



Next Generation Manufacturing Canada
Fabrication Nouvelle Génération Canada

Lead Contact
Lead Organization Name
Address

Project File Ref: Project File Reference Number
Project Title: Project Title
Date: **

Dear «Salutation»,

I am pleased to inform you that subject to the terms and conditions of this offer letter Next Generation Manufacturing Canada, Canada's Advanced Manufacturing Supercluster, established under Canada's Not-for-profit Corporations Act, whose registered office is at 301-175 Longwood Road S. Hamilton Ontario, L8P 0A1 Canada, is prepared to provide funding contribution up to a maximum of **CDN Total Funding Amount in Numbers (Total Funding Amount in Words)** (the "Funding") towards the total project costs (estimated at **CDN\$ Total Eligible Costs in Numbers**) of the project (the "Project") as outlined in the application referenced by the above Project File Ref. (the "Proposal").

The Project is to be carried out in collaboration with **Recipient 1, Recipient 2, Recipient 3, Recipient 4**, together with **Lead Organization Name** ("the Lead Recipient", and collectively with the other recipients set forth above, the "Recipients") who shall each, subject to the terms and conditions set out in this offer letter, receive the following sums:

<u>Company Name</u>	<u>CRA Number</u>	<u>Funding Amount</u>	<u>Reimbursement Rate</u>
Lead Organization Name	«LeadCoNo»	\$«LeadCosts»	%
Recipient 1	«Part1CoNo»	\$«Part1Costs»	%
Recipient 2	«Part2CoNo»	\$«Part2Costs»	%
Recipient 3	«Part3CoNo»	\$«Part3Costs»	%
Recipient 4	«Part4CoNo»	\$«Part4Costs»	%
Overall Project	N/A	Total Funding Amount in Numbers	%

The Project will be required to pay \$, a one-time, non-refundable project administration fee to NGen equal to 2.5% of the total cost of the project (plus applicable taxes).

This offer letter is subject to, and conditional upon, the terms and conditions set forth in the Terms and Conditions of the Offer attached hereto.

We look forward to working with you, and the other Recipients, in connection with the Project.

Yours sincerely,

NEXT GENERATION MANUFACTURING CANADA

Jayson Myers
Chief Executive Officer

Terms and Conditions of the Offer

Financial support for the Project is provided by the **Minister of Innovation, Science, and Economic Development Canada (“ISED”)** as part of the Innovation Superclusters Initiative to support the Government of Canada’s Innovation and Skills Plan.

As part of the Government of Canada’s Innovation Superclusters Initiative, **Next Generation Manufacturing Canada (“NGen”)** is dedicated to building up next generation manufacturing capabilities and promoting collaboration in advanced manufacturing and innovation by strengthening linkages across industry, academia and research institutes in Canada. Contracting and funding will be administered by NGen.

These Terms and Conditions of the Offer (the “**Terms and Conditions**”) set forth the terms and conditions under which each Recipient (the Recipients and NGen are collectively referred to as the “**Parties**”) may receive Funding from NGen for the Project. The Terms and Conditions, including all Annexes attached hereto, and the offer letter provided by NGen to the Lead Recipient (the “**Offer Letter**”) are collectively referred to as the “**Agreement**”. The Agreement includes:

Offer Letter
Terms and Conditions
Acceptance of Conditional Offer – Lead Recipient
Acceptance of Conditional Offer – Recipient
Annex 1 – Financial Reporting Template
Annex 2 – Finance Claim Certification
Annex 3 – Milestone Register
Annex 4 – Final Report
Annex 5 – Project IP Repository Worksheet

In these Terms and Conditions, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words “including” or “includes” in this Agreement is to be construed as meaning “including, without limitation” or “includes, without limitation”, respectively. The division of these Terms and Conditions into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of these Terms and Conditions. References in these Terms and Conditions to a Section are to be construed as references to a Section of or to these Terms and Conditions unless otherwise specified. Unless otherwise specified, any reference in these Terms and Conditions to any statute includes all regulations and subordinate legislation made under or in connection with that statute at any time, and is to be construed as a reference to that statute as amended, modified, restated, supplemented, extended, re-enacted, replaced or superseded at any time. Unless otherwise specified in this Agreement, time periods within which or following which any calculation or payment is to be made, or action is to be taken, will be calculated by excluding the day on which the period begins and including the day on which the period ends. If the last day of a time period is not a business day, the time period will end on the next business day.

1. Acceptance of Offer

- 1.1 Subject to the terms and conditions of this Agreement, NGen will provide to the Recipients Funding up to the maximum amount as set forth in the Offer Letter for the sole purposes of funding the eligible costs of the Project.

The obligation of NGen to provide the Funding is conditional upon successful completion of the following steps **within two (2) months of the date of this Offer Letter**:

- 1.1.1. NGen receiving the signed MPA by Recipient(s), in the prescribed form;

- 1.1.2. NGen receiving a collaboration agreement (the “**Collaboration Agreement**”), signed by a director, or other authorized signatory of each Recipient, in a form acceptable to NGen and in compliance with NGen’s Intellectual Property Strategy (the “**NGen IP Strategy**”) and the NGen Collaboration Agreement Guide, both of which are available on NGen’s website www.ngen.ca;
 - 1.1.3. NGen receiving bank details for each Recipient on NGen’s New Vendor Template (to be provided). Failure to provide complete and accurate banking information may result in delays in the processing of claim reimbursements;
 - 1.1.4. NGen receiving and approving an initial **Financial Forecast** for each Recipient showing the anticipated spend of the Project broken down into Quarters (as defined in Section 2.3) throughout the life of the Project, commencing at Quarter 1 (from the start date of the Project) (the “**Financial Forecast**”). The Financial Forecast shall be prepared using the Financial Reporting Template provided as Annex 1, an electronic copy will be provided;
 - 1.1.5. NGen receiving and approving a **Milestone Register, Risk Register**, and detailed **Project Plan** breaking down the original Proposal for delivery of the Project into individual work packages with assigned estimates of the resources and timescales needed to achieve each of them. The Milestone Register shall be prepared using the template provided in Annex 3, an electronic copy will be provided, there is no template for the Risk Register and the Project Plan; and
 - 1.1.6. NGen receiving and approving a finalized **Commercialization Plan and Project Intellectual Property Strategy** (the “**Project IP Strategy**”). The Commercialization Plan shall contain further information building on the question responses submitted as part of the application, including but not limited to: setting out how the Recipients will exploit the results of the Project to increase commercial opportunities in global markets, develop a modern and inclusive workforce with the skills required to excel in advanced manufacturing, and how this may benefit Canadian industry and the Canadian economy as a whole, timelines, and deliverables. The Project IP Strategy builds on the one submitted as part of the application, including but not limited to: ensuring freedom to operate has been addressed, how the IP is to be protected, completion of the background/foreground/exploitation tables, as well as a table of interested NGen members for licence negotiation consideration, guidance can be found in the Application Guide and the NGen Intellectual Property Strategy, on NGen’s website, www.ngen.ca.
 - 1.1.7. All Documents or materials from Sections 1.1.2 and 1.1.4 through 1.1.6 are to be sent via an online project portal (details to be provided) and marked with the NGen Project Ref #; and
 - 1.1.8. NGen receiving payment of a non-refundable administrative fee equal the amount stated in the offer letter of this Agreement (plus applicable taxes) of the total cost of the project.
- 1.2. When the conditions specified in Section 1.1 have been successfully met, as determined by NGen in its sole discretion, NGen will send a Funding confirmation letter (the “**Confirmation Letter**”) to the Lead Recipient confirming that the conditions of Section 1.1 of this Agreement have been met. Thereafter, provided the conditions in Section 4 have been met, and subject to this Agreement NGen will provide the Funding in accordance with Section 5. If the conditions in Section 1.1 are not met, within **two (2) months** of the date of this offer letter the offer of Funding will lapse automatically without any further notice, and without further obligation or liability of any Party pursuant to this Agreement. However, this deadline may be renewed or extended by NGen in its absolute discretion.

2. **Start Date**

- 2.1. The Project shall not start until after the date of the Funding Confirmation Letter, (“**Project Start Date**”). The Project shall continue from the Project Start Date until the completion of the Project as stated in the Project Plan, which, for the purposes of this Agreement, is the “**Project End Date**” unless otherwise agreed by NGen.
- 2.2. If Recipients begin the Project before the Confirmation Letter is sent, they shall be entirely responsible for all costs incurred.
- 2.3. In this Agreement, the term “Year” refers to consecutive 12-monthly periods starting on the Project Start Date, and the term “Quarter” refers to consecutive three-monthly subdivisions of each Year starting on the Project Start Date or its Quarterly anniversary, as applicable.

3. **Project Monitoring**

- 3.1. NGen shall monitor the progress of the Project in accordance with NGen’s project monitoring guidelines (“**Project Monitoring Framework**”). The Project Monitoring Framework may be updated from time to time, and the Project Monitoring Framework and Project Monitoring Workbook will be available on NGen’s website (www.ngen.ca) and supplied to Recipients upon request.
- 3.2. The primary point of contact for the Project will be an NGen Senior Program Manager (“**SPM**”) who will assign a Project Monitor (“**PM**”). The PM will be responsible for monitoring the Project throughout and will report progress back to the SPM.
- 3.3. If during the Project the Lead Recipient becomes aware of any impediment relevant to the progress, outcomes, or exploitation of the Project, the Lead Recipient shall promptly inform the SPM. If a Recipient (other than the Lead Recipient) becomes aware of any impediment relevant to the progress, outcomes or exploitation of the Project, the Recipient shall promptly inform the Lead Recipient.
- 3.4. The Project will be monitored on a Quarterly basis, however NGen reserves the right to alter the frequency, in its sole discretion. Monitoring will comprise Project review meetings (“**PRM**”) between all Recipients and the PM to review the Project’s progress, further they will be held at one of the Recipients locations. Dates and locations for PRM’s will be confirmed directly with the SPM, and the SPM may attend along with any other NGen employee as required.
- 3.5. The Lead Recipient will be required to supply the SPM with the following within 3 months of the Project End Date (or no later than **June 15th, 2023**, whichever date is earlier):
 - 3.5.1. the **Final Report**, a copy of the template is provided in Annex 4, an electronic copy will be provided; and
 - 3.5.2. confirmation that the final claim for Funding has been submitted.

4. **Recipient’s Obligations following Confirmation of Funding**

It is a condition of the ongoing receipt of Funding that the Recipients shall comply with the following:

- 4.1. Documents and Claims should be sent via an online project portal (details to be provided), and all documents should be marked with the NGen Project Ref #;

- 4.2. the Lead Recipient must ensure that the Project is managed in accordance with the Proposal, the Project Plan, the Collaboration Agreement, and the terms of this Agreement, including the prompt submission of Funding reimbursement claims by itself and the other Recipients;
- 4.3. the Lead Recipient must appoint a project manager to carry out the day-to-day management of the Project and to act as the focal point for all contact with NGen;
- 4.4. the Lead Recipient must inform NGen promptly in writing of any cessation of work on the Project and of any event or circumstance likely to significantly affect the ability of the Project to deliver the objectives of the Project as set out in the Project proposal, the Project Plan or the Commercialization Plan. The Lead Recipient shall also inform NGen in writing as soon as it becomes aware that any of the events referred to in Section 6 have occurred;
- 4.5. Recipients must inform NGen of any other government funding or subsidies applied for or awarded against the eligible costs covered by this Agreement. It is the responsibility of the Recipient to ensure that its cumulative total public funding does not exceed 100% of eligible project costs; and
- 4.6. Recipients shall agree to participate in future consensus meetings for the Supercluster Ecosystem to assist in identifying ecosystem gaps and priority areas for activity and for the purpose of determining future project selection and emphasis.
- 4.7. Recipients must provide all supporting documentation and invoices to enable NGen to capture the unfunded project costs which make up part of the total project costs.

5. **Financial**

- 5.1. The Recipients shall cause books of account and other records to be kept and shall establish financial and management practices that will ensure that the Funding is expended in accordance with this Agreement. The books of account and other records of the Recipient must be maintained in accordance with generally accepted accounting principles in Canada (GAAP), consistently applied. The Recipients must be able to report on the Funding separately from other sources of funds.
- 5.2. The Funding will be payable against the net project costs that are eligible as per NGen's Financial Guide for the applicable project type on eligible and in-eligible costs which is subject to change and is posted on NGen's website (www.ngen.ca) and based on each party's individual reimbursement rate as noted in the funding table in the offer letter of this agreement. Subject to Section 7, portions of Funding will be payable throughout the Project after Recipients have submitted a Claim Form (a "**Claim**") and the supporting information set out in Section 5.5. The Claim Form can be found and submitted via the online NGen Claims Portal.
- 5.3. In-kind costs are not reimbursable.
- 5.4. All costs incurred outside of Canada must be pre-approved by NGen prior to incurring the cost. Reimbursement will be denied without pre-approval.
- 5.5. Claims must be supported by the following:
 - 5.5.1. A current **Financial Forecast** using the Financial Reporting Template (Annex 1) as at the date of the Claim setting forth the Project costs to the end of the Project, detailing for each Recipient the expected costs for each future claim period, broken out with the Claim by each Recipient and highlighting any significant variations from the last forecast; and
 - 5.5.2. Written confirmation that each Recipient has incurred and paid the eligible costs in respect of which Claims have been made, as set forth in the Finance Claim Certification in Annex 2. All eligible costs in excess of five hundred dollars (CDN \$500) must be accompanied with adequate supporting documentation, for example but not limited to invoices, proof of

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payment, payroll information, time sheets. Any costs without acceptable supporting documentation will be ineligible for reimbursement.

- 5.5.3. The Recipient is to provide the latest annual financial statements or management financial statements of the Recipients, if requested by NGen. For the avoidance of doubt, nothing in this Section shall require the Recipients to provide financial information in breach of any law, order or regulation restricting such disclosure.
- 5.5.4. In exceptional circumstances, NGen may request an Independent Accountant's Report to validate Project spend and amounts claimed for reimbursement. The Report is to be prepared by an individual or company who is a member in good standing of an institute or association of accountants incorporated by or under an act of the legislature of a Province of Canada and not an employee of the Recipient organization. Such exceptional circumstances may include:
- 5.5.4.1. withdrawal from the Project,
 - 5.5.4.2. termination of the Project,
 - 5.5.4.3. a claim disclosing expenditure substantially greater than the Financial Forecast, or
 - 5.5.4.4. NGen has reasonable grounds to suspect a breach of this Agreement has occurred or is likely to occur.
- 5.5.5. Written confirmation from the Recipient that the representations, warranties and covenants contained in this Agreement are true at the time of making the Claim and the Recipient is not in default of compliance with any terms of this Agreement, as set forth in the Finance Claim Certification in Annex 2.
- 5.6. When making Claims pursuant to Section 5.5, the following applies:
- 5.6.1. Federal and provincial income taxes, goods and services taxes, excess profit taxes or surtaxes and/or special expenses in connection with those taxes are **not** an eligible cost for Funding reimbursement. Claims submitted should be for amounts net of taxes;
 - 5.6.2. Claims must be for eligible costs incurred and paid for wholly completed Quarters only, and only one Claim per Recipient can be submitted in each Quarter; and
 - 5.6.3. Once a Claim and the supporting documentation set out in Section 5.5 has been received by NGen, the corresponding Funding will normally be paid within forty-five (45) days, unless it is necessary for NGen to seek further information to support the Claim.
- 5.7. NGen shall be under no obligation to pay any Claim received by NGen more than **sixty (60) days** after the Quarter during which the eligible cost(s) specified in the Claim was incurred and paid for by the Recipients.
- 5.8. NGen shall be under no obligation to make any payment on Claims received later than **three (3) months** after Project End Date, and there will be a general presumption that Claims received after this date will not be paid.
- 5.9. If the Financial Forecast submitted to NGen has been inaccurate, NGen will not be required to pay the full Claim as per the timing defined in Section 5.6.3 until an accurate Financial Forecast is submitted.
- 5.10. Notwithstanding the provisions of Section 5, NGen is under no obligation to pay more than 85% of the Funding to the Recipients as per Section 5.2 until all outstanding Claims with supporting

information, and the Project reporting and monitoring obligations as set out in Section 3, have been received, such approval not being unreasonably withheld or delayed.

- 5.11. NGen and the Recipients are jointly and individually responsible for maintaining detailed records with the information and supporting documentation necessary to establish that all the conditions set out in this Agreement comply with all applicable rules, as outlined in Section 9. Such records shall be maintained for 7 years following the receipt of the Funding and shall be made available to NGen and the Minister of ISED within a period of five (5) business days if requested.
- 5.12. Recipients must maintain all accounts and records relating to the Project, including financial records, key performance indicators, and any other Project information, data, results and explanations relating to the use of Funding expended in the Project, and guarantee access to those books and accounts for a minimum of seven (7) years after the termination of the Project to NGen, or an independently appointed Auditor (the “Auditor”). Recipients agree to provide access to such accounts and records relating to the Project within five (5) business days of notice. If an audit determines that the Recipients should repay Funding to NGen or that there has been non-compliance with the terms and conditions of the Agreement, NGen reserves the right to recover the cost of the Auditor’s work on this Project from the Recipients, jointly and severally.
- 5.13. NGen will not pay out Funding for any eligible costs incurred past March 31, 2023. The final Claim must be completed and submitted to NGen no later than April 30, 2023. Claims submitted after April 30, 2023, will not be processed.
- 5.14. In the event that NGen provides a portion of the Funding through an advance payment (“Advances”), the Advances are subject to all the terms and conditions for Funding and Claims in sections 5.2 through 5.13, with the exception that the Claim will be reconciled against the Advances rather than reimbursed. The Recipient will be provided with a formal Advance breakdown in writing from NGen. The total amount of the Advances will be at the sole discretion of NGen.
- 5.15. If after reconciliation NGen determines that Recipients are in possession of unreconciled Funding from Advances, then NGen reserves the right at their sole discretion and decision to alter the timing, amount, or request return of an overpayment of Funding as per section 7.4, or deduct from future Claim reimbursement payments. If the Project or this Agreement is terminated for any reason or if NGen makes a decision to suspend or withdraw funding as per Section 7, Recipients will be required to submit a Claim, and should NGen determine that a Recipient is in possession of unreconciled Funding, it is considered an overpayment of Funding and the Recipient will be required to return the overpayment of Funding as per section 7.4 to NGen.

6. **Changes to the Project**

- 6.1. In the event that during the period of the Project, any material change to the Financial Forecast, Project Plan or Commercialization Plan occurs, or is likely to occur, including:
 - 6.1.1. the expected delivery date is extended or outcome for any work package or the Project as a whole; or
 - 6.1.2. the Project’s costs, budget, or allocation of costs between budget line headings that exceed \$50,000.00; or
 - 6.1.3. the ability of the Recipients to deliver the Project in accordance with the Project Plan or the Commercialization Plan;

then the Lead Recipient covenants and agrees that it will obtain gain approval in writing from NGen’s SPM promptly and work with NGen to ensure a mutually acceptable beneficial arrangement can be agreed. If NGen determines it necessary, the Parties will execute an amendment to this Agreement to reflect the change in the arrangement. In the event that a mutually acceptable beneficial

arrangement cannot be agreed upon, the Recipients shall be deemed to be in breach of the covenants contained in this Agreement.

7. Suspension, withdrawal, and repayment of Funding

- 7.1. Pursuant to this Agreement, there may be occasions when NGen is required to suspend, withdraw, or seek repayment of the Funding in whole or in part. In doing so NGen shall act reasonably and in consultation with the Recipients. NGen will use reasonable efforts to minimize the impact of any such actions on the ability of the Recipients to deliver the Project's outcomes as set out in the Project proposal, Project Plan, and Commercialization Plan. In such circumstances, NGen will notify the Recipients and, where reasonable, work with the Recipients to resolve any underlying issues before taking such action.
- 7.2. NGen may immediately **suspend** Funding payments to any one or more Recipients in the event of any of the following reasons listed, but not limited to:
- 7.2.1. the failure of a Recipient to provide any of the information required in Sections 3 to 5;
 - 7.2.2. the reasonable suspicion of fraud involving a Recipient;
 - 7.2.3. failure to maintain satisfactory progress on the Project in accordance with the Project Plan;
 - 7.2.4. any material changes to the proposed outcomes of the Project as per Section 6 that has not been approved by NGen in writing;
 - 7.2.5. the Project is insufficiently resourced or managed to achieve delivery in accordance with the Project Plan;
 - 7.2.6. the material failure of a Recipient to use reasonable efforts to progress the Project or perform the work it agreed to perform under the Project Plan, Collaboration Agreement, and/or Commercialization Plan submitted to NGen; or
 - 7.2.7. a Recipient breaches or otherwise fails to comply with, or observe, any representation, warranty or covenant set out in this Agreement.

In the event that NGen suspends the Funding in accordance with this Section 7.2, the Funding will remain suspended until the event giving rise to the suspension has been rectified by the Recipient(s), to the satisfaction of NGen, within a maximum of fourteen (14) days of that breach having been notified, or within such longer time scale as determined by NGen in its sole and absolute discretion.

- 7.3. NGen may **withdraw** future Funding payments to one or more Recipients in the event of any of the following reasons listed:
- 7.3.1. the Recipients fails to remedy the event giving rise to the suspension of the Funding in the time scales permitted by Section 7.2 if such breach is remediable, or if such a breach is not reasonably remediable within such time period, upon the occurrence of the event giving rise to the suspension of the Funding;
 - 7.3.2. any error in the Project proposal which significantly changes the expected benefits accruing from the Project or its exploitation, and corrective action cannot reasonably be taken by the Recipients;
 - 7.3.3. a Recipient becomes insolvent, or is declared bankrupt, or is placed into receivership, administration or liquidation, or a petition has been presented for its winding up, or it enters into any arrangement or composition for the benefit of its creditors, or it is unable to pay

its debts as they fall due, or a Recipient does or suffers anything substantially equivalent to any of the foregoing;

- 7.3.4. there is any change in the legal status of a Recipient, or a change in the actual or beneficial ownership or control of a Recipient, either by means of a single transaction or series of related transactions, by which a person directly or indirectly, acquires more than 50% of the ownership or economic interests in a Recipient or acquires control over more than 50% of the ordinary voting power for the election of directors or other governing position ("**Change of Control**"), where the prior written consent of NGen was not obtained to confirm that the Change of Control does not affect the Recipients ability to meet its obligations under the Terms and Conditions of the Agreement;
 - 7.3.5. termination of the contribution agreement between NGen and the Crown with respect to the Funding;
 - 7.3.6. where the funding provided under the contribution agreement between NGen and the Crown is insufficient funding to meet future Funding payments, including as a result of NGen overcommitting the amount of funding it will receive under the contribution agreement; and
 - 7.3.7. After the date of March 31st, 2023 NGen will automatically withdraw future Funding, as per section 5.13.
- 7.4. NGen may require **repayment** of Funding already paid from one or more Recipients in the event of any of the following reasons listed:
- 7.4.1. an overpayment of Funding has occurred, whether disclosed by a report or otherwise;
 - 7.4.2. it is found that a Recipient, knowingly or unknowingly, has provided false information associated with, or in support of, its application for Funding or in the Proposal;
 - 7.4.3. NGen has reasonable grounds to believe that a Recipient has committed fraud, or claimed Funding against ineligible costs or costs not actually incurred and paid;
 - 7.4.4. the Funding being used for purposes unconnected with the Project; or
 - 7.4.5. the Recipient has breached any Representation, Warranty or Covenant contained in this Agreement.

In the event that NGen requests repayment of the Funding in accordance with this Section 7.4, the Recipient shall make repayment within 5 business day of such request.

- 7.5. **Repayment** of Funding will include interest from the day of demand at the Interest Rate as specified in section 5 of the Government of Canada's *Guide to Interest and Administrative Charges Regulations*.
- 7.6. NGen reserves the right to not consider new applications from Recipients who consistently underperform in the Project and/or fail to meet the requirements as set out in Sections 3,4,5, and 6 of this Agreement.
- 7.7. This Agreement will terminate on the earlier of (i) the Project End Date, and (ii) the date that future funding payments are withdrawn pursuant to Section 7.3. Notwithstanding the termination of this Agreement, the rights and obligations of the Parties set forth in Sections 3.5, 5, 7, 8, 10, 11, 12, 13, 14 and 15, shall survive termination and remain in full force and effect.

8. **Confidentiality and Information Management**

- 8.1. “**Confidential Information**” means any information relating to a Recipient or its business that is of a confidential or proprietary nature and that is marked as “confidential”, including: i) information relating to the assets, business plans, customers, employees, equipment, financial statements and financial performance, intellectual property, inventory, market strategies, operations, pricing, products, suppliers, and trade secrets of the Recipient; and ii) all analyses, compilations, records, data, reports, correspondence, memoranda, specifications, materials, applications, technical data, studies, derivative works, reproductions, copies, extracts, summaries or other documents containing or based upon, in whole or in part, any of the foregoing.
- 8.2. NGen acknowledges and agrees that: i) the Recipient is the exclusive owner of all right, title and interest in and to the Confidential Information; and ii) NGen has no right, title, licence, or interest in or to the Confidential Information, except for the right to view the Confidential Information for the purpose of reviewing, processing, making enquiries about, monitoring, assessing, referring or otherwise dealing with the Project. (the “**Purpose**”).
- 8.3. The Recipient will disclose Confidential Information to NGen upon the following conditions: (i) NGen will hold all Confidential Information in trust for the Recipient and will not use any of the Confidential Information, at any time or in any manner, except as is required for the Purpose; and (ii) NGen will limit the disclosure of the Confidential Information to those of its representatives who have a need to know the Confidential Information to assist NGen in in the Purpose and who are contracted by NGen and informed of the confidential nature of the Confidential information and bound by legal obligations of limited use and nondisclosure.
- 8.4. Except as specifically permitted by the Agreement NGen shall retain Recipients’ Confidential Information in confidence and shall not disclose such Confidential Information without the consent of all Recipients.
- 8.5. NGen reserves the right to request from the Recipients access to any additional information deemed necessary by NGen to measure and report to ISED on the financial, economic, and ecosystem impact of the Funding, this does not include the technical details of the Recipients Intellectual Property. The Recipients must provide or allow access to such requested information within two (2) weeks of such a request.
- 8.6. Notwithstanding the foregoing, each Recipient explicitly acknowledges and agrees as follows:
- 8.6.1. In accordance with the contribution agreement between NGen and Her Majesty the Queen in Right of Canada (the “**Crown**”) , as represented by the Minister of Industry (the “**Minister**”), NGen may be required to disclose to the Crown or other governmental authorities’ certain information which may constitute Confidential Information. Such information may include: (i) information relating to the Project, its location and the discipline to which it relates, (ii) copies of any agreements entered into between the Parties, including this Agreement, and (iii) any information requested by such governmental authorities in order for it to assess the performance of the Recipient and the use of any monies advanced by NGen to the Recipient including but not limited to completed Project Monitoring Workbooks, Claims and supporting documentation, Project Documents including updated versions thereof from section 1, IP data/information as spelled out in section 10 and the Project IP Repository Template (Annex 5), financial performance, project metrics and key performance indicators, funding impact measures related to the financial impact of the funding, economic impact for Canada, improvements to the ecosystem, and information listed in the Final Report (Annex 4) (collectively, the “**Requested Information**”).
- 8.6.2. Any governmental authorities to which NGen may disclose the Requested Information in accordance with this Section 8 may be subject to the *Freedom of Information and Protection of Privacy Act* (Ontario), the *Municipal Freedom of Information and Protection of Privacy Act* (Ontario), the *Access to Information Act* (Canada) or comparative federal,

provincial or municipal legislation, with respect to, and protection of, information under their respective custody and control (collectively, “**Access to Information Legislation**”).

- 8.6.3. All Requested Information may be made available to the public unless such Requested Information is exempt from access by and disclosure to any other persons pursuant to a provision of the applicable Access to Information Legislation.
- 8.6.4. NGen shall not be liable or responsible for any loss or damage of any kind or nature suffered or Incurred by the Recipient as a result of any Requested Information being accessed by or disclosed to any person by NGen or any governmental authority pursuant to any Access to Information Legislation.
- 8.6.5. In particular, but without limiting in any way the generality of the foregoing, the Recipient acknowledges and agrees that NGen is not responsible for (i) determining whether any Requested Information is exempt from disclosure under the Access to Information Legislation, (ii) ensuring NGen or any governmental authority complies with any Access to Information Legislation, (iii) ensuring notice of any kind is provided to the Recipient of any request or requirement to disclose any Requested Information pursuant to any Access to Information Legislation, or (iv) contesting any request or requirement to disclose any Requested Information pursuant to any Access to Information Legislation.
- 8.7. the Recipients agree that the Minister and NGen may publicly disclose the Recipient's name, the amount of the Funding, a description of the nature of the Project, the date and value of this Agreement or any subsequent amendment, amounts advanced or paid pursuant to this Agreement.
- 8.8. In addition to the above, the Recipient waives any confidentiality rights to the Requested Information to the extent such rights would impede the Crown, or such other governmental authority to whom NGen is required to disclose the Requested Information from fulfilling her obligations in any dispute before the World Trade Organization or under any free trade agreement, in which the Crown is a party or a third-party intervener. The Minister is authorized to disclose the Requested Information and any documents pertaining thereto, whether predating or subsequent to this Agreement, or of the transactions contemplated herein, where in the opinion of the Minister, such disclosure is necessary to the defence of Her Majesty's interests in the course of a trade remedy investigation conducted by a foreign investigative authority, and is protected from public dissemination by the foreign investigative authority. The Recipient shall be notified of such disclosure.

9. Representations, Warranties and Covenants of Recipient

9.1. Each Recipient represents and warrants in favour of NGen as follows:

- 9.1.1. Recipient represents that it is duly incorporated under the laws of Canada and it is validly existing and in good standing, under the laws of each jurisdiction in which govern it, and has all necessary corporate power and capacity to enter into and perform its obligations in respect of the Project and has contemplated under this Agreement.
- 9.1.2. The Recipient has the requisite power to own its assets either directly or through an affiliate and to carry on the Project.
- 9.1.3. The Recipient has taken all necessary action to authorize the execution and delivery by it of this Agreement, and the performance of its obligations under this Agreement and otherwise in connection with the Project.
- 9.1.4. The execution, delivery and performance of this Agreement and the obligations of the Recipient with respect to the Project or as contemplated under this Agreement, do and will

NGen FUNDING OFFER and MASTER PROJECT AGREEMENT

not breach or result in a default under (i) any of its constating documents, (ii) any contract or covenant by which it is bound, or (iii) any laws applicable to the Recipient.

- 9.1.5. The Project is not already approved for receipt of funding by a governmental authority, nor is the Project currently in progress by the Recipients.
- 9.1.6. The Recipient confirms that they are able to meet their financial obligation to the Project and are not a company in financial difficulty, bankruptcy, or insolvency, are not in receivership or taking the benefit of any statute from time to time in force relating to bankrupt or insolvent debtors, and commits to informing NGen as soon as reasonably practicable of a change in this status. NGen reserves the right to terminate this Agreement if the Recipient's status changes.
- 9.1.7. The Project not part of a "designated project" as defined in the Canadian Environmental Assessment Act, 2012 ("CEAA") and is not being carried out on "federal lands" as defined in the CEAA.

9.2. Each Recipient covenants and agrees that:

- 9.2.1. The Recipient shall not provide funding of any amount to a government department, agency, or organization as defined in section 2 of the *Financial Administration Act*, provided that this does not include fees paid to acquire services from any such department.
- 9.2.2. NGen is not responsible for obtaining or providing funding for the Project other than the Funding, in accordance with the terms and conditions of this Agreement.
- 9.2.3. The Recipients are solely responsible for providing and obtaining any funding, in addition to the Funding, required to carry out the Project and the fulfilment of the Recipient's obligations under this Agreement.
- 9.2.4. The Recipients shall not amend the Collaboration Agreement without the prior written consent of NGen.
- 9.2.5. The Recipient shall obtain prior written consent of NGen to confirm that the Change of Control does not affect the Recipients ability to meet its obligations under the Terms and Conditions of this Agreement.
- 9.2.6. The Recipients will retain possession and control of all Project Assets, for so long as retention or possession and control is necessary for the completion of the Project, providing that a Recipient may transfer any rights in Project Assets as long as it retains any rights or licenses related to such Project Asset that are necessary for the completion of the Project. The above applies unless the Project Asset is worn or outdated and is sold, transferred or disposed of in order to be replaced and the proceeds of sale of the Project Asset are used for the acquisition of the replacement. ("**Project Asset**" means an asset which, in whole or in part, has been acquired, created, developed, advanced and/or contributed to by the Funding, but does not include FIPR (as defined in Section 10.1.2).
- 9.2.7. The Recipient's board of directors is not, and will not be, controlled by representatives or agents of the Crown.
- 9.2.8. Recipient shall comply with all federal, provincial, territorial, municipal and other applicable laws governing the Recipient or the Project, or both including statutes, regulations, by-laws, rules, ordinances and decrees. This includes legal requirements and regulations relating to environmental protection and the successful implementation of and adherence to any mitigation measures, monitoring or follow-up program that may be prescribed by the Minister or by other federal, provincial, territorial, municipal bodies, and in case of which certifies that it has done so.

- 9.2.9. The Recipient will provide NGen and the Minister with reasonable access to any Project site for the purposes of ensuring the progress of the Project and verification of Project Assets.
 - 9.2.10. The Recipients will carry out the Project in a diligent and professional manner using qualified personnel in accordance with the Proposal, Project Plan and Commercialization Plan.
 - 9.2.11. The Recipients will carry out the Project in Canada, unless otherwise agreed to in writing by NGen.
 - 9.2.12. The Recipients will carry out the Project in accordance with the Project Plan and Commercialization Plan, including expending the amounts on the Project as set forth therein.
 - 9.2.13. In carrying out the Project, the Recipients shall comply with all of NGen's policies, guides and instructions, as may be amended from time to time.
- 9.3. Further to Sections 7 and 9 NGen may suspend, withdraw or seek repayment any or all of the payments and/or require repayments of Funding already paid, **together with interest from the date of payment as per 7.5**, if NGen is required to do so as a result of a decision by ISED or the Crown arising from a breach of any representations, warranties, and covenants contained in this Agreement.

10. Intellectual Property

10.1. For the purposes of this Section 10, the following terms have the following meanings:

- 10.1.1. "**BIPR**" means the IPRs developed prior to the beginning of the Project or developed independent of the Project and required for the carrying out of the Project or for the exploitation of the FIPR.
 - 10.1.2. "**FIPR**" means all Intellectual Property conceived, produced, developed or reduced to practice in carrying out the Project, by the Recipient or any of their employees, agents, contractors or assignees, and all rights therein, but does not include BIPR as defined in this Agreement.
 - 10.1.3. "**Intellectual Property**" is defined as all inventions, whether or not patented or patentable, all commercial and technical information, whether or not constituting trade secrets, and all copyrightable works, industrial designs, integrated circuit topographies, and distinguishing marks or guises, whether or not registered or registrable.
 - 10.1.4. "**IPR**" means any common law principle or statutory provision which may provide a right in Intellectual Property.
- 10.2. For the avoidance of doubt, NGen has no interest in the ownership of any IPR, or other rights developed under or arising as a result of the Project, or in the terms of any IPR licences executed by the Recipients, beyond ensuring that NGen's **Intellectual Property Strategy (NGen IP Strategy)** is adhered to; and the results and exploitation of the Project detailed in the Proposal and Commercialization Plan are capable of being achieved. NGen also has no financial interest in or claim over any financial benefits arising directly or indirectly from the Project beyond the right to withdraw or reclaim the Funding as set out in Section 7.
- 10.3. Throughout the period of the Project the Recipients shall make commercially reasonable enquiries concerning pre-existing third party IPRs that may adversely affect the achievement of the intended

Project objectives and/or outcomes and shall use its best endeavours to ensure that there are no impediments to the effective carrying out of the Project and/or the exploitation of the Project's results. In the event of a successful claim being made against the Recipients during the period of the Project for a breach of IPRs relating to the Project, NGen reserves the right to reclaim Funding paid.

- 10.4. Recipients agree to adhere to the NGen IP Strategy (available online at www.ngen.ca), including the following (capitalized terms not otherwise defined herein have the meaning set out in the NGen IP Strategy):
- 10.4.1. Recipients must maintain a Project IP Repository Worksheet (Annex 5, an electronic copy will be provided). The purpose of the Project IP Repository Worksheet is to serve as the confidential project-based IP Repository and will catalogue and track all (i) BIPR; and (ii) all FIPR used and created during the Project;
 - 10.4.2. Provide NGen on a Quarterly basis an updated Project IP Repository Worksheet, via the online project portal (details to be provided).
 - 10.4.3. Provide NGen with patent, trademark, or other formal application details for BIPR and FIPR if/when applicable.
 - 10.4.4. Intellectual Property will be reviewed quarterly as part of quarterly PRM, as described in Section 3 of this Agreement.
 - 10.4.5. Recipients commit to the sharing and diffusion of FIPR with NGen's members, consistent with the Intellectual Property Strategy, including the following:
 - 10.4.5.1. Providing an updated list at the start of the Project of NGen members that the Recipients, based on the initial list provided as part of the Proposal and with consultations with the NGen Intellectual Property Manager, believe would have a technological or business interest in the expected FIPR and a description of the interest, list should be included in the Project IP Strategy developed pursuant to Section 1.1.6;
 - 10.4.5.2. Providing an updated list at the start of the Project of NGen members with whom the Recipients, based on initial list provided as part of the Project proposal and with consultations with the Intellectual Property Manager, have indicated they would be willing to enter into negotiations regarding access to the expected FIPR and any applicable limitations related to such access, which list should be included in the Project IP Strategy developed pursuant to Section 1.1.6;
 - 10.4.5.3. Subject to confidentiality and competitive issues agree to allow BIPR and FIPR to be added to the NGen member public **IP Registry**. FIPR is expected to be submitted to the IP Registry when the research and development work on that FIPR is completed and/or publicly disclosed; for example, but not limited to disclosure in a journal or magazine article, commercialized, or published on the owner's website. Access to the IP Registry will be available to all NGen members in good standing; and
 - 10.4.5.4. A commitment from each Recipient to, upon request, enter negotiations regarding access to their FIPR with members as listed per section 10.4.5.2, subject to any limitations to such access.
 - 10.4.6. As per section 1.1.2 Recipients must provide a Collaboration Agreement, a portion of which must include agreed to ownership and licensing terms with all Recipients governing access to the BIPR and expected FIPR whilst adhering to NGen's Intellectual Property Strategy, including:

- 10.4.6.1. A list and description of BIPR required for the Project, including the license(s) required for each of the Recipients to complete the portions of the Project they are responsible for;
 - 10.4.6.2. A description of the expected FIPR and how it will be legally protected, and how it will be owned and licensed.
 - 10.4.6.3. Licensing and access to the FIPR which recognizes of the right of each Project Recipient to access, on fair, reasonable and non-discriminatory terms and subject to relevant competitive issues, all FIPR, for at least internal research and development purposes.
 - 10.4.7. Ensure that Recipient employees, agents, contractors, and students have an obligation to assign any FIPR generated within the Project to their organization or one of the other Recipient organizations.
 - 10.4.8. Should disputes arise related to FIPR or BIPR, NGen will, as an initial step, offer its support to resolve these disputes amicably by means of informal mediation. Where such mediation is not successful, further mediation as per 14.1 is recommended, and if still unsuccessful the parties to the dispute will have recourse as set forth in their Collaboration Agreement, or as otherwise agreed between the parties to the dispute.
11. **Exploitation of Project Results**
- 11.1. The Recipients are expected to promptly refine and update the Commercialization Plan, which is a key deliverable of the Project, to reflect the results as the Project progresses.
 - 11.2. During the period starting on the date on which the final payment of Funding is made and ending five (5) years thereafter (the "Exploitation Period") the Recipients shall take reasonable steps to exploit the results of the Project as set out in the Project proposal and/or Commercialization Plan, or by other means acceptable to the Recipients and NGen.
 - 11.3. On Project End Date, and for a period of up to 5 years thereafter, NGen may wish to evaluate the impact of Funding awarded to the Project. The Recipients are expected to comply with all reasonable requests for information made for this purpose.
12. **Audits by Minister and Auditor General of Canada**
- 12.1. The Minister shall have the right to, when he determines necessary, on reasonable notice, at his cost, audit the books, records and financial statements of the Recipients for the purpose of validating the use of Funding for the Project and ensuring compliance with the terms of this Agreement. If it is determined that the amounts paid exceed the amounts payable under this Agreement, the difference will be considered a debt due to the Crown and recovered as an overpayment. The Minister may discuss the results of said audits with the Recipient and NGen and may publish the results and report them to Parliament.
 - 12.2. The Minister shall have the right to, when he determines necessary, at his cost, conduct a performance (value-for-money) audit of the Recipients in relation to the Funding. The Minister may discuss the results of said audits with the Recipient and NGen and may publish the results and report them to Parliament.
 - 12.3. If the report of an audit conducted pursuant to this section identifies any deficiencies, or provides recommendations for improvements or redress, the Recipient shall, within ninety (90) days of receiving such report, implement timely corrective actions in respect of such findings or recommendations, and report back to the Minister.

12.4. The Recipient shall at its own expense:

12.4.1. preserve and make available for audit and examination by the Minister, proper books, accounts and records for the purpose of validating the use of the Funding wherever such books and records may be located, and permit the Minister to, upon reasonable notice, conduct such independent audits and evaluations as the Minister in his discretion may require;

12.4.2. upon reasonable notice, permit the Minister reasonable access to the Recipient premises and Project documents, in order to inspect and assess the use of the Funding; and

12.4.3. supply promptly, on reasonable request by the Minister, such other data in respect of its activities, projects and their results, as the Minister may require for purposes of this Agreement and for statistical and/or evaluation purposes.

12.5. Any audits performed will be carried out by auditors selected by the Minister. The Minister will provide Recipients with a description of the scope and criteria of the audit and the expected time frames for completion of the audit and public release of the related reports.

12.6. The Recipient acknowledges that the Auditor General of Canada may, at the Auditor General's cost, after consultation with the Recipient or NGen, conduct an inquiry under the authority of Subsection 7.1(1) of the *Auditor General Act* in relation to any funding agreement (as defined in Subsection 42(4) of the *Financial Administration Act*) with respect to the use of funds received. For purposes of any such inquiry undertaken by the Auditor General, the Recipient shall provide, upon request and in a timely manner, to the Auditor General or anyone acting on behalf of the Auditor General: all records held by the Recipient relating to the Project and the use of the Funding, and such further information and explanations as the Auditor General, or anyone acting on behalf of the Auditor General, may request relating to the Project and/or the Funding.

12.7. Notwithstanding the termination of this Agreement, the rights and obligations of the Parties set forth in Section 12 shall survive termination and remain in full force and effect until the date of March 31st, 2028.

13. **Publication of Information**

13.1. The Recipients will provide public access to information relating to the use of the Funding to the greatest extent possible, excluding proprietary, confidential, or personal information.

13.2. NGen and ISED have the right to publicize the results of successful Proposals and Projects. This includes posting material on their websites, making references to Projects at events, social media activity, references in presentation material, and engagement with the media. In accepting the Funding, the Recipients agree to NGen and ISED making publicly available on their websites the title of the Project, the public description of the Project already provided for publicity purposes, and the corporate identities of the Recipients associated with the Project.

13.3. Recipients provide consent to being contacted by NGen, the Minister, and ISED in relation to success stories, announcements, ceremonies or other communications activities, and which specify that:

13.3.1. the Recipients agrees to acknowledge the Minister's role in the Funding provided through this Agreement;

13.3.2. the Recipients consents to a public announcement of the federal contribution for the Project by the Minister or on behalf of the Minister in the form of a news release and/or event; and

13.3.3. the Recipients agree to display promotional material, branding and/or signage provided by the Minister at the event.

- 13.4. The Recipients are actively encouraged to seek their own publicity in connection with the Project. NGen and ISED may, however, have specific requirements on timing, on occasions when a Government announcement is due to take place involving a specific project. If this happens, NGen and/or ISED will contact the Recipients to request its publicity is aligned with the Government announcement and that it defers any publicity until an agreed date.
- 13.5. Should the Recipients wish to publicize the Project (including by way of industrial events, direct public engagement or via media outlets) the Recipients shall advise NGen at least one week in advance by email at info@ngen.ca for approval on the content of statements and use of NGen's branding.

14. **Dispute Resolution**

- 14.1. In the event that a dispute arises out of or in connection with this Agreement between NGen and the Recipients, the affected parties shall attempt to resolve the dispute through good faith negotiation, and will, if necessary resolve the matter through mediation or by arbitration, by a mutually selected mediator or arbitrator in accordance with the Commercial Arbitration Code set out in the schedule to the *Commercial Arbitration Act* (Canada), and all regulations made pursuant to that Act.

15. **General**

- 15.1. In the event that NGen's ability to deliver Funding is significantly affected by circumstances beyond its control, including changes in laws, Government or policy, or the amendment or termination of the contribution agreement between NGen and the Crown with respect to the Funding, it may, in its absolute discretion, terminate the Funding and discontinue payments to the Recipients by giving the Lead Recipient, with due regard to the circumstances, such reasonable notice as possible, and in writing, of its decision to terminate the Funding.
- 15.2. This Agreement shall enure to the benefit of and be binding upon the Parties, their successors and permitted assignees.
- 15.3. The Recipient shall not assign, transfer, sub-contract, or in any other way extend to any third party any of its rights or obligations under this Agreement without the prior written consent of NGen. Any attempt by the Recipient to assign this Agreement or any part of the Agreement, without the express written consent of NGen, is void.
- 15.4. Failure to exercise, or any delay in exercising, any right or remedy provided under this Agreement or by law shall not constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict any further exercise of that or any other right or remedy.
- 15.5. This Agreement shall not create any partnership or joint venture, nor any relationship of principal and agent, between the Parties, nor authorize any Party to make or enter into any commitments for or on behalf of the other Party.
- 15.6. Each Party intends that this Agreement shall not benefit or create any right or cause of action in, or on behalf of, any person, other than the Parties and no person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit proceeding, hearing or other forum.
- 15.7. In connection with the Initiative, or NGen otherwise dealing with the Project, NGen may consult with the Recipient regarding, among other things, the Project and the Recipient's business or otherwise and NGen may provide information or recommendations to the Recipient pursuant thereto (collectively, "**Consultations**"). With respect to the Consultations, the Recipient acknowledges and agrees as follows: (i) the Consultations do not constitute advice, legal, financial or otherwise; (ii) the Recipient is not relying, and is not entitled to rely, on the Consultations for any purpose whatsoever;

(iii) any recommendation or information provided by NGen to the Recipient pursuant to the Consultations is provided on an “as is” basis and, if implemented or acted upon by the Recipient, does not constitute a guarantee of any kind or nature that the Recipient will receive financial support from NGen, that the Project will be successful or that the Recipient will receive any benefit whatsoever from the Consultations, and the Recipient acknowledges and agrees that it has no such expectations in respect of the Consultations. Should the Recipient choose to rely or act upon the Consultations, the Recipient acknowledges and agrees that it has done so or will do so entirely at the Recipient’s own risk; and (iv) NGen makes no representations or warranties with respect to the Consultations or any information, advice or recommendations provided by NGen in connection therewith or the accuracy thereof. NGen accepts no duty, liability, obligation or responsibility to the Recipient in respect of the Consultations, whether in contract, tort (including negligence) or otherwise, and will not be liable in respect of any loss, damage, cost, expense or penalty of any nature which is caused by any use the Recipient may choose to make of the Consultations, or which is otherwise consequent upon the Consultations.

- 15.8. The Recipients shall indemnify and hold harmless NGen, ISED, the Crown and its agents, officers, employees, project monitors, and servants (“Representatives”) from and against all claims and demands, losses, damages, costs, expenses, actions and other proceedings by whomever made, sustained, brought, prosecuted, threatened to be brought or prosecuted in any manner, based upon, occasioned by, attributable to, or arising from this Agreement or the Project or any action taken or things done or maintained by virtue hereof, or the exercise in any manner of rights arising under this Agreement.
- 15.9. Notwithstanding anything to the contrary contained in this Agreement, NGen, ISED, the Crown and its agents, officers, employees, project monitors, and servants shall not be liable for any direct, indirect, special or consequential damages of the Recipient nor for the loss of revenues or profits arising based upon, occasioned by or attributable to the execution of this Agreement, regardless of whether such a liability arises in tort (including negligence), contract, fundamental breach or breach of a fundamental term, misrepresentation, breach of warranty, breach of fiduciary duty, or indemnification; and
- 15.10. To ensure that the indemnities and releases provided by the Recipient to NGen’s Representatives are enforceable, it is agreed by the Parties that NGen is acting as agent for its Representatives with respect to the indemnities and releases intended to be given to those Representatives under this Agreement, respectively. NGen agrees that it will hold any right to indemnification and/or release that any Representative of it is intended to have under this Agreement, respectively, in trust for that Representative, and that funds received by NGen in respect of any claims by any Representative of it will be held in trust for that Representative.
- 15.11. The Recipient hereby irrevocably releases NGen, and its Representatives, from all claims of any kind which the Recipient or its heirs, executors, administrators, legal representatives, successors and assignees, as applicable, ever had, now have, or may in the future have against NGen, or its Representatives, by reason of any cause, whether known or unknown, arising from, connected with, or in any way related to the Project or the Consultations or any related matter.
- 15.12. The Recipient further covenants and agrees not to make any claim or demand or commence any action against any third party who might claim contribution, indemnity or other relief against NGen or its Representatives in relation to the matters hereinbefore remised, released and/or discharged, and shall indemnify NGen or its Representatives for all losses and costs sustained by NGen or its Representatives in the event that such a claim is made.
- 15.13. This Agreement shall be governed by, interpreted and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
- 15.14. If for any reason a provision of this Agreement that is not a fundamental term of the Agreement between the Parties is found to be or becomes invalid or unenforceable, whether in whole or in part, such provision or portion thereof declared invalid or unenforceable shall be deemed to be

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severable and shall be deleted from this Agreement and all remaining terms and conditions of this Agreement will continue to be valid and enforceable.

- 15.15. Any notices, demands or other forms of communication required under this Agreement will be in writing and either delivered personally or by courier, sent by prepaid registered mail or transmitted by email or other functionally equivalent electronic means of transmission. Any such communication must be sent to the Party as follows:

to any of the Recipients: at the address set for on the Acceptance of Conditional Offer, as executed by the Recipient and delivered to NGen

to NGen: at the address set forth on the Offer Letter

or at any other address as any Party may at any time advise the other by communication given or made in accordance with this Section. Any communication delivered to the Party to whom it is addressed will be deemed to have been given or made and received on the day it is delivered at that Party's address, provided that if that day is not a business day then the communication will be deemed to have been given or made and received on the next business day. Any communication transmitted by facsimile, e-mail or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the day on which it is transmitted; but if the communication is transmitted on a day which is not a business day or after 4pm (local time of the recipient), the communication will be deemed to have been given or made and received on the next business day.

16. **Entire Agreement**

This Agreement, including all Annexes hereto, the Proposal and any other agreements or documents to be delivered under this Agreement, constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written of the Parties, and there are no other representations, warranties or other agreements between the Parties, express or implied, in connection with the subject matter of this Agreement. No amendment to the terms of this Agreement will be binding unless and until confirmed in writing by, and on behalf of, NGen.

ACCEPTANCE OF CONDITIONAL OFFER - LEAD RECIPIENT

To: Next Generation Manufacturing Canada ("NGen")

Project: Project Title

NGen Project File Ref: Project File Reference Number

Offer Letter Date: **

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby accepts the funding offer made pursuant to the offer letter provided by NGen to the undersigned on the Offer Letter Date with respect to the project identified by the NGen File Reference referred to above (the "**Offer Letter**"), and agrees to be bound by the terms and conditions as set out in the Offer Letter. The undersigned agrees with NGen that it will do all such things and provide all such information, documentation and assistance as it required of it or necessary to be produced by it under the terms of the Offer Letter, including accepting the obligations of the Lead Recipient as set forth therein.

Total eligible project costs CDN **Total Eligible Costs in Numbers**

Funding offered: CDN **Total Funding Amount in Numbers**

The undersigned confirms that:

- it has its own funding in place to manage the cash flow for its obligations under the Project and
- it has received a copy of the Terms and Conditions of Offer referred to in the Offer Letter, and that the representations and warranties set out therein are true and correct.

The undersigned confirms that the Director or duly authorized Officer for **Lead Organization Name** is:

Name

Director or duly authorized
Officer for and on behalf of
Lead Organization Name

Signature

Date

ACCEPTANCE OF CONDITIONAL OFFER – RECIPIENT 1

Project: Project Title

NGen Project File Ref: Project File Reference Number
Offer Letter Date: **

Declaration by Participating Organization

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby accepts the funding offer made pursuant to the offer letter provided by NGen to **Lead Organization Name** on the Offer Letter Date with respect to the project identified by the NGen File Reference referred to above (the "**Offer Letter**") and, upon acceptance of the Offer Letter by **Lead Organization Name** agrees to be bound by the terms and conditions of set out in the Offer Letter.

The undersigned undertakes to NGen that it will do all such things and provide all such information, documentation and assistance as is required of it or necessary to be produced by it under the terms of the Offer Letter.

The undersigned agrees that **Lead Organization Name** shall act as Lead Recipient for the Project pursuant to the Offer Letter.

The undersigned confirms that:

- it has its own funding in place to manage the cash flow for its obligations under the Project and
- it has received a copy of the Terms and Conditions of Offer referred to in the Offer Letter, and that the representations and warranties set out therein are true and correct.

The undersigned confirms that the Director or duly authorized Officer for **Recipient 1** is:

Name
Director or duly authorized
Officer for and on behalf of
Recipient 1

Signature

Date

ACCEPTANCE OF CONDITIONAL OFFER – RECIPIENT 2

Project: Project Title

NGen Project File Ref: Project File Reference Number

Offer Letter Date: **

Declaration by Participating Organization

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby accepts the funding offer made pursuant to the offer letter provided by NGen to **Lead Organization Name** on the Offer Letter Date with respect to the project identified by the NGen File Reference referred to above (the “**Offer Letter**”) and, upon acceptance of the Offer Letter by **Lead Organization Name** agrees to be bound by the terms and conditions of set out in the Offer Letter.

The undersigned undertakes to NGen that it will do all such things and provide all such information, documentation and assistance as is required of it or necessary to be produced by it under the terms of the Offer Letter.

The undersigned agrees that **Lead Organization Name** shall act as Lead Recipient for the Project pursuant to the Offer Letter.

The undersigned confirms that:

- it has its own funding in place to manage the cash flow for its obligations under the Project and
- it has received a copy of the Terms and Conditions of Offer referred to in the Offer Letter, and that the representations and warranties set out therein are true and correct.

The undersigned confirms that the Director or duly authorized Officer for **Recipient 2** is:


Name

Director or duly authorized
Officer for and on behalf of
Recipient 2

Signature

Date

FINANCIAL REPORTING TEMPLATE

									
Project Ref #									
Project Name									
Project Start Date									
Project End Date									
	Mar-00		Year 1 Q1 TOTAL				Year 1 Q2 TOTAL		
	Forecast	Actual	Budget	Forecast	Actual	NGen Claim	Budget	Forecast	Actual
Total Project									
Equipment, Facilities and Supplies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
User Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
Materials and Supplies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
Room or Facility Rentals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
Conference Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
Travel Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
Dissemination Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
Other Direct Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
In-Kind Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	n/a			
Unfunded Eligible Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00			
Grand Total Eligible Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Ineligible Costs									
Project Grand Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Lead Partner									
Salaries and Wages			\$0.00	\$0.00	\$0.00				
Subcontracts and Consultancy			\$0.00	\$0.00	\$0.00				
Equipment, Facilities and Supplies			\$0.00	\$0.00	\$0.00				
User Fees			\$0.00	\$0.00	\$0.00				
Materials and Supplies			\$0.00	\$0.00	\$0.00				
Room or Facility Rentals			\$0.00	\$0.00	\$0.00				
Conference Costs			\$0.00	\$0.00	\$0.00				
Travel Costs			\$0.00	\$0.00	\$0.00				
Dissemination Costs			\$0.00	\$0.00	\$0.00				
Other Direct Costs			\$0.00	\$0.00	\$0.00				
In-Kind Costs			\$0.00	\$0.00	\$0.00				
Unfunded Eligible Costs			\$0.00	\$0.00	\$0.00				
Lead Partner Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00
Ineligible Costs									
Lead Partner Grand Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00
Partner A									
Salaries and Wages			\$0.00	\$0.00	\$0.00				
Subcontracts and Consultancy			\$0.00	\$0.00	\$0.00				
Equipment, Facilities and Supplies			\$0.00	\$0.00	\$0.00				

FINANCE CLAIM CERTIFICATION

To: Next Generation Manufacturing Canada

Date: _____

**Re: Finance Claim Certification in regard to the NGen Project File Ref # _____
(the "Project")**

I, _____, the _____ * of _____
(the "**Recipient**") certify, solely in my capacity as an Officer of the Recipient and not in any individual capacity, that for this claim:

1. **Ineligible costs** as outlined on the next page **have not** been included for reimbursement.
2. The eligible cost claims submitted to NGen on the date hereof, by the Recipient in regard to the Project have been **incurred and paid** by the Recipient, and
3. The representations, warranties and covenants contained in the NGen funding offer with respect to the Project continue to be true as of the date hereof, and the Recipient is not in default of any terms of the NGen funding offer with respect to the Project, and
4. Other government funding (non-NGen) of \$ _____ and other government subsidies of \$ _____ was received during the claim period which specifically pertains to this Project, and
5. All transactions with affiliated (related/associated) companies have been highlighted to NGen and exclude any allocation of profit i.e. are valued at cost, and

Signed**

Printed Name: _____

Printed Title: _____

Company: _____

Date: _____

**The title of the individual signing*

***Must be signed by a CFO or VP Finance, or their delegate*


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Ineligible costs – not eligible for reimbursement

- **Federal and provincial income taxes**, harmonized sales tax (**HST**), goods and services taxes (**GST**), provincial sales taxes (**PST/QST**), excess profit taxes or surtaxes and/or special expenses in connection with those taxes
- Costs related to the **routine administration and operation of recipients**, except salary costs specifically related to the eligible project
- Costs related to **overhead** incurred by recipients
- Capital, infrastructure or equipment costs unrelated to project objectives
- Expenses relating to the leasehold improvements, construction, purchase of a building or land
- Fines and penalties
- Provisions for contingencies
- Losses on investments, other projects, contracts, bad debts or expenses for the collection charges
- Expenses and depreciation of buildings or rooms that are not in use during the project
- Amortization of unrealized appreciation of assets
- Depreciation of assets paid for by NGen.
- Honoraria, gifts, donations, entertainment expenses, and alcoholic beverages
- Dues and other memberships other than regular trade and professional associations
- Extraordinary or abnormal fees for professional advice unless the NGen's approval is obtained prior to incurring the cost
- Premiums for life insurance where proceeds accrue to the recipient
- Discretionary severance and separation packages
- Costs for which the recipient is eligible for a rebate from federal, provincial, territorial or municipal government sources
- Salaries of the Members of the Board of Directors
- Legal, accounting and consulting fees in connection with litigation or financial reorganization
- Activities where benefits accrue to a single firm or organization

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MILESTONE REGISTER TEMPLATE



Next Generation
Manufacturing Canada

Milestone and Work Package Register
V2.0 Feb 18, 2020

NGen Project Ref #
Project Name
Lead Partner
Project Start Date/End Date
Status Date

Milestone Reference #	Predecessor	Successor	Milestone Objective	Deliverables	Responsible Partner Organization	Milestone Owner (Name)	Due Date from Project Plan	% Complete

FINAL REPORT

FINAL PROJECT REPORT

Project Title:		Lead Recipient:	
Project File Ref #:		Project Location:	
Project Start Date:		Report Author:	
Project End Date:		Report Submission Date:	

PROJECT MEMBERS

Name	Organization	Role

TOTAL PROJECT COSTS

Please identify the total funding received from all sources, including in-kind contributions.

Name of Funding Agency	Total Contribution (Cash)	Total Contribution (In-Kind)
Canadian Government Assistance		
Funding from Industry		

REPORTING METRICS

Metric	Qty/Value	Details
Number of new products developed		
Number of new products commercialized		
Number of products improved by participants		
Number of new processes developed		
Number of new processes commercialized		
Number of processes improved		
Number of new services developed		
Number of new services commercialized		
Number of services improved		
List SME partners that export goods and services		
Number of new Canadian customers		
Number of new International customers		
Customer demonstrations given		
Number of jobs created as a result of the project		
Number of existing jobs protected / maintained as a result of the project		
Sales growth projected by commercialized innovations (\$) within next 24 months		
Sales growth projected by commercialized innovations (%) within next 24 months		
Cost Savings generated by improvements made as a result of the project.		
How much additional R&D spending by private company outside of but as a result of the project		
How much additional R&D spending from additional funding outside of but as a result of the project		
Number of spin-offs, joint ventures and start-ups created in the technology area as a result of this project.		
Intellectual Property acquired from outside for the project		

ECOSYSTEM IMPROVEMENTS/CONTRIBUTIONS

List all ecosystem improvements/contributions as described in the final approved project application and provide information on the status.

Improvements/Contributions	Results

EXPLOITATION AND COMMERCIALIZATION

List all exploitation and commercialization activities as per your current
Exploitation/Commercialization Plan.

Activity	Results

INTELLECTUAL PROPERTY IMPACT

List all Foreground Intellectual Property created during project and measure its impact across the Supercluster.

[illegible]

List the SME Members of the consortium that have accessed independent expertise and advice in respect of Intellectual Property as result of this project	List below any disputes within the consortium regarding IP and if/how they were resolved or not.

[illegible]