FRIAA CARIBOU HABITAT RECOVERY PROGRAM (CHRP)

PROJECT GRANT AGREEMENT

<PROJECT TITLE>

CHRP20-##

THIS AGREEMENT dated the __th day of _____, 2020.

BETWEEN:

FOREST RESOURCE IMPROVEMENT ASSOCIATION OF ALBERTA
of Edmonton, Alberta

("**FRIAA**")

Of the First Part

-and-

<PROPONENT>

(the "**Recipient**")

Of the Second Part

WHEREAS:

A. The Recipient has proposed to FRIAA the Project described in this Agreement;

B. FRIAA is offering the Recipient a conditional grant for the Project; and

C. The Recipient wishes to accept the grant under the terms and conditions set out in this Project Grant Agreement.

NOW THEREFORE, in consideration of the mutual promises and payments made herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. INTERPRETATION

1.1 Definitions

Unless otherwise defined herein, the following terms shall have the following meanings:

(a) "**Affiliate**" means the Government of Alberta, all departments within the Government of Alberta, all entities over which the Government of Alberta exerts control, including all public bodies to which the *Freedom of Information and Protection of Privacy Act*, RSA 2000, c.F-25 applies, and any bodies that fall within the meaning of affiliate under the *Canada Business Corporations Act,* R.S.C. 1985, c.C-44;

(b) "**Agreement**" means this agreement together with all schedules and attachments hereto and all amendments made in writing between the Parties;

(c) "**Budget and Project Financing Schedule**" means a budget and financing schedule for the Project as set forth in section 7 of Schedule A;

(d) "**Conflict of Interest Policy**" means the FRIAA Conflicts of Interest Policy set forth in Schedule C;

(e) "**COR**", "**Equivalent Certification**", "**Other Documentation**" and "**SECOR**", have the meanings set forth in section 11.2;

(f) "**Deceased**" has the meaning set forth in section 1.7;

(g) "**Eligible Expenses**" means costs and expenses which are permitted expenses under the Program and which may include, without limitation, work in respect of the Project which is performed in-house by the Recipient for which adequate documentation exists;

(h) **"Environmental Laws"** means all applicable international, federal, provincial, territorial, municipal or local treaties, conventions, laws, statutes, regulations, orders, by-laws, governmental decrees or ordinances relating to fisheries, health and safety, the protection or preservation of the environment or the manufacture, processing, distribution, use, treatment, storage, disposal, discharge, transport or handling of hazardous substances;

(i) "**Event of Default**" has the meaning set forth in section 8.1;

(j) "**Final Financial Report**" has the meaning set forth in section 10 of Schedule A;

(k) "**Final Outcomes Report**" has the meaning set forth in section 12 of Schedule A;

(l) "**Intellectual Property**" includes all materials, inventions, designs, deliverables, specifications, patterns, models, prototypes, devices, formulae, methods, processes, data, compilations of information, reports, drawings, plans, photographs, musical works, computer software and programming patents or patent applications;

(m) "**Invoice**" means a document setting out a claim for that portion of Eligible Expenses incurred and/or subject to section 2.7 of this Agreement, for advances for Eligible Expenses which have yet to be incurred by or invoiced to the Recipient;

(n) "**Grant**" means the conditional financial payment from FRIAA to the Recipient, described in more detail and the amount of which is set out in section 2.1, which shall only be applied towards the Eligible Expenses;

(o) "**Grant Proceeds**" means all amounts paid to the Recipient under this Agreement, including the Grant and all interest or other income earned from investment of such amounts;

(p) "**Licensed Materials**" means the Intellectual Property relating to the Project created in the course of the Project;

(q) "**Notice**" has the meaning set forth in section 14.1;

(r) "**OH&S Act**" has the meaning set forth in section 11.1;

(s) "**Party**" means either FRIAA or the Recipient and "**Parties**" means both of them;

(t) "**Payment Schedule**" means the schedule of payments of the Grant as described in Schedule B;

(u) "**Program**" means the FRIAA Caribou Landscape Restoration Program whose purpose is to fund efforts that sustain and improve caribou habitats in a manner that supports healthy and self-sustaining caribou populations;

(v) "**Progress Report**" has the meaning set forth in section 9 of Schedule A;

(w) "**Project**" means the project described in Schedule A;

(x) "**Project Completion Date**" means the completion date of the Project as described in section 4 of Schedule A;

(y) "**Project Costs**" means those costs described in Schedule A which include all Eligible Expenses;

(z) "**Project Plan**" means the project plan for the Project as more specifically set forth in Schedule A;

(aa) "**Project Proposal**" means the project proposal submitted by the Recipient that has received approval under the Program and which is attached hereto as Schedule D;

(bb) "**Project Scope**" means the scope of the Project as more specifically set forth in Schedule A;

(cc) "**Project Start Date**" means the date set forth in section 3 of Schedule A as the earliest date on which the Recipient can begin incurring Project Costs;

(dd) "**Remedy Notice**" has the meaning set forth in section 8.2;

(ee) "**Reporting Period**" has the meaning set forth in section 1 of Schedule B;

(ff) "**Reports**" means the interim and final reports described in Schedule A;

(gg) "**Term**" means the period during which the Project shall be conducted from the Project Start Date to and including the Project Completion Date and includes any extension agreed to by FRIAA;

(hh) "**Total Project Value**" has the meaning set forth in section 5 of Schedule A; and

(ii) "**Work Plan**" means the work plan of the Project described at section 6 of Schedule A.

1.2 In this Agreement, unless the context requires otherwise:

(a) words importing a gender include all genders;

(b) words importing the singular include the plural and vice versa;

(c) include or including means include or including without limitation;

(d) any references to dollars or currency are to Canadian dollars ($CAD);

(e) any technical or industry specific words or phrases not otherwise defined herein shall have the meaning ascribed to such terms in the industry in which they are normally applied or used; and

(f) any references to legislation or regulations include any amendments thereto or successor legislation or regulations.

1.3 The following schedules and attachment are incorporated in and form a part of this Agreement:

(a) Schedule A - Project Scope, Budget, Project Plan and Reports;

(b) Schedule B - Payment Schedule;

(c) Schedule C - FRIAA Conflicts of Interest Policy; and

(d) Schedule D - Project Proposal.

1.4 In the event of any inconsistency or conflict between the:

(a) Schedules A, B, C and the Project Proposal, Schedules A, B or C as the case may be shall govern; or

(b) Schedules or each of them and the body of this Agreement, the body of this Agreement shall govern.

1.5 This Agreement, including the Schedules hereto, constitutes the entire agreement between FRIAA and the Recipient with respect to the Project and the Grant, and supersedes all previous agreements, negotiations and understandings. There are no agreements, representations, warranties, terms, conditions or commitments except as expressed in this Agreement.

1.6 No amendment made to this Agreement is valid unless it is incorporated into the Agreement in writing and the amendment is signed by the Parties hereto.

1.7 The Recipient may not assign this Agreement, in whole or in part, without the written consent of FRIAA, which consent shall not be unreasonably withheld. For certainty, any assignment carried out without the consent of FRIAA shall render the Agreement null and void. Notwithstanding the foregoing, in the event of the death of an individual recipient (the "**Deceased**") prior to the completion of the Project, the estate or personal representative of the Deceased may, upon meeting the reasonable requirements of FRIAA, complete the Project in accordance with this Agreement.

1.8 In the event of the appointment of a receiver over the assets and affairs of the Recipient, FRIAA may, in its sole discretion, permit the receiver to carry out the terms of this Agreement prior to receivership, provided always that the receiver be obligated to the same extent and in the same manner as the Recipient. FRIAA may, in its sole discretion permit the Grant Proceeds to be utilized by the receiver in a manner that is consistent with the bylaws, rules and policies of FRIAA, the Program and this Agreement all as if the receiver was the original Recipient to the Program.

2. THE GRANT

2.1 FRIAA shall provide the Recipient with a non-repayable grant (the "**Grant**") not exceeding $_____.00 dollars in accordance with the Payment Schedule and the Budget and Project Financing Schedule.

2.2 Subject to section 2.1, FRIAA shall pay the Grant to the Recipient in the amounts and at the times specified in Schedule B.

2.3 The obligation of FRIAA to pay the Grant is conditional on FRIAA being and remaining satisfied that:

(a) the Recipient is in compliance with all of its obligations under this Agreement;

(b) any and all audits or compliance reviews carried out in accordance with this Agreement are satisfactory to FRIAA;

(c) the Recipient has received all necessary permits, approvals and authorizations, included any licenses, permits, approvals and authorizations required under law, including Environmental Laws, to carry out the Project; and

(d) the Project is proceeding, continues to conform to the Work Plan and the tasks/milestones set out in Schedule A are being completed and met and shall be completed by the Project Completion Date.

For greater certainty, FRIAA shall not be obligated to pay any instalments if FRIAA, in its sole discretion, believes that the Recipient or any of its officers, directors, shareholders, agents, affiliates, subsidiaries, contractors or associates are conducting their business and affairs in a manner that is contrary to the spirit and intent of FRIAA's mandate, or the terms and conditions of this Agreement.

2.4 Immediately upon receiving the Grant Proceeds, the Recipient shall identify in its records the Grant Proceeds as being committed exclusively to the Project. Any portion of the Grant Proceeds that are not immediately expended by the Recipient shall be deposited into a separate interest bearing account maintained by the Recipient exclusively for the Project. Interest earned on the Grant Proceeds must be readily identifiable.

2.5 The maximum amount that FRIAA shall pay the Recipient under this Agreement is the amount of the Grant. In the event the Grant is not sufficient to cover the entire cost of the Project, the Recipient shall be solely responsible for raising funds from other sources to complete the Project.

2.6 The Recipient acknowledges that FRIAA must be satisfied in its sole discretion that all expenses incurred by the Recipient are Eligible Expenses and conform to the Budget and Project Financing Schedule as set out in Schedule A.

2.7 The Grant Proceeds advanced or paid prior to the completion of the Project are hereby held in trust by the Recipient until FRIAA has acknowledged in writing to the Recipient that the Project has been completed to the satisfaction of FRIAA in its sole discretion. In the event the Project is terminated for any reason whatsoever, the unexpended Grant Proceeds remain the exclusive property of FRIAA and may be used by FRIAA for any purpose whatsoever.

2.8 The Recipient shall be liable and where there is more than one Recipient each of them shall be jointly and severally liable for ensuring that all Grant Proceeds are supplied to the Project as required.

2.9 No amount shall be paid by FRIAA where, in FRIAA's reasonable opinion and having regard to the circumstances, the Project has the effect of providing a subsidy to the forest products industry.

2.10 Any payment made by FRIAA where there is false or misleading information provided by the Recipient shall be considered to have been paid in mistake and such payment is held in trust by the Recipient for the sole and exclusive benefit of FRIAA. Such payments or Grant Proceeds shall be returned forthwith to FRIAA upon discovery of such mistake.

2.11 FRIAA maintains the right, at its sole discretion, to withhold any payment until the Recipient provides sufficient verification or information in relation to any matter for which FRIAA requests verification.

3. THE PROJECT

3.1 The Recipient shall carry out the Project as set out in Schedule A and comply with all requirements contained therein.

3.2 FRIAA shall not pay any portion of the Grant towards any costs and expenses that the Recipient incurs prior to the Project Start Date or after the Project Completion Date. For certainty such costs shall not be considered Eligible Expenses.

3.3 The Recipient shall complete the Project on or before the Project Completion Date. Any portion of the Grant Proceeds not used or accounted for in accordance with this Agreement as of the Project Completion Date is immediately repayable by the Recipient to FRIAA.

3.4 The Recipient shall comply with all applicable laws, orders and authorizations that expressly or by implication apply to the Project or the Recipient in respect of the Project and this Agreement and shall immediately disclose to FRIAA if it contravenes any of the foregoing.

3.5 Where a portion of the Project deals with work that is, in the opinion of FRIAA, the responsibility of the Recipient under existing legislation, only that portion of the Project that is not the responsibility of the Recipient under existing legislation, tenure or other binding agreement is eligible for funding under the Program.

4. RECIPIENT'S REPRESENTATIONS, COVENANTS AND WARRANTIES

4.1 The Recipient covenants, represents and warrants that:

(a) it shall, at all times, comply with FRIAA's "Conflicts of Interest Policy", a copy of which is attached hereto as Schedule C, together with all bylaws, resolutions, policies and procedures of FRIAA;

(b) the information contained in Schedule A is true and accurate in all material respects;

(c) all expenses incurred in completing the Project for which the Grant Proceeds are used are for Eligible Expenses;

(d) it shall carry out the Project in a diligent and professional manner;

(e) it has, or shall obtain, all necessary licenses, permits, approvals and authorizations, including any licenses, permits, approvals and authorizations required under law, including Environmental Laws, to proceed with the Project and to perform its obligations under this Agreement;

(f) any environmental issues or concerns relating to the Project which are known or ought to be known to the Recipient have been disclosed to FRIAA, and the Recipient shall inform FRIAA of any environmental issues or concerns regarding the Project which arise during the Term;

(g) the execution by the Recipient of this Agreement and the carrying out of this Agreement and the Project by the Recipient have been duly and validly authorized by the Recipient in accordance with applicable law, and this Agreement shall constitute a binding legal obligation of the Recipient;

(h) there is presently no action, suit or proceeding being brought or pending or threatened against or affecting the Recipient which could result in the expropriation of any property of the Recipient or which could affect its operations, properties or financial condition or its ability to complete the Project;

(i) it has not entered into any agreements with other funders or sponsors in relation to the Project which conflict with the obligations of the Recipient under this Agreement or is prejudicial to the rights of FRIAA under this Agreement;

(j) it is in compliance with all laws, orders and authorizations which relate to or affect it and is not subject to any order of any court or other tribunal affecting its operations;

(k) it shall not alter the scope of the Project without prior written consent of FRIAA;

(l) the Licensed Materials will be free from infringement of any proprietary rights;

(m) the work relating to the Licensed Materials is original or the Recipient has acquired the right to use, publish, license and distribute the Licensed Materials on a world-wide basis;

(n) any person who has been lobbying on behalf of the Recipient to obtain the Grant and who is required to be registered pursuant to the *Lobbyists Act* SA 2007, c.L-20.5 was registered pursuant to such Act at the time the lobbying occurred;

(o) it has not, nor has any person, corporation or organization directly or indirectly paid or agreed to pay and covenants that it and they shall not directly or indirectly pay any person to solicit funds from FRIAA for the Project for a commission, contingency fee or any other consideration dependent on the payment in whole or in part of FRIAA funds for the Project;

(p) it shall not pledge any part of the Grant as security for any loan or debt of any kind except as expressly authorized by FRIAA in writing;

(q) if directed by FRIAA, it shall forthwith repay to FRIAA any overpayments or unexpended balances of the Grant Proceeds, and such amounts shall constitute a debt due to FRIAA; and

(r) it shall to the satisfaction of FRIAA, acting reasonably, ensure that all Project Costs are incurred in a manner that is transparent, competitive and consistent with value for money principles.

5. RECORDS, REPORTING AND MONITORING

5.1 During the Term and for a period of five (5) years thereafter, the Recipient shall maintain or cause to be maintained full, accurate and complete records of the activities conducted in furtherance of, and the results achieved through the conduct of, the Project, including full, accurate and complete records and books of account relating to the receipt and expenditure of the Grant and other funds received and expended for the purposes of the Project. Any records required to be maintained pursuant to this Agreement are subject to the protection and access provisions of the *Freedom of Information and Protection of Privacy Act* RSA 2000 c.F-25.

5.2 The Recipient shall, if requested by FRIAA, upon 30 days' Notice, permit any authorized representatives of FRIAA, or auditors engaged by FRIAA, to examine the Recipients books, accounts and other records related to the Project and the Grant, and to make copies thereof. The Recipient shall provide the authorized agents with such assistance as may be reasonably required during such an inspection. This right of inspection is limited to the purpose of ascertaining whether this Agreement has been complied with.

5.3 Where FRIAA undertakes an audit under this Agreement, the audited financial report shall be prepared by an independent, qualified auditor and the report shall be prepared in accordance with the *Canadian Institute of Chartered Accountants Handbook*.

5.4 The cost of any special audit, examination or report shall be payable by FRIAA, unless the audit, examination or report reveals non-performance, non-observance or breaches of this Agreement or indicates that the records and books of account were inadequate to permit a determination of how the Grant Proceeds were used by the Recipient or what results were achieved through the conduct of the Project, in which case the cost shall be borne by the Recipient.

6. OWNERSHIP OF MATERIAL

6.1 The Recipient hereby grants FRIAA a non-exclusive, world-wide, royalty-free, non-transferable, perpetual, irrevocable, fully paid-up license to make, use, copy, modify, display, telecommunicate and sublicense the Licensed Materials and Reports for a period of thirty (30) years from Project Start Date.

6.2 FRIAA may publish the Reports on its public website, and may, from time to time, make a general public notice that such Report has become available.

6.3 FRIAA may share with its Affiliates any records or information of any kind whatsoever, including the Licensed Materials and Reports, provided to it under this Agreement.

6.4 FRIAA shall make no representations or warranties regarding use of the research, the Licensed Materials, the Project, the Reports, by any person and the Recipient shall provide a disclaimer, disclaiming any liability for such use.

7. LIABILITIES, INDEMNITY AND INSURANCE

7.1 FRIAA, its officers, directors, members, employees, contractors, affiliates, subsidiaries, partners or agents shall have no responsibility and shall not be liable whatsoever to the

Recipient for any direct, indirect or consequential loss, injury or damage suffered by the Recipient as a result of the establishment or operation of the Project.

7.2 In the event that the Recipient sustains or suffers damages of any kind whatsoever resulting from the termination of the Project, the only claim of any kind that the Recipient may make against FRIAA is for liquidated damages in the sum of one ($1.00) dollar.

7.3 The Recipient shall be liable for and indemnify and hold harmless FRIAA, its officers and directors, employees, agents, contractors and their respective officers, directors and employees from and against any and all liabilities, claims, demands, actions and costs (including legal costs on a solicitor-client basis) whatsoever that may arise directly or indirectly out of any act or omission of the Recipient or its officers, directors, shareholders, employees, contractors, affiliates, subsidiaries, partners or agents in respect of this Agreement. This indemnity and hold harmless provision shall survive this Agreement.

7.4 The Recipient shall abide by all Environmental Laws with respect to the Project and indemnify and hold harmless FRIAA, its officers and directors, employees, agents, contractors and their respective officers, directors and employees from any and all liabilities, claims, demands, actions and costs (including legal costs on a solicitor-client basis) whatsoever that may arise directly or indirectly out of any act or omission of the Recipient or its officers, directors, shareholders, employees, contractors, affiliates, subsidiaries, partners or agents in respect of any breach of any Environmental Laws by the Recipient, including any reclamation or remediation costs associated with the Project. This indemnity and hold harmless provision shall survive this Agreement.

7.5 The Recipient shall, at its own expense and without limiting its liabilities herein, insure its operations:

(a) under a contract of General Liability Insurance in accordance with the insurance legislation of its jurisdiction, in an amount not less than two million dollars ($2,000,000) inclusive per occurrence, insuring against bodily injury, personal injury and property damage, including loss or use thereof, which insurance shall include products liability; and

(b) an all risk replacement cost policy for property that the Recipient owns or has an insurable interest in which is used in any way in connection with the Project.

FRIAA may require evidence of the required insurance in a form satisfactory to FRIAA at any time. All required insurance shall be endorsed to provide FRIAA with thirty (30) days' Notice of cancellation or material change restricting coverage.

8. NON-PERFORMANCE

8.1 Each of the following events constitutes an event of default under this Agreement ("**Event of Default**"):

(a) if, in FRIAA's sole discretion, the Recipient

(i) fails to proceed with the Project; or

(ii) is not carrying out the Project;

(b) the Recipient alters the Project without the consent of FRIAA;

(c) the Recipient has failed to pay FRIAA dues or any other fee or charge imposed by FRIAA;

(d) the Recipient uses any part of the Grant Proceeds other than for Eligible Expenses; or

(e) the Recipient otherwise breaches any of its obligations pursuant to this Agreement.

8.2 Upon the occurrence of an Event of Default FRIAA may give Notice (the "**Remedy Notice**") to the Recipient referring to such Event of Default and requiring the Recipient to remedy the breach within such time as FRIAA may, in its sole discretion, determine.

8.3 If the Recipient fails to commence to remedy the breach within the time specified in the Remedy Notice or the Recipient fails to diligently pursue such remedy to completion, FRIAA may do any one or more of the following:

(a) terminate this Agreement immediately;

(b) demand repayment of all or any portion of the Grant; or

(c) pursue any remedy available to FRIAA in law or equity.

9. TERMINATION

9.1 FRIAA may terminate this Agreement without cause by providing thirty (30) days' Notice to the Recipient, in which case this Agreement shall be terminated as of the date given in such Notice.

9.2 The Project may be terminated by mutual consent of the Parties evidenced in writing.

9.3 On termination of this Agreement, FRIAA may require the Recipient to do one or more of the following and, depending on the requirement, the Recipient shall immediately:

(a) make no further commitments for expenditures and make no further disbursements from the Grant Proceeds except with FRIAA's prior written consent;

(b) transfer to FRIAA any or all Grant Proceeds;

(c) provide an accounting of the Grant Proceeds setting out details of revenues and expenditures from the Grant Proceeds from the date of last audited financial statements to the date of termination including the balance of the Grant Proceeds remaining; and

(d) provide any of the Reports for the portion of the Project completed up to the date of termination.

10. WORKER'S COMPENSATION

10.1 The Recipient shall comply with the *Worker's Compensation Act* and shall, upon demand, deliver to FRIAA a certification from the Worker's Compensation Board certifying:

(a) The Recipient is registered and in good standing with the Worker's Compensation Board;

(b) The Recipient is not required by the *Worker's Compensation Act* and the regulations thereto to have coverage thereunder for the Project; and

(c) FRIAA will not have current or future liability to the Worker's Compensation Board as a consequence of this Agreement or the Grant.

10.2 The Recipient shall maintain a valid account at the Worker's Compensation Board covering all workers involved with the Project.

10.3 The Recipient shall, upon demand, provide to FRIAA any other documentation considered necessary or desirable by FRIAA evidencing that the Recipient's subcontractors are covered by the *Worker's Compensation Act.*

11. OCCUPATIONAL HEALTH & SAFETY

11.1 The Recipient, its employees, agents and permitted subcontractors, shall at all times comply with the *Occupational Health and Safety Act*, SA 2017 c.O-2.1, its accompanying regulations and any successor legislation thereto (the "**OH&S Act**").

11.2 The safety qualification of the Recipient shall be in the form of a Certificate of Recognition ("**COR**") or where applicable a Small Employers' Certificate of Recognition ("**SECOR**") or any certifications, which are relevant to the forestry industry and which are recognized by the government of Alberta. FRIAA may, in its sole discretion, accept certification equivalent to the COR or SECOR ("**Equivalent Certification**"), or such other documentation as may otherwise be determined by FRIAA in its sole discretion ("**Other Documentation**").

11.3 The Recipient shall obtain a COR, SECOR, Equivalent Certification or Other Documentation before the Project Start Date and shall maintain the COR, SECOR, Equivalent Certification or Other Documentation throughout Term.

11.4 The Recipient shall ensure all safety policies and plans are adhered to, including but not limited to its:

(a) COR, SECOR, Equivalent Certification or Other Documentation;

(b) subcontractor and consultant training program policies; and

(c) the work site control plan,

specifically set out in the safety plan as provided to FRIAA upon request.

11.5 The Recipient shall ensure that any permitted subcontractor of the Recipient shall have and maintain a COR, SECOR, Equivalent Certification or Other Documentation at any time such permitted subcontractor is providing services to the Recipient for the work being performed under this Agreement.

11.6 The Recipient, whether or not it is acting as the "Prime Contractor" for the purposes of the OH&S Act, shall ensure that any subcontractors engaged in the completion of the work are able to comply with all health and safety requirements before commencing such work.

11.7 The Recipient shall identify work site hazards and shall develop operational occupational safety policies, procedures and plans that are specific to those hazardous aspects of the work to ensure the safety of every person at the work site and the public travelling through

the site.

11.8 When requested by FRIAA, the Recipient shall promptly provide copies of its COR, SECOR, Equivalent Certification or Other Documentation and the safety policies, procedures and plans described in this Article prior to Project Start Date or at any time during the Term.

11.9 Where FRIAA determines and notifies the Recipient that it is not in compliance with the OH&S Act the Project shall be suspended. The Project shall not resume until the Recipient has taken corrective actions and FRIAA is satisfied that the Project complies with the OH&S Act.

11.10 If any relevant authority conducts a work site inspection that results in “orders” being issued to the Recipient or any of its subcontractors, the Recipient shall immediately supply copies of these orders to FRIAA.

11.11 Notwithstanding section 11.10, FRIAA may order the suspension of work in cases of recognized imminent danger or when the Recipient fails to comply with orders issued by any relevant authority or fails to rectify previously identified work site hazards.

11.12 If an injury or accident (as defined in the OH&S Act) involving the Recipient’s employees, agents or subcontractors occurs, the Recipient shall conduct an accident investigation in accordance with section 18 of the OH&S Act.

11.13 The Recipient shall supply a copy of the investigation report described in section 11.12 to FRIAA within 72 hours after the injury or accident has occurred. If a death involving the Recipient’s employees, agents or subcontractors occurs, the Recipient shall inform FRIAA within two hours after such a death.

11.14 The Recipient shall conduct safety meetings prior to the Project Start Date and monthly thereafter.

11.15 A breach of the OH&S Act shall be considered to be a breach of this Agreement.

12. COMMUNICATIONS

12.1 The Recipient shall acknowledge the support of FRIAA in all of the Recipient’s publications, promotions or advertising that relate to the Project.

12.2 The Recipient shall obtain FRIAA’s written approval to publish any articles, presentations, posters, websites, signage or other presentation of the Project, which approval shall not be unreasonably withheld.

12.3 The Recipient shall not make any public announcement or issue any press release regarding the entering into of this Agreement or the making of the Grant, except in consultation with and approval of FRIAA as to the contents of the announcement or press release, which approval shall not be unreasonably withheld.

13. CONFIDENTIAL INFORMATION

13.1 The Recipient shall not disclose any third party confidential information or document or make use of any intellectual property rights subject-matter that it becomes aware of or takes possession of from a third party during the implementation of the Project, without having obtained written authorization from the third party releasing it from the obligation

of confidentiality, and the Recipient shall ensure that all of its employees, representatives, delegates, agents, consultants or subcontractors act accordingly. Upon request of FRIAA, the Recipient shall provide FRIAA with a copy of the authorization obtained.

13.2 The Recipient shall not disclose any confidential information or document nor make use of any intellectual property rights subject-matter that it becomes aware of or takes possession of during the implementation of the Project regarding FRIAA or provided by FRIAA, without first having obtained written permission from FRIAA, and the Recipient shall ensure that all of its employees, representatives, delegates, agents, consultants or subcontractors act accordingly.

14. NOTICES

14.1 Any notices, approvals, consents and other communication under this Agreement shall be in writing (each such communication being a form of "**Notice**") to the following respective addresses:

(a) if to FRIAA:

Forest Resource Improvement Association of Alberta
Box 11094, Main Post Office
Edmonton, Alberta T5J 3K4
Phone: 780.429.5873
Email: admin@friaa.ab.ca

(b) if to the Recipient:
<Proponent>
<Full Address>
Attention: <Name>

Phone: ___-___-____
Fax: ___-___-____
Email: <Email>

(c) and a copy of any Notice under this Agreement shall be sent to:

DLA Piper (Canada) LLP
Suite 2700, Stantec Tower
10220 - 103 Avenue NW
Edmonton, AB T5J 0K4
Attention: Robert A. Seidel, Q.C.

Fax: 780.702.4363
Email: robert.seidel@dlapiper.com

Either Party may change its address information by giving Notice to the other Party. Any Notice is deemed to have been received on the day of delivery, if hand-delivered, when the other Party acknowledges receipt, if sent by registered mail and one business day following transmission, if sent by facsimile or email.

15. MISCELLANEOUS

15.1 This Agreement is an agreement for the Grant only. It does not create a partnership, agency, joint venture or employer/employee relationship between the Parties and the Recipient shall not represent itself as such, including in any agreement with a third party.

15.2 The Recipient declares and guarantees that no offer, gift or payment, consideration or benefit of any kind, which constitutes an illegal or corrupt practice, has been or shall be made to anyone by the Recipient, either directly or indirectly, as an inducement or reward for the award or execution of the Agreement. Any such practice is grounds for terminating the Agreement or taking any other corrective action as required.

15.3 Any waiver of the provisions of this Agreement does not limit or affect FRIAA's rights with respect to any other breach, non-performance whether previous to, subsequent to or in the future.

15.4 The Recipient shall declare in writing to FRIAA if the Recipient or any of the Recipient's officers or employees included in the Project:

(a) were convicted during a period of three years prior to the submission of the Project Proposal, by a court of law in Canada or in any other jurisdiction for an offence involving bribery or corruption; or

(b) are under sanction for an offence inducing bribery or corruption, imposed by a government, a governmental organization or a development organization providing development assistance.

15.5 The Parties may, from time to time, to do all such acts and provide such further assurances and instruments as may reasonably be required in order to carry out the provisions of this Agreement according to their spirit and intent. The Recipient shall execute whatever documents are required to implement and register these terms and conditions or the security interests granted hereunder.

15.6 This Agreement shall enure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

15.7 No addition to, deletion from or variation or amendment of any provision of these terms and conditions shall be binding on the Parties unless it is in writing signed by the Parties.

15.8 If any provision of this Agreement is found to be invalid at law by a court of competent jurisdiction, then such provision shall be deemed to be severed from this Agreement and the remainder of this Agreement shall not be affected and shall remain in full force to the extent permitted by law.

15.9 Time is of the essence in this Agreement.

15.10 This Agreement may be signed by originals or by facsimile or portable document format (PDF) and executed in any number of counterparts, and each executed counterpart shall be considered to be an original. All executed counterparts taken together shall constitute one agreement.

15.11 This Agreement shall be governed by the laws of the Province of Alberta and the Federal laws of Canada applicable therein and the Alberta courts shall have jurisdiction with regard to all matters arising under or in connection with them.

FOREST RESOURCE IMPROVEMENT ASSOCIATION OF ALBERTA

Per:_____
Authorized Signatory (Todd Nash)

<PROPONENT>

Per:_____
Authorized Signatory

_____
Print Name

SCHEDULE A
PROJECT SCOPE, BUDGET, PROJECT PLAN, AND REPORTS

PROJECT SCOPE

1. Name of Project: <Project Title>

2. Project Identification Number: CHRP20-__

3. Project Start Date: _____, 2020

4. Project Completion Date: _____, 2020

5. Total Project Value (*i.e.* total costs): $_____.00

PROJECT PLAN

6. Work Plan (description of tasks, milestones and deliverables): Per the project proposal attached as Schedule D of this Agreement, in particular but not limited to:

7. Budget and Project Financing Schedule:

Progress Report	Task(s) and Estimated Milestones	Reporting Period		Other (Non-FRIAA) Funds	FRIAA Payment	Total Funds
		Start Date	End Date			
Progress Report #1						
Progress Report #1						
Final Outcomes					Minimum 20% of total grant funds.	
Total						

REPORTS

8.	Financial and Technical Reports	The Recipient shall submit an unaudited financial report and technical report at regular intervals as determined by FRIAA and within thirty (30) days of receiving FRIAA's written request, interim reports for the Project detailing how much of the Project has been completed, how much money has been spent, and how much of the Project remains to be completed in formats acceptable to FRIAA in the exercise of its sole discretion. The Recipient shall submit within thirty (30) days of receiving FRIAA's written request an annual technical report detailing how much of the Project has been completed, how much money has been spent, and how much of the Project remains to be completed in formats acceptable to FRIAA in the exercise of its sole discretion.
9.	Progress Reports	Progress Report #1 – **_____, 2020** – Signed Project Grant Agreement, a report to contain confirmation of project kick-off meeting with representatives of Alberta Environment and Parks (AEP), a description of the activities to date, a summary of project expenses to date in FRIAA specified format and a formal request for release of first advance of funds. Progress Report #2 – **_____, 2020 –** Report to contain a description of activities to date, status of any other interim deliverables described in the work plan outlines in Section 6 of Schedule A, a summary of project expenses to date in FRIAA specified format and a formal request for release of second advance of funds.
10.	Reports Format	All reports must contain the information and be in a format specified by or acceptable to FRIAA, as may be made available by FRIAA on FRIAA's website, and signed by an individual qualified to attest to the accuracy of the information provided.
11.	Final Financial Report	The Recipient shall provide a final financial report, accounting for all Project revenues and expenditures (the "**Final Financial Report**").

12.	Final Outcomes Report	The Recipient shall provide a final technical report that sets out the outcomes of the Project ("**Final Outcomes Report**"). The Final Outcomes Report must also include a concise summary of what the Project has achieved together with the status of performance of the Project in terms of process, output, outcomes and impact measures. In addition to the Final Outcomes Report, deliverables include a _____.
13.	Final Financial Report, Final Outcomes Report and Non-Confidential Final Report	On or before the Project Completion Date, the Final Financial Report and the Final Outcomes Report shall be submitted in one electronic version. FRIAA may make copies of these Reports for use by FRIAA as permitted under this Agreement. The Recipient should also be prepared to address the Final Financial Report and the Final Outcomes Report in a presentation to FRIAA. The Final Financial Report and the Final Outcomes Report shall be satisfactory to FRIAA in its sole discretion, acting reasonably.
14.	Other Reports	During the Term and for a period of five years thereafter, the Recipient must provide such additional follow-up information as FRIAA may reasonably request for the purpose of evaluating the Project outcomes or benefits.

SCHEDULE B
PAYMENT SCHEDULE

Payment Schedule - Subject to and in accordance with the Agreement, including receipt of the reports required by Schedule A, the Grant of up to $_____.00 shall be paid according to the Budget and Project Financing Schedule:

1. Following the completion of each reporting period as described in the Budget and Project Financing Schedule in Schedule A, (each a "**Reporting Period**"), the Recipient shall provide FRIAA with a Progress Report which includes the detail for that Reporting Period as outlined in the Reports section of Schedule A, together with an Invoice. The Progress Reports must also outline all funds received by the Recipient from third parties with respect to the Project.

2. FRIAA may require the Recipient to provide it with evidence of Eligible Expenses, including receipts, evidence of payment or invoices paid by the Recipient.

SCHEDULE C
FRIAA CONFLICTS OF INTEREST POLICY

I. LEGISLATIVE MANDATE

1. **The *Societies Act*** (the "Societies Act")

Section 5 of the Societies Act requires FRIAA to provide in its bylaws for the appointment and removal of directors and officers and their duties, powers and remuneration:

> 5. (4) The by-laws that accompany the application shall contain provisions for all the following matters:
>
> (d) the appointment and removal of directors and officers and their duties, powers and remuneration;

2. **The *Forest Resource Improvement Regulation*** (the "FRIAA Regulation")

Section 3 of the FRIAA Regulation, under the Environmental Protection and Enhancement Act, S.A. 1992, c. E-13.3, and under the Forests Act, R.S.A. 1980, c.F-16, prescribes the powers which have been delegated to FRIAA:

> 3. (1) The Association is delegated the powers of the Minister to establish and administer programs and initiative under section 12(a) of EPEA in relation to the forest resources of Alberta.
>
> (2) The Association shall establish programs or initiatives:
>
> i. for the enhancement of forest resources of Alberta;
>
> ii. to promote enhanced management of the forest resources of Alberta;
>
> iii. to improve the sustained yield of the forest resources of Alberta;
>
> iv. to promote integrated resource management;

3. **The Forest Resource Improvement Association of Alberta Bylaws** (the "FRIAA Bylaws")

Article 4.1 of the FRIAA Bylaws provides that the Board is to manage and direct the affairs of FRIAA:

> 4.1 The Board is to manage, oversee and direct the affairs of the Society in the name of and on behalf of the Society.

Article 4.3 of the FRIAA Bylaws enables the Board to enact policies regarding the direction, management and operation of FRIAA:

> 4.3 The Board may enact and enforce policies regarding the direction and management of the Society, and such policies shall be consistent with these Bylaws.

Article 5.11 of the FRIAA Bylaws provides that each Director present at a meeting shall vote on all motions:

> 5.11 Each Director present at a meeting shall, subject to requirements of law and the objects and Bylaws, vote on all motions.

Article 8.11 of the FRIAA Bylaws prescribes the manner in which FRIAA shall carry out its powers, duties, functions, services and activities:

> 8.11 The Society shall:
>
> i. carry out its powers, duties, functions, services and activities efficiently and effectively, and
>
> ii. have due regard to the interests of the general public, of the persons affected by or subject to its decisions and actions, and of the industry.

Article 8.12 of the FRIAA Bylaws prescribes that the operation of FRIAA shall be without the purpose of gain for its Members:

> 8.12 The operation of the Society shall be carried on without the purpose of gain for its Members, and any accretions to the Society shall be used to promote the objects of the Society.

II. GENERAL POLICIES

1. **Background to Policy**

FRIAA is a society incorporated under the Societies Act. Pursuant to its bylaws, the affairs of FRIAA are managed and directed by the Directors of FRIAA. The Directors of FRIAA, by virtue of their position of control over the affairs of the Association, stand in a fiduciary relationship to FRIAA. Consequently, the Directors of FRIAA must have regard to the requirements of the law governing fiduciary relationships where conflicts of interest arise.

The Directors of FRIAA are mindful that their actions will be subject to public scrutiny. FRIAA has been delegated certain powers, duties and responsibilities of the Minister of Environmental Protection under the Environmental Protection and Enhancement Act and the Forests Act. The Directors of FRIAA discharge these powers, duties and responsibilities in a manner which is consistent with and which furthers the public interest.

FRIAA has adopted a set of guidelines which will assist the Directors of FRIAA to discharge their duties in accordance with their responsibilities as fiduciaries and as responsible stewards of a public undertaking. The guidelines are attached to and form part of this policy statement.

2. **Requirements of Fiduciaries at Common Law**

The common law imposes upon fiduciaries the duty to act in utmost good faith towards their beneficiaries. Fiduciaries must act toward their beneficiaries with a heightened sense of loyalty and fidelity. Fiduciaries must act in a manner consistent with the best interests of their beneficiaries in all matters related to the undertaking of trust and confidence. Fiduciaries must scrupulously avoid placing themselves in a position of

conflict of interest.

The general rule regarding conflicts of interests is that no one who has duties of a fiduciary nature is allowed to enter into engagements in which he has or can have a personal interest conflicting with the interests of those whom he is bound to protect. Even where the fiduciary acts in good faith, the foregoing restriction applies. A fiduciary cannot place his own interests ahead of those of his beneficiary, even in situations where the beneficiary benefits from the arrangement. A fiduciary cannot benefit personally from any opportunity which comes to his awareness by way of his fiduciary position. A fiduciary must not use any aspect of the beneficiary's property for personal gain. More specifically, a fiduciary must not use for personal benefit a beneficiary's assets, goods, information or opportunities.

Fiduciaries must not use their position to benefit persons closely associated with them. Where a benefit is conferred upon a person with whom the fiduciary is closely associated, the fiduciary benefits indirectly. Regard must be had to all of the surrounding circumstances to determine whether a person is associated with a fiduciary. Persons sharing business relations or family relations will in most instances be characterized as associates of the fiduciary. In some instances, close personal relations will also give rise to an association between the fiduciary and the person. The key issue in determining whether a fiduciary is associated with another person is whether the fiduciary's ability to represent the interests of the beneficiary is or appears to be compromised as a result of the fiduciary's relationship with the third party.

3. **Application of General Fiduciary Principles to FRIAA Directors**

The Directors of FRIAA stand in a fiduciary relationship with FRIAA. The Directors must not use their position to gain benefit personally, whether such benefit accrues to them directly or indirectly. Directors must not use their position to benefit persons related to them or with whom they are closely associated, such as business partners.

These types of transactions, however, are exceptional and are not anticipated to arise with frequency. Where they do arise, the affected Director must declare a conflict, fully disclose his interest in the transaction, and refrain from discussing or voting upon the matter. Whether the transaction will be approved will be a matter for the Board to determine.

Directors are encouraged not to make frequent use of the exceptions provided above. The general rule that FRIAA does not enter into transactions with Directors or with related persons must be observed with minimal exceptions in order to ensure public confidence in FRIAA and its undertakings remains high.

4. **Application of General Fiduciary Principles to FRIAA Board Committee Members**

Members of FRIAA's Board Committees play an important role in FRIAA by providing advice to the Board of Directors on the programs administered by FRIAA. Members of FRIAA's Board Committees may be entrusted with information which is confidential to FRIAA and will be expected to provide advice to the Board of Directors based upon that confidential information. Members of FRIAA's Board Committees may be delegated responsibility for making certain decisions by the Board of Directors. In all matters, generally, members of FRIAA's Board Committees will have a high level of responsibility to FRIAA.

Members of FRIAA's Board Committees also stand in a fiduciary relationship to FRIAA. Board Committees are established by the Board of Directors. Membership on Board Committees is determined by the selections made by those organizations described in the bylaws of FRIAA. Individual members stand in a fiduciary relationship to FRIAA. As fiduciaries, individual members of Board Committees must conduct themselves accordingly. Committee members must not consider themselves to be representatives of the organization with which they may be affiliated as to do so would be inconsistent with the duty of loyalty each of them owes to FRIAA.

The guidelines which govern the conduct of Directors apply with equal force to individual members of Board Committees.

5. **General Fiduciary Responsibilities of Stakeholder Representatives**

The Board of Directors has been structured so as to ensure the Board of Directors is composed of a diverse selection of individuals. Each individual director is expected to bring to the Board of Directors a set of viewpoints and experiences which may not be experienced by his fellow Directors. This diversity of viewpoints at the Board adds strength and depth to Board decisions.

Both Directors and Board Committee members must appreciate that while their selection to the Board or to the Committee may be as a result of a particular organization, once appointed their loyalties are first and only to FRIAA.

Both Directors and Committee members will be required to make decisions based on what they perceive to be the best interests of FRIAA. Although it is intended that Directors and Committee members will draw upon their experiences and views gained through their association with other organizations, it is not intended that Directors or Committee members serve as representatives of those associations on FRIAA. As Directors and Committee members, their loyalties are first and only to FRIAA.

Directors and Committee members may find themselves in a position of conflict as a result of their associations with organizations having dealings with FRIAA. A conflict may arise where an organization seeks to enter into a transaction with FRIAA. Where a conflict arises, the affected Director or Committee member must declare the conflict, fully disclose any personal interest he may have in the transaction, and refrain from discussing or voting upon the matter. Whether the transaction will be approved will be a matter for the Board or the Committee to determine.

It would be inconsistent with their duties of loyalty and fidelity to FRIAA for a Director or Committee member to participate in a discussion or decision relating to a matter in which they have a conflict of interest. Their participation in any discussions or decisions related to a matter in which they have a conflict could invalidate the decision and could result in embarrassment to both FRIAA and the affected organization. If the conflict is significant, public confidence in FRIAA could suffer.

III. CONFLICT OF INTEREST GUIDELINES

Definitions

1. In these Guidelines,

"affiliated organization" means any members of FRIAA;

“associated” means a relationship, transaction or connection such that the relationship, transaction or connection:

a) has the potential to affect, or give the appearance of affecting, the ability of the Director or Committee Member to act impartially on behalf of FRIAA in a transaction; or

b) between FRIAA and the person would, or would be seen, to confer a direct or indirect benefit upon the Director or Committee Member.

“benefit” means a direct or indirect pecuniary or non-pecuniary advantage and includes the avoidance of a detriment, but does not include the prestige associated with the position of Director or Committee Member nor participation in activities or programs of FRIAA in which the public has an opportunity to participate;

“Board” means the Board of Directors of FRIAA;

“Committee” means a Board Committee or Sub-Committee of FRIAA;

“Committee Member” means a member of a Committee;

“Director” means a member of the Board;

“FRIAA” means the Forest Resource Improvement Association of Alberta;

“member organization” means any organization that becomes a member of FRIAA in accordance with the bylaws of FRIAA;

“person” means an individual, corporation, association, partnership or organization;

“related person” means a person who is associated with a Director or Committee Member;

“transaction” means an arrangement, other than a gift, under which:

a) FRIAA and another person agree to exchange value or services;

b) FRIAA confers a benefit on another person, or

c) FRIAA receives a benefit from another person.

Statement of Principles

2. Directors and Committee Members shall at all times act in accordance with and display utmost good faith towards FRIAA.

3. Directors and Committee Members shall at all times act in accordance with and display a heightened sense of loyalty and fidelity to FRIAA.

4. Directors and Committee Members shall not use for personal gain any of FRIAA’s assets, goods, information or opportunities.

5. Directors and Committee Members shall not disclose any information which is confidential to FRIAA during or after their tenure as Directors or Committee Members except as may be authorized by FRIAA or required by law.

Prohibited and Permitted Transactions

6. Except in accordance with this policy, FRIAA shall not enter into transactions with a Director, Committee Member or a related person where the Director, Committee Member or related person may benefit personally from the transaction.

7. FRIAA may enter into a transaction with a Director, Committee Member or related person if:

   (a) the affected Director or Committee Member:

      i. declares a conflict of interest in respect of the proposed transaction;

      ii. discloses to the Board or Committee the full nature and extent of his interest in the proposed transaction and, to the extent that he is able, the interest of any related person in the proposed transaction; and

      iii. establishes to the satisfaction of the Board or Committee that:

         A. the proposed transaction is fair and reasonable to FRIAA; and

         B. the proposed transaction would meet or exceed community expectations about the conduct of FRIAA; and

         C. the Board or Committee approves the proposed transaction.

8. When authorizing a transaction under section 7, the Board or Committee may impose any conditions it deems necessary in the circumstances to protect FRIAA or to safeguard public confidence in FRIAA's undertakings.

9. For the purposes of section 7, the affected Director or Committee Member shall not participate in any decisions relating to the proposed transaction.

10. For the purposes of section 7, the affected Director or Committee Member shall not be counted as part of the quorum making any decisions relating to the proposed transaction.

11. Where the Board or Committee approves a transaction under section 7, an entry shall be made into the minutes of the meeting confirming the approval of the transaction by the Board or Committee.

12. The Board may review any decision made by a Committee to approve a transaction under section 7.

SCHEDULE D
PROJECT PROPOSAL

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