

**Terms and Conditions**  
**Growing Forward 2 Accelerating Agricultural Innovation Program**  
**Stream A: Collaborative Innovation**

**1.0 PURPOSE**

The purpose of the Growing Forward 2 Accelerating Innovation Program is to stimulate the demonstration, commercialization and adoption of innovative and collaborative products, practices and processes that have the potential to provide a Sector-Wide Impact on the agriculture and agri-food industry and to support the Early Adopters of new technologies, Innovations, and practices. This program intends to support late-stage activities on the Innovation continuum of start-up and scale-up demonstration work.

There are two streams in the Growing Forward 2 Accelerating Innovation Program: the Collaborative Innovation Stream and the Implementing Innovation Stream.

This document contains the Collaborative Innovation Stream Terms and Conditions.

The Collaborative Innovation Stream is targeted at agricultural groups registered under the Societies Act, Industry Organizations, Producer Groups, and other non-profit entities operating in Alberta. Its purpose is to assist these non-profit entities with the capital and non-capital costs of accelerating the Sector-Wide Impact of agriculture Innovation and collaboration through proof-of-concept and commercialization of new products, new processes, or new business practices in Alberta.

There is limited funding in the Program. Letters of Intent and Applications completed to the satisfaction of the Minister will be considered for approval on case by case basis, subject to the Program assessment criteria stated in section 4.1.2 and Program funding constraints.

If a Letter of Intent is approved by the Minister, the Applicant will be invited to submit an Application.

If an Application is approved by the Minister, the Applicant must enter into a Grant Agreement with the Minister to be eligible to receive funding under the Program.

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

**2.1 AF:** means Alberta Agriculture and Forestry.

**2.2 Agri-Processor:** means an Alberta registered entity who operates in Alberta that:

- a) is active in the business of changing a raw Agricultural Product into a value-added product through physical, chemical, or thermal means;
- b) contracts to have product(s) processed and packaged on its behalf; or
- c) operates one or more processing facilities that are formally registered by federal or provincial inspection authorities, and which markets its products through wholesale distribution channels (e.g. to retail, or to foodservice), and does not sell exclusively through an on-premise or single company owned retail outlet.

**2.3 Agricultural Product:** means:

- a) a plant or plant product; or
- b) a product, including any food or drink, wholly or partly derived from a plant.

- 2.4 Applicant:** means the legal entity that submits a Letter of Intent and any resulting Application, and meets the eligibility criteria in section 3.1.
- 2.5 Application:** means the Program application form, and all documents required to be submitted pursuant to that form and the Program Terms and Conditions.
- 2.6 Early Adopter:** means an entity who uses a new product or technology before others in Alberta;
- 2.7 Eligible Capital Expenses:** means the capital expenses listed in the Grant Agreement.
- 2.8 Eligible Expenses:** means Eligible Capital Expenses and Eligible Non-Capital Expenses.
- 2.9 Eligible Non-Capital Expenses:** means non-capital expenses listed in the Grant Agreement..
- 2.10 Federal Crown:** means Her Majesty the Queen in Right of Canada.
- 2.11 Fiscal Year:** means the 12-month period beginning April 1 of any year and ending March 31 of the following year.
- 2.12 Grant Agreement:** means the signed agreement between the Minister and an Applicant specifying the details of the grant, describing the Project, and listing the Eligible Expenses, as may be amended.
- 2.13 Growing Forward 2:** means the federal-provincial-territorial initiative to create a competitive, adaptable and sustainable agricultural sector in Canada.
- 2.14 Industry Organizations:** means not for profit agencies, boards, commissions, associations or societies, whose membership includes individuals or businesses, and which operate in Alberta.
- 2.15 In-Kind Contributions:** means non-monetary contributions that defray the total cost of the Project, including the provision of unpaid labor, services, or equipment required in the planning, conducting or managing of the Project.
- 2.16 Innovation:** means the creation of new or significantly improved products, processes, or business practices that result in Transformational Change.
- 2.17 Letter of Intent:** means the Program letter of intent form, and all documents required to be submitted pursuant to that form and the Program Terms and Conditions.
- 2.18 Minister:** means the Minister of AF and his authorized representative(s).

**2.19 Primary Producer:** means an individual or an Alberta registered entity:

- a) operating in Alberta; and
- b) that is responsible for the day-to-day management and work on the farm, including responsibility for input costs for agricultural crops or livestock and producing at least \$35,000 worth of commercial agriculture production annually, but does not include a landlord whose only interest in the crop or livestock is that of ownership of the land.

**2.20 Producer Groups:** means Alberta registered not for profit agencies, boards, commissions, associations or societies, whose membership includes Primary Producers, and which operate in Alberta.

**2.21 Program:** means the Collaborative Innovation Stream of the Growing Forward 2 Accelerating Innovation Program:

**2.22 Project:** means the activities described in the Grant Agreement that have Eligible Expenses associated with them.

**2.23 Project Term:** means the period between the start date and the end date stated in the Grant Agreement.

**2.24 Provincial Crown:** means Her Majesty the Queen in the Right of Alberta

**2.25 Sector Wide Impact:** means the creation of new or significantly improved products, processes, or business practices that significantly impact a specific sector of agriculture that result in Transformational Change.

**2.26 Third Party Contracting Services:** means services provided by an individual or entity who is arm's length, and who is not a relative or business associate of the Applicant, including a shareholder, member or partner who is actively carrying on farming or business on behalf of a corporation, or a "related person" as defined by the Income Tax Act (Canada).

**2.27 Transformational Change:** means a shift in the business culture of an organization resulting from a change in the underlying strategy and processes that the organization has used in the past.

**2.28 Value Chain:** means a set of activities than an organization carries out to create value for its customers.

## **3.0 ELIGIBILITY**

### **3.1 Eligible Applicants**

**3.1.1** Subject to s. 3.2, to be eligible to apply to the Program, an entity must:

- (a) be an agricultural group registered under the Societies Act, an Industry Organization, a Producer Group, or another incorporated non-profit organization operating in Alberta; and

- (b) .have completed a business case or feasibility study.

### **3.2 Ineligible Applicants**

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

- a) Primary Producers;
- b) Agri-Processors;
- c) research stations and post-secondary institutions;
- d) federal, provincial or local governments or their agencies or commissions;
- e) for-profit legal entities;
- f) individuals; and
- g) any other person deemed by the Minister to be ineligible.

### **3.3 Eligible Activities (must be approved by the Minister)**

**3.3.1** Activities under the Program must have an impact on agriculture. One or more of the following activities may be included in a Letter of Intent, and any resulting Application:

- a) activities to transfer or disseminate knowledge gained from research along the Innovation continuum through to the pre-commercialization or pre-adoption phase in support of the development of new agri-products, processes or practices. This may include activities to resolve pre-commercialization issues, proof-of-concept, product design, bench tests, pilot projects, product testing, and prototyping;
- b) activities that broker, enhance or develop agricultural Value Chains;
- c) testing and demonstration activities that accelerate technology transfer of equipment, techniques or practices that will be of benefit to Alberta's agriculture, agri-food and agri-product industry;
- d) activities that promote industry collaboration to accelerate agricultural Innovation; and
- e) any other activity that accelerates agricultural Innovation deemed eligible by the Minister.

**3.3.2** 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.

**3.3.3** Acceptance of a Letter of Intent or an Application under the Program creates no obligations on the part of the Provincial Crown or Federal Crown to provide licenses or approvals under any legislation.

### **3.4 Ineligible Activities**

**3.4.1** The following activities are not eligible under the Program and must not be included in a Letter of Intent or an Application:

- a) activities related to business case or feasibility study development associated with the Project;
- b) activities associated with aquaculture or aquaponics;
- c) activities that were started or completed by the Applicant prior to the date the Letter of Intent was submitted to AF;
- d) day to day operational expenses;
- e) new builds;
- f) construction of walls, floors, ceilings or ancillary buildings; and
- g) any other activity deemed by the Minister to be ineligible.

### **3.5 Eligible Expenses** (must be approved by the Minister)

**3.5.1** Non-capital expenses that may be included in a Letter of Intent, and any resulting Application, are:

- a) lease or rental costs for equipment directly related to the Project (excluding expenses for portable technologies such as vehicles, cell phones, computers);
- b) up to 85% of the salary and benefits for staff whose primary responsibility is directly related to the Project, to a maximum of \$60,000 per person, with the total value salaries in the total Project cost being no greater than 25%;
- c) fees for Third Party Contracting Services directly related to the Project, to a maximum of 25% of the total Project cost;
- d) reasonable travel-related expenses, as set out in the Alberta Growing Forward 2 Travel Expense Policy posted on the Alberta Growing Forward 2 website, as may be amended;
- e) the cost of goods and services for knowledge transfer, dissemination and/or promotion of the Project, including administrative costs;
- f) costs associated with the testing, demonstration, reporting and evaluation of new innovative technology, processes and practices;
- g) In-Kind Contributions directly attributable to the Project which may include administrative services and farm labor directly related to the Project, up to a maximum rate of \$25 per hour for a reasonable number of hours, in the sole discretion of the Minister; and
- h) any other expense directly related to the acceleration of agricultural Innovation deemed eligible by the Minister.

- 3.5.2** Capital expenses that may be included in a Letter of Intent, and any resulting Application, are:
- a) the cost of equipment to be used for the Project, including shipping, installation, and modification costs for equipment directly related to the Project; and
  - b) any other expense directly related to the acceleration of agricultural Innovation deemed eligible by the Minister.
- 3.5.3** 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.
- 3.5.4** If the Minister, in his sole discretion, considers the amount of any Eligible Expense claimed by the Applicant to be unreasonable, the Minister may adjust the amount of that Eligible Expense to an amount the Minister considers reasonable.
- 3.5.5** If an Applicant is approved, all Eligible Expenses must be incurred by the Applicant during the Project Term.

### **3.6 Ineligible Expenses**

- 3.6.1** Expenses that are not eligible for payment under the Program and which must not be included in a Letter of Intent or an Application include;
- a) expenses for third party expertise for business case or feasibility study development associated with the Project;
  - b) expenses for portable technologies such as vehicles, cell phones and computers;
  - c) normal operations, salary and maintenance costs;
  - d) costs funded through any other federal or provincial government grants, programs or projects;
  - e) overhead costs,
  - f) Goods and Services Tax (GST);
  - g) expenses incurred outside of the Project Term;
  - h) purchase of capital equipment not directly tied to the Project;
  - i) purchase or construction of real property or structural works;
  - j) expenses not incurred by the Applicant in carrying out the Project; and
  - k) any other expense deemed ineligible by the Minister.

## **4.0 APPLICATION PROCESS**

**4.1** The process to apply to the Program is as follows:

- (a) Applicants must submit a Letter of Intent by the date posted on the Growing Forward 2 website;

- (b) Letters of Intent received by the deadline shall be assessed using the Program assessment criteria for Program fit and Project impact;
- (c) Successful Letter of Intent Applicants will be contacted by AF and invited to submit an Application by the date posted on the GF2 website;
- (d) Applications received by the deadline shall be assessed using the Program assessment criteria. Funding is not guaranteed under the Program, and if a minimum level of impact is not demonstrated in an Application, funding will not be provided.

## **5.0 PROGRAM ASSESSMENT CRITERIA**

**5.1** There is limited funding in the Program. Letters of Intent and Applications will be considered for approval on a case by case basis, subject to Program assessment criteria and Program funding constraints. Program assessment criteria by which Letters of Intent and Applications will be assessed are:

- a) quantified economic, social and/or environmental benefits/impacts on Alberta agriculture, agri-food or agri-product industry. Priority will be given to Projects with Transformational Change vs. Projects based on continuous improvement; and
- b) the capacity (resources and infrastructure) of the Applicant to undertake and ensure the implementation and success of the Project.

## **6.0 REQUIREMENTS FOR LETTERS OF INTENT AND APPLICATIONS**

**6.1** Letters of Intent must include:

- a) a completed Program letter of intent 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.

**6.2** If an Applicant's Letter of Intent is successful and the Applicant is invited to submit an Application, the Application 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.

**6.3** Applicants may engage with Third Party Contracting Services to complete parts of the Project.

**6.3.1** If an Applicant knows when submitting their Letter of Intent or Application that they will be contracting with Third Party Contracting Services to complete parts of the Project, the Applicant must include the following in their Letter of Intent or Application:

- (a) a description of the parts of the Project that will be completed by Third Party Contracting Services;

(b) rationale for why it is necessary for the Applicant to contract with Third Party Contracting Services to complete these parts of the Project; and

(c) quotes from the Third Party Contracting Services.

**6.3.2** If an Applicant decides to contract with Third Party Contracting Services to complete parts of the Project once a Grant Agreement is in place, the Applicant must give prior written notice to the Minister that includes the information described in sections 6.3.1(a), (b) and (c).

**6.4** Letters of Intent and Applications must be delivered to: Manager, Growing Forward 2 Accelerating Innovation Program, Alberta Agriculture and Forestry, Agriculture Business Centre, 6547 Sparrow Drive, Leduc, AB, T9E 7C7.

**6.5** Letters of Intent and Applications must be received by Agriculture and Forestry or postmarked on or before the dates specified on the Growing Forward 2 website and must have a Project completion date prior to February 1, 2018.

**6.6** The Minister may reject any Letter of Intent or Application that is inaccurate, incomplete or ineligible in the sole discretion of the Minister.

**6.7** Letters of Intent and Applications must be signed by the Applicant or on behalf of the Applicant by a properly authorized representative. The Minister may require evidence of authorization. Personal designates are not permitted to sign Letters of Intent or Applications unless they have Power of Attorney (submitted with the Letter of Intent or Application). Either executors or administrators can sign on behalf of estates.

**6.8** Letters of Intent and Applications will not be considered complete unless the Statement of Certification on the Program letter of intent form or Program application form is signed, and all required supporting documentation is provided to the satisfaction of the Minister.

**6.9** Submission of a Letter of Intent or an Application does not entitle an Applicant to a grant under the Program.

**6.10** 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 the grant is the only financial assistance the Minister will provide under the Program to the Applicant for the Project.

**6.11** If an Application is approved by the Minister, the Applicant must enter into a Grant Agreement with the Minister to be eligible to receive funding under the Program.

## **7 AMENDING GRANT AGREEMENTS**

**7.1** 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. 3.3.1 be added to the Grant Agreement, or that approved activities described in the Grant Agreement be removed;

- ii. expenses listed in s. 3.5.1 or 3.5.2 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 Minister will enter into an amending agreement with the Applicant.

**7.2** The Minister is not required to approve any proposed amendment to a Grant Agreement.

**7.3** 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.

## **8 FUNDING LEVELS**

**8.1** The Program provides grants on a cost-shared basis to cover Eligible Expenses for approved Projects up to a maximum of \$1,000,000 per Applicant.

**8.2** Eligible Capital Expenses may be cost-shared at up to 70% grant and 30% Applicant. The actual cost-sharing ratio shall be determined by the Minister based on the score assigned to the Project during the Application review process.

**8.3** Eligible Non-Capital Expenses may be cost shared at up to 90% grant and 10% Applicant. The actual cost-sharing ratio shall be determined by the Minister based on the score assigned to the Project during the Application review process.

**8.4** Funding received through any other Growing Forward 2 programs may not be used toward the cost-share requirements of the Program.

**8.5** 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.

**8.6** In the event that federal 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.

## **9 PAYMENTS**

**9.1** Successful Applicants will be required to enter into a Grant Agreement with the Provincial Crown prior to any payment being made to the Applicant.

**9.2** Payments to the Applicant will be made as follows:

- (a) upon execution of the Grant Agreement, an initial payment of 80% of the maximum approved grant amount stated in the Grant Agreement; and
- (b) after all Eligible Expenses have been incurred and a final report has been submitted to the Minister, to the satisfaction of the Minister, a final payment that is the lesser of the following:

- i. the total Eligible Expenses multiplied by the applicable funding level, less the initial payment; or
- ii. the remaining 20% of the maximum approved grant amount.

If the initial grant payment exceeds the total Eligible Expenses multiplied by the applicable funding level, no final payment will be made, and the Applicant shall immediately repay the excess grant funds to the Provincial Crown.

- 9.3** The only Eligible Expenses which the Applicant may claim are the Eligible Expenses listed in the Grant Agreement which are directly incurred by the Applicant in completing the Project during the Project Term, unless otherwise authorized by the Minister.
- 9.4** The determination of whether an expense incurred by the Applicant constitutes an Eligible Expense that is eligible for payment is at the sole discretion of the Minister.
- 9.5** 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).
- 9.6** Projects and Eligible Expenses qualify only once for payment under the Program.
- 9.7** 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 AF, but shall not exceed the amount stated in the Grant Agreement.
- 9.8** Applicants cannot assign or defer any payment under this Program.
- 9.9** Payments may be considered farm support payments, and AGR-1 tax slips will be issued in the name of the Applicant, if applicable.
- 9.10** The Applicant shall not return for refund any items for which the Applicant has received a payment under the Program.
- 9.11** 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 for which the Applicant has received a payment under the Program for at least three years after the end of the Project Term.

## **10 REPORTING REQUIREMENTS**

- 10.1** Unless otherwise specified by the Minister, the Applicant shall provide the Minister with status reporting, to the Minister's satisfaction and by the dates specified by the Minister, detailing:
  - a) the status of the Project, including the estimated percentage of the work completed and the estimated date of completion, and a financial report detailing all expenditures to date;
  - b) any other grants or funds from any level of government in respect of the Project;
  - c) any material events, developments or circumstances arising in relation to the Project; and
  - d) any other information requested by the Minister.

**10.2** Unless otherwise specified by the Minister, the Applicant shall provide the Minister with a final report, to the Minister's satisfaction and by the date specified by the Minister, after the Project completion date or the termination of the Grant Agreement, whichever occurs first, detailing:

- a) a list of activities completed by the Applicant in relation to the Project;
- b) a report of the Applicant's success in meeting the Project's objectives;
- c) a description of the successful aspects of the Project, as well as any recommendations for improvements;
- d) a narrative of any value-added benefits of the Project;
- e) a signed declaration detailing the productivity improvements made as a result of the grant;
- f) copies of any publications for industry, if applicable;
- g) a financial report detailing all expenditures of the Project in relation to the activities listed in the Application, the expenditures attributed to the grant, and the expenditures attributed to other funding sources for the Project, including the Applicant's cash contribution; and
- h) any other information requested by the Minister.

**10.3** The Minister may request the Applicant to submit additional reports during the Project Term which the Applicant shall submit, to the Minister's satisfaction, by the dates specified by the Minister.

## **11 VERIFICATION**

**11.1** 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;
- b) proof of payment for the claimed Eligible Expenses.

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.

**11.2** All items on an invoice submitted by the Applicant must be listed separately, and the cost for each Eligible Expense must be clearly identified.

**11.3** The Applicant consents to the Minister releasing any information contained in the Letter of Intent or Application, or related to them and obtained by the Minister in the course of verifying the Letter of Intent or Application, to any other government department, agency or other body for the purposes of verifying the Letter of Intent, verifying the Application, and determining the Applicant's eligibility for this Program. The Applicant expressly authorizes the Minister to obtain information from any government department, agency or other body to verify the contents of the Letter of Intent or Application, and to determine the Applicant's eligibility for this Program.

- 11.4** The Applicant agrees to give the Minister and representatives of the Minister access to examine their farming or business 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.
- 11.5** 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.

## **12 INSPECTION**

- 12.1** 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 farming or business 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 Program Terms and Conditions and the Grant Agreement.

## **13 INTELLECTUAL PROPERTY**

- 13.1** 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 specified in the Grant Agreement.
- 13.2** 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.

## **14 INDEMNITY, LIABILITY AND INSURANCE**

- 14.1** 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.
- 14.2** 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.
- 14.3** 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.

**14.4** 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.

## **15 REFUNDS**

**15.1** The Applicant shall immediately refund to the Provincial Crown any payment received under the Program not in accordance with the Program Terms and Conditions or 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.

## **16 NON-COMPLIANCE**

**16.1** 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 Program Terms and Conditions or 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; and
- e) a resolution is passed or an application is made for winding up, dissolution, liquidation or amalgamation of the Applicant.

**16.2** Upon the occurrence of an Event of Default:

**(a)** in addition to any other remedy under the Program Terms and Conditions, 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. 16.2(a)(ii); and

- iii. provide an accounting of the full amount of the grant with an audit report.

## **17 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 within AF any amounts that become repayable by the Applicant to the Minister under this Program.

## **18 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 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 REPRESENTATIONS AND WARRANTIES**

**20.1** By submitting a Letter of Intent or an Application, the Applicant represents and warrants that:

- a) the person signing the Letter of Intent or Application is duly authorized to make the Letter of Intent or Application, bind the Applicant to the Program Terms and Conditions, and, in the case of a partnership, bind the partners to the Program Terms and Conditions on the basis of joint and several liability;
- b) no Letter of Intent or 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;
- c) it has made full, true and plain disclosure to the Minister of all facts relating to the activities that are material to its Letter of Intent or Application, including without limitation all sources of funding from federal, provincial and municipal governments;
- d) it has the necessary financial resources to complete the activities listed in the Letter of Intent or Application;
- e) no member of the House of Commons shall derive any financial advantage from the grant that would not be permitted under the Parliament of Canada Act;
- f) no employee, contractor or agent of the Applicant who is not in compliance with federal conflict of interest guidelines shall derive a direct benefit from the grant;
- g) 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;
- h) it 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;
- i) it has adequate human resources, experience and skills to carry out the activities described in the Letter of Intent or Application;

- j) 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 Letter of Intent or Application;
- k) if activities described in the Letter of Intent or Application require authorization by an agency, the Applicant has obtained such approval prior to the commencement of the activities;
- l) it is in compliance with all laws, orders and authorizations which relate to or affect it and is not subject to any order of any court or other tribunal affecting its operations;
- m) it 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 Letter of Intent or Application, and to perform its obligations pursuant to the Letter of Intent or Application and these Program Terms and Conditions; and
- n) the execution of the Statement of Certification in the Letter of Intent or Application 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 GRANT REGULATION AND DISCLOSURE OF GRANT RECIPIENT INFORMATION**

**21.1** Payments under this Program are grants subject to the Agriculture and Rural Development Grant Regulation. The Applicant acknowledges that, in addition to complying with these Program Terms and Conditions and the Grant Agreement, the Applicant must comply with the Agriculture and Rural Development Grant Regulation.

**21.2** The Applicant acknowledges that AF 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.

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

**22.1** The Minister may change or terminate the Program, or revise the Program Terms and Conditions, by posting the revised Program Terms and Conditions on the Alberta Growing Forward 2 website.

**22.2** A Letter of Intent shall be administered by the Program Terms and Conditions that were posted on the Alberta Growing Forward 2 website as of the date the Letter of Intent was received.

**22.3** An Application shall be administered by, and the grant provided by the Minister to the Applicant shall be governed by, the Program Terms and Conditions that were posted on the Alberta Growing Forward 2 website as of the date that the Application was received.

## **23 MINISTERIAL DISCRETION**

**23.1** The Minister has the absolute discretion to determine the eligibility of any Applicant under this Program and any payment due under the Program. The decision of the Minister is final.