

## Canadian Agricultural Partnership Market Assurance Program Terms and Conditions

### 1.0 PURPOSE

The purpose of the Market Assurance Program is to support Alberta's livestock, crop and apiculture industries to meet assurance requirements needed to maintain existing, or access new, domestic or export markets. These markets continually task Alberta's livestock, crop and apiculture industries to meet new and emerging risk and control challenges.

The Program will focus on plant health, apiculture health, livestock health, biosecurity, traceability, surveillance and livestock welfare gaps related to market assurance. The Program supports value chains with access to technical, compliance and market expertise, and technologies needed to implement assurance requirements and processes that provide confidence in the health, biosecurity, traceability, surveillance and welfare related attributes of Alberta's livestock, crop and bee products. The Program will serve to reduce risks associated with these assurance related market interruptions.

Program support is for the implementation of solutions to address identified assurance issues and gaps. The Program does not provide support for stand-alone feasibility or market studies.

There is limited funding in the Program. Applications will be considered for approval on a case by case basis.

If the Minister approves an application, the funds will be granted to the Applicant pursuant to a Grant Agreement.

**2.0 DEFINITIONS:** In these Program Terms and Conditions, the following terms have the following meanings:

- 2.1 Agri-Processor: means a manufacturer operating in Alberta that:
  - a. is active in the business of changing a raw agricultural commodity into a value-added product through physical, chemical or thermal means, including packaging; and
  - b. operates one or more processing facilities that are registered by federal or provincial inspection authorities;
- 2.2 Applicant: means the legal entity that submits an Application, and meets the eligibility criteria in section 3.1;
- 2.3 Application: means the Program application form, and all documents required to be submitted pursuant to that form and the Program Terms and Conditions;
- 2.4 Assurance: means acts or processes to confirm market requirements are being met;
- 2.5 Canadian Agricultural Partnership: means the Federal-Provincial-Territorial Canadian Agricultural Partnership;
- 2.6 Capital Expenses: means the expenses described in s. 3.7.1 a.;
- 2.7 Eligible Capital Expenses: means the capital expenses listed in the Grant Agreement;
- 2.8 Eligible Expenses: means the Eligible Capital Expenses and Eligible Non-Capital Expenses;

- 2.9 Eligible Non-Capital Expenses: means the non-capital expenses listed in the Grant Agreement;
- 2.10 Exporter: means an entity whose primary activity is arranging the logistics for shipping products to Markets without new tangible solutions to address an Assurance gap;
- 2.11 Federal Crown: means Her Majesty the Queen in Right of Canada;
- 2.12 Final Report: means the final report described in s. 8.3 of these Program Terms and Conditions;
- 2.13 Gap: means the information or verification about a livestock, crop or bee product needed to meet the new Market Assurance requirements;
- 2.14 Grant Agreement: means the grant agreement between the Minister and an Applicant that is signed by both parties and which states the rules governing the grant, specifies the details of the grant, describes the Project, and lists the Eligible Expenses, as may be amended;
- 2.15 In-Kind Contributions: means contributions other than direct cash contributions that:
- a. defray the total cost of the Project, including the provision of services, equipment, materials, or non-incremental labour required in the planning, conducting or managing of the Project; and
  - b. are provided by the Applicant and other organizations contributing to the Project (excluding vendors);
- 2.16 Indian Band: means an Indian Band in Alberta (as defined under the *Indian Act* (Canada));
- 2.17 Industry Organization: means an industry board, commission, agency and any other not-for-profit organization that represents the crop, livestock, bee or agri-food industry in Alberta;
- 2.18 Market: means domestic or international customers of Alberta livestock, crop or bee products;
- 2.19 Market Access: means the ability to sell goods without barriers domestically or internationally;
- 2.20 Métis Settlement: means a Métis Settlement in Alberta (as defined under the *Métis Settlement Act*);
- 2.21 Minister: means the Minister of Agriculture and Forestry and his authorized representative(s);
- 2.22 Non-Capital Expenses: means the expenses described in s. 3.7.1 b.;
- 2.23 Primary Producer: means an individual or a registered corporation operating in Alberta who is responsible for the day-to-day management and work for a crop, bee, or livestock operation;
- 2.24 Program: means the Canadian Agricultural Partnership Market Assurance Program;
- 2.25 Program Term: means the time period for the Program, being April 1, 2021 to March 31, 2023;
- 2.26 Program Terms and Conditions: means the terms and conditions for the Program set out in this document, as may be amended;
- 2.27 Project: means the activities described in the Grant Agreement that have Eligible Expenses associated with them;

- 2.28 Project Term: means the period between the start date and the end date for the Project stated in the Grant Agreement;
- 2.29 Provincial Crown: means Her Majesty the Queen in the Right of Alberta;
- 2.30 Statement of Certification: means the statement of certification in the Program application form;
- 2.31 Status Reports: means the status reports described in s. 8.1 of these Program Terms and Conditions: and
- 2.32 Surveillance: means a process to collect, record and communicate data on a pest or disease presence or absence in order to provide Market Assurance.

### 3.0 ELIGIBILITY

#### 3.1 Eligible Applicants

3.1.1 The following entities are eligible to apply under this Program:

- a. Industry Organizations;
- b. Agri-Processors;
- c. Primary Producers;
- i. must be operating in Alberta and is responsible for input costs of agricultural crops or livestock producing at least \$25,000 worth of farm commodities annually, but does not include a landlord whose only interest in the crop or livestock is that of ownership of the land.
- d. Indian Bands; and
- e. Métis Settlements.

#### 3.2 Ineligible Applicants

3.2.1 The following entities are not eligible to apply to the Program:

- a. post-secondary institutions;
- b. municipalities;
- c. government agencies;
- d. research stations;
- e. retail businesses, restaurants, and food service establishments;
- f. applied research organizations;
- g. Exporters; and
- h. any other entity deemed ineligible by the Minister.

3.3 When developing the Project, an entity eligible to apply under this Program is encouraged to collaborate with all parties along the value chain that can contribute to meeting the market assurance requirements.

3.4 Ineligible applicants listed in s. 3.2, although unable to apply under the Program, can participate in a Project if they are able to complete surveillance activities, can support or provide a technical solution to an issue, or are part of the value chain that needs to address an Assurance Gap as part of a Project.

#### 3.5 Eligible Activities (must be approved by the Minister)

3.5.1 Applications to the Program must clearly outline how the Project will support Alberta's livestock, crop or apiculture industries to provide Assurance to maintain

existing, or access new, domestic or export markets. The following activities may be included in an Application under this Program:

- a. purchase of or modifications to operational systems, technologies, processes and controls needed to comply with the Market requirements related to providing Assurance for plant, livestock and bee health, biosecurity, traceability or livestock welfare;
- b. access to expertise for the development of crop, livestock and bee health, biosecurity, traceability or livestock welfare Assurance protocols needed to maintain market access, or gain access to a new or emerging market;
- c. initial or incremental implementation of third party independent Assurance systems for crop, livestock and bee health, biosecurity, traceability or livestock welfare required by a new or emerging market; and
- d. Surveillance related to supporting Assurance for market opportunities

3.5.2 In completing a Project under the Program, the Applicant must:

- a. comply with all applicable laws and regulations; and
- b. obtain all required governmental approvals prior to commencing the Project, including those related to public health and safety, labour codes and standards, care and use of animals in research, wildlife habitat, and environmental protection

3.5.3 Acceptance of an Application or completion of a Grant Agreement under the Program creates no obligations on the part of the Provincial Crown or Federal Crown to provide licenses permits, authorizations, or approvals under any legislation.

### 3.6 Ineligible Activities

3.6.1 Activities that are ineligible under this Program include:

- a. stand-alone feasibility studies;
- b. stand-alone market studies;
- c. activities where the Gap to Market Access is not directly related to livestock, crop or bee health, biosecurity, traceability, surveillance or welfare;
- d. education/extension/direct marketing to consumers; and
- e. any other activity deemed by the Minister to be ineligible.

### 3.7 Eligible Expenses (must be approved by the Minister)

3.7.1 The following expenses may be included in an Application under this Program:

- a. Capital Expenses, which includes the following expenses:
  - i. costs for specialized equipment; and
  - ii. costs for specialized technologies, integrated computers and software.
- b. Non-Capital Expenses, which includes the following expenses:
  - i. incremental costs for labour, salaried or contract services;
  - ii. costs associated with surveys, sampling and diagnostics;
  - iii. costs for Assurance program or system development, and implementation of the program or system;
  - iv. costs for new or incremental certification of parties to third-party standards (i.e. audit services);

- v. costs for advertising a training session and development of related materials;
- vi. reasonable consulting and professional fees, including speaker fees related to the delivery of training sessions;
- vii. cost of developing and distributing extension documents;
- viii. reasonable costs for materials and supplies; and
- ix. reasonable travel expenses for travel within Alberta directly related to the Project, as set out in the Alberta Canadian Agricultural Partnership Travel Expense Policy (<https://cap.alberta.ca/CAP/FAQs>) posted on the Alberta Canadian Agricultural Partnership website, as may be amended, excluding travel expenses for individuals participating in training sessions delivered by the Applicant.

3.7.2 In incurring Eligible Expenses, the Applicant must follow a process that is transparent, fair, and promotes the best value for the money expended. Eligible Expenses incurred by the Applicant must be at competitive prices that are no greater than fair market value.

### 3.8 Ineligible Expenses

3.8.1 Expenses that are ineligible under this Program include:

- a. Goods and Services Tax (GST), Provincial Sales Tax (PST), and Harmonized Sales Tax (HST);
- b. financing fees and interest charges;
- c. legal fees;
- d. expenses for construction and/or purchase of land, buildings, roads or vehicles;
- e. expenses incurred in transactions between individuals who are related to each other by blood, marriage, adoption, common-law relationships, or persons with close business ties;
- f. costs incurred by the Applicant to prepare the Application;
- g. costs for re-certification to the expired or current level;
- h. hosting costs, such as costs for food and beverages;
- i. costs for normal (day-to-day) operations and general office equipment, as well as overhead, administration, salary/wage support and maintenance costs;
- j. in-kind costs from any provincial or federal government employee;
- k. ongoing software licensing costs or fees;
- l. costs to set up a society, association or company, and membership fees, dues and contributions;
- m. costs funded through any other federal, provincial or municipal government grants, programs or projects;
- n. expenses incurred by the Applicant outside of the Project Term;
- o. expenses paid to a Government of Canada department or agency; and
- p. any other expense deemed by the Minister to be an ineligible expense

## 4.0 PROGRAM ASSESSMENT CRITERIA

4.1 Program assessment criteria by which an Application will be assessed against the purpose of the Program are:

- a. capacity of the Project to successfully achieve its objectives;
- b. ability of the Project to effectively control risk(s) to provide Assurance required for Market Access; and

- c. impact of the Project to provide benefits for participants, the Alberta industry and Albertans, resulting from the ability to provide required Assurance for access to and ongoing participation in markets.

## 5.0 APPLICATIONS

- 5.1 There is limited funding in the Program. Applications will be considered for approval on a case-by-case basis. Applications will be evaluated and recommended for approval according to the eligibility criteria, assessment criteria, and funding constraints.
- 5.2 Applications must include:
- a. a completed Program application form, signed by an authorized representative of the Applicant, and all documents required to be submitted pursuant to that form and the Program Terms and Conditions; and
  - b. any supplementary documentation requested by the Minister.
- 5.3 Applicants are generally expected to complete Projects themselves, but it is recognized that they may have to contract with other entities to complete parts of the Project.
- a. If an Applicant knows when submitting their Application that they will be contracting with other entities to complete parts of the Project, the Applicant must include the following in their Application:
    - i. a description of the parts of the Project that will be completed by other entities; and
    - ii. rationale for why it is necessary for the Applicant to contract with other entities to complete these parts of the Project.
  - b. If an Applicant decides to contract with other entities to complete parts of the Project once the Applicant has entered into a Grant Agreement, the Applicant must give written notice to the Minister that includes the information described sections 5.3 a.i. and 5.3 a.ii.
- 5.4 Applications to the Program must be submitted to the Minister in one of the following ways:
- Email: [CAP.MarketAssurance@gov.ab.ca](mailto:CAP.MarketAssurance@gov.ab.ca)  
Mail: Market Assurance Program - Canadian Agricultural Partnership  
Alberta Agriculture and Forestry  
Program Delivery Unit  
Suite 301, 7000 113 Street NW  
Edmonton AB T6H 5T6  
Fax: 780-427-5921
- 5.5 Applications must be received by the Minister or postmarked on or before the date specified on the Program website.
- 5.6 The Minister may reject any Application that is inaccurate, incomplete or ineligible in the sole discretion of the Minister.
- 5.7 The Minister may transfer an Application submitted to the Program to another Alberta Canadian Agricultural Partnership program to be evaluated for eligibility if the Applicant's Application under the Program is ineligible and the Applicant has consented as required in the Application form.
- 5.8 Applications must be signed by or on behalf of a properly authorized representative. The Minister may require evidence of authorization. Designates are not permitted to sign an Application unless they have Power of Attorney (submitted with the Application). Either executors or administrators can sign on behalf of estates.

- 5.9 An Application will not be considered complete unless the Statement of Certification is signed.
- 5.10 Submission of an Application does not entitle an Applicant to a grant under the Program.
- 5.11 The Applicant acknowledges that the grant may not be sufficient to cover the entire cost of the Project, and that the Applicant shall be solely responsible for raising funds from other sources to complete the Project. The Applicant acknowledges that the grant is the only financial assistance the Minister will provide under the Program to the Applicant for the Project.
- 5.12 If an Application for a grant is approved by the Minister, the Applicant must enter into a Grant Agreement with the Minister that is signed by both parties to be eligible to receive funding, and the grant shall be governed by the terms and conditions of the Grant Agreement.

## 6.0 FUNDING LEVELS

- 6.1 This Program provides grants on a cost-shared basis to cover Eligible Expenses for approved Projects up to a maximum of \$250,000 per Project.
- 6.2 Eligible Expenses will be cost-shared as follows, subject to any maximum amounts stated in the Grant Agreement:
- a. Eligible Capital Expenses shall be cost-shared at 25% grant and 75% Applicant; and
  - b. Eligible Non-Capital Expenses shall be cost-shared at 50% grant and 50% Applicant.
- 6.3 For Applicants that are Industry Organizations, In-Kind Contributions may be used towards the Applicant's cost-share of the total Eligible Expenses.
- 6.4 For Applicants that are not Industry Organizations, In-Kind Contributions may not be used towards the Applicant's cost-share of the total Eligible Expenses.
- 6.5 Payments to Applicants will be made as follows:
- a. upon execution of the Grant Agreement, an initial payment of 50% of the maximum approved grant amount stated in the Grant Agreement; and
  - b. the remaining 50% of the maximum approved grant amount shall be paid over the Project Term upon receipt of Status Reports and/or the Final Report, as specified in the Grant Agreement.
- After submission of the Final Report, if the sum of all previous grant payments exceeds the total Eligible Expenses claimed by an Applicant multiplied by the applicable funding level, no final payment will be made and that Applicant shall immediately pay the unused grant funds to the Provincial Crown.
- 6.6 Funding received through any other Canadian Agricultural Partnership programs may not be used toward the cost-share requirements of the Program.
- 6.7 Funding received through other federal, provincial and municipal governments cannot exceed 100% of the Eligible Expenses claimed by the Applicant and paid under the Program. The amount of the grant shall be adjusted so that the total government funding for Eligible Expenses does not exceed 100% of these expenses.
- 6.8 In the event that federal or provincial funding levels are changed to the extent that the money available to the Minister to make the grant is reduced or eliminated, the Minister may, in his sole discretion, cancel or reduce the amount of the grant

## 7.0 PAYMENTS

- 7.1 The determination of whether an expense incurred by the Applicant constitutes an Eligible Expense that is eligible under the Program is at the sole discretion of the Minister.
- 7.2 Eligible Expenses shall be calculated based on the actual out of pocket cost to the Applicant (i.e. cost of the Eligible Expense less any rebates, discounts, incentives and/or credits, whether provided at the time of purchase or at a later date).
- 7.3 Projects and Eligible Expenses qualify only once for payment under the Program.
- 7.4 The amount of the grant stated in the Grant Agreement shall be adjusted based on the Eligible Expenses claimed by the Applicant and approved by the Minister, but shall not exceed the amount stated in the Grant Agreement.
- 7.5 Applicants cannot assign or defer any payment under this Program.
- 7.6 Payments may be considered farm support payments, and AGR-1 tax slips will be issued in the name of the Applicant, if applicable.
- 7.7 The Applicant shall not return for refund any item that has been approved as an Eligible Expense under the Program.
- 7.8 With the exception of items that are permanently affixed to the Applicant's land and the Applicant sells their land, the Applicant shall not sell or trade any items that have been approved as an Eligible Expense under the Program for at least three years after the end of the Project Term.

## 8.0 REPORTING REQUIREMENTS

- 8.1 If required by the Minister, an Applicant shall provide the Minister with written Status Reports, to the Minister's satisfaction and by the dates specified by the Minister in the Grant Agreement. Each Status Report from an Applicant must contain:
  - a. the status of the grant proceeds, including all expenditures of the grant proceeds for the time period covered by the Status Report and cumulative for the Project, and the amount of grant proceeds currently held by the Applicant;
  - b. all documentation and calculations used to determine the Eligible Expenses incurred in the time period covered by the Status Report, including copies of relevant invoices, receipts, timesheets, or other supporting documentation necessary to establish, to the satisfaction of the Minister, that the Applicant incurred and paid all Eligible Expenses claimed in the time period covered by the Status Report;
  - c. any other payments or grants from any level of government in respect of the Project received in the time period covered by the Status Report;
  - d. the status of the Project, including milestones completed, the estimated percentage of the Project completed, and the estimated date of completion of the remainder of the Project;
  - e. any issues that could impact completion of Project activities and/or timelines for completion of the Project;
  - f. if the Project involves training, the following information for the time period covered by the Status Report:
    - i. the number of training events by event type delivered (event types include group in person, one-on-one, web-based, conference/tradeshows, and peer-to-peer); and
    - ii. the number of participants at training events by event type;

- g. cumulative information on benefits to Albertans resulting from the Project, including:
    - i. percent or dollar change in sales for Alberta value chain participants;
    - ii. change in number of markets accessed by Alberta value chain participants;
    - iii. change in level of participation/market share for the markets accessed; and/or
    - iv. number of jobs maintained and number of jobs created by Alberta value chain participants; and
  - h. any other information requested by the Minister.
- 8.2 The Minister may require that any Status Report be reviewed, assessed, and reported on by the Applicant's auditors. Upon request by the Minister, the Applicant will in a timely manner elaborate on any particular aspect of any Status Report:
- 8.3 Unless otherwise specified by the Minister, an Applicant who receives a grant shall provide the Minister with a written Final Report, to the Minister's satisfaction and by the date specified by the Minister in the Grant Agreement, or by no later than 30 days after the earlier termination of the Grant Agreement, whichever occurs first. The Final Report must contain:
- a. all documentation and calculations used to determine the Eligible Expenses incurred by the Applicant for the time period from the last date covered by the last Status Report to the end of the Project Term, including copies of relevant invoices, receipts, timesheets, or other supporting documentation necessary to establish, to the satisfaction of the Minister, that the Applicant incurred and paid all Eligible Expenses claimed;
  - b. a financial report detailing all expenditures of the Project in relation to the activities listed in the Grant Agreement, the expenditures attributed to the grant proceeds, and the expenditures attributed to other funding sources for the Project, including the Applicant's cash contributions;
  - c. any other payments or grants from any level of government in respect of the Project received for the time period from the last date covered by the last Status Report until the end of the Project Term;
  - d. a description of all Project activities completed by the Applicant;
  - e. the Applicant's success in meeting the Project's objectives;
  - f. a description of the impact of the Project (e.g. benefits or consequences);
  - g. if applicable, copies of any publications for industry and/or training materials developed as part of the Project;
  - h. if the Project involves training, the following information for the time period from the last date covered by the last Status Report to the end of the Project Term:
    - i. the number of training events by event type delivered (event types include group in-person, one-on-one, web-based, conference/tradeshows, and peer-to-peer); and
    - ii. the number of participants at training events by event type;
  - i. cumulative information on benefits to Albertans resulting from the Project, including:

- i. percent or dollar change in sales for Alberta value chain participants;
  - ii. change in number of markets accessed by Alberta value chain participants;
  - iii. change in level of participation/market share for the markets accessed; and/or
  - iv. number of jobs maintained and number of jobs created by Alberta value chain participants; and
- j. any other information requested by the Minister.

The Minister may require that the Final Report be reviewed, assessed, and reported on by the Applicant's auditors. Upon request by the Minister, the Applicant will in a timely manner elaborate on any particular aspect of the Final Report.

- 8.4 The Applicant shall provide the Minister with prompt written notice of any material events, developments, or circumstances arising in relation to the Project.
- 8.5 The Minister may request the Applicant to submit additional written reports during the Project Term, which the Applicant shall submit, to the Minister's satisfaction, by the dates specified by the Minister.
- 8.6 The Applicant agrees to cooperate with the Minister in the completion of any audit, evaluation, or inspection of the Project or of the grant.

## 9.0 AMENDING GRANT AGREEMENTS

9.1 A Grant Agreement may be amended as follows during the Project Term:

- a. The Applicant may submit a written request to the Minister outlining and justifying the proposed amendments for the following:
    - i. activities described in s. 3.5.1 be added to the Grant Agreement, or that approved activities described in the Grant Agreement be removed;
    - ii. expenses described in s. 3.7.1 be added to the Grant Agreement, or that Eligible Expenses listed in the Grant Agreement be removed; or
    - iii. the Project Term be changed.
  - b. If the Minister approves a proposed amendment, the Grant Agreement will be amended accordingly.
- 9.2 Amendments to the Grant Agreement are in the discretion of the Minister. The Minister is not required to approve any proposed amendment to a Grant Agreement.
- 9.3 Prior to the Applicant entering into an amending agreement with the Minister, any activities undertaken by the Applicant or expenses incurred by the Applicant that are not described in the Grant Agreement are undertaken and incurred by the Applicant at the Applicant's own risk as they may not be approved or funded by the Minister.

## 10.0 VERIFICATION

- 10.1 The Applicant must submit documentation to establish, to the satisfaction of the Minister, that the Applicant incurred and paid all of the Eligible Expenses claimed. Documents the Applicant may provide to do this include:
- a. invoices for the claimed Eligible Expenses that are in the Applicant's name; and
  - b. proof of payment for the claimed Eligible Expenses; and

The Applicant must also provide any other documentation requested by the Minister that the Minister requires to be satisfied that the Applicant incurred and paid all the Eligible Expenses claimed..

- 10.2 All items on an invoice submitted by the Applicant must be listed separately, and the cost for each Eligible Expense must be clearly identified.
- 10.3 The Applicant consents to the Minister releasing any information contained in the Application, or related to it, and obtained by the Minister in the course of verifying the Application, to any other government department, agency or other body for the purposes of verifying the Application, determining the Applicant's eligibility for the Program, or both. The Applicant expressly authorizes the Minister to obtain information from any government department, agency or other body to verify the contents of the Application and to determine the Applicant's eligibility for this Program.
- 10.4 The Applicant shall carry out its financial functions under the Grant Agreement in accordance with generally accepted accounting principles.
- 10.5 The Applicant agrees to give the Minister and representatives of the Minister access to examine their operation from the effective date of the Grant Agreement until six years following the end of the Project Term. The Applicant agrees to make available to the Minister all records, books of account, income tax returns, invoices, databases, and audit and evaluation reports in relation to the Project that are necessary for the audit and evaluation of the Project. If the Applicant fails to provide such information within a reasonable time on reasonable notice, as determined by the Minister, the Applicant may be required to refund any payments received for the Project under the Program, as well as forfeit any future payments for the Project under the Program.
- 10.6 From the effective date of the Grant Agreement until six years following the end of the Project Term, the Applicant shall maintain separate accounting records for the Project and make them available for inspection by the Minister and representatives of the Minister (including the Auditor General of Alberta or any other auditor of the Project engaged by the Minister at its own expense) at all reasonable times upon reasonable notice.

## 11.0 INSPECTION

- 11.1 If an Application is approved, from the effective date of the Grant Agreement until three years following the end of the Project Term, the Minister is entitled, at reasonable times and upon reasonable notice to the Applicant, to attend the operation of the Applicant for the purpose of examining items pertinent to the Project in order to assess whether the Applicant is in compliance with the Grant Agreement.

## 12.0 NON-COMPLIANCE

- 12.1 Any one or more of the following shall constitute an event of default ("Event of Default"):
  - a. failure of the Applicant to make satisfactory progress on the Project pursuant to the Grant Agreement, in the sole discretion of the Minister;
  - b. failure of the Applicant to comply with any of its obligations under the Grant Agreement, in the sole discretion of the Minister;
  - c. the Applicant ceases to carry out the Project during the Project Term, in the sole discretion of the Minister;
  - d. the Applicant becomes insolvent or ceases to carry on its operations during the Project Term; and
  - e. a resolution is passed or an application is made for winding up, dissolution, liquidation or amalgamation of the Applicant during the Project Term.

12.2 Upon the occurrence of an Event of Default:

- a. in addition to any other remedy under the Grant Agreement or at law, the Minister may do one or more of the following:
  - i. withhold payments of the grant to the Applicant;
  - ii. demand that the Applicant immediately repay to the Minister up to the full amount of the grant. Any such amount shall be a debt due to and recoverable by the Minister;
  - iii. terminate the Grant Agreement; and
- b. the Minister may require the Applicant to do one or more of the following, and depending on the requirement, the Applicant shall immediately:
  - i. make no further commitments for expenditures and make no further disbursements that would be Eligible Expenses, except with the Minister's prior written approval;
  - ii. pay to the Minister the amount demanded pursuant to s. 12.2 a.ii; and
  - iii. provide an accounting of the full amount of the grant with an audit report.

### 13.0 COMMUNICATIONS

13.1 The Applicant shall not make any public announcement or issue any press release regarding the entering into of the Grant Agreement, the making of the grant, or activities under the Grant Agreement, except in consultation with the Minister and with the approval of the Minister as to the content of the announcement or press release, which approval shall not be unreasonably withheld.

13.2 Communications and communication material related to the Program must be approved by the Minister.

13.3 The Applicant shall adhere to the Canadian Agricultural Partnership communication standards as amended for all communications related activities related to the Project, by ensuring that:

- a. the Canadian Agricultural Partnership graphic standard, the official mark Alberta, and the official mark Canada are applied and represented in this order; and
- b. the official mark Canada and the official mark Alberta are applied equally. Electronic copies of the Canadian Agricultural Partnership graphic standard, the official mark Alberta, and the official mark Canada may be obtained from the Minister upon request.

### 14.0 INTELLECTUAL PROPERTY

14.1 The Applicant shall own any intellectual property, including copyright, trademarks and patents over the materials developed or arising from the course of carrying out the Project, unless otherwise specified in the Grant Agreement.

14.2 Although the Minister is not intended to have ownership of copyright or any other intellectual property generated by the Applicant in the course of completing the Project, the Minister shall be entitled to make such non-commercial use of any intellectual property delivered in the Applicant's reporting as it sees fit (including excerpts therefrom), and the Applicant shall, upon request, provide to the Minister any specific licenses or authorizations as may be required, including if necessary the supply of waivers of moral rights as may be required for the use of excerpts from the intellectual property.

## **15.0 INDEMNITY, LIABILITY AND INSURANCE**

- 15.1 The Applicant shall indemnify and hold harmless the Minister, its employees and agents from any and all third party claims, demands, actions, or costs (including legal costs on a solicitor-client basis) in relation to the Project arising from the negligence, other tortious act or willful misconduct by the Applicant, or those for whom the Applicant is legally responsible. This section shall survive the conclusion or termination of the Grant Agreement.
- 15.2 The Applicant acknowledges that the Provincial Crown and Federal Crown are not liable to the Applicant, the Applicant's heirs, administrators and assigns for the personal injury, property damage, or any other damage, injury, claim or loss whatsoever arising out of the Program and the Applicant's participation in it.
- 15.3 The Applicant, at its own expense and without limiting its obligations under this Agreement, shall insure its operations under a policy of general liability insurance in an amount not less than \$2,000,000 inclusive per occurrence, insuring against bodily injury, personal injury and property damage including loss of use thereof and which shall include products liability.
- 15.4 The Minister may require evidence of the required insurance in a form satisfactory to the Minister prior to the commencement of the Project. All required insurance shall be endorsed to provide the Minister with 30 days advance written notice of cancellation or material change restricting coverage.

## **16.0 REFUNDS**

- 16.1 The Applicant shall immediately refund to the Provincial Crown any payment received under the Program not in accordance with the Grant Agreement upon notice being provided to the Applicant by the Minister. Failure to make repayment as required by the Minister creates a debt owing to the Provincial Crown that can be set off against any money the Provincial Crown owes to the Applicant.

## **17.0 RIGHT OF SET-OFF**

- 17.1 The Applicant agrees that the Minister may set-off against any other grant or amount payable to the Applicant under any programs administered by the Minister any amounts that become repayable by the Applicant to the Minister under this Program.

## **18.0 FALSE OR MISLEADING INFORMATION**

- 18.1 An Applicant who provides false or misleading information under this Program forgoes all rights to benefit from this Program.

## **19.0 DEBTS TO PROVINCIAL CROWN OR FEDERAL CROWN**

- 19.1 The Minister has the right to deduct from the Applicant's entitlement any amount due and owing to the Provincial Crown or Federal Crown.

## **20.0 REPRESENTATIONS AND WARRANTIES**

- 20.1 By submitting an Application, the Applicant represents and warrants that:
- a. the Applicant is an eligible applicant pursuant to s. 3.1 the Program Terms and Conditions;
  - b. the person signing the Application is duly authorized to make the Application to the Program on behalf of the Applicant;

- c. no Application has been made for the same activities by any other person, including without limitation, a person who is not arms-length or a related person as defined by the Income Tax Act (Canada) or by a shareholder, member or partner who is actively carrying on farming or business on behalf of a corporation;
- d. the Applicant has made full, true and plain disclosure to the Minister of all facts relating to the activities that are material to its Application, including without limitation all sources of funding from federal, provincial and municipal governments;
- e. the Applicant has the necessary financial resources to complete the activities listed in the Application;
- f. no member of the House of Commons or the Senate shall derive any financial advantage from the grant that would not be permitted under the Parliament of Canada Act;
- g. no current or former federal public office holder or federal public servant to whom the Conflict of Interest Act, the Conflict of Interest Code for Members of the House of Commons, or the Values and Ethics Code for the Public Sector and the Policy on Conflict of Interest and Post-Employment applies shall derive any advantage or benefit from the grant unless the provision or receipt of such advantage or benefit is in compliance with such legislation, codes and policies;
- h. any person lobbying, as that term is defined in the Lobbyists Registration Act (Canada), on the Applicant's behalf is registered pursuant to that Act;
- i. the Applicant is not aware of any discussions to effect a sale, transfer, assignment or pledge of interest which would result in a change of the control of the Applicant or of the disposition of all or substantially all the assets of the Applicant;
- j. the Applicant has adequate human resources, experience and skills to carry out the activities described in the Application;
- k. there is presently no action, suit, or proceeding being brought or pending or threatened against or affecting the Applicant which could result in the expropriation of any property of the Applicant, or which could affect its operations, properties, financial condition, or its ability to complete the activities described in the Application;
- l. if activities described in the Application require authorization by an agency, the Applicant has obtained such approval prior to the commencement of the activities;
- m. the Applicant is in compliance with all laws, orders and authorizations which relate to or affect the Applicant, and is not subject to any order of any court or other tribunal affecting the Applicant's operations;
- n. the Applicant has the power and authority and all necessary licenses and permits to own and operate its properties and carry on its operations, to make the Application, and to completed the activities described in the Application; and
- o. the execution of the Statement of Certification has been duly and validly authorized by the Applicant in accordance with applicable law, and shall constitute a binding legal obligation of the Applicant.

## 21.0 CHANGE IN CONTROL

- 21.1 From the effective date of the Grant Agreement until three years after the end of the Project Term, the Applicant shall not, without the prior written consent of the Minister, cause or suffer to exist any sale, transfer, assignment or pledge of interest which would result in a change of control of the Applicant, or of the disposition of all or substantially all of the assets of the Applicant.

## **22.0 GRANT REGULATION AND DISCLOSURE OF GRANT RECIPIENT INFORMATION**

- 22.1 Payments under this Program are grants subject to the Agriculture and Forestry Grant Regulation. The Applicant acknowledges that, in addition to complying with the Grant Agreement, the Applicant must comply with the Agriculture and Forestry Grant Regulation.
- 22.2 The Applicant acknowledges and agrees that the Minister may disclose the Grant Agreement and its contents by any means chosen by the Minister, including without limitation tabling it before the Legislature.
- 22.3 The Applicant acknowledges and agrees that the Minister publicly discloses the following information for all grant recipients: the grant recipient name, the amount of the grant, the program the grant is paid under, and the payment date. The Applicant also acknowledges and agrees that the Federal Crown is authorized to publicly release the grant recipient's name, the amount of the grant, and the program the grant is paid under.
- 22.4 The Applicant acknowledges that information and records maintained by the Minister relating to the Grant Agreement are subject to the *Freedom of Information and Protection of Privacy Act (Alberta)*. This Act allows any person a right of access to records in the custody or under the control of a public body, subject to limited and specified exceptions

## **23.0 SURVIVAL**

- 23.1 Despite any other provision of the Grant Agreement, those sections which by their very nature continue after the conclusion or termination of the Grant Agreement shall continue after such conclusion or termination.

## **24.0 ASSIGNMENT**

- 24.1 The Applicant may not assign the Grant Agreement or any right or benefit under it.

## **25.0 GOVERNING LAW**

- 25.1 The Grant Agreement shall be construed, interpreted, and applied in accordance with the laws and in the courts of the Province of Alberta.

## **26.0 NO AGENCY**

- 26.1 Nothing in the Grant Agreement is intended to constitute the parties as an agent of the other for any purpose, or to create any relationship of agency, partnership or joint venture.

## **27.0 SEVERABILITY**

- 27.1 The terms and conditions of the Grant Agreement are severable, and any term or condition determined to be void or unenforceable in whole or in part shall not be deemed to affect or impair the validity of the Grant Agreement or any other term or condition of it.

## **28.0 HEADINGS**

- 28.1 The headings in these Program Terms and Conditions are for convenience of reference only and do not affect the interpretation of the Program Terms and Conditions.

## **29.0 CHANGE TO THE PROGRAM OR PROGRAM TERMS AND CONDITIONS**

- 29.1 The Minister may change or terminate the Program at any time without notice. If the Minister changes the Program, the revised Program Terms and Conditions will be posted on the Program website.

## **30.0 MINISTERIAL DISCRETION**

- 30.1 The Minister has the absolute discretion to determine the eligibility of any Applicant under this Program and any payment due under the Program. Notwithstanding anything in these Program Terms and Conditions, the Minister has the absolute discretion to not approve any Application. The decision of the Minister is final.