

OMDC Interactive Digital Media Fund

Production and Concept Definition Programs

Deadlines: April 10, 2017 by 5:00pm

August 28, 2017 by 5:00pm

The OMDC Interactive Digital Media (IDM) Fund is aimed at strengthening and stimulating economic growth in the interactive digital media sector. These guidelines outline two key programs in the fund: Production and Concept Definition.

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1. Introduction

The objectives of the IDM Fund are to:

- support the creation of high quality, original, interactive digital media content projects by Ontario companies for commercial exploitation;
- assist in capitalizing Ontario content companies creating interactive digital content projects; and
- contribute to the financing of projects that make a positive contribution to the Ontario economy.

Please see section 8 for important information on insurance and contract requirements for successful applicants

The OMDC IDM Fund provides IDM content creators with funding for content creation activities. The value of the OMDC IDM Fund contribution is based on the project budget and the applicant company's gross revenue.

To receive further information on OMDC programs please contact the Coordinator, Industry Initiatives:

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idmfund@omdc.on.ca
www.omdc.on.ca

These guidelines outline two programs:

- Concept Definition - support for early-stage activities that will assist the applicant company in moving towards the production of a market-ready content project.
- Production - support for the creation of a market-ready content project that will be released to end users.

It is anticipated that both streams of the OMDC IDM Fund will support projects from a range of genres, delivery platforms and budgets. Consideration will be given to the industrial and creative benefits of activities and projects.

The OMDC IDM Fund is designed to support the creation of projects that consist of professionally created content that will be distributed on a platform, network or device that is capable of interactivity. Technologies, tools, platforms, hardware, software, services, etc. without a content component are ineligible. It is anticipated that the OMDC IDM Fund will support projects such as e-learning content, mobile content applications, digital publishing projects and other web properties, video games, web series, etc. In addition to meeting the project eligibility outlined in the guidelines, applicants are also required to ensure that their company is eligible. Further considerations regarding project and applicant eligibility are included below.

2. Eligible Applicants

Established Companies must meet **one** of the following tests:

- at least 25% of the company's revenue over the previous two fiscal years comes from the creation of complete screen-based content projects;
- at least 50% of the company's expenditures over the previous two fiscal years are associated with the production of interactive digital media content projects that would be considered eligible for the OMDC IDM Fund; or
- at least 50% of the company's revenue over the previous two fiscal years comes from *eligible publishing activities*¹ and related brand extensions of the core business (i.e. trade shows, website, television properties).

Applications will be accepted from both *established* and *new* companies that meet the following requirements.

- be *Ontario-based* (see definition below);
 - have a permanent establishment in Ontario which serves as head office and base of operations (i.e. applicant is eligible to pay corporate income taxes in Ontario; and Ontario address is listed as head office in T2 filing);
 - companies with more than 365 days of operation must be able to demonstrate that they had a permanent establishment in Ontario for at least one year prior to the deadline.
- be a *Canadian-owned organization* (see definition below);

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- as defined in the Investment Canada Act (Canada).
- be incorporated in Ontario or federally or prepared to incorporate immediately if their application is successful;
- have at least one owner or full-time employee with a minimum full-time equivalent of three years of experience in the creation of content for interactive platforms, networks or devices*;
- be in a sound financial position; and
- be in good standing with OMDC at time of application submission.

*For companies that are unsure if they meet the equivalent experience requirement, please contact OMDC prior to submitting an application.

A company is considered *new* if it has less than a year of operation or it has not yet released a product.

New companies must:

- have an executive team with the experience and commitment required to deliver and commercialize the project including at least one owner or full-time employee with a minimum full-time equivalent of three years of professional experience in the publishing or interactive digital media content production industries;
- be majority-owned by individuals that have a recent track record of working in Ontario;
- be prepared to incorporate immediately if their application is successful; and
- meet the relevant eligibility criteria for established companies on incorporation.

New companies and first-time applicants are required to contact OMDC in advance to determine their eligibility.

The following companies are ineligible:

- a company that is not in good standing with OMDC or one that is associated with an entity that is not in good standing with OMDC; and
- not-for-profit and public sector entities.

In addition, applications should be submitted by the primary corporate entity and not the single purpose production company.

3. Eligible Projects and Activities

The IDM Fund consists of two programs to support content creation activities:

- **Concept Definition** will support early-stage activities that take place prior to and assist the applicant company in preparing for full production of a content project. The types of activities that may be supported include but are not limited to prototype creation, preparation of pre-production documents and pitch material, business planning and research. Please note that projects cannot earn revenue via beta testing during the concept

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definition phase. Successful applicants will receive up to \$50,000 capped at 50% of allowable costs.

- **Production** will support the creation of complete market-ready content projects that are intended to be experienced by the end user on a digital media platform, network or device that is capable of interactivity. The types of projects that may be supported include but are not limited to video games, mobile content applications, websites and web series. Successful applicants will receive up to \$250,000 capped at 50% of allowable costs.

A content project must:

- include the creation or development of unique, creative and professional content;
- be released on an interactive digital media platform, network or device as the primary Canadian distribution channel;
- be intended for a consumer or magazine media business audience or intended to be used by students attending primary, secondary or post-secondary institutions as the primary audience;
- be intended for use by individuals or groups of individuals;
- be intended to educate, inform or entertain;
- consist of a combination of at least two of text, sound (music, sound effects, voice, etc.) and images (pictures, animations, video, etc.) Exceptions may be made for projects that demonstrate a high degree of interactivity and/or innovation, please contact OMDC prior to submitting an application; and
- be suitable for commercial exploitation.

Additional notes regarding eligible content projects:

- *Projects must be complete.* Projects and activities that will be augmented and/or enhanced with additional content and components at a later date are eligible provided that the applicant company can demonstrate that the portion of the project supported through this program can be considered complete. Enhancements, improvements and redesigns of existing products already underway or released to the market prior to submission of the application are ineligible.
- *Serialized content projects will be considered.* Projects that require ongoing content creation will be considered provided the applicant can demonstrate that the content that is being created is a stand-alone and complete product (edition, season, series, volume, period of time, etc.) The OMDC IDM Fund is not intended to become core funding for serialized content that is regularly updated and preference may be given to content projects that have not received previous financial support through this program.
- *The project must consist of professionally created content.* While it is assumed that companies will make use of and/or will develop new technologies to enable interactivity, the OMDC IDM Fund supports the creation and production of content projects. Projects that consist entirely of technology, hardware, software, applications, tools, services, platforms, etc. without a significant content component are ineligible. Projects that consist primarily of user generated content, social networking tools and/or distribution of licensed content projects provided by a third party are also ineligible. Applicants with

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projects that include user generated content and/or social networking functionality must have an ongoing content development plan that integrates robust professionally created content with content contributed by end users.

The OMDC IDM Fund will not support content projects that:

- are primarily intended to sell products and/or services;
- are primarily intended to promote companies and corporate and/or institutional agendas;
- are primarily for interpersonal communication;
- are primarily catalogues and databases;
- are primarily repurposed linear and streaming content (i.e. music, video, books, magazines) that have not been augmented or enhanced;
- involve cash prizing;
- have commenced prior to application to the program;
- are contrary to public policy in the opinion of the OMDC; and
- are also receiving support through other OMDC programs including OMDC Book Fund, OMDC Magazine Fund, OMDC Film Fund and the Ontario Music Fund.

Companies and their affiliates may submit multiple applications per deadline ranked in order of preference. Where more than one application is submitted consideration will be given to the capacity of the applicant company to manage multiple projects simultaneously in evaluating the applications received. Projects that were not successful at a previous deadline of the OMDC IDM Fund may be resubmitted with the permission of the OMDC.

4. Eligible Project Categories and Partnerships

To be eligible for the OMDC IDM Fund the content project that is the subject of the application must fall into one of two categories:

- Proprietary Content
- Partner-owned Content

Proprietary Content. Content is considered proprietary if the applicant company is the originator of the project, the majority holder of copyright and/or has obtained copyright permission to adapt any material for the project. The applicant company must own at least 51% of the copyright of the project that is being submitted and must be able to demonstrate that their revenue share is in appropriate proportion to the ownership of the project and reflects industry standard practices.

Partner-owned Content. Content is considered partner-owned if it is created in collaboration with an eligible partner on a fee-for-service or minority share basis. An eligible partner must:

- be one or more content creation companies from the book and magazine, film and television, or interactive digital media industries that was eligible to submit an application at the immediately preceding deadline for one of the OMDC's Content, Marketing or Export Funds;
- be an Ontario-based organization; and

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- be a Canadian-owned and -controlled organization.

The copyright of the content project that is being submitted must be at least 51% owned by the eligible partner. The eligible partner must also be able to demonstrate that their revenue share is in appropriate proportion to the ownership of the project and reflects industry practices. Projects that are equally owned by eligible partners and eligible applicants (50/50 share) are also considered eligible. Other copyright arrangements that are beneficial to the project and the OMDC IDM Fund may be considered on a case-by-case basis.

Other Partners. Provided that the requirements above are met, other partners may be involved in either a proprietary or partner-owned content project. Projects that are produced in partnership with other companies that are not eligible applicants or eligible partners will be considered provided the partners are making a meaningful contribution to the project. The profit participation share of the partners should be in appropriate proportion to the ownership of the project and should conform to standard industry practices. (Please note that preference may be given to projects that are substantially owned by Ontario-based organizations.)

5. Budget, Financing and Timeline Requirements

The IDM Fund will provide a non-refundable contribution of up to 50% of the project budget as follows:

Concept Definition

- Maximum request = \$50,000
- Minimum request = \$10,000

Production

- Maximum request = \$250,000
- Minimum request = \$25,000

As a requirement of the program, participating companies must spend at least twice the contribution received from the OMDC IDM Fund on Ontario expenses. This is a minimum requirement and applicants that spend a greater percentage of their budget in Ontario will receive a higher score in the appropriate decision category.

In addition, a minimum 10% of the total project budget is required as a cash contribution from a source other than the OMDC.

Budgets must be submitted on the template provided for the program you are applying for, and must include all costs through to completion and delivery. All pages and tabs in the budget template must be included for your budget to be considered complete.

The OMDC IDM Fund will only act as a last-in participant in project financing. All financing required in addition to OMDC's contribution including investment by the applicant or other investors must be committed in writing at the time of application and supported by

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appropriate documentation. Projects that are under review for the corresponding deadline with other recognized industry funding programs (e.g. Canada Media Fund) will be considered provided financing is confirmed in advance of a formal OMDC funding commitment. All deferrals, discounts and other non-cash contributions must be supported in writing. Expenses incurred prior to submission of the application are not eligible. The applicant must begin incurring expenses no later than 90 days after notification of OMDC's decision or the award will expire. Projects must be completed with all expenses incurred and all deliverables provided to OMDC according to the following timelines or the OMDC's commitment to advance further monies will expire:

- Concept Definition - within 1 year of notification of the decision
- Production - within 2 years of notification of the decision

Additional considerations are outlined in the OMDC IDM Fund - Budgeting and Financing Guidelines and the industry standard budget template. Applicants must review this information prior to preparing their application.

6. Application Process and Evaluation

There are two deadlines. Applications must be submitted to OMDC **by 5:00pm on April 10, 2017, or August 28, 2017** All applications must be submitted electronically through the Online Application Portal (OAP) at <https://apply.omdc.on.ca/>.

Applicants that do not have a user account on OAP, should go to <https://apply.omdc.on.ca> and click on "Register". For assistance, please see OMDC's website for the "OAP Quick Start Guide".

Applicants that are already registered will see the OMDC IDM Fund program deadline in their dashboard. To start the application, click on "Start New Application" and follow the directions through the five step wizard to access the application form. For technical assistance, please contact the OAP Helpdesk at applyhelp@omdc.on.ca.

A complete list of required application materials is outlined in the application form **on the OAP**. It is imperative that applications include all requested documentation. Incomplete applications may not be considered. Applicants are strongly encouraged to begin the application process early to allow ample time to complete the necessary information.

- Applications will be assessed for completeness and eligibility by OMDC staff immediately following the deadline.
- Applications that pass this initial review may be sent to specialist industry advisors with relevant knowledge who will prepare written assessments of the feasibility, market potential and creative strength of the projects. (OMDC reserves the right to limit the number of applications forwarded to the specialist industry advisors and/or jury for consideration).

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- A jury of industry professionals and/or OMDC staff will review the applications and written assessments prepared by the specialist industry advisors to make final recommendations to OMDC.
- Applicants will be notified about the status of their application within 4 months of the deadline.

All OMDC decisions are final. OMDC reserves the right to alter program guidelines with general public notice to all potential applicants and to refuse any application for any reason. The number of awards and amount awarded is contingent on confirmation of OMDC's annual budget. The OMDC is not required to make any minimum number of awards. Subject to the Freedom of Information and Protection of Privacy Act, all information contained in the application will remain strictly confidential. Applicants are not to direct any questions or comments to jury members in advance of deadlines or following jury decisions. All inquiries pertaining to OMDC Funds are to be directed to OMDC staff only.

7. Decision Criteria

This is a highly competitive program and it is anticipated that the total request for funding will be much greater than the funding available. Applicants are advised to ensure that they meet all eligibility requirements before submitting an application. Applicants should also ensure that their application material clearly conveys the strengths of their application with respect to the program guidelines. The number of applicants who will receive funding and the amount of funding received is dependent on the quantity and quality of the projects selected by the jury and the individual needs of each applicant.

Once applicant and project eligibility have been confirmed, applications will be assessed according to the following criteria:

Concept Definition

- Track record of the applicant company and production team (15%)
- Benefit to the Ontario economy - opportunity for enhanced company revenue and growth, Ontario labour spend, leveraging of other contributions, value of Ontario expenditures (10%)
- Feasibility of the project, accuracy of the budget, financing and project schedule (15%)
- Quality, innovation, and creativity of the project (30%)
- Potential for positive impact on the company's growth (30%)

Production

- Track record of the applicant company and production team (15%)
- Benefit to the Ontario economy - opportunity for enhanced company revenue and growth, Ontario labour spend, leveraging of other contributions, value of Ontario expenditures (20%)
- Feasibility of the project, accuracy of the budget, financing and production schedule (15%)

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- Quality, innovation, and creativity of the project (30%)
- Potential for critical and commercial success and revenue generation (20%)

8. Successful Applicants

Successful applicants will receive IDM Fund support during the course of the program, triggered by pre-determined deliverables as follows:

- 75% on execution of the OMDC agreement;
- 15% on delivery of an interim report; and
- 10% on delivery of the completed project and all deliverables outlined in the contract.

Participant Obligations:

- Agreement - On acceptance into the program, the recipient company will be required to sign a standard Ontario government agreement covering the terms of their participation in the program including providing OMDC with permission to use the project and delivery materials for promotional purposes. A copy of this agreement is attached for review in Appendix 1. Recipients may not amend the agreement template.
- Insurance - Recipient companies will be required to carry 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 \$2,000,000 per occurrence, \$2,000,000 products and completed operations aggregate. OMDC and Her Majesty the Queen need to be named as additional insureds on all policies. Please budget accordingly. Additional information on insurance requirements is available on request.
- Financial statements for the past two complete fiscal years including a balance sheet and an income statement must be submitted with your application. Review engagement and audited financial statements are preferred; however, Notice-to-Reader financial statements will be accepted. Exceptions may be considered for companies with less than two years of operations. Companies in this situation should contact the OMDC in advance of the application submission deadline.
- Weeks of Work - Successful applicants will be required to provide an estimate of the jobs created or retained for Ontario residents in total paid weeks of work (35 hour week).
- FTEs – applicants must indicate the number of Full-Time Equivalent (FTE) positions that will be created and/or retained as a result of the OMDC-supported activity/activities and funding.
- Ontario expenditures – applicants are required to indicate the total expenditures paid to Ontario residents for labour that is directly attributable to the project, AND Total Ontario expenditures, excluding labour, that are directly attributable to the project.
- Funding from other sources – applicants are required to report the total unregulated private sector project funding (financing that is not influenced by government regulation such as internal revenues, venture capital investment, sponsorship, loans, distribution fees, AND the total public sector funding (Federal, provincial, and/or municipal government funding and tax credits)
- Reporting - Successful applicants will prepare interim written reports on the progress of their project. Participants will also be required to provide feedback on the process,

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business development benefits and other outcomes in order for OMDC to evaluate the program.

- Changes to the Project - OMDC must be notified of any significant changes to the project as defined in the contract and if applicable, changes will require consent of OMDC.
- Deliverables - The agreement with OMDC will outline specific deliverables including, but not limited to: a cost report, copies of the project, marketing materials and an assessment of the program. Since project-related deliverables will vary, certain delivery requirements will be negotiated on a case-by-case basis at contract signing.
- Cost Report - A final cost report and financing statement will be required for all projects supported by the OMDC IDM Fund. Cost reports for projects with budgets from \$200,001 to \$500,000 also require a Review Engagement report. Projects with budgets in excess of \$500,000 must conduct a full audit of production expenses.
- Credit - The OMDC IDM Fund support is to be acknowledged with an OMDC credit and logo on the project and all related publicity and promotional materials. OMDC is to be advised in advance of any mention of OMDC or OMDC's involvement in the project in press releases or publicity materials.

9. More Information

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These guidelines are for the 2017-18 deadline only. This document is subject to change for future deadlines. Applicants are advised to consult the OMDC website for any relevant Frequently Asked Questions documents and OMDC IDM Fund Bulletins for clarifications and alterations to these guidelines.

Ontario Media Development Corporation

An agency of the Ontario Ministry of Tourism, Culture and Sport, OMDC facilitates economic development opportunities for Ontario's cultural media industries including book and magazine publishing, film and television, music and interactive digital media industries.

¹*Eligible publishing activities include:*

1. Publishing a magazine that:
 - defines itself as a magazine;
 - consists of at least two published editions or has been through two significant content refreshes (web-based publication);
 - has completed a full 12 month business year by the time of application submission;
 - be primarily edited, designed, and published in Ontario;
 - be published at the time of application, throughout the application process, and until completion of the proposed project;
 - presents a clearly displayed masthead or equivalent;
 - maintains an editorial function where the editor is named;
 - contains an average of at least 75% Canadian editorial content;
 - have a clear distinction between advertising and editorial content with advertising or sponsored content and supplements clearly identified;
 - presents editorial content from more than one person;
 - is published under a common title, in accordance to an established publishing or update calendar and no less than twice a year;
 - maintains one of the following types of circulation over six months:
 - print - has a circulation size of at least 2,500 copies per issue;
 - digital open-access service - maintains a minimum of 15,000 unique monthly visitors;
 - digital application-based circulation - maintains a minimum of 10,000 installs;
 - digital email-based service - maintains an average of 10,000 registered email recipients; and
 - digital paid subscription service - maintains a minimum of 2,500 subscribers.

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The following types of publications are ineligible:

- blogs, newsletters, in-house publications, guides, comic books, newspapers, alternative newweeklies, directories, financial reports, catalogues, schedules, calendars, timetables, classifieds or listings;
- publications that are published for the purpose of promoting the interest of the principal business of the person, company or organization who publishes or at whose direction the magazine is published, where the principal business is other than magazine publishing;
- publications that are published directly or indirectly by one or more individuals, groups, organizations or corporations providing goods or services, where the principal goal of the publication is to enhance or promote the sales of such goods or services; and

- publications that contain editorial content that is predominantly reproduced or repeated from current or previous issues of the same publication or of other publications or online source.

Magazine publishers must also:

- be a magazine publisher, publishing at the time of application;
- derive more than 50% of the Company's revenue from magazine revenues and related brand extension of the core business (i.e., trade shows, website, television properties);

2. Publishing a book including:

- the selection, development and editing of manuscripts or draft manuscripts;
- entering into contractual agreements with authors or copyright holders;
- publishing books under the publisher's own imprint, in printed or other form; and
- assuming the risks associated with their production and marketing.

Book publishers must also:

- have published at least two books per year for the previous two years or have published a minimum of four books during the previous two years;
- distribute its books through normal bookselling channels;
- have annual net book sales revenue of at least \$20,000 (calculated as the average of the most recent two fiscal years);
- have at least six Canadian-authored titles in print;
- demonstrate that at least 50% of the titles published by the corporation in each of its two most recent fiscal years are Canadian-authored;
- receive no more than 25% of total revenue from the sale of vanity titles; and
- demonstrate that at least 50% of the titles published during the financial year for which the application is made have been written by authors who are neither shareholders nor owners of the company.

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Ontario

Ontario Media Development
Corporation

Société de développement
de l'industrie des médias
de l'Ontario

10. Appendix 1: Contract Template

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THE AGREEMENT is effective as of the _____ day of _____, 20____

B E T W E E N :

**Her Majesty the Queen in right of Ontario
as represented by the Minister of Tourism, Culture and Sport
(the “Province”)**

- and -

**[enter the full legal name of the Recipient]
(the “Recipient”)**

CONSIDERATION

In consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Province and the Recipient agree as follows:

1.0 ENTIRE AGREEMENT

1.1 This Agreement, including:

- Schedule “A” - General Terms and Conditions
 - Schedule “B” - Project Specific Information and Additional Provisions
 - Schedule “C” - Project Description and Timelines
 - Schedule “D” - Budget
 - Schedule “E” - Payment Plan
 - Schedule “F” - Reports, and
- any amending agreement entered into as provided for below,

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.

2.0 COUNTERPARTS

2.1 The Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

3.0 AMENDING THE AGREEMENT

3.1 The Agreement may only be amended by a written agreement duly executed by the Parties.

4.0 ACKNOWLEDGEMENT

4.1 The Recipient acknowledges that:

- (a) by receiving Funds it may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the *Broader Public Sector Accountability Act, 2010* (Ontario), the *Public Sector Salary Disclosure Act, 1996* (Ontario), and the *Auditor General Act* (Ontario);
- (b) Her Majesty the Queen in right of Ontario has issued expenses, perquisites, and procurement directives and guidelines pursuant to the *Broader Public Sector Accountability Act, 2010* (Ontario);
- (c) the Funds are:
 - (i) to assist the Recipient to carry out the Project and not to provide goods or services to the Province;
 - (ii) funding for the purposes of the *Public Sector Salary Disclosure Act, 1996* (Ontario);
- (d) the Province is not responsible for carrying out the Project; and
- (e) the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Province in connection with the Project or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

- SIGNATURE PAGE FOLLOWS -

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
Tourism, Culture and Sport**

Date

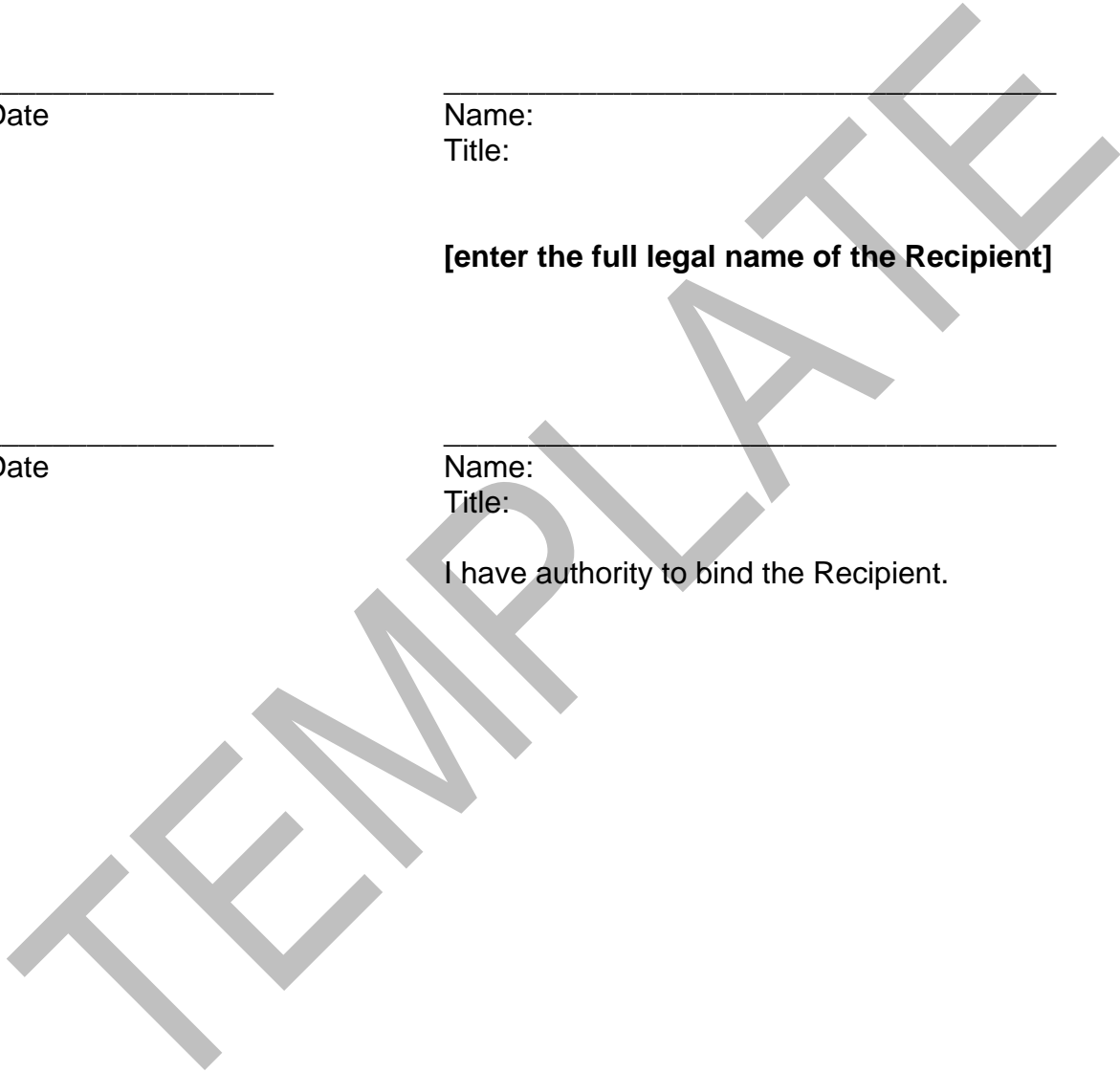
Name:
Title:

[enter the full legal name of the Recipient]

Date

Name:
Title:

I have authority to bind the Recipient.



SCHEDULE “A” GENERAL TERMS AND CONDITIONS

A1.0 INTERPRETATION AND DEFINITIONS

A1.1 **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 headings do not form part of the Agreement; they are for reference only and will not affect the interpretation of the Agreement;
- (d) any reference to dollars or currency will be in Canadian dollars and currency; and
- (e) “include”, “includes” and “including” denote that the subsequent list is not exhaustive.

A1.2 **Definitions.** In the Agreement, the following terms will have the following meanings:

“**Additional Provisions**” means the terms and conditions referred to in section A9.1 and as specified in Schedule “B”.

“**Agreement**” means this agreement entered into between the Province and the Recipient and includes all of the schedules listed in section 1.1 and any amending agreement entered into pursuant to section 3.1.

“**Budget**” means the budget attached to the Agreement as Schedule “D”.

“**Business Day**” means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year’s Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

“**Effective Date**” means the date set out at the top of the Agreement.

“**Event of Default**” has the meaning ascribed to it in section A14.1.

“**Expiry Date**” means the date on which the Agreement will expire and is the date provided for in Schedule “B”.

“Funding Year” means:

- (a) in the case of the first Funding Year, the period commencing on the Effective Date and ending on the following March 31; and
- (b) in the case of Funding Years subsequent to the first Funding Year, 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 the Province provides to the Recipient pursuant to the Agreement.

“Indemnified Parties” means Her Majesty the Queen in right of Ontario, Her ministers, agents, appointees, and employees.

“Maximum Funds” means the maximum amount the Province will provide the Recipient under the Agreement as provided for in Schedule “B”.

“Notice” means any communication given or required to be given pursuant to the Agreement.

“Notice Period” means the period of time within which the Recipient is required to remedy an Event of Default pursuant to section 14.3(b), and includes any such period or periods of time by which the Province extends that time in accordance with section A14.4.

“Parties” means the Province and the Recipient.

“Party” means either the Province or the Recipient.

“Project” means the undertaking described in Schedule “C”.

“Reports” means the reports described in Schedule “F”.

A2.0 REPRESENTATIONS, WARRANTIES, AND COVENANTS

A2.1 General. The Recipient represents, warrants, and covenants that:

- (a) it is, and will continue to be, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (b) it has, and will continue to have, the experience and expertise necessary to carry out the Project;

- (c) it is in compliance with, and will continue to comply with, all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules, and by-laws related to any aspect of the Project, the Funds, or both;
- (d) unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipient provided it and will continue to be true and complete; and
- (e) it is not aware of any actions, suits, proceedings or investigations that relate to the Project that may be pending or threatened against the Recipient or any person associated with the Project.

A2.2 Execution of Agreement. The Recipient represents and warrants that it has:

- (a) the full power and authority to enter into the Agreement; and
- (b) taken all necessary actions to authorize the execution of the Agreement.

A2.3 Governance. The Recipient represents, warrants, and covenants that it has, will maintain in writing, and will follow:

- (a) a code of conduct and ethical responsibilities for all persons at all levels of the Recipient's organization;
- (b) procedures to enable the Recipient's ongoing effective functioning;
- (c) decision-making mechanisms for the Recipient;
- (d) procedures to enable the Recipient to manage Funds prudently and effectively;
- (e) procedures to enable the Recipient to complete the Project successfully;
- (f) procedures to enable the Recipient to identify risks to the completion of the Project and strategies to address the identified risks, all in a timely manner;
- (g) procedures to enable the preparation and submission of all Reports required pursuant to Article A7.0; and
- (h) procedures to enable the Recipient to address such other matters as the Recipient considers necessary to enable the Recipient to carry out its obligations under the Agreement.

A2.4 Supporting Proof. Upon the request of the Province, the Recipient will provide the Province with proof of the matters referred to in this Article A2.0.

A3.0 TERM OF THE AGREEMENT

A3.1 Term. The term of the Agreement will commence on the Effective Date and will expire on the Expiry Date unless terminated earlier pursuant to Article A12.0, Article A13.0, or Article A14.0.

A4.0 FUNDS AND CARRYING OUT THE PROJECT

A4.1 Funds Provided. The Province will:

- (a) provide the Recipient up to the Maximum Funds for the purpose of carrying out the Project;
- (b) provide the Funds to the Recipient in accordance with the Payment Plan attached to the Agreement as Schedule “E”; and
- (c) deposit the Funds into an account designated by the Recipient provided that the account:
 - (i) resides at a Canadian financial institution; and
 - (ii) is in the name of the Recipient.

A4.2 Limitation on Payment of Funds. Despite section A4.1:

- (a) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the certificates of insurance or other proof as the Province may request pursuant to section A11.2;
- (b) the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Project;
- (c) the Province may adjust the amount of Funds it provides to the Recipient in any Funding Year based upon the Province’s assessment of the information the Recipient provides to the Province pursuant to section A7.1; and
- (d) if, pursuant to the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under the Agreement, the Province is not obligated to make any such payment, and, as a consequence, the Province may:

- (i) reduce the amount of Funds and, in consultation with the Recipient, change the Project; or
- (ii) terminate the Agreement pursuant to section A13.1.

A4.3 Use of Funds and Carry Out the Project. The Recipient will do all of the following:

- (a) carry out the Project;
- (b) use the Funds only for the purpose of carrying out the Project;
- (c) spend the Funds only in accordance with the Budget;
- (d) not use the Funds to cover any cost that has or will be funded or reimbursed by one or more of any third party, ministry, agency, or organization of the Government of Ontario.

A4.4 Interest Bearing Account. If the Province provides Funds before the Recipient's immediate need for the Funds, the Recipient will place the Funds in an interest bearing account in the name of the Recipient at a Canadian financial institution.

A4.5 Interest. If the Recipient earns any interest on the Funds, the Province may:

- (a) deduct an amount equal to the interest from any further instalments of Funds; or
- (b) demand from the Recipient the repayment of an amount equal to the interest.

A4.6 Maximum Funds. The Recipient acknowledges that the Funds available to it pursuant to the Agreement will not exceed the Maximum Funds.

A4.7 Rebates, Credits, and Refunds. The Recipient acknowledges that the amount of Funds available to it pursuant to the Agreement is based on the actual costs to the Recipient to carry out the Project, less any costs (including taxes) for which the Recipient has received, will receive, or is eligible to receive, a rebate, credit, or refund.

A5.0 RECIPIENT'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

A5.1 Acquisition. If the Recipient acquires goods, services, or both with the Funds, it will:

- (a) do so through a process that promotes the best value for money; and
- (b) comply with the *Broader Public Sector Accountability Act, 2010* (Ontario), including any procurement directive issued thereunder, to the extent applicable.

A5.2 Disposal. The Recipient will not, without the Province's prior written consent, sell, lease, or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided, the cost of which exceeded the amount as provided for in Schedule "B" at the time of purchase.

A6.0 CONFLICT OF INTEREST

A6.1 No Conflict of Interest. The Recipient will carry out the Project and use the Funds without an actual, potential, or perceived conflict of interest.

A6.2 Conflict of Interest Includes. For the purposes of this Article, a conflict of interest includes any circumstances where:

- (a) the Recipient; or
- (b) any person who has the capacity to influence the Recipient's decisions, has outside commitments, relationships, or financial interests that could, or could be seen to, interfere with the Recipient's objective, unbiased, and impartial judgment relating to the Project, the use of the Funds, or both.

A6.3 Disclosure to Province. The Recipient will:

- (a) disclose to the Province, 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 the Province may prescribe as a result of the disclosure.

A7.0 REPORTS, ACCOUNTING, AND REVIEW

A7.1 Preparation and Submission. The Recipient will:

- (a) submit to the Province at the address referred to in section A18.1, all Reports in accordance with the timelines and content requirements provided for in Schedule "F", or in a form as specified by the Province from time to time;
- (b) submit to the Province at the address referred to in section A18.1, any other reports as may be requested by the Province in accordance with

the timelines and content requirements specified by the Province;

- (c) ensure that all Reports and other reports are completed to the satisfaction of the Province; and
- (d) ensure that all Reports and other reports are signed on behalf of the Recipient by an authorized signing officer.

A7.2 Record Maintenance. The Recipient will 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.

A7.3 Inspection. The Province, any authorized representative, or any independent auditor identified by the Province may, at the Province's expense, upon twenty-four hours' Notice to the Recipient and during normal business hours, enter upon the Recipient's premises to review the progress of the Project and the Recipient's allocation and expenditure of the Funds and, for these purposes, the Province, any authorized representative, or any independent auditor identified by the Province may take one or more of the following actions:

- (a) inspect and copy the records and documents referred to in section A7.2;
- (b) remove any copies made pursuant to section A7.3(a) from the Recipient's premises; and
- (c) conduct an audit or investigation of the Recipient in respect of the expenditure of the Funds, the Project, or both.

A7.4 Disclosure. To assist in respect of the rights provided for in section A7.3, the Recipient will disclose any information requested by the Province, any authorized representatives, or any independent auditor identified by the Province, and will do so in the form requested by the Province, any authorized representative, or any independent auditor identified by the Province, as the case may be.

A7.5 No Control of Records. No provision of the Agreement will be construed so as to give the Province any control whatsoever over the Recipient's records.

A7.6 Auditor General. For greater certainty, the Province'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).

A8.0 COMMUNICATIONS REQUIREMENTS

A8.1 Acknowledge Support. Unless otherwise directed by the Province, the Recipient will:

- (a) acknowledge the support of the Province for the Project; and
- (b) ensure that the acknowledgement referred to in section A8.1(a) is in a form and manner as directed by the Province.

A8.2 Publication. The Recipient will indicate, in any of its Project-related publications, whether written, oral, or visual, that the views expressed in the publication are the views of the Recipient and do not necessarily reflect those of the Province.

A9.0 FURTHER CONDITIONS

A9.1 Additional Provisions. The Recipient will comply with any Additional Provisions. In the event of a conflict or inconsistency between any of the requirements of the Additional Provisions and any requirements of this Schedule “A”, the Additional Provisions will prevail.

A10.0 INDEMNITY

A10.1 Indemnification. The Recipient hereby agrees 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, 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 the Indemnified Parties.

A10.2 Recipient’s Participation. The Recipient will, at its expense, to the extent requested by the Province, participate in or conduct the defence of any proceeding against any Indemnified Parties and any negotiations for their settlement.

A10.3 Province’s Election. The Province may elect to participate in or conduct the defence of any proceeding by providing Notice to the Recipient of such election without prejudice to any other rights or remedies of the Province under the Agreement, at law, or in equity. Each Party participating in the defence will do so by actively participating with the other’s counsel.

A10.4 Settlement Authority. The Recipient will not enter into a settlement of any proceeding against any Indemnified Parties unless the Recipient has obtained the prior written approval of the Province. If the Recipient is requested by the

Province to participate in or conduct the defence of any proceeding, the Province will co-operate with and assist the Recipient to the fullest extent possible in the proceeding and any related settlement negotiations.

A10.5 Recipient's Co-operation. If the Province conducts the defence of any proceedings, the Recipient will co-operate with and assist the Province to the fullest extent possible in the proceedings and any related settlement negotiations

A11.0 INSURANCE

A11.1 Recipient's Insurance. The Recipient represents, warrants, and covenants that it has, and will maintain, at its 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 the amount provided for in Schedule "B" per occurrence. The policy will include the following:

- (a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient's obligations under, or otherwise in connection with, the Agreement;
- (b) a cross-liability clause;
- (c) contractual liability coverage; and
- (d) a 30-day written notice of cancellation.

A11.2 Proof of Insurance. The Recipient will:

- (a) provide to the Province, either:
 - (i) certificates of insurance that confirm the insurance coverage as provided for in section A11.1; or
 - (ii) other proof that confirms the insurance coverage as provided for in section A11.1; and
- (b) upon the request of the Province, provide to the Province a copy of any insurance policy.

A12.0 TERMINATION ON NOTICE

A12.1 Termination on Notice. The Province may terminate the Agreement at any time without liability, penalty, or costs upon giving at least 30 days' Notice to the Recipient.

A12.2 Consequences of Termination on Notice by the Province. If the Province terminates the Agreement pursuant to section A12.1, the Province may take one or more of the following actions:

- (a) cancel all further instalments of Funds;
- (b) demand the repayment of any Funds remaining in the possession or under the control of the Recipient; and
- (c) determine the reasonable costs for the Recipient to wind down the Project, and do either or both of the following:
 - (i) permit the Recipient to offset such costs against the amount the Recipient owes pursuant to section A12.2(b); and
 - (ii) subject to section A4.7, provide Funds to the Recipient to cover such costs.

A13.0 TERMINATION WHERE NO APPROPRIATION

A13.1 Termination Where No Appropriation. If, as provided for in section A4.2(d), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make pursuant to the Agreement, the Province may terminate the Agreement immediately without liability, penalty, or costs by giving Notice to the Recipient.

A13.2 Consequences of Termination Where No Appropriation. If the Province terminates the Agreement pursuant to section A13.1, the Province may take one or more of the following actions:

- (a) cancel all further instalments of Funds;
- (b) demand the repayment of any Funds remaining in the possession or under the control of the Recipient; and
- (c) determine the reasonable costs for the Recipient to wind down the Project and permit the Recipient to offset such costs against the amount owing pursuant to section A13.2(b).

A13.3 No Additional Funds. For greater clarity, if the costs determined pursuant to section A13.2(c) exceed the Funds remaining in the possession or under the control of the Recipient, the Province will not provide additional Funds to the Recipient.

A14.0 EVENT OF DEFAULT, CORRECTIVE ACTION, AND TERMINATION FOR DEFAULT

A14.1 Events of Default. Each of the following events will constitute an Event of Default:

- (a) in the opinion of the Province, the Recipient breaches any representation, warranty, covenant, or other material term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:
 - (i) carry out the Project;
 - (ii) use or spend Funds; or
 - (iii) provide, in accordance with section A7.1, Reports or such other reports as may have been requested pursuant to section A7.1(b);
- (b) the Recipient's operations, or its organizational structure, changes such that it no longer meets one or more of the eligibility requirements of the program under which the Province provides the Funds;
- (c) the Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or a creditor makes an application for an order adjudging the Recipient bankrupt, or applies for the appointment of a receiver; or
- (d) the Recipient ceases to operate.

A14.2 Consequences of Events of Default and Corrective Action. If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

- (a) initiate any action the Province considers necessary in order to facilitate the successful continuation or completion of the Project;
- (b) provide the Recipient with an opportunity to remedy the Event of Default;
- (c) suspend the payment of Funds for such period as the Province determines appropriate;
- (d) reduce the amount of the Funds;
- (e) cancel all further instalments of Funds;
- (f) demand the repayment of any Funds remaining in the possession or under the control of the Recipient;
- (g) demand the repayment of an amount equal to any Funds the Recipient

used, but did not use in accordance with the Agreement;

- (h) demand the repayment of an amount equal to any Funds the Province provided to the Recipient; and
- (i) terminate the Agreement at any time, including immediately, without liability, penalty or costs to the Province upon giving Notice to the Recipient.

A14.3 Opportunity to Remedy. If, in accordance with section A14.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the Province will provide Notice to the Recipient of:

- (a) the particulars of the Event of Default; and
- (b) the Notice Period.

A14.4 Recipient not Remediating. If the Province has provided the Recipient with an opportunity to remedy the Event of Default pursuant to section A14.2(b), and:

- (a) the Recipient does not remedy the Event of Default within the Notice Period;
- (b) it becomes apparent to the Province that the Recipient cannot completely remedy the Event of Default within the Notice Period; or
- (c) the Recipient is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province,

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections A14.2(a), (c), (d), (e), (f), (g), (h), and (i).

A14.5 When Termination Effective. Termination under this Article will take effect as provided for in the Notice.

A15.0 FUNDS AT THE END OF A FUNDING YEAR

A15.1 Funds at the End of a Funding Year. Without limiting any rights of the Province under Article A14.0, if the Recipient has not spent all of the Funds allocated for the Funding Year as provided for in the Budget, the Province may take one or both of the following actions:

- (a) demand the return of the unspent Funds; and
- (b) adjust the amount of any further instalments of Funds accordingly.

A16.0 FUNDS UPON EXPIRY

A16.1 Funds Upon Expiry. The Recipient will, upon expiry of the Agreement, return to the Province any Funds remaining in its possession or under its control.

A17.0 REPAYMENT

A17.1 Repayment of Overpayment. If at any time the Province provides Funds in excess of the amount to which the Recipient is entitled under the Agreement, the Province may:

- (a) deduct an amount equal to the excess Funds from any further instalments of Funds; or
- (b) demand that the Recipient pay an amount equal to the excess Funds to the Province.

A17.2 Debt Due. If, pursuant to the Agreement:

- (a) the Province demands the payment of any Funds or an amount equal to any Funds from the Recipient; or
- (b) the Recipient owes any Funds or an amount equal to any Funds to the Province, whether or not their return or repayment has been demanded by the Province,

such Funds or other amount will be deemed to be a debt due and owing to the Province by the Recipient, and the Recipient will pay or return the amount to the Province immediately, unless the Province directs otherwise.

A17.3 Interest Rate. The Province may charge the Recipient interest on any money owing by the Recipient at the then current interest rate charged by the Province of Ontario on accounts receivable.

A17.4 Payment of Money to Province. The Recipient will pay any money owing to the Province by cheque payable to the “Ontario Minister of Finance” and delivered to the Province as provided for in Schedule “B”.

A17.5 Fails to Repay. Without limiting the application of section 43 of the *Financial Administration Act* (Ontario), if the Recipient fails to repay any amount owing under the Agreement, Her Majesty the Queen in right of Ontario may deduct any unpaid amount from any money payable to the Recipient by Her Majesty the Queen in right of Ontario.

A18.0 NOTICE

A18.1 Notice in Writing and Addressed. Notice will be in writing and will be delivered by email, postage-prepaid mail, personal delivery, or fax, and will be addressed to the Province and the Recipient respectively as provided for Schedule “B”, or as either Party later designates to the other by Notice.

A18.2 Notice Given. Notice will be deemed to have been given:

- (a) in the case of postage-prepaid mail, five Business Days after the Notice is mailed; or
- (b) in the case of email, personal delivery, or fax, one Business Day after the Notice is delivered.

A18.3 Postal Disruption. Despite section A18.2(a), in the event of a postal disruption:

- (a) Notice by postage-prepaid mail will not be deemed to be received; and
- (b) the Party giving Notice will provide Notice by email, personal delivery, or fax.

A19.0 CONSENT BY PROVINCE AND COMPLIANCE BY RECIPIENT

A19.1 Consent. When the Province provides its consent pursuant to the Agreement, it may impose any terms and conditions on such consent and the Recipient will comply with such terms and conditions.

A20.0 SEVERABILITY OF PROVISIONS

A20.1 Invalidity or Unenforceability of Any Provision. The invalidity or unenforceability of any provision of the Agreement will not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision will be deemed to be severed.

A21.0 WAIVER

A21.1 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 A18.0. Any waiver must refer to a specific failure to comply and will not have the effect of waiving any subsequent failures to comply.

A22.0 INDEPENDENT PARTIES

A22.1 Parties Independent. The Recipient is not an agent, joint venturer, partner, or employee of the Province, and the Recipient will not represent itself in any way that might be taken by a reasonable person to suggest that it is, or take any actions that could establish or imply such a relationship.

A23.0 ASSIGNMENT OF AGREEMENT OR FUNDS

A23.1 No Assignment. The Recipient will not, without the prior written consent of the Province, assign any of its rights or obligations under the Agreement.

A23.2 Agreement Binding. All rights and obligations contained in the Agreement will extend to and be binding on the Parties' respective heirs, executors, administrators, successors, and permitted assigns.

A24.0 GOVERNING LAW

A24.1 Governing Law. The Agreement and the rights, obligations, and relations of the Parties will 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 will be conducted in the courts of Ontario, which will have exclusive jurisdiction over such proceedings.

A25.0 FURTHER ASSURANCES

A25.1 Agreement into Effect. The Recipient will provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains, and will otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

A26.0 JOINT AND SEVERAL LIABILITY

A26.1 Joint and Several Liability. Where the Recipient is comprised of more than one entity, all such entities will be jointly and severally liable to the Province for the fulfillment of the obligations of the Recipient under the Agreement.

A27.0 RIGHTS AND REMEDIES CUMULATIVE

A27.1 Rights and Remedies Cumulative. The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

A28.0 FAILURE TO COMPLY WITH OTHER AGREEMENTS

A28.1 Other Agreements. If the Recipient:

- (a) has failed to comply with any term, condition, or obligation under any other agreement with Her Majesty the Queen in right of Ontario or one of Her agencies (a “**Failure**”);
- (b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
- (c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
- (d) such Failure is continuing,

the Province may suspend the payment of Funds for such period as the Province determines appropriate.

A29.0 SURVIVAL

A29.1 Survival. The following Articles and sections, and all applicable cross-referenced sections and schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1.0, Article 3.0, Article A1.0 and any other applicable definitions, sections A4.2(d), A4.5, section A5.2, section A7.1 (to the extent that the Recipient has not provided the Reports or other reports as may have been requested to the satisfaction of the Province), sections A7.2, A7.3, A7.4, A7.5, A7.6, Article A8.0, Article A10.0, sections A12.2, sections A13.2, A13.3, sections A14.1, A14.2(d), (e), (f), (g) and (h), Article A16.0, Article A17.0, Article A18.0, Article A20.0, section A23.2, Article A24.0, Article A26.0, Article A27.0, Article A28.0 and Article A29.0.

- END OF GENERAL TERMS AND CONDITIONS -

SCHEDULE “B”
PROJECT SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS

| | |
|---|--|
| Maximum Funds | \$ |
| Expiry Date | |
| Amount for the purposes of section A5.2 (Disposal) of Schedule “A” | \$1,000.00 |
| Insurance | \$ 2,000,000 |
| Contact information for the purposes of Notice to the Province | Name: Address: Attention: Fax: Email: |
| Contact information for the purposes of Notice to the Recipient | Name: Address: Attention: Fax: Email: |

Additional Provisions:

1. The following definition is hereby added to Section A1.2 of Schedule “A” to this Agreement:

“Online Application Portal (OAP)” means the database through which an application under this Agreement must be submitted.

2. Subsection A4.1(c) of Schedule “A” to this Agreement is hereby deleted and replaced with the following:

(c) provide the Funds to the Recipient by cheque and the Recipient will

deposit the Funds into an account designated by the Recipient provided that the account:

- (i) resides at a Canadian financial institution; and
- (ii) is in the name of the Recipient.

3. Article A8 of Schedule “A” to this Agreement is hereby deleted and replaced with the following:

A8.0 CREDIT, PUBLICITY AND DISCLOSURE

A8.1 Acknowledge Support. Unless otherwise directed by the Province, the Recipient shall, in a form approved by the Province, acknowledge the support of the Province in any publication of any kind, written or oral, relating to the Project.

A8.2 Prominent Credit. As appropriate, the Province shall receive a prominent credit on Project materials and in paid advertising, press releases, publicity and promotional material for the Project as follows or in a substantially similar form: “Made possible with the support of the Ontario Media Development Corporation [LOGO]” (or the French version thereof). In all material respects (including size of type and placement), such credit is not to be less prominent than credit accorded to any and all other financial participant(s) in the Project, where applicable, taking into consideration the respective size of the contribution.

A8.3 Final Approval. The Province shall have the final approval right over the credit proposed for the Province by the Recipient in accordance with section A8.2, including the right to elect that no such credit is to be provided after the date of such election. The Recipient shall provide the Province with draft materials incorporating the credit that the Recipient proposes 14 Business Days in advance of the date when final approval is required from the Province.

A8.4 Public. The Recipient agrees that the Province may make public the name and business address of the Recipient, the amount of Funds, and the purpose for which such Funds are being provided to the Recipient under the Agreement.

A8.5 Promotion. The Province reserves the right to use the Recipient’s name, Project title and key art or images to promote the Province’s involvement in the

Project. While this right is to be exercised at the discretion of the Province, due consideration is to be given to the appropriate timing of such promotion as it relates to the Project.

4. The reference to the “Ontario Minister of Finance” in Section A17.4 of Schedule “A” to this Agreement is deleted and replaced with the “Ontario Media Development Corporation”.
5. The references to Her Majesty the Queen in right of Ontario in Section A17.5 of Schedule “A” to this Agreement are deleted and replaced with the Province.
6. Section A18.1 of Schedule “A” to this Agreement is hereby deleted and replaced with the following:

A18.1 Notice in Writing and Addressed. Notice will be in writing and will be delivered by electronic means on the Online Application Portal (OAP), email, postage-prepaid mail, personal delivery or fax, and will be addressed to the Province and the Recipient respectively as set out in Schedule “B”, or as either Party later designates to the other by Notice.

7. Article A30.0 is hereby added to Schedule “A” of the Agreement as follows:

A30.0 BUDGET REALLOCATION

A30.1 Where No Formal Amendment Required. Notwithstanding section 3.1 of the Agreement, the reallocation of Funds between line items within the Budget will not constitute a change to the Budget requiring a written amendment to the Agreement duly executed by the Parties, unless the reallocation of such Funds on one or more occasions represents a cumulative amount of reallocated Funds equalling over 10% of the total Funds within the Budget.

**SCHEDULE “C”
PROJECT DESCRIPTION AND TIMELINES**

To be completed at time of contracting.

TEMPLATE

**SCHEDULE “D”
BUDGET**

To be completed at time of contracting.

TEMPLATE

**SCHEDULE “E”
PAYMENT PLAN**

To be completed at time of contracting.

TEMPLATE

SCHEDULE “F” REPORTS

The Recipient will deliver interim progress report(s) via completed report template (s) that are located on the Recipient’s dashboard in the Online Application Portal (OAP), including the following information:

Deliverables

- Provide a summary of major developments, the status of all deliverables and key milestones met to date.

Budget and Schedule

- Is the project on budget and on schedule? Explain.
- If you anticipate that you will require an extension for completion of your project and accompanying final report please propose a new delivery date.

Measurables

- Based on the work completed to date do you anticipate that the project will correspond to the description that you provided in your application/in your agreement with the Province? If not, why and what are the cost/schedule consequences relating to any project changes?

Red Flags

- Are there any critical issues that have arisen to date that will have an impact on the project?

Any other details that may be requested by the Province.

The Recipient will deliver a final report via a completed report template that is located on the Recipient’s dashboard in the OAP including the following information:

Project

- List of items to be delivered as part of the Project
(The Project should include the appropriate OMDC credit)

Project Summary (NOTE: FOR CONCEPT DEFINITION ONLY)

- Detailed instructions to install and/or view relevant components of the Project
- A comparison of Project delivered against Project Description and Activity Summary and Scope outlined in Schedule C
- Summary of positive impacts to date that are the result of the Project
- Outline of next steps to move towards production

Project Summary (NOTE: FOR PRODUCTION ONLY)

- Detailed instructions to install and/or view the Project
- High level written walkthrough of the Project where applicable

- A comparison of Project delivered against Project Scope and Description outlined in your OMDC IDM Fund Agreement
- Summary of intended plans along with a projected release date and/or effort to date to release the project to market
- Summary of any commercial, critical or audience success to date

Marketing Materials (NOTE: FOR CONCEPT DEFINITION ONLY)

- Description or synopsis of the Project of one paragraph in length

Marketing Materials (NOTE: FOR PRODUCTION ONLY)

- One copy of all publicity and promotional materials prepared in connection with the production and exploitation of the Project, whether prepared by the Company or by a third party with the appropriate OMDC credit as outlined in this Agreement
- Description or synopsis of the Project of one paragraph in length
- Still images including at least five colour images of elements of the Project delivered in high resolution digital format on portable digital storage device, adequately labelled

Other Materials

- Final cost statement/report including a summary of the final financing structure of the Project
(Cost reports for Projects with final costs and/or budgets from \$200,001 to \$500,000 also require a Review Engagement report. Projects with final costs and/or budgets in excess of \$500,000 must conduct a full audit of production expenses.)
- Summary of the benefit to the Ontario economy including
 - \$ value of actual Ontario expenditures - labour
 - \$ value of actual Ontario expenditures - non-labour
 - # weeks of labour for Ontario residents working on the Project
 - Description of any other benefit resulting from the production of the Project such as company growth, increased revenue, etc.
- Details of how the Province's support has been acknowledged in accordance with this Agreement
- One page outline and assessment of experience in the OMDC Interactive Digital Media Fund
- Any other details that may be requested by the Province.

The Province may require the Recipient to deliver one or more follow-up reports. If so, a template will be provided by the Province which will include details on subsequent results, including any measurable results in dollar terms, and other non-financial results. This report will not be tied into a further financial payment to the Recipient.

The due dates for the reports referred to above are set out in Schedule “E” to this Agreement, where applicable.

TEMPLATE