

THE AGREEMENT effective as of the "day of panel" day of "Month of Panel", 2010.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO,
as represented by the Minister of Agriculture, Food and Rural Affairs**

("OMAFRA")

- and -

"Lead Applicant"

"List Partners"

(the "Recipients")

Background:

OMAFRA funds projects similar to the Project described in Schedule "A".

The Recipients have applied to OMAFRA for funds to assist the Recipients in carrying out the Project and OMAFRA wishes to provide such funds.

Consideration:

In consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is expressly acknowledged, the Parties agree as follows:

ARTICLE 1. DEFINITIONS

1.1. Interpretation. For the purposes of interpretation:

- a) words in the singular include the plural and vice-versa;
- b) words in one gender include all genders;
- c) the background and the headings do not form part of the Agreement; they are for reference only and shall not affect the interpretation of the Agreement;
- d) any reference to dollars or currency shall be to Canadian dollars and currency;
and
- e) "include", "includes" and "including" shall not denote an exhaustive list.

1.2. Definitions. In the Agreement the following terms shall have the following meanings:

"Agreement" means this agreement entered into between OMAFRA and the Recipients and includes all of the schedules listed in section 27.1.

"Budget" means the budget attached to the Agreement as Schedule "B".

"Effective Date" means the date first set out at the top of the Agreement.

"Eligible Costs" means costs incurred after the Effective Date that are determined by OMAFRA in its sole discretion to be reasonable, necessary and directly incurred under a legal contract for goods, equipment or services related to completing the Project as

described in Schedule A and as such costs may be further described in Schedule B.

"Event of Default" has the meaning ascribed to it in section 14.1.

"Force Majeure" has the meaning ascribed to it in Article 25.

"Funding Year" means:

- a) the period commencing on the Effective Date and ending on the following March 31; and
- b) if there are Funding Years subsequent to the Funding Year in (a), the period commencing on April 1 following the end of the previous Funding Year and ending on the following March 31.

"Funds" means the money provided by OMAFRA to the Recipients pursuant to the Agreement.

"Indemnified Parties" means Her Majesty the Queen in right of Ontario, Her Ministers, agents, appointees and employees.

"Maximum Funds" means \$**"Max Funds"**.

"Notice" means a notice as provided for in Article 18.

"Parties" means OMAFRA and the Recipients.

"Party" means either OMAFRA or any one of the Recipients.

"Project" means the undertaking described in Schedule "A".

"Project Spending End Date" means the last date that Eligible Costs can be incurred for this Project.

"Reports" means the reports described in Schedule "C".

"Timelines" means the Project schedule set out in Schedule "A".

"Wind Down Costs" means the Recipients' reasonable costs to wind down the Project.

ARTICLE 2. REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1. **General.** The Recipients represent, warrant and covenant that:

- a) they have, and shall continue to be for the term of the Agreement, validly existing legal entities with full power to fulfill its obligations under the Agreement;
- b) they have, and shall continue to have for the term of the Agreement, the experience and expertise necessary to carry out the Project; and
- c) any information the Recipients provided to OMAFRA in support of their request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipients provided it, and shall continue to be true and complete for the term of the Agreement in every respect.

- 2.2. **Execution of Agreement.** The Recipients represent and warrant that:
- a) they have the full power and authority to enter into the Agreement; and
 - b) they have has taken all necessary actions to authorize the execution of the Agreement **including passing a municipal by-law authorizing the Recipients to enter into the Agreement with OMAFRA.**
- 2.3. **Governance.** The Recipients represent, warrant and covenant that, they have, and shall maintain for the period during which the Agreement is in effect, by-laws or other legally necessary instruments to:
- a) establish the expected code of conduct and ethical responsibilities at all levels of the Recipients' respective organizations;
 - b) establish procedures to ensure their ongoing effective functioning;
 - c) establish decision-making mechanisms;
 - d) provide for the prudent and effective management of the Funds;
 - e) establish procedures to enable the successful completion of the Project;
 - f) establish procedures to enable the timely identification of risks to the completion of the Project and strategies to address the identified risks;
 - g) establish procedures to enable the preparation and delivery of all Reports required pursuant to Article 7; and
 - h) deal with such other matters as the Recipients consider necessary to ensure that the Recipients carry out their obligations under the Agreement.
- 2.4. **Supporting Documentation.** Upon request, the Recipients shall provide OMAFRA with proof of the matters referred to in Article 2.

ARTICLE 3. TERM OF THE AGREEMENT

- 3.1. **Term.** The term of the Agreement shall commence on the Effective Date and shall expire on **"end date plus 6 mo"**, unless terminated earlier pursuant to Article 12, Article 13 or Article 14.
- 3.2. **Project Spending End Date.** The last date that Eligible Costs can be incurred for the Project is **"end date"**.

ARTICLE 4. FUNDS AND CARRYING OUT THE PROJECT

- 4.1. **Funds Provided.** OMAFRA shall:
- a) provide an amount up to the Maximum Funds to the Recipients for the purpose of carrying out the Project;
 - b) provide the Funds to the Recipients in accordance with the payment schedule in Schedule "B";
 - c) deposit the Funds into an account designated by the Recipients provided that the account:
 - i) resides at a Canadian financial institution; and
 - ii) is in the name of the Recipient, **Lead Applicant.**

- 4.2. **Limitation on Payment of Funds.** Despite section 4.1, OMAFRA:
- a) shall not provide any Funds to the Recipients until the Recipients provide the insurance certificates or other documents provided for in section 11.2;
 - b) is not obligated to provide instalments of Funds until it is satisfied with the progress of the Project; and
 - c) may adjust the amount of Funds it provides to the Recipients in any Funding Year based upon OMAFRA's assessment of the information provided by the Recipients in the Reports;
 - d) shall only provide Funds for expenses that are Eligible Costs incurred by the Recipients on or before the Project Spending End Date; and
 - e) if, pursuant to the provisions of the *Financial Administration Act* (Ontario), as amended, if OMAFRA does not receive the necessary appropriation from the Ontario Legislature for any payment OMAFRA is obligated to make under the Agreement, OMAFRA shall not be obligated to make the payment and OMAFRA may, pursuant to section 13.1, terminate the Agreement or may reduce the amount of the Funds and, in consultation with the Recipients, change the Project.
- 4.3. **Use of Funding and Project.** The Recipients shall:
- a) carry out the Project;
 - i) in accordance with the terms of the Agreement; and
 - ii) in compliance with all federal and provincial laws or regulations, all municipal by-laws, and any other orders, rules or by-laws related to any aspect of the Project;
 - b) use the Funds only for the purpose of carrying out the Project as described in Schedule A; and
 - c) spend the Funds only in accordance with the Budget as described in Schedule B and
 - d) shall not use the Funds for any net costs, including taxes, for which they have received, will receive or are eligible to receive a rebate, credit or refund.
- 4.4. **No Changes.** The Recipients shall:
- a) not make any changes to the Project, the Timelines and/or the Budget without the prior written consent of OMAFRA; and
 - b) abide by the terms and conditions OMAFRA may require pursuant to any consent.
- 4.5. **Interest Bearing Account.** If OMAFRA provides Funds to the Recipients prior to the Recipients' immediate need for the Funds the Recipients shall place the Funds in an interest bearing account in the name of the Recipients at a Canadian financial institution.
- 4.6. **Interest.** If the Recipients earn any interest on the Funds:
- a) OMAFRA may deduct an amount equal to the interest from any further instalments of Funds; or
 - b) the Recipients shall pay an amount equal to the interest to OMAFRA as directed by OMAFRA.

- 4.7. **Further Limitation on Payment of Funds.** The Recipients acknowledge and accept that the Funds available to them pursuant to the Agreement shall not exceed the Maximum Funds.
- 4.8. **Taxes.** The Recipients shall not make claims against the Funds under this agreement for any tax costs (e.g. HST) incurred by the Recipients.

ARTICLE 5. ACQUISITION OF GOODS AND SERVICES, AND DISPOSAL OF ASSETS

- 5.1. **Acquisition.** If the Recipients acquire supplies, equipment or services with the Funds or if the Recipients are seeking reimbursement from the Funds for supplies, equipment or services that it has already acquired, they shall do so or must have done so through a process that promotes the best value for the Funds it spends.
- 5.2. **Disposal.** The Recipients shall not, within three years of the Project End Date, without OMAFRA's prior written consent, sell, lease or otherwise dispose of any assets purchased with Funds, or for which Funds were provided, the cost of which exceeded 10% of the Maximum Funds at the time of purchase.

ARTICLE 6. CONFLICT OF INTEREST

- 6.1. **No Conflict of Interest.** The Recipients shall carry out the Project and use the Funds without an actual, potential or perceived conflict of interest.
- 6.2. **Conflict of Interest Includes.** For the purposes of this Article, a conflict of interest includes any circumstances where:
- a) the Recipients; or
 - b) any person who has the capacity to influence the Recipients' decisions;
- have outside commitments, relationships or financial interests that could, or could be seen to, interfere with the Recipients' objective, unbiased and impartial judgment relating to the Project and the use of the Funds.
- 6.3. **Disclosure to OMAFRA.** The Recipients shall:
- a) disclose to OMAFRA without delay any situation that a reasonable person would interpret as an actual, potential or perceived conflict of interest; and
 - b) comply with any terms and conditions that OMAFRA may prescribe as a result of the disclosure.

ARTICLE 7. REPORTING, ACCOUNTING AND REVIEW

- 7.1. **Preparation and Submission.** The Recipients shall:
- a) submit to OMAFRA at the address provided in Section 18.1, all Reports in accordance with the timelines and content requirements set out in Schedule "C", or in a form as specified by OMAFRA from time to time;
 - b) submit to OMAFRA at the address provided in Section 18.1, any other reports requested by OMAFRA in accordance with timeline and content requirements specified by OMAFRA;

- c) ensure that all Reports and other reports are completed to the satisfaction of OMAFRA; and
 - d) ensure that all Reports and other reports are signed on behalf of the Recipients by an authorized signing officer.
- 7.2. **Record Maintenance.** The Recipients shall keep and maintain:
- a) all financial records (including invoices) relating to the Funds or otherwise to the Project in a manner consistent with generally accepted accounting principles; and
 - b) all non-financial documents and records relating to the Funds or otherwise to the Project.
- 7.3. **Inspection.** OMAFRA, its authorized representatives or an independent auditor identified by OMAFRA may, at its own expense, upon twenty-four hours' Notice to the Recipients and during normal business hours, enter upon the Recipients' respective premises to review the progress of the Project and the Recipients' expenditure of the Funds, and for these purposes OMAFRA, its authorized representatives or an independent auditor identified by OMAFRA, may:
- a) inspect and copy the records and documents referred to in section 7.2; and
 - b) conduct an audit or investigation of the Recipients in respect of the expenditure of the Funds and/or Project.
- 7.4. **Disclosure.** To assist in respect of the rights set out in Section 7.3, the Recipients shall disclose any information reasonably requested by OMAFRA, its authorized representatives or an independent auditor identified by OMAFRA, and shall do so in a form reasonably requested by OMAFRA, its authorized representatives or an independent auditor identified by OMAFRA, as the case may be.
- 7.5. **No Control Over Unrelated Information.** No provision of the Agreement shall be construed so as to give OMAFRA any control whatsoever over the Recipients' documentation or information that is not related to the Project or to the expenditure of Funds.
- 7.6. **Auditor General.** For greater certainty, OMAFRA's rights under this Article are in addition to any rights provided to the Auditor General pursuant to section 9(1) of the *Auditor General Act* (Ontario).

ARTICLE 8. CREDIT

- 8.1. **Acknowledge Support.** Unless otherwise directed by OMAFRA, the Recipients shall, in a form approved by OMAFRA, acknowledge the support of OMAFRA in any publication of any kind, written or oral, relating to the Project.
- 8.2. **Publication.** If the Recipients publish any material of any kind, written or oral, relating to the Project, the Recipients shall indicate in the material that the views expressed in the material are the views of the Recipients and do not necessarily reflect those of OMAFRA.

ARTICLE 9. FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY

- 9.1. **FIPPA.** The Recipients acknowledge that OMAFRA is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario), as amended from time to time, and that any information provided to OMAFRA in connection with the Project or otherwise in connection with the Agreement is subject to disclosure in accordance with that Act.

ARTICLE 10. INDEMNITY

- 10.1. **Indemnification.** The Recipients hereby agree to indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings (collectively, "Claims"), by whomever made, sustained, incurred, brought or prosecuted, in any way arising out of or in connection with the Project or otherwise in connection with the Agreement, unless solely caused by the negligence or wilful misconduct of OMAFRA.

ARTICLE 11. INSURANCE

- 11.1. **Recipients' Insurance.** The Recipients represent and warrant that they have, and shall maintain for the term of the Agreement, at their own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out a project similar to the Project would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than two million dollars (\$2,000,000.00) per occurrence. The policy shall include the following:
- i) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipients' obligations under, or otherwise in connection with, the Agreement;
 - ii) a cross-liability clause;
 - iii) contractual liability coverage; and
 - iv) thirty (30) day written notice of cancellation, termination or material change.
- 11.2. **Proof of Insurance.** The Recipients shall provide OMAFRA with certificates of insurance, or other proof as may be requested by OMAFRA, that confirms the insurance coverage as provided for in section 11.1. Upon the request of OMAFRA, the Recipients shall make available to OMAFRA a copy of each insurance policy.

ARTICLE 12. TERMINATION ON NOTICE

- 12.1. **Termination on Notice.** OMAFRA may terminate the Agreement at any time upon giving at least thirty (30) days' Notice to the Recipients.
- 12.2. **Consequences of Termination.** If OMAFRA terminates the Agreement pursuant to section 12.1, OMAFRA may:
- a) cancel all further instalments of Funds;

- b) demand the repayment of any Funds remaining in the possession or under the control of the Recipients; and
- c) determine the Wind Down Costs, and:
 - i) permit the Recipients to offset the Wind Down Costs against the amount the Recipients owe pursuant to subsection 12.2(b); and/or
 - ii) subject to section 4.8, provide Funds to the Recipients to cover the Wind Down Costs.

ARTICLE 13. TERMINATION WHERE NO APPROPRIATION

- 13.1. **Termination Where No Appropriation.** If, as provided for in section 4.2(d), OMAFRA does not receive the necessary appropriation from the Ontario Legislature for any payment OMAFRA is obligated to make under the Agreement, OMAFRA may terminate the Agreement immediately by giving Notice to the Recipients.
- 13.2. **Consequences of Termination.** If OMAFRA terminates the Agreement pursuant to section 13.1, OMAFRA may:
- a) cancel all further instalments of Funds;
 - b) demand the repayment of any Funds remaining in the possession or under the control of the Recipients; and/or
 - c) determine the Wind Down Costs; and
permit the Recipients to offset such Wind Down Costs against the amount owing pursuant to subsection 13.2(b).
- 13.3. **No Additional Funds.** For purposes of clarity, if the Wind Down Costs exceed the Funds remaining in the possession or under the control of the Recipients, OMAFRA shall not provide additional Funds to the Recipients.

ARTICLE 14. EVENT OF DEFAULT, CORRECTIVE ACTION AND TERMINATION FOR DEFAULT

- 14.1. **Events of Default.** Each of the following events shall constitute an "Event of Default":
- a) in the opinion of OMAFRA any Recipient has knowingly provided false or misleading information regarding their request for funds or in any other communication with OMAFRA;
 - b) in the opinion of OMAFRA any Recipient breaches any material requirement of the Agreement, including failing to do any of the following in accordance with the terms of the Agreement:
 - i) carry out the Project;
 - ii) use or spend Funds; and/or
 - iii) provide Reports or other such ad hoc reports as may be requested;
 - c) the nature of the Recipients' operations, or their corporate status, changes so that they no longer meets one or more of the applicable eligibility requirements of the program under which OMAFRA provides the Funds;

- d) any one of the Recipients makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or is petitioned into bankruptcy, or files for the appointment of a receiver;
 - e) any one of the Recipients ceases to operate; and
 - f) an event of Force Majeure continues for a period of sixty (60) days or more.
- 14.2. **Corrective Action.** If an Event of Default occurs OMAFRA may, at any time, take one or more of the following actions:
- a) initiate any action OMAFRA considers necessary in order to facilitate the successful continuation or completion of the Project;
 - b) suspend the payment of Funds for such period as OMAFRA determines appropriate;
 - c) reduce the amount of the Funds;
 - d) cancel all further payment of Funds;
 - e) demand the repayment of any Funds remaining in the possession or under the control of the Recipients;
 - f) demand the repayment of an amount equal to any Funds the Recipients used for purposes not agreed upon by OMAFRA;
 - g) demand the repayment of an amount equal to any Funds OMAFRA provided to the Recipients; and/or
 - h) terminate the Agreement immediately upon giving Notice to the Recipients.
- 14.3. **Opportunity to Remedy.** In addition to its rights provided for in section 14.2, OMAFRA may provide the Recipients an opportunity to remedy the Event of Default by providing Notice to the Recipients:
- a) of the particulars of the Event of Default; and
 - b) of the period of time within which the Recipients is required to remedy the Event of Default.
- 14.4. **Recipients not Remediating.** If OMAFRA has provided the Recipients with an opportunity to remedy the Event of Default pursuant to section 14.3 and:
- a) the Recipients do not remedy the Event of Default within the time period specified in the Notice;
 - b) it becomes apparent to OMAFRA that the Recipients cannot completely remedy the Event of Default within the time specified in the Notice or such further period of time as OMAFRA considers reasonable; or
 - c) the Recipients are not proceeding to remedy the Event of Default in a way that is satisfactory to OMAFRA.
- OMAFRA may initiate any one or more of the actions provided for in subsections 14.2 (d), (e), (f), (g) and (h).
- 14.5. **Effective Date.** The effective date of any termination under this Article shall be the last day of the Notice period, the last day of any subsequent Notice period or immediately, whichever applies.

ARTICLE 15. FUNDS AT THE END OF A FUNDING YEAR

- 15.1. **Funds at the End of a Funding Year.** Without limiting any rights of OMAFRA under Article 14, if the Recipients has not spent all of the Funds allocated for the Funding Year as provided for in the Budget, OMAFRA may:
- a) demand the return to OMAFRA of the unspent Funds; or
 - b) adjust the amount of any further instalments of Funds accordingly.

ARTICLE 16. FUNDS UPON EXPIRY

- 16.1. **Funds Upon Expiry.** Without limiting any rights of OMAFRA under Article 14, the Recipients shall, upon expiry of the Agreement, return to OMAFRA any Funds remaining in its possession or under its control.

ARTICLE 17. REPAYMENT

- 17.1. **Debt Due.** If the Recipients owe any monies, including any Funds, to OMAFRA, whether their return or repayment has been demanded by OMAFRA or not, such monies shall be deemed to be a debt due and owing to OMAFRA by the Recipients, and the Recipients shall pay or return the amount to OMAFRA immediately unless OMAFRA directs otherwise.
- 17.2. **Interest Rate.** OMAFRA may charge the Recipients interest on any monies owing by the Recipients at the then current interest rate charged by the Province of Ontario on accounts receivable.
- 17.3. **Cheque Payable To.** The Recipients shall pay any monies owing to OMAFRA by cheque payable to the "Ontario Minister of Finance" and mailed to OMAFRA at the address provided in section 18.1.

ARTICLE 18. NOTICE

- 18.1. **Notice in Writing and Addressed.** Notice shall be in writing and shall be delivered by postage-prepaid mail, personal delivery or facsimile, and shall be addressed to, OMAFRA and the Recipients respectively, as set out below:

To OMAFRA:	To the Recipients:
Ministry of Agriculture, Food and Rural Affairs, 4 th Floor 1 Stone Road West Guelph ON, N1G 4Y2	"company name and address"
Attention: Martin Bohl, Director Rural Community Development Branch	Attention: "contact name and title"
Fax: 519-826-4336	Fax: "fax number"

- 18.2. **Notice Given.** Notice shall be deemed to have been received:
- a) in the case of postage-prepaid mail, five (5) business days after such Notice is mailed; or

- b) in the case of personal delivery or facsimile, one (1) business day after such Notice is received by the other Party.

18.3. **Postal Disruption.** Despite subsection 18.2(a), in the event of a postal disruption,

- a) notice by postage-prepaid mail shall not be deemed to be received; and
- b) the Party giving Notice shall provide Notice by personal delivery or by facsimile.

ARTICLE 19. SEVERABILITY OF PROVISIONS

19.1. **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision shall be deemed to be severed.

ARTICLE 20. WAIVER

20.1. **Waivers in Writing.** If a Party fails to comply with any term of the Agreement, that Party may only rely on a waiver of the other Party if the other Party has provided a written waiver in accordance with the Notice provisions in Article 18. Any waiver must refer to a specific failure to comply and shall not have the effect of waiving any subsequent failures to comply.

ARTICLE 21. INDEPENDENT PARTIES

21.1. **Parties Independent.** The Recipients acknowledge that they are not agents, joint venturers, partners or employees of OMAFRA and the Recipients shall not take any actions that could establish or imply such a relationship.

ARTICLE 22. ASSIGNMENT OF AGREEMENT OR FUNDS

22.1. **No Assignment.** The Recipients shall not assign any part of the Agreement or any Funds without the prior written consent of OMAFRA which OMAFRA may, in its sole discretion, provide or withhold.

22.2. **Agreement to Extend.** The rights and obligations contained in the Agreement shall extend to and be binding on the Parties' respective heirs, executors, administrators, successors and permitted assigns.

ARTICLE 23. GOVERNING LAW

23.1. **Agreement Governed By.** The Agreement and the rights, obligations and relations of the Parties shall be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement shall be conducted in Ontario.

ARTICLE 24. FURTHER ASSURANCES

24.1. **Agreement into Effect.** The Parties shall do or cause to be done all acts or things necessary to implement and carry into effect the terms of the Agreement to its full extent.

ARTICLE 25. CIRCUMSTANCES BEYOND THE CONTROL OF EITHER PARTY

25.1. **Force Majeure Means.** For the purposes of the Agreement, "Force Majeure" means an event that is:

- a) beyond the reasonable control of a Party; and
- b) makes a Party's performance of its obligations under the Agreement impossible or so impracticable as reasonably to be considered impossible in the circumstances.

25.2. **Force Majeure Includes.** Force Majeure includes:

- a) infectious diseases, war, riots and civil disorder;
- b) storm, flood, earthquake or other severely adverse weather conditions;
- c) confiscation or other similar action by government agencies;
- d) lawful act by a public authority; and,
- e) strikes, lockouts and other labour actions,

if such events meet the test set out in section 25.1.

25.3. **Force Majeure Shall Not Include.** Force Majeure shall not include:

- a) any event that is caused by the negligence or intentional action of a Party or such Party's agents or employees;
- b) any event that a diligent Party could reasonably have been expected to:
 - i) take into account at the time of the execution of the Agreement; and
 - ii) avoid or overcome in the carrying out of its obligations under the Agreement; or

25.4. **Failure to Fulfil Obligations.** Subject to section 14.1(f), the failure of either Party to fulfil any of its obligations under the Agreement shall not be considered to be a breach of, or Event of Default under, the Agreement to the extent that such failure to fulfill the obligation arose from an event of Force Majeure, if the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of the Agreement.

ARTICLE 26. SURVIVAL

26.1. **Survival.** The provisions in Article 1, sections 4.6(b), 7.1 (to the extent that the Recipients have not provided the Reports/reports), 7.2, 7.3, 7.4, 7.5, 7.6, Articles 8 and 10, sections 12.2, 13.2, 13.3, 14.1, 14.2 (c), (d), (e), (f) and (g), 14.4, Articles 16, 17, 18, 19, 23, 27, 28 and 30, and all applicable definitions, cross-referenced provisions and Schedules shall continue in full force and effect for a period of seven (7) years from the date of expiry or termination of the Agreement.

ARTICLE 27. SCHEDULES

27.1. **Schedules.** The Agreement includes the following schedules:

- a) Schedule A - Project Description (Background, Objective, Scope and Timelines);

- b) Schedule B - Budget and Project Cost Schedule; and
- c) Schedule C – Reporting.

ARTICLE 28. ENTIRE AGREEMENT

- 28.1. **Entire Agreement.** The Agreement constitutes the entire Agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.
- 28.2. **Modification of Agreement.** The Agreement may only be amended by a written agreement duly executed by the Parties.

ARTICLE 29. COUNTERPARTS

- 29.1. **Counterparts.** The Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

ARTICLE 30. JOINT AND SEVERAL LIABILITY

30.1 **Joint and Several Liability.** Where the Recipients are comprised of more than one entity, all such entities shall be jointly and severally liable to OMAFRA for the fulfillment of the obligations of the Recipients under the Agreement.

The Parties have executed the Agreement on the dates set out below.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO,
as represented by the Minister of Agriculture, Food and Rural Affairs
by:

Name: Martin Bohl Date _____
Title: Director, Rural Community Development Branch

"lead applicant"
by:

Name: Date _____
Title:

by:

Name: Date _____
Title:

I/we have authority to bind the Recipients.

Partner
by:

Name: Date _____
Title:

I/we have authority to bind the Recipients.

SCHEDULE "A"

PROJECT DESCRIPTION
(Background, Objective, Scope, Timelines, Etc.)

"Project description from assessment"

SCHEDULE "B"

BUDGET

Total Project Eligible Costs: \$"total eligible"

Ontario Maximum Funds: \$"total approved" (XX % total of Eligible Costs)

Description of Eligible Costs	Approved Budget (\$)
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
Total Project Eligible Costs	\$

Approved Project Schedule (Total Project Eligible Costs)

	Jan-Mar	Apr-Jun	Jul-Sep	Oct – Dec	Annual Total
2010					
2011	\$50,000				
2012					
2013					
				Total	\$

SCHEDULE "C"

REPORTING

The following Reports are to be provided in a form and with such content that are satisfactory to OMAFRA.

	Name of Reports and Details required	Examples attached
1.	Claims	Appendix 1 and 2
2.	Expenditure Forecast Report (as required)	Appendix 3
3.	Final Report	Appendix 4, 5 and 6
4.	Other reports as may be requested	If/As requested

Report Details

1. Claims

- (i) in accordance with the Term of the Agreement, the Recipients shall provide OMAFRA with Claim Submissions, part 1 and 2, including original invoices and proofs of payment;
- (ii) claims for payment are considered to be incomplete without both parts attached;
- (iii) OMAFRA will hold back 10% of the Maximum Funds, the release of which shall be contingent on submission of the Recipients' Final Performance Report detailing the progress and status of the Project and substantiating that the Project has been Substantially Performed. The Ministry is not obligated to pay interest on the holdback or any other payments under this Agreement.

2. Expenditure Forecast:

- (i) To be completed.

3. The Final Report will:

- (i) discuss Project objectives / expectations, confirming that Project objectives / expectations were met, or if not, why they were not, setting out lessons learned (Appendix 4);
- (ii) include a final accounting of all Project expenditures signed by the Chief Financial Officer, the Board chair or equivalent if applicable, or as otherwise agreed to by OMAFRA confirming actual Project expenditures and providing an explanation for any significant variances from the Budget (Appendix 5);
- (iii) include any applicable performance measures (Appendix 6).

4. Other Reports:

- (i) OMAFRA will specify the timing and content of any other reports as may be necessary.



Rural Economic Development Program

Claim Submission

Part 1 -Progress Report

File No.	Project Title:	
Claim No.	Period Covered:	Due Date:

ACTIVITIES FOR THIS REPORT:

RESULTS

ISSUES WHICH MAY IMPACT ON THE PROJECT'S SUCCESS AND TIMING FOR COMPLETION?

SIGNATURE

Project Representative:	Date:
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Appendix 3

Total Eligible Costs Expenditure Forecast

RURAL ECONOMIC DEVELOPMENT (RED) PROGRAM

RED Expenditure Forecast

Due Date:
 Contact:
 Fax #:

Project Information:

File #:	
Project Title:	
Project Completion Date:	

Current Forecast:

Total Approved Eligible Costs	Total eligible costs incurred from Project start until current quarter				Annual Total
	(Jan-Mar)	(Apr-Jun)	(Jul-Sep)	(Oct-Dec)	
2009					
2010					
2011					
2012					
Forecasted Total					

*** All figures above reflect the Total Eligible Project Costs, **NOT** the amount of RED funding to be received.*

Please only complete the following section if the information above is no longer accurate

RED Funding Transfer Request:

Updated Project Completion Date:

Total Approved Eligible Costs	Total eligible costs incurred from Project start until current quarter				Annual Total
	(Jan-Mar)	(Apr-Jun)	(Jul-Sep)	(Oct-Dec)	
2010					-
2011					-
2012					-
Forecasted Total					-

Rationale **MUST** be provided for any requested funding allocation changes:

IMPORTANT TO NOTE:

- 1) If you agree with the "Current Forecast" (i.e. you expect to incur expenses as outlined in the current forecast), please sign the declaration below and return the spreadsheet by mail or fax. However, if your forecast of expenses has changed you must complete the "RED Funding Transfer Request" chart. Similarly, if you require an extension to the project completion date (refer to Project Information section) please provide the new date and the rationale in comment area provided. Once completed, please sign the declaration at the bottom of the spreadsheet and return by mail, fax or email.
- 2) All requests will be reviewed by RED program management. **Unless you receive written approval from your RED analyst, movement of funds across fiscal years or extending the project completion date is not permitted.** Your RED analyst with contact you with further details.
- 3) Costs should be entered based on the accrual accounting method. Therefore, costs should be entered in the quarter in which they were/are going to be incurred, not when they were/are going to be paid.
- 4) The "Forecasted Total" must not exceed the "Total Approved Eligible Costs."

Declaration:

I certify that the financial information contained within this report is true and accurate to the best of my knowledge. Costs related to our approved Rural Economic Development Program project will be incurred for the amount on the schedule as indicated above.

Please Print Name	Signature	Title	Date
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File:

Date Approved:

Project Title:

Recipient:

Contact:

Telephone:

Total Project Costs: \$

Funding Approved: \$

Start Date:

End Date:

Section 1. Summary of Project and Results

Financial Summary

Rural Economic Development Program Project File # _____

For the period from _____ to _____

Sources of Funds

Name/Organization	Amount
Partners	
1.	
2.	
3.	
4.	
Other private contributions	
1.	
2.	
Other public contributions	
1.	
2.	
RED Program	
1. Funds Received to Date	
2. Expected Holdback (10%)	
Total sources of Funds	

Uses of Funds

Line Item Expense	Amount
1.	
2.	
3.	
4.	
5.	
6.	
Total uses of Funds	

I have reviewed and approved the financial summary presented above and hereby declare, to the best of my knowledge, during this period covered we were not in breach or violation of any of the covenants contained in the Agreement.

Signed by the Recipients and dated this _____ day of _____, 200____.

Recipient Name and Title _____

Signature _____

The following table must be completed with the results of your project. Not all measures will be applicable to your Project (leave blank). Please use both qualitative measures (e.g. improvements made, awareness, efficiencies gained, etc.) and quantitative measures (e.g., number of activities/events, number of materials distributed, etc.) that demonstrate the impact of your project. Please include how you measured the results.

Project Deliverables	Short-Term Results or Outcomes	Long-Term Results or Outcomes
Number of jobs created, retained or upgraded		
Amount of new investment in the community and/or the Ontario business climate		
Contributed to <u>revitalized community</u> or downtown		
Contributes to improved access to community health care services		
Contributes to skills training and/or enhancement		
Number of new alliances and/or partnerships		
Number of community groups involved or benefiting from your project		
Number of innovative products/services or technologies for rural Ontario		
Number of tools, information and/or resources for rural economic development		
Number of barriers to economic development overcome		