.

The Offeror must provide each individual Purchaser with information on service technician contacts.

The Offeror must maintain a catalogue of replacement parts and make it available to individual Purchasers; and, maintain an adequate inventory of replacement parts for a period extending beyond discontinuation of a specific product line..

1.8 PAYMENT

If the Offeror accepts charge cards (e.g. Province of British Columbia corporate BMO MasterCard) the same Terms and Conditions, including price, must apply to a purchase paid for with a charge card as apply to all other purchases.

Pricing

1.9 PRICING INFORMATION

Discounts offered may vary product by product. The percentage discount shall remain firm for a three year term from the commencement of the CSA with adjustments permitted in the case where the two (one year) optional extensions are exercised. Prices are to exclude the Provincial Sales Tax and Goods and Services Tax. Taxes will be considered extra. All prices are to be in Canadian funds.

APPENDIX A - SCHEDULE "B" | Description of Goods & Pricing

This schedule will provide details based on the information submitted by the Offeror in response to this RCSA.

(Sample – not to be completed.)

APPENDIX A - SCHEDULE "C" | Ordering and Contact Information

This schedule will provide details based on the information submitted by the Offeror in response to this RCSA.

(Sample – not to be completed.)

APPENDIX A - SCHEDULE "D" | ADMINISTRATIVE REQUIREMENTS

The following are the administrative requirements and procedures applying to CSA (Number).

PURCHASING SERVICES CSA CONTACTS

1. For further information or clarification regarding:

Administration:
Shirley Boon
Email: Shirley.Boon@gov.bc.ca
Phone: 250-828-4322

Representative (Province):
Jonathan Odum, Procurement Specialist
Email: purchasing@gov.bc.ca Attn: Jonathan Odum in subject line
Phone: 250-387-7300

DRAW DOWN REPORTING PROCEDURES

2. Offeror is solely responsible for providing all Draw Down information to Purchasing Services. Draw Down reports must be submitted on a monthly basis,
3. Monthly Draw Down information must be sent either by mail, fax or email by the Offeror to:

Purchasing Services Branch
Ministry of Labour and Citizens' Services
Attn: Shirley Boon
2nd Floor, 455 Columbia Street
Kamloops BC V2C 6K4
Fax: 250-371-3890
Email: Shirley.Boon@gov.bc.ca

4. The report must contain at a minimum:

CSA #;
Total sales for the month, by Entity
Item(s) ordered
Part number ordered
Quantity ordered
Price

The information should be provided in columns in the following order:

CSA #	Entity	Item	Part #	Quantity	Price
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5. The Offeror shall provide a monthly report regardless of whether or not any Draw Downs are received in that month,
6. Each quarter the Offeror must submit to Purchasing Services Branch a cheque for one

percent of all sales (exclusive of taxes and delivery charges) that were reported to Purchasing Services on the **quarterly** Draw Down report, including sales to any Entity. The cheque must be payable to the Minister of Finance, and sent to Shirley Boon, Administrative Coordinator, Purchasing Services Branch, 2nd floor, 455 Columbia Street, Kamloops, BC V2C 6K4. The cheque must clearly identify each CSA and the months represented in the payment. The cheque must be submitted no more than 1 month after the end of the quarter:

The fee for:

Is due:

January, February, March

April 30

April, May, June

July 31

July, August, September

October 31

October, November, December

January 31

7. Failure to submit a reimbursement cheque within two months of the end of a quarter in which sales were reported may result in the CSA being suspended until such time as reimbursement is received.

APPENDIX A - SCHEDULE "E" | For Goods Purchased by the Province

GENERAL TERMS AND CONDITIONS THAT APPLY TO DRAW DOWNS OF GOODS ON A CORPORATE SUPPLY ARRANGEMENT:

- 1) In this Schedule E, the "Contractor" means the Offeror who is in receipt of a Draw Down and "Purchaser" means the Province that has issued a Draw Down.
- 2) The Terms and Conditions contained in this Schedule E, the Draw Down, and the CSA will constitute the full and complete agreement between the parties (the "Agreement"). In the event of a conflict, the CSA will govern.
- 3) The Purchaser reserves the right to cancel this Agreement, if promised or specified delivery is not met or if Goods fail to meet specification requirements. Over shipments against this order may be returned with all freight charges to the Contractor's account. Order numbers must be shown on all invoices, packing slips and packages. Shipments must be accompanied by a properly completed delivery slip.
- 4) The Purchaser has the right of inspection and approval of all Goods. Inspection by the Purchaser of advance samples will not constitute final acceptance and the Contractor will remain bound by any warranties set out in the specification requirements. No substitutions are permitted unless previously agreed to by the Entity and confirmed in writing.
- 5) The Contractor must indemnify the Purchaser against any claim of any person, firm, or corporation alleging that the sale by the Contractor to the Purchaser hereunder constitutes an infringement of patent rights, copyright or any other intellectual property rights.
- 6) The Contractor is an independent contractor and must indemnify, protect, and save harmless the Purchaser, its agents, employees, successors and assigns from any and all damage, liabilities and claims of whatsoever nature arising out of the furnishing by the Contractor, its agents or employees, of the materials and/or performing of the services covered by this order or incidental or ancillary thereto.
- 7) The Contractor must not change prices, terms or conditions of this Agreement without the prior written permission of the Purchaser.
- 8) The Agreement is governed by the laws of the Province of British Columbia.
- 9) Notwithstanding any other provision of this Agreement, the payment of money by the Purchaser to the Contractor under this Agreement is subject to:
 - a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, R.S.B.C. 1996, c.138, as amended from time to time (the "Act"), to enable the Purchaser, in any fiscal year or part thereof when any payment of money by the Purchaser to the Contractor falls due under this Agreement, to make that payment; and
 - b) Treasury Board, as defined in the Act, not having controlled or limited expenditure under any appropriation referred to in subparagraph (a) of this paragraph.
- 10) The Contractor must not provide any Goods to any person, which in the Purchaser's reasonable opinion could give rise to a conflict of interest between the Contractor's duties to that person and the Contractor's obligations to the Purchaser under this Agreement.
- 11) Time will be of the essence in this Agreement.
- 12) The Contractor must comply with all applicable laws in providing the Goods specified.
- 13) Payment terms are subject to the Province of British Columbia's interest on overdue accounts payable regulations.
- 14) The Province is dedicated to successful negotiation with the Contractor to resolve any conflict arising in the performance of this Agreement. In the event of unsuccessful informal negotiations however, disputes rising out of or in connection with this Agreement will be referred to and finally resolved by arbitration under the *Commercial Arbitration Act*. The place of arbitration will be Victoria, British Columbia, Canada.

APPENDIX A - SCHEDULE "F" | For Goods Purchased by the Broader Public Sector

Entities other than the Province will use their own purchase order forms that may contain Terms and Conditions that differ from those in Schedule D.

APPENDIX A - SCHEDULE "G" | For Goods Purchased by an Employee of the Province

The Offeror's standard Terms and Conditions of sale will apply to any personal purchase of Fitness Equipment from the Offeror by an individual employee of the Province or member of their immediate family. The parties to the contract will be the Offeror and the individual employee or family member. The Province is not to be named as a party to the contract. The prices offered to the Province by the Offeror are however expected to be extended to provincial employees and their families.

Constraints

- The Province accepts no financial liability for agreements entered into between any of its employees and their immediate families and any Offeror who has entered into a Corporate Supply Arrangement.
- The Province provides no minimum guarantees of the number of employees who will take advantage of the goods offering by any Offeror.
- Any liability for injury or any other aspects of the goods provided under a Corporate Supply Arrangement established under this RCSA will be a matter for resolution between the Respondent and the employee or their immediate family; the Province will accept no responsibility in this regard.

Province's Responsibilities

The Province will promote this initiative by providing employees with a list of the Offerors for Fitness Equipment on the B.C. Public Service Agency's intranet site, outlining goods offered, as well as, Terms and Conditions. Should any Offeror wish to have confirmation that an employee wishing to take advantage of the discounted rates is, in fact, an employee of the Province, one of the following pieces of identification may at the discretion of the applicable employee be provided: a valid business card, pay stub, B.C. Government photo identification, or B.C. Government email address.