

## CONTRIBUTION AGREEMENT

THIS AGREEMENT dated the \_\_\_ day of \_\_\_\_\_, 2022.

BETWEEN:

CLIMATE CHANGE AND EMISSIONS MANAGEMENT (CCEMC) CORPORATION  
operating as  
**EMISSIONS REDUCTION ALBERTA**  
of Edmonton, Alberta

(“ERA”)

Of the First Part

-and-

**[name of Recipient]**

(the “Recipient”)

Of the Second Part

### WHEREAS:

- A. The Recipient has proposed to ERA the Project described in this Agreement;
- B. ERA is offering the Recipient a financial contribution for the Project;
- C. The Recipient is receiving partial funding for the Project from the Government of Canada’s Low Carbon Economy Leadership Fund as administered by ERA; and
- D. The Recipient wishes to accept the financial contribution under the terms and conditions set out in this Agreement.

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

### 1. INTERPRETATION

#### 1.1 Definitions

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

- (a) “**Affiliate**” means the Government of Alberta, all departments within the Government of Alberta, all entities over which the Government of Alberta exerts control, including all public bodies to which the *Freedom of Information and Protection of Privacy Act*, RSA 2000, c.F-25

applies, and any bodies that fall within the meaning of affiliate under the *Canada Business Corporations Act*, R.S.C. 1985, c.C-44;

- (b) **“Agreement”** means this agreement together with all schedules and attachments hereto and all amendments made in writing between the Parties;
- (c) **“Asset”** means any real or personal property or immovable or movable asset, acquired, constructed, rehabilitated or improved, in whole or in part, with LCELF funds provided under this agreement;
- (d) **“Budget”** means a budget and financing schedule for the Project as set forth in Schedule A;
- (e) **“Change”** means any change in the Project Scope, the Project Plan (which includes both the Budget and Work Plan), the addition or withdrawal of any Project partners or collaborators or any other deviation from this Agreement and includes both a Minor Change and Major Change;
- (f) **“Conflict(s) of Interest”** means any situation that produces a real or seeming incompatibility between the private interests of the Recipient, its employees, representatives, delegates, agents, consultants or subcontractors, and the interests of ERA;
- (g) **“Contribution”** means the conditional financial payment from ERA to the Recipient, including LCELF funds, described in more detail and the amount of which is set out in section 2.1, which shall only be applied towards Total Project Eligible Expenses;
- (h) **“Contribution Proceeds”** means all amounts paid to the Recipient under this Agreement ;
- (i) **“Eligible Expenses”** has the meaning set forth in section 4.1;
- (j) **“Emissions Reductions Information Management System”** (ERIMS) means the online information management system that collects, stores and reports data related to ERA projects;
- (k) **“Environmental Laws”** means all applicable international, federal, provincial, territorial, municipal or local treaties, conventions, laws, statutes, regulations, orders, by-laws, governmental decrees or ordinances relating to fisheries, health and safety, the protection or preservation of the environment or the manufacture, processing, distribution, use, treatment, storage, disposal, discharge, transport or handling of hazardous substances;
- (l) **“ERA”** means Emissions Reduction Alberta;
- (m) **“ERA Program Team”** means ERA and their agents directed to work within the Program;
- (n) **“Event of Default”** has the meaning set forth in section 9.1;
- (o) **“GHG”** means greenhouse gas;
- (p) **“Intellectual Property”** includes all materials, inventions, designs, specifications, patterns, models, prototypes, devices, formulae, methods, processes, data, compilations of information, reports, drawings, plans, photographs, musical works, computer software and programming patents or patent applications;
- (q) **“LCELF”** means the Government of Canada’s Low Carbon Economy Leadership Fund;
- (r) **“Major Change”** means a Change that includes:
  - (i) extending the Project Completion Date by more than sixty (60) days;
  - (ii) adding or deleting milestones in the Work Plan;

- (iii) significant adjustments to tasks or milestones that result in change to the Work Plan. What constitutes “significant” shall be determined by ERA in its sole discretion;
  - (iv) an increase in the Total Project Eligible Expenses of more than ten (10%) percent from the original Project estimates; or
  - (v) a change to the Technology Systems(s) that result in emissions reductions or energy savings of more than ten (10%) percent from the original Project estimates.
- (s) **“Minor Change”** means a Change that includes:
  - (i) altering the timing of tasks and/or completion of milestones without extending the Project Completion Date by more than sixty (60) days;
  - (ii) an increase in the Total Project Eligible Expenses of up to ten (10%) percent from the original Project estimates;
  - (iii) moving tasks from one milestone to another without altering the overall objectives or outcomes of the Project; or
  - (iv) reallocating funds from one budget item to another (for example, spending more on equipment costs and less on labour costs);
- (t) **“Mid-Project Report”** has the meaning set forth in Schedule B;
- (u) **“Notice”** has the meaning set forth in section 16.1;
- (v) **“Pan-Canadian Framework”** means the Government of Canada’s Pan-Canadian Clean Growth and Climate Change plan as amended;
- (w) **“Party”** means either ERA or the Recipient and **“Parties”** means both of them;
- (x) **“Payment Schedule”** means the schedule of payments of the Contribution as described in Schedule B;
- (y) **“Program”** means ERA’s Energy Savings for Business Expanded Technologies Pilot;
- (z) **“Project”** means the project described in Schedule A including any changes made in accordance with section 3.2;
- (aa) **“Project Completion Date”** has the meaning set forth in section 7 of Schedule A or the date of such earlier termination of this Agreement in accordance with the provisions set forth in this Agreement;
- (bb) **“Project Completion Documentation”** has the meaning set forth in Schedule B;
- (cc) **“Project Completion Documentation Submission Deadline”** has the meaning set forth in Schedule B;
- (dd) **“Project Installation Date”** means the date the Technology System(s) is fully operational and all Project activities are complete in accordance with Schedule A;
- (ee) **“Project Plan”** means the project plan of the Project as more specifically set forth in Schedule A;
- (ff) **“Project Proposal”** means the Recipient’s Full Project Proposal document;
- (gg) **“Project Scope”** means the scope of the Project as more specifically set forth in Schedule A;
- (hh) **“Project Start Date”** means the date set forth in as the earliest date on which the Recipient can begin incurring Total Project Eligible Expenses;

- (ii) **“Recipient”** means [name of Recipient];
- (jj) **“Remedy Notice”** has the meaning set forth in section 9.2;
- (kk) **“Reports”** means the Mid-Project Report and the Project Completion Documentation all as described in Schedule B.
- (ll) **“Senior Officials”**, in the case of ERA means the CEO of ERA or such other person as ERA may appoint from time to time, and in the case of the Recipient means the Recipient Liaison or such other person as the Recipient may appoint from time to time;
- (mm) **“Technology System(s)”** means the Project technology system(s) being installed in accordance with Schedule A;
- (nn) **“Term”** means the period during which the Project shall be conducted from the Project Start Date to and including the Project Completion Date and includes any extension agreed to by ERA in accordance with section 3.2;
- (oo) **“Total Project Eligible Expenses”** has the value set forth in section 9 of Schedule A and consists only of Eligible Expenses;
- (pp) **“Total Project Value”** has the value set forth in section 8 of Schedule A and may consist of both Eligible Expenses and ineligible expenses;
- (qq) **“Work Plan”** means the work plan of the Project described in Schedule A.

1.2 In this Agreement, unless the context requires otherwise:

- (a) words importing a gender include all genders;
- (b) words importing the singular include the plural and vice versa;
- (c) the terms “costs” and “expenses” have the same meaning unless otherwise specified;
- (d) include or including means include or including without limitation;
- (e) any references to dollars or currency are to Canadian dollars (\$CAD);
- (f) any technical or industry specific words or phrases not otherwise defined herein shall have the meaning ascribed to such terms in the industry in which they are normally applied or used; and
- (g) any references to legislation or regulations include any amendments thereto or successor legislation or regulations.

1.3 ERA shall not be liable for nor bear any foreign exchange risk or exposure that the Recipient may incur as a result of this Agreement.

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

Schedule A - Project Scope, Budget and Project Plan  
Schedule B - Payment and Reports

1.5 In the event of any inconsistency or conflict between the Schedules, Program documentation (as amended) and the body of this Agreement, the body of this Agreement shall govern.

1.6 This Agreement, including the Schedules hereto, constitutes the entire agreement between ERA and the Recipient with respect to the Project and the Contribution, and supersedes all previous

agreements, negotiations and understandings. There are no agreements, representations, warranties, terms, conditions or commitments except as expressed in this Agreement.

- 1.7 No amendment made to this Agreement is valid unless it is incorporated into the Agreement in writing and the amendment is signed by the Parties hereto.
- 1.8 The Recipient may not assign this Agreement, in whole or in part, without the written consent of ERA. For certainty, any assignment carried out without the consent of ERA shall render the Agreement null and void.

## 2. THE CONTRIBUTION

- 2.1 ERA shall provide the Recipient with a non-repayable contribution (the “**Contribution**”) not exceeding \$♦ Canadian dollars in accordance with Schedule A. For certainty, the maximum possible amount that ERA shall pay the Recipient under this Agreement is the amount of the Contribution.
- 2.2 The maximum Contribution payable shall not exceed ♦(50♦%) percent of the Total Project Eligible Expenses.
- 2.3 If the Total Project Eligible Expenses decreases then at ERA’s sole discretion, the Contribution payable by ERA may be adjusted in accordance with such decrease.
- 2.4 The maximum level of total federal funding from all federal sources, including but not limited to LCELf funds, shall not exceed twenty-five (25%) percent of the Total Project Eligible Expenses. In the event the Contribution is reduced for any reason, the Recipient may be required to return a corresponding portion of LCELf funds in order to comply with this section.
- 2.5 Subject to section 2.1, ERA shall pay the Contribution to the Recipient in the amounts and at the times specified in Schedule B.
- 2.6 The obligation of ERA to pay the Contribution is conditional on ERA, acting reasonably, being and remaining satisfied that:
  - (a) the Recipient has received legally binding commitments or funds from third parties for the Project as set out in Schedule A and such funding is sufficient to carry out and complete the Project and remains in place;
  - (b) the LCELf funds are the sole source of funding to the Project under the Pan-Canadian Framework;
  - (c) the Recipient is in compliance with all of its obligations under this Agreement; and
  - (d) the Project is proceeding, continues to conform to the Work Plan and the tasks/milestones set out in Schedule A are being completed and met and shall be completed by the Project Completion Date.

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

2.7 The Recipient acknowledges that the Contribution shall not be sufficient to cover the entire cost of the Project and the Recipient shall be solely responsible for raising funds from other sources to complete the Project. The Recipient is responsible for its budget and for any costs associated with the Project. For certainty, any costs associated with raising funds are not considered Eligible Expenses.

### 3. THE PROJECT

3.1 The Recipient shall carry out the Project as set out in Schedule A and comply with all requirements contained therein. ERA shall have no obligation to maintain, remove or perform any work whatsoever in connection with the Project.

3.2 Any Major Changes to the Project must be finalized prior to the Installation Date. The Recipient may request any of the following amendments to the Project (a **"Change Request"**) by providing a written request to ERA:

- (a) All Major Change requests must be submitted to ERA a minimum of 60 days prior to the Project Completion Documentation Submission Deadline. ERA will consider each Change Request on a case-by-case basis and either approve or deny the Change Request in ERA's sole discretion. Where ERA approves a Change Request, ERA will issue an approval (a **"Change Approval"**) to the Recipient outlining any resulting changes to the Project or Schedules as required.
- (b) ERA must be notified of all Minor Changes to the Project but there is no requirement that ERA approve a Minor Change. For clarity, a Minor Change will not require a Change Request.

3.3 ERA shall not pay any portion of the Contribution towards any Total Project Eligible Expenses that the Recipient incurs prior to the Project Start Date or after the Project Installation Date.

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

3.5 In order to maximize total energy savings and GHG emissions reductions, the Recipient undertakes retiring the equipment that is being replaced as a result of the Project (the **"Retired Equipment"**) and will not resell or reuse the Retired Equipment in any manner.

3.6 ERA does not expressly or implicitly warrant, endorse or make any representation or other guarantee whatsoever as to any Project contractors, including as to their suitability, ability to perform the work, quality of work, or compliance with applicable laws. The Recipient agrees and acknowledges that: a) it is responsible for any contractor's performance of the work and compliance with all applicable laws, and b) that any contractor or other market provider selected by the Recipient is not an agent, contractor or subcontractor of ERA and ERA has no liability or responsibility for their collective actions.

3.7 As it relates to any Technology System(s) or Eligible Expenses, ERA does not expressly or implicitly warrant, endorse or make any representation or other guarantee whatsoever as to any particular Project manufacturer, product, or equipment nor to the performance, adequacy, safety, merchantability and fitness thereof and the Recipient agrees and acknowledges that it is solely responsible for all matters relating thereto.

3.8 ERA does not expressly or implicitly warrant, endorse or make any representation or other guarantee whatsoever as to the GHG emissions reductions, or energy savings, or any other result from installing the Technology System(s).

#### 4. ELIGIBLE EXPENSES

4.1 Eligible expenses (“**Eligible Expenses**”) are only those expenses related to the Project that are consistent with those listed in ERA’s ESB Expanded Technologies Pilot Guidelines (the “**Guidelines**”) which is available on ERA’s website, as amended from time to time.

4.2 The Recipient acknowledges that ERA must be satisfied in its sole discretion that all expenses incurred by the Recipient are Eligible Expenses and conform to the Project Scope, Budget, and Project Plan Schedule as set out in Schedule A, prior to making any payments of the Contribution in accordance with the Payment Schedule. For greater certainty, payment does not preclude further investigation of Eligible Expenses subject to the terms of this Agreement.

#### 5. FUNDING FROM OTHER SOURCES

5.1 The Recipient covenants that the Project has not, and will not, receive any financial incentives, funding, subsidies, grants or other monies as, either directly or indirectly, from: a) the Government of Alberta’s Technology Innovation and Emissions Reduction (TIER) Regulation; b) the repealed Climate Leadership Act; c) or under any of the Government of Canada’s Pan-Canadian Framework on Clean Growth and Climate Change programs (the “**Non-Permitted Funding Sources**”).

5.2 Apart from Non-Permitted Funding Sources, the Recipient may receive financial incentives, funding, subsidies, grants or other monies provided the amounts and sources are set out in Schedule A. In all circumstances, total funding from all sources is not to exceed 100% of costs for any Eligible Expense.

#### 6. RECIPIENT’S REPRESENTATIONS, COVENANTS AND WARRANTIES

6.1 The Recipient covenants, represents and warrants that:

- (a) it is duly constituted, validly existing and in good standing under the laws of its jurisdiction of constitution and is qualified to carry on business in the Province of Alberta;
- (b) all information in or attached to the Project Proposal is true, correct and complete, and will remain materially true, correct and complete during the Term;
- (c) any real or perceived Conflict(s) of Interest which are known or ought to be known to the Recipient have been disclosed to ERA prior to the Project Start Date;
- (d) at all times the Recipient shall immediately inform ERA of any real or perceived Conflict(s) of Interest which arise during the Term;
- (e) at all times the Recipient or its officers, directors, shareholders, employees, contractors, affiliates, subsidiaries, partners or agents, will comply with all applicable human rights and employment laws in the jurisdictions in which they do business;
- (f) at all times the Recipient or its officers, directors, shareholders, employees, contractors, affiliates, subsidiaries, partners or agents will adhere to Canadian anti-corruption and money laundering laws, including but not limited to the Canadian Criminal Code, the *Corruption of*

*Foreign Public Officials Act (Canada) (as amended), and the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (as amended);*

- (g) any invoice or supporting documentation that it presents to ERA for expenses incurred in completing the Project is for Eligible Expenses;
- (h) it shall carry out the Project in a diligent and professional manner;
- (i) it has or shall obtain the necessary financial resources to complete the Project;
- (j) LCELF funds remain the sole source of Project funding under the Pan-Canadian Framework;
- (k) it has made full, true and plain disclosure to ERA of all facts relating to the Project that are material to this Agreement;
- (l) it has, or shall obtain, all necessary licenses, permits, approvals and authorizations, including any licenses, permits, approvals and authorizations required under law, including Environmental Laws, to proceed with the Project and to perform its obligations under this Agreement;
- (m) any environmental issues or concerns relating to the Project which are known or ought to be known to the Recipient have been disclosed to ERA, and the Recipient shall inform ERA of any environmental issues or concerns regarding the Project which arise during the Term;
- (n) it shall at all times comply with federal obligations with respect to the legal duty to consult with, and if applicable accommodate, Aboriginal groups;
- (o) the execution by the Recipient of this Agreement and the carrying out of this Agreement and the Project by the Recipient have been duly and validly authorized by the Recipient in accordance with applicable law, and this Agreement shall constitute a binding legal obligation of the Recipient;
- (p) there is presently no action, suit or proceeding being brought or pending or threatened against or affecting the Recipient which could result in the expropriation of any property of the Recipient or which could affect its operations, properties or financial condition or its ability to complete the Project;
- (q) it has not entered into any agreements with other funders or sponsors in relation to the Project which conflict with the obligations of the Recipient under this Agreement or is prejudicial to the rights of ERA under this Agreement;
- (r) 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;
- (s) it shall ensure that the individuals named in the Project Plan and who are employees or contractors of the Recipient shall be assigned to or otherwise enabled to perform their respective roles in the Project or allow substitutions with people with equal if not more qualified upon request;
- (t) any employees or contractors completing work on the Project have the appropriate training, qualifications, experiences and/or licences necessary to complete the work accurately;
- (u) it shall not alter the Project Scope without prior written consent of ERA and in accordance with sections 3.2 and 3.3;



- (v) any person who has been lobbying on behalf of the Recipient to obtain the Contribution and who is required to be registered pursuant to the *Lobbyists Act*, SA 2007, c.L-20.5 was registered pursuant to such Act at the time the lobbying occurred;
- (w) it shall at all times comply with the federal *Lobbying Act*, R.S., 1985, c. 44 (4th Supp.), s. 1; 2006, c. 9, s. 66, as amended;
- (x) it shall not pledge any part of the Contribution as security for any loan or debt of any kind except as expressly authorized by ERA in writing;
- (y) if directed by ERA, it shall forthwith repay to ERA any overpayments or unexpended balances of the Contribution Proceeds, and such amounts shall constitute a debt due to ERA;
- (z) at all times, its insurance policies are in full force and effect, and the Recipient is not in default with respect to (i) the payment of any premium or (ii) any material provisions contained in such policies;
- (aa) at all times, it shall maintain valid worker's compensation coverage;
- (bb) since the Project Proposal date, there has not been: (i) any material adverse change in the assets, liabilities, financial condition or operations of the Recipient or, to the knowledge of the Recipient, the third parties reflected in the Project Proposal; (ii) any damage, destruction or loss, whether or not covered by insurance, materially and adversely affecting the Project or the properties or business of the Recipient or, to the knowledge of the Recipient, the third parties reflected in the Project Proposal;
- (cc) it shall to the satisfaction of ERA, acting reasonably, ensure that all Total Project Eligible Expenses are incurred in a manner that is transparent and consistent with value for money principles;
- (dd) it shall work with ERA to ensure that all relevant Project information is uploaded into the ERIMS and on an ongoing basis as required by ERA;
- (ee) it shall effectively communicate with the ERA Program Team including all requirements contained within the ERIMS Portal;
- (ff) it shall submit to ERA through the ERIMS all Project Completion Documentation as defined in Schedule B within sixty (60) days of the Project Completion Date;
- (gg) it will remove, dispose of and/or recycle any Project equipment and/or waste in accordance with all applicable laws; and
- (hh) the Technology System(s) as described in Schedule A will be in commercial operation on or before the Project Completion Documentation Submission Deadline and will continue to be used for the duration of its commercial lifespan.

## 7. RECORDS, REPORTING AND MONITORING

7.1 During the Term and for a period of six (6) years thereafter, the Recipient shall maintain or cause to be maintained full, accurate and complete records of the activities conducted in furtherance of, and the results achieved through the conduct of, the Project, including full, accurate and complete records and books of account relating to the receipt and expenditure of the Contribution and other funds received and expended for the purposes of the Project. Any records required to be maintained pursuant to this Agreement are subject to the protection and access provisions of the *Freedom of Information and Protection of Privacy Act*, RSA 2000, c.F-25.

7.2 The Recipient shall, if requested by ERA, upon thirty (30) days' Notice, permit any authorized representatives of ERA, or auditors engaged by ERA, to examine the Recipient's books, accounts and other records related to the Project and the Contribution, and to make copies thereof. The Recipient shall provide the authorized agents with such assistance as may be reasonably required during such an inspection. This right of inspection is limited to the purpose of ascertaining whether this Agreement has been complied with, and ERA shall not have any general right to obtain custody or copies of records in the custody of the Recipient.

7.3 The Recipient shall, upon receiving Notice, permit authorized representatives of ERA, to attend at the premises of the place where the Project is being carried out, for the purpose of examining the premises and progress of the Project in order to assess whether the Recipient is in compliance with the terms of this Agreement. The Recipient shall provide ERA's authorized representatives with such assistance as may be reasonably required during such a site visit.

7.4 The cost of any special audit, examination or report may be payable by ERA to the Recipient, in ERA's sole discretion, acting reasonably, unless the audit, examination or report reveals non performance, non observance or breaches of this Agreement or indicates that the records and books of account were inadequate to permit a determination of how the Contribution Proceeds were used by the Recipient or what results were achieved through the conduct of the Project, in which case the cost shall be borne by the Recipient.

7.5 The Recipient shall provide to ERA any Reports and additional informational requirements in the manner and at times set out in Schedule B or to ensure compliance with LCELf reporting requirements.

## **8. LIABILITIES, INDEMNITY AND INSURANCE**

8.1 ERA, its officers, directors, members, employees, contractors, Affiliates, subsidiaries, partners or agents shall have no responsibility and shall not be liable whatsoever to the Recipient for any direct, indirect or consequential loss, injury or damage suffered by the Recipient as a result of the establishment or operation of the Project.

8.2 In no circumstance will ERA, its contractors, their affiliates and their respective directors, officers and employees be liable to a Recipient, a contractor, or to any other party for any losses, costs, damages, obligations or liabilities arising from the Recipient's participation in the Program, including without limitation resulting from any change to, suspension, termination or cancellation of the Program, any act or omission of a contractor, any failure or damage caused by a Technology System(s), any failure of a Technology System(s) to achieve energy or GHG savings, or any property damage or personal injury suffered by a Recipient, a contractor, or any sub-contractors and employees or other third parties as a result of participating in this Program. Without limiting the foregoing, in no circumstance will ERA, its contractors, their affiliates and their respective directors, officers and employees be liable to a Recipient, a contractor, or to any other party for any consequential, or incidental damages, including lost profits or lost business opportunities, or for any damages caused by or resulting from any activities in connection with the installation, operation or use of the equipment or Technology System(s) or participation in this Program.

8.3 The Recipient shall be liable for and indemnify and hold harmless ERA, its officers and directors, employees, agents, contractors, Affiliates and their respective officers, directors and employees from and against any and all liabilities, claims, demands, actions and costs (including legal costs on a solicitor-client basis) whatsoever that may arise directly or indirectly out of any act or omission of the Recipient

or its officers, directors, shareholders, employees, contractors, affiliates, subsidiaries, partners or agents in respect of this Agreement. This indemnity and hold harmless provision shall survive this Agreement.

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

8.5 The Recipient shall, without limiting its liabilities herein, insure its operations:

- (a) under a contract of General Liability Insurance in an amount customary for the nature and scope of business carried on by the Recipient and with due consideration to the increased risk associated with the Project, insuring against bodily injury, personal injury and property damage, including loss or use thereof, which insurance shall include products liability; and
- (b) an all-risk replacement cost policy for property that the Recipient owns or has an insurable interest in which is used in any way in connection with the Project.
- (c) The Recipient shall provide ERA with written evidence of the required insurance from a reputable insurance broker, satisfactory to ERA in its sole discretion, on or before the execution of this Agreement. All required insurance shall be endorsed to provide ERA with thirty (30) days' Notice of cancellation or material change restricting coverage.

## 9. NON-PERFORMANCE

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

- (a) if, in ERA's sole discretion, the Recipient:
  - (i) fails to proceed with the Project;
  - (ii) is not carrying out the Project; or
  - (iii) fails to have the project installed and operational on or before the Project Completion Document Submission Deadline.
- (b) except for Minor Changes, the Recipient alters the Project without the consent of ERA;
- (c) the Recipient uses any part of the Contribution Proceeds other than for the Project; or
- (d) the Recipient otherwise breaches any of its obligations pursuant to this Agreement.

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

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

- (a) terminate this Agreement immediately;
- (b) demand repayment of all or any portion of the Contribution;
- (c) refer any matter or dispute involving interpretation or application of any provision of this Agreement to be resolved in accordance with section 11; or
- (d) pursue any remedy available to ERA in law or equity.

## 10. TERMINATION

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

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

- (a) make no further commitments for expenditures and make no further disbursements from the Contribution Proceeds except with ERA's prior written consent;
- (b) transfer to ERA any or all Contribution Proceeds;
- (c) provide an accounting of the Contribution Proceeds with an audit report setting out details of revenues and expenditures from the Contribution Proceeds from the date of last audited financial statements to the date of termination including the balance of the Contribution Proceeds remaining; and
- (d) provide any of the Reports for the portion of the Project completed up to the date of termination.

## 11. DISPUTE RESOLUTION

11.1 In the event of any dispute regarding the interpretation or application of any provision of this Agreement, the Parties shall refer the matter for joint discussion by Senior Officials of the Recipient and ERA. If the Senior Officials cannot resolve a dispute, the Parties shall participate in mediation with a mutually acceptable mediator. Mediation shall proceed on the following basis:

- (a) if the Parties cannot agree on a mediator, they shall ask the President or Executive Director of the Alberta Arbitration and Mediation Society to assist in the selection process;
- (b) the Parties shall share the cost of the mediator equally and bear their own costs incurred with respect to the mediation;
- (c) no evidence of anything said or of any admission or communication made during the mediation shall be admissible in any legal proceeding, except with the consent of both Parties; and
- (d) any resolution reached shall be based on the full participation of and an agreement made between the Parties.

## **12. COMMUNICATIONS**

12.1 The Recipient shall obtain written approval from ERA prior to any public communications regarding the Project, including but not limited to, publications, promotions or advertising that relate to the Project, in order to make sure each communication adheres to LCEL standards.

12.2 The Recipient shall acknowledge the support of ERA in all of the Recipient's publications, promotions or advertising that relate to the Project in the following ways:

- (a) in all published articles, presentations, posters, websites, signage or other presentation of the Project, ERA shall be acknowledged and the ERA logo must be used in conjunction with this acknowledgment;
- (b) the use of ERA's full name - Emissions Reduction Alberta is preferred; and
- (c) one copy of all the documents, materials or presentations referred to in subsection 13.1(a) above, must be sent to ERA for ERA's records on the Project.

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

## **13. CONFIDENTIAL INFORMATION**

13.1 The Recipient shall not disclose any third party confidential information or document or make use of any intellectual property rights subject-matter that it becomes aware of or takes possession of from a third party during the implementation of the Project, without having obtained written authorization from the third party releasing it from the obligation of confidentiality, and the Recipient shall ensure that all of its employees, representatives, delegates, agents, consultants or subcontractors act accordingly. Upon request of ERA, the Recipient shall provide ERA with a copy of the authorization obtained.

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

## **14. FREEDOM OF INFORMATION AND DISCLOSURE OF INFORMATION**

### **14.1 Personal Information**

- (a) Any Personal Information collected by ERA in connection with the Program is subject to compliance with FOIP. Personal Information will only be used to administer the Recipient's participation in the Program, including to ensure that the Recipient is in compliance with the Contribution Agreement.

### **14.2 Recipient Information**

- (a) ERA and its contractors will collect and store Recipient Information in accordance with applicable laws in Alberta.

- (b) The Recipient consents to ERA publishing Recipient information (including but not limited to the Recipient's name, address and Technology System(s) details) to highlight the benefits derived to Albertans from the Program. In addition, ERA may disclose Recipient Information to any Public Authority for the purposes of verifying such Recipient Information, determining the Recipient's eligibility for and compliance with this Program, and/or determining the Recipient's compliance with section 6.3 (Funding from Other Sources).
- (c) The Recipient expressly authorizes ERA to obtain information from any third party for the purposes of verifying any information submitted by the Recipient, determining the Recipient's eligibility for this Program, and/or determining the Recipient's compliance with section 6.3 (Funding from Other Sources).

**15. ENVIRONMENTAL ATTRIBUTES**

15.1 The Recipient agrees or has sought agreement from the applicable party to convey ownership to ERA, or its successors, all environmental attributes and environmental products that are created or otherwise arise from any Technology System(s) in any jurisdiction, including but not limited to carbon offset credits. ERA retains the right to adjust Program Guidelines in accordance with amendments to the Government of Alberta's legislation, policies, or protocols surrounding greenhouse gas emissions, carbon accounting or the carbon offset system. The Recipient further attests that said attributes have not been claimed, sold or otherwise transferred to another party. ERA will be entitled, unilaterally and without Recipient consent, to deal with such environmental attributes and environmental products in any manner it determines.

**16. NOTICES**

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

- (a) if to ERA:

Emissions Reduction Alberta  
10104 -103 Avenue  
Suite 746  
Edmonton, AB T5J 0H8

Attention: Steve MacDonald, CEO

Email: [smacdonald@eralberta.ca](mailto:smacdonald@eralberta.ca)

- (b) if to the Recipient:

**(INSERT)**

Attention:            ◆

Email:            ◆

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

(i) [insert here]

Either Party may change its address information by giving Notice to the other Party. Any Notice is deemed to have been received on the day of delivery, if hand-delivered, when the other Party acknowledges receipt, if sent by registered mail and one (1) business day following transmission, if sent by email.

16.2 ERA designates and authorizes the ERA Program Team as having authority to communicate to the Recipient on behalf of ERA any direction, notice, consent or other communication under this Agreement. The Recipient consents to, and is designated and authorized as having authority to, communicate with the ERA Program Team on any direction, notice, consent or other communication under this Agreement.

## 17. MISCELLANEOUS

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

17.2 The Recipient shall not, without the prior written consent of ERA, cause or suffer to exist any sale, transfer, assignment, or pledge of interest which would result in:

- (a) a change in majority ownership or control of the Recipient;
- (b) the disposition of all or substantially all of the assets of the Recipient; or
- (c) the amalgamation or merger of the Recipient with any third party.

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

17.4 The Recipient acknowledges that any action ERA takes is subject to public scrutiny and therefore the Recipient shall conduct themselves in a manner that will not result in reputational harm to ERA or undermine public confidence in ERA's ability to carry out its mandate. Without limiting the generality of the foregoing, the Recipient and its officers, directors, shareholders, employees, contractors, affiliates, subsidiaries, partners or agents will act with impartiality and integrity and will demonstrate respect and accountability when dealing with ERA and third parties under this Agreement and at all times will conduct themselves in a way that contributes to a safe and healthy workplace that is free from discrimination, harassment and violence.

17.5 Unless otherwise agreed by the Parties, the Recipient may be required to reimburse ERA if at any time within five (5) years from the end date of this Agreement, the Recipient sells, leases, or otherwise disposes of, directly or indirectly, any Asset purchased, acquired, constructed, rehabilitated or renovated, in whole or in part, as a result of or in connection with this Agreement other than to the Government of Canada, the Government of Alberta, a local government, or with the Government of Canada's consent.

17.6 The Recipient shall declare in writing to ERA if the Recipient or any of the Recipient's officers, employees or subcontractors included in the Project:

- (a) were convicted during a period of three (3) years prior to the submission of the Project Proposal, by a court of law in Canada or in any other jurisdiction for an offence involving bribery or corruption; or
- (b) are under sanction for an offence inducing bribery or corruption, imposed by a government, a governmental organization or a development organization providing development assistance.

17.7 The Parties agree to do all such acts and provide such further assurances and instruments as may reasonably be required in order to carry out the provisions of this Agreement according to their spirit and intent.

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

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

17.10 Time is of the essence in this Agreement.

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

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

CLIMATE CHANGE AND EMISSIONS MANAGEMENT  
(CCEMC) CORPORATION  
operating as **EMISSIONS REDUCTION ALBERTA**

Per: \_\_\_\_\_  
Authorized Signatory

**[RECIPIENT]**

Per: \_\_\_\_\_  
Authorized Signatory



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

**PROJECT SCOPE**

1. Project Name: ◆
2. Project Description: ◆ [summarize the project including the specific type and size of technology system(s) being deployed and what will be achieved in the course of the Project]
3. Project Location(s): [list the primary locations where the Project will take place. Please addresses, legal land description, or GPS coordinates where applicable]
4. Project Objectives: [describe the primary objectives of the Project]
5. Estimated Outcomes: ◆ Using the table below, list 3-5 quantifiable outcomes for completion of the Project, considering technical, economic, and other results.

Estimated Outcomes	Project Target	Achievements to date
GHG reductions		
Energy Savings		
Job creation		

6. Project Start Date: ◆
7. Project Completion Date: ◆
8. Total Project Value (*i.e.* total costs): ◆
9. Total Project Eligible Expenses: ◆

**PROJECT PLAN**

10. Work Plan (description of tasks and deliverables, including timelines): [at a minimum should include the following: equipment procurement & installation; any contract signing required, equipment procurement, equipment arrival on-site, beginning of installation, installation completion, post install activities (e.g. permits, testing, and commissioning)]

◆ [detailed work plan description]

11. Project Budget:

◆ [please use a table - example table provided below]

Item #	Item Description	Total Estimate Cost (\$ CAD)	Estimated or Final	Timeline (start – end date)	Assumptions
1	<i>e.g. equipment item 1</i>	<i>\$100</i>	<i>Final</i>	<i>March 2022 – May 2022</i>	<i>Actual cost</i>
2	<i>e.g. engineering activity x</i>	<i>\$100</i>	<i>Estimated</i>	<i>March 2022 – April 2022</i>	<i>Based on quote, assumes X hours assumes no changes to final design...</i>
3					
4					
5					
6					
7					
8					
9	<i>Insert rows as needed</i>				
Total Project Value Estimate		<i>e.g. \$200</i>			

12. Budget of Eligible Expenses by category:

◆ [copy and paste the Budget by Cost Category summary table from your finalized detailed budget document or a suitable alternative acceptable to ERA]

**SCHEDULE B  
PAYMENT AND REPORTS**

**PAYMENT SCHEDULE**

**Payment** - Subject to and in accordance with the Agreement, including receipt of the reports required by this Schedule B, ERA shall reimburse the Recipient for Eligible Expenses up to the maximum percentage of Contribution set out in section 2.1 of the Agreement, and to a maximum of \$◆ upon receipt of acceptable invoices and in accordance with the Budget.

The Recipient shall provide ERA with the required project reports and information requirements as per the table below.

<b>PROJECT REPORTS AND INFORMATION REQUIREMENTS</b>		
1.	Reports Format	All reports must be in a format specified by and acceptable to ERA, as described in the Guidelines, on ERIMS, or as otherwise instructed by ERA.
2.	Project Technical Specifications	Information on project/technology size, equipment make, model, etc. (a) A specification sheet for each Technology System(s)
3.	Project Partner Acknowledgement ("PPA") Form	Any partner to the Lead Applicant including technology developers, product and service providers (including but not limited to equipment installers, engineering firms, and commercial energy auditors), facility owners and operators, and other related entities are required to sign the PPA Form to ensure they are aware of the Project, acknowledge the Contribution Agreement terms and confirm that they may be contacted by ERA.
4.	Pre-Construction Requirements	If determined necessary by ERA, the Recipient may be required to conduct certain pre-construction tasks including, but not limited to: initial assessments, technical information on parameters that require subsequent design or engineering, and additional modelling or analysis, all to ERA's reasonable satisfaction.  ◆ [Due Date]
5.	Mid-Project Report	For complex Projects, as determined by ERA in its sole discretion, or Projects that will be greater than 6 months, a Mid-Project Report will be required including: progress to date, budget update, upcoming activities, and timeline confirmation (" <b>Mid-Project Report</b> ").  ◆ [Due date] = (End date – start date)/2  During the Term, and in accordance with the Project Scope and Project Plan, the Recipient shall upload electronic reports into the ERIMS using templates provided by ERA.

6.	Project Completion Documentation	<p>The following information may be required to confirm the Project has been satisfactorily completed (the “<b>Project Completion Documentation</b>”):</p> <ul style="list-style-type: none"> <li>(a) A spreadsheet showing all Eligible Expenses for each Technology System(s);</li> <li>(b) A copy of all receipts and invoices for all installed Technology System(s) and installation costs. Receipts and invoice(s) must indicate the date of purchase, Eligible Facility address, model numbers of the Technology System(s), number of Technology System(s) purchased, price per Technology System(s), and the total of Eligible Expenses;</li> <li>(c) Proof of payment for all invoices that match the amount on each invoice;</li> <li>(d) Proof of address of the Eligible Facility, satisfactory to ERA;</li> <li>(e) A list of all other funding received by the Recipient for the Eligible Custom Project; and</li> <li>(f) Any other documentation required by the Technology System(s) List and the Contribution Agreement or as may be reasonably required by ERA.</li> </ul>
7.	Project Completion Documentation Submission Deadline	<p>◆ [Date]</p>
8.	Changes to the Project Plan	<p>The Recipient shall communicate to ERA, as soon as possible any proposed Major Changes through the Change Request Form (“<b>Change Request Form</b>”). Notwithstanding the foregoing, the Recipient shall adhere to the definitions of a Minor Change and Major Change as provided in Section 1.1 of this Agreement. All Major Changes must be detailed in a completed Change Request Form and submitted to the ERA Program Team and the Recipient must obtain ERA’s written approval prior to proceeding. The Change Request Form is accessible on ERIMS or by request from your ERA Program Team. The ERA Program Team must be informed of any Minor Changes, but those changes do not require ERA approval.</p>
9.	Post-Project Report	<p>As determined by ERA in its sole discretion, a Post-Project Report may be required including but not limited to: Project status and updates, updated emissions reductions, market uptake and any additional analysis completed on the Project (“<b>Post-Project Report</b>”).</p> <p>◆ [Due date] = Project Completion Documentation Submission Deadline + 2 years</p>