

Contract # C13 996 003

**PROVINCE OF BRITISH COLUMBIA  
MINISTRY OF [MINISTRY NAME]**

**TRANSFER UNDER AGREEMENT**

THIS AGREEMENT dated for reference the 31 day of MAY, 2012

**BETWEEN:**

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF  
BRITISH COLUMBIA, represented by the Minister of Community, Sport  
and Cultural Development

(the "Province", "we", "us" or "our", as applicable)

**OF THE FIRST PART**

**AND:**

The BC Sport Agency Society, a society incorporated under the laws of  
British Columbia (Incorporation No. S-0057765) and having a registered  
office at 1000-510 Burrard Street, Vancouver BC, V6C 3A8 (the  
"Contractor", "you" or "your" as applicable)

**OF THE SECOND PART**

The parties to this Agreement agree as follows:

**BACKGROUND:**

- A. The Province has identified a number of areas that contribute to its priorities of healthy families and communities and to jobs and economic development through its Five Year Sport Strategy..
- B. The BC Sport Agency provides strategic leadership to deliver on a vision of an active, healthy British Columbia where sport inspires a field of possibilities for all.
- C. Because there is alignment between the goals and objectives of both the Province and the BC Sport Agency, the Province wishes to provide financial assistance to the BC Sport Agency in support of implementing the Five Year Sport Strategy.

## **SECTION 1 - DEFINITIONS**

1. Where used in this Agreement:

- (a) "Contract Price" means the total aggregate value stipulated in the Schedule B;
- (b) "Material" means all findings, data, reports, documents, records and material, (both printed and electronic, including but not limited to, hard disk or diskettes), whether complete or otherwise, that have been produced, received, compiled or acquired by, or provided by or on behalf of the Province to, the Contractor as a direct result of this Agreement, but does not include property owned by the Contractor;
- (c) "Personal Information" means recorded information about an identifiable individual.
- (d) "Refund" means any refund or remission of Harmonized Sales Tax (HST) or duty available with respect to any items that the Province has paid for or agreed to pay for under this Agreement;
- (e) "Services" means the services described in Schedule A;
- (f) "Term" means the start and end date of the Agreement stipulated in Schedule A;

## **SECTION 2 - APPOINTMENT**

- 2.01 The Province retains the Contractor to provide the Services during the Term, both described in Schedule "A".

## **SECTION 3 - PAYMENT OF THE CONTRACT PRICE**

- 3.01 Subject to the provisions of this Agreement, the Province will pay the Contractor, in the amount and manner, and at the times set out in Schedule "B" attached to this Agreement.
- 3.02 Notwithstanding any other provision of this Agreement the payment of the Contract Price by the Province to the Contractor pursuant to this Agreement is subject to:

- (a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act* ("FAA"), to enable the Province, in any fiscal year when any payment of money by the Province to the Contractor falls due pursuant to this Agreement, to make that payment; and
- (b) Treasury Board, as defined in the FAA, not having controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in subparagraph (a) of this paragraph.

3.03 The Contractor must:

- (a) apply for any Refund or remission of Harmonized Sales Tax or duty available with respect to any items that the Province has paid for or agreed to pay for under this Agreement, and
- (b) on receipt of the Refund, comply with the requirements concerning the use, application or remittance of the Refund set out in Schedule "B" to this Agreement.

**SECTION 4 - REPRESENTATIONS AND WARRANTIES**

4.01. The Contractor represents and warrants to the Province with the intent that the Province will rely thereon in entering into this Agreement that:

- (a) all information, financial statements, documents and reports furnished or submitted by it to the Province in connection with this Agreement are true and correct;
- (b) it has no knowledge of any fact that materially adversely affects, or so far as it can foresee, might materially adversely affect, its properties, assets, condition (financial or otherwise), business or operations or its ability to fulfill its obligations under this Agreement;
- (c) it is not in breach of, or in default under, any law, statute or regulation of Canada or of the Province of British Columbia applicable to or binding on it or its operations;
- (d) if the Contractor is a corporation or society or partnership, it is registered and in good standing with BC Corporate Registry; and
- (e) it has the legal capacity to enter into this Agreement and to carry out the Services contemplated by this Agreement and all necessary proceedings have been taken and done to authorize the execution and delivery of this Agreement by the Contractor.

- 4.02 All statements contained in any certificate, application, proposal or other document delivered by or on behalf of the Contractor to the Province under this Agreement or in connection with any of the transactions contemplated hereby will be deemed to be representations and warranties by the Contractor under this Agreement.
- 4.03 All representations, warranties, covenants and agreements made herein and all certificates, applications or other documents delivered by or on behalf of the Contractor are material and will have been relied upon by the Province and will continue in full force and effect during the continuation of this Agreement.

## **SECTION 5 - RELATIONSHIP**

- 5.01 No partnership, joint venture, agency or other legal entity will be created by or will be deemed to be created by this Agreement or any actions of the parties pursuant to this Agreement.
- 5.02 The Contractor will be an independent contractor and not the servant, employee or agent of the Province.
- 5.03 The Contractor will not in any manner whatsoever commit or purport to commit the Province to the payment of money to any person, firm or corporation.
- 5.04 The Province may, from time to time, give instructions to the Contractor in relation to the carrying out of the Services, and the Contractor will comply with those instructions but will not be subject to the control of the Province regarding the manner in which those instructions are carried out except as specified in this Agreement.

## **SECTION 6 - CONTRACTOR'S OBLIGATIONS**

- 6.01 The Contractor will:
- (a) carry out the Services in accordance with the terms of this Agreement during the Term stated in Schedule "A" of this Agreement;
  - (b) comply with the payment requirements set out in Schedule "B", including all requirements concerning the use, application and expenditure of the payments provided under this Agreement;
  - (c) comply with all applicable laws;
  - (d) hire and retain only qualified staff;
  - (e) unless agreed otherwise supply, at its own cost, all labour, materials and approvals necessary to carry out the Services; and
  - (f) without limiting the provisions of subparagraph (c) of paragraph 6.01, carry out criminal record checks as required by the *Criminal Records Review Act*, in accordance with Schedule "C" to this Agreement; and
  - (g) co-operate with the Province in making such public announcements regarding the Services and the details of this Agreement as the Province requests; and

- (h) acknowledge the financial contribution made by the Province to the Contractor for the Services in any Materials, by printing on each of the Materials the following statement:

*"We gratefully acknowledge the financial support of the Province of British Columbia through the Ministry of Community, Sport and Cultural Development."*

## **SECTION 7 - RECORDS**

### **7.01 The Contractor will:**

- (a) establish and maintain accounting and administrative records in form and content satisfactory of the Province;
- (b) establish and maintain books of account, invoices, receipts and vouchers for all expenses incurred in form and content satisfactory to the Province; and
- (c) permit the Province, for contract monitoring and audit purposes, at all reasonable times, upon reasonable notice, to enter any premises used by the Contractor to deliver the Services or keep any documents or records pertaining to the Services, in order for the Province to inspect, audit, examine, review and copy any Material.

### **7.02 The Parties agree that the Province does not have control, for the purpose of the *Freedom of Information and Protection of Privacy Act*, of the records held by the Contractor.**

## **SECTION 8 - STATEMENTS AND ACCOUNTING**

### **8.01 Within 3 months of being requested to do so by the Province, the Contractor will:**

#### **OPTION 2:**

Provide financial statement(s) for the Contractor's last fiscal year, prepared by a recognized accounting firm, covering the Term of this Agreement, and either:

- i. a statement documenting the expenditure of the Contract Price under this Agreement in form and content satisfactory to the Province; or
- ii. a Province Federal-Provincial cost sharing forms, where applicable.

### **8.02 At the sole option of the Province, any portion of the Contract Price provided to the Contractor under this Agreement and not expended at the end of the Term shall be:**

- (a) returned by the Contractor to the Minister of Finance;

- (b) retained by the Contractor as supplemental funding provided for under an amendment to this Agreement; or
- (c) deducted by the Province from any future funding requests submitted by the Contractor and approved by the Province.

## **SECTION 9 - CONFLICT OF INTEREST**

- 9.01 The Contractor will not, during the Term, perform a service for or provide advice to any person, or entity where the performance of such service or the provision of the advice may, in the reasonable opinion of the Province, give rise to a conflict of interest between the obligations of the Contractor to the Province under this Agreement and the obligations of the Contractor to such other person, or entity.

## **SECTION 10 - CONFIDENTIALITY**

- 10.01 The Contractor will treat as confidential all information or Material supplied to or obtained by the Contractor, or any sub-contractor, as a result of this Agreement and will not, without the prior written consent of the Province, except as required by applicable law, permit its disclosure except to the extent that such disclosure is necessary to enable the Contractor to fulfill its obligations under this Agreement.
- 10.02 All records submitted by the Contractor to the Province, including reports, are subject to the access and privacy provisions of the *Freedom of Information and Protection of Privacy Act* ("FIPPA"). All records created pursuant to the Agreement that are in the custody or control of the Province are subject to FIPPA.

## **SECTION 11 - DEFAULT**

- 11.01 Any of the following events will constitute an Event of Default, whether any such event be voluntary, involuntary or result from the operation of law or any judgment or order of any court or administrative or government, namely:
- (a) the Contractor fails to comply with any provision of this Agreement;
  - (b) any representation or warranty made by the Contractor in accepting this Agreement is untrue or incorrect;
  - (c) any information, statement, certificate, report or other document furnished or submitted by or on behalf of the Contractor pursuant to or as a result of this Agreement is untrue or incorrect;
  - (d) the Contractor ceases, in the opinion of the Province, to operate;
  - (e) a change occurs with respect to any one or more, including all, of the properties, assets, condition (financial or otherwise), business or operations of the Contractor which, in the opinion of the Province, materially adversely affects the ability of the Contractor to fulfill its obligations under this Agreement;
  - (f) an order is made or a resolution is passed or a petition is filed for the liquidation or winding up of the Contractor;

- (g) the Contractor becomes insolvent or commits an act of bankruptcy or makes an assignment for the benefit of its creditors or otherwise acknowledges its insolvency;
- (h) a bankruptcy petition is filed or presented against, or a proposal under the *Bankruptcy and Insolvency Act* (Canada) is made by the Contractor;
- (i) a receiver or receiver-manager of any property of the Contractor is appointed; or
- (j) the Contractor permits any sum which is not disputed to be due by it to remain unpaid after legal proceedings have been commenced to enforce payment thereof.

## **SECTION 12 - TERMINATION**

12.01 Upon the occurrence of any Event of Default and at any time thereafter the Province may, notwithstanding any other provision of this Agreement, at its sole option, elect to do any one or more of the following:

- (a) terminate this Agreement, in which case the payment of the amount required under paragraph 12.03 of this Agreement will discharge the Province of all liability to the Contractor under this Agreement;
- (b) require the Event of Default be remedied within a time period specified by the Province;
- (c) suspend any installment of the Contract Price or any amount that is due to the Contractor while the Event of Default continues;
- (d) waive the Event of Default;
- (e) pursue any other remedy available at law or in equity.

12.02 The Province may also, at its sole option, terminate this Agreement without cause upon 30 days written notice to the Contractor. The payment of the amount required under paragraph 12.03 of this Agreement will discharge the Province of all liability to the Contractor under this Agreement.

12.03 Where this Agreement is terminated before 100% completion of the Services, the Province will pay to the Contractor that portion of the Contract Price which is equal to the portion of the Services completed to the satisfaction of the Province prior to termination.

## **SECTION 13 - DISPUTE RESOLUTION**

13.01 All disputes arising out of or in connection with this Agreement will be referred to and finally resolved by arbitration pursuant to the *Commercial Arbitration Act*.

## **SECTION 14 - INSURANCE AND INDEMNITY**

- 14.01 During the Term of this Agreement, insurance will be purchased and maintained as specified in Schedule "D", which may be amended from time to time at the sole discretion of the Province.
- 14.02 Without limiting the provisions of subparagraph (c) of paragraph 6.01, the Contractor will comply with the Workers' Compensation legislation for the Province of British Columbia.
- 14.03 The Contractor will indemnify and save harmless the Province, its employees and agents, from and against any and all losses, claims, damages, actions, causes of action, costs and expenses that the Province may sustain, incur, suffer or put to at any time either before or after the expiration or termination of this Agreement, where the same or any of them are based upon, arise out of or occur, directly or indirectly, by reason of any act or omission of the Contractor, or of any agent, employee, officer, director or sub-contractor of the Contractor pursuant to this Agreement, excepting always liability arising out of the independent negligent acts of the Province.

## **SECTION 15 - ASSIGNMENT AND SUB-CONTRACTING**

- 15.01 The Contractor will not, without the prior, written consent of the Province:
- (a) assign, either directly or indirectly, this Agreement or any right of the Contractor under this Agreement; or
  - (b) sub-contract any obligation of the Contractor under this Agreement.
- 15.02 No sub-contract entered into by the Contractor will relieve the Contractor from any of its obligations under this Agreement or impose upon the Province any obligation or liability arising from any such sub-contract.
- 15.03 This Agreement will be binding upon the Province and its assigns and the Contractor, the Contractor's successors and permitted assigns.

## **SECTION 16 - OWNERSHIP**

- 16.01 Any equipment, machinery or other property, provided by the Province to the Contractor as a result of this Agreement will:
- (a) be the exclusive property of the Province; and
  - (b) forthwith be delivered by the Contractor to the Province on written notice to the Contractor requesting delivery of the same, whether such a notice is given before, upon, or after the expiration or sooner termination of this Agreement.



## **SECTION 17 - OTHER FUNDING**

- 17.01 If the Contractor receives funding for or in respect of the Services from any person, firm, corporation or other government or governmental body, then the Contractor will immediately provide the Province with full and complete details thereof.

## **SECTION 18 - NOTICES**

- 18.01 Any written communication from the Contractor to the Province must be mailed, personally delivered, faxed, or electronically transmitted to the following address:

*(Specify mailing address, fax number and/or other electronic means for the Province, and name and title of contract manager)*

- 18.02 Any written communication from the Province to the Contractor must be mailed, personally delivered, faxed or electronically transmitted to the following address:

*(Specify name and mailing address including fax number and/or other electronic means for the Contractor.)*

- 18.03 Any written communication from either party will be deemed to have been received by the other party on the fifth business day after mailing in British Columbia; on the date of personal delivery if personally delivered; or on the date of transmission if faxed;
- 18.04 Either party may, from time to time, notify the other party in writing of a change of address and, following the receipt of such notice, the new address will, for the purposes of paragraph 18.01 or 18.02 of this Agreement, be deemed to be the mailing address of the party giving notice.

## **SECTION 19 - NON-WAIVER**

- 19.01 No term or condition of this Agreement and no breach by the Contractor of any such term or condition will be deemed to have been waived unless such waiver is in writing signed by the Province and the Contractor.
- 19.02 The written waiver by the Province or any breach by the Contractor of any term or condition of this Agreement will not be deemed to be a waiver of any other provision of any subsequent breach of the same or any other provision of this Agreement.

## **SECTION 20 - ENTIRE AGREEMENT**

- 20.01 This Agreement including the Schedules constitutes the entire Agreement between the parties with respect to the subject matter of this Agreement.

## **SECTION 21 - SURVIVAL OF PROVISIONS**

- 21.01 All of the provisions of this Agreement in favour of the Province including, without limitation, paragraphs 3.02, 3.03, 5.03, 7.01, 7.02, 8.02, 10.01, 12.03, 14.03, 16.01, 18.01 to 18.04 and all of the rights and remedies of the Province, either at law or in equity, will survive any expiration or sooner termination of this Agreement.

## **SECTION 22 - MISCELLANEOUS**

- 22.01 This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia.
- 22.02 The Schedules to this Agreement are an integral part of this Agreement as if set out at length in the body of this Agreement.
- 22.03 No amendment or modification to this Agreement will be effective unless it is in writing and duly executed by the parties.
- 22.04 If any provision of this Agreement or the application to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected or impaired thereby and will be enforceable to the extent permitted by law.
- 22.05 Nothing in this Agreement operates as a consent, permit, approval or authorization by the Government of the Province of British Columbia or any Ministry or Branch thereof to or for anything related to the Services that by statute, the Contractor is required to obtain unless it is expressly stated herein to be such a consent, permit, approval or authorization.
- 22.06 Where the Contractor is a corporation, the Contractor warrants that the signatory has been duly authorized by the Contractor to execute this Agreement without corporate seal on behalf of the Contractor.
- 22.07 This Agreement may be executed by the parties in separate counterparts each of which when so executed and delivered shall be an original, and all such counterparts may be delivered by facsimile transmission and such transmission shall be considered an original.
- 22.08 For the purpose of paragraphs 22.09 and 22.10, an "Event of Force Majeure" includes, but is not limited to, acts of God, changes in the laws of Canada, governmental restrictions or control on imports, exports or foreign exchange, wars (declared or undeclared), fires, floods, storms, strikes (including illegal work stoppages or slowdowns), lockouts, labour shortages, freight embargoes and power failures or other cause beyond the reasonable control of a Party, provided always that lack of money, financing or credit will not be and will not be deemed to be an "Event of Force Majeure".

- 22.09 Neither party will be liable to the other for any delay, interruption or failure in the performance of their respective obligations if caused by an Event of Force Majeure, in which case the time period for the performance or completion of any such obligation will be automatically extended for the duration of the Event of Force Majeure.
- 22.10 If an Event of Force Majeure occurs or is likely to occur, then the party directly affected will notify the other Party forthwith, and will use its reasonable efforts to remove, curtail or contain the cause of the delay, interruption or failure and to resume with the least possible delay compliance with its obligations under this Agreement.

The parties hereto have executed this Agreement the day and year as set out above.

**SIGNED AND DELIVERED** by the  
Contractor or an Authorized  
Representative of the Contractor.

Scott Ackles, CEO  
BC Sport Agency  
(Print Name of Contractor or  
Authorized Representative)

[Signature]  
(Signature)

**SIGNED AND DELIVERED** on behalf  
of the Province by an Authorized  
Representative of the Province.

MARGO ROSS  
(Print Name of Authorized  
Representative)

[Signature]  
(Signature)

## **SCHEDULE "A"**

### **PART 1. TERM:**

The term of this Agreement commences on May 28, 2012 and ends on March 31, 2013.

### **PART 2. OBLIGATIONS:**

#### **Funded Initiatives**

1. The BC Sport Agency will develop and administer sustainable legacies, in collaboration with Partnering Entities where applicable, in the following priority areas:

- (a) participation programs that help British Columbians participate in sport;
- (b) performance programs that help develop British Columbia's top athletes and coaches at the "training to train" through "training to win" stages;
- (c) event hosting that supports sport, economic and community development through a new local hosting program for possible major amateur sporting events in British Columbia.

(the "**Funded Initiatives**").

2. The BC Sport Agency will use commercially reasonable efforts to achieve the following objectives in the development and administration of the Funded Initiatives:

- (a) increase the proportion of the population of British Columbia who are physically active. Specifically, to work towards the objective of increasing overall sport participation by 20% by 2015/16 (over 2008/09 baseline data);
- (b) increase the total number of active coaches and officials within each funded sport in British Columbia (baseline to be determined);
- (c) enhance services provided through the Province's 'Integrated Performance System';
- (d) to lead the sport sector in aligning programming (where appropriate and relevant) with key government strategic objectives – specifically in the areas of health and education.

(the "**Objectives**").

### **Communications and Promotion**

3. The BC Sport Agency will work with the Ministry to develop a joint communications plan in relation to all programs and projects funded by the Province.
4. Additionally, the BC Sport Agency will ensure that throughout the term of the Agreement, the BC Sport Agency will identify any and all other potential communications and promotional opportunities for the Province and for supporting stakeholders, as appropriate, at all potential events hosted, at the announcements of such events, at training for such events and at any other occasions that arise where the Objectives could be furthered by such communications and promotion.

### **Contribution Management**

5. Without limiting the BC Sport Agency's responsibilities under this Agreement, The BC Sport Agency will manage the Contribution by taking steps to
  - (a) ensure the Contribution is able to be reasonably identified and tracked in the accounts of the BC Sport Agency;
  - (b) protect the Contribution from any claim or use (i.e. third party claims and/or fraudulent means) that may result in the funds not being used for Funded Initiatives;
  - (c) take reasonable steps to monitor the Contribution to ensure that all withdrawals/debits against the funds are valid, were executed with appropriate financial controls and can be audited;
  - (d) ensure that any investment earnings earned from the Contribution will remain dedicated to Funded Initiatives and earnings will form part of regular progress reports;
  - (e) ensure that the Contribution will not be charged an administrative fee or overhead percentage without prior written approval from the Province;
  - (f) if requested in writing by the Province, reconcile and transfer to a new sport entity or other organization all of the remaining balance of the Contribution as soon as reasonably practicable after 5 business days after completion of Funded Initiatives;
  - (g) if requested in writing by the Province reconcile and return the balance of the Contribution after 5 business days after completion of Funded Initiatives; and
  - (h) employ consistent procedures and practices regarding procurement, contracting and hiring in relation to the use of the Contribution.

## Reporting

6 The BC Sport Agency will:

- (a) provide a written progress report with performance measure results by September 28, 2012 and a final report by June 15, 2013. Measures in the final report should include, but not be limited to, detailed membership data for all funded provincial and disability sport organizations; relevant program statistics (examples could include number of participants/courses/registrants, geographic reach, funding distribution etc); number and percentage of BC athletes on national teams; distribution of grants; and other quantitative or qualitative information that demonstrates the value of the government investment.
- (b) provide, as, if, and when requested by the Province, briefing materials, statistics and performance data, and fiscal leveraging information to assist the Province in addressing audit, communication, sport sector issues and participation opportunities;
- (c) identify in advance and provide the opportunity to arrange and/or attend, without further charge, the exhibition of reasonable signage and/or displays at activities or events pertaining to or of interest to the Province; and
- (d) provide advance notice of any consultation (e.g. policy or program development) or decision-making processes (e.g. application based programs) that relate to funding provided by government to ensure that the Ministry has an opportunity to be represented, where applicable.

**Transfer Under Agreement  
Linking Payment to Deliverables  
Specified in Schedule A**

**SCHEDULE "B"  
Fees**

1. The Province will pay to the Contractor:
  - a. \$800,000 within 15 working days of the execution of the agreement.
  - b. An amount of up to \$85,000 within 15 working days of receipt of the September 28, 2012 progress report as set out in Schedule A, Section 6 (a).
2. Notwithstanding paragraph 1 of this Schedule, in no event will the fees payable to the Contractor in accordance with paragraph 1 of this Schedule exceed, in the aggregate, \$885,000
3. If the Contractor **is** an HST Registrant with the Canada Revenue Agency (CRA), then HST can be charged on fees.

If the Contractor is **not** an HST Registrant with the Canada Revenue Agency (CRA), then HST **cannot** be charged on fees.

## MODIFICATION AGREEMENT

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA.  
represented by

the **Minister of Community, Sport and Cultural Development**

(the "Province", "we", "us", or "our", as applicable)

AND

The BC Sport Agency Society

(the "Contractor" "you" or "your" as applicable)

### BACKGROUND

A. The parties entered into an agreement Contract C13 996003, May 31, 2012 copy of which is attached as Exhibit 1 (the "Agreement").

B. The Parties have agreed to modify the Agreement.

### AGREEMENT

The parties agree as follows:

(1) **Schedule B is revised as follows:**

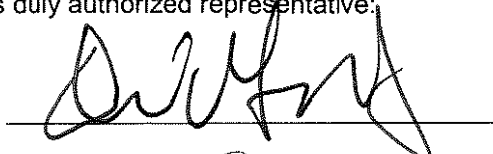
The contract maximum is increased by \$820,000 for a new aggregate value of \$9,710,360. The previous Schedule B-2 is deleted in its entirety and replaced with the attached Schedule B-3.

(2) In all other respects, the Agreement is confirmed, including the requirement for a final report by June 15, 2013 including detailed program statistics.

SIGNED AND DELIVERED on the 25th day of February, 2013 on behalf of the Province by its duly authorized representative:

Signature:


Print name:

  
DAVID GALBREATH

SIGNED AND DELIVERED on the 20th day of February, 2013 by or on behalf of the Contractor (or by its authorized signatory or signatories if the Contractor is a corporation)

Signature:

Print name:

  
SCOTT ACKLES CEO Viapoint



**SCHEDULE "B-2"**  
**Fees**

1. The Province will pay to the Contractor:
  - a. \$820,000 within 15 working days of the execution of the agreement. Of this amount:
    - i. \$42,305 is flow through revenue from the Government of Canada and should be used to directly support programming under the approved Sport Participation Bilateral Program;
    - ii. The remaining funds are to be allocated to the three priority areas identified in Schedule A, Part 2 1 (a) (b) and (c).
2. Notwithstanding paragraph 1 of this Schedule, in no event will the fees payable to the Contractor in accordance with paragraph 1 of this Schedule exceed, in the aggregate, \$9,710,360.
3. If the Contractor is an HST Registrant with the Canada Revenue Agency (CRA), then HST can be charged on fees.

If the Contractor is not an HST Registrant with the Canada Revenue Agency (CRA), then HST cannot be charged on fees.

## MODIFICATION AGREEMENT

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA.  
represented by

the Minister of Community, Sport and Cultural Development

(the "Province", "we", "us", or "our", as applicable)

AND

The BC Sport Agency Society

(the "Contractor" "you" or "your" as applicable)

### BACKGROUND

- A. The parties entered into an agreement Contract C13 996003, May 31, 2012 copy of which is attached as Exhibit 1 (the "Agreement").
- B. The Parties have agreed to modify the Agreement.

### AGREEMENT

The parties agree as follows:

(1) **Schedule B is revised as follows:**

The contract maximum is increased by \$8,005,360 for a new aggregate, \$8,890,360. The previous Schedule B is deleted in its entirety and replaced with the attached Schedule B-2.

- (2) In all other respects, the Agreement is confirmed, including the requirement for a final report by June 15, 2013 including detailed program statistics.

SIGNED AND DELIVERED on the 10<sup>th</sup> day  
of September, 2012 on behalf of the  
Province by its duly authorized representative

Signature:

Print name:

[Signature]  
David Galbraith

SIGNED AND DELIVERED on the 10<sup>th</sup>  
day of September, 2012 by or on  
behalf of the Contractor (or by its authorized signatory  
or signatories if the Contractor is a corporation)

Signature:

Print name:

[Signature]  
Scott Ackles

## **SCHEDULE "B-2"**

### **Fees**

1. The Province will pay to the Contractor:
  - a. \$800,000 within 15 working days of the execution of the agreement.
  - b. An amount of up to \$85,000 within 15 working days of receipt of the September 28, 2012 progress report as set out in Schedule A, Section 6(a).
  - c. An amount of up to \$7,905,360 within 15 days of the execution of the September 12, 2012 Modification Agreement in support of programming to implement the Five Year Sport Strategy.
  - d. An amount of up to \$100,000 within 15 days of receipt of a final funding distribution spreadsheet (no later than January 31, 2013) that details final budget distributions to participation, high performance and event programming.
2. Notwithstanding paragraph 1 of this Schedule, in no event will the fees payable to the Contractor in accordance with paragraph 1 of this Schedule exceed, in the aggregate, \$8,890,360.
3. If the Contractor is an HST Registrant with the Canada Revenue Agency (CRA), then HST can be charged on fees.

If the Contractor is **not** an HST Registrant with the Canada Revenue Agency (CRA), then HST **cannot** be charged on fees.



May 24, 2012

Ref: 150286

Mr. Scott Ackles  
Chief Executive Officer  
1000-510 Burrard St  
Vancouver, BC V6C 3A8

Dear Mr. ~~Ackles~~: *Scott*

On behalf of the Province of British Columbia, I am pleased to advise you that a grant has been approved in the amount of \$8,429,000 for the general purpose of:

1. Sport Participation Programming

A key objective of the Ministry of Community, Sport and Cultural Development is to create more opportunities for individuals to participate in sport in order to be more physically active and healthier. This contribution is for the purpose of helping individuals participate in sport including supporting programs that train and certify community coaches and officials; that provide opportunities for individuals to learn sport skills (with particular attention to children and youth, girls and women, individuals with a disability, aboriginal populations and lower income families); and that help to lower the cost of sport to families. Ideally, programming would ensure that the maximum level of any available federal matching funds is achieved.

2. High Performance

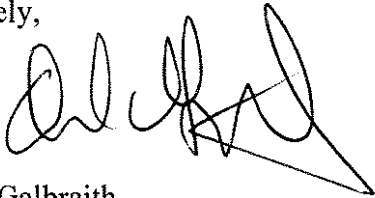
The second key objective of the Ministry is to create more opportunities for athletes to achieve excellence in sport. This contribution is for the purpose of supporting programs that provide services and other support to BC's high performance athletes and coaches; training support for upcoming competitions (e.g. the 2013 Canada Summer Games and the 2015 Canada Winter Games and other provincial or national competitions as required) and support for the province's high performance infrastructure such as the Canadian Sport Centre Pacific, the province's regional centres and other coach, high performance services required to support BC's Integrated Performance System. Ideally, programming would ensure that the maximum level of any available federal matching funds is achieved, including Own the Podium funding and any infrastructure support.

The BC Sport Agency agrees that the Society and any of its sub-contracted sport organizations acknowledge the Ministry's assistance on all materials relating to the programs. The following acknowledgement may be used:

*"We gratefully acknowledge the financial support of the Province of British Columbia through the Ministry of Community, Sport and Cultural Development".*

We understand that the BC Sport Agency had agreed to provide a management letter to the Ministry in the form and manner prescribed by the Ministry. A report outline can be obtained from the Ministry upon request. We trust that you will use your best efforts to ensure a successful outcome in helping the province achieve its key objectives of increasing sport participation and helping BC and Canada achieve excellence in sport.

Sincerely,

A handwritten signature in black ink, appearing to read 'David Galbraith', with a long, sweeping horizontal stroke at the end.

David Galbraith  
Assistant Deputy Minister

2012-2013 REVENUE - Gross	CSCD Grants and Transfers	Sport Canada	Total	
Stob77	\$ 8,509,000			\$8.429M Transferred to BCSA - \$80K held back for ISRC invoice
Stob 80 Sport sub-sub vote	\$ 1,465,000			
Stob80 Physical Fitness and Amateur Sport Fund	\$ 1,700,000			\$885K Transferred to BCSA under TUA
Legacy Fund	\$ 10,000,000			
Federal Recovery (Bilaterals)		\$ (435,000)		
Sub-Total - Branch Budget (Gross)	\$ 21,674,000	\$ (435,000)	\$ 21,239,000	Spending authority is \$21.674 m NET of federal transfer.
Sport Branch and Mission Staff operations			\$ 1,292,000	
			\$ 22,530,000	

EXPENSES

	MCSCD Budget			Sport Legacy Fund			Combined		Cost Recovery
	CSCD GRANT May 2012 \$8.429M & CSCD TUA June 2012 \$0.8M	CSCD Direct Payments	Total	Transfer to BCSA	CSCS Direct Payments	Total	% of Total Programming Budget	Totals	Federal BCSP
SYSTEM INVESTMENT (Opening minus Branch Required)									
SPORT PARTICIPATION	\$ 4,626,050	\$ 73,000	\$ 4,699,050	\$ 3,891,000	\$ 1,500,000	\$ 5,391,000	49%	\$ 10,090,050	\$ 435,000 \$ 10,525,050 50%
PERFORMANCE	\$ 4,258,950	\$ -	\$ 4,258,950	\$ 3,609,000	\$ -	\$ 3,609,000	38%	\$ 7,867,950	\$ 7,867,950 37%
EVENTS	\$ -	\$ 2,280,000	\$ 2,280,000	\$ 500,000	\$ -	\$ 500,000	13%	\$ 2,780,000	\$ 2,780,000 13%
	\$ 8,885,000	\$ 2,353,000	\$ 11,238,000	\$ 8,000,000	\$ 1,500,000	\$ 9,500,000		\$ 20,738,000	\$ 435,000 \$ 21,173,000 100%

Payments Received by BCSA	
Grant Letter May 24, 2012 (Stob 77)	\$ 8,429,000
TUA June 2012 (Stob 80)	\$ 885,000
TUA September 2012	\$ 7,905,360
TUA Janaury 2013	\$ 100,000
Total Payments Received by BCSA	\$ 17,319,360

Note: \$434,360K federal portion part of transfer June 2012 - approved to spend December 10, 2012 - See cost recovery above

Sport Sub-sub Vote (net)	\$ 10,830
Physical Fitness and Amateur Sport Fund	\$ 1,700
	\$ 12,530
	\$ 10,000
Approved net spending	\$ 22,530

SPORT PARTICIPATION

Split Between Funding Envelopes

				CSCD GRANT May 2012 \$8.429M & CSCD TUA June 2012 \$0.885M	Sport Legacy Fund TUA September 2012	Total	Paid by Gov't To	End Recipient Organizations
ID #	Funding Distributed through BC Sport Agency	Program Code	Name					
Organizations								
1	BC Sport Hall of Fame	812	Recognition	\$ 95,000	\$ 90,000	\$ 185,000	BCSA	BCSHF
3	CABC	917	Coaching Development	\$ 223,500	\$ -	\$ 223,500	BCSA	CABC
4	CSCP - Regional Centres Participation Initiatives	922	Regional Development	\$ -	\$ 520,000	\$ 520,000	BCSA	CSCP RC
5	Deaf Sports	918	PSO Participation Base	\$ 25,000	\$ -	\$ 25,000	BCSA	Deaf Sports
6	JW Sport	923	Sport in Schools	\$ 100,000	\$ -	\$ 100,000	BCSA	JW Sporta
7	Promotion Plus	919	Inclusion Initiatives	\$ 50,000	\$ 75,000	\$ 125,000	BCSA	PP+
8	Sport Medicine Council of BC	920	Safety	\$ 45,000	\$ 80,000	\$ 125,000	BCSA	Sport Med
9	KidSport	919	Inclusion Initiatives	\$ -	\$ 400,000	\$ 400,000	BCSA	KidSport
10	Sport BC	602	Sector Services	\$ 100,000	\$ -	\$ 100,000	BCSA	Sport BC
Grants for Distribution								
11	Sport Participation Base - PSOs	918	PSO Participation Base	\$ 2,800,168	\$ 2,091,000	\$ 4,891,168	BCSA	PSOs
12	Aboriginal Bilateral	902	BCSPP - Participation Bilateral	\$ 100,000	\$ -	\$ 100,000	BCSA	Aboriginal Partners Council
13	BCSPP - Participation Bilateral	902	BCSPP - Participation Bilateral	\$ 334,360	\$ -	\$ 334,360	BCSA	PSOs & MSOs
14	Canadian Sport For Life	906	Canadian Sport For Life	\$ 55,000	\$ 45,000	\$ 100,000	BCSA	BCSA & CS4L Grants
15	Local Sport Development Grants	916	Local Sport Grants	\$ 100,000	\$ -	\$ 100,000	BCSA	Local Sport
Program Funding								
16	BCSA - System Leadership and Accountability	000	Operations	\$ 150,000	\$ 200,000	\$ 350,000	BCSA	BCSA
17	BCSA - system measurement and tracking	905	BC Data Tracking	\$ -	\$ 100,000	\$ 100,000	BCSA	BCSA
18	BCSA - one time transition funding (dev marketing/phil)	602	Sector Services	\$ 68,022	\$ -	\$ 68,022	BCSA	BCSA
19	Centralization of Sector Services	602	Sector Services	\$ 300,000	\$ -	\$ 300,000	BCSA	BCSA
20	Disability Sport Initiative	919	Inclusion Initiatives	\$ -	\$ 100,000	\$ 100,000	BCSA	BCSA
21	Junior Eagle	919	Inclusion Initiatives	\$ 80,000	\$ -	\$ 80,000	BCSA	BCRPA
22	Northern Sport Strategy	601	Sport Strategies	\$ -	\$ 75,000	\$ 75,000	BCSA	PSNBC
23	PacificSport Northern BC Coaching Initiative	917	Coaching Development	\$ -	\$ 30,000	\$ 30,000	BCSA	PSNBC
24	Sport Fit	901	Sport Fit	\$ -	\$ -	\$ -	BCSA	BCSA
25	Volunteer Development	924	Volunteer Development	\$ -	\$ 85,000	\$ 85,000	BCSA	BCSA
26	BCSA-System Participation Initiatives							
SUB-TOTAL Distributed by BCSA				\$ 4,626,050	\$ 3,891,000	\$ 8,517,050		
Funding Distributed through Sport Branch								
Aboriginal Sport				\$ -	\$ 500,000	\$ 500,000		
ISRC Invoice				\$ 73,000		\$ 73,000		
After School Program				\$ -	\$ 1,000,000	\$ 1,000,000		
SUB-TOTAL Distributed by Sport Branch				\$ 73,000	\$ 1,500,000	\$ 1,573,000		
TOTAL PARTICIPATION ENVELOPE				\$ 4,699,050	\$ 5,391,000	\$ 10,090,050		

HIGH PERFORMANCE SPORT

FUNDING DISTRIBUTED THROUGH BC Sport Agency

				CSCD GRANT May 2012 \$8.429M & CSCD TUA June 2012 \$0.885M	Sport Legacy Fund TUA September 2012	Total	Paid by Gov't To	End Recipient Organizations
ID #	Organizations	Program Code	Program Name					
27	BC Games Society - Team BC - Operations	801	Team BC	\$ 350,000	\$ -	\$ 350,000	BCSA	BC Games
28	BC Athlete Voice	811	Athlete Leadership	\$ 50,000	\$ 50,000	\$ 100,000	BCSA	BCAV
29	BCSA - System Leadership and Accountability	000	Operations	\$ 350,000	\$ -	\$ 350,000	BCSA	BCSA
30	BCSA - Technology support	600	Innovations - Technology	\$ 93,972	\$ -	\$ 93,972	BCSA	BCSA
31	CABC	809	Performance Coach Support	\$ 93,500	\$ -	\$ 93,500	BCSA	CABC
32	CSCP - Regional Centres & Support	816	Regional Centre Support	\$ 250,000	\$ 100,000	\$ 350,000	BCSA	CSCP RC
33	CSCP - Athlete Support Services through CSCP	816	Regional Centre Support	\$ 166,000	\$ 34,000	\$ 200,000	BCSA	CSCP
34	CSCP - Canadian Sport Institute (Campuses + Regional academies)	816	Regional Centre Support	\$ 500,000	\$ 300,000	\$ 800,000	BCSA	CSCP
35	CSCP - Sport Schools	815	Sport Schools	\$ -	\$ 50,000	\$ 50,000	BCSA	CSCP
36	CSCP - Technical Leadership, NCI and Support	810	Technical Leadership and Support	\$ 432,266	\$ 517,734	\$ 950,000	BCSA	CSCP
37	SportMed BC	808	SportMed Services	\$ 24,000	\$ 50,000	\$ 74,000	BCSA	Sport Med
Grants for Distribution								
38	PSO - Performance Base	805	PSO Performance Base	\$ -	\$ 852,500	\$ 852,500	BCSA	PSOs
39	PSI - Athlete Support Programs (PSI AAP)	802	Ahtlete Assistance	\$ 383,343	\$ -	\$ 383,343	BCSA	PSIs
40	PSO - Athlete Support Programs (PSO AAP)	802	Ahtlete Assistance	\$ 415,635	\$ -	\$ 415,635	BCSA	PSOs
41	PSO - Regional Coaches	806	Regional Coaches	\$ -	\$ 500,000	\$ 500,000	BCSA	PSOs
42	PSO - 2013 CSG and 2015 CWG	801	Team BC	\$ 500,000	\$ -	\$ 500,000	BCSA	PSOs
43	PSO - Sport on the Move Travel Grants	803	Sport on the Move PSO Grants		\$ 450,000	\$ 450,000	BCSA	PSOs
44	PSO - Targeted Sport Strategy	807	Targeted Sport Strategy	\$ 450,234	\$ 704,766	\$ 1,155,000	BCSA	PSOs
45	Sport on the Move Travel Grants - to schools	804	Sport on the Move School Grants	\$ 200,000	\$ -	\$ 200,000	BCSA	Schools
TOTAL PERFORMANCE ENVELOPE				\$ 4,258,950	\$ 3,609,000	\$ 7,867,950		



EVENTS

				2012-2013 NOTES				
				CSCD Stob 80	Sport Legacy Fund TUA September 2012	Total	Paid by Gov't To	End Recipient Organizations
ID #	FUNDING DISTRIBUTED THROUGH BC Sport Agency	Program Code	Program Name					
46	Hosting BC	701	Hosting Events		\$ 500,000	\$ 500,000	BCSA	Various
	Mid Sized Events -Funding Distributed through Sport Branch							
	Mid Sized Events			\$ 500,000	2014 Special Olympics Summer Games, 2013 Ford's World Cup Curling, 2014 Brier, 2013 Luge World Championships, Americas Rugby Championships	\$ 500,000	Various - funding to Host Society	
	BC Games			\$ 2,280,000		\$ 2,280,000	BC Games Society	
	TOTAL Events Envelope			\$ 2,780,000	\$ -	\$ 3,280,000		

**Transfer Under Agreement amounts received from the Province of BC related to Sport & Recreation**

**Time period: April 1, 2012 to March 31, 2013**

(Note: amounts are only for cash received in this time period, as per revenue recognition policy)

***April 1, 2012 - March 31, 2013:***

				Total	
TUA \$ Description	Date \$ Received	2010 Legacies Now	BC Sport Agency / viaSport BC	Sport Participation Grants	Sport Performance Grants
TUA - C13 996003	07-Jun-12		885,000.00	235,000.00	500,000.00
TUA - C13 996003 - Mod #1	19-Sep-12		7,905,360.00	3,276,360.00	3,699,000.00
TUA - C13 996003 - Mod #1	24-Jan-13		100,000.00		
TUA - C13 996003 - Mod #2	06-Mar-13		820,000.00	42,305.00	
<b>Total for Apr 1/12 - Mar 31/13</b>		-	<b>9,710,360.00</b>	<b>3,553,665.00</b>	<b>4,199,000.00</b>

UA Expenses			
<i>Sport Participation Programs</i>	<i>Sport Performance Programs</i>	<i>Sport Event Grants</i>	<i>Restricted Program Funds</i>
150,000.00			
430,000.00	-	500,000.00	
100,000.00			777,695.00
<b>680,000.00</b>	<b>-</b>	<b>500,000.00</b>	<b>777,695.00</b>