

(2) When a Canadian offer cannot be processed through the Canadian Commercial Corporation in time to meet the bid opening requirement or the closing date for receipt of proposals, the Corporation is authorized to permit Canadian firms to submit offers directly. Provided that the Canadian offer and the Canadian Commercial Corporation endorsement are both received by the contracting office prior to bid opening or the closing date for receipt of proposals.

(3) All formal competitive bids shall be submitted by the Canadian Commercial Corporation in terms of United States currency. Contracts placed as a result of such formal competitive bidding shall not be subject to adjustment for losses or gains resulting from fluctuation in exchange rates.

\* (4) All offers and quotations submitted by the Canadian Commercial Corporation, except those in which competition is obtained, shall be in terms of Canadian currency. However, the Corporation may, at the time of submitting the offer, elect to quote and receive payment in terms of United States currency; in which event contracts arising therefrom shall provide for payment in United States currency and shall not be subject to adjustment for losses or gains resulting from fluctuation in exchange rates.

\*SEE SECTION 2.1.3.3. ON PAGE 7 FOR CCC POLICY ON THIS POINT.

#### 6-504.2 Contracting Procedures

(a) Individual contracts covering purchases from suppliers located in Canada, except as noted in (b) below, shall be made with the Canadian Commercial Corporation, which has offices located at the Export Supply Centre, 11 Laurier Ave., Hull, Quebec, Canada (Mail address — Canadian Commercial Corporation, Export Supply Centre, Ottawa, Ontario, Canada K1A 0S6) and at 2450 Massachusetts Avenue, N.W., Washington, D.C. 20008. Contracts normally should be awarded to and administered through the Export Supply Centre office in Hull, and all payments under such contracts awarded to the Canadian Commercial Corporation shall be made to that Office. Under contracts with the Canadian Commercial Corporation, direct communication with the Canadian supplier is authorized and encouraged in connection with all technical aspects of the contract — provided, however, that the approval of the Corporation shall be obtained on any matters involving changes to the contract.

(b) The general policy in (a) above need not be followed for purchases negotiated for experimental, developmental or research work, under 3-205 and 3-211, unless the contract is for a project under the Defense Development Sharing Program, as outlined in 6-1406.1; purchases negotiated under 3-202 for public exigency; purchases negotiated under 3-203 for small purchases; or, purchases made by Defence activities located in the Dominion of Canada.

(c) Prices in the contract shall identify the type of currency: i.e. United States or Canadian.

#### 6-504.3 Termination Procedures

The Canadian Commercial Corporation will continue to administer contracts that may be terminated by the United States contracting officer and settle all Canadian subcontracts in accordance with the policies, practices, and procedures of the Canadian Government in the termination and settlement of Department of Supply and Services (Canada) contracts (See 8-216). The United States agency administering the contract with the Canadian Commercial Corporation shall render such services as are required by the Canadian Commercial Corporation with respect to settlement of any subcontracts placed in the United States, including disposal of inventory. The settlement of such United States subcontracts shall be in accordance with this Regulation.

#### 6-505 Contract Administration

(a) When services are requested from the Defence Contract Administration Services on contracts to be performed in Canada, the request shall be directed to:

Defense Logistics Agency, DCASMA, Ottawa,  
365 Laurier Avenue West  
Ottawa, Ontario, Canada, K1A 0S5

(b) When contract administration is performed in Canada by Defense Contract Administration Services, the paying office activity to be named in the contract for disbursement of DOD funds (DOD Department Code: 17-Navy; 21-Army; 57-Air Force; 97-for all other DOD components) whether payment is in Canadian or United States dollars shall be:

Disbursing Officer, DCASR, Cleveland  
1240 East 9th Street  
Anthony J. Celereze  
Federal Building  
Cleveland, Ohio 44199

## 2.2 Subcontracting

### 2.2.1 Nature of Subcontracts

Contracting between Canadian and U.S. manufacturers for defence goods is strictly on a company-to-company basis. The Canadian company offered a defence subcontract should operate in a normally prudent manner, just as in a non-defence commercial venture. The terms and conditions of the proposed subcontract should be clearly understood, including all obligations to be assumed. The terms and conditions under which payment will be received, and under which special tooling, technical data and other assistance may be furnished by the customer, should be clearly understood at the outset. These may be partially dependent on the terms and conditions of the prime contract between the U.S. government and the U.S. firm. The Canadian subcontractor has no claim on either the Canadian or the U.S. government.