

## **INSTRUCTIONS TO BIDDER**

These Instructions to Bidder are part of Suncor's Request for Quotation (RFQ) requirements and must be followed in the preparation of the Bidder's Quotation. Throughout this document Suncor Energy Services Inc. is referred to as "Suncor" or "Buyer" and the Bidder is referred to as "you" or "Bidder". The term "Seller" is also used in the RFQ documents and ultimately refers to the successful bidder. Bidder is advised that the term Seller, when used throughout this RFQ, creates no legal or binding contract of sale between the Bidder and Suncor.

1. All written communications, both technical and commercial, are to be directed to the attention of **Karen Wang** at Tel.: (403) 640-8192, Fax: (403) 640-8136. All clarifications of substance will be distributed to all bidders.
2. **Only Quotations received on or before the closing date will be considered unless an extension is granted in writing. Please advise immediately if unable to meet this requirement.** Telefax/telephone Quotations are not acceptable.
3. All Quotations covered by this RFQ **MUST** be submitted in two (2) sealed inner envelopes, contained in a sealed outer envelope. The first inner sealed envelope must contain a **single unpriced quotation**, this envelope must clearly indicate that an unpriced copy of the quote is contained in the envelope. The second envelope will contain the **original quote, plus a copy of the quote (both priced)** and the envelope must clearly indicate that priced copies of the quote are contained in the envelope.

4. **Sealed Quotation Requirements**

All inner envelopes and the outer envelope shall contain the following information:

- a. Sealed Quotation Enclosed
- b. Inquiry Number
- c. Supplier Name
- d. Quotation Due Date

The outer envelope shall be addressed with the following information and be sent via Express Mail or overnight courier:

- a. Suncor Energy Services Inc.  
c/o Jacobs Canada Inc.  
205 Quarry Park Boulevard SE  
Calgary, AB T2C 3E7  
Attn: **Karen Wang**

5. **Non-Sealed Quotation Requirements**

Same as above, except **do not** indicate "Sealed Quotation Enclosed".

6. Your Quotation will be subject to, and is to be in strict conformance with, Suncor Instructions to Bidder and all attachments to this RFQ including without limitation all terms and conditions therein. Any specific exceptions to those terms and conditions must be so stated in your Quotation by listing the applicable clause and the specific verbiage proposed to be modified under the heading "Deviations/Exceptions". Exceptions scattered throughout the body of the Quotation and not specifically summarized shall not be considered.
7. All information, bid documents, etc., disclosed to or acquired by Bidder in connection with this RFQ shall be regarded as strictly confidential and used for the preparation of applicable proposal and for no other purpose.

Bidder shall not disclose any such information to any person, except to the extent necessary to prepare a bona fide proposal, without the prior written approval of Suncor. All drawings, specifications, standards, memoranda and other documents relating to this inquiry shall remain the property of Suncor and shall be returned immediately upon completion of the proposal, if requested to do so.

8. Your base Quotation should be in strict accordance with the requirements set forth in this RFQ. **Quotations which are unsigned, incomplete, conditional, qualified, illegible, obscure or which contain additions**

**not called for, reservations, erasures, corrections, alterations or irregularities of any kind may be rejected in Suncor's discretion.** Suncor shall not be obligated either to accept or reject non-compliance with the requirements of this RFQ. If you wish to offer an alternate which would result in improved quality/performance, a lower cost, or an improved shipping schedule, please do so, but only as an alternative to your **Base Quotation**.

9. **This is a Request for Quotation, not a purchase order, and Suncor reserves the right to accept or reject any Quotation with or without prior discussion with Bidder, and Suncor may do one or more of the following:**

- (a) Make award on the basis of quotations received, with or without discussion of such quotations;
- (b) Short list one or more quotations for negotiation;
- (c) Procure all or part of the quantities specified herein from one or more bidders; or
- (d) Cancel this RFQ in its entirety and not make an award based on this request.

Suncor shall not be obligated in any manner to Bidder until a purchase order has been issued by Suncor relating to an approved Quotation.

10. In order for your Quotation to be considered and promptly evaluated, your proposal must contain either statement 10.1 or 10.2 as set forth below:

10.1 Our Quotation is in strict accordance with your RFQ and the terms, conditions, and specifications referenced therein.

10.2 Our Quotation is in strict accordance with your RFQ and the terms, conditions, and specifications referenced therein, except as specifically set forth in the following paragraph entitled "Deviations/Exceptions" (Bidder shall list any exceptions in his Quotation).

11. Your Quotation must include a completed Bidder's Proposal Summary, **and the Quotation should be firm for ninety (90) days.** Non-compliance may result in rejection of your Quotation.

12. Refer to Material Requisition Section 3.0 for drawing and data requirements and insert your proposed drawing submittal dates. All information designated as "Data by Seller" on our equipment data sheets are to be completed and submitted with your Quotation – this shall be captured in the Sellers Document Index. **This document is a mandatory submission.**

13. Bidder to fill in all information as requested on our equipment data sheets and attach to all copies of your Quotation.

14. Bidder shall include all costs for providing drawings and data as listed in the attached Vendor Drawing and Data Commitment form, and in the amounts specified.

15. When applicable, your Quotation should provide a quotation for technical field service and qualified service personnel to prepare and place equipment and accessories in successful operation, and to make adjustments and/or modifications necessary to pass all performance tests, and to demonstrate running characteristics indicative of long term, trouble free continuous operation. Bidder shall provide Suncor with Bidder's standard service rates at the time of quotation.

Before any work is performed by the Bidder on site, Bidder shall procure a copy of the site's safety and security regulations and shall ensure that all Bidder's employees and agents doing work on the site are familiar with such rules and will abide by them.

16. In all quotations for machinery and major electrical equipment, the Bidder shall identify their service.

17. The equipment is to ship assembled to the greatest degree possible. In your Quotation identify which items must be shipped loose and define extent of assembly required at the jobsite. If any prefabricated piping is to be shipped loose, state the name and location of the piping fabricator.

18. Your Quotation should include the following:

- a. Recommended spare parts list with unit prices (MR Section 5 where applicable).
- b. Availability of recommended spare parts, stocking points, quantities and replacement time.
- c. Spare parts you will reserve for us in your warehouse, or supply on consignment to our warehouse, and the terms and conditions pertaining thereto.

Items not of your design or manufacture must be identified by the actual manufacturer's name and catalog number. This is to assure continuity of service on equipment being quoted. Our analysis of Quotations will include a cost figure for spare parts and whether they will be stocked by Bidder.

Failure to include the spare parts list may disqualify your Quotation. Pricing validity of spare parts shall remain valid throughout the life of the order.

19. Direct your Quotation and all written correspondence to:

Suncor Energy Services Inc.  
c/o Jacobs Canada Inc.  
Courier: 205 Quarry Park Boulevard S.E.  
Calgary, Alberta T2C 3E7  
  
Mailing: P.O. Box 5244, Station A  
Calgary, Alberta T2H 2N7  
  
Attention: **Karen Wang**

20. Prices are to be in Canadian Funds. If part and/or all of the material is foreign source and subject to exchange the total amount subject to exchange plus the rate of exchange used in the Quotation must be specified, otherwise the Quotation shall be considered firm in Canadian Funds and not be subject to fluctuations in the exchange rates.
21. Payment terms are net thirty (30) days from completion of shipment and receiving of proper invoice.
22. Bidder shall state whether the quoted goods will be fabricated/manufactured under collective agreement and Bidder shall specify the expiration date of any collective agreement.
23. Bidder shall complete Site Supervision Rates, if applicable, for installation and/or Commissioning/Start-up Assistance including specialized tools and equipment that may be necessary to perform the work.
24. Bidder shall provide dimensions and weights for all disassembled or ancillary equipment (i.e. drivers, resins, packing, trays, stacks) requiring field installation.
25. Bidder shall provide the location, capacity and production schedules of plant or plants in which the goods will be fabricated, manufactured or assembled. **If Bidder intends to subcontract any portion of this RFQ, those firms shall be named and will be subject to the Buyer's approval.** Once approved they may not be changed without the Buyer's written permission.
26. Bidder is to provide a priced recommended spare parts list (attached hereto) **firm for a period of ninety (90) days from order date of the original equipment**, thereby allowing sufficient time for review and ordering of the respective spare parts. Any exception to this requirement must be clearly stated on the recommended spare parts list form.
27. Any omissions, reservations or exceptions taken to the required information will be considered and evaluated as a qualification to the terms of the Quotation and may result in a rejection.
28. Clarifications and Exceptions

The base Quotation must be in accordance with the applicable specifications for this RFQ. Bidders shall complete Certificate of Compliance for each Quotation.

- 28.1 All exceptions to the RFQ documents, both commercial and technical, shall be listed separately in Bidder's Quotation under the heading "Deviations/Exceptions" and shall be itemized and identified as to the specific document and paragraph in the inquiry documents to which the exception refers.

29. Attachments

Bidder shall ensure that all of the attachments listed in this RFQ have been received. Any resulting order(s) shall be awarded on the basis that all attachments have been received and all terms, conditions and specifications shall be binding upon the successful Bidder(s).

30. Duty and Tax Requirements

30.1 Total duty amounts applicable must be included in the quoted price along with the rate used. Duty for imported goods or services, whether they are part of, or the entire product, shall be computed on the basis that they will be imported under the provisions of the New Harmonized System of the Customs and Excise Tax Act, effective 1988-01-01. Bidder shall include the classification number which the goods will be imported under. However, if Bidder is aware of previous/possible tax remission concessions, it shall be so noted in Bidders Quotation.

30.2 Canadian Federal Goods and Services Tax (GST)

Please indicate which items are zero-rated (GST free), or show the GST portion extra on you base price and as a separate item. Bidder's GST registration number must also be shown in the Quotation.

31. Holdback

Ten (10%) percent of the total purchase order value shall be withheld from the final invoice until all documentation required by Vendor Drawing and Data Commitment of this order is received by Suncor.

32. The Buyers Terms and Conditions better defined as General Terms and Conditions are hereby accepted unless exceptions are explicitly defined and listed separately in the Quotation. Exceptions scattered throughout the body of the Quotation and not specifically summarized shall not be accepted.

33. Withholding Tax

Suncor Energy Services Inc. will, when obligated by law, as documented in regulation 105 and/or Part XIII of the Income Tax Act of Canada, apply a withholding tax at the applicable rate on payments for services or rentals to nonresidents of Canada when provided in Canada unless approved waivers from Canada Customs and Revenue Agency allowing exemption from tax are received. Exemption to withholding requirements will be effective for payments made subsequent to the date of receipt of the approved waiver.